



Council of the
European Union

114318/EU XXV.GP
Eingelangt am 06/09/16

EN

9629/16

(OR. en)

PRESSE 31
PR CO 30

OUTCOME OF THE COUNCIL MEETING

3471st Council meeting

Education, Youth, Culture and Sport

Brussels, 30 and 31 May 2016

Presidents

Martin van Rijn

State Secretary for Health, Welfare and Sport of the
Netherlands

Jet Bussemaker

Minister for Education, Culture and Science of the
Netherlands

Edith Schippers

Minister for Health, Welfare and Sport of the
Netherlands

P R E S S

Rue de la Loi 175 B – 1048 BRUSSELS Tel.: +32 (0)2 281 6319 Fax: +32 (0)2 281 8026
press.office@consilium.europa.eu <http://www.consilium.europa.eu/press>

9629/16

1
EN

CONTENTS¹

ITEMS DEBATED

YOUTH.....	4
Preventing and combating violent radicalisation	5
An integrated approach to support youth identity development	6
Other business	8
– Work programme of the incoming presidency	8
EDUCATION	9
Media literacy and critical thinking	9
Modernisation of higher education	10
Other business	12
– New skills agenda for Europe.....	12
– Ministerial meetings in Cyprus	12
– Summer School “Beyond the refugee crisis - Studying in Europe”	12
– Work programme of the incoming presidency	13
CULTURE and AUDIOVISUAL	14
Role of Europeana.....	14
Audiovisual Media Services Directive	15
Other business	17
– European Year of Cultural Heritage.....	17
– Interoperability of digital content	17
– Cultural projects implemented under the ERDF	17

¹ • Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.
 • Documents for which references are given in the text are available on the Council's internet site (<http://www.consilium.europa.eu>).
 • Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the Council's internet site or may be obtained from the Press Office.

SPORT	18
Good governance in major sport events.....	18
Improving governance in sport: the role of governments	19
Other business	20
– World Anti-Doping Agency (WADA) meetings.....	20
– European Week of Sport	20
– Recent Commission studies.....	21
– Work programme of the incoming presidency	21
– European Union Youth Orchestra	22
– Copyright law	22
– Work programme of the incoming presidency	22

OTHER ITEMS APPROVED

ECONOMIC AND FINANCIAL AFFAIRS

– Bank capital requirements - Commodity dealers.....	23
– Statistics - Balance of payments, trade in services and foreign direct investment	23

TRADE POLICY

– Trade defence instruments - Codification.....	24
---	----

TRANSPORT

– International Civil Aviation Organisation (ICAO) – single global market-based measure.....	24
--	----

ENERGY

– Declaration on energy cooperation.....	24
--	----

GENERAL AFFAIRS

– Equivalence decision - Sharing of information on areas outside CFSP	25
---	----

ITEMS DEBATED

YOUTH

Before starting with the formal agenda items, the Presidency briefly outlined the outcome of the informal meeting with young people which had taken place over breakfast, addressing the issue of "life skills".

Life skills are crucial for youth to find their place in society, teaching them social and emotional openness, which are important in societies which are increasingly flexible and therefore more insecure. The role of parents is essential to support children and teach them to be confident and participative citizens.

The Presidency underlined the importance of this "structured dialogue" as valuable tool for policy makers to be informed about the real-life situation of young people and hear their views on youth policies. In conclusion, the Presidency gave a short summary of its actions and projects in this field at national level.

Preventing and combating violent radicalisation

The Council adopted conclusions on the role of the youth sector in an integrated and cross-sectoral approach **to preventing and combating violent radicalisation of young people** ([9041/16](#)).

The text of the conclusions stresses the invaluable contribution that youth work, voluntary and cultural activities and sport can make in reaching out to young people who might otherwise be more vulnerable to radicalisation.

The conclusions therefore invite member states and the Commission to develop training and education modules for youth workers to be used at national, regional and local level in order to ensure that youth workers acquire sufficient up-to-date knowledge, skills and awareness.

They also highlight the need to undermine and challenge existing violent extremist ideologies and to counterbalance them with appealing non-violent alternatives and to support parents, siblings, peers and others in contact with young people who are at risk of violent radicalisation, providing them with information on existing support systems and counselling possibilities.

The conclusions are also a response to the Paris declaration, adopted at the informal meeting of EU education ministers on 17 March 2015, which highlighted the need to promote fundamental European values such as democracy, equality, non-discrimination, tolerance, solidarity and the rule of law.

The Commission agreed that a cross-sectoral approach is crucial to win the battle against violent radicalisation. It informed the Council that it is also developing a toolbox to support youth workers and educators with guidance on handling conflicts and also on developing media literacy. The Commission will also steer more Erasmus+ funds to combat radicalisation and extremism.

The issues raised in these conclusions will also feature in the lunch debate involving both ministers for education and ministers for youth.

An integrated approach to support youth identity development

As a complement to the conclusions, ministers discussed how youth policy could contribute to an integrated approach in support of **youth identity development** ([8365/16](#)),

The Presidency drew attention to the changes that Europe is currently facing which bring challenges for Europe as a whole, but also specifically for young people within Europe. Europe's population is increasingly visibly diversified, the socio-economic situation makes it difficult for young people to enter the labour market, the legitimacy of a united Europe is being questioned and violent images of international conflicts, sometimes at the borders of Europe, are often present in the media.

In order to stimulate the debate, Presidency invited an external guest speaker, **Dr. Stijn Sieckelinck**, assistant professor at Utrecht University in the Netherlands, an expert on radicalisation issues.

The main messages of its intervention were the following:

- A battle for the heart and soul of our young people is going on
- They want to be heroes, to write their own life story but they need love, attention and structure
- They are under pressure from an increasingly polarized society and on-line extreme ideologies can seem purer and more exciting
- We need to apply a strength-based approach, an “authoritative coalition” which will establish a bridge between institutional and private organisations, acknowledging each others different backgrounds and motivations
- Young people should have informal role models and invest in different types of relationships where they can find guidance, empathy and possibilities of participation
- This can contribute to fostering resistance and resilience of young people against propaganda and violence

Ministers welcomed in general the main findings of the guest speaker speech and outlined several initiatives and concrete measures already being put in place at national level to address these issues.

They also agreed that

- young people need a strong and positive identity to be able to successfully participate in education, the labour market, and society at large, particularly in the current difficult context
- It is also crucial for them to build resilience against anti-democratic influences and forces, while encouraging them to stand up for what they believe in
- an integrated approach (cross-sectoral and inter-sectoral) is necessary to support young people's positive identity development, and it should include parents, family, sports coaches, religious and other informal leaders, youth workers, and teachers
- in parallel, individual and tailor-made teaching and social support should be developed for vulnerable young people
- sufficient funding and resources for the youth sector are imperative and the best use should be made of European programmes in this field, in particular Erasmus+
- increased cooperation and exchange of best practices among member-states must be pursued

The Commission is of the view that the development of a strong identity is a personal process and it happens mostly in the contacts and relationships at local level. It recalled that Erasmus + and Creative Europe finance several types of actions, not only students mobility, such as the [e-twinning platform for teachers](#) and support grassroots sport which can be an important mean of social inclusion.

Commissioner Navracsics also announced that the Commission intends to increase the financing for youth volunteering activities next year.

Other business

– *Work programme of the incoming presidency*

The Council took note of the incoming Slovak Presidency's main priorities in the field of youth for the coming six months, which will focus in general in talent development and support and in particular:

- Developing more dynamic and attractive youth work
- Exploring competences for a successful life

EDUCATION

Before starting with the formal agenda items, the Presidency briefly presented the outcome of the exchange of views held between Education ministers and Youth ministers over lunch, addressing in particular possible measures to foster open mindsets among young people and to identify signs of radicalisation at an early stage.

Media literacy and critical thinking

The Council adopted conclusions **on developing media literacy and critical thinking through education and training** (9068/16), which acknowledge the many benefits and opportunities that the Internet and social media can bring, but also highlight some of the potential dangers they can present, such as online grooming and cyberbullying. The Internet also offers unparalleled possibilities for extremist groups of all kinds to spread hatred and violence.

These issues have been at the forefront of discussions in this area since the adoption of the Paris Declaration in March 2015 and have become even more crucial following the attacks in Paris and those in Brussels just recently.

In their declaration ministers agreed that one of the areas in need of strengthening was young people's ability to think critically and to exercise judgement so that, particularly in the context of the Internet and social media, they are able to grasp realities, to distinguish fact from opinion, to recognise propaganda and to resist all forms of indoctrination and hate speech

As a follow-up to the Paris declaration, the present conclusions stress the fundamental role of education and training in helping young people to become media-literate and responsible citizens of the future, outlining several measures at EU and national level in this field.

The conclusions also encourage the use of the funding opportunities offered by all relevant EU funds and programmes – notably Erasmus+, the Connecting Europe Facility, the European Structural and Investment Funds, Horizon 2020, Creative Europe and Europe for Citizens – to support these efforts.

Furthermore, they call on member states to continue to cooperate with, and take into account the work done by other multilateral fora, such as the Council of Europe¹, UNESCO and the OECD, since the challenges cross borders and affect countries both inside and outside the European Union.

¹ In particular, the strategy for the rights of the child 2016-2021, adopted in March 2016, which addresses the issue of protecting and promoting the rights of the child in the digital environment: <http://www.coe.int/en/web/children/-/test>.

Modernisation of higher education

Ministers discussed different issues relating to the **modernisation of higher education** in Europe. One of the main aims of the debate was to enable ministers to contribute to the Commission's forthcoming review of its 2011 communication "An Agenda for the modernisation of Europe's higher education systems". ([14198/11](#))

By way of introduction, the Presidency recalled that higher education - with its close links to research and innovation - plays a crucial role in individual and social development and in providing the highly skilled citizens that Europe needs. There is ample evidence to show that low tertiary education levels hinder competitiveness and undermine the potential to generate smart growth.

The Presidency stressed that Europe still lags behind the US, Canada, Japan, Korea and Australia in terms of the number of graduates (only 27.6 %). Moreover, European labour market projections indicate that by 2020 around 35% of all jobs will require graduate-level qualifications.

To structure the debate, the Presidency has selected three key topics - developed by three member states - that it feels reflect the main challenges for European higher education ([8635/15](#)):

- **increasing the labour market relevance of higher education** (Estonia): enrolment in tertiary education has expanded considerably - a fact that can be seen as a positive development but which has also resulted in mismatches and imbalances in relation to the labour market needs. Universities have a responsibility to ensure that their study programmes prepare students adequately for employment
- **preparing engaged citizens** (Belgium): universities should provide students not only with scientific and technological knowledge but also place greater emphasis on inclusion and social and civic competences and on strengthening the link with local communities. In this way they will contribute to creating resilient societies and to stimulating critical reflection
- **the changing roles of teaching staff** (Slovenia): the training of teaching staff needs to be improved to take account of new needs and in a changing society. Teaching staff should have better career prospects, a balance between pedagogical and research skills should be sought. Excellence should be rewarded, for instance through fellowships schemes and increased international mobility

Member states outlined several initiatives and measures that they are already developing in order to modernise their higher education systems.

Furthermore, ministers concluded that the main aspects to be taken into account for modernising higher education were the following

- more work-based learning into academic curricula
- better connections between formal education and non-formal learning
- exploration of the potential of digital learning
- investment in well-prepared and qualified teachers
- increased international mobility
- greater flexibility in higher education systems
- strengthened quality assurance
- improved access to higher education for students from disadvantaged backgrounds

The Commission invited member states to make the most of the opportunities for internationalisation offered by Erasmus+, as well as the Joint Research Centre.

Commissioner Navracsics also emphasised that universities should not simply be “knowledge factories”. They can and should be centres of regional development and institutions that attract investment.

Finally, the Presidency and a number of member states also recalled that the role of higher education extends beyond preparing students for the labour market: it has an equally valuable contribution to make towards ensuring personal fulfilment and well-being and towards protecting and promoting fundamental values.

Other business

– *New skills agenda for Europe*

The Commission made a short presentation of its forthcoming European Skills Strategy, aimed at promoting "lifelong investment in people", combining work skills and life skills.

The strategy will have a strong employment dimension, but education and training issues will also feature very prominently, notably through proposals to adapt existing transparency instruments in the education field, such as the European Qualifications Framework and Europass, as well as proposal for a new 'Skills Guarantee' aimed at improving the prospects of low-skilled adults.

Commission stressed that the success of this initiative will require the commitment of member states, regions, educational institutions, local organisations and citizens.

– *Ministerial meetings in Cyprus*

The Council took note of information from the Cyprus delegation concerning two upcoming ministerial meetings which will take place in Nicosia

- Action plan for the "Mediterranean Strategy on Education for Sustainable Development" (8-9 December 2016);
- Conference on "Citizenship education, promotion of democracy and countering of extremism" (22-23 March 2017), involving ministers from member states of the Council of Europe, as well as from the Middle East and North African countries

– *Summer School “Beyond the refugee crisis - Studying in Europe”*

The Greek delegation presented to the Council its pilot project addressing specific needs of refugees (aged 18 -30) who are temporarily residing in Greece (9407/16). This new scheme will take the form of a summer school for groups of 30-40 students, with the aim of facilitating access to university for refugees who decide to stay in Greece or who are relocated

– ***Work programme of the incoming presidency***

The Council took note of the incoming Slovak Presidency's main priorities in the field of education for the coming six months, which will focus in general in talent development and support and in particular:

- Implementing the New Skills Agenda
- Developing life skills
- Promoting digital skills
- Follow-up modernisation of higher education

CULTURE and AUDIOVISUAL

Role of Europeana

The Council adopted conclusions on the **role of Europeana for the digital access, visibility and use of European cultural heritage** (9008/16), addressing its mission, financing and governance. (<http://www.europeana.eu/portal/>)

The conclusions also aim to reinforce Europeana as a cultural and digital innovation project, increasing member states' involvement and ownership and securing its sustainable financing. They propose to re-centre Europeana's activities around those that provide clear European added value. To increase Europeana's reach, technological improvement of the platform is needed and content must be presented in a more attractive and diverse manner.

Europeana is co-financed by the EU (from the Connecting Europe Facility) and by member states that provide contributions on a voluntary basis. This financing model has proved unable to cover Europeana's needs in a sustainable manner.

The conclusions invite therefore the Commission to switch from funding by means of grants, to a combination of grants and procurement. Under procurement, the EU can fully finance and safeguard the network and the platform functions, whereas EU grants will remain available for specific projects for a the wider audience, which are to be co-funded by participating organisations.

The Commission will evaluate the overall state of Europeana and submit to the Council mid and long-term guidelines for its development. This assessment is to be finalised by October 2017.

The Presidency and the Commission called on member states to keep ensuring Europeana's financing till the new financing scheme is in place.

Audiovisual Media Services Directive

The Commission presented its recent proposal for a revised directive on audiovisual media services (AVMS) ([9479/16](#)), establishing a single market for the free circulation of audiovisual works. The current proposal is part of the [Digital Single Market Strategy](#) and aims to modernise the EU's audiovisual regulatory framework (codified in 2010) in order to adapt it to the digital era, which is characterised by the increasing consumption of online and on-demand content, mostly on mobile devices.

The Commission presented the main elements of the proposal, which also builds on extensive public consultations: the country of origin principle remains valid but the rules will be made simpler and clearer. The same rules will apply to the same content regardless of how it is provided and the promotion of European audiovisual content will be improved.

The Commission also recalled the MEDIA programme 25th anniversary and its "success story", hoping that it may continue.

The Commission proposes in particular:

- **Responsible video-sharing platforms** committed to protect minors from harmful content (such as pornography and violence) and all citizens from incitement to hatred
- **Stronger audiovisual regulators:** regulatory authorities will be truly independent from governments and industry, and can play their role ensuring that audiovisual media act in the interest of viewers
- **Support to European creativity:** TV broadcasters will continue to dedicate at least half of viewing time to European works and on-demand providers will have to ensure at least 20% share of European content in their catalogues. Furthermore, member states will be able to ask on-demand services in their country to contribute to the financing of Europeans works
- **More flexibility for TV broadcasters:** the overall limit of 20% of broadcasting time for advertising is changed from hourly limit to a day limit (between 7 am and 11 pm) so broadcasters can choose more freely when to show ads throughout the day. They will also have greater flexibility to use product placement and sponsorship, while keeping viewers informed

The Commission expects that these measures - together with the communication on **on-line platforms** and the legislative proposal to tackle **unjustified geo-blocking** - will have a positive economic impact on media service providers and increase their capacity to invest in audiovisual content.

The Commission underlined that these issues are also a priority in its copyright initiatives¹ and in accompanying measures in the framework of the Creative Europe Programme.

Commissioner Oettinger called on member states to do the utmost to adopt the proposal as soon as possible, so that it will keep its relevance and allow the EU to keep pace with the digital revolution

Ministers welcomed the main features of the proposal, considering in general that it was balanced and timely. They recalled that, along with strengthening the internal market and competitiveness, promoting the cultural and linguistic diversity of Europe and protecting consumers, in particular minors, has been and should remain a key objective of EU audiovisual policy.

Many ministers also welcomed the continuity of the principle of the country of origin and the increased support to European audiovisual production and distribution.

However, a number of member states also expressed concerns regarding

- the liberalisation of advertising,
- the different national rules on co-productions,
- jurisdiction (concerning in particular the “letter box- companies”, which have just a postal address in a member state in order to circumvent the rules on the cross-border circulation of European audiovisual services)
- the effectiveness of the 20% quotas for European content on on-demand services
- the deletion of the rules on accessibility for people with disabilities

¹ - Proposal for a regulation on ensuring the cross-border portability of online content services in the internal market ([15302/15](#)).
 - Communication "Towards a modern, more European copyright framework" ([15264/15](#)).

Other business

– *European Year of Cultural Heritage*

The Council welcomed the information from the Commission regarding its upcoming proposal for designating 2018 as the European Year of Cultural Heritage. The aim of this initiative is raising awareness and promoting education on cultural heritage, as well as underlining the potential of cultural heritage as a force for integration and social inclusion. It will also mark the 100th anniversary of the end of World War I. This idea was raised for the first time in the 2014 Council conclusions on the participatory governance of cultural heritage¹.

– *Interoperability of digital content*

The Council took note of information provided by the French delegation concerning the interoperability of digital content ([8813/16](#)), which is one aspect of the Digital Single Market Strategy. The French delegation, supported by several member states (SI, DE, ES, RO), asked the Commission to undertake an EU-wide study on this issue.

– *Cultural projects implemented under the ERDF*

The Council was updated by the Polish delegation on its concerns regarding the maximum threshold that the Commission has decided to apply to small-scale cultural projects financed from the European Regional Development Fund (2014-2020), and its calculation method ([8984/16](#)). The Polish delegation had already addressed this issue at the May 2015 Council ([8561/15](#)) and had received support from many delegations.

A large number of delegations supported Poland once again, invited the Commission to review its criteria at the upcoming mid-term review of the ERDF.

¹ OJ C 463, 23.12.2014.

SPORT

Good governance in major sport events

The Council adopted conclusions on enhancing integrity, transparency and **good governance in major sport events** (9069/16). The text proposes several measures to implement these principles at national and European level during all stages of such events (feasibility, bidding, preparation, organisation, evaluation, legacy), including after their closure.

The conclusions also underline the need for a regular dialogue between member states, the Commission and the sports movement and the role of national, regional and local public authorities in financing, infrastructure, environmental protection, safety and security aspects, as well as in planning and ensuring the sustainability of major sport events.

The legacy and sustainability of these events can significantly contribute both to their legitimacy and to support for them.

The Council has been following the issue of good governance very closely: the first EU Work Plan for Sport adopted in 2011 (9509/1/11) established integrity of sport (including the promotion of good governance) as a priority.

The second EU Work Plan for Sport (2014-2017)¹ prepared guiding principles relating to democracy, human rights and labour rights, in particular in the context of the awarding procedure for major sport events.

These issues were also addressed in the framework of the 'structured dialogue' meeting between representatives of the sports movement (IOC, EOC, FIFA and UEFA), all EU sport ministers and Commissioner Navracsics.

¹ OJ C 183, 14.6.2014.

Improving governance in sport: the role of governments

In the follow-up, ministers discussed how to **improve good governance in sport**

Ministers stressed that sport is not only a source of enjoyment and well-being but has many other positive effects on welfare, health, education, inclusion and the economy.

However, ministers acknowledged that the recent scandals of corruption, doping, match-fixing, violence and human trafficking had a negative impact on the credibility and trust of the public in the positive values of sport.

Several member states have already taken action to strengthen their legislation aiming to ensure the integrity of sport and in particular the protection of young athletes.

Ministers agreed in general that

- while respecting the principle of sport organisations autonomy, ministers underlined that if federations receive public funding, governments have the right to ensure that these funds are used properly
- public authorities are responsible for establishing the legal framework and the criteria sports federations must comply with
- sports organisations must manage their sports in accordance with the basic principles of good governance, such as effective management, sustainable financing, accountability and transparency
- cross- border threats such as doping, corruption and match-fixing can be more effectively, addressed through increased coordination between member states
- the structured dialogue with the sports movement must be strengthened

The Commission welcomed the initiatives and measures already put in place by member states and intends to propose others only as a complement, such as

- Develop public commitments on good governance
- Take advantage of the European Week Sport to promote integrity of sport
- Use Erasmus + to support projects on good governance, doping and match-fixing

Furthermore, the Commission and a number of member states called for a timely ratification of the Convention of Council of Europe on the manipulation of sports results.

Other business

– *World Anti-Doping Agency (WADA) meetings*

The Council was briefed by the EU representatives (BE, UK, MT) on the outcome of the WADA meetings which took place in Montreal, on 11-12 May 2016. The meetings addressed mainly issues relating to the 2017 draft budget, the single testing authority, the new EU data protection legislation and the Code compliance.

The World Anti-Doping Agency (www.wada-ama.org) set up in 1999, is a private law body whose mission is to promote, coordinate and monitor the fight against doping in sport in all its forms. Its key tasks include scientific research, education, the development of anti-doping capacities and monitoring of the World Anti- Doping Code.

A new World Anti-Doping Code was approved by the WADA Foundation Board at the World Conference on Doping in Sport in Johannesburg in November 2013. It came into force on 1 January 2015.

– *European Week of Sport*

The Council was briefed by the Commission on the organisation of the [2016 European Week of Sport](#) which aims to promote participation in sport and physical activity and raising awareness of their benefits among citizens. The focus will be on education, environment, workplace, outdoors, sport clubs and fitness centres.

The Commission purpose is to make it a truly European event with both centralised activities and national ones held across EU countries, targeting people of all ages, backgrounds and fitness levels .

Centralised events and activities will take place from 10 to 17 September, including the official Opening of the Week (10 September, Kosice) and a flagship event (15 September, Brussels).

The Commission called for the support of member states to make the European Week of Sport a success not only this year but also in the future.

– ***Recent Commission studies***

The Council took note of information from the Commission concerning its recent studies on

- the Specificity of Sport which reviews the EU rulings and decisions relating to the specificity of sport since 2007
- the contribution of sport to the regional development through the European Regional Fund

A number of delegations welcomed these studies and underlined its importance for future measures in this field.

– ***Work programme of the incoming presidency***

The Council took note of the incoming Slovak Presidency's main priorities in the field of sport for the coming six months, which will focus in general on talent development and support and in particular:

- Sport diplomacy
- Education through sport

– ***European Union Youth Orchestra***

The Council took note of information from the Italian delegation, supported by a number of delegations, concerning the support to the EU Youth Orchestra. ([9447/16](#)). This issue was also addressed in the Youth part of the Council. The Orchestra was created in 1976 and is located in London. Its honorary president is the president of the European Parliament, Mr Martin Schultz.

The Orchestra was funded by the EU until now but in April this year it was announced that it wouldn't receive funding from the Creative Europe programme. The Orchestra is therefore at risk of ceasing its activity as of 1 September 2016. The Commission explained that the funding is now awarded through an annual assessment of project applications by a panel of independent experts. This year the orchestra's application was not successful. and therefore funding was not available.

The Commission has promised to find a solution for this year but invited member states to reflect on the long term future of the European Youth Orchestra.

– ***Copyright law***

The Council took note of information provided by the German delegation on the current case-law on the joint exercise of rights by publishers and authors, following a European Court of Justice judgement issued in November 2015 ([9512/16](#)). The Commission informed that this issue will be addressed in its forthcoming proposal on copyright .

– ***Work programme of the incoming presidency***

The Council took note of the incoming Slovak Presidency's main priorities in the culture and audio-visual field for the coming six months, in particular:

- Follow up of the work on the revision of the AVMS directive
- Mid-term review of the Council's Work Plan for Culture (2015-2018)
- Work on the decision concerning the European Year of Cultural Heritage (2018)

OTHER ITEMS APPROVED**ECONOMIC AND FINANCIAL AFFAIRS****Bank capital requirements - Commodity dealers**

The Council adopted a regulation extending an exemption for commodity dealers under EU bank capital requirements ([9090/16](#) + [PE-CONS 13/16](#)).

Regulation 575/2013 exempts commodity dealers from large exposure requirements and from own funds requirements until 31 December 2017. It also requires the Commission to prepare, by 31 December 2015, reports on the prudential supervision of commodity dealers and of investment firms in general. That review is still underway, and new legislation that may be required as a consequence would only be adopted after 31 December 2017.

It has therefore been decided to extend the exemption until 31 December 2020, in order to save commodity dealers from an unstable regulatory environment in the short term. Applying large exposure requirements and own funds requirements to commodity dealers should not come as the result of a lapsed exemption, but on the basis of a thoroughly reasoned decision.

The regulation extending the deadline was approved by the European Parliament on 11 May 2016, following an agreement between the Parliament and the Council.

The exemption applies to a broad spectrum of dealers in energy and commodity markets. Some trade exclusively in commodity derivative contracts and resemble investment firms in terms of functions and risks, whereas others trade commodity derivatives purely as an ancillary activity to commodities production.

Statistics - Balance of payments, trade in services and foreign direct investment

The Council adopted a regulation conferring delegated and implementing powers on the Commission as concerns statistics on the balance of payments, international trade in services and foreign direct investment ([9091/16](#) + [PE-CONS 8/16](#)).

The regulation aligns regulation 184/2005 on statistics with new rules on implementing powers contained in the Treaty on the Functioning of the European Union. It replaces provisions referring to the regulatory procedure with scrutiny by provisions enabling the Commission to adopt delegated acts and/or implementing acts.

TRADE POLICY

Trade defence instruments - Codification

The Council codified the EU's regulations on protection against dumped and subsidised imports from third countries ([9092/16](#) + *PE-CONS 47/16* + [9095/16](#) + *PE-CONS 48/16*).

It adopted regulations codifying regulations 1225/2009 and 597/2009 and various legislative acts incorporated in those two texts. The new regulations include only such amendments as are required for the codification exercise.

TRANSPORT

International Civil Aviation Organisation (ICAO) – single global market-based measure

The Council adopted a decision on the position to be taken on behalf of the EU, in respect of an international instrument to be elaborated by the ICAO bodies and intended to lead to the implementation from 2020 of a single global market-based measure addressing emissions from international aviation.

In 2013, the ICAO Assembly decided to develop such a single global market-based measure. The ICAO Assembly to be held from 27 September to 7 October 2016 should take a decision on the scheme, which should then be implemented from 2020.

ENERGY

Declaration on energy cooperation

The Council adopted its position regarding the political declaration on energy cooperation between the North Seas countries ([8407/16](#)), which will be signed in the margins of the Energy Council on 6 June.

The declaration will be signed by Belgium, Denmark, France, Germany, Ireland, the Netherlands, Luxembourg, Sweden, the United Kingdom and Norway, as well as by the Commission on behalf of the European Union.

GENERAL AFFAIRS

Equivalence decision - Sharing of information on areas outside CFSP

The Council decided that equivalence has been reached between the level of protection afforded to certain classified information in the European Parliament and in the Council on areas other than the Common Foreign and Security Policy (CFSP) ([8870/16](#)).

This will allow the European Parliament to receive and handle in their premises further information from the Council under an agreement concluded between the Council and the Parliament in 2014. This agreement concerns the forwarding to and handling by the Parliament of classified information held by the Council on matters other than those in the area of CFSP and entered into force on 1 April 2014.
