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REPORT

on the draft Council decision on relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other (12274/13 – C7-0237/2013 – 2011/0410(CNS))

Committee on Development

Rapporteur: Ricardo Cortés Lastra

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

In amendments by Parliament, amendments to draft acts are highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the draft act which may require correction when the final text is prepared – for instance, obvious errors or omissions in a language version. Suggested corrections of this kind are subject to the agreement of the departments concerned.

The heading for any amendment to an existing act that the draft act seeks to amend includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend. Passages in an existing act that Parliament wishes to amend, but that the draft act has left unchanged, are highlighted in **bold**. Any deletions that Parliament wishes to make in such passages are indicated thus: [...].

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the draft Council decision on relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other
(12274/2013 – C7-0237/2013 – 2011/0410(CNS))

(Special legislative procedure – consultation)

The European Parliament,

- having regard to the draft Council decision (12274/13),
 - having regard to Article 203 of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C7-0237/2013),
 - having regard to Rule 55 of its Rules of Procedure,
 - having regard to the report of the Committee on Development (A7-0054/2014),
1. Approves the Council draft as amended;
 2. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 3. Asks the Council to consult Parliament again if it intends to substantially amend its draft;
 4. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a decision

Recital 10

Text proposed by the Council

(10) Union assistance should focus where it has more impact, having regard to its capacity to act on a global scale and respond to global challenges such as poverty eradication, sustainable and inclusive development or worldwide promotion of democracy, good governance, human rights and rule law, its long-term and predictable engagement in development assistance and its role in

Amendment

(10) Union assistance should focus where it has more impact, having regard to its capacity to act on a global scale and respond to global challenges such as poverty eradication, sustainable and inclusive development **and growth** or worldwide promotion of democracy, good governance, human rights and rule law, its long-term and predictable engagement in development assistance and its role in

coordinating with its Member States.

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Amendment 2

Proposal for a decision

Recital 11

Text proposed by the Council

(11) The EU-Greenland partnership should provide for a framework permitting regular discussions on matters of interest for the Union or Greenland, such as global issues, where an exchange of views, and a possible convergence of ideas and opinions, could be beneficial for both parties. The increasing impact of climate change on human activity and the environment, maritime transport, natural resources, including raw materials, as well as research and innovation, calls for dialogue and enhanced cooperation.

Amendment

(11) The EU-Greenland partnership should provide for a framework permitting regular discussions on matters of interest for the Union or Greenland, such as global issues, where an exchange of views, and a possible convergence of ideas and opinions, could be beneficial for both parties. The increasing impact of climate change on human activity and the environment, maritime transport, natural resources, including raw materials, as well as **education**, research and innovation, calls for dialogue and enhanced cooperation.

Amendment 3

Proposal for a decision

Recital 11 a (new)

Text proposed by the Council

Amendment

(11a) The Government of Greenland should prepare and submit a Programming Document for the Sustainable Development of Greenland. That document should be prepared, implemented and assessed on the basis of a transparent and participative approach.

Amendment 4

Proposal for a decision

Recital 13

Text proposed by the Council

(13) The Union's financial support for the period 2014-2020, should be focused on ***one, or a maximum of two*** areas of cooperation, allowing for the partnership, to maximise the impact and further allow for economies of scale, synergy effects, greater effectiveness and visibility for the Union's action.

Amendment

(13) The Union's financial support for the period 2014-2020, should be focused on ***a reduced number of*** areas of cooperation, allowing for the partnership, to maximise the impact and further allow for economies of scale, synergy effects, greater effectiveness and visibility for the Union's action.

Amendment 5

Proposal for a decision
Recital 13 a (new)

Text proposed by the Council

Amendment

(13a) Any cooperation in the area of exploration, extraction and exploitation of Greenland natural resources, in particular minerals, oil and gas, should observe the highest safety, social and environmental standards and strict environmental management criteria in order to guarantee a sustainable use of resources and preserve the valuable though fragile ecosystem of the Arctic.

Amendment 6

Proposal for a decision
Recital 17

Text proposed by the Council

Amendment

(17) The programming documents and financing measures necessary for the implementation of this Decision should be adopted in accordance with Regulation No 182/2011 of 16 February 2011 of the European Parliament and the Council

deleted

laying down the rules and general principles concerning the mechanisms of control by Member States of the Commission's exercise of implementing powers⁵. Taking into account the nature of those implementing acts, in particular their policy orientation nature or their financial implications, the examination procedure should in principle be used for their adoption, except for technical implementing measures of a small financial scale.

⁵ OJ L 55, 28.02.2011, p. 13 - 18.

Amendment 7

Proposal for a decision Recital 17 a (new)

Text proposed by the Council

Amendment

(17a) The power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission for the adoption of programming documents and financing measures necessary for the implementation of this Decision. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should further ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

Amendment 8

Proposal for a decision Article 1 – paragraph 2

Text proposed by the Council

2. It acknowledges the geostrategic position of Greenland in the Arctic Region, ***the issues of exploration and exploitation of natural resources, including raw materials***, and ensures enhanced cooperation and policy dialogue on ***these issues***.

Amendment

2. It acknowledges the geostrategic position of Greenland in the Arctic Region and ensures enhanced cooperation and policy dialogue on ***issues of common interest to both parties***.

Amendment 9

Proposal for a decision Article 2 – paragraph 2 – indent 1

Text proposed by the Council

– Global issues such as energy, climate change and environment, natural resources, including raw materials, maritime transport, research and innovation.

Amendment

– Global issues such as energy, climate change and environment, ***biodiversity***, natural resources, including raw materials, maritime transport, research and innovation.

Amendment 10

Proposal for a decision Article 2 – paragraph 2 – indent 2

Text proposed by the Council

– Arctic issues.

Amendment

– Arctic issues, ***including the participation of the European Union as a permanent observer in the Arctic Council***

Amendment 11

Proposal for a decision

Article 3 – paragraph 1 – point a

Text proposed by the Council

(a) To support and cooperate with Greenland in addressing its major challenges in particular the sustainable diversification of the economy, the need to increase the skills of its labour force, including scientists, and the need to improve the Greenlandic information systems in the field of Information and Communication Technologies. The achievement of these objectives shall be measured by the percentage of trade balance in GDP, the percentage of the fisheries sector in total exports, and the results of education statistical indicators as well as other indicators deemed suitable.

Amendment

(a) To support and cooperate with Greenland in addressing its major challenges in particular the sustainable **development and** diversification of the economy, the need to increase the skills of its labour force, including scientists, and the need to improve the Greenlandic information systems in the field of Information and Communication Technologies. The achievement of these objectives shall be measured by the percentage of trade balance in GDP, the percentage of the fisheries sector in total exports, and the results of education statistical indicators as well as other indicators deemed suitable.

Amendment 12

Proposal for a decision

Article 3 – paragraph 1 – point a

Text proposed by the Council

(a) To support and cooperate with Greenland in addressing its major challenges in particular the sustainable diversification of the economy, the need to increase the skills of its labour force, including **scientists**, and the need to improve the Greenlandic information systems in the field of Information and Communication Technologies. The achievement of these objectives shall be measured by the percentage of trade balance in GDP, the percentage of the fisheries sector in total exports, and the results of education statistical indicators as well as other indicators deemed suitable.

Amendment

(a) To support and cooperate with Greenland in addressing its major challenges in particular the sustainable diversification of the economy, the need to increase the skills of its labour force, including **in the area of mining and science**, and the need to improve the Greenlandic information systems in the field of Information and Communication Technologies. The achievement of these objectives shall be measured by the percentage of trade balance in GDP, the percentage of the fisheries sector in total exports, and the results of education statistical indicators as well as other indicators deemed suitable.

Amendment 13

Proposal for a decision

Article 3 – paragraph 2 – point c

Text proposed by the Council

(c) energy, climate, environment and biodiversity;

Amendment

(c) energy, climate **change**, environment and biodiversity;

Amendment 14

Proposal for a decision

Article 4 – paragraph 4 – subparagraph 1

Text proposed by the Council

The PDSD shall be based on consultations and dialogue with civil society, local authorities and other stakeholders and shall draw on lessons learned and best practices, to ensure sufficient ownership of the PDSD.

Amendment

The PDSD shall be based on consultations and dialogue with **the Greenlandic** civil society, **social partners, Parliament**, local authorities and other stakeholders and shall draw on lessons learned and best practices, to ensure sufficient ownership of the PDSD.

Amendment 15

Proposal for a decision

Article 4 – paragraph 6

Text proposed by the Council

6. The PDSD shall be approved in accordance with the **examination** procedure **provided for in Article 9 (2)**. This procedure shall also apply to substantial reviews which have the effect of modifying significantly the strategy or its programming. It shall not apply to non-substantial modifications to the PDSD making technical adjustments, reassigning funds within the indicative allocations per

Amendment

6. The PDSD shall be approved **by means of delegated acts** in accordance with the procedure **laid down, respectively, in Articles 9a and 9b**. This procedure shall also apply to substantial reviews which have the effect of modifying significantly the strategy or its programming. It shall not apply to non-substantial modifications to the PDSD making technical adjustments, reassigning funds within the indicative

priority area, or increasing or decreasing the size of the initial indicative allocation by less than 20%, provided that these modifications do not affect the priority areas and objectives set out in the PDSD. In such case, adjustments shall be communicated to the European Parliament and the Council within one month.

allocations per priority area, or increasing or decreasing the size of the initial indicative allocation by less than 20%, provided that these modifications do not affect the priority areas and objectives set out in the PDSD. In such case, adjustments shall be communicated to the European Parliament and the Council within one month.

Amendment 16

Proposal for a decision Article 7 – paragraph 1

Text proposed by the Council

1. By 31 December 2017, the European Commission, the Government of Greenland and the Government of Denmark shall undertake a mid-term review of the PDSD and its' impact on Greenland as a whole. The Commission shall associate all relevant stakeholders, ***including non-State actors and local authorities.***

Amendment

1. By 31 December 2017, the European Commission, the Government of Greenland and the Government of Denmark shall undertake a mid-term review of the PDSD and its' impact on Greenland as a whole. The Commission shall associate all relevant stakeholders ***referred to in Article 4(4).***

Amendment 17

Proposal for a decision Article 8 – paragraph 1 a (new)

Text proposed by the Council

Amendment

1a. Should the Government of Greenland decide to include in the PDSD a request for the Union's financial assistance in the area of education and training, such assistance shall duly take into account the need to contribute to Greenland's efforts to strengthen capacity building in that area and to provide technical support.

Amendment 18

Proposal for a decision Article 9 a (new)

Text proposed by the Council

Amendment

Article 9a

Delegation of power to the Commission

The Commission shall be empowered to adopt a delegated act in accordance with Article 9b for approval of the PSDS.

Amendment 19

Proposal for a decision Article 9 b (new)

Text proposed by the Council

Amendment

Article 9b

Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

2. The delegation of power referred to in Article 9a shall be conferred for the period of validity of this Decision.

3. The delegation of power referred to in Article 9a may be revoked at any time by the Council. Where the Council has commenced an internal procedure for deciding whether to revoke the delegation of power, it shall endeavour to inform the European Parliament and the Commission within a reasonable time before the final decision is taken, indicating the delegated power which could be subject to revocation and possible reasons for a revocation. A decision to revoke shall put an end to the delegation of power specified in that

decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

5. A delegated act adopted pursuant to Article 9b shall enter into force only if no objection has been expressed by the Council within a period of two months of notification of the act to the Council or if, before the expiry of that period, the Council has informed the Commission that it will not object. That period shall be extended by two months at the initiative of the Council.

If it intends to object, the Council shall endeavour to inform the European Parliament within a reasonable time before it takes the final decision, indicating the delegated act to which it intends to object and the possible reasons for the objection.

Amendment 20

Proposal for a decision Article 10

Text proposed by the Council

Amendment

Article 10

deleted

Committee procedure

1. The European Commission shall be assisted by the Greenland Committee, hereinafter referred to as ‘the Committee’. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

3. Where the opinion of the committee is to be obtained by written procedure, the procedure shall be terminated without result when, within the time limit for delivery of the opinion, the chair of the committee so decides or a simple majority of committee members so requests.

Amendment 21

Proposal for a decision Article 11

Text proposed by the Council

The indicative amount for the implementation of this Decision for the period from 2014 to 2020 shall be EUR /217,8 million./⁶

Amendment

In the light of the long-standing and special relationship between the EU and Greenland and the increasing global importance of the Arctic, the continuation of the EU's financial commitment towards Greenland is confirmed. The indicative amount for the implementation of this Decision for the period from 2014 to 2020 shall ***therefore*** be EUR 217,8 million.

⁶ ***All reference amounts will be entered after the conclusion of negotiations regarding the Multiannual Framework (2014-2020)***

EXPLANATORY STATEMENT

Greenland is one of 26 overseas countries and territories covered by Part IV of the Treaty on the Functioning of the European Union and listed in Annex II to the treaty.

Greenland is the largest island on the planet, but 81 % of its surface is covered by ice. It has a population of 57 000 and its GDP is almost USD 36 000 per capita. The economy of this territory is principally controlled by the public sector and largely dependent on fishing, which accounts for 80 % of its exports. Greenland has a relatively high level of human development, but this is mainly due to financial support from Denmark. Furthermore, its population suffers from generally inadequate levels of education and professional training; there is not enough educational and professional guidance for young people and a high percentage fail to complete their schooling.

Greenland's Arctic location and its extreme climate have kept it on the geostrategic side lines for centuries. However, the Arctic region has gained considerable importance in recent years, mainly owing to the effects of climate change which are beginning to be observed in this part of the world. The gradual thawing of ice will make it easier to exploit its natural resources, including minerals, gas and oil, and to navigate its waters during a larger part of the year, opening up the possibility of a viable sea passage between Europe, Asia and America. It will also become easier to develop other economic sectors, such as tourism. Nevertheless, climate change will undoubtedly have a negative impact on local plant and animal life and on the traditions and lifestyle of the inhabitants. Economic development, particularly mining, gas and oil extraction, is likely to pose serious and evident threats to the region's fragile ecosystem.

The proposal for a Council Decision on relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other, which forms the subject of this report, establishes a framework for cooperation between the parties for the 2014-2020 period and will replace Council Decision 2006/526/EC, which covered the 2006-2003 period.

Fishing matters, which are of great importance to Greenland given the percentage of its trade balance accounted for by exports of fish and fish products, are not included in the Council's decisions, as they are covered by a specific EU-Greenland Fisheries Partnership Agreement.

The rapporteur welcomes the Commission's current proposal and hopes that the new Council Decision, which is primarily based on the text and achievements of the previous one, will help strengthen the currently excellent relationship between the EU, on the one hand, and Greenland and the Kingdom of Denmark on the other.

Decision 2006/56/EC included education and training, mineral resources, energy, tourism and culture, research and food security among the Agreement's areas of cooperation. The Decision was endowed with a financial reference amount of EUR 175 million, provided under the heading of budgetary support. On the basis of this decision, the Autonomous Government of Greenland and the Commission adopted a Programming Document for the Sustainable Development of Greenland, which identified education and professional training as the target

sector for cooperation during the period covered by the Decision. As a result, financial aid from the EU was used to develop the Greenland Education Programme (GEP), a strategy developed by the Government of Greenland with a 14-year span (from 2006 to 2020) and divided into two phases. According to the mid-term review of the 2006 EU-Greenland Partnership, the GEP is fully meeting its objectives, as shown by the positive evolution of a series of indicators. The mid-term review also stresses that the GEP is having a positive impact on sustainable economic growth and in achieving increased economic independence for Greenland.

It is important to recall the main elements of Decision 2006/56/EC, due to be replaced by this proposal for a decision, in order to understand one of the main aspects amended by this draft report: the rapporteur considers that the Commission's proposal places excessive, and indeed obsessive, emphasis on the exploration and exploitation of Greenland's natural resources, and that this undermines the desired neutrality of the document since, as the proposal for a decision itself states, 'cooperation activities shall be decided upon in close consultation between the European Commission, the Government of Greenland and the Government of Denmark' and 'shall be conducted in full compliance with the respective institutional, legal and financial powers of each of the partners'. Article 4(1) further states that 'within the framework of the partnership, the Government of Greenland shall assume the responsibility for the formulation and adoption of sector policies in the areas of cooperation as defined in Article 3(2)'.

The rapporteur has therefore eliminated a number of references to the exploration and exploitation of natural resources in order to guarantee the neutrality of the proposal and the right of Greenland's authorities to freely decide which sector or sectors of cooperation shall receive financial support from the EU. The rapporteur wishes to emphasise that the interim review of the 2006 Partnership Agreement gives a clearly positive assessment of the way in which the GEP is being implemented and notes that this programme will continue until 2020. The rapporteur considers that, if considered appropriate by the Greenland authorities, EU financial support could continue to focus on the development of this programme.

On the other hand, the rapporteur considers, from a personal viewpoint, that EU financial aid should be directed towards human and social development programmes in Greenland, preferably linked to its economic development, given that the major development opportunities presented by the exploration and exploitation of its natural resources will undoubtedly attract the necessary private investment, or loans from the European Investment Bank, without any need for public funding.

In this respect, the rapporteur wishes to highlight the need for full preventive measures to be taken to ensure that Greenland's natural resources are exploited on the basis of strict environmental sustainability criteria, so that the region's delicate ecosystem can be preserved.

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Another fundamental aspect of the draft report pertains to matters of 'comitology'. The Commission's proposal suggests that the Programming Document for the Sustainable Development of Greenland, and any other substantial amendment of the strategy or its

programming should be approved by the Council according to the procedure for implementing acts described in Article 291 TFEU.

By taking this approach, the Commission may have sought to transplant *mutatis mutandis* into this proposal for a decision the comitology model of Council Decision 2006/526/EC, which predates the Lisbon Treaty. This is, however, no longer possible.

The rapporteur wishes to stress that the TFEU radically changes the previous comitology system through the introduction of Articles 290 and 291. The rapporteur also wishes to recall that all the institutions are bound by the principle of legality and the decision whether to use delegated acts pursuant to Article 290 TFEU or implementing acts pursuant to Article 291 TFEU is not a matter of political choice. On the contrary, the choice of one or other type of act should be based on the criteria laid out in the above-mentioned articles of the Treaty. In the rapporteur's view, it is clear that this proposal for a decision should apply the provisions of Article 290 TFEU, as the Commission is being delegated the power to adopt non-legislative acts of general application which supplement or amend some less essential elements of this proposal for a decision. The rapporteur has therefore introduced a series of amendments designed to leave no doubt that the implementing acts of this decision will be delegated acts, since the requirements of Article 290 TFEU are met.

The rapporteur wishes to alert the Council to the fact that the choice of a comitology procedure which fails to comply with the terms of the TFEU may lead to annulment proceedings being brought before the European Court of Justice, which could, if the case is admitted, declare void not only the legal instrument in question but also the implementing instruments adopted by the Commission on the basis of said legal instrument. At the same time, the rapporteur wishes to remind the Commission, in its capacity as guardian and guarantor of the Treaties, of its responsibility in this matter.

While considering the proper comitology procedure, Parliament's role in this procedure also needs to be addressed. The rapporteur is aware that the act in question derives exclusively from the Council and that Parliament has a merely consultative role. Nevertheless, the rapporteur feels that in the event of revocation of the delegation or of objections to a proposed delegated act, Parliament's lack of participation could be interpreted as incompliance with Parliament's right to be consulted and with the principle of loyal cooperation between the European institutions laid out in Article 13(2) of the Treaty of the European Union. Given the existence of precedents in similar procedures, the rapporteur has, therefore, introduced a series of amendments which seek to ensure that Parliament is duly informed and able to respond to any attempted revocation of the delegation, presentation of proposed delegated acts or the possible interposition by the Council of an objection to said proposals.

PROCEDURE

Title	Relations between the EU on the one hand, and Greenland and the Kingdom of Denmark on the other	
References	12274/2013 – C7-0237/2013 – COM(2011)0846 – C7-0016/2012 – 2011/0410(CNS)	
Date of consulting Parliament	20.1.2012	
Committee responsible Date announced in plenary	DEVE 2.2.2012	
Committee(s) asked for opinion(s) Date announced in plenary	AFET 2.2.2012	REGI 2.2.2012
Not delivering opinions Date of decision	AFET 6.3.2012	REGI 27.2.2012
Rapporteur(s) Date appointed	Ricardo Cortés Lastra 25.1.2012	
Discussed in committee	3.10.2013	
Date adopted	21.1.2014	
Result of final vote	+: 24 -: 0 0: 0	
Members present for the final vote	Thijs Berman, Michael Cashman, Ricardo Cortés Lastra, Véronique De Keyser, Leonidas Donskis, Charles Goerens, Mikael Gustafsson, Filip Kaczmarek, Miguel Angel Martínez Martínez, Gay Mitchell, Norbert Neuser, Bill Newton Dunn, Maurice Ponga, Jean Roatta, Birgit Schnieber-Jastram, Michèle Striffler, Alf Svensson, Keith Taylor, Ivo Vajgl, Iva Zanicchi	
Substitute(s) present for the final vote	Philippe Boulland, Emer Costello, Enrique Guerrero Salom, Cristian Dan Preda	