

# Priority dossiers under the Bulgarian EU Council Presidency

## INTRODUCTION

Bulgaria will hold the EU Council Presidency from January to June 2018. Its Presidency is part of the Trio Presidency composed of Estonia, Bulgaria and Austria. This will be the first time Bulgaria has held the rotating presidency since it joined the EU in 2007.

Bulgaria is a parliamentary representative democratic republic, with a prime minister as head of government and a multi-party system. Legislative power is vested in the government as well as the national assembly. The Bulgarian unicameral parliament, the National Assembly or 'Narodno Sabranie', consists of 240 deputies, who are elected for 4-year terms by popular vote.

The current Prime Minister, Mr Boyko Borisov, has held office since 4 May 2017, while the President is H.E. Mr Rumen Radev, who has held office since 22 January 2017.

## POLITICAL PRIORITIES OF THE BULGARIAN PRESIDENCY

This note looks at the Bulgarian Presidency priorities, with those dossiers which figure in the Joint Declaration agreed to by the three institutions as priorities for 2017 marked with an asterisk (\*). It is to be noted that a new Joint Declaration is being prepared and will be negotiated by the three Presidents in early December 2017. It is likely that the new Joint Declaration will cover January 2018-May 2019, to coincide with the legislative cycle of the European Parliament.

Taking into account the need for active dialogue with EU citizens, Bulgaria will strive to achieve progress in the field of security, employment, sustainable growth and ensuring a stronger EU presence on the world stage. In particular, it tasks itself with focusing on youth questions and security issues as horizontal priorities.

The Bulgarian government has announced three broad messages for its programme: *Consensus*, *Competitiveness* and *Cohesion*.

## 1. A EUROPE OF CONSENSUS

Bulgaria will seek consensus with its European partners on citizens' issues, including Security and Migration, the future of the Western Balkans in the EU, a sustainable and integrated approach for the Danube and the Black Sea regions, and efficient, rapid and fair Justice.

### JUSTICE

On security and combating crime and terrorism, border controls and amending the legal framework for the functioning of the Schengen Information System will be strengthened. In this regard, the Bulgarian Presidency will be seeking a general approach in Council on the Schengen Information System (SIS) in the field of border checks – 2016/0408(COD), and the Schengen Information System (SIS) in the field of police cooperation and judicial cooperation in criminal matters – 2016/0409(COD), as well as on the use of the Schengen Information System for the return of illegally staying third-country nationals – 2016/0407(COD). Mandates to enter into negotiations for these three legislative proposals were given by plenary on 14 November 2017. With regard to border controls, the European Commission published, on 28 September 2017, a proposal for a regulation amending Regulation (EU) 2016/399 as regards the rules applicable to the temporary reintroduction of border control at internal borders – 2017/0245(COD). In the light of continued prolongations by certain Member States of temporary border checks, justified by security concerns, it is likely this proposal will be given priority and will be negotiated under the Bulgarian Presidency.

On questions of IT systems and interoperability, the proposal on the widening of the scope of the European Agency for the operational management of large-scale IT systems – 2017/0145(COD), will likely feature as a priority during the Bulgarian Presidency. This proposal is linked with ETIAS – 2016/0357A(COD) and 2016/0357B(COD)\* and ECRIS – 2016/0002(COD)\*, amongst others.

Last but not least, on combating crime, the ongoing negotiations on the proposal on money laundering and terrorist financing – 2016/0208(COD)\* have encountered difficulties at the Member States' level; if it is not concluded, this is expected to be finalised in early 2018 under the Bulgarian Presidency.

### MIGRATION

With regard to the reform of the Common European Asylum System, the Bulgarian Presidency will likely lead the negotiations on the Dublin System – 2016/0133(COD)\* if the Estonian Presidency achieves a general approach in Council in December 2017. A mandate to start negotiations was approved by plenary on 15 November 2017. While on EURODAC – 2016/0132(COD)\* and the Asylum Agency – 2016/0131(COD)\* finalisation of the last technical details are under way and provisional agreements will possibly be concluded under the Estonian Presidency, it is likely that the Bulgarian Presidency will be overseeing negotiations on the Reception Conditions legislation – 2016/0222(COD)\*. The Asylum Procedure file – 2016/0224(COD)\* on the other hand appears to be progressing more slowly and Council is not expected to adopt a general approach until the first half of 2018. On the Asylum Qualification proposal – 2016/0223(COD)\*, negotiations are ongoing and planned to continue until the end of 2017. On the Resettlement Framework – 2016/0225(COD)\*, a plenary mandate was given at the end of October 2017, and negotiations are expected to commence by the end of the year, making it one of the main files to be dealt with under the Bulgarian Presidency.

## **DEFENCE**

In the field of security, the Bulgarian Presidency plans to focus its efforts on Europe's defence, and particularly the defence industry. The European Commission published a proposal on 7 June 2017, establishing the European Defence Industrial Development Programme – 2017/0125(COD). The ITRE committee is the lead on this proposal, with AFET and BUDG as associated committees.

## **2. A EUROPE OF COMPETITIVENESS**

### **DIGITAL SINGLE MARKET**

The Bulgarian Presidency has announced that continuing work on the Digital Single Market will be of utmost priority during its presidency. In particular work is ongoing on the EU Telecoms Reform package, comprising the Electronic Communications Code – 2016/0288(COD)\* and the BEREC (Body of European Regulators for Electronic Communications) legislation – 2016/0286(COD)\*. On the latter, the Council agreed its general approach on 4 December 2017, and while efforts are ongoing by the Estonian Presidency, it is hoped that these two files will be concluded by the Bulgarian Presidency.

Also part of the Digital Single Market is copyright reform, comprising copyright in the digital single market – 2016/0280 COD)\* and the regulation on online transmissions of broadcasting organisations – 2016/0284(COD)\*. While a general approach could be adopted in Council by the end of the year, negotiations will fall mainly on the Bulgarian Presidency.

On Electronic Communications, the proposal on e-privacy – 2017/0003(COD)\* has been voted in the LIBE committee on 19 October and a mandate given in plenary on 26 October 2017. This implies already that negotiations will be complex and difficult during the Bulgarian Presidency. On the EU internal data protection rules – 2017/0002(COD)\*, Council adopted a general approach in June 2017 while a plenary mandate for negotiations was given by Parliament at the end of October. This is also a proposal that will feature during the Bulgarian Presidency.

### **ROAD AND AIR TRANSPORT**

With regard to road and air transport, the Bulgarian Presidency has indicated its intention to focus on several legislative proposals that the Commission has presented:

- Use of vehicles hired without drivers for the carriage of goods by road – 2017/0113(COD);
- Charging of heavy goods vehicles for the use of certain infrastructures – 2017/0114(COD);
- Enforcement requirements and specific rules for posting drivers in the road transport sector – 2017/0116(COD);
- Amending Regulation (EC) No 561/2006 as regards minimum requirements on maximum daily and weekly driving times – 2017/0122(COD);
- Amending Regulations (EC) No 1071/2009 and (EC) No 1072/2009 – 2017/0123(COD);

On air transport, there is also the proposal on Safeguarding competition in air transport – 2017/0116(COD).

### **TAXATION**

With regard to taxation, the Bulgarian Presidency is proposing to focus on fair and efficient taxation of corporate profits and preventing tax evasion by means of enhanced cooperation and exchange of information between Member States. It is to be noted that there are two consultations from the Council in this regard – the Common Consolidated Corporate Tax Base (CCCTB) – 2016/0336(CNS)

and the Common Corporate Tax Base – 2016/0337(CNS). On these two files, Parliament expects to vote its opinions in March 2018. More proposals are expected in this area, particularly on a common system for VAT for small enterprises and on the rules governing the setting of VAT rates.

## **EMU**

On Economic and Monetary Union (EMU), the Bulgarian Presidency will facilitate discussions aimed at deepening EMU as presented in various EU strategic documents. In this regard, work will intensify on the transformation of the European Stability Mechanism into a European Monetary Fund, as well as on a euro-area budget and a neutral fiscal stance for the euro area. In this context, the European Deposit Insurance Scheme (EDIS) – 2015/0270(COD)\* is of utmost importance. Linked to the reflection paper on the future of EMU, published in May 2017, the objective is to agree on the remaining components of the Banking Union by 2019.

## **BANKING UNION**

The following are the ongoing Banking Union proposals likely to feature during the Bulgarian Presidency:

- Capital requirements regulation reform – 2016/0360A(COD) and 2016/0360B(COD)\*;
- Loss-absorbing and re-capitalisation capacity – 2016/0361(COD) and 2016/0362(COD)\*;
- Remuneration, supervisory measures and powers and capital conservation measures – 2016/0364(COD)\*;
- Recovery and resolution of central counter parties – 2016/0365(COD)\*.

With the aim of strengthening the European financial system, as well as creating more funding opportunities for the private sector too, the Bulgarian Presidency will seek to reach an agreement on two ongoing proposals forming the external investment package, unless agreement is found by the Estonian Presidency:

- EIB external lending mandate – 2016/0275(COD)\*;
- Guarantee fund for external actions – 2016/0274(COD)\*.

## **CIRCULAR ECONOMY**

The Presidency indicates it will work also on a sustainable and future-oriented environment, with a focus on a circular economy and eco-innovation initiatives. In this regard, intensive negotiations are ongoing under the current presidency with a view to a possible agreement on the following:

- Batteries and Accumulators – 2015/0272(COD)\*;
- Landfill of waste – 2015/0274(COD)\*;
- Waste – 2015/0275(COD)\*;
- Packaging waste – 2015/0276(COD)\*.

## **CLEAN ENERGY AND CLIMATE**

Intensive negotiations will also take place on the following proposals pertaining to the Climate Package and to the Clean Energy package:

- Energy Union: Emissions Trading System Directive – 2015/0148(COD)\*;
- Effort-Sharing Regulation – 2016/0231(COD)\*;
- Greenhouse Gas Emissions and removals from land use (LULUCF) – 2016/0230(COD)\*;
- Energy Efficiency – 2016/0376(COD)\*;
- Common Rules for the internal market in electricity – 2016/0380(COD)\*;
- Internal market for electricity – 2016/0379(COD)\*;

- European Agency for the Cooperation of energy regulators – 2016/0378(COD)\*;
- Risk-preparedness in the electricity sector – 2016/0377(COD)\*;
- Energy from renewal sources – 2016/0382(COD)\*;
- Governance of the Energy Union – 2016/0375(COD)\*.

## **EMPLOYMENT**

Under the sub-heading, the future of work in a Fairer Europe, the Presidency indicates its intention to focus on job opportunities for EU citizens within the Single Market, without misuse of social security systems. In this regard work on the Coordination of Social Security systems – 2016/0397(COD)\* is ongoing in the EMPL committee with a possible vote projected for June 2018 and a general approach in Council around the same time. This proposal will require an agreement by end-2018 if it is to materialise under the current legislature.

The proposal on the Posting of Workers Directive – 2016/0070(COD)\* received a big boost from both Parliament and Council, with the former adopting a negotiating mandate in the October II plenary, and the latter reaching agreement amongst the Employment Ministers of the Member States on 23 October 2017. Negotiations are expected to start shortly and to continue throughout the Bulgarian Presidency.

Equally important is the legislative proposal on Accessibility requirements for products and services – 2015/0278(COD)\*; this aims to give better accessibility to EU citizens with disabilities to products and services such as ATMs, PCs and e-commerce. Council expects to adopt a general approach by end 2017.

The European Solidarity Corps – 2017/0102(COD)\* aims to boost volunteering and to offer young people short-term work placements. Negotiations on this should commence in early 2018 between the CULT committee and the Bulgarian Presidency, as the Council adopted a negotiating mandate on 20 November 2017.

The Bulgarian Presidency has also singled out the Blue Card Directive – 2016/0176(COD)\* as a matter of priority, unless ongoing negotiations reach a positive outcome by the end of this year.

## **3. A EUROPE OF COHESION**

### **MFF**

Cohesion creates the conditions for unity and solidarity. The Bulgarian Presidency aims to seek appropriate solutions for the overall cohesion of European society, with the reform of the Multi-Annual Financial Framework post-2020 as the principal task in this regard. A proposal from the Commission on the next MFF is expected in mid-2018.

Culture is an important element that the Bulgarian Presidency would like to develop further, as it is viewed as a strategic resource for the better future of the EU. In this context, there are the ongoing negotiations on the Audiovisual Media Services Directive – 2016/0151(COD)\*. Negotiations on this proposal have turned out to be rather complex and it is unlikely it can be concluded under the current presidency.

### **CAP**

Last but not least, with regard to Cohesion, the Presidency will work on the simplification and modernisation of the Common Agricultural Policy (CAP), with the intention of preserving the CAP

budget and the instruments of the current CAP structure, including the Single Area Payment Scheme.

#### **INTERINSTITUTIONAL FILES:**

At interinstitutional level, there are ongoing discussions on the following proposals:

- Statute and funding of European political parties and European political foundations – 2017/0219(COD);
- EU Citizens' Initiative – 2017/0220(COD);
- Composition of the European Parliament – 2017/2054(INL). Under Article 14(2) TEU, the AFCO committee is expected to adopt its report in December 2017, which would then go to plenary in early 2018, following which work should start in the other institutions;
- Reform of the EU electoral law – 2015/2035(INL). The European Council has planned to discuss this item, together with that on the Composition of the European Parliament, at an informal meeting in February 2018;
- Interinstitutional Agreement on the Mandatory Transparency Register –the Council agreed on 6 December 2017 on a mandate to negotiate. This opens the way for the Council to participate in the Transparency Register along with Parliament and the Commission.

On the European Commission side, the roadmap for a democratic Union highlights, amongst other things, the need to focus on the cyber-security package and the trade package. With regard to the latter, there is the proposal on Screening of Foreign Direct Investments – 2017/0224(COD), a proposal falling under the 2015 Trade for All Communication.

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