



FUTURE OF EUROPE OBSERVER

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This issue of the Future of Europe Observer monitors and assesses the on-going work of the European Commission on the basis of its ten priorities included in the 2017 Work Program.



No progress



Progress being made



Achievement of objective

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Future of Europe Observer

accompanies the debate on governance and regulation in the European Union. Authors are ZEI Scholars, Master of European Studies Fellows and Alumni.

The Juncker Commission: Outlook for 2018

European politics has regained dynamics in 2017, but the future direction remains unclear. 2018 will be the year of genuine negotiations, hopefully ending with solid compromises among the different players in the EU. The priorities are obvious:

First, to consolidate the Eurozone and implement the lessons learned during the past years of crisis; especially necessary is a more open attitude of Germany and other net payers to combine structural reforms (which remain a continuous challenge) with innovative impulses for investment into jobs and inclusive growth (which are essential preconditions to regain popular support for the EU in most of its member states).

Second, to create a new and sustainable European system of asylum policy and of legal migration which overcomes the blame-games of past years, recognizing the failure and complete insufficiency in light of the challenge of the quota decision of 2015. This entails enhancing external border control and preventing smugglers' activity, while at the same time advancing a voluntary EU system of contingents for refugee influx and a likewise voluntary system of pro-active means to manage and enhance legal migration wherever needed and wanted according to the demands of individual member states.

Third, to improve the political legitimacy and public support of the EU by making strong decisions on future priorities and necessary budget increases for the period 2021-2027 which along with strong candidates for the future European Parliament and the leadership positions to be renewed in 2019 will substantially define the future outlook of EU citizens on the performance of the European Union.

Against this background of ongoing challenges, the European Commission, in collaboration with the European Parliament and the European Council, has implemented much of its 2017 work program while falling short on some of the announcements of late 2016. ZEI continues to monitor - almost as the only research institute in the EU - the work progress of the EU institutions. This „Future of Europe Observer“ includes our annual assessment for 2017. In 2018, our work will not cease to be precise and timely, also online where many more details can be found under www.zei.de/research

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Commission Priority 1: Boosting Jobs, Growth and Investment

Goals and Key Players

Key objectives of the European Commission's first priority are the encouragement of the national governments' to increase investments in order to boost growth rates (while respecting the Stability and Growth Pact); a refocus of EU funds towards growth and competitiveness to create new jobs; decrease regulatory burdens for SMEs to support entrepreneurial activities as well as improve access to loans and greater risk capacity.

Progress in 2017

An important milestone in 2017 was the implementation of the Action Plan on Circular Economy. The Commission published a report to document the progress that was made in this field and to delineate further steps that have to be taken. Based on future targets, an important element is the Circular Economy Finance Support Platform that was established in cooperation with the European Investment Bank to join funds and ideas of investors and innovators. To better connect to stakeholders and discuss future deliverables, the Commission organized a Circular Economy Conference where the European Circular Economy Stakeholder Platform was presented. This platform aims to support the transition to a circular economy by bringing stakeholders together and by disseminating best practice examples and information.

We also observed progress in the implementation of the so called Juncker Plan, which aims at mobilizing 315 billion € in investments within the EU economy. In October 2017, the Commission announced that the Juncker Plan is expected to trigger 240.9 billion € in investments. This represents already more than 75% of the 315 billion € target of total investments. According to the European Investment Bank (EIB), projects approved under the European Fund for Strategic Investments (EFSI) – a key element of the Juncker Plan - have a total financing volume of 47.4 billion € across all 28 member states. Since small and medium-sized businesses (SMEs) have often problems to get access to finance, it can be regarded as an achievement that around 461.000 SMEs are expected

to benefit from improved access to finance as a result of the plan. Also, the Commission and the EIB Group estimate that the EFSI has so far supported 300.000 jobs across the EU. This figure is expected to grow by 2020 to as high as 700.000.

Moreover, the European Parliament and Member States have come in September 2017 to an agreement in principle on the extension and further strengthening of the European Fund for Strategic Investments (EFSI). The agreement extends the EFSI's duration as well as it increases its financial capacity. The EFSI's initial three-year timeline (2015-2018) is now extended to 2020. The target of investment to be placed is increased from €315 billion to at least half a trillion euros by 2020.

European Commission
Work Program: 2017

-  Youth Initiative
-  Implementation of the Action Plan on Circular Economy
-  A sustainable European future
-  The 315€ billion Investment Package - Juncker Plan: Legislative Development

Conclusion

We currently observe robust growth rates of the EU economies of expected 2.3 % in 2017 on average which is the highest rate in the last ten years. The Juncker plan has shown to be an important policy tool to support the recovery process of the European economy.

Outlook 2018

Originally the EFSI was planned to end in 2018. The prolongation until 2020 along with the increase in expected leveraged funds for investments of half a trillion € will increase the relevance of this policy tool. The focus on environmental aspects reflected in the strategy for a circular economy can help to steer investments more than before towards sustainable projects. Such a mission-oriented policy would be in line with the idea of a (green) Energy Union as well as with the main objectives of the Europe 2020 strategy.

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Commission Priority 2: Digital Single Market

Goals and Key Players

In the modern era, all aspects of everyday life have a digital dimension. In fact, we cannot distinguish a separate information technology sector anymore. Therefore, our response to digital technology is of critical importance. Recognizing the need to develop further policies in this field, the European Union in 2015 launched its Digital Single Market Strategy. The Strategy is focused on (i) improving access to online goods and services by establishing a framework for e-commerce, copyright, and improved parcel delivery (ii) creating the appropriate legal framework for digital networks and services (for example media services, telecommunications and cyber security), and (iii) enhancing a digital economy (through inclusive digital economy and society and more digitization of the European industry). It has been estimated that a successful implementation of the Strategy could contribute €415 billion per year to the EU economy and create hundreds of thousands of new jobs. Consequently, it would be hard to understate the importance of timely implementation.

Progress in 2017

While 2016 was marked by many legislation proposals but a rather slow pace of adoption of final measures, in 2017 the EU made significant steps towards the implementation of the Digital Single Market. The most notable was the end of roaming charges as from the 15th of June 2017 for citizens travelling in other member states.

Several other initiatives of the Digital Single Market have already been adopted by the European Parliament and the Council, namely the Content Portability Regulation which will broaden access to online content services for travellers in the EU, the WiFi4EU initiative which wishes to promote free Wi-Fi connectivity for citizens and visitors in public spaces, and the implementation of the Marrakesh Treaty, which will facilitate access to published works for persons who are visually impaired, or otherwise print disabled. Other non-legislative initiatives continued their progress in 2017 in cooperation with the member states and different

stakeholders. For example, the Digitising European Industry Initiative has allocated millions of euros to digital innovation hubs since its launch in April 2016.

Conclusion

By mid-September 2017 the Commission had put forward 38 digital policy initiatives, 23 of which are legislative proposals. The measures that have been adopted so far will bring several advantages to individual and businesses in the European Union. For instance the new set of rules of data protection and privacy will give a greater sense of security in electronic communications and a new cybersecurity law to be put in force in May 2018 will allow for greater protection of IT systems and networks.

Outlook 2018

The European Council has repeatedly committed to implementing the Digital Single Market Strategy by December 2018. And while solid progress has been made, there is still much more to do to achieve a fully integrated Digital Single Market in Europe. This will require the pace of the negotiations to be increased. Further actions will be required in the field of online platforms, high performance computing and more.

Legislative negotiations are still ongoing on a number of key proposals under the Digital Single Market Strategy (e.g. tackling unjustified geo-blocking, copyright reform, telecom reform and update of the audio-visual media framework), however with significant delays in the decision-making process. For example the copyright directive is yet to be discussed although announced in September 2016.

With the deadline for the Strategy's full implementation approaching, it is expected that in 2018 we will see new EU legislation being widely implemented. These breakthrough amendments to the current legal framework are far reaching and will potentially be game changing.

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European Commission

Work Program: 2017



Implementation of the Digital Single Market Strategy

Commission Priority 3: Energy Union and Climate

Goals and Key Players

The goals for 2017 were ambitious. In the first quarter of 2017, the capacity auction for Nord Stream 2 pipeline took place with many countries across Europe already building the needed infrastructure for capacity extensions. However, this topic still remains controversial in the European Union due to the fact that the planned extension only promotes the monopolistic role of Gazprom in Europe. In coming years, one of the most important players in the energy sector will be the citizens, cities, rural areas and companies which will need to actively engage in developing the solutions of the future for energy efficiency.

Progress in 2017

The year of 2017 has seen several progressions towards implementing the Energy Union and delivering jobs, growth and investments. The EU is on its way towards a low-carbon, fully digital and consumer centric energy system. The share of renewable energy continues to rise across the Union and is on its track to reach the 20% target in 2020. This transition to a low-carbon society affects many people, as consumers, workers and energy market participants. The effect can be seen through job creation, energy cost savings or improvement of air quality.

As the Third State of the Energy Union Report confirms, the energy transition is not possible without adapting the infrastructure to the needs of the future energy system. Therefore, the third list of Projects of Common Interest (PCI) has been adopted to ensure that the Member States continue to eliminate bottlenecks across Europe as well as interlinking telecommunication and gas infrastructures. The importance of local networks will be the key focus in the years to come as European citizens will find ways to switch to electro-mobility, decentralized energy production and demand response. In the electricity sector, the Commission also adopted a Communication on the 2030 electricity interconnection target of 15%, where the bottlenecks are addressed.

The year 2017 has also been important for energy security. The revision of the Security of supply Regulation (EU) No 994/2010 has brought several changes to how the Member States shall deal with emergency situations such as the ‘gas crisis’ of 2009 and how to prevent long durations with no energy supply. Furthermore, a new binding “Solidarity Principle” has been introduced in the new Regulation (EU) No 2017/1938. The solidarity article calls for specific measures in dealing with energy supply shortage. For example, if one country declares emergency status, the regulation deals with such situations on a regional basis as well as Union-wide basis. The implementation will, however, be fully seen in coming years as the Member States and other involved entities (TSOs, DSOs, SSOs) have the year of 2018 to implement the regulation on the national level and cooperate among themselves.

European Commission

Work Program: 2017



Implementation of the
Energy Union Strategy: low-
emission travel and mobility

Conclusion

The Energy Union has been developing since 2015 and the progress is visible. The two PCI list updates, several legislative changes and agreements focusing on the EU becoming the leader for low-carb transition and overall interconnectivity of Member States’ markets clearly show that the team of EU Energy Commissioner Maroš Šefčovič is harvesting results. .

Outlook 2018

In the coming year, the focus shall be on completing the Energy Union, which requires close cooperation between the Member States as well as the European institutions with a common goal of integrated national energy and climate plans. Šefčovič as the Vice-President of the Commission has designated 2018 as the year when the energy policy will provide engagement by all European stakeholders for the Energy Union. This will mean engagement by all stakeholders in Europe being given a framework that can make this happen.

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Commission Priority 4: Internal Market

Goals and Key Players

One of the major achievements of the EU is the establishment of a well-functioning internal market in which people, services, goods and capital move freely. To sustain these pillars, the European Commission's Priority 4 of the Work Program for 2017 sets out the goals of upgrading the Single Market, completing the Capital Markets Union, setting a fair corporate taxation and ensuring better labour mobility. This way, the European Parliament, the Council and the Commission intend to strengthen the EU's competitiveness on the global stage in a sustainable way.

Progress in 2017

Upgrading the Single Market: The Commission's proposals, published on the 10th of January 2017, concern the issuance of a new European services e-card, carrying out a proportionality assessment of national rules on professional services and improving notifications of draft national laws on services. A communication is designed to guide national reforms on the regulation of professions. In May 2017, the Commission adopted a package with proposals for a single digital gateway, a single market information tool (SMIT), and an action plan of Solvit.

Capital Markets Union: The Commission proposed a revision of the existing regulations on European venture capital funds (EuVECA) and on European social entrepreneurship funds (EuSEF) on the 25th of October 2017. The objective of these reforms is to improve access to finance for small and medium-sized enterprises (SMEs), and social enterprises to promote jobs and growth. In December 2017, the Commission adopted a proposal for a regulation and a proposal for a directive to amend the current EU prudential rules for investment firms to exempt the vast majority of EU investment firms from bank rules.

The Prospectus Regulation was adopted on the 14th of June 2017 in order to make it easier for companies to enter and raise capital on public markets.

The Commission presented the main achievements in the mid-term review of the Capital Markets Union Action Plan on the 8th of June 2017. In this framework, developing personal pension markets, adopting a com-

prehensive strategy on sustainable finance, supporting Fintech and improving supervisory framework were introduced as new priorities. Accordingly, the Commission adopted a comprehensive package on the 20th of September 2017 for amending existing legislation on European Supervisory Authorities and establishing a European Systemic Risk Board.

Tax Measures: On the 17th of June 2015, the Commission adopted an Action Plan for fair and efficient corporate taxation in the EU. In this framework, two proposals on the re-launch of the common consolidated corporate tax base are under discussion. On the other hand, the Commission has set out further steps to boost tax transparency and to fight tax evasion and avoidance. As regards tax avoidance, the Directive on rules against tax avoidance practices was adopted by the co-legislators in July 2016 and the Directive on hybrid mismatches was adopted on 21 June 2017.

On the 4th of October 2017, the Commission presented its plans for the reform of the EU value added tax (VAT) system.

Labour Mobility: On the 8th of March 2016, the Commission proposed a revision of the 1996 Directive on the Posting of Workers by which it aims at confirming the principle of equal pay for equal work at the same place. On the 16th of October 2017, the Employment Committee of the European Parliament adopted a compromise text with regard to proposed revision.

Conclusion

As of the 1st of January 2018, the Commission has submitted 124 (or 79 %) out of the planned 157 internal market proposals it has announced. 72 of these 124 submitted proposals (46 %) have been adopted. These figures show that the Juncker Commission has been enacting its Work Program decidedly. However, there is still a heavy workload waiting.

Outlook 2018

According to the Commission's Work Program for 2018, its efforts will focus on setting up a new single European VAT area, completing the Capital Markets Union and ensuring a fair European labour market.

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European Commission
Work Program: 2017

-  Implementation of the Single Market Strategy
-  Fairer Taxation of companies
-  Implementation of the Space Strategy for Europe
-  Implementation of the Capital Markets Union Action Plan

Commission Priority 5: Economic and Monetary Union

Goals and Key Players

Twenty five years after the Maastricht Treaty, the theme of the Economic and Monetary Union (EMU) was still on the agenda of the European policymakers. The financial and sovereign debt crises revealed the deficiencies in the original architecture of the EMU and triggered first responses such as the revamp of the economic governance, the establishment of the European Stability Mechanism (ESM) and the first two pillars of the Banking Union. The situation improved substantially but challenges persisted and required additional measures ensuring the long term political and economic viability of the euro.

The Five Presidents' Report of June 2015 mapped out the further steps to be taken for the completion of the EMU. It suggested that reforms should happen on four fronts: progress towards a genuine Economic Union that ensures that each economy has the structural features to prosper; progress towards a Financial Union that increases the risk sharing of the financial sector and implies a completion of the Banking Union and the Capital Markets Union; progress towards a Fiscal Union that delivers fiscal sustainability and fiscal stabilization; and progress towards a Political Union that provides for the foundations for all of the above through democratic accountability, legitimacy and institutional strengthening. Those reforms should be organized in two consecutive stages: the first one relying on the existing instruments and fully implementing the decisions taken, and stage two focusing on the completion of the EMU architecture.

Progress in 2017

In May 2017, the Commission re-launched the discussion on the deepening of the EMU and outlined its vision in a Reflection Paper. The Paper built on the Five Presidents' Report, outlined the options for the steps to be taken, and identified the guiding principles for the discussion: (i) completing the EMU is a way to provide jobs, growth, social fairness, economic convergence and financial stability, (ii) responsibility and solidarity, risk-reduction and risk-sharing go hand in hand, (iii) the EMU should be open to all EU member States; (iv) the decision-making process needs to become more transparent and democratically accountable.

Other political actors also indicated readiness to change: the European Parliament adopted resolutions on the matter in February 2017 and the European Council committed to a timeline for decisions on EMU. The French President's speech of 26 September 2017 presented his ideas for deepening of EMU and gave a new impulse on the discussion.

On the 6th of December 2017, the Commission published a Roadmap for deepening the EMU along with a package of some concrete proposals: (i) the Regulation establishing a European Monetary Fund by adding some new features to the ESM (incl. a backstop for the Single Resolution Fund), embedding the ESM within the Union legal framework and making it accountable to the European Parliament and the Council; (ii) the Directive aiming at enshrining the Fiscal Compact in the Union framework; (iii) the Communication on new budgetary instruments for stable euro area; and (iv) the Communication on a European Minister of Economy and Finance.

Progress in 2017 was also achieved on some pending proposals from the first stage outlined in the Five Presidents' Report such as the Risk Reduction Package of November 2016. Efforts continued to reach agreement on the proposed European Deposit Insurance Scheme.

Conclusion

2017 took us from the first stage of the reforms to the second stage focusing on the EMU architecture. The measures proposed by the Commission in December 2017 cover all four areas of the Five Presidents' Report and if turned into legislation would protect the stability of the euro area and the EU as a whole.

Outlook 2018

The Commission's Roadmap foresees completion of most of its December 2017 proposals at the end of the current legislative term by mid-2019. Their success will depend on the support of the European Parliament and the Council. 2018 will also see measures for the completion of the Banking Union that aim at ensuring agreement on the Deposit Insurance Scheme, addressing the non-performing loans problem and developing of sovereign bond-backed securities.

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European Commission
Work Program: 2017

-  A strong Union built on a strong EMU
-  European Pillar of Social Rights

Commission Priority 6: A balanced and progressive EU Trade Policy

Goals and Key Players

The name change to ‘Commissioner’s Group on Trade and Harnessing Globalization’ is a blinking reminder of the EU’s commitment to carry out its fair and open trade values considering the recent dismantling of TTIP and TPP by the U.S. This policy shift attests to alternative ongoing trade engagements with Canada, Japan, Mercosur nations, and the WTO. Under this reprioritization of trade, the EU can protract its pursuit of a free trade agenda, one that spreads European standards throughout the globe, facilitates job growth without the use of public funds, assists European businesses overseas, ensures a wide scope of goods and services, makes investment more transparent, and fosters sustainable development.

Above all, the EU defends a trade regime that demands the utmost consumer protection, market competitiveness, economic growth, inclusivity, and transparency for all its market participants and individual consumers.

Progress in 2017

Despite a U.S. trade stalemate, the EU has made promising gains with alternative trading partners such as Japan, Canada, the WTO, and four Mercosur countries. The watershed EU-Japan Economic Partnership Agreement of late 2017 is set to eliminate former anti-competitive trade barriers that hinder European exports to Japan, shape a trajectory of global trade governance, and oversee that these economic powerhouses will not recede into protectionism. Similarly with Canada via the Comprehensive Economic and Trade Agreement (CETA), the EU will largely benefit from an estimated savings of 590 million euros per year in tariffs on exported goods, a 98% removal of duties on EU products traded with Canada, unprecedented access for EU companies to Canadian procurement contracts, increased opportunities for Canadian farmers, and greater market choice of Canadian goods and services for EU consumers.

The EU has also gained ground with the Mercosur nations of Argentina, Brazil, Paraguay and Uruguay via its EU-Mercosur Association Agreement, which aspires to eliminate former trade barriers, empower small European firms, strengthen labor rights and environmental protections, require companies to act responsibly, maintain high food safety standards

and prevent fraudulent reproduction of EU foods and beverages. The EU also actively engages with the WTO to advocate fair and stable trade rules that benefit EU companies and citizens and that lead to sustainable development. Furthermore, should China tweak its end of the EU-China Comprehensive Agreement on Investment and Mexico adjust its standards in the EU-Mexico Economic Partnership ‘Global Agreement’ to EU liking, new trade breakthroughs including ongoing FTAs with Singapore, Indonesia and Vietnam could all come to pass.

Conclusion

The EU Commission has re-evaluated its trade policy ambitions under Priority 6 by shifting its focus from a working group on TTIP with the U.S. to the ‘Commissioner’s Group on Trade and Harnessing Globalization’. Given a recent global trade detour, the

EU has made headway in its most promising trade negotiations with Canada, Japan, Mercosur, and the WTO in search of equitable, fruitful, and transparent productivity boons that will boost opportunities for European citizens and markets.

Outlook 2018

Amidst this era of weakening multilateral global trade flows and retreats towards protectionism, the EU has made an auspicious policy shift to focus on dealings with partners apart from the U.S. Despite the asserted ‘geographical neutrality’ of this priority, there is no denying the foreboding dissolution of TTIP, the impact of unilateral American or even Chinese action on global trade flows as the EU’s unrivaled economic trading partners, or the trending resort to bilateral global trade arrangements.

While the U.S. is likely to ‘cherry-pick’ over perceived unfair deficits, VAT and EU regulations to reap the maximum advantages possible for American citizens, an “America First” does not mean America alone economic policy will only embolden the EU to spearhead other bilateral trade agreements in the meantime.

Joseph M. Hughes, ZEI Alumnus “Class of 2017”.

European Commission

Work Program: 2017



Implementation of the Trade for All Strategy

Commission Priority 7: Justice and Fundamental Rights

Goals and Key Players

The policy priority of Justice and Fundamental Rights is carried out to reconcile the protection of EU borders, the combat against terrorism, organized crime and corruption, the respect for fundamental rights, fair access to national judicial systems, the prevention of discrimination and the protection of personal data, in the EU. This 7th Priority of the Juncker Commission's work program is well founded on the rule of law laid down in the EU Treaties and the Charter of Fundamental Rights as key documents safeguarding the rights of every EU citizen. The decision in September 2016 to appoint a Commissioner for the Security Union (Julian King) has proved to be an important tool for ensuring organizational coherence of this policy. The key advocates for fulfilling the main goals in the 7th Priority within the European Commission are the European Observatory on infringements of intellectual property rights, DG Migration and Home Affairs and the DG Justice and Consumers. Furthermore, the Council (Ministers for Justice and Home Affairs) and the European Parliament (Committee on civil liberties, justice and home affairs), including a plethora of specialized EU Agencies are involved.

Taking into consideration the Ten Priorities of the 2017 Work Program, the Commission has committed itself to protecting and defending the EU values of freedom, democracy and rule of law through finalizing the Data Protection Package and encouraging progress for enabling an effective and genuine Security Union as *primus inter pares*. The main goals include adapting rules on personal data protection vis-à-vis third countries, as well as to harmonize offences and sanctions for money laundering and trade of cultural goods, thereby preventing terrorist financing.

Progress in 2017

In his State of Union address in 2016, Commission President Jean-Claude Juncker clearly emphasized the main goals to be achieved in 2017, placing a strong emphasis on the security cooperation between EU institutions, agencies and Member States.

A closer look at the Commission's 2017 Work Program strongly suggests that most measures foreseen have been successfully implemented. Legislative Progress has been most visible in with regard to measures aimed at diminishing the operational capacity of terrorists and to cutting their means of

financing. Crucial progress indicators can be seen in the following new Commission initiatives: First, the European Travel Information and Authorization System (ETIAS) is intended to carry out security checks, thereby enhancing the security at the external borders through systematic checks against security databases for all travellers; Second, the legislative proposal for strengthening the Schengen Information System introduces a new approach to enhance the interoperability of EU information systems for borders and security. Third, the Directive for combating terrorism (which extends the scope of criminal terroristic behaviors) and the Revised Firearms Directive (a huge step ahead in combating illicit firearms for the Commission) have been adopted. Furthermore considerable progress in Justice and Home Affairs is documented by the im-

plementation of legislation concerning cross-border cybercrime. Unfortunately the final agreement on the European Public Prosecutor's Office (EPPO) has not been reached yet, but there are encouraging signs that a consensus is within reach.

Conclusion

Hence, Juncker's year 2017 was dominated by measures more focused on security matters than by those on justice and fundamental

rights. This seems justified against the backdrop of serious security challenges of which the Commission has demonstrated awareness. Nevertheless, it keeps undertaking measures to place safety, freedom and the enjoyment of fundamental rights on an equal footing. However, the work is not done. Finally, the Commission is approaching its final work year and it can be stated that under the 7th Priority a considerable progress has been made.

Outlook 2018

The year 2018 will be of crucial importance for the current Commission's legacy. A stronger commitment will likely be given to enhancing consumer rights and the protection of whistle-blowers. The reform of EU data protection rules as well as provisions from the Firearms Directive will fully apply from May 2018. Furthermore, the Commission will strongly support the Member States' efforts to combat radicalization. The key priority is to submit all legislative proposals by mid of year in order to enable a timely legislative procedure and oversee their harmonized implementation.

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European Commission
Work Program: 2017

 **Data Protection Package**

 **Progress towards and effective and genuine Security Union**

Commission Priority 8: Migration

Goals and Key Players

The outbreak of the Syrian civil war in 2012 and the massive arrival of migrants from Africa and the Middle-East to our continent has shifted the priorities on the EU agenda. The first initiatives to solve the worst emergency crisis on our continent since 1945 were not taken until September 2015, when the European Council adopted a Decision (2015/1523), which provided for a temporary and exceptional relocation mechanism of persons in clear need of international protection from Italy and Greece to other Member States. A year later, in March 2016, the EU signed with Turkey a Joint Action Plan to end illegal migration from this country to EU territory. The EU-Turkey Deal has been probed as an effective mechanism to reduce the numbers (dropped by 63% in 2017) of illegal border crossings in the Eastern Mediterranean Route.

Progress in 2017

Human Rights organisations have strongly criticised the EU-Turkey Deal, e.g. Amnesty International described this legal instrument as “a shameful stain on the collective conscience of Europe”. These critics have forced the EU to change the priorities of its migration policy, in which the security aspect continues to play a key role, giving more and more importance to climate change and development aid policies in this area.

The words of President Juncker in his last State of the Union speech shows the need a paradigm shift to tackle illegal migration to Europe: “We know – or we should know – the dangers of a lack of funding – in 2015 many migrants headed towards Europe when the UN’s World Food Programme ran out of funds”. New Initiatives mobilising €200 million for the North of Africa Window of the EU Trust Fund for Africa, are policies in line with this change of perspective.

In December 2017, the European Commission proposed to the Member States a roadmap, which would allow for an agreement on a comprehensive migration package by the end of 2018. This document contains ambitious proposals such as: putting in place a fully functioning return capacity of the European Border and Coast-Guard Agency by March and reaching a political agreement on the overall reform of the Common European Asylum System by June 2018.

Conclusion

The first Bulgarian EU Council Presidency must seek consensus among the Member States to make significant progress on this roadmap. The EU countries should respect their legal obligations within the EU relocation scheme. Unfortunately, solidarity is not equally shared. If countries such as Poland, Hungary, the Czech Republic and Austria continue their efforts to prevent refugees from obtaining asylum, the EU Commission’s goal of resettling 50.000 vulnerable refugees by May 2019 will not be reached.

Outlook 2018

An early entry in the labour market for refugees and migrants legally residing in the EU is crucial for their successful integration in European societies. Improving their employment rate remains a challenge for the coming years that labor policy authorities and businesses alike will have to take on - in particular in countries which have received large numbers of refugees such as Sweden and Germany. To accomplish this, Member States will sometimes have to tackle their own inhibiting rules.

More public private partnership initiatives similar to “Employers together for integration” are needed to beat the common shortage of skilled workers in Europe and maintain the current level of European welfare states. The recent proclamation of the European Pillar of Social Rights is an excellent opportunity to demand the same rights for all people working in EU territory, regardless of their nationality. The Commission, for example, proposed to broaden the scope of the current “Written Statement Directive” on employment contracts, extending it to on-demand workers, voucher-based workers and platform workers.

A better coordination among Member States in the areas of defence, cyber security, diplomacy and environment might prevent future massive migratory movements from the European Union’s neighbouring continents. The future of Europe is bonded to our “Mare Nostrum”.

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European Commission
Work Program: 2017



Implementation of the
European Agenda on
Migration

Commission Priority 9: EU as a Global Actor

Goals and Key Players

The priority is in its third year running and gaining traction due to evolving security and defence challenges in Europe. The commissioners in charge alongside Frederica Mogherini are Johannes Hahn, Cecilia Malmström, Neven Mimica and Christos Stylianides. Recent legislative initiatives range from the banning of goods that were produced under slavery for import, an action plan on humanitarian aid, the coordination of EU donors and development as well as an EU garment initiative. Key policy areas include capability development for Common Security and Defence Policy (CSDP) and a revision of the EU's approach to funding security and development. The EU-NATO Cooperation remains important, particularly in countering hybrid threats, Russia, the continuous concern of Ukraine, ISIL/Da'esh and evolving security risks in Syria and Iraq. More recently counter terrorism is being adopted in the revised action plan. This is significant as it enables the EU to transcend as well as maintain the Euro-Atlantic bond. Meanwhile Brexit negotiations have yet to bear the full fruition of the UK's further involvement in EU security and defence. The move from a 'European Britain' to 'Global Britain' (Dennison, 2017) will give EU Global Actorness a further push.

Progress in 2017

Criticism is being steered towards the EU's neighbourhood policy with the focus shifting to developing third nation partnerships. A lack of commitment to the neighbourhood leads to suggest that the EU is in fact lowering its ambition in foreign policy while the two per cent budget spend on defence pledged in 2014 has yet to be achieved. President Macron has taken the lead on PESCO, which facilitates the ability of member countries to lead on specific defence projects. Although ambitious it promises further development of CFSP/CSDP by giving nation's ownership of specific diplomatic and operational tasks strengthening the union's ability to act and react. Alongside its own exercise EU PACE17 the EU took part in NATO's Crisis Management Exercise to test its political and military tool kits and scenarios included both cyber and hybrid threats. Progress is being made slowly but surely in the EU's ambition to become a credible military power. By the end of 2018 a fully operational European Medical Command, with its base in Brussels is to provide first instance medical treatment and evacuation to soldiers

deployed abroad in EU missions through a rapid reaction force. Earlier in the year a Military Planning and Conduct Capability facility was created forming a basis for an EU Army HQ and by mid- 2018 further plans in the form of a Strategic Command and Control System as well as a Crisis Response Operation Core are to be facilitated.

Conclusion

There is still scope for the EU to do more under its heading of 'Global Actor'. Brexit will give the nations momentum to develop the EU's credibility to act in face of crisis. The U.S. is becoming more firm in the need for the EU to take on more responsibility but the advances being made in the EU's military structures may give enough assurance that the capabilities that exist can be utilised with effect. The EU needs to show that it is able to develop its strategy while not losing sight of ongoing commitments such as the European Neighbourhood Policy.

Outlook 2018

The Bulgarian Presidency is determined to assure the implementation of the EU Global Strategy putting the focus on the European perspective of the Western Balkans, strengthening the European Neighbourhood

Policy, continuing the work on the Defence package, countering radicalization and terrorism as well as tackling challenges of migration. Special attention will be given to the adoption of a new Regulation of the EU Parliament and the Council for EDIDP that will pave the way for financing concrete projects. Further to this Juncker strives to achieve that all decisions on Foreign Policy in the Council are taken on the basis of a qualified majority voting by 2025. This would have no implications in military or defence matters as such but would allow for more projects to be carried forward. With the 2019 European Elections looming it is hardly surprising that the Presidency has also stressed its ambition to achieve PESCO. Juncker would also like the Schengen Zone to be completed by integrating Croatia as a full member and the enlargement of the EU to the Western Balkans with Serbia and Montenegro as strong candidates.

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European Commission

Work Program: 2017

-  Implementation of the European Defence Action Plan
-  Implementation of the EU Global Strategy
-  EU Strategy for Syria
-  Africa – EU Partnership: renewed impetus

Commission Priority 10: Democratic Change

Goals and Key Players

The urge to transform the EU as a whole into a more politically accountable system resulted in the placement of the better regulation objective amongst the top ten priorities for Juncker's Commission. Better regulation is understood as creating policies which achieve their goals in most efficient and effective ways. Some of the objectives outlined within this priority were: open and transparent decision-making, that citizens and stakeholders can contribute throughout the policy and law making process and that EU actions are based on evidence and understanding of the impacts, that regulatory burdens on businesses, citizens or public administrations are kept to a minimum. Key players in achieving the aforementioned are placed within the European Commission. First Vice-President of the European Commission Frans Timmermans is concretely in charge of the REFIT platform and achieving the priority itself. Likewise, a pivotal role rests with the President of the Commission, Jean-Claude Juncker, who appointed special advisor on outreach towards citizens, Luc Van den Brande.

Progress in 2017

As every year since elected, the Commission has issued in October 2017 a review of progress made in the scope of Better Regulation Agenda, keeping the process traceable and open for the wider public.

The European Commission adopted two legislative proposals to revise the European Citizens' Initiative Regulation (to make it more user-friendly) and the Regulation on European Political Parties and Foundations (to create a closer link in between true representation and funding).

With regards to creating a Joint Transparency Register, political representatives from the European Parliament, the Council and the European Commission met in December, after the adoptions of its negotiating mandate, the respective actors agreed that negotiations on a mandatory EU Transparency Register can start early in 2018.

The inter-institutional cooperation agreement on better law making has been reached already in April 2016. As a follow-up to this, the inter-institutional register of delegated acts has been launched on the 12th of December by VP Timmermans, in order to allow the public and interested parties to follow this part of the EU decision-making process.

Conclusion

The figures show that the Commission has achieved progress in terms of numbers of evaluations, impact assessments, public consultations and REFIT Platform opinions submitted or produced.

There have been several pieces of legislation in 2017 which – by making use of the REFIT procedure – led to an improvement of existing regulations such as: Proposal for a Regulation establishing a single digital gateway to provide information, procedures, assistance and problem-solving services (COM(2017)256). Proposal for a Regulation on European business statistics (COM(2017) 114). Proposal for on the interoperability of electronic road toll systems and facilitating cross-border exchange of information on the failure to pay road fees in the Union (COM(2017) 280). The traceability of the progress is made much easier by making the REFIT scoreboard available. The Regulatory Scrutiny Board however hasn't issued yet its annual report for 2017, so the potential impact made can't be assessed just yet.

European Commission

Work Program: 2017



Modernization of Comitology procedures



A more strategic approach to enforcement of EU law

Outlook 2018

The year of 2018 will be the last „fully-operational“ year of Juncker's commission, due to the upcoming elections in 2019 and regulatory lockdown they will cause. The existing laws should be kept under review through the REFIT platform and scoreboard, therefore further enhancing accountability and transparency. Political parties will be forced to adapt to the new regulation, which will hopefully close loopholes that allowed parties to abuse the system by setting up multiple European entities, each eligible for extra funding. Ideally, the Joint Transparency Register will be negotiated and established by the end of 2018, the report issued by Luc Van de Brande and recommendations outlined in it will be taken into account and will be revived through pieces of legislation further enhancing the communication with citizens.

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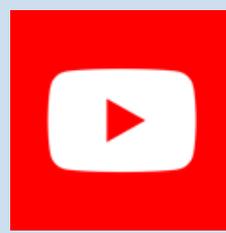
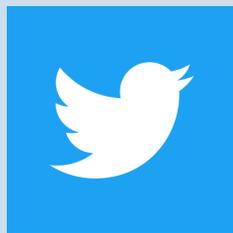


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