Europe connects & protects
rolling legislative agenda of the European Union
This document was assembled for presentation to the Members of the European Parliament commencing the new legislative term 2014-2019.

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A Rolling Legislative Agenda complementing the Strategic Agenda

For the first time at the beginning of a legislative term the European Council has presented a ‘Strategic Agenda for the Union in Times of Change’, outlining political guidelines in five thematic areas. On these five thematic areas and beyond the European Parliament had, during the past legislative term (2009-2014), developed and adopted numerous initiatives for European legislation, calling on the European Commission for legislative action with a view to addressing the political, economic and societal challenges the European Union is faced with.

Some of these legislative requests have been taken up by the Commission and subsequently adopted as part of the European Union's answers to the financial and economic crisis or together with the new Multiannual Financial Framework.

A substantial number of legislative requests were, nevertheless, not addressed. Yet they remain fully valid in view of the European Council's Strategic Agenda. The present comprehensive document assembles Parliament's remaining legislative requests, structured according to the thematic blocks of the European Council's Strategic Agenda and to their individual state of play.

It becomes clear that both the Strategic Agenda and Parliament's remaining legislative requests deal to a large extent with the major challenges the European Union is facing:

- Exploiting the potential of the Single market
- Creating a Union of jobs and entrepreneurship
- Respecting consumers' and employees' protection and health
- Addressing environmental concerns
- Investing and preparing our economies for the future
- Fostering the attractiveness of the EU with regard to our industrial basis and a thriving agriculture
- Fostering the attractiveness of the EU with regard to international trade agreements and reciprocity
- Bringing stability and growth by securing a solid EMU
- Creating a Union empowering and protecting all citizens through life chances, fairness and safety nets
- Creating an Energy Union with a forward looking climate policy
- Promoting a Union of Freedom, Security and Justice
- Positioning the Union as a strong global actor

In each of these chapters Parliament’s legislative requests from the seventh legislative term are structured as follows: They start with those legislative requests that have already been successfully addressed by the Commission and have been implemented. They are followed by equally addressed requests from Parliament which have been adopted and are currently in the phase of implementation, making careful scrutiny of this implementation necessary.

Finally, the chapters list those parliamentary demands which have as yet not been addressed or delivered. Additionally and in line with its comprehensive approach, this document complements the Strategic Agenda with listing other areas that also need to be addressed:

- Effective governance through programming, implementation control and scrutiny
- Securing a reliable future of European budgeting

This collation of parliamentary legislative requests, structured in accordance with the Strategic Agenda prepared by the European Council, will hopefully serve Members as an additional and useful tool for their work at the start of the 8th legislative term.

Note on reference and background documentation:
Since 2013, the General Directorates for Internal Policies (IPOL) and External Policies (EXPO) are compiling all legislative requests formulated by parliamentary Committees, which have received the support of a majority in the Plenary. This ‘Political Work Programme’ (PWP) document also describes any follow-up by the European Commission to those legislative demands of the European Parliament.

The PWP consequently allows the Conference of Committee Chairs to recall Parliament’s demands to the Commission on files which have received no appropriate follow-up. This exercise was completed in the last CCC Summary Report before the end of the 7th legislature.

Based on those documents a detailed list of all Remaining Legislative Demands from the 7th Legislature has been established, presenting the state-of-play at the end of the legislative period.

Those demands of the precedent legislature and their state-of-play are structured in the present Rolling Legislative Agenda according to the chapters of the ‘Strategic Agenda’ articulated by the European Council on 4th July 2014. In the graphics accompanying each following chapter, green circles represent parliamentary demands that have been addressed by the Commission and have been adopted and implemented. Yellow circles denote parliamentary demands that have been addressed by the Commission and are currently in the phase of implementation. Red circles represent those legislative demands which have, as yet, not been delivered by the European Commission, with further differentiation made as to delivery delays occurring in either Council or Parliament itself.
The European Parliament’s Legislative Demands on the European Council’s Strategic Agenda
I. Exploiting the potential of the Single Market

II. Union of jobs and entrepreneurship

III. Respecting consumers’ and employees’ protection and health

IV. Respecting environmental concerns

V. Investing and preparing our economies for the future

VI. Attractiveness of the EU: Industrial basis and thriving agriculture; international trade agreements and reciprocity

VII. Bringing stability and growth: A solid EMU

VIII. A Union empowering and protecting all citizens

IX. Towards an Energy Union with a forward-looking climate policy

X. A Union of freedom, security and justice

XI. The EU as global actor
Our countries are emerging from the deepest economic crisis in a generation. We see efforts and reforms producing results. Yet it is not going to be a return to the promises of yesteryear. Important challenges remain: slow growth, high unemployment, insufficient public and private investment, macroeconomic imbalances, public debt, and a lack of competitiveness.

Therefore one of the priorities we set for the Union for the next five years is to:

Fully exploit the potential of the single market in all its dimensions: by completing the internal market in products and services; by completing the digital single market by 2015.
I. Exploiting the potential of the Single Market
Exploiting the Potential of the Single Market

Achievements of the past legislature

- **Single Market in Industrial Goods**
  The European Parliament improved and modernised the European standardisation system by simplifying and adapting the legislative framework to cover new aspects to reflect both the latest developments and future challenges in European standardisation.

- **Financial Services**
  Dealing with reforming the European financial services as part of the Single Market Legislation became one of the major pillars of establishing a robust answer to the financial and economic crisis of the past years. Faced with the need to ensure enhanced market transparency, both on cash and financial commodity markets, including OTC, appropriate supervision and regulation of participants in these markets was the primary goal. These objectives were implemented through legislation in the area of markets in financial instruments and market abuse, namely the MiFID Directive and the Market Abuse Regulation and Directive.

- **Digital Economy**
  In order to boost the area of the digital economy within the Single Market, the European Parliament successfully introduced measures to reduce costs of high speed communication networks. A further reduction of roaming costs for mobile telecommunication was also achieved, for the first time including reductions in data roaming costs.

- **Public Services**
  In the area of public services, Parliament dealt successfully with the issue of enhanced administrative cooperation through the Internal Market Information System as well as by adopting new rules on electronic invoicing in public procurement.

EP demands which have been addressed and partially implemented

Several of the legislative proposals adopted during the past legislative term will come into force within the next years or need to be implemented in full. On those files, close attention would need to be paid on the state of implementation, especially concerning the specific legislative demands successfully made by Parliament.

- **Single Market in Industrial Goods**
- **Product harmonisation Directives**
- **Financial Services**
- **Solvency II and Omnibus II**: These two broad legislative packages fine-tune risk management rules for insurance firms’ investments – and taxpayer exposure to them.
- **Basic Banking Services**: The directive ensures access to basic banking services to all consumers legally residing in the European Union.
- **UCITS**: The Undertakings for Collective Investment in Transferable Securities (UCITS) Directive deals with the internal market for investment funds in Europe.
- **Mortgage Credit**: Irresponsible lending and borrowing was at the heart of excessive indebtedness and thus one of the main causes of the financial crisis. The Mortgage Credit Directive aims to promote transparent, smart and reliable mortgage markets.
- **Supervisory Architecture**: EU financial stability arrangements including financial stability and systemic risk measures as well as new supervisory authorities.
- **Packaged retail investment products (PRIPs)** – Key Information Document (KID): The PRIPs proposal aims at improving the quality of information that is provided to consumers when considering investments.
- **Markets in financial instruments**: Compilation of Capital Requirement Rules by Member States as well as revised rules based on best international standards (CDR IV) in a Single Rulebook.
- **Resolution for Credit Institutions within SRM**
- **Digital Economy**
- **Regulatory Framework for electronic communication**: Strengthening competition by making market entry easier and by stimulating investment in the communication sector.
- **Trust in electronic transactions**: Ensuring the mutual recognition of electronic identification and authentication across the EU, and of the Electronic Signature.
- **Services**
  As concerns the European Single Market for Services, the past legislative term has brought along new regulation concerning Single Market Governance, a fast-track infringement procedures for the Single Market as well as the Single Market Act II package. In all these legislative files, full and proper implementation of Parliament's demands needs to be scrutinised.
- **Public Services**
  As concerns improvements in the area of public services, Parliament called for a better access to broadband services for education as well for SME-friendly e-procurement and e-invoicing procedures.
EP demands which have not yet been addressed, finalised or adopted

- **Single Market in Industrial Goods**
  In order to deepen the Single Market for industrial procedures, Parliament had asked the Commission to put forward proposals concerning the elimination of remaining trade barriers for industrial products, the European label of origin and improvements of the Internal Market Scoreboard.

- **Financial Services**
  As concerns the Single Market for Financial Services, Parliament insisted on measures for the finalisation of the Single Payment Area as well as for new rules concerning the Money Market Funds. In the area of shadow banking regulation, Parliament stressed the need to enhance the procedures for the systematic and pre-emptive review of the possible impact of changes to legislation in the financial sector on the flow of risk and capital through less regulated or unregulated financial entities. Further demands concern the reporting and financing of securities transactions and of information accompanying transfers of funds. Parliament called on the Commission to come forward with proposals for a cross-border standardisation directive establishing coherent and consistent cross-border framework for Insurance Guarantee Schemes across Member States. On payment services, Parliament asked to take legislative action to ensure payment security, fair competition, financial inclusion, protection of personal data and transparency for consumers and appropriate anti-fraud provisions. Additional legislative demands concern the supervision of institutions for occupational retirement, the Investor Compensation Schemes Directive (ICSD), interchange fees for cards-based payments transactions, long-term investment funds and the area of insurance mediation.

- **Digital Single Market and Telecoms**
  In order to complete the internal market for e-commerce the European Parliament had asked the Commission to address the remaining obstacles to create a pan-European online retail market, coupled with the request to put forward a proposal for establishing a European financial instrument for credit and debit cards, with a view to facilitating online processing of card transactions. Further remaining legislative demands concerns the issue of cloud computing and fair practices thereof, establishing a high common level of network and information security, introducing regulation to create a European Single Market for electronic communication, including e-initiatives specifically intended for SMEs.

- **Single Market in Services**
  Concerning outstanding measures for improving Single Market governance, Parliament called for a further reduction of the transposition deficit of Single Market Directives to 0.5% for outstanding legislation, to focus efforts on improving the enforcement, especially in the services and goods sectors and to monitor the completion of the Single Market with the exercise of the European Semester. In this context, Parliament asked to propose a growth initiative based on the European Semester, the SMA, underpinned by Structural Funds, project bonds and Research Framework Programme.

- **Cooperation in Public Services**
  Finally, in the area of better cooperation in public services, Parliament especially called for a revision of the framework governing the inter-operability of European public services, as well as new measures supporting cross-border voluntary services, the recognition of Social Services of General Interest and the easier cross-border transfer and registration of vehicles.
All our economies need to continue to pursue structural reforms. Very clearly, our common strength hinges upon each and every country’s success. That is why the Union needs bold steps to foster growth, increase investments, create more and better jobs and encourage reforms for competitiveness. This also requires making best use of the flexibility that is built into the existing Stability and Growth Pact rules.

Therefore one of the priorities we set for the Union for the next five years is to:

Promote a climate of entrepreneurship and job creation, not least for SMEs: by facilitating access to finance and investment; by ensuring more resilient financial regulation; by improving the functioning of labour markets and by shifting taxes away from labour; by reducing unnecessary administrative burdens and compliance costs in a targeted manner.
Achievements of the past legislature

- Legal business environment
In January 2014, Parliament adopted the modernisation package on public procurement, including the revision of two existing directives on public procurement, a new instrument on the award of concessions contracts, and an international procurement instrument on third country market access. The package was further complemented by a directive on electronic invoicing in public procurement (adoption March 2014) and two Commission communications, ‘A strategy for e-procurement’ and ‘End-to-end e-procurement’ (2012).

- Intellectual Property Rights
In 2012 Parliament adopted a regulation on entrusting the Office for Harmonisation in the Internal Market with certain tasks related to the protection of intellectual property rights, including the assembling of public and private sector representatives as a European Observatory on Counterfeiting and Piracy. The Observatory was tasked to facilitate and support the activities of national authorities, the private sector and the Union institutions in the fight against infringements of the intellectual property rights covered by Directive 2004/48/EC.

- SMEs
A new regulation adopted by Parliament set out a new “European Venture Capital Fund” label by introducing measures to allow venture capitalists to market their funds across the EU and grow while using a single set of rules. Every fund using the label will have to prove that a high percentage of investments (70% of the capital received from investors) are spent in supporting young and innovative companies. Similarly, another regulation set out a new “European Social Entrepreneurship Fund” label, so investors can easily identify funds that focus on investing in European social businesses. Every fund using the label will have to prove that a high percentage of investments (70% of the capital received from investors) are spent in supporting social businesses.

A better participation by SMEs in EU Joint Research and Development Programmes has been secured by adopting the Eurostars regulation. By approving an EU Programme for the Competitiveness of Enterprises and SMEs (COSME) for 2014-2020, Parliament aimed to facilitate and improve access to finance and markets for SMEs and support entrepreneurs. At least 60% of the €2.03bn budget must be invested to provide funding through risk-capital or loan guarantees for SMEs. Other parts of the programme will focus on helping national authorities to reduce bureaucracy and SMEs to get access to markets. COSME and the Horizon 2020 research programme will support all kinds of SMEs, with Horizon 2020 focusing on business start-ups and COSME on their growth.

- Taxation
Action Programme for taxation (FISCALIS) 2014-2020: Given the importance of combating tax fraud and tax evasion, the FISCALIS programme shall strengthen the internal market through efficient and effective taxation systems and, through cooperation, fight against tax fraud, tax evasion, and aggressive tax avoidance. Parliament demanded that the Commission ensure regular evaluation of the programme and submit a midterm and a final evaluation.

Revised saving taxation Directive: The amended directive will close certain loopholes, strengthen EU rules on the exchange of information on savings income and enable Member States to clamp down more effectively on tax fraud and tax evasion. Member States will have until 1 January 2016 to adopt the national legislation necessary to comply with the directive.

In adopting a Directive on Corporate governance: disclosure of non-financial and diversity information by certain large companies and groups, Parliament called on the Commission to consider proposing requirements in 2018 for country-by-country reporting on profits, taxes and subsidies received where they operate.

- Intellectual Property Rights
Collective management of copyrights in musical works for online use: The regulation encourages the creation of EU-wide online music services for consumers and ensures that creators’ rights are better protected and their royalties are paid promptly. The draft law enables online service providers to obtain licenses for cross-border music services from a small number of authors’ collective management organisations operating across EU borders instead of having to obtain licences from separate organisations in each EU member state. The proposal also establishes a minimum set of rules governing collective management organizations.

- Customs
The Action programme for customs 2014-2020 should support the functioning and modernisation of the customs union in order to strengthen the internal market. The programme should also develop and operate the European Information Systems for customs and improve the cooperation between customs authorities and international organisations, third countries and other governmental authorities, as well as economic operators. Power to adopt acts was delegated to the Commission in respect of amending the list of indicators to measure the objectives’ achievement and modifying the indicative amounts allocated to each type of action.

The Union Customs Code was adopted on 9 October 2013, aiming at the adaptation of customs legislation to fit, but also to govern, the electronic environment for customs and trade. It will be applicable when the relevant Implementing Acts and Delegated Acts will be adopted and this no later than 2016. The UCC Regulation entered into force on 30.10.2013 and repealed the MCC Regulation but its substantive provisions will apply only on 01.05.2016.

To support full implementation and govern the setting up of transitional periods, the Commission shall adopt, within 6 months of the entry into force of the recast Regulation a work programme related to the development and deployment of all electronic systems required for the implementation of the Regulation. In the meantime, the UCC-related Commission acts need to be adopted.
EP demands which have not yet been addressed, finalised or adopted

- Legal business environment
  - Company Law: The JURI committee currently deals with the revision of the Shareholder Rights Directive and the Directive on single-member private limited liability companies.
  - Modernizing Company Law on cross-border transfer of company seats: The EP had asked the Commission to facilitate cross-border mobility for companies, to set-up common rules on the protection of subsidiaries and stakeholders and to increase transparency concerning legal and ownership structure of companies.
  - European Mutual Society: The EP considered that the concept of a European Mutual Society should be established in law, available as an option for mutual societies that wish to operate across national boundaries.
  - Common EU Administrative Law: The EP called for a common EU administrative law to be established for all bodies of the Union, including a standard administrative procedure for supervising and enforcing EU, which could be considered as a “procedural code” under the new legal basis of Art. 298 TFEU.
  - European Authentic Act - mutual recognition: Parliament asked for a legislative proposal introducing mutual recognition and enforcement of authentic acts (effects of civil status documents) with a simplified procedure for enforcement.

- Taxation
  - In order to improve good governance in tax matters, the EP had asked to review the Parent-Subsidiary Directive and the Royalties Directive in order to eliminate evasion through those types of transfers. These files are currently blocked in Council, as is the file on the Common Consolidated Corporate Tax Base (CCCTB), where EP requests that the tax base be mandatory for all European company forms and cooperative societies after two years and for all companies except for SMEs and micro-entities three years later. As regards the Future of VAT, Parliament had called on the Commission to develop a coordinated strategy to improve the fight against fiscal fraud, to come up with a proposal on simplifying cross-border taxation and to present a proposal for a Standard European Invoice based on a linguistically neutral template.

- Intellectual Property Rights
  - The adoption of the patent package is currently blocked in Council, whereas the Commission had not responded to Parliament’s calls for legislative proposals on the protection of undisclosed know-how and business information, the extension of the term of copyright protection, an Action Plan on EU anti-counterfeiting measures, the enforcement of the Directive on Intellectual Property Rights and, finally, a copyright reform package.
  - SMEs
    - A reform of the Small Business Act as demanded by Parliament should include binding provisions and minimum standards for an SME test at national level. The EP also called for legislative proposals on supporting export financing by SMEs.
  - Job Creation
    - In the area of job creation, Parliament had called for a legislative proposal promoting the creation of ‘green jobs’.
  - Customs
    - Parliament has started dealing with the Commission’s proposal for a Union legal framework for customs infringements and sanctions.
One of the priorities we set for the Union for the next five years is to promote a climate of entrepreneurship and job creation, respecting consumer and employees protection.
III. Respecting consumers’ and employees’ protection and health

- EP demands addressed and implemented
- EP demands addressed and partially implemented
- EP demands no delivered by the European Commission
- EP demands no delivered by the Council of the European Union
- EP demands no delivered by the European Parliament
Respecting consumers’ and employees’ protection and health

Achievements of the past legislature

Parliament considers European consumer policy to be a vital element of a well-functioning internal market. It aims to make the European Union a tangible reality for all citizens by guaranteeing their everyday rights as consumers. Empowering consumers, enhancing their welfare and effectively protecting their safety as well as their economic interests have become very important challenges.

The programme of EU action in the field of consumer policy in based on two measures: the European Consumer Agenda, which is the new strategy for EU consumer policy in line with the EU’s growth strategy, Europe 2020, and the Consumers Programme 2014-2020, the financial framework completing the strategy. The first one has for main objectives: improving consumer safety; enhancing knowledge; improving implementation and stepping up enforcement and securing redress; aligning rights and key policies to economic and societal changes. The Consumer Agenda also identifies challenges, such as moving towards more sustainable consumption and addressing specific needs of vulnerable consumers.

Parliament continues to exert strong and persistent pressure for consumer concerns to be dealt with comprehensively by the other EU institutions. Consumer protection policy has shifted from a technical harmonisation of standards policy in furtherance of the internal market to the recognition of consumer protection as part of the drive to improve the objective of establishing a ‘citizens’ Europe’.

Current consumer protection rules are set out in four directives stipulating minimum requirements. As of 13 June 2014, the Directive on Consumer Rights replaces the Doorstep Selling Directive and the Distance Sales Directive with the dual aim of ensuring a high level of consumer protection and facilitating the smooth operation of the single market. It introduces a regime of full harmonization of consumer rights, with some limited exceptions to avoid lowering of consumer protection levels in some Member States. The new rules cover almost all purchases, whether made in a shop, by phone, postal order or on the doorstep. However, these rules are improving the rights of online shoppers in particular, and hence should boost consumer confidence and cross-border on-line trade. Parliament has also been particularly active in ensuring higher budgetary provisions for measures in areas such as the information and financial education of consumers and the development of consumer representation in the Member States, with the emphasis on Member States that acceded after 2004.

Furthermore, alternative dispute resolution (ADR) procedures and injunctions, out-of-court mechanisms that help consumers and traders solve conflicts, mostly through a third party, e.g. a mediator, arbitrator or ombudsman, give the consumers the possibility of turning to quality alternative dispute resolution entities for all kinds of contractual dispute with businesses over an online or offline, domestic or cross-border dispute.

As far as the adoption of the Standardization Package, it’s aim was to broaden the legal framework for European standardisation in order to cover all service standards and “alternative standardisation documents”. Efficiency and transparency in both the development of standards and access to standards was to be facilitated.

Moreover, the ‘Roadworthiness package’, concerning registration of documents for vehicles establishes that the new regime should provide periodic roadworthiness testing of vehicles and technical roadside inspection of vehicles used for commercial road transport activities as well as a vehicle registration procedure allowing for the suspension of a vehicle’s authorisation to be used in road traffic where the vehicle constitutes an immediate risk to road safety.

Finally, Parliament has consistently promoted the establishment of a coherent public health policy through numerous opinions, studies, debates, written declarations and own-initiative reports. With respect to various pieces of legislation related to medicines, Parliament brought significant improvements to the proposals presented by the Commission, contributing to the creation of a safer context for the use of pharmaceutical products.

EP demands which have been addressed and partially implemented

• Consumer financial education

Parliament called on the Commission for a specific legislative proposal for a harmonised system of consumer information and protection, in particular in the framework of mortgage credit (such as a harmonised, simple and comparable European standardised information sheet including common indications on the annual percentage rate charged, etc.). The EC presented a legislative proposal on credit agreements relating to residential property on 31 March 2011 and the procedure was finalised in February 2014.

• Compensation for victims of infringements of the EU competition rules

This Directive sets out rules ensuring equivalent protection throughout the Union for all natural or legal persons for the harm they have suffered as a result of infringements of the EU competition rules and ensuring that their right under EU law to full compensation can be effectively exercised in the national courts.

• Implementation of EU wide Consumer Markets Scoreboard

Parliament asked to extend its scope to all the main categories of consumer expenditure and in-depth analyses of all problematic sectors identified in the previous Scoreboards. The Commission announced its commitment to carry out an in-depth analysis of the sectors at risk of malfunctioning from a consumer point of view. The Commission now produces two Scoreboards per year: one in spring that looks at e-commerce, cross-border trade and consumer conditions in Member States, and a second one in autumn that monitors and ranks 30 consumer markets.
EP demands which have not yet been addressed, finalised or adopted

- Consumer Protection

The European Parliament adopted in March 2014 an important legislative resolution on the protection of individuals with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation). The Council has to deliver on this matter.

The EP has pointed out the need for the forthcoming European Commission initiatives concerning passenger rights to tackle what is missing in the fragmented state of the existing regulations. Improved convergence between the different legislation in the four transport areas (air, rail, water and road transport) should be considered as a priority. The Parliament believes that a holistic approach is needed, to integrate all passenger rights into one comprehensive, consolidated legislative framework. The Parliament has called on the Commission to prepare a Common Frame of Reference (CFR) for passenger law, containing principles, definitions and model rules for passenger legislation for all modes of transport, in order to form a basis for the further consolidation of passenger law.

The Commission is not willing to deliver Parliament's request on passenger protection issues: the legal and court systems of Member States, mediators and ombudsmen establish the right for citizens to complain against the abuse or any excess of use of power by government officials or those acting on their behalf.

On 13 March 2013 the Commission adopted the proposal for a Regulation amending Regulation (EC) No 261/2004 establishing common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights and a Regulation on air carrier liability in respect of the carriage of passengers and their baggage by air. The Parliament adopted the file 2013/0072 (COD) on 5 February 2014 and to date, the Council we are awaiting Council's reading position, after budgetary conciliation was convoked.

EP asks also for a recast of different decisions concerning the revision of civil liabilities in respect of motor vehicles. Parliament calls also the Commission to take into account the situation of vulnerable consumers (disabled people, children) when proposing new measures or reviewing existing ones. It requests the elimination of differences in the quality of products of the same brand in different Member States. Moreover, the future revision of the General Product Safety Directive should take into account the concerns regarding the regulation of safety standards and the conditions for certain products, where possible, not only the foreseen use but also the foreseeable use. As far as online gambling, Parliament asks to include measures to protect vulnerable consumers, prevent addictions and combat illegal operators in the field of gambling, including formalised cooperation between national regulators, common standards or a framework directive. Regarding the proposal revising the Package Travel Directive, the text was adopted by the Parliament on 12 March 2014 and the file 2013/0246(COD) is currently stuck in the Council.

- Consumer health and safety

Also the legislative proposals on Consumer product safety and on Market surveillance of products have been adopted by Parliament on 15 April 2014 and they are currently under examination in the Council. As far as the Action Plan for road safety, Parliament regrets that the only proposal that has been put forward is the Roadworthiness Package, while many aspects concerning the harmonisation of the legislation on road safety still need to be addressed.

- Consumer redress

EP asks the Commission to submit a legislative proposal on consumer collective redress to ensure implementation of an affordable and accessible Europe-wide collective redress. The Commission approved a Communication concerning a European Horizontal Framework for Collective Redress, a recommendation for injunctive and compensatory collective redress mechanisms and a proposal for a Directive on rules governing actions for damages under national law for infringements on competition law. As far as the latter, the procedure is complete. However, for the EP, this is still far from the expected genuine EU Framework on Collective Redress expected.
STRATEGIC AGENDA FOR THE UNION IN TIMES OF CHANGE
Statement by the European Council’s Heads of State or Government

One of the priorities we set for the Union for the next five years is to promote a climate of entrepreneurship and job creation, respecting health and environment concerns.
EP demands addressed and implemented

EP demands addressed and partially implemented

EP demands no delivered by the European Commission

EP demands no delivered by the Council of the European Union

EP demands no delivered by the European Parliament

IV. Respecting environmental concerns

Europe protects
Respecting environmental concerns

Achievements of the past legislature

The Parliament plays a major role in shaping environmental law. During the 7th legislative term the EP, co-legislating with the Council, adopted, inter alia, legislation on vehicle and industrial emissions, electronic waste and plastic carrier bags, illegal waste shipments and scrapping of old ships. In its position on the current environmental programme (running until 2020), Parliament also underlined the need to enforce EU environmental law more rigorously. It insisted that the 7th EAP should contribute to a high level of environmental protection and to an improved quality of life and well-being of the citizens. Furthermore, it called for greater security for investments that support environmental policy and efforts to combat climate change, and for taking more and better account of environmental concerns in other policies.

In September 2010, Parliament adopted a resolution on the implementation of legislation aiming at the conservation of biodiversity, in view of the post-2010 target. It expressed deep concern at the absence from the international political agenda of any sense of urgency in relation to halting the loss of biodiversity, and called for improved biodiversity governance in both internal and external relations.

Moreover, the EP called for measures to improve respect of EC rules on the protection of the environment, the promotion of improved standard of inspection, monitoring and enforcement by Member States and a more systematic review of the application of environmental legislation across the Member States. The EP strongly supports the objective of the prompt, uniform and effective implementation of environmental law, and the role of the EP has been crucial. As an example, in response to a resolution, the EC now publishes annual surveys on the implementation and enforcement of environmental law.

Parliament has supported by a large majority new EU water quality rules. In 2012 the EP contributed to the update of the directive on phasing out the emissions of ‘priority hazardous substances’.

Parliament also played a decisive role in the formulation of a progressive environmental policy to combat air and noise pollution. Members voted to drastically lower the harmful sulphur content of marine fuels. MEPs successfully fought attempts to postpone this deadline by five years. Concerning noise pollution, Parliament has repeatedly stressed the need for further cuts in limit values and for improved measurement procedures with regard to environmental noise. It has called for the establishment of EU values for noise around airports (including an eventual ban on night flying), and also for the extension of noise reduction measures to cover military subsonic jet aircraft. MEPs also successfully campaigned for the introduction of labels to inform consumers about noise levels, on lines similar to those of the existing schemes for fuel efficiency, tyre noise and CO2 emissions.

As far as waste policy, during the negotiations on the Waste Framework Directive in 2008, Parliament strengthened the provisions relating to reuse, recycling and recovery targets and to the inclusion of the five-step waste hierarchy as a ‘priority order’, together with the requirements for the Commission to report on EU waste generation and waste prevention.

In the negotiations on the Waste Shipment Regulation, Parliament strengthened the proposal with a view to improving the knowledge base on illegal shipments through the inclusion of provisions on conducting a risk assessment in order to identify the minimum number of inspections required and of provisions giving inspection authorities more powers.

In the negotiations on the EU Ship Recycling Regulation, Parliament strengthened the requirements for ship recycling facilities to take clear measures to prevent the practice of beaching.

EP demands which have been addressed and partially implemented

- Finalisation of EU biodiversity strategy to 2020
  The COM adopted on 4 October 2012 two proposals for regulations on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization in the Union (COM (2012)576, 2012/0278 (COD)); and for a Council Decision on the conclusion of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on Biological Diversity, 2012/0279(NLE)). The EP and the Council have approved both proposals and the procedure is now completed.

- Limitation of invasive alien species
  The EP asked to take steps towards proposing legislation to limit the introduction of alien species in the European Union and monitoring the fulfilment of the CITES Convention. The EP adopted the regulation on the prevention and management of the introduction and spread of invasive alien species in April 2014 and a provisional agreement with Council was reached.

- Nuclear Insurance and Liability
  The proposal ‘Community framework for the nuclear safety of nuclear installations’, 2013/0340(NLE), based on Jordan report has been adopted by Parliament in April 2014 and after the adoption of the Council in June 2014, is currently awaiting publication in the Official Journal. The legislative act strengthens the existing provisions of the Nuclear Safety Directive 2009/71/EURATOM with the overall aim of continuously improving nuclear safety and its regulation at EU level.

- Finalisation of proposals on noise assessment and management
  The EP asked to revise existing directive on noise assessment and management so as to introduce binding minimum targets and binding noise ceilings. The COM put forward a proposal related to the permissible sound level and the exhaust system of motor vehicles forward in December 2011 and the relevant report was adopted in the plenary in February 2013. It lays down the following new requirements: new test protocol, new limit values, additional sound emission provisions and minimum noise for electric vehicles and electric-hybrid vehicles. The EP adopted the legislative proposal in April 2014 after second reading and the procedure is currently completed.
EP demands which have not yet been addressed, finalised or adopted

- Revision of EU waste policy
  The EP called on the Commission to put forward swiftly all legislative initiatives that are necessary to achieve the milestones (the Roadmap to a Resource Efficient Europe and its 2050 vision), and to ensure that all EU policies are coherently aligned to them and to the overall EU vision for creating a low-carbon economy by 2050.

- Waste management in extracting industries
  EP asks to amend existing legislation, requiring that every operating company should take out insurance to cover compensation for damage and remedial costs in restoring a site to its original ecological and chemical status in the event of an accident or malfunction.

- Food waste
  EP asks to create specific food waste prevention targets for MS as part of the waste prevention targets to be reached by MS by 2014 and to put forward a legislative proposal defining the typology of ‘food waste’ and establishing a separate definition of food residuals for biofuels or bio-waste. A harmonised definition of food waste at EU level is still missing.

- Water waste: implementation of EU water legislation
  EP reiterates its position that the Commission must submit draft legislation, similar to the directive on floods, which encourages the adoption of an EU policy on water shortages, droughts and adapting to climate change. EP calls for EU water legislation to be updated to properly take into account technological advances for the reuse and recycling of water in order to allow efficient reuse of treated wastewater and grey water.

- Ban on cyanide mining
  EP asks the COM to draft a proposal on the complete ban of cyanide mining technologies together with an ordinary impact assessment. The Commission considers that this ban is not justified from environmental and health perspectives as the existing legislation, notably on the management of extractive waste (Directive 2006/21/EC), would be sufficient to ensure an appropriate safety level. No agreement has been reached with the Commission that is unwilling to deliver.

- Impact of shale gas
  EP calls on the Commission, following the completion of its studies: to conduct a thorough assessment based on the European regulatory framework for protection of health and the environment; to propose, as soon as possible and in line with Treaty principles, appropriate measures, including legislative measures; to bring forward proposals to ensure that Environmental Impact Assessment Directive provisions adequately cover the specificities of shale gas, shale oil, and coal bed methane exploration and extraction.

- Top 20 Natural resources and materials
  EP asks to identify and develop specific policies and actions for the top 20 resources (materials) with the largest impacts. No concrete legislation has been proposed yet despite the fact that “Resource efficient Europe” is one of the flagship initiatives of EU 2020 Strategy.

- Security EU Chemical, Biological, Radiological and Nuclear (CBRN) Action Plan
  EP asks for legislative proposals concerning these issues, as it is essential to strengthen the scope for normative and regulatory intervention.

- Antimicrobial resistance and use of antibiotics and animal health
  The EP calls on the COM to present legislative proposals against antimicrobial resistance and to phase out the prophylactic use of antibiotics in livestock farming. EP seeks an integrated roadmap outlining policy responses to rising global threat from antimicrobial resistance, including possible legislative action; called for a legislative proposal limiting the use of third- and fourth-generation CIAs for humans in the veterinary sector, and for classifying medicated feeding stuffs as ‘pharmaceuticals’ and not as ‘feeding stuffs’ in the forthcoming review of the European veterinary pharmaceuticals legislation.
STRATEGIC AGENDA FOR THE UNION IN TIMES OF CHANGE
Statement by the European Council’s Heads of State or Government

Invest and prepare our economies for the future: by addressing overdue investment needs in transport, energy and telecom infrastructure as well as in energy efficiency, innovation and research, skills, education and innovation; by making full use of EU structural funds; by mobilising the right mix of private and public funding and facilitating long-term investments; by using and developing financial instruments, such as those of the European Investment Bank, in particular for long-term projects; by providing the right regulatory framework for long-term investments.
Europe connects

V. Investing and preparing our economies for the future

EP demands addressed and implemented
EP demands addressed and partially implemented
EP demands no delivered by the European Commission
EP demands no delivered by the Council of the European Union
EP demands no delivered by the European Parliament
Achievements of the past legislature

- **Cohesion**
  One of the major policy achievements of the past legislature concerned the negotiation and adoption of the new architecture for the EU 2014-2020 Cohesion Policy. The legislative package included a new overarching common provisions regulation (CPR) as well as specific regulations for the individual cohesion policy funds. The European Territorial Cooperation received additional and substantial funding via the Regional Development Fund. A revision of the European Union Solidarity Fund (EUSF) simplified the existing rules so that aid can be paid out more rapidly than before in order to respond to major natural disasters and express European solidarity to disaster-stricken regions within Europe.

- **Research**
  Copernicus Programme: The EU’s Earth Observation Programme ensures the regular observation and monitoring of Earth sub-systems and will provide reliable information in support of a broad range of environmental and security applications and decisions.

European Metrology Programme for Innovation and Research: Parliament adopted this programme with the aim to provide appropriate metrology solutions supporting innovation and industrial competitiveness, as well as measurement technologies addressing societal challenges such as health, environment and energy.

- **Space Policy**
  In this area, Parliament has adopted the Commission proposal establishing a Space Surveillance and Tracking Support Programme.

- **Transport**
  In the transport policy field, several key legislative demands by Parliament were addressed by Commission proposals and subsequently adopted. These legislative files dealt with the further development of the Trans-European Transport Network (TEN-T), the establishment of guidelines for the Trans-European Telecommunication Network, the recast of the Single European Railway Area, new rules for noise restrictions for airports, port state control and the registration of documents for vehicles.

EP demands which have been addressed and partially implemented

- **Cohesion**
  Cohesion policy 2014 - 2020: Key rules and regulations for implementing EU cohesion policy in 2014-2020 were endorsed by Parliament on 20 November 2013. In a compromise deal struck with the Council after more than a year of tough negotiations, MEPs secured substantial funding for EU regions to invest in their development projects, on terms fairer to them. They also pruned back the bureaucracy needed to apply for this funding, which is sorely needed in this time of economic crisis.

- **Research**
  Parliament had asked for a range of initiatives on innovation to be taken and proposed by the Commission, including i.a. the set-up of ambitious innovation benchmarks or the development of new innovation indicators to better reflect the state of innovation in different Member States. Several proposals have been made, mostly in the context of the Horizon 2020 programme, but not all of Parliament’s legislative demands have been taken up. Horizon 2020, as the main research and innovation programme of the EU, has been adopted by the European Parliament and will now have to be implemented. €70.2bn will be put at the disposal for research and innovation until 2020. Parliament succeeded in improving support for small firms, to attract more people into science and more scientists to join the programme, and earmark funding for non-fossil energy research.

- **Space Policy**
  Parliament had adopted the regulation on the implementation of the European Satellite Navigation Systems and Programmes (GALILEO and EGNOS). Funded with over €7bn, the Commission is allowed to re-allocate funds from one category to another up to a ceiling of 10% of the total amount, but must inform Parliament and Council of any such re-allocation. Moreover, the Commission must give an implementation report by 2017.

EP demands which have not yet been addressed, finalised or adopted

- **Cohesion**
  White paper on territorial cohesion and Future of cohesion policy: In June 2012 the Commission published the Communication ‘The outermost regions of the EU: towards a partnership for smart, sustainable and inclusive growth’. The Communication addresses, inter alia, financing methods. It announces a revision of the implementation of the measures proposed in the Communication by end 2017, but does not announce legislative initiatives. In a White Paper on Territorial Cohesion COM should aim at strengthening the European Cooperation Objective for the future and defining the concept of territory.

- **Research**
  The European Research Area (ERA) framework seeks to deepen cross-border research cooperation, reducing fragmentation and duplication of research efforts. Parliament asked to better coordinate national and EU research programmes and to implement a better synergy between national, EU public research funding and Structural Funds. Minimum rules for cross-border cooperation should be implemented to ensure a more efficient interoperability of funding schemes, Private Public Partnerships should be developed and increased in order to share knowledge between industry, public authorities and academia. Parliament had also asked to set up a European Innovation Financing Fund.

  As regards Parliament’s demand for a proposal on Alzheimer research, the EP had asked for a new or amended proposal for a Council recommendation on such measures through joint programming of research activities and, moreover, to be better involved in future joint programming initiatives.

- **Space Policy**
  Parliament had asked for the integration of satellite navigation in the relevant EU policy areas and called on the Commission to submit quickly legislative proposals on future level of services, financing and governance of the GNSS programmes.
Transport

The European Parliament has stressed the importance of a single European transport area, with interconnection and interoperability, based on a genuine European management of transport infrastructure and systems, to be achieved by eliminating 'border effects' between Member States in all transport modes. The Parliament has also made a series of recommendations in the specific sectors of road transport, shipping, air transport, and rail transport - such as proposals on a European airspace, a European Rail Regulator and the opening of national rail markets, as well as the separation of rail transport services from infrastructure.

In detail, Parliament had asked for specific legislative proposals concerning the Road Map to a Single European Transport Area, e.g. to reduce the number of deaths and injuries on roads by 50% by 2020 in relation to 2010, to submit by 2014 a proposal on the internalisation of external costs of all modes of freight and passenger transport, to address social and working conditions, to draw up rules on emissions of CO2 and other GHGs from transport (20-20-20 by 2020 targets), or to put forward a Charter of Passengers’ Rights.

In the field of maritime transport, Parliament had demanded a legal framework for maritime surveillance as well as new rules on state aid for maritime transport. Moreover, Parliament called for an extension of the mandate of the EU Maritime Safety Agency (EMSA) on safety inspections of offshore installations.

The ‘Ports package’, put forward by the Commission in May 2013, consists of one legislative proposal and one communication aiming at establishing a framework on market access to port services and financial transparency of ports. The procedure file has to be addressed by the next legislation. Likewise Parliament had demanded a proposal establishing new rules for state aid to sea ports.

As regards Parliament’s legislative demands on the railway sector, several legislative files are on-going and currently blocked or not adopted yet in Council. These concern mainly the establishment of an EU agency for railways, the recast of the railway safety regulation, the interoperability of the rail systems in the European Union and, last but not least, the new rules for establishing and publishing statistics on goods and passenger transport in the rail and waterway sector. The Commission has so far not responded to Parliament’s demand for establishing a European Rail Regulator.

With a view to European legislation concerning air transport, implementation of the rules covering the Single European Sky are top of the list. Parliament had also called for new rules regarding a better allocation of slots on EU airports as well as harmonised rules for ground handling services at EU airports. All these files are currently awaiting adoption in Council.

As concerns the future viable development of regional airport and air services, Parliament had asked for a review of the decision 2012/21/EU, which decreased the threshold for which an airport can receive state aid without having to notify the Commission to 200,000 passengers per year. Parliament called for a balanced approach in order to provide for a socially and economically viable development of regional air services, taking into consideration the balanced territorial development of regions corresponding to levels I and II of the Nomenclature of Territorial Statistical Units (NUTS).

Finally, Council had so far not moved on Parliament’s demand for new requirements for inland waterways vessels as well as a new regulation dealing with maximum dimensions for certain road vehicles, while the file on cableway installations is still pending in Parliament itself.
Reinforce the global attractiveness of the Union as a place of production and investment with a strong and competitive industrial base and a thriving agriculture.
Vla. Attractiveness of the EU: industrial basis and thriving agriculture

- Initiatives in industrial policy
- Initiatives on raw materials
- European Raw Materials Roadmap to 2050
- Prevention of Illegal fishing
- Fishing multi annual plans
- Cloning of animals kept for farming purposes
- New labelling of organic products
- Conditions for trade of breeding animals
- Support for rural development
- Transport of animals
- Food from cloned animals
- Aid scheme for the supply of fruit in schools
- Direct support schemes for the farmers
- Fair relations between producers and distributors in agriculture
- European single market for electronic communications
- Common Fisheries Policy
- Fisheries agreement with Mauritania
- Common Fisheries Policy
- External dimension of Common Fisheries Policy
- European Maritime and Fishery Fund
- Quality systems applicable to agricultural products
- CAP reform: Single CMO; Support for rural development by EAFRD
- Fair revenues for farmers
- New CAP delegated acts
- Agriculture in areas with handicaps
- Reduce cost of deploying high-speed electronic communications networks

EP demands addressed and implemented
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EP demands no delivered by the European Commission
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EP demands no delivered by the European Parliament
Reinforcing the global attractiveness of the EU: Industrial basis and thriving agriculture

Achievements of the past legislature

- **Industrial basis**

Parliament has always called for the strengthening of the industrial policy. In its resolution of 15 January 2014 on reindustrializing Europe to promote competitiveness and sustainability, it evaluated the current situation of the industry in Europe and proposed a variety of measures to tackle the current challenges. This resolution supported a ‘Renaissance of Industry for a Sustainable Europe’ to pursue innovation towards a new industrial revolution. In February 2014, it called for the preservation of a competitive European steel production ensuring economic growth and jobs in Europe.

- **Common Agriculture Policy (CAP)**

The Common Agricultural Policy has undergone five major reforms, the most recent of which were in 2003 (mid-term review), in 2009 (the ‘Health Check’) and in 2013 (for the 2014-2020 financial period). Members set the priorities for the new CAP for the 21st Century: food security, fair trade, maintaining farming activity across the whole of Europe, food quality, preserving biodiversity and protecting the environment, fair remuneration for the public goods supplied by farmers and, finally, rural development based on the creation of green jobs. On 13 March 2013, Parliament adopted a series of resolutions amending the CAP legislative proposals and the amended text became the mandate for negotiation with the Council. Following more than 40 trilogue meetings, political agreement was reached on this basis on 26 June 2013. Conciliation was still necessary, however, on certain outstanding aspects of budgetary arrangements for direct payments and rural development. Once these matters had been settled, on 20 November 2013, immediately after the adoption of the financial package, Parliament adopted a series of resolutions expressing again its positive view of the new agricultural regulations.

The single **Common Market Organisation (CMO)** is the framework for the market measures provided for under the CAP. Following a series of reforms 21 separate CMOs were codified into a single CMO covering all agricultural products in 2007. Reforms to the CMO have also made the policy progressively more market-oriented and diminished the role played by intervention tools, which are now regarded as safety nets to be used only in the event of a crisis. EP asked for an enhanced role for **Producer Organisations (PO)** for the day-to-day organisation of effort limitation, quota management, by-catch avoidance; definition of common criteria for setting up a PO; clear, consumer-friendly labeling on origin; mandatory indication of date of landing (date of catch on voluntary basis).

- **Common Fishery Policy**

Parliament has consistently maintained that the principles of precaution and sustainability should be followed in matters relating to resources. Moreover, the European Maritime and Fisheries Fund (EMFF) 2014-2020, is to contribute to the launch/development of associations of producer organisations with support also for electronic nationwide databases/markets to better coordinate information between market operators and processors. As far as the “external dimension” of the CFP, Parliament asked for inclusion in the negotiations of bilateral fisheries agreements on an equal footing with the Council; an increase in the sustainability of the EU’s overall fishing and related activities outside EU waters; better coordination of the different EU development policies; bilateral fisheries agreements to contain certain provisions (surplus principle, human rights clause, exclusivity clause); sanctions for EU vessels that re-flag in order to gain more fishing opportunities; transparency concerning the state of exploitation of the fish stocks in the waters of the partner country also with regard to fishing efforts by third country fleets; decoupling of the sectorial support for development of local fisheries from the financial compensation for EU access to fisheries resources.

EP demands which have been addressed and partially implemented

- **Common Agriculture Policy (CAP)**

The fifth major reform of the CAP is nearly completed: the new regulations were published in December 2013 and the first wave of delegated acts has just been given the green light. So the European agricultural framework for 2014-2020, including its financial aspect, is in place. However, 2014 will still be a transitional year during which the Member States will have to make strategic choices, as the new CAP leaves them a considerable margin for manoeuvre. Furthermore, other legislative texts that are important to agriculture are still being negotiated.

**Agriculture in areas with natural handicaps**: EP has requested an health check and a separate legislative text. On 5 May 2010 the Commission decided not to propose specific proposals for ‘natural handicap’ areas, but to include this subject in the October 2011 CAP reform package under the new rural development proposal. This file was adopted in plenary on 20 November 2013 and published in the Official Journal in December 2013.

**CAP reform**: In connection with the CAP reform, in its capacity as co-legislator the European Parliament set out its position on the new single CMO in a specific mandate for the inter-institutional negotiations. It then adopted at first reading the new single CMO Regulation, which was based on the political compromise reached with the Council. On 12 October 2011 the Commission presented a set of legal proposals designed to make the CAP a more effective policy for a more competitive and sustainable agriculture and vibrant rural areas. On 26 June 2013 political agreement on the reform of the CAP was reached. On 20 December 2013 the four Basic Regulations and the Transition Rules were published in the Official Journal.

**Agriculture legislation and the Treaty of Lisbon**: The EC asked to align the agriculture legislation to the provisions of the treaty of Lisbon on delegated and implementing acts. Commissioner Cioloş had indicated that fourteen legislative proposals for adaptation would be presented in the course of 2010 and nine others by mid-2011, in addition to the “satellite legislation” in 2011. The Commission has largely delivered on this. Nearly all proposals announced were submitted, but some of the most important ones were later blocked in the Council. Most of the issues to which the blocked files pertained were then addressed in the context of the CAP reform.

**Fair revenues for farmers**: At EP’s request, the EC agreed (during trilogues) to possible temporary exemptions to competition rules for farmers’ organisations during crisis periods but these exemptions would have to be proposed by the Commission on a case-by-case basis. The aim of the proposal is to simplify and streamline the existing legal framework, in order to improve the efficiency of official controls performed by the Member States along the food chain while minimising burden for operators. A more efficient use of control resources will contribute to preventing crisis, whilst limiting the costs thereof for compliant economic operators and ensuring a level playing field.
EP demands which have not yet been addressed, finalised or adopted

- **Industrial basis**

  **Initiatives on Industrial Policy:**
  EP asks:
  - To set up a permanent industrial policy task force responsible for coordinating and adapting the direction and measures under the current new and integrated European industrial policy strategy;
  - To draft an annual progress report on the implementation of the new Industrial policy strategy;
  - To assess, reform and increase the funds for the European Globalisation Adjustment Fund.

  **Initiatives on Raw Materials:**
  EP asks:
  - To establish a risk-radar for critical RM;
  - To set up long-term European RM Roadmap to 2050;
  - To consider extending the eco-design approach to RM;

  The Commission is not eager to deliver a Raw Material Roadmap 2050, considering that the present Resource Efficient Europe 2020 partially provides an answer. The EP considers that it would be important to address these initiatives in the next legislature.

- **Common Agricultural Policy (CAP)**

  - **Fair and transparent relations between producers, suppliers and distributors:** The EP requests a proposal that without distorting the proper functions of the markets would guarantee fair and transparent relationships among producers, suppliers and distributors. On 31 January 2013, the Commission published a Green Paper on unfair trading practices in the B2B food and non-food supply chain in Europe, by which it launched a public consultation. The consultation ended in April 2013, and the EC published the summary of responses, but has not clarified its intention for next steps to be taken.

  **Aid scheme for the supply of fruit in schools:** The newly-elected Parliament will have to deal with some items of the agriculture legislation, including programmes to promote the consumption of fruit and milk in schools.

  **Protection of animals kept for farming:** The EP calls on the Commission to present its proposal in conjunction with the revision of Council Directive of 20 July 1998 concerning the protection of animals kept for farming purposes. Such a Framework Law should be clearly written, should be prepared after consultation of all the stakeholders, should focus on both inputs and outcomes, and should result in better animal welfare. The EP also calls on the Commission to produce a study, if appropriate accompanied by legislative proposals, on EU-wide labelling schemes for meat and dairy products, aimed at informing consumers about the farming methods used, and their impact on the welfare of animals.

- **Common Fisheries Policy**

  - **Fishing (multi-)annual plans:** The EP requested to be fully associated in his full co-legislator role to the establishment of the upcoming multi-annual fishery plans and to establish multi-annual plans for: the western stock of Atlantic horse mackerel; the anchovy stock in the Bay of Biscay and the fisheries exploiting that stock; the stock of herring distributed to the west of Scotland; the cod stocks in the Baltic Sea. The files on multi-annual plans have been blocked in the Council, due mainly to institutional conflict regarding the legal basis for the main elements of the plans, in particular on harvest control rules. The key issue was whether these rules fell under Article 42(2) TFEU (ordinary legislative procedure) or under Article 43(3) TFEU (exclusive Council competence). The Council claimed that multi-annual plans were part of the yearly TAC and quotas setting exercise, while the EP claimed they were part of the CFP and thus fell under co-decision.
Reinforce the global attractiveness of the Union as a place of production and investment [...] and complete negotiations on international trade agreements, in a spirit of mutual and reciprocal benefit and transparency, including TTIP, by 2015.
V1b. Attractiveness of the EU: International trade agreements and reciprocity

EP demands addressed and implemented
EP demands addressed and partially implemented
EP demands no delivered by the European Commission
EP demands no delivered by the Council of the European Union
EP demands no delivered by the European Parliament

- EP demands addressed and implemented
- EP demands addressed and partially implemented
- EP demands no delivered by the European Commission
- EP demands no delivered by the Council of the European Union
- EP demands no delivered by the European Parliament

- EU Trade Defence Instruments
- Statistics on trade with non MS on impo. and duties, acts on trade matters
- Support market access of EU SMEs in China
- Strengthen EU external trade policy
- Ban on import of goods using 'slavery' or forced labour
- Protection against dumped or subsidised imports from non-EU countries
- Fight against child labour
- Reciprocity instrument for access to public procurement
- Certification for importers from conflict areas
- Indication of country of origin for certain products from third countries
- Rules of origin for Occupied Territories goods
- Reinstatement of Myanmar’s access to tariff preferences
- Revision of Government Procurement Agreement
- Omnibus I and Omnibus II
- Scheme of generalised tariff preferences
- Community regime for the control of exports and update of the EU control list of dual-use items
- FTA with Singapore
- FTA with EU-South Korea and bilateral safeguard clauses
- EU-Ukraine Association Agreement
- Negotiation on investment protection with Singapore
- Prohibition on trade of goods used for torture
- Grandfathering regulation on EU’s EDF
- Inventory of key trade barriers
- Financial responsibility regulation on EU’s EDF
- Economic Partnerships Agreements (EPAs) with ACP countries
- Doha Development Agenda
- FTA with Canada
- FTA with China
- EU-China bilateral investment agreement
- TTIP
- FTA with Thailand
- FTA with Malaysia
- FTA with India
- FTA with Japan
- FTA with MERCOSUR
- FTA with Gulf Cooperation Council
- FTA with Morocco
- FTA with Vietnam
Reinforcing the global attractiveness of the EU: International trade agreements

Achievements of the past legislature

International trade is one of the pillars of the new Europe 2020 strategy, aimed at making the EU greener and more competitive. Thanks to improvements in competitiveness, the EU is not only a more attractive place for foreign companies and investors, but could also maintain its share in global trade despite its shrinking part in global GDP. However, new economic players and technological breakthroughs have significantly changed the structure and the patterns of international trade. The Parliament has supported the efforts of the Commission in all ongoing bilateral and regional trade negotiations in order to reach a positive outcome for comprehensive and balanced trade agreements, including the proposal of effective safeguard regulations to accompany trade agreements. On top of the trade agreements, concluded and forthcoming Partnership and Cooperation Agreements (PCA), contain significant chapters on trade, sometimes with the aim of constituting a Free Trade Area (FTA), and the Parliament has also been monitoring these negotiations (see also chapter on “EU as a global actor”).

Furthermore, the Parliament, according to its legislative powers granted by the Lisbon Treaty, may decide not to give its consent to a negotiated agreement, if its views and positions are not respected, as was demonstrated by its refusal to grant consent to the Anti-Counterfeiting Trade Agreement (ACTA). The Parliament believed that due to secrecy of the negotiations, the vagueness of certain aspects of the text and the uncertainty over its interpretation, it could not guarantee adequate protection for citizens’ rights, and therefore rejected the text in July 2012.

- EU-Ukraine Association agreement
  The EP encouraged the deepening of political and economic relations between Ukraine and the EU, as well as Ukraine’s gradual access to parts of the EU Internal Market including by setting up a Deep and Comprehensive Free Trade Area (DCFTA). On 21 March 2014, the political provisions of the Association Agreement were signed while the economic part of the agreement on 27 June 2014. Similar agreements were also recently signed with other Eastern partners such as Moldova and Georgia.

- Omnibus I and II
  The EP supported these legislative acts and related alignment files, which will become a significant landmark in aligning the Common Commercial Policy legislation with the Lisbon treaty provisions on implementing and delegated acts. As a result, the Parliament now has greater oversight of issues such as anti-dumping and anti-subsidy investigations.

- Scheme of generalised tariff preferences (GSP)
  The EP reformulated the Generalised System of Preferences (GSP) regime which is in place since 1 January 2014, focusing on benefits on countries most in need, making GSP+ more attractive, but also enhancing the GSP+ system of monitoring implementation of the 27 core international conventions.

- Export controls
  The European Parliament, the Council and the Commission committed to enhance effectiveness and coherence of the EU strategic export control regime during the upcoming review of the Dual-Use regulation.

- FTA EU- South Korea
  Parliament requested the dismantling of NTBs as well as the opening of the services sector in Korea. Parliament also considered that the mutually beneficial content of the agreement to be far more important than a rapid timetable and pushed for avoiding that artificial deadlines would lead to an agreement that was not wide ranging, ambitious and well balanced. Before giving its consent to the conclusion of the agreement, Parliament pushed for incorporating in the final text social, environmental and corporate social responsibility clauses. Parliament succeeded in adopting simultaneously an effective Safeguard Regulation protecting the European industry, if the FTA would result in a sudden surge of Korean imports.

- FTA with Colombia/Peru
  The entry into force of the FTA with Colombia/Peru and the provisional application of the trade provisions of the Associated Agreement with Central America has set new standards for trade and economic relations between the parties going well beyond the previous Agreements with Mexico and Chile. Agreements have improved conditions for trade and investment and contributed to the creation of a more stable and predictable environment.

EP demands which have been addressed and partially implemented

The Treaty of Lisbon grants to the EP full legislative powers on EU trade policy on an equal footing with the Council. Under the Treaties, the Parliament has to be fully informed about international negotiations at all stages and its consent is needed before any international agreement can enter into force. By making use of its new legislative powers in the field of international trade, the EP became a central player in the external economic relations of the EU and allowed democratic scrutiny of what had traditionally been a rather technocratic sector driven by the Commission and the Council for decades.

- Trade and investment barriers
  The EP keeps a close eye on the Commission’s annual reporting on trade and investment barriers and in 2011 in an INI report the EP asked for there to be an up to date inventory of key barriers faced by EU exporters and investors in important third-country markets, in particular FTA markets.

- Investment
  In terms of the significant changes introduced to the common commercial policy by the Lisbon Treaty, the most substantial one was the inclusion of foreign direct investments (FDI) in the remit of exclusive Union competence. The Parliament has been pushing for a strong EU investment policy ever since, adopting in 2011 a resolution on the future European international investment policy, that includes key demands for the Commission, and subsequently negotiating with Council two key regulations necessary for implementing this new EU policy: the so-called “grandfathering regulation”, and the financial responsibility regulation.

- EPAs with African, Caribbean and Pacific Countries (ACP)
  The Parliament insisted on the conclusion of WTO-compatible and development-oriented regional Economic Partnership Agreements (EPAs), the talks on which were launched back in 2002. In view of this process, the EP has reviewed the Market Access Regulation and gave its consent to “interim EPAs” with the Pacific, Eastern and Southern Africa and Central Africa. The first results can be seen in the three regions where EPAs are being implemented the Caribbean (CARIFORUM), the Pacific (the only country currently involved is Papua New Guinea), and Eastern and Southern Africa (ESA - Zimbabwe, Mauritius, Madagascar, the Seychelles). Now that agreement has been reached on the Southern African Development Community/EU EPA and on the Western Africa / EU EPAs and now that Interim EPAs are provisionally applied also by Cameroon and Fiji, more results of this trade and development oriented approach will become visible.

- Trade in certain goods which could be used for capital punishment, torture or other cruel, inhuman or degrading treatment or punishment
  The EP asked to implement and review the lists of items in the Annexes II and III of EC regulation 1256/2005 concerning trade in certain goods which could be used for capital punishment, torture or other cruel, inhuman or degrading treatment or punishment. On 14 January 2014, the Commission adopted a legislative proposal amending the aforementioned regulation and the procedure file 2014/005(COD) is awaiting committee decision in the Parliament.

EP demands which have not yet been addressed, finalised or adopted

Over the next years, 90% of world demand will be generated outside the EU. That is why it is a key priority for the EP to make sure that more market opportunities for European business open up by negotiating new Free Trade Agreements with key countries.

- TIP (Transatlantic Trade and Investment Partnership)
  The European Parliament supported the launch of negotiations for an agreement with the US that would foster the creation of high-quality jobs for European workers, and open up new opportunities for EU companies, in particular SMEs. However, Members called for the exclusion of cultural and audiovisual services, including those provided online, to be clearly stated in the negotiating mandate. Parliament wants the negotiations: to include strong protection of precisely and clearly defined areas of intellectual property rights, including geographical indications; to take account of the General Agreement on Trade in Services (GATS) provisions on the protection of personal data; to address the environment and labour aspects of trade and sustainable development; to include financial services with particular attention to be paid to equivalence, mutual recognition, convergence and extraterritoriality. Parliament emphasised the sensitivity of certain fields of negotiation, such as the agricultural sector, where perceptions of
Strengthening the EU's external trade policy

- Supporting market access of EU SMEs in China
- EU trade defence instrument
- Protection against dumped or subsidised import from third countries
- Certification for importers from conflict areas
- Indications of country of origin for certain products entering the EU from third countries
- Development of EU investment policy
- Conclusions of multilateral agenda

Fair Trade

- Fight against child labour
- Banning the import into the EU of goods produced using modern forms of slavery or forced labour
- Rules of origin for imported products from ‘Occupied Territories’ goods’

External Trade Policy

- Strengthening the EU's external trade policy
- Conclusions of multilateral agenda
- Fight against child labour
- Banning the import into the EU of goods produced using modern forms of slavery or forced labour
- Rules of origin for imported products from 'Occupied Territories' goods'

TTIP

- Transatlantic Trade and Investment Partnership (TTIP)

FTA

- Free Trade Agreements with:
  - Mercosur
  - Gulf Cooperation Council
  - Morocco
  - Japan
  - Canada
  - Thailand
  - Malaysia
  - Vietnam
  - India
  - EU-China bilateral investment agreement
  - Eastern Neighbourhood Countries
  - ACP

Genetically Modified Organisms (GMOs), cloning and consumer health tend to diverge between the US and the EU. Members called on the US to lift its import ban on EU beef products, as a trust-building measure.

- **Comprehensive Economic and Trade Agreement**
  The Agreement with Canada is the most comprehensive EU has ever negotiated with any partner and it's the first one with a G7/G8 country. In the EP resolution of 2011 on EU-Canada trade relations the EP set out series of demands. The negotiations were only recently finalised and Parliament is evaluating whether and to which degree its demands have been addressed.

- **Conclude the Doha Development Agenda**
  The Parliament in a series of resolutions has called for the Doha Development Agenda, which was launched in 2001 under the aegis of the World Trade Organisation, to be brought to a swift conclusion. A number of the initiatives underway such as the Trade Facilitation Agreement are expected to bring significant economic benefits both within the EU and the wider world. Moreover, the Parliament has actively supported the various plurilateral initiatives that are ongoing such as the trade in services agreement, the agreement on green goods and the information technology agreement. Not only with these give much impetus to the WTO and the multilateral approach to trade, but they would benefit the EU in a number of sectors where it has a strong competitive advantage.

- **Free trade agreement (FTA) with Japan**
  Parliament called for achieving measurable results from the Japanese Government on NTBs with a view to: eliminating the large majority of barriers hindering EU-Japan trade; attaining significant concessions on public procurement guaranteeing market access for European companies in strategic Japanese sectors including railways and urban transport; eliminating NTBs in particular in the automotive sector and other sectors; the establishment of a strict and effective dispute resolution mechanism and a staggered schedule for sensitive tariff reductions in the EU.

- **Negotiations with ASEAN members**
  Parliament has urged the Commission to ensure transparency and effective rules for public procurement, competition and investment, Intellectual Property Rights (IPRs), state aid and other subsidies. An agreement with ASEAN should ensure: the improvement and simplification of rules of origin; the harmonisation of standards, including product safety, child protection and animal welfare standards; regulatory transparency and simplified bureaucratic procedures; the elimination of discriminatory taxes. Currently the EU negotiates with four countries of the ASEAN region: Singapore, Thailand, Malaysia and Vietnam. In addition to these four countries, a mandate has been approved to start negotiations with Myanmar/Burma on investment protection.

- **Goods produced through child labour**
  The Parliament asked to study and, if appropriate, to submit a legislative proposal on an effective traceability mechanism for goods produced through forced child labour.

- **Banning the import into the EU of goods produced using modern forms of slavery or forced labour**
  The EP demanded to present a proposal for a regulation on such a ban, especially for goods produced using forced labour of particularly vulnerable groups and in violation of basic human rights standards.

- **Indication of country of origin for certain products entering the EU from third countries**
  The Parliament deplored the Commission's intention to withdraw the proposal for a regulation approved at first reading by Parliament, calls on the Commission to reconsider or to propose new WTO-compatible legislation. The EP invites the EC to inform Parliament of the timeline for the future actions necessary to re-launch the legislative process.

- **Strengthening the EU’s external trade policy**
  The EP asked to design a new strategy to strengthen the EU's external trade policy by 2014. On 27 January 2012, the EC issued a Communication on 'Trade, Growth and Development', but its focus is on tailoring trade and investment policy for those countries most in need. The EP responded with the Saïfi report, deploring the lack of clear strategy in the EU's trade and development policy.

- **Strengthen bilateral trade relations with key partners**
  Negotiations have also been launched with key partners including India, Mercosur as well as with China on an EU-China bilateral investment agreement. As regards the South Mediterranean negotiations are underway with Morocco and are expected to be launched in the near future with Tunisia and Jordan.
STRATEGIC AGENDA FOR THE UNION IN TIMES OF CHANGE
Statement by the European Council’s Heads of State or Government

Make the Economic and Monetary Union a more solid and resilient factor of stability and growth: with stronger euro area governance and stronger economic policy coordination, convergence and solidarity, while respecting the integrity of the internal market and preserving transparency and openness towards non-euro EU countries.
Europe projects

EP demands addressed and implemented by the European Commission and partially implemented by the Council of the European Union.

EP demands no delivered by the European Parliament.
Achievements of the past legislature

The 2008 financial crisis which turned into an economic and sovereign debt crisis across the Economic and Monetary Union (EMU) revealed structural imbalances in some Member States as well as shortcomings in the set-up of the EMU. A more efficient economic governance system, including a greater economic and budgetary coordination between Member States, was therefore highly needed in order to prevent potential imbalances and negative spillover effects from emerging. In particular, the sustainability of public finances should be targeted as well as the safeguard of the financial system, especially for Member States sharing a common currency. Ultimately, an enhanced structure of economic governance seeks to boost growth, job creation and improved competitiveness. Implementing this new structure could not have been achieved without the crucial impact and impetus given by the European Parliament in the past legislature.

Major achievements in this sector include the Six-Pack legislation which strengthens the Stability and Growth Pact (SGP) by reinforcing the preventive and corrective arm of the Pact, and introduces macroeconomic surveillance (Art. 121 TFEU). Multilateral surveillance aims at ensuring sound public finances (i.e. preventive arm) while the Excessive Deficit Procedure (EDP) seeks to prevent excessive deficit from emerging and ensures their prompt correction (corrective arm). Similarly, the ‘Two-pack’ regulations further strengthened the Euro area’s economic coordination and integration, with special emphasis on enhanced surveillance for Member States experiencing financial difficulties. EU economic governance achievements also incorporated the European Semester, i.e. the coordination by Member States of their budgetary, macroeconomic and structural policies over a 6-month period taking into account EU considerations at an early stage.

In addition, further fiscal discipline has been introduced since the entry into force of the Treaty on Stability, Coordination and Governance in EMU (TSCG) on 1 January 2013. In particular, the TSCG compels contracting parties to transpose into national law (preferably on constitutional level) a balanced-budget rule, under the threat of financial sanctions to be imposed by the European Court of Justice. The contracting parties face a greater automaticity of the correction mechanism should they deviate significantly from the medium-term objective or the adjustment path towards it.

A crisis resolution mechanism, the European Stability Mechanism (ESM), has also been created in order to safeguard financial stability within the euro area. Specifically, the ESM provides financial assistance to EMU Member States experiencing financing difficulties so as to prevent, ultimately, sovereign defaults and financial contagion. Moreover, the 23 EU Member States which signed the Euro+ Pact in March 2011 have committed to reinforcing economic coordination in four key areas: competitiveness, employment, sustainability of public finances and financial stability. Lastly, a new financial supervision structure has been established since 2011, including (i) the European Systemic Risk Board (ESRB) which is tasked with macro-prudential overseeing of the financial system; and (ii) three European Supervisory Authorities (ESAs), namely the European Banking Authority (EBA), the European Securities and Markets Authority (ESMA) and the European Insurance and Occupational Pensions Authority (EIOPA). Overall, this aims at repairing and safeguarding the financial system.

EP demands which have been addressed and partially implemented

- **Social Pact in the European Semester**

  In order to set up and include a ‘Social Pact’ within the European Semester, the European Parliament had asked for efforts towards an improvement of the quality of employment and conditions for increased labour participation, tackling youth unemployment, investing in education and training, combating poverty and promoting social inclusion and, last but not least, enhancing governance, commitment and democratic legitimacy of the European Semester. Furthermore Parliament had called on the Commission to present a framework regulation specifying the role (including timelines) of the Member States and the EU institutions under the various steps of the Semester cycle as well as to include the EU/2020 Strategy in the European Semester and to ensure that it is better reflected in country-specific recommendations. Parliament had also demanded that the next Annual Growth Survey be presented in a format that allows Parliament to propose amendments as well as guidelines for the employment policies of the Member States in 2012 and in 2013.

- **Improving the European Semester**

  The European Parliament called on the Commission to develop proposals establishing how the various instruments of the European Semester are differentiated, in order to create positive spillover effects across policy areas and to better fit together. Parliament insisted on precisely calling on the Commission to ensure that the European Parliament was duly involved in the new legal framework of European Semester in order to increase the transparency and accountability of decisions taken, in particular by means of economic dialogue as specified in the relevant secondary legislation. The Commission should especially fully disclose its underlying macroeconomic methodologies and assumptions.

  The Commission should also clearly assess, in its Annual Growth Survey, the main economic and fiscal challenges of both the Union and individual Member States, propose priority measures to overcome those problems, and identify the initiatives taken by Union and Member States to support enhanced competitiveness and long-term investment, remove obstacles to sustainable growth, achieve the targets laid down in the Treaties and the current Europe-2020 strategy, implement the seven flagship initiatives and to reduce macroeconomic imbalances. Finally, Parliament demanded that the Commission should adopt the Annual Growth Survey by the end October/beginning of November in order to allow Parliament the time necessary to adopt its own report in due time before the Spring European Council of mid-March.

- **Governance of European Financial Backstops**

  Parliament considers that the operations of the EFSF/ESM and any future similar structure should be subject to regular democratic control and oversight by the EP with both the Court of Auditors and OLAF being involved. EP also considered that the Troika appointed to ensure the implementation of the memorandums should be heard in the EP before taking up duties and should be subject to regular reporting and democratic scrutiny to the EP.

- **Increasing accountability and implementing EP’s role in Banking supervision**

  The whole new system of the EMU would be based on a strengthened democratic legitimacy and accountability. In the case of bank supervision and bank resolution, the EP has stressed the need for such an enhanced accountability of the EBA and the ECB. Finally, the Prudential Supervision of Credit Institutions Act was accompanied by an Agreement between the ECB and the Parliament about the accountability mechanism for those new supervisory activities. Negotiations will have to continue on its implementation under full respect for the rights and prerogatives of the European Parliament enshrined in that agreement.
The EP demands which have not yet been addressed, finalised or adopted

- **The Fiscal Union as a second building block of a Genuine Monetary Union**
  The EP recalled that an integrated fiscal framework is an essential part of a Genuine EMU. It has to go along with a functioning Two Pack, a Fiscal Compact under the Community Method, a European Budget funded by own resources, a gradual roll-over in a Redemption Fund, as well as measures to fight tax evasion and better practices in taxation methods.

- **Progressive ‘Communautarisation’ of the Fiscal Compact**
  Parliament underlined the requirement for the Fiscal Compact to be transposed into secondary Union legislation as soon as possible according to article 16 of the Treaty on Stability, Coordination and Governance (TSCG). The EP considered ideally, that in the long-run, the Fiscal Compact should be phased out and integrated in the Treaty, insofar necessitating a Treaty change. The EP required that ex-ante coordination policy and competitiveness contracts would be first steps into this direction. The EP had also repeatedly expressed the urgent need for a reform of the own resource system and a return to the spirit and letter of the TFEU, stating that the Union budget shall be funded solely by own resources.

- **ESM in Ordinary Legislative Procedure**
  Parliament called for a permanent ESM in codecision thus making the ESM fully accountable to Parliament.

- **Single Representation of Euro Area and Single “Minister of Finance”**
  Furthermore, Parliament called for the establishment of a Single European Minister of Finance, possibly drawn from the Commission, as well as requesting the Commission to put forward proposals for a single representation of the Euro Area according to Art. 138 TFEU.

- **Ex-ante coordination of Economic Policy**
  The EP had considered that the existing framework for economic governance of the euro area should be strengthened further through ensuring greater ex-ante coordination of major reform projects and through the creation of a “Convergence and Competitiveness Instrument” (CCI). This instrument would combine deepening integration of economic policy with financial support. It should provide sufficient resources to support important structural reforms in a large economy under distress.

- **Gradual Roll-Over in Redemption Fund**
  EP had asked the Commission to elaborate further on ideas under debate such as a Common Redemption Fund for bad debts. This request had not yet been followed by legislative proposals.

- **Eurobonds and Stability Bonds**
  Parliament had called on the Commission to elaborate further on ideas under debate such as a common issuance of Eurobonds. On 12 March 2013, the Commission made a declaration at the EP plenary stating that the Commission will establish an Expert Group to deepen the analysis on the possible merits, risks, requirements and obstacles of partial substitution of national issuance of debt through joint issuance in the form of a redemption fund and eurobills. The Group is tasked to thoroughly assess what could be their features in terms of legal provisions, financial architecture and the necessary complementary economic and budgetary framework. Democratic accountability will be a central issue to be considered.
Europeans have benefitted from the opportunities offered by integrated economies with open borders, but the advantages are not always immediately tangible to all. Many experience or fear poverty and social exclusion. The Union must keep doing what it is good at and continue to unlock opportunities, but it must also be perceived and experienced as a source of protection. People expect Europe to defend their interests and keep threats at bay, but also to respect their identities and sense of belonging. The Union must be stronger outside, more caring inside.

Therefore, while respecting the competences of member states, who are responsible for their welfare systems, the priorities we set for the Union in this field for the next five years are to:

Help develop skills and unlock talents and life chances for all: by stepping up the fight against youth unemployment, in particular for young people who have dropped out from education, employment or training; by promoting the right skills for the modern economy and life-long learning; by facilitating mobility of workers, especially in fields with persistent vacancies or skills mismatches; by protecting one of the Union’s four fundamental freedoms, the right of all EU citizens to move freely and reside and work in other member states, including from possible misuse or fraudulent claims.

Guarantee fairness: by combatting tax evasion and tax fraud so that all contribute their fair share.

Help ensure all our societies have their safety nets in place to accompany change and reverse inequalities, with social protection systems that are efficient, fair and fit for the future; indeed, investing into human capital and the social fabric is also key to the long-term prosperity prospects for the European economy.
A Union empowering and protecting all citizens: Life chances, fairness and safety nets

- EP demands addressed and implemented
- EP demands addressed and partially implemented
- EP demands no delivered by the European Commission
- EP demands no delivered by the Council of the European Union
- EP demands no delivered by the European Parliament
Achievements of the past legislature

The **European Social Fund (ESF)** is the EU's main tool to support employment through investing in human capital. Parliament was i.a. successful in maintaining the strict 20% minimum allocation for fighting social exclusion and poverty and in increasing MS choice to five out of 19 investment priorities.

The new **EU Programme for Education, Training, Youth and Sport**, renamed **Erasmus+**, replaces the existing programmes Erasmus, Leonardo da Vinci, Comenius, Grundtvig and Youth in Action as well as the EU's international cooperation programmes. Funded with €14,7bn, over 4 million people are set to benefit.

The aim of the **Community Program for Employment and Social Solidarity (PROGRESS)** is to provide financial support in the field of employment and social affairs. With its budget of €743ml, the programme is divided into five sections: employment, social protection and inclusion, working conditions, diversity and combating discrimination, and equality between women and men. Related to this is the adoption of the **European Progress Microfinance Facility** for employment and social inclusion, which shall finance the creation of businesses or self-employment by persons excluded from the labour market as well as micro-enterprises who employ persons who are socially excluded.

**Quality Framework of Traineeships**: Parliament had strongly supported improving traineeships, calling i.a. for the establishment of a quality charter and for minimum standards for internships to ensure their educational value and avoid exploitation.

**Eligibility of housing interventions for marginalised communities**: Parliament has repeatedly asked the Commission to take action to promote inclusion of communities facing extreme deprivation and marginalisation. The proposal now makes financial support eligible under the European Regional Development Fund (ERDF).

A new **Fund for European Aid to the Most Deprived** will run in the period 2014-20, with an anticipated budget of €3.5 billion. The Fund aims to alleviate the worst forms of poverty by providing non-financial assistance to the most disadvantaged people. Parliament achieved a budgetary increase by €1bn.

The European Parliament had voted in favour of the new **Active and Assisted Living Research and Development Joint Programme (AAL)**. The AAL will, with a total budget of €350bn, address the challenges and opportunities of an ageing population.

**Creative Europe** is the EU's new programme to support the film industry and cultural projects. It brings together the previous MEDIA, MEDIA Mundus and Culture programmes under a common framework, sets up a new financial instrument to improve access to funding via loans and is financed with €1,462bn.

The **European Protection Order** will allow crime victims who are granted protection from their aggressors in one EU Member State to get similar protection if they move to another. The EPO aims to protect victims of, for instance, gender violence, harassment, abduction, stalking or attempted murder.

**Return of cultural objects unlawfully removed (recast)**: The European Parliament adopted a new directive to help EU countries organise the return of cultural objects that were unlawfully removed from their state and are currently located in another EU country.

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**A Union empowering and protecting all citizens**

**Department of Economic and Social Affairs**

Health and safety at work: electromagnetic fields: Parliament had called for a rapid implementation of the directive on minimum health and safety requirements regarding the exposure of workers to the risks arising from electromagnetic fields.

Towards adequate, sustainable and safe European pension systems: Parliament had called on the Commission for guidance concerning the minimum level of pensions, for a study on wealth distribution's influence on life expectancy, for proposals on solvency regimes for pension systems, for developing proposals on an EU-wide reform system for pension rights and for a setting up a special task force on pensions. Parliament had also asked to revise the existing legislation to eliminate the pay and income differential between women and men for the same work and the discrepancies in their achieving positions of responsibility, and gender inequalities in the labour market which also affect pensions. Directive 2003/41/EC applicable in December 2014, partially addresses the issue of transparency and solvency of institutions of occupational retirement provisions (IORP) as requested by Parliament.

**Portability of supplementary pension rights**: This highly political issue had been proposed by the Commission in 2005 and was blocked in Council until October 2012. Finally adopted in May 2014, the proposal mainly addresses the issue of vesting periods (duration of employment before pension rights are irrevocably granted).

**Implementation of European Youth Guarantee in the Member States**: By January 2014, only 17 Member States have submitted to the Commission their final plans to implement the Youth Guarantee, the ambitious EU-wide reform aiming to help all jobless people under 25 find employment, continued education, an apprenticeship or traineeship within four months of becoming unemployed or leaving formal education. The remaining eleven Member States are still preparing their strategies to deliver a national Youth Guarantee scheme.

**Posting of Workers Directive**: To help overcoming the difficulties in the implementation and enforcement of the Directive, the EP had called on the Commission to prepare the necessary legislative proposals, which would assist in preventing conflicting interpretations in the future. The proposal has been adopted by Parliament in April 2014.
EP demands which have not yet been addressed, finalised or adopted

- **Youth Employment**


- **Wages and pensions**

  Parliament had requested an action plan setting up common standards and indicators with an exchange of best practices concerning a possible introduction of a *minimum income scheme*. In the context of Parliament’s demand to establish a European Social Pact, Parliament had called on the Commission to elaborate on the feasibility and the added value of introducing a *minimum unemployment allowance*. The EP asks to strengthen EU legislation relating to employers’ insolvency in order to offer all workers equal protection of their occupational pension rights in case of employers’ insolvency, regardless of the nature of their employer’s pension provision system.

- **Labour rights**

  Parliament had repeatedly demanded further steps on introducing a *horizontal social clause*, guaranteeing that all single market legislation would respect fundamental social rights. As concerns the further development of social dialogue on EU level, Parliament has reiterated the fact that social dialogue is vital in order to achieve the employment targets set out in the EU 2020 Strategy called for a reinforcement of the role of social partners in the new economic governance process. As concerns the *Working Time Directive*, Parliament had urged the Commission for a revision of Directive, following the failure of the social partners’ negotiations in December 2012. A new proposal on working time for truck drivers is also judged needed by the EP. Parliament further demanded a proposal on the financial participation of employees in company earnings, and on the inclusion of people with disabilities. The EP had urged the Commission to proposed a legislative proposal on the mobility of healthcare professionals as well as a proposal on the information and consultation of workers in case of company restructuring.

- **Health and safety at work**

  Parliament had asked the Commission to come forward with legislative proposals on the European schedule of occupational diseases, as well as on electromagnetic fields and tobacco in the context of health and safety at work, requiring all employers to ensure that the workplace is free from tobacco smoke. Parliament also called on the Commission to pro-actively ensure more movement on the issue of the *maternity leave directive*.

- **Equality**

  Parliament asked the Commission to present proposals for the revision of the legislation on *equal pay*, to close the wage gap, enhance *female participation in male-dominated sectors* and to increase the recognition of women’s skills and economic performance in the workplace. As concerns *gender balance in in top jobs*, the Directive on improving the gender balance among non-executive directors of companies listed on stock exchanges, already adopted in Parliament, is still waiting for Council’s approval. The EP intended to address the precarious nature of employment for women workers by focusing on specific measure and complementing the directives on fixed-term, part-time and temporary agency work by introducing binding minimum social standards and ensuring equal access to social services and benefits. In the area of the reconciliation of professional and family life Parliament asked for measures on *paternity leave*, adoption leave and care leave for dependants.

  Finally, the EP had demanded a specific and comprehensive legislative act to establish prevention measures against all forms of violence against women by proposing a broad range of possible measures as well as calling for a proposal that would make legally binding the guidelines on equal treatment contained in Council Directive 2004/113/EC, implementing the principle of equal treatment between men and women in the access to and supply of goods and services.

- **Fairness**

  In this area, Parliament had called on the European Commission to put forward decisive measures in increase the fight against tax fraud and tax havens, demanding a catalogue of concrete ways to fight tax evasion.

  Moreover, Parliament demanded that the Commission should investigate the establishment of a *European platform for deterrence of undeclared work*. 


STRATEGIC AGENDA FOR THE UNION IN TIMES OF CHANGE
Statement by the European Council’s Heads of State or Government

Geopolitical events, the worldwide energy competition and the impact of climate change are triggering a rethink of our energy and climate strategy. We must avoid Europe relying to such a high extent on fuel and gas imports. To ensure our energy future is under full control, we want to build an Energy Union aiming at affordable, secure and sustainable energy. Energy efficiency is essential, since the cheapest and cleanest energy is that which is not consumed.

In light of this challenge, our energy and climate policies for the upcoming five years must focus on:

Affordable energy for companies and citizens: by moderating energy demand thanks to enhanced energy efficiency; by completing our integrated energy market; by finding ways to increase the Union’s bargaining power; by increasing transparency on the gas market; by stimulating research, development and the industrial European base in the energy field;

Secure energy for all our countries: by speeding up the diversification of energy supply and routes, including through renewable, safe and sustainable and other indigenous energy sources, as a means to reduce energy dependency, notably on a single source or supplier; by developing the necessary infrastructure such as interconnections; by providing private and public actors with the right planning framework so they can take mid- to long-term investment decisions;

Green energy: by continuing to lead the fight against global warming ahead of the United Nations COP 2015 meeting in Paris and beyond, including by setting ambitious 2030 targets that are fully in line with the agreed EU objective for 2050.
IX. Towards a Energy Union: with a forward-looking climate policy

1. Low-carbon economy in 2050
2. Trans-European energy infrastructure
3. Energy market integrity and transparency
4. Energy efficiency
5. Scheme for GHGE allowance trading
6. Fluorinated greenhouse gases
7. Exchange mechanisms for intergovernmental agreements between MS
8. European Climate and Transport Package
9. CO₂ emissions from cars
10. Aviation emissions
11. Energy and Climate Package for 2030
12. Post-2020 Climate action framework
13. Action plan to achieve single SM in energy
14. National emissions ceilings
15. Reduction of emissions from road vehicles
16. Maritime emissions ceilings
17. Transition to biofuels: fuel and energy from renewable sources
18. Improvement of regulatory framework for shale gas extraction
19. Energy Policy in the Southern Mediterranean

EP demands addressed and implemented
EP demands addressed and partially implemented
EP demands no delivered by the European Commission
EP demands no delivered by the Council of the European Union
EP demands no delivered by the European Parliament

Europe connects
Towards an Energy Union with a forward-looking climate policy

Achievements of the past legislature

Parliament has always expressed its strong support for a common energy policy addressing competitiveness, security and sustainability issues. It stressed the importance of the EU’s energy policy amidst the economic and financial crisis, and the role that energy plays in spurring growth and economic competitiveness and creating jobs in the EU. The Commission was asked to propose post-2020 strategies and a policy framework for 2030, including milestones and targets on greenhouse gas emissions, renewable energy and energy efficiency, with the aim of establishing an ambitious and stable legal and regulatory framework. Since defining energy targets for 2050 and the intervening period assumes pan-European governance, Members proposed the adoption of a strategy that allows Member States to cooperate under the Roadmap in a spirit of solidarity – the creation of a European Energy Community. They noted that the 2030 policy framework must be defined within a timeframe that is appropriate for providing investor security.

• Single market in energy

In March 2013, when adopting the guidelines for trans-European energy infrastructure, Parliament called for particular attention to the importance of energy storage facilities and the need to ensure the stability of European electricity networks with the integration of renewable energy resources. It also introduced an amendment protecting consumers from bearing a disproportionate burden of the costs of common interest projects.

Moreover, Parliament called for a regulation that would ensure the integrity and transparency of the energy market. The regulation adopted establishes rules prohibiting abusive practices affecting wholesale energy markets which are coherent with the rules applicable in financial markets and with the proper functioning of those wholesale energy markets whilst taking into account their specific characteristics.

Members stressed that the EU’s long-term energy-efficiency policy should take the reduction of energy use in buildings as a central element, calling on Member States to adopt ambitious, long-term building renovation strategies as required by the Energy Efficiency Directive. The current quality of building renovation needs to be substantially scaled up in order to significant reduction of energy consumption of the existing building stock by 80%, relative to 2010 levels, by 2050.

The Parliament has called on the Commission to adopt a new ambitious strategy in the area of energy efficiency. The legislative proposal adopted on Energy efficiency transforms certain aspects of the Energy Efficiency Plan put forward in 2011 into binding measures. It also looks beyond the 20% target and seeks to set a common framework to promote energy efficiency in the Union beyond 2020.

Parliament asked to set up an information exchange mechanism with regard to intergovernmental agreements between Member States and third countries in the field of energy in order to achieve both closer intra-Union cooperation in the field of external energy relations and the Union’s long-term policy objectives relating to energy, climate and security of energy supply.

• Climate policy and low carbon economy

On 5 February 2014, Parliament gave also 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% in domestic GHG emissions from 1990 levels; 30% for the total share of renewable energy sources in final energy consumption; and a 40% increase in energy efficiency. Within the context of the revision of Renewables Directive, the EP strove to ensure that the new law includes criteria to guarantee that biofuel production is environmentally and socially sustainable and does not lead to deforestation and rising prices. The EP also succeeded in establishing a new Monitoring Mechanism Regulation (MMR) for monitoring and reporting greenhouse gas emission at national and EU level, which entered into force in July 2013, and aims to improve the quality of data reported, help the EU and Member States keep track of progress towards meeting their emission targets for 2013-2020 and facilitate further development of the EU climate policy.

EP demands which have been addressed and partially implemented

Parliament has called a number of times for coherence, determination, cooperation and solidarity between Member States in facing current and future challenges in the internal market and for the political commitment of all Member States, as well as a strong initiative from the Commission in progressing towards the 2020 objectives. It has been striving for greater energy market integration and the adoption of ambitious, legally binding targets for renewable energy, energy efficiency and greenhouse gas reduction. In this connection, Parliament supports the adoption of stronger commitments to the EU’s own targets.

During the negotiations with the Council on fluorinated gases, Parliament advocated for a complete phase out of climate-damaging F-gases in several new sectors where safe, energy-efficient and cost-effective alternatives are available. Among other measures, a ban on the use of F-gases in new commercial refrigerators is foreseen from 2022.

• Implementation of European Climate and Transport Package

Significant reductions in greenhouse gas emissions from transport are required if the EU is to achieve its long-term goals. The EP requested to take steps towards an integrated EU climate and transport package. The EC responded with the proposal of a White Paper entitled ‘Roadmap to a Single European Transport Area – Towards a competitive and resource efficient transport system’, presented in March 2011.

Members welcome the 2001 White Paper but note that the major goals of the latter were achieved only in part. Parliament stressed the importance of a coherent strategy for making the transition to alternative and renewable energies for transport and called for the creation of incentives to choose sustainable physically active, safe and healthy means of transport and mobility. In this respect, Members proposed that by 2015, a proposal is presented on urban mobility in which, in keeping with the principle of subsidiarity, support for projects is made conditional on the submission by local authorities of sustainable mobility plans for efficient passenger and goods logistics chains in urban and built-up areas.

Parliament calls on Member States to support and work towards the establishment of a level playing field between all modes of transport in terms of energy taxation and value added tax (VAT).

• New car labelling for CO2 emission values

EP called in vain on the Commission to propose legislation on such labelling. An agreement was reached on the file Reducing CO2 emissions from new passenger care: modalities for reaching the 2020 target (2012/0190(COD)).
EP demands which have not yet been addressed, finalised or adopted

- **Implementation of an Action Plan to achieve Single market in energy**
  On 15 November 2012, the Commission presented a Communication entitled ‘Making the Internal Energy Market Work’. It takes stock of the progress achieved in the implementation of the Third Package and considers that its effective transposition remains a key issue. Parliament did not request legislative action at this stage but demanded further impact assessment.

- **Energy policy in the Southern Mediterranean**
  The EP asks the Commission to produce a communication with the objective of finding better ways to use the large energy resources in the Southern Mediterranean. It also requests to create an Action Plan for the Union for the Mediterranean Member Countries in order to improve diversity and security of liquefied natural gas supply. No follow-up has been given on this issue.

- **Industrial, energy and other aspects of shale gas and oil**
  According to the EP, a large-scale extraction of shale gas may require the comprehensive adaptation of all relevant existing legislation, including REACH. EP calls on the Commission to check and, if necessary, improve the regulatory framework, assessing the need to put forward proposals on hydraulic fracturing and on compulsory financial security or insurance requirements in case of any environmental damage. EP also demands the Commission to provide a picture of the future of the global gas market.

- **Fuels and energy from renewable sources: transition to biofuels to deliver greenhouse gas savings**
  Parliament adopted a legislative proposal on 11 September 2013 amending a directive on the quality of petrol and diesel fuels and on the promotion of the use of energy from renewable sources. Parliament considers it necessary to take into account the impact of indirect land-use change (ILUC) on greenhouse gas emissions and to adopt appropriate measures to address that impact, while taking necessary measures to provide certainty for investment and to protect investments already made.

- **Post-2020 Framework**
  EP asks to put forward, in keeping with the EU Sustainable Development Strategy, and as a matter of urgency, a Roadmap for the sector-by-sector reform of subsidies that have a considerable negative impact on the environment. It asks for 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.

- **Energy and climate package for 2030**
  Parliament has consistently advocated for renewable energy resources and highlighted the importance of setting mandatory targets for 2020 and, more recently for 2030. In February 2014, it adopted a resolution criticising the proposal made by the Commission for the 2030 climate and energy framework as short-sighted and unambitious. It called for a binding 30% share of renewables in energy consumption at EU level, to be implemented through individual nationally binding targets, and for an extension of transport fuel targets after 2020.

- **Greenhouse gas emission reduction**
  EP asks to submit a proposal for the EU to raise its ambition and unilaterally set a 2020 reduction target greater than 20%. The European Parliament and the European Council have declared their ambition to secure an 80 to 95% level of reduction in greenhouse gas emissions by 2050. The EP calls on the Commission to set interim greenhouse gas emission reduction for 2030 and 2040, including concrete objectives for each sector, together with an ambitious timetable.

- **Biomass framework directive**
  The EP calls on the Commission to propose a Biomass Framework Directive covering all applications of biomass (energy, fuels, materials and chemicals) and introducing a biomass hierarchy. It calls for the development of a legal instrument that will pave the way for a more efficient and sustainable use of this resource.
Citizens expect their governments to provide justice, protection and fairness with full respect for fundamental rights and the rule of law. This also requires joint European action, based on our fundamental values. Given their cross border dimensions, phenomena like terrorism and organized crime call for stronger EU cooperation. The same is true for justice matters, since citizens increasingly study, work, do business, get married and have children across the Union. Another challenge in the years ahead will be managing migration flows, which are on the rise due to instability and poverty in large parts of the world and demographic trends – a matter which requires solidarity and fair sharing of responsibility.

Therefore the priorities we set for the Union for the next five years are to:

Better manage migration in all its aspects: by addressing shortages of specific skills and attracting talent; by dealing more robustly with irregular migration, also through better cooperation with third countries, including on readmission; by protecting those in need through a strong asylum policy; with a strengthened, modern management of the Union’s external borders;

Prevent and combat crime and terrorism: by cracking down on organised crime, such as human trafficking, smuggling and cybercrime; by tackling corruption; by fighting terrorism and countering radicalisation – while guaranteeing fundamental rights and values, including the protection of personal data;

Improve judicial cooperation among our countries: by building bridges between the different justice systems and traditions; by strengthening common tools, including Eurojust; by mutual recognition of judgments, so that citizens and companies can more easily exercise their rights across the Union.
X. A Union of freedom, security and justice

EP demands addressed and implemented
EP demands addressed and partially implemented
EP demands no delivered by the European Commission
EP demands no delivered by the Council of the European Union
EP demands no delivered by the European Parliament

Europe protects
A Union of freedom, security and justice

Achievements of the past legislature

The Lisbon Treaty attaches greater importance to the creation of an area of freedom, security and justice. The main achievements of the asylum package are guaranteeing a uniform status for refugees and beneficiaries of subsidiary protection, common standards for qualifying as beneficiary of international protection and a stronger protection for asylum seekers.

- Procedural and criminal law
In its resolution of 25 November 2009 on the Stockholm Programme, Parliament called for a comprehensive legal framework offering victims of crime and in particular victims of terrorism, organised crime, trafficking in human beings and gender violence, the widest possible protection, including adequate compensation. The Victims Directive was adopted by Parliament in September 2012 and by Council the following month. The final act was signed on 25 October 2012. Once the Directive has been implemented in the Member States (implementation expected by November 2015) all victims will undergo an individual assessment of their specific needs at the earliest opportunity. Depending on personal characteristics, such as age, gender, race, religion or sexual orientation, the nature and the circumstances of the crime, any person could have specific protection needs, says the agreed text, adding that individual assessments should be carried out several times during criminal proceedings to take account of any changes in the victim's situation. Children's specific rights and needs will have to be taken into account in all cases and child victims will be given the opportunity to play an active role in criminal proceedings and to have their testimony taken into account.

- EU asylum and migration policy
The Treaty of Amsterdam made asylum part of the Union competences. The Regulation establishing the European Asylum Support Office (EASO) was adopted and published on 19 May 2010 and EASO became operational in February 2011. The Qualification Directive was the first act of the Common European Asylum System (CEAS) to be concluded and was adopted and published on 13 December 2011. The other instruments of CEAS (Reception Conditions Directive, Asylum Procedures Directive, Eurodac and Dublin) were all adopted and published on 26 June 2013. The new system will apply as of July 2015. The revised Asylum Procedures Directive aims at fairer, quicker and better quality asylum decisions. Asylum seekers with special needs will receive the necessary support to explain their claim and in particular there will be greater protection of unaccompanied minors and victims of torture. The revised Reception Conditions Directive ensures that there are humane material reception conditions (such as housing) for asylum seekers across the EU and that the fundamental rights of the concerned persons are fully respected. The revised Qualification Directive clarifies the grounds for granting international protection and therefore will make asylum decisions more robust. It will also improve the access to rights and integration measures for beneficiaries of international protection. The revised Dublin Regulation enhances the protection of asylum seekers during the process of establishing the State responsible for examining the application, and clarifies the rules governing the relations between states. It creates a system to detect early problems in national asylum or reception systems, and address their root causes before they develop into fully fledged crises. The revised EURODAC Regulation will allow law enforcement access to the EU database of the fingerprints of asylum seekers under strictly limited circumstances in order to prevent, detect or investigate the most serious crimes, such as murder, terrorism and other serious crimes.

- Fighting crime
In line with the recommendation included in its resolution of 25 October 2011 on organised crime in the European Union, the European Parliament set up a special committee on organised crime, corruption and money laundering (CRIM) by decision of 14 March 2011. The mandate of CRIM comprehends evaluating the extent of organised crime, corruption and money laundering and their impact on the EU and its Member States and proposing appropriate measures to enable the Union to forestall and counter those threats and evaluating the current implementation of the Union legislation on organised crime and related matters. On 23 October 2013 Parliament adopted the final report of the CRIM Special Committee, thus paving the way to an extensive, coherent and uniform regulatory framework designed to strike at the economic heart of organised crime and strengthen judicial and police cooperation at European and international level.

EP demands which have been addressed and partially implemented

- Finalisation of measures to fight against organised crime in the EU
The Commission adopted on 12 March 2012 a proposal for a Directive on the freezing and confiscation of proceeds of crime in the EU (2012/0036(COD)) that was finally adopted in 2014 and the procedure is currently completed.

- Finalisation of a European investigation order on evidence in criminal proceedings
A European Investigation Order (EIO) is a judicial decision, which has been issued or validated by a judicial authority of a Member State, to carry out one or several specific investigative measures in another Member State in order to obtain evidence. The EIO may also be issued to obtain evidence that is already in the possession of the competent authorities of the executing State.

- Mid-term review of the Stockholm Programme
The EP notes that three pieces of legislation in this field have been adopted so far, namely the Brussels I recast, the Successions Regulation and the Rome III Regulation. Even though only the latter is applicable today, the Commission has made a significant number of the proposals that were called for by Parliament.

EP demands which have not yet been addressed, finalised or adopted

- Political rights
The EP undertakes to submit, before the end of 2015, a new proposal with the aim of establishing, sufficiently far in advance of the beginning of the 2019-2024 parliamentary term, a durable and transparent election system which would allow seats to be apportioned amongst the Member States in an objective manner, based on the principle of digressive proportionality. Parliament asks to propose a statute for European political parties and political foundations, referring also to related issues of internal party democracy, suggesting a number of changes linked to the funding regime applicable to the political parties and their affiliated political foundations, requesting stricter conditions for access to funding, on the one hand, and a more flexible system, on the other. This report on statute and funding of European political parties and political foundations (2012/0237(COD)) was adopted in plenary on 16 April 2014. As regard to political foundations, a political agreement in order to set clearer funding rules, still needs to be finalized within the Council, in order to set clearer funding rules. As far as political parties, a political agreement between the Parliament and the Council has been reached but a few outstanding issues on implementation still need to be further discussed and finalized. The EP also calls on the Commission to submit, by the end of 2016, a legislative proposal for the establishment of a mandatory Transparency Register on the basis of Article 352 TFEU.

- Procedural and criminal law
As far as the mid-term review of the Stockholm Programme, the EP observes that several major proposals are still outstanding, including those relating to the mutual recognition of the effects of civil status documents. Moreover, as far as the ‘lisbonisation’ according to Protocol 36 in criminal matters, for all the acts falling under the field of Police and Judicial Cooperation in Criminal Matters, the Commission enforcement powers under art. 258 are not applied and the Court of Justice’s competence applies only when a declaration accepting its jurisdiction is made by Member States. According to Declaration n.50, article 10, the institutions are invited to adopt legal acts replacing pre-Lisbon legislation where appropriate as soon as possible and within 5-year period. The established deadline is December 2014, and most probably it will not be met. Concerning procedural rights and detention conditions, the Parliament requests clear and comprehensive proposal on the defendants’ right to be secured in order to ensure that they receive a fair trial; an ambitious legal instrument on procedural safeguards in criminal proceedings, based on the presumption of innocence, which gives full effect to the rights of the defence; measures to ensure legal aid through sufficient budgetary allocations; a sound legal framework ensuring the basic principle of ne bis in idem and facilitating the transfer of criminal proceedings between
Member States and the resolution of conflicts of jurisdiction; a proposal on the rights of persons deprived of liberty and the development and implementation of minimum common standards for prison and detention conditions. Parliament asks also to put forward a common legal framework offering the witnesses the widest protection. EP calls also for the strengthening of the rights of the detainees, including minimum standards for prison and detention conditions and a common set of prisoners’ rights. These measures should include appropriate compensation for persons unjustly detained or convicted, the conclusion of agreements between the EU and third countries for the return of their convicted nationals, the full implementation of Council Framework Decision on the mutual recognition of judicial decision on custodial sentences or measures involving deprivation of liberty and the provision of sufficient EU funding for the construction, in the context of regional security plans, of new detention facilities in Member States affected by prison overcrowding and the implementation of social reintegration programmes. Following Parliament’s requests, the Commission published two legislative proposals in June and July 2013 respectively, on Eurojust and on the establishment of the European Public Prosecutor’s Office (EPPO), and the newly-elected Parliament will have to take address these matters.

- **EU migration policy and asylum**

  Parliament asks the Commission to address the issue of migration and asylum, and present a legislative proposal that would include effective action against the abuse of asylum procedures as the establishment of an EU Code for Asylum. Parliament also calls for a comprehensive blueprint setting up the objectives and the architecture of the Union’s integrated border management strategy and put forward measures to actively fight against the abuse of asylum. An Entry-exit system for third-country nationals, a Registered Traveller Programme, and a better border management strategy, are among the measures called by Parliament.

- **EU civil rights**

  As part of the Stockholm Process, the European Parliament had requested an up-to-date consolidation in private international law (EU Code on International Private Law). According to the EP both legislative proposals and other measures are required in the field of legal protection of vulnerable adults. The EP asks to add to the Rome II Regulation a provision on the law applicable to a non-contractual obligation arising out of violations of privacy and rights relating to personality, including defamation.

  EP asks to launch proposals for strengthening the protection of civil liberties, transparency and democratic scrutiny in the context of counter-terrorism policies (improving access to documents by creating an EU Freedom of Information Act and strengthening the Fundamental Rights Agency, the EP ask to review and extend the scope of a Council’s framework decision on the fight against certain forms and expression of racism and xenophobia, in order to include forms of bias-motivated crime, including on grounds of sexual orientation, gender identity and gender expression. There has been no follow-up. The implementation of the FD remains an important issue. In Parliament’s view, a package on cross-border issues such as traffic accidents, dispute on fatal accidents, commercial dispute, children guardianship, should also be promptly proposed by the Commission.

- **Fighting crime**

  Parliament asks to suspend the Terrorist Finance Tracking with the US and condemns the NSA surveillance programme. The TFTP Agreement with the US entered into force in 2010. For Parliament an important condition for giving consent was that it would contain appropriate safeguards with regard to data protection and civil rights and that the Commission would start preparing the setting up of a European system that would replace the Agreement. As far as Europol the Commission published a proposal in June 2013 and the procedure file 2013/0091(COD) was adopted in plenary on 25 February 2014 and after debate in Council in June 2014, a first reading position is still being waited for. The EP asks for a wide range of measures to be adopted to fight organised crime in the EU. Parliament asks to put forward a legislative proposal on the seizure, confiscation and re-use of proceeds of organised crime, and to draw up guidelines and legislative proposals to prevent companies linked to organised crime and mafias from taking part in public tenders and public procurement management. Finally, Parliament requests to put forward a legislative proposal setting out a common definition of organised crime and a common definition of corruption, and to step up measures to strengthen the traceability of payments and to fight against cyber crime.
Recent events show how fast-shifting the strategic and geopolitical environment has become, not least at the Union’s eastern and southern borders. Instability in our wider neighbourhood is at an all time high. At the same time it has never been as important to engage our partners on issues of mutual or global interest. To defend our interests and values and to protect citizens, a stronger engagement of the European Union in world affairs is crucial.

The following foreign policy priorities will therefore be key in the years ahead:

**Maximise our clout:** by ensuring consistency between member states’ and EU foreign policy goals and by improving coordination and coherence between the main fields of EU external action, such as trade, energy, justice and home affairs, development and economic policies;

**Be a strong partner in our neighbourhood:** by promoting stability, prosperity and democracy in the countries closest to our Union, on the European continent, in the Mediterranean, Africa and in the Middle East;

**Engage our global strategic partners,** in particular our transatlantic partners, on a wide range of issues – from trade and cyber security to human rights and conflict prevention, to nonproliferation and crisis management – bilaterally and in multilateral fora;

**Develop security and defence cooperation** so we can live up to our commitments and responsibilities across the world: by strengthening the Common Security and Defence Policy, in full complementarity with NATO; by ensuring that member states maintain and develop the necessary civilian and military capabilities, including through pooling and sharing; with a stronger European defence industry.
XI. The EU as a global actor

EP demands addressed and implemented
EP demands addressed and partially implemented
EP demands no delivered by the European Commission
EP demands no delivered by the Council of the European Union
EP demands no delivered by the European Parliament
Achievements of the past legislature

- **Common Foreign and Security Policy (CFSP)**
  In line with this new assertive role, AFET went beyond a classical scrutiny of the EU’s record on foreign policy and, through its Annual Reports on CFSP, became an actor advocating a new approach by setting out a strategic policy framework for the EU’s Common Foreign and Security Policy (incl. political priorities, financial instruments and budgetary means). The new approach advocated by Parliament includes a hierarchy of foreign policy priorities focusing, first and foremost, on the neighbourhood east and south; the extended neighbourhood; a review of the strategic partners and strengthening global governance and a rule-based international order (i.e. effective multilateralism).

As well as regular Committee meetings, hearings and high level conferences and the preparation of reports and recommendations for plenary, AFET has additional means for pursuing its objectives:

- cultivating more continuous dialogue with the HRVP as well as initiating pre-Foreign Affairs Council briefings and continuing the practice of the chair participating in the informal Council meetings (Gymnich);
- flexible membership and responsive Joint Consultation Meetings on the CFSP Budget (based on the 2006 II A, revised in 2014);
- Special Committee and consultation of sensitive documents in the area of security and defence (based on the 2002 II A, under revision in 2014 & on the Declaration on Political Accountability). The meetings should be more operational and make full use of the new security provisions for holding meetings on EP premises;
- information at all stages of the negotiations leading to the consent procedure for international agreements (based on article 218 of the Lisbon Treaty and 2010 II A);
- Hearings of newly appointed Heads of Delegations (based on the Declaration on Political Accountability);
- Strategic Dialogue and Mid-Term Review of the External Financing Instruments (based on E FI Regulations);
- cooperation with National Parliaments, particularly via the Inter-Parliamentary Conference on CFSP and CSDP (based on Protocol 1 articles 9 and 10 of the Lisbon Treaty). Making full use of opportunities for exchanges of views amongst Parliamentarians rather than focusing on full plenary debates;

At the end of the 7th Legislature the European Parliament, under the leadership of AFET, had taken full advantage of its prerogatives under the Lisbon Treaty to demonstrate that by using it legislative and budgetary powers it could advance its political objectives of a more ambitious and strategic foreign policy that would deliver results for its citizens as well as be more accountable to parliaments at both the EU and national levels.

- **Common Security and Defence Policy (CSDP)**
  Parliament has used its combined political and budgetary roles to give democratic legitimacy to EU action in the area of security and defence, and notably to military operations and civilian missions around the world.

The European Parliament actively contributed to the debate on the impact of the decreasing defence budgets and the EU-level response to it, in particular the pooling and sharing of defence assets. A number of its requirements have been endorsed by the European Council of December 2013, such as EU support to CSDP-related research, greater synergies among instruments and with EU policies, as well as more coordination between the EU, its Member States and other donors; rapid reaction to unforeseen events; and more democratic scrutiny.

- **Enlargement policy**
  Croatia joined on 1 July 2013, after 7 years of negotiations, thus becoming the 28th Member State. Moreover between 2009 and 2014 Montenegro, Serbia and most recently Albania gained the candidate status and all enlargement countries, except for Kosovo, have obtained visa free regime with the EU. All these steps corresponded to EP demands as they were expressed in yearly resolutions and through the regular meetings on the parliamentary level.

**EP demands which have been addressed and partially implemented**

As co-legislator, the EP put forward changes to EC proposals, aimed at ensuring clear impact of the instruments and results on the ground; transparency in planning and implementation including a more prominent parliamentary control; a greater role for civil society organisations and local authorities of beneficiaries; more conditionality; synergies among instruments and with EU policies, as well as more coordination between the EU, its Member States and other donors; rapid reaction to unforeseen events; and more democratic scrutiny.

- **The role of the Vice President/High Representative for Foreign Affairs and Security Policy and the strengthening the European External Action Service**
  Whilst many of Parliaments recommendations (in its annual Resolutions on CFSP and the Resolution on the Review of the European External Action Service) have been taken on board by the VP/HR in her own Review of the EES, there is still much work for these to be implemented. Without going into to the details, perhaps the two most important areas to focus on:

  - to ensure that the President of the Commission gives a strong mandate to the Vice President “hat”of the VP/HR to coordinate the work of all the Commissioners with a portfolio in the area of external relations (i.e. Chair the external relations constellation of Commissioners);
  - to pursue the recommendations from the Parliament that will lead to a more coherent framework for strategic policy planning and implementation.

- **The European Neighbourhood Instrument (ENI) builds on the 2011 review of the European Neighbourhood Policy and introduces significant changes compared to the previous “European Neighbourhood and Partnership Instrument 2007-2013”. These changes include a clearer linkage between the EU policy priorities and the assistance programmes, an increased differentiation and an incentive-based approach (“more for more”); a stronger involvement of civil society and local authorities in the programming cycle, and an increased coordination between EU and national assistance programmes.

- **The Partnership Instrument for cooperation with third countries (PI) is a newly created instrument with a global scope that aims at supporting the EU’s bilateral, regional or multilateral relationships with third countries and addressing challenges of global concern, as well as ensuring an adequate follow-up to decisions taken at multilateral level.**

- **The Development Cooperation Instrument (DCI) comprises thematic programmes that cover all developing countries, geographic programmes for Asia, Latin America and the Middle East, and a Pan African Programme. It takes into account the EU’s Consensus on Development and its primary objective is the eradication of poverty.**

- **The Instrument for the Promotion of Democracy and Human Rights (EIDHR) operates globally, and provides assistance to improve the situation of human rights and fundamental freedoms in countries where they are at risk, fully independently of those countries’ authorities. The new EIDHR 2014-2020 focuses on more flexibility and swifter response, through grants for human-rights defenders in urgent need of protection and direct grants in countries where calls for proposals are impossible. An EU Human Rights Defenders Mechanism is also created.**

- **The Instrument for Stability and Peace (ISP) designed to prevent conflict and respond to crises or global/ trans-regional security challenges. The name was changed from the original Instrument for Stability to underline its role also in the promotion of peace which entails an emphasis upon conflict prevention and tackling the structural causes of conflict as well as responding to the symptoms and trying to stabilise crises. In addition, the instrument is more accountable to the Parliament whilst also including new mechanisms to allow increased its flexibility (e.g. extending the maximum length of crisis response measures and enabling a second Exceptional Assistance Measure in protracted conflicts).**

- **The Instrument for Pre-accession Assistance (IPA II) supports the EU’s Enlargement policy by assisting candidate and potential candidate countries adopt and implement political, institutional, legal, administrative, social and economic reforms to comply with EU values and to progressively align to EU rules and policies with a view to EU membership. IPA II introduces an incentive-based approach as well as a conditionality dimension, on the basis of an assessment of performance and progress of beneficiaries.**
Early consultation of EP in drafting of annual progress reports and documents related to financing
Greater involvement of EP in conflict resolution in EU neighbourhood
Sharing of regular political reporting from EU delegations in ENP countries with EP

Europe: Better food security in developing countries
Improving food security against price volatility
More effective budget support to developing countries
Improved financial assistance instrument
EU transaction tax to finance development cooperation
Reinforcement of the Link between Relief, Reconstruction and Development
Good governance in developing countries
Addressing land grabbing issues
Policy coherence for development
Report on EU's consensus on development
Re-enforcement of industrial co-operation
Gender policy action
EU trust fund for malnutrition
Think-Tank on EU development policy
Improved coordination of MS and donors
Principles of circular migration and climate migration impact assessment

Common Security and Defence Policy
A number of Parliament’s requirements have been addressed by the process launched at the 2013 European Council, but their achievement is subject to keeping with the various roadmaps that have been set in the wake of the summit.

International agreements with third countries
The Lisbon Treaty considerably strengthened the rights of the EP in the conclusion of international agreements with third countries, in particular through the consent procedure. Article 218(10) of the Treaty on the Functioning of the EU furthermore stipulates that the EP shall be “immediately and fully informed at all stages of the procedure” of negotiations. The EP has put in place a number of mechanisms to ensure its involvement throughout the negotiation process, but some aspects, such as the consultation of negotiation mandates or the transmission of the outcome of negotiation rounds by Commission and EEAS, remain to be improved.

Accountability and scrutiny of EU external assistance
While the role of the European Parliament in the programming and implementation of the external financing instruments has been enhanced for the period 2014-2020, EP request regarding the use of delegated acts in the multi-annual programming still remains to be fully met.

Development, humanitarian aid and human rights
In development policy, financial allocations are defined by law and measures are in place to allow meaningful stakeholder participation and democratic accountability in implementation, and an idea originating in Parliament to make the “European Year for Development” is now enshrined in law. On Food Security, a specific communication on the nutritional dimension of EU programmes, demanded by Parliament, was published in March 2013. For humanitarian aid a new scheme has been set up for EU Aid Volunteers, in which Parliament’s demands for a strong level of finance were met.

Civil protection
Parliament supported new rules for the Union Civil Protection Mechanism which - while not establishing a full-fledged European civil protection force - strengthen cooperation between the Union and the Member States, creating a more predictable and efficient system. A voluntary pool of response capacities and experts has been established, with resources committed for stand-by, and overall coordination has been improved with the setting up of the Emergency Response Coordination Centre. The Commission is to present an interim report on the implementation of the mechanism by 2017.

Fighting abusive speculation on food prices
The EP asked the Commission (COM) to submit proposals to amend the Markets in Financial Instruments Directive and Market Abuse Directive. Measures aim at enhancing the transparency, integrity and stability of financial markets, including agricultural derivatives markets. On 26 July 2012, the Commission submitted a package consisting of two amended proposals for a Regulation and Directive on insider dealing and market manipulation. The procedure of the files 2011/0295(COD) and 2011/0297 (COD) is complete. On 20 October 2011, the Commission published the proposal for a Directive on Markets in Financial Instruments and the procedure for file 2011/0296(COD) has been finalised as well.

Common Foreign and Security Policy
Whilst progress has been made to meet Parliament’s key demands there is still work needed to operationalise the Declaration on Political Accountability and inter-institutional agreements to ensure Parliament is consulted before the adoption of mandates and strategies and has better access to information including reports from delegations. In addition the following areas require further attention in order to to strengthen EU foreign policy by:
- requesting the HRVP 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;
- establishing clear priorities and strategic guidelines for the CFSP as an essential part of the process of applying our diplomatic, economic, financial, development and – where necessary – crisis management resources more
setting out a framework for assessing existing strategic partners and developing new partnerships, including with international and regional organisations,

- setting out a roadmap for making progress on important innovations of the Lisbon Treaty in particular in the area of CSDP (see below), and by

- addressing acute problems in CFSP/CSDP decision-making, inter alia in relation to funding procedures and the financing of operations, that result in incomprehensible delays between the taking of political decisions to launch a mission and the actual deployment of that mission on the ground.

• **Common Security and Defence Policy**

The EP has requested political action in three dimensions of security and defence policy: efficiency and visibility, capabilities and industry, coinciding with the areas defined by the European Council. Some of its demands have not been sufficiently addressed, in particular with regard to a more strategic and conceptual approach in CSDP. Parliament believes a White paper on security and defence defining the Union's security and defence objectives, interests and needs in relation to the means and resources available is needed. Moreover, a European capabilities and armaments policy, as introduced by the Treaty, still needs to be defined and a robust European defence industrial strategy is paramount to retain strategic independence.

• **Enlargement and Neighbourhood Policy**

Concerning enlargement policy, the EP welcomed the increased information sharing, with the monthly pre-accession reports being made available more regularly, and asks for early consultation in the drafting of annual Progress reports and of documents relating to financing.

As regards the EU Neighbourhood policy, the EP asks for a greater involvement of the EU and HR/VP in particular in conflict resolution. Moreover, the EP would welcome sharing of regular political reporting from the EU Delegations in the neighbourhood countries.

• **Human rights**

Parliament requests a legislative proposal on governance gaps in the EU regarding business and human rights, in response to the 'Edinburgh' study commissioned by DG Enterprise. In particular it calls on the EU to ensure that victims of corporate abuses by EU companies in third countries have access to grievance and justice mechanisms in EU Member States. Parliament welcomes the EU human rights package adopted in 2012 but stresses that full implementation and a thorough review of the EU Human Rights Action Plan is key. It also suggests putting forward a proposal requiring EU companies to ensure that their procurement practices do not support perpetrators of conflicts and grave human rights violations, by performing checks and audits on their mineral supply chains and publishing the findings, and the publication of a list of EU companies which have been directly complicit in human rights violations in their dealings with authoritarian regimes.

• **Fair trade**

The EP asks for a legislative proposal on an effective traceability mechanism for the goods being produced through forced child labour and on a ban on the importation into the EU of goods produced using modern forms of slavery or forced labour, especially goods produced using forced labour by particularly vulnerable groups and in violation of basic human rights standards. The EP also requests that the Commission work jointly with Parliament so that the two institutions can put their political will and weight behind the efforts to find a solution to the abuse of internal market rules regarding rules of origin with regard to products originating in settlements in the Occupied Territories.

• **EU external assistance, development and humanitarian aid**

Parliament further calls for an improved coordination between Member States and other donors, for a widespread use of joint programming between EU and Member States and better coherence between development policy and other EU policies.

On better food security in developing countries, Parliament asks for the creation of an integrated approach to nutrition, a dedicated trust fund to address the problem of malnutrition in developing countries, and mobilisation of necessary resources to deliver basic preventive interventions. The EP also asks for a clearer and more focused strategy on nutrition, tackling food security governance and reducing price volatility. On the provision of budget support to developing countries, Parliament demands the aid delivered by this means must be better targeted and supported by work to develop a viable administration and a comprehensive tax infrastructure, while in the area of donor coordination Parliament calls for EU legislation to ensure less duplication and fragmentation of development aid provided by Member States. The EP has also called on the Commission to support good governance and improve good fiscal governance in developing countries. Another fundamental request concerns the presentation of a proposal on a new EU post-election policy.

The revision of the instrument for humanitarian aid is long overdue.

As far as strategic planning within EU development policy is concerned, Parliament calls for the creation of an independent think-tank, administratively linked to the Commission. Parliament also asks for an impact assessment on climate migration to be carried out, and, in the context of the revision of the ACP-EU Agreement, for the principles of circular migration and its facilitation by the granting of circular visas to be included in Article 13. Finally, there is an urgent need to address Parliament's call for adequate funds for emergency aid to be paid without delay.
Reliable European Budgeting

Achievements of the past legislature

Negotiating and adopting the Multiannual Financial Framework (MFF) for 2014-2020 brought first experience with the implementation of the Lisbon Treaty provisions on the MFF. A special legislative procedure applies, with the Council acting unanimously after receiving the consent of the EP. An important issue was to avoid pre-emption of EP co-decision powers since the 8 February 2013 conclusions of the European Council went far beyond the demarcation line between MFF core issues and codecided programmes. In a context of budget consolidation in most Member States, EP had to compensate the budget cuts unanimously agreed by the European Council by more qualitative elements including flexibility, allowing the possibility to fully use the limited ceilings, revision, own resources and unity of the budget.

The agreement on the 2014-2020 MFF included more flexibility for payments and commitments across headings and across years with a view to allow the full use of the ceilings foreseen for 2014 to 2020. It also brought a clear understanding on a viable way and timetable for the setting up of a true system of EU own resources as well as a full democratic legitimisation in the MFF revision process foreseen for 2016. On 2 December 2013 the Interinstitutional agreement on budgetary discipline, cooperation in budgetary matters and sound financial management was adopted, aiming at implementing budgetary discipline and improving the functioning of the annual budgetary procedure and cooperation between the institutions on budgetary matters as well as to ensure sound financial management.

At the end of Parliament’s 7th term, provisional agreements between Parliament and Council were reached on two parallel revisions of the Financial Regulation to incorporate the impact, in terms of budgetary mechanisms and procedures, of the MFF 2014-2020 agreements, as well as of the latest agreement on the funding of political parties and foundations. The adoption in First Reading was a milestone for a better European budget policy, bringing new rules for the establishment and implementation of the EU annual budget. As to the EU’s external action, EU visibility of its own work and priorities will be much improved due to the EP’s intervention.

Parliament also reached agreement with the Council on an extension of the European Investment Bank’s external lending mandate. The renewal of the EU’s guarantee for the EIB’s external operations for the 2014-2020 period will benefit projects that support the EU’s external policy objectives, covering sovereign and political risks in connection with loan and loan guarantee operations, thus preventing those risks from affecting the EIB’s credit standing and enabling the bank to maintain attractive lending rates. The decision set a € 30 billion maximum ceiling for EIB financing operations under EU guarantee.

Parliament adopted a decision on the participation of the European Union in the capital increase of the European Investment Fund, thus increasing the European Investment Fund support of actions which complement Member States’ actions in favour of enterprises, particularly small and medium-sized enterprises.

The Trans-European Networks (TENs) are partly funded by the EU and partly by the Member States. Financial support from the EU serves as a catalyst, the Member States being required to provide the bulk of the financing. The financing of the TENs can also be complemented by Structural Fund assistance, aid from the European Investment Bank or contributions from the private sector. A major reform was introduced across the TENs for transport, energy and telecommunication with the establishment a dedicated new TEN infrastructure policy, with a budget of over EUR 33 billion up to 2020: the Connecting Europe Facility (CEF).

Finally, through its adoption of the Hercule III programme, Parliament succeeded in establishing support for projects to improve prevention, detection and investigation of offences against its financial interests. The new phase of the programme will run from 2014 to 2020, with a total budget of €105 million.

The EP asked in several instances over the past years and especially in the framework of the MFF negotiations for the return to a system of 'genuine, clear, simple and fair own resources', to be again pushed forward by the new Commission.

During the 2011 Budget Procedure, the Parliament requested the Commission to come up with a Proposal on new own resources for the EU and ask the Council to discuss these proposals within the negotiation process for the future MFF. During the debate on the MFF, the EP has stressed the importance of reaching an agreement on an in-depth reform of the own-resources system.

As no major changes have been approved in order to reach the desirable goal of a maximum of 40% GNI-based contributions so far, the issue of own resources should remain high on the Parliament’s agenda for this legislative term.

Parliament used its right of consent to the MFF regulation and the implementing measures on own resources as leverage to obtain a political agreement to examine a reform of the revenue side, leading to the establishment of a High Level Group on own resources. The Group, chaired by Mario Monti, will be composed of members appointed by the three institutions and undertake a general review of the Own Resources system guided by the overall objectives of simplicity, transparency, equity and democratic accountability with the objective to have a first assessment available at the end of 2014 in order to be taken into account in the context of the MFF review.
EP demands which have not yet been addressed, finalised or adopted

Parliament supported the Commission’s ambitious legislative proposals including reducing the level of GNI-based contributions to 40% of the EU budget, transferring the revenues from the Financial Transaction Tax under enhanced cooperation fully or partially to the EU budget, reforming the VAT own resources, reducing the collection costs of traditional own resources to 10% of the amounts collected by the Member States, and phasing out the existing rebates and other correction mechanisms.

As no major changes have been approved in order to reach the desirable goal of a maximum of 40% GNI-based contributions so far, the issue of own resources should remain high on the Parliament’s agenda for this legislative term.

The mid-term revision of the MFF was one of the main conditions for the EP to adopt the MFF, so as to allow both the newly elected Parliament in 2014 and the new Commission a chance to examine the budgets inherited from the current legislators. The adopted MFF package now foresees this review-revision process of the MFF by 2016.

In its initiative report on ‘Negotiations on the MFF 2014-2020: Lessons to be learned and the way forward’, adopted by Parliament during the April II 2014 Plenary sitting, Parliament presented some considerations and recommendations on political and institutional grounds, as well as on the way forward, including the preparation of the upcoming review-revision, own resources and possible changes in the MFF decision-making process.

Among other issues, Parliament has been demanding a clarification of the use of delegated acts in the framework of the MFF, the use of global ceilings for commitment and payment appropriation in the MFF in order to be able to carry-over any unused margin between headings and between years, as well as the possibility of re-use of annual surpluses specifically for payments, with a view to avoid the situation where additional payment needs appear while at the same time, extra EU resources on the revenue side are actually returned to Member States via a reduction of their GNI contribution.

A further and future simplification of the Financial Regulation is also a continued legislative demand of the European Parliament, as is the call for establishing a single document for EU institutions annual expenditure.
EP demands addressed and implemented

EP demands addressed and partially implemented

EP demands no delivered by the European Commission

EP demands no delivered by the Council of the European Union

EP demands no delivered by the European Parliament

Full annual and multi-annual inter-institutional planning and programming

Renegotiating the Better Law Making Agreement

Increasing accountability (EP’s role in Banking supervision with EBA and the ECB)

Governance of European Financial Backstops

Increasing EP’s role and inter-parliamentary cooperation in the European Semester

Adequate response to EP legislative initiatives

Simplified legislation

Enhanced cooperation with Consultative Committees (ECOSOC, Committee of the Regions)

Adaptation of the acquis to the provisions of Article 290 and 291 TFEU

Improved transposition of EU legislation

Improved EP’s participation in experts groups

Troikas: ex-ante coordination of major economic policy initiatives

Implementation and effectiveness (delegated acts and implementing acts)

Economic Dialogue with Member States on the implementation of CSR and in European Semester

Social Pact In the European Semester

Europe connects
Achievements of the past legislature

- Increasing accountability (EP’s role in Banking supervision with EBA and the ECB)
  The conferral of supervisory tasks to the ECB with regard to the Banking Union implied a significant responsibility for the ECB to contribute to financial stability in the Union, using supervisory powers in the most effective and proportionate way. Parliament took the clear position that any such conferral of supervisory powers to the Union level should be balanced by appropriate accountability requirements, making the ECB accountable for the implementation of the Regulation to Parliament and the Council as democratically legitimised institutions representing the citizens of the Union and the Member States. An Interinstitutional Agreement between the EP and the ECB was negotiated and adopted, defining the practical modalities of this exercise of democratic accountability and oversight within the framework. It provides for a high degree of accountability of the ECB in the exercise of its tasks under the Single Supervisory Mechanism (SSM) vis-à-vis the European Parliament as well as adequate safeguards for the protection of confidential information. The Interinstitutional Agreement provides in particular for strong parliamentary oversight of the ECB’s supervisory tasks through regular exchanges of views with Parliament’s responsible committees, confidential oral discussions with the Bureau of that committee, and further access to information including to a record of proceedings of the Supervisory Board. ECB cooperation with the European Parliament in the framework of its investigations is also ensured. In addition, the IIA specifies the parliamentary involvement in the selection procedure of the Chair of the Supervisory Board, giving Parliament the right to hear, approve and, consequently, also reject proposed candidates.

- Governance of European Financial Backstops
  A new structure of economic governance has been implemented since 2011 in order to address weaknesses revealed by the crisis. With regard to an improved governance of European financial backstops, the European Stability Mechanism (ESM) is a core element of this framework to safeguard financial stability within the euro area. Set up in October 2012, the ESM was created as primary support mechanism to euro area Member States with a total effective lending capacity of EUR 500 billion. Ratification of and adherence to the Treaty on Stability, Coordination and Governance in EMU (TSCG) is a prerequisite for having access to the ESM. While the rules governing the Banking Union aim to ensure that any resolution is first financed by a bank and its shareholders, and if necessary also partly by a bank’s creditors, another funding source was made available that can step in if neither the contributions of shareholders nor those of a bank’s creditors are sufficient. The Single Resolution Fund (SRF) was established for this situation through an Inter-Governmental Agreement (IGA), which also governs the provisions relating to the transfer of contributions and mutualisation of the SRF. Both the ESM and the SRF have set up in the framework of Intergovernmental Agreements.

- Increasing EP’s role and inter-parliamentary cooperation in the European Semester
  This system of economic governance has introduced strong coordination mechanisms and enforcement mechanisms related to Member States’ economic and budgetary policies. Economic dialogues with Member States on the implementation of CSR and in European Semester have succeeded in ensuring accountability of decision-makers. The President of the Council, the Commission, the President of the European Council and the President of the Eurogroup must give evidence before the European Parliament on issues relating to the European Semester. Moreover, the EP has the right to invite for an exchange of views a national representative from the Member States that are subject to recommendations under the preventive and/or the corrective arm of the Stability Pact and of the new rules on macroeconomic imbalances. National parliaments have also been involved in holding Member States to account. Transparency is ensured through the public release of texts and discussions relating to the processes.

- Ex-ante coordination of major economic policy initiatives
  Parliament had repeatedly called on the Commission to submit, as a matter of urgency legislative proposals with the aim of creating provisions on ex-ante economic policy coordination based on the Community method. Since December 2012 two reports have set out a possible framework for such reforms: the ‘Towards a Genuine EMU’ report by the President of the European Council, Herman Van Rompuy, and the subsequent ‘A Blueprint for a Deep and Genuine EMU’ by the Commission.

- Adequate response to EP legislative initiatives
  Parliament succeeded in obtaining new commitments from the European Commission concerning an adequate response to EP legislative initiatives. The Commission committed to report on the concrete follow-up of any request to submit a proposal pursuant to Article 225 TFEU (legislative initiative report) within three months following adoption of the corresponding resolution in plenary. The Commission also agreed to come forward with a legislative proposal at the latest after one year or shall include the proposal in its next year’s Work Programme. In case the Commission would decide not to submit such a proposal, it would give Parliament detailed explanations of the reasons.

- Better law-making
  The revision of the Framework Agreement on relations between the European Parliament and the Commission established new methods concerning an improved transposition of EU legislation as well as ways to undertake the simplification of existing legislation. Parliament nevertheless demanded that the Regulatory Fitness and Performance Programme (REFIT) should lead to more concrete action and reductions of burdens.

- Enhanced cooperation with Consultative Committees (ECOSOC, CoR)
  Parliament signed a cooperation agreement with the Committee of the Regions (CoR) and the Economic and Social Committee (ECOSOC), allowing for an increased use of the CoR’s specific expertise at regional and local level as well as for a strengthened contribution by ECOSOC regarding to information and relevant materials from civil society on how existing legislation and spending programmes are effectively working. Parliament will provide the two Committees with additional expertise and materials via the European Parliament Members Research Service.

- Delegated acts and implementing acts
  With the introduction of delegated acts in the Treaty of Lisbon (Article 290 TFEU), the prerogatives of the Parliament were fully strengthened. The Framework Agreement on relations between the European Parliament and the Commission reinforced the involvement of the Parliament, as it required the Commission to provide full information and documentation on its meetings with national experts within the framework of its work on the preparation and implementation of Union legislation, including soft law and delegated acts. If so requested by Parliament, the Commission may also invite Parliament’s experts to attend those meetings. Parliament’s right to be invited to expert meetings that prepare delegated acts and to receive full information at the same time as the Member States represents an important step forward. Nonetheless, several points remain under discussion between the institutions. Parliament asked for the procedure to invite the Parliament to attend expert meetings to be simplified, and, in addition, for the calendar of meetings to be communicated to Parliament well in advance.
EP demands which have not yet been addressed, finalised or adopted

- **Social Pact in the European Semester**
  
  The European Parliament has been a driving force behind the debate on the introduction of a Social dimension of the Economic and Monetary Union (EMU). Adding a social pillar to the EMU is necessary on several counts: a well-functioning monetary union must be able to cater for the social implications of structural reforms, which are undertaken in Member States in order to boost jobs, growth and enhance competitiveness.

  It is also crucial to detect and tackle in a timely way the most serious employment and social problems, which lead to negative spillover effects beyond national borders and in the longer term, to larger disparities and polarization. Through addressing the initial weaknesses in the design of the EMU, its nature is changing from a purely monetary union to a genuine economic and monetary union, with reinforced economic and social governance.

  Since December 2012 two reports have set out the framework for future reforms of the EMU: the ‘Towards a Genuine EMU’ report by the President of the European Council, Herman Van Rompuy, and the subsequent ‘A Blueprint for a Deep and Genuine EMU’ by the Commission. On 2 October 2013, the Commission presented a more detailed proposal focused on the social dimension of EMU, on the basis of the calls by the European Parliament and European Council conclusions.

- **Reliability of inter-institutional planning**
  
  The European Parliament called on several instances on all Institutions to improve the quality of the legislative process throughout the entire EU legislative cycle, from agenda-setting to the stages of implementation and evaluation of legislation, so as to ensure that all these phases form part of a coherent process.

  The analysis of the potential ‘European added value’ of any proposed action, as well as an assessment of the ‘cost of non-Europe’ in the absence of action at EU level, should be used as guiding principles when setting the legislative agenda.

  Parliament also insists on a reliable programming of the main legislative procedures, especially by ensure full application of Article 17 TEU as regards agenda-setting and inter-institutional programming.

- **Better Law-Making Agreement**
  
  As, in the view of the European Parliament, the Interinstitutional Agreement on Better Law-making of 2003 has become ill-suited to the current legislative environment created by the Treaty of Lisbon, Parliament repeatedly called for a renegotiation of the 2003 Interinstitutional Agreement on Better Law-making in order to take into account the new legislative environment created by the Treaty of Lisbon, consolidate current best practices and bring the agreement up to date in line with the better law-making agenda, for instance concerning correlation tables, the practical modalities for legislative procedures and the demarcation between delegated and implementing acts.

  Specifically, Parliament demanded that any new agreement should be adopted on the basis of Article 295 TFEU and should be of a binding nature.