



Strasbourg, 24.10.2017
COM(2017) 650 final

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

Commission Work Programme 2018

An agenda for a more united, stronger and more democratic Europe

I. A MORE UNITED, STRONGER AND MORE DEMOCRATIC UNION

Europe is visibly regaining its strength. The European Union is now in its fifth year of an economic recovery that reaches every single Member State. With growth now above 2% for the EU as a whole – and 2.2% for the euro area – Europe's economy has grown faster than that of the United States over the last two years. Almost 8 million jobs have been created during this mandate, thanks in part to the work of the EU Institutions, the contribution of the European Fund for Strategic Investments, the Youth Guarantee, the European Structural and Investment Funds, and the monetary policy of the European Central Bank. Confidence and trust in the European Union is returning. Leaders in Rome in March declared their will to make the European Union stronger and more resilient, through even greater unity and solidarity and the respect of common rules.

Europe now has a window of opportunity – but one that will not stay open forever. To make the most of the current momentum, the Commission is tabling its work programme for the next 14 months to the end of 2018. This builds on the Roadmap for a More United, Stronger and More Democratic Union, which President Juncker presented alongside his State of the Union address on 13 September 2017. It will help keep Europe on track by continuing to deliver on its positive agenda, and it will ensure that Europe's focus remains firmly on the big things, where European action has a clear and demonstrable added value.

This Commission has already delivered over 80% of the proposals that are the essential for completing the Digital Single Market, the Energy Union, the Capital Markets Union, the Banking Union, the Security Union and a comprehensive European migration policy¹. The priority must now be on turning proposals into legislation, and legislation into implementation. The sooner the European Parliament and the Council complete the legislative process, the sooner citizens and business will feel the benefits of our joint work. The Commission will redouble its efforts to support the co-legislators every step of the way.

The focus of the work programme for 2018 is two-fold. First, the work programme sets out a limited number of targeted legislative actions to complete our work in priority policy areas over the next months. The Commission will table all legislative proposals no later than May 2018. This will allow the European Parliament and Council the time and space to complete the legislative work before Europeans give their democratic verdict in the European elections of June 2019 on what we have achieved together.

Secondly, the work programme also presents a number of initiatives that have a more forward-looking perspective, as the new Union of 27 shapes its own future for 2025. These initiatives reflect the debate kick-started by the Commission's White Paper on the Future of Europe and the State of the Union address. They can all be achieved by making full use of the

¹ 'The European Commission at mid-term: State of play of President Juncker's ten priorities', Report by the European Parliament, 11 July 2017

untapped potential of the Lisbon Treaty.² We will deliver all of these initiatives by the end of the mandate.

As in previous years, the work programme also proposes a number of proposals that follow on from regulatory fitness and performance (REFIT) reviews of current laws, taking into account the opinions of the REFIT platform. To allow the co-legislators to focus on delivering the proposals that really matter, this work programme contains a significant number of pending proposals that we suggest to withdraw given that there is no foreseeable agreement in the European Parliament and the Council or they no longer serve their purpose or are technically outdated. This work programme also continues the process of repealing pieces of legislation that have become obsolete.³ In parallel, we are publishing an overview of the Commission's better regulation agenda and its results⁴ together with the REFIT Scoreboard, which sets out in detail how we are following-up on REFIT platform opinions and on-going efforts to evaluate and review existing laws.

II. COMPLETING AND DELIVERING THE 10 PRIORITIES OF THE JUNCKER COMMISSION⁵

A new boost for jobs, growth and investment

The pickup in confidence and investment across Europe has been central to the improving economic outlook. It has created jobs and growth across Europe, and has supported new infrastructure – both physical and digital – and helped Europe speed up its transition to clean energy. We must now continue our efforts to strengthen investment. The Investment Plan for Europe is playing an important role in getting projects off the ground, supporting Small and Medium-sized Enterprises and creating jobs. To build on this, we now need to deliver quickly on the 'EFSI 2.0' proposal and on the Omnibus proposal⁶ to make it easier to combine European Structural and Investment Funds with the European Fund for Strategic Investments. The boost in investment will not be durable without accompanying structural reforms. We will carry out an analysis of such reforms targeted at delivering investment. The Commission will continue to use the European Semester to coordinate economic policies and promote a growth strategy that delivers on investment, sound public finances and structural reforms.

Europe's economy depends on its industrial competitiveness and building on the views of stakeholders, the European Commission presented a renewed Industrial Policy Strategy for Europe⁷. We will aim to support innovation, jobs and growth through our Circular Economy

² Annex 1 (New Initiatives) and Annex 3 (Priority Pending Proposals) present detailed lists of these proposals

³ Annex 4 contains the detailed list of proposed withdrawals, and Annex 5 the list of repeals

⁴ COM(2017)651 Communication on Completing the Better Regulation Agenda: Better solutions for better results

⁵ The Commission will focus its communication work in 2018 on the priorities of the Commission, on the basis of the corporate communication action in 2017-18 under the Multiannual Financial Framework 2014-2020 (C(2016)6838 of 25.10.2016), with a specific emphasis on the Roadmap to Sibiu

⁶ COM(2016)597 EFSI 2.0; COM(2016)605 Omnibus proposal

⁷ COM(2017)479 Communication on Investing in a smart, innovative and sustainable Industry – A renewed EU Industrial Policy Strategy

strategy⁸ that can bring huge benefits to our economy, our competitiveness and our environment. We will propose a limited number of proposals to reinforce our work in this area. These will notably focus on how we produce and use plastics, working towards all plastic packaging being recyclable by 2030, and on how we reuse water and manage drinking water. We will also propose a framework to monitor progress in developing the circular economy. As part of our sectoral approach to improving regulation, we will tackle the legal, technical and practical bottlenecks where chemical, product and waste legislation meet. We will continue to evaluate the bio-economy strategy of 2012⁹ and we will examine how best to take it forward, including by broadening the scope.

While the overall economic context is improving significantly, the European Union still needs to deal with the legacy of the crisis and translate higher growth into new jobs, fairness and new opportunities for all. This Commission has laid the groundwork for dealing with this challenge, for example with the European Skills Agenda¹⁰. We now need to move this agenda forward at Member States' and regional level with the support of the European Social Fund, paying particular attention to basic skills and to digital skills.

A connected Digital Single Market

With 360 million Europeans using the internet every day to work, study, shop or stay connected, Europe needs a truly Digital Single Market. The Commission has already tabled 24 legislative proposals to this end since May 2015. To date, only six of those proposals have been adopted by the co-legislators. The priority must now be for the European Parliament and Council to deliver on the pending proposals as swiftly as possible, notably on the Electronic Communications Code, the proposed copyright reform, and the Digital Content Directive. Europe needs reinforced cooperation on spectrum management with the aim of achieving world-class, very high-speed fixed and mobile networks (5G), and also increased coordinated availability of spectrum by 2020 under consistent regulatory and economic conditions. To complete the Digital Single Market we will also present a proposal on fairness in platform-to-business relations, an initiative on countering fake news and revised guidelines on significant market power in the electronic communications sector.

The success of the Digital Single Market ultimately depends on the confidence of Europeans. Cyber-attacks are on the rise and Europeans now face new and varied threats online. To respond to these, the Commission has made already on 13 September a number of proposals to protect our citizens better from threats that may arise from new technologies¹¹. We will complete this package and protect the stability of our economies and our democracies from cyber-threats by setting up a network of cyber-security competence centres. At the same time, the Commission will also remain focused on making the most of the opportunities presented by new technologies such as high performance computing and autonomous cars. We will also

⁸ COM(2017)33 Report on the implementation of the Circular Economy Action Plan

⁹ COM(2012)60 Communication on Innovation for sustainable growth – a bio-economy for Europe

¹⁰ COM(2016)381 Communication on A New Skills Agenda for Europe

¹¹ JOIN(2017)450 Communication on Resilience, Deterrence and Defence: Building strong cybersecurity for the EU

look to make the most of artificial intelligence that will increasingly play a role in our economies and societies.

A resilient Energy Union with a forward-looking climate change policy

We have made significant progress in delivering the Energy Union. Adopting the Clean Energy Package for all Europeans¹² presented in December 2016 and the proposals to update our policies on climate change is now the priority. The Commission will continue to work to improve the security of energy supplies and the functioning of the internal market. We will propose common rules for gas pipelines entering the European internal gas market. We will negotiate with Russia the key principles for operating the Nord Stream 2 gas pipeline project once the Council has adopted the strong mandate we recommended. In the field of transport, the Commission will focus its efforts on new CO2 standards for cars, vans and heavy duty vehicles. We will take forward our work on batteries and on alternative fuel infrastructure, recognising their strategic role in the transition to clean mobility and clean energy.

A deeper and fairer Internal Market with a strengthened industrial base

A well-functioning Single Market is at the heart of the European project. It enables people, services, goods and capital to move more freely. It provides opportunities for European businesses and offers greater choice and lower prices for consumers. The Commission will focus its efforts in the next year on revising EU company law to support businesses with clear, modern and efficient rules. We will continue our efforts to protect national budgets against harmful tax practices. This includes modernised rules for setting VAT rates, new rules on administrative cooperation between Member States in the field of VAT, a proposal to simplify the VAT system for SMEs and rules for taxing the profits that multinationals generate in the digital economy. In addition, the Commission will propose measures to improve the functioning of the food supply chain to help farmers to strengthen their position in the market place and help protect them from future shocks.

To complete the Capital Markets Union¹³, we will make proposals to tackle the interaction between finance and technology and we will propose rules on crowd and peer-to-peer funding. We will facilitate the use of covered bonds and reduce barriers to cross-border distribution of investment funds, and we will present an initiative on sustainable finance. We will propose new rules on cross-border payments covering the non-Euro currencies. This will help ensure that all Europeans pay reduced fees when transferring money abroad or taking money out of cash machines during their holidays.

There is still work to do if we are to ensure that social fairness and labour rights are hallmarks of the single market. The Commission will address labour mobility and social security coordination challenges by proposing a European Labour Authority and a multi-purpose European social security number that will simplify citizen's interactions with administrations

¹² COM(2016) 860 Clean Energy for all Europeans

¹³ The measures foreseen for the completion of the Capital Markets Union were announced in the Mid-Term Review of June 2017 – see COM(2017) 292

in a range of areas. We will propose to modernise social security systems, taking into account new forms of work to close the gaps so that everyone who works, irrespective of employment status, can contribute and have access to social protection coverage. To further safeguard and protect workers in the single market the Commission will propose reinforced obligations to make sure employees are informed in writing about their working conditions.

We also need to protect our citizens better and to help do so we will present a Joint Action Plan on national vaccination policies. This will support Member States in implementing vaccination programmes, reducing vaccine hesitancy, and strengthening the supply of vaccines.

A deeper and fairer Economic and Monetary Union

To maintain the momentum of the recovery, the Commission will recommend a broadly neutral fiscal stance for the euro area with a continued focus on strengthening economic and social convergence and resilience. We will also continue our work to create a deeper and fairer economic and monetary union and to enhance its democratic accountability. The economic and monetary union is our best tool to make Europe more prosperous and to protect Europeans from future economic shocks. The Commission will propose a substantial package of measures before the end of 2017 to take this work forward.

As part of this package, we will propose to bring the European Stability Mechanism into the European Union legal framework to make it more democratically accountable, and, at the same time, strengthen its role and decision-making. Our aim must be to have a true European Monetary Fund able to respond to crises, working alongside established day-to-day economic policy coordination and surveillance tools. We will also propose to create a dedicated euro area budget line within the EU budget in order to provide for four functions: structural reform assistance; a stabilisation function; a backstop for the Banking Union; and a convergence instrument to give pre-accession assistance to Member States on their way to euro membership. We will also propose to integrate the substance of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union into the framework of EU law as was agreed in 2012, while taking into account the appropriate flexibility built into the Stability and Growth Pact and identified by the Commission since January 2015. Our Economic and Monetary Union will only become stronger if solidarity and responsibility go hand in hand.

Completing the Banking Union that achieves both risk reduction and risk sharing in our banking sector is another key pillar of this work. The Commission has recently set out an ambitious but realistic path to ensuring agreement on all outstanding elements of the Banking Union – notably on the European Deposit Insurance Scheme –, based on existing commitments by Council¹⁴ and we will present further proposals to address non-performing loans and on the development of EU sovereign bond-backed securities. A complete Banking Union, together with the Capital Markets Union, will help build the stable and integrated financial system that citizens and businesses need.

¹⁴ COM(2017)592 Communication on Completing the Banking Union

The European Pillar of Social Rights¹⁵ will give renewed momentum to the process of convergence towards better working and living conditions among Member States. It will drive the EU's social agenda at all levels and will help us move towards a common understanding of what is socially fair in our single market – towards a ‘Social Standards Union’, as called for by President Juncker in his State of the Union address 2017. We look forward to the proclamation of the European Pillar of Social Rights at the Gothenburg Social Summit in November. We will integrate the new Social Scoreboard that accompanies the European Pillar of Social Rights into the European Semester process so that we can monitor progress on these issues appropriately.

A balanced and progressive trade policy to harness globalisation

As the largest trading power in the world, Europe depends on open and fair trade with partners from around the world. We aim to deliver a progressive and ambitious trade agenda, striking a balance between openness and reciprocity and enforcement of social and environmental standards. EU trade deals create jobs and growth, and we will pursue negotiations with Mercosur and Mexico and work with the European Parliament and Member States to make sure that agreements, including with Japan, Singapore and Vietnam, are reached and properly implemented so that these benefits are delivered. We also want to advance trade negotiations with Australia and New Zealand once the Council will have approved the mandates recommended by the Commission. However, we are not naïve free traders. This year, we will continue our efforts to preserve and promote Europe's high standards with third countries, and to ensure a global level playing field for European businesses and workers. It is essential in this context that the European Parliament and Council adopt rapidly the pending proposals on the Modernisation of Trade Defence Instruments and the Screening of Foreign Direct Investment into the EU.¹⁶

An area of Justice and Fundamental Rights based on mutual trust

The success of the internal market ultimately depends on trust. This trust can easily be lost if consumers feel that remedies are not available in cases of harm. The Commission will therefore present a New Deal for Consumers to enhance judicial enforcement and out-of-court redress of consumer rights and facilitate coordination and effective action by national consumer authorities. We will also continue our work on the protection of whistle-blowers.

The Union aims to promote the well-being of citizens, which means contributing to their security. It has played a key role in protecting citizens against natural disasters in the past year, and must continue to do so. The European Union Civil Protection Mechanism is evidence of European solidarity both inside and outside the Union borders. We will propose to strengthen the mechanism and to endow it with its own operational capacities in order to ensure that the Union can provide better crisis and emergency support to our citizens with maximum efficiency and minimum bureaucracy.

¹⁵ COM(2017)250 Communication on Establishing a European Pillar of Social Rights

¹⁶ See Annex 3 on Priority Pending Proposals

Completing the Security Union is a priority. While we have made real progress in fighting terrorism, we will present proposals to improve cross-border access by law enforcement authorities to electronic evidence and to financial data and further strengthen the rules against explosives precursors that terrorists use for homemade weapons. We will continue to promote cooperation with social media companies to detect and remove terrorist and other illegal content online, and if necessary we will propose legislation on removing terrorist content. The Commission will continue to support Member States on countering radicalisation and in implementing the action plan on protecting public spaces¹⁷, and is working on further measures to improve passenger railway security. We will reinforce our efforts to make the European Union a safer society, in full compliance with fundamental rights, with a proposal on the interoperability of information systems.

The exchange of information and data is an essential feature of our societies and increasingly a cross-border phenomenon. The Commission will finalise its guidance on the way forward on data retention. In early 2018, the Commission also aims to adopt a decision on data adequacy for Japan to ensure the free flow of personal data between the EU and Japan as an integral part of our strengthened economic partnership.

The Commission reiterates its commitment to the Schengen system, and expresses the intention to get 'back to Schengen' as soon as possible, while taking proportionate security requests of Member States fully into account. For this, the swift adoption by the European Parliament and the Council of the Commission proposal on the revision of the Schengen Border Code is of the essence.

Towards a new policy on migration

We are on track in implementing the European Agenda on Migration. The European Parliament and Council need to prioritise the proposals already on the table. In particular, the Dublin reform¹⁸ is the key to a Common European Asylum System, which is based on solidarity and ensures that responsibility is shared. We are supporting the efforts by the European Parliament and the Council to conclude the work on the reform of the Common European Asylum System by June 2018.

The Migration Partnership Framework will be essential to delivering results on the external component of our migration policies. More effective EU action on returning people who do not have the right to be in the EU requires determined efforts by Member States together with third countries. We have delivered an External Investment Plan¹⁹ which will support a new generation of investments in our neighbourhood and the African continent, and we will move swiftly now to implement it to support sustainable local projects.

¹⁷ COM(2017)612 Action Plan on protecting public spaces

¹⁸ COM(2016)270 Proposal for a Regulation establishing the criteria and mechanisms for determining the Member State responsible for examining an application for international protection lodged in one of the Member States by a third-country national or a stateless person

¹⁹ COM(2016)581 Communication on Strengthening European Investments for jobs and growth: Towards a second phase of the European Fund for Strategic Investments and a new European External Investment Plan

Europe needs effective legal pathways as alternatives for those who risk their lives and are exploited by smuggling networks. Stepping up resettlement will provide a credible EU response to those in need of protection. As an ageing continent, Europe also needs legal migration to bridge demographic and skills gaps. This is an area where the EU, acting jointly, is stronger than its Member States acting alone. The proposal on entry and residence of third-country nationals for highly skilled employment ('Blue Card proposal'²⁰) should be agreed swiftly. The Commission will furthermore make the necessary proposals in 2018 to revise the Visa Code and upgrade the Visa Information System and in that context will withdraw its proposals for a Visa Code and the Touring Visa²¹.

A stronger global actor

Europe continues to be a beacon of peace and stability but we should never take our own security for granted. We must cooperate more on defence by mobilising all the tools at our disposal, including the EU budget. There is a strong business and security case for the European defence industry to innovate and cooperate more. The European Defence Fund must play a key role in this work. The Commission will prioritise the rapid implementation of the Fund, as well as the proposal for a European Defence Industry Development Programme²².

We will pursue and strengthen our relations with key partners such as India and Latin America. To enhance links with Asia across the board we will propose a strategy to strengthen connectivity between our continents. Our longstanding partnership with countries from Africa, the Caribbean and the Pacific is of great value. We will work towards the renewal of this partnership in 2020, adapting it to the rapidly evolving global context and transforming it into a strong and modern political alliance. We will work together for our common interests and for a strengthened rule-based global order. The historic nuclear deal with Iran has opened the way for a renewal of broader relations between the EU and Iran. We will also take forward our relations with Iraq.

A Union of Democratic Change

Delivering a Union of democratic change has been a central commitment of this Commission. The Commission has significantly reinforced its efforts to engage with citizens through 312 citizens' dialogues, by consulting all stakeholders more extensively as part of our better regulation agenda, and by proposing a revision of the European Citizens Initiative²³ to make it more accessible and easier to use. We launched the European Solidarity Corps²⁴ less than a year ago and it is already offering thousands of young people new opportunities across the

²⁰ COM(2016)378 Proposal for a Directive on the conditions of entry and residence of third-country nationals for the purposes of highly skilled employment

²¹ COM(2014)164 Proposal for a Regulation on the Union Code on Visas (Visa Code); COM(2014)163 Proposal for a Regulation establishing a touring visa and amending the Convention implementing the Schengen Agreement and Regulations (EC) No 562/2006 and (EC) No 767/2008

²² COM(2017)294 Proposal for a REGULATION establishing the European Defence Industrial Development Programme aiming at supporting the competitiveness and innovative capacity of the EU defence industry

²³ COM(2017)482 Proposal for a Regulation on the European Citizens' Initiative

²⁴ COM(2017)262 Proposal for a Regulation laying down the legal framework of the European Solidarity Corps

European Union. This helps our young people to engage with the society around them and to develop their knowledge and skills at the start of their careers. It now needs to be placed on a firm legal footing by the end of the year.

Transparency and accountability are also central to democratic legitimacy. The Commission leads by example in its relations with interest representatives and encourages the European Parliament and Council to agree rapidly on the Inter-Institutional Agreement for a mandatory Transparency Register²⁵ for all three institutions. We will engage constructively with the European Parliament and Council to reach agreement on the proposed amendments to the Comitology Regulation²⁶, and on the statute and funding of European political parties and foundations²⁷.

III. DELIVERING BY 2025: A MORE UNITED, STRONGER AND MORE DEMOCRATIC UNION

While completing our agenda of today we need to prepare the Union of tomorrow. While this work programme outlines what we need to do together over the next fourteen months, it also proposes a number of initiatives that look further forward, towards 2025 and beyond.

A new Europe of 27 will emerge on 30 March 2019. We have an opportunity to shape this new Europe. Just a few weeks later, in June 2019, Europeans will go to the polls. Our work between now and then must ensure that as they vote, this new Europe meets their expectations and delivers on the things that matter the most to them. This is the objective that the Commission has set out in the Roadmap to Sibiu for a More United, Stronger and More Democratic Union²⁸, reflected now in the Leaders' Agenda agreed at the European Council on 19 October, which is meant to lead to concrete results at a special summit in Romania on 9 May 2019. The Commission's political contribution to this roadmap is what we are delivering under this work programme. There is a need to act now, and this is why all of these forward-looking initiatives will be put forward within this mandate while using the still untapped potential of the current Treaties which allows us to move forward with ambition and speed.

We will work together with the European Parliament and the Council as well as with national Parliaments to discuss and develop this Roadmap and to work on these initiatives jointly. Throughout the process, we will continue to build on the democratic and inclusive debate launched by the White Paper on the Future of Europe²⁹, and the subsequent Reflection Papers

²⁵ COM(2016)627 Proposal for an Interinstitutional Agreement on a mandatory Transparency Register

²⁶ COM(2017)085 Proposal for a Regulation laying down rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers

²⁷ COM(2017)481 Proposal for a Regulation amending Regulation on the statute and funding of European political parties and European political foundations

²⁸ Presented with the Letter of Intent on 13 September 2017

²⁹ COM(2017)2025 White Paper on the Future of Europe

that set out options in key areas.³⁰ Every citizen has the opportunity to contribute to the Future of Europe and to provide direct feedback on how we should collectively move forward.

A More United Union

In the course of the mandate of this Commission, we will take all steps necessary to expand the Schengen area of free movement to Bulgaria and Romania to open up the same opportunities that others enjoy. We should also allow Croatia to become a full Schengen member once it meets all the criteria. Similarly, the euro is meant to be the single currency of the European Union as a whole. It must unite rather than divide our continent. It must be more than a currency of a select group of countries. Member States that want to join the euro must be able to do so, and we will therefore propose a new Euro-accession instrument that will offer both technical and financial assistance.

While it is clear that there will be no further enlargement of the EU during the mandate of this Commission and this Parliament, as no candidate is ready yet, we must ensure a credible European perspective for all countries of the Western Balkans. The prospect of EU membership is a real driver of reforms and stability in the region. Within this context, the Commission will present a strategy for the EU accession of Serbia and Montenegro as frontrunner candidates in the Western Balkans.

A Stronger Union

A stronger Union needs to be equipped with appropriate financial means to continue to deliver its policies. The Union has changed fundamentally in recent years, as have the challenges it faces. Our Union needs a budget that can help us achieve our ambitions. The Multiannual Financial Framework for the period after 2020 must reflect this. Beyond the immediate challenge of the departure of the UK, the Union must be equipped to harness the benefits of new and emerging technologies, to move towards a fully-fledged defence union, and to continue to tackle security issues and migration. Following political orientation debates in the College (January 2018) and among EU leaders (February 2018), we will make a comprehensive proposal for the next multi-annual EU budget in May next year, including on own resources, taking account of the recommendations made in the Monti report. Our objective is to complete negotiations on the new Multiannual Financial Framework in the mandate of this Commission. The new budget will help us to meet citizens' expectations of an EU that delivers on the things that matter most and that contribute to the long-term sustainability of the EU.

To be stronger, Europe also has to be more efficient. It must be able to act more quickly and decisively in a range of policy areas so that citizens and businesses benefit more immediately from EU law. The Commission will therefore outline how the EU could make use of the so-

³⁰ COM(2017)206 Reflection paper on the Social Dimension of Europe, COM(2017)240 Reflection paper on Harnessing Globalisation, COM(2017)291 Reflection paper on the Deepening of the Economic and Monetary Union, COM(2017)315 Reflection paper on the Future of European Defence, COM(2017)358 Reflection paper on the Future of EU Finances

called ‘passerelle clauses’ in the current Treaties which allow us to move from unanimity to qualified majority voting in certain areas if all Heads of State or Government agree to do so. We will do this for internal market matters, as well as for certain foreign policy decisions to ensure the Union is a strong global actor with real weight in the world, while paying particular attention to the consistency and efficiency of these decisions.

Finally, a stronger Europe must also protect its citizens and ensure that terrorists are brought to justice. We will therefore propose the extension of the tasks of the new European Public Prosecutor's Office to include the fight against terrorism ahead of a specific Leaders’ summit in Vienna in September 2018 dedicated to security matters.

A More Democratic Union

We need to make a democratic leap forward to respond to the concerns and expectations of our citizens. As a first step, we must make sure that the European Parliament elections become more than the sum of national campaigns and elections in individual Member States. The Commission's proposal, mentioned above, to help European political parties to be more effective, is an important step in this direction and reflects the innovation of ‘Spitzenkandidaten’ which led to the current Commission and its leadership. In the medium term perspective, we need to continue our reflections on the idea of transnational lists as a way to make European elections even more European and more democratic. Similarly, when we reflect on institutional reforms that can make the Union both more democratic and more efficient, we should continue to explore the idea of a single President of the European Council and of the Commission. The European Union is a Union of States as well as a Union of Citizens. A single President would reflect this dual legitimacy of our Union.

The Commission will also set out its views on the possible creation of a permanent European Minister of Economy and Finance. This position would increase the efficiency of policy making by having the same person co-ordinating economic policy-making and key budgetary instruments at EU and euro-area level, and it would increase democratic accountability if combined with the position of a Vice-President of the Commission. We will, at the same time, present exploratory work for the possible development of a euro area safe asset.

A Union with a stronger focus on things that matter needs to have the right tools to act democratically and efficiently when and where it is needed. Building on the work that this Commission has already done, we should continue to be big on the big things. This means not regulating every aspect of citizens' daily lives. We must reflect seriously on doing less more efficiently and giving back competences to Member States where it makes sense to do so. Building on the work of the Task Force headed by First Vice-President Timmermans announced in the State of the Union address, the Commission will present its ideas on further enhancing subsidiarity, proportionality and better regulation to make sure we are only acting where the EU adds value.

The future of Europe relies on the ability to uphold the common values that bind us together: democracy, rule of law and fundamental rights. Respect for the rule of law implies an

independent judiciary that is free from political control and is a prerequisite for a society in which peace, freedom, tolerance, solidarity and justice prevail. It is also indispensable for sustainable and fair growth, as well as for trust in Europe. To this end, we will present an initiative to strengthen the enforcement of the Rule of Law in the European Union.

IV. DELIVERING BETTER ON THE GROUND – BETTER REGULATION, IMPLEMENTATION AND ENFORCEMENT

Today, more than ever, there is a need for sound preparations, evaluations and evidence-based policy-making. Any decision, any proposal must take into account all available facts and evidence in a structured and comprehensive way. The stakes are too high, the challenges too complex to take any other approach. This is why Better Regulation underpins all the Commission's work and continues to ensure that our proposals are based on the best available information. Over the last year we have significantly reinforced our efforts to engage actively with civil society to improve both the legitimacy and the quality of our work. We continue to act only where we need to and where it adds value.

At the same time, even the best proposals will have no impact unless Member States translate them into national rules and implement them correctly and efficiently on the ground. The Commission has a central role, as guardian of the Treaties, in ensuring that this is done. At the end of 2016, the Commission put forward a more strategic approach to infringement policy to ensure better compliance with EU law³¹. This policy allows us to focus on systemic problems where enforcement action can make a real difference to ensure swifter compliance where it matters. The effective enforcement of existing EU law is just as important as the work devoted to developing new legislation. Member States must live up to their responsibility to respect and enforce the rules they themselves have jointly put in place. We are committed to the full implementation of the Interinstitutional Agreement on Better Law-making³² agreed with the European Parliament and the Council last year.

As part of its infringement policy, the Commission will continue to support and work in partnership with Member States to ensure that EU rules are applied effectively and consistently. The Commission will continue to encourage the modernisation of enforcement authorities through the European Semester and, when necessary, through specific legislation. The Commission will also continue to help Member States improve the effectiveness of their national justice systems and to fight corruption through the European Semester, and to support justice reforms and judicial training with EU funds, including with the EU Justice Scoreboard. The Structural Reform Support Service will continue to provide tailor-made support to help Member States build more effective institutions, stronger governance frameworks and efficient public administrations, while broadening its activities to more sectors and to more Member States.

³¹ C(2016)8600 Communication on EU Law: Better Results through Better Application

The Commission will pay particular attention to independent administrative authorities or inspectorates that EU legislation requires to be sufficiently and adequately equipped and have the necessary independence to perform their tasks. These include national competition authorities, national regulatory authorities in electronic communications services and the energy sector, as well as rail regulatory bodies, national financial supervisory authorities and national data protection authorities.

We will also continue to work in partnership with national authorities through a range of networks. These include the Body of European Regulators for Electronic Communications that assists and advises the Commission and national regulatory authorities in implementing the EU regulatory framework for electronic communications. Similarly, we will work with the European Competition Network that contributes to the effective and coherent implementation of competition rules. We will also take the same approach with the European Union Network for the Implementation and Enforcement of Environmental Law that plays a key in facilitating the exchange of best practice in enforcing the environmental acquis and respect for the minimum requirements for inspections. The recent compliance and assistance package, in particular the Single Digital Gateway, will help citizens and business to make full use of the opportunities the Single Market offers.

The new EU data protection framework will establish strong common standards for data protection that are fit for the digital age. Citizens and businesses will benefit from rules that both provide strong protection and create opportunities for innovation in the Digital Single Market. The Commission will provide guidance to help prepare citizens, businesses and public administrations before it comes into force in May 2018. In doing this, we will work closely together with the new European Data Protection Board, the joint body of national data protection authorities that will assume its functions as of 25 May 2018.

We will continue to strengthen our cooperation with the European Network of Ombudsmen, which the European Ombudsman coordinates. This brings together national and regional Ombudsmen to promote good administration in the application of EU law at national level.

V. CONCLUSIONS

Over the next 16 months, Europe has a window of opportunity to act and to make a difference. The Commission Work Programme 2018 builds on the current momentum and sets out a targeted agenda to complete the ten priorities and the strategies that underpin them. 2018 will be a decisive year for Europe. It must be about delivering concrete results for our citizens. This is what our agenda focuses on. We will make sure that what we deliver is simple, easy to understand and adds value so that citizens can feel the difference in their daily lives.

The Joint Declaration on the EU's legislative priorities, signed by the Presidents of the three institutions last December, has proved valuable to promote quick progress on the most important and urgent legislative files. We look forward to agreeing a new Joint Declaration

with the three Presidents to ensure that the European Parliament, Member States and the Commission are all on the same track.

The Commission will work intensively with the European Parliament and the Council to ensure that by the time citizens go to the polls in 2019 the Union will have delivered on what it set out to do. Europe will be judged not on the number of directives and regulations we adopt, but on the tangible results our policies deliver to our citizens. This work programme provides the basis for this common European effort.