

Council of the European Union

> Brussels, 20 October 2020 (OR. en)

12115/20

INST 243 POLGEN 176 AG 48

COVER NOTE

| From: | Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director |
|------------------|---|
| date of receipt: | 20 October 2020 |
| To: | Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union |
| No. Cion doc.: | COM(2020) 690 final |
| Subject: | 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 2021 A Union of vitality in a world of fragility |

Delegations will find attached document COM(2020) 690 final.

Encl.: COM(2020) 690 final



EUROPEAN COMMISSION

> Brussels, 19.10.2020 COM(2020) 690 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 2021

A Union of vitality in a world of fragility

1. Repairing the world of today by shaping the world of tomorrow

Less than one year ago, this European Commission took office after being elected on **an agenda to drive Europe's biggest transformation in more than a generation**. The Commission work programme for 2020 reflected this mandate and the ambition first outlined in President von der Leyen's Political Guidelines. It mapped out our vision of building a fairer, healthier, greener and more digital society. While many things have changed in the last year, that ambition remains our driving force for the year ahead.

In the last year, the Commission has set **about laying the foundations for the systemic change Europe needs**, even more so now that all our economies are deeply affected by a global health crisis. In the first 100 days, we presented the European Green Deal, set out our plans for Europe's digital future, adopted our roadmap for a strong social Europe with a view to implementing the European Pillar of Social Rights and issued our gender equality strategy. We also presented a new industrial strategy, a plan to better support small businesses and measures to strengthen the Single Market. We made proposals to modernise and enhance the accession process, paving the way for the historic agreement to open negotiations with North Macedonia and Albania, and we set about creating a new partnership with Africa.

Beyond 100 days, we also proposed **a fresh start for enduring priorities**, notably with the new pact on migration and asylum and the EU Security Union strategy. We tackled issues that affect our whole community of values, notably by publishing the first ever **annual Rule of Law Report** covering all Member States. And we took measures right across our society – from gender equality and anti-racism to skills and young people.

But for very different reasons, **2020 will simultaneously be a year to instantly forget and forever remember**. The global pandemic that blindsided Europe and the world and the lockdowns of our societies and economies that ensued will be far more than painful memories for millions of Europeans who lost loved ones, fell ill or are going through a period of profound anxiety about their livelihood or wellbeing. None of us is likely to forget the fragility nor uncertainty that we still feel all around us. The recent resurgence in the virus in Europe shows that we must continue to manage the virus with care, caution and coordination.

But this year will also be remembered for the urgent and unprecedented action Europe took to protect lives and livelihoods. **Europe showed that it can act fast when it needs, show real solidarity when it must and collectively change things when it wants**. From making all EU funds available and using the flexibility in our fiscal and State aid rules, to setting up a stockpile of medical equipment. From bringing home over 600,000 stranded EU citizens to creating the SURE instrument to help keep people in jobs and companies in business. In total, the Commission has taken more than 800 previously unplanned measures on everything from border management to support for farmers and fishermen.

In the future, this year can also be remembered for **the great acceleration of change it kickstarted and the great opportunity it paradoxically presented**. Changes in climate, digital technologies and geopolitics were already profoundly affecting our society and driving our agenda. However, the pandemic has sharpened the need for Europe to lead the twin green and digital transitions and make its societies and economies more resilient. This creates an unparalleled opportunity to move out of the fragility of the crisis by creating a new vitality for our Union.

Against this backdrop, the Commission's focus in the year ahead will be twofold. It will first continue to put all of its efforts into managing the crisis and start drawing the lessons from it. This will notably be done by continuing our efforts to find, finance and secure a safe and accessible vaccine for all in Europe and around the world.

In parallel, this work programme sets out how Europe can seize the opportunity ahead of us to deliver on its ambitions and lead the great acceleration. Thanks to **NextGenerationEU**, the historic recovery plan presented by the Commission along with a revamped long-term budget, Europe has a ready-made tool to seize this opportunity.

With NextGenerationEU, Europe is not only choosing to repair the damage, recover for today and support those most hit by the crisis, but also to deliver and build a better way of living for the world of tomorrow. It will focus on sustainable investment and reforms, with 37% of expenditure of the Recovery and Resilience Facility earmarked for green transition spending and a minimum 20% to be invested in digital. We will work hard with Member States on preparing and implementing their national recovery and resilience plans. Moreover, the Commission will ensure that 30% of NextGenerationEU's EUR 750 billion will be raised through green bonds. And we will support the co-legislators to ensure a swift agreement on the overall EUR 1.8 trillion package so that it can start making a difference as soon as possible. The Commission will also make ambitious proposals on new sources of revenue for the EU budget.

This means that we have the investment to match the vision and the ambition we already had. This is why the 2021 Commission work programme sees a **shift from strategy to delivery** with an emphasis on new legislative initiatives and revisions of existing legislation, following up to the plans outlined across all six of the headline ambitions in the last year. These initiatives are listed in Annexes I and II¹. We will also deliver on initiatives previously planned for 2020 that were postponed due to the pandemic².

Our action will remain guided by the 2030 Agenda and its Sustainable Development Goals both internally and externally as well as by the Paris Agreement.

In bringing this work programme to life, the Commission will also focus on explaining what we are doing and taking on board the views of citizens. As part of this, it is now more important than ever to start the debate on the **Conference on the Future of Europe**. The issues raised during the last year – from the need for a stronger European Health Union to the lasting changes the pandemic may have on our way of living together – can only be managed if everyone has their say and we draw on all of our common experience and expertise.

¹ The position of an initiative in the annexes to this programme does not change the responsibilities set out in the Mission Letters sent to every Member of the College by President von der Leyen.

² Adjusted Commission work programme 2020, COM(2020) 440 final.

Given the geopolitical landscape and the long-term and transformative nature of the initiatives planned, our work will continue to be informed by **strategic foresight**³. The first Strategic Foresight Report showed the importance of resilience for recovery and to make our policies evidence-based and future-proof. This approach can also help us prepare for new challenges and opportunities which will inevitably emerge in the year ahead and which we must be ready to anticipate and respond to.

2. Delivery on the six headline ambitions

2.1 The European Green Deal

On the **European Green Deal**, the Commission's focus will be overhauling our relevant climate and energy legislation to align with the newly proposed target to reduce emissions by at least 55% by 2030, as compared to 1990 levels. This will be brought together in a "Fit for 55 Package" which will cover everything from renewables to energy efficiency first, buildings, as well as land use, energy taxation, effort sharing and emissions trading and a wide range of other pieces of legislation. Climate and energy diplomacy will remain a priority with our external partners.

As mentioned in President von der Leyen's Political Guidelines, the Commission will propose a **carbon border adjustment mechanism** to help motivate foreign producers and EU importers to reduce their carbon emissions, while ensuring a level-playing field conducive to trade in a WTO-compatible way.

The depth and breadth of the work planned across the European Green Deal reflects the systemic nature of the green transition and its importance as a growth strategy. We will put forward a series of measures on **smart and sustainable transport**, including a revision of the Regulation on the trans-European transport network and of the Directive on intelligent transport systems. We will continue the implementation of the **circular economy action plan**, looking at eco-design and sustainable products, in particular circular electronics, including improving the collection, reuse and repair of mobile phones, laptops and other devices.

This reflects that the European Green Deal goes far beyond cutting emissions. In this spirit, we will follow up to the **EU biodiversity strategy for 2030** and **farm to fork strategy**, notably to boost organic production, restore degraded ecosystems, protect our oceans and coastal regions, protect, restore and sustainably manage forests, and to reduce the risk of products associated with deforestation on the EU market. We will also bring innovative feed additives to the market to reduce the environmental impact of livestock farming.

³ 2020 Strategic Foresight Report, COM(2020) 493 final.

2.2. A Europe fit for the digital age

To ensure that this is **Europe's digital decade**, we will propose a roadmap with clearly defined goals for 2030, such as for connectivity, skills and digital public services. Our approach will follow clear principles: the right to privacy and connectivity, freedom of speech, free flow of data and cybersecurity.

We will take action across these different areas, notably with legislation covering the safety, liability, fundamental rights and data aspects of **artificial intelligence** and a Data Act to set the right conditions for better control and conditions for data sharing for citizens and businesses.

In the same spirit, we will propose a **new European digital identity** to make it easier to do tasks and access services online across Europe and ensure people have greater control and peace of mind over what data they share and how it is used.

To uphold fairness in the digital world, the EU will continue to work for an international agreement for a fair tax system that provides long-term sustainable revenues. Failing this, the Commission will propose a **digital levy** in the first half of next year. In the same spirit of a fair business environment, the Commission will propose a legal instrument to **level the playing field as regards foreign subsidies**.

The Commission will continue its ongoing **review of competition rules** to ensure they are fit for the changing market environment, including the accelerating digitalisation of the economy. We will also **update our new industrial strategy for Europe** to take into account the impacts of the COVID-19, the global competitive context, and the acceleration of the twin green and digital transitions.

To ensure dignified, transparent and predictable working conditions, a legislative proposal to improve the **working conditions of people providing services through platforms** will be presented with a view to ensuring fair working conditions and adequate social protection.

2.3. An economy that works for people

As the pandemic and containment measures linger, it is essential for Europe to ensure that a health and economic crisis does not develop into a social crisis. This will guide our action in the next year and the full implementation and use of the SURE programme will help workers keep their income and ensure businesses can retain staff. We will carefully evaluate these measures in the coming years.

The European Pillar of Social Rights will be the compass of Europe's recovery and our best tool to ensuring no one is left behind. We will put forward an ambitious action plan to ensure its full implementation. The action plan will be this Commission's key instrument to contribute to socio-economic recovery and resilience in the medium and long-term, with a view to enhance social fairness of the digital and green transitions. In the same spirit, the new European child guarantee, announced in President von der Leyen's Political Guidelines, will aim at reducing children poverty and inequalities by ensuring that all children have

access to basic services like health and education. Drawing lessons from the COVID-19 pandemic and against the backdrop of the changing world of work, the Commission will come forward with a new **EU strategic framework on health and safety at work**. We will also propose **an action plan for the social economy** to enhance social investment, support social economy actors and social enterprises to start-up, scale-up, innovate and create jobs.

Our economies need continued policy support and a delicate balance will need to be struck between providing financial support and ensuring fiscal sustainability. As the spread of the virus and containment measures pick up, Member States should continue to make sound use of fiscal flexibility to support the economy. Global trade and its integrated value chains will remain a fundamental growth engine and a key driving force for a truly global recovery. A review of the EU's trade policy is underway and we will adopt a new instrument to deter and counteract coercive actions by third countries.

In the longer-term there is no greater way to stability and competitiveness than through a **deeper Economic and Monetary Union**, which will also ensure a stronger international role of the euro. We need to make progress on the Capital Markets Union and the Banking Union. As part of this, we will revise the framework for handling EU bank failures, take measures to boost cross-border investment in the EU and step up the fight against money laundering.

As part of Europe's systemic change, our economic and financial system must also be a key driver of the twin transitions. Legislation on **sustainable corporate governance** will be proposed to foster long-term sustainable and responsible corporate behaviour. We will also continue progress on sustainable financing, notably by proposing to establish an **EU green bond standard**.

To reach our ambitions, and be able to address the investment and reform needs, we must increase and assess the effectiveness, efficiency and capacity of **public administrations and services** across the European Union.

2.4. A stronger Europe in the world

This Commission took office with the mandate to ensure a stronger Europe in the world. Our geopolitical Commission strives to advance EU strategic interests and objectives abroad and defend a rules and values-based international order in an increasingly polarised world. We will work to enhance our global role as an anchor of responsibility, stability, cooperation and solidarity, by addressing the ever-increasing number of global challenges, crises and conflicts, through the mobilisation of all our instruments.

Throughout the next year, the Commission will ensure that Europe plays its vital role in this fragile world – whether it be leading the global response to secure a safe and accessible vaccine for all or strengthening the rules-based global multilateral system as well as bilateral, regional and global partnerships. We will continue to give full priority to our Eastern and Southern neighbourhood, to the Western Balkans and to Africa.

Our new external spending instruments will contribute to implementing the Union's strategic priorities externally.

The European Union will always believe in the strength and value of multilateralism and cooperating in global institutions. We will propose a Joint Communication on **strengthening** the **EU's contribution to rules-based multilateralism**. We need to lead reforms of the World Health Organization and World Trade Organization to make them fit for new realities.

Working with our partners, we will propose a **renewed partnership with our Southern neighbourhood** and present a **Communication on the Arctic** to update EU policy towards a region particularly exposed to climate change and environmental pressures and its economic and security impact.

We will present a new strategic approach to support disarmament, demobilisation and reintegration of ex-combatants, which is key for ensuring lasting stability and peace in conflict-stricken countries and regions.

We will also table a Communication on the **EU's humanitarian aid**, which will focus in particular on new ways of working with our partners and other donors, the use of digital tools and innovative approaches to financing and aid delivery modalities, including on the Commission's own rapid response capacity and ways to enhance work on the humanitarian-development-peace nexus.

A review of the **consular protection Directive** will allow us to facilitate the exercise of the Union citizenship right to consular protection and to reinforce EU solidarity to better protect EU citizens abroad, in particular during crises. It will enhance cooperation among Member States and strengthen the EU's supporting role, making best use of its unique network of EU delegations.

2.5. Promoting our European way of life

The current health crisis has exposed the need to strengthen our crisis preparedness and management of cross-border health threats. While the focus continues to be on ensuring Europe can manage the spread of the virus and the impact of the pandemic, we will also draw the first lessons from the crisis. It is time to build a stronger European Health Union.

We will propose to reinforce the EU's framework for detecting and responding to serious cross-border health threats, and strengthen the roles of existing agencies. As a second step, we will propose to establish an **agency for biomedical advanced research and development.** A new pharmaceutical strategy will look at the security of Europe's supply chain and ensure citizens can rely on safe, affordable and high quality medicines. Moreover, the European health data space will be launched by the end of next year to harness data for better healthcare, better research, and better policy making to the benefit of patients.

We will also draw lessons in other areas, notably when it comes to the Schengen area and upholding free movement of people without internal border control. We will work with the European Parliament and Member States to preserve and improve a functioning Schengen area on the basis of a **new strategy for the future of Schengen** and stronger Schengen rules and we will continue the work completing the Schengen area.

We will continue the work on the **new pact on migration and asylum**. In this context, the Commission will propose a number of measures on **legal migration**, which will include a 'talent and skills' package and, as part of it, a revision of the long-term residents Directive and a review of the single permit Directive, as well as options <u>developing</u> an EU talent pool. Other elements of the pact include an EU action plan against migrant smuggling and a voluntary return and reintegration strategy.

We will continue to **strengthen the Security Union**, notably by taking measures on tackling organised crime, countering hybrid threats, taking a new approach on counter-terrorism measures and radicalisation and improving the detection, removal and reporting of child sexual abuse online.

Given the rise in antisemitic violence and hate crime, the Commission will present a comprehensive **strategy on combating antisemitism**, to complement and support Member States' efforts.

The path to economic recovery and successful green and digital transitions will also require Europeans to acquire new skills. As part of wider efforts to instil a lifelong learning culture and facilitate job transitions, we will propose an initiative on **individual learning accounts** to empower individuals to undertake training and manage their career, and set out a **European approach to micro-credentials** to widen personalised learning opportunities for all.

2.6. A new push for European democracy

The Commission will continue to build a Union of Equality and uphold Europe's commitment to the protection of EU values as well as inclusion and equality in all of its senses, irrespective of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

As part of this, the Commission will present an **EU disability rights strategy**, notably to ensure the full implementation of the UN Convention on the Rights of Persons with Disabilities. An **EU strategy on the rights of the child** will look at how to prepare children and young people participation in the EU's democratic life, to-better protect vulnerable children, protect their rights online, foster child-friendly justice and prevent and fight violence.

While the Commission remains committed to the EU accession to the Istanbul Convention, it will put forward a new proposal to **combat gender-based violence**. It will also propose to extend the list of euro-crimes to include all forms of hate crime and hate speech.

The European Democracy action plan to be adopted will be a stepping stone to improve the resilience of our democracies, address the threats of external interference in European elections and counter disinformation, as well as to support free and independent media. Next year, we will propose clearer rules on the financing of the European political parties and take action to ensure greater transparency in paid political advertising, improve the electoral rights of mobile Europeans and take action to protect journalists and civil society against strategic lawsuits against public participation.

We will also advance **cross-border judicial cooperation** by making full use of digital technologies.

The Commission will look at how cohesion policy can power the recovery and the twin transitions, address widening regional disparities both before and after COVID-19 and help address emerging social and economic issues. To increase our knowledge and thereby improve our policy responses it will put forward an assessment of the situation in our regions. It will also develop a long-term vision for rural areas to propose actions to harness the potential of these regions to the maximum. Better regulation, policymaking, implementation and enforcement of EU law

When the Commission took office, it committed to evidence-based policies that were easier to comply with and less likely to create unnecessary burden for business and people. This is all the more acute as Europe continues to manage the crisis and focus on recovery.

The upcoming **Communication on better regulation** will focus on burden reduction, notably in implementing the 'one-in, one-out' approach. This will ensure that newly introduced administrative burdens are offset by relieving people and businesses of equivalent burdens at EU level, in the same policy area. As of next year, the **'Fit-for-Future' platform**, a high level expert group, will support the Commission to identify simplification and burden reduction potential.

The crisis has further highlighted the need for informed **decisions based on evidence and better regulation principles**. The need for impact assessments, which take into account the views of all those impacted, is more important than ever. The Commission will make consultations more efficient and more accessible to facilitate stakeholders' participation and respond to the call for more streamlined consultations.

The Commission will also step up efforts to improve the effective application, implementation and **enforcement of EU law**. This is notably important for the proper functioning of the single market, the protection of key supply chains that provide shops with food and health services with medical supplies, to uphold citizen's rights and to deliver the European Green Deal. The Commission will continue to support and work with Member States to ensure the swift and correct implementation of new and existing EU rules. At the same time, it will not hesitate to uphold EU law through infringement proceedings where needed.

4. Conclusion

In the last year, the people of Europe have made sacrifices to protect each other and we must protect the progress we have made together. This means keeping our guard and keeping our focus on ensuring we can manage the crisis, pull through together and work on a long-term solution to get past this.

But as and when Europe does get past this, we need to be ready to do things in a better way and live in a healthier, fairer, more prosperous society. This means making ourselves more resilient but it also means accelerating on the transformative agenda on which this Commission was elected and on which it has been focused since its first day in office.

This is the dual purpose of this Commission work programme and all of the initiatives listed in it. They may each focus on different areas but they must all be pulling in the same direction. They are all ultimately about making lives easier, our environment healthier, societies fairer, opportunities more varied and accessible, and economies more modern and geared towards wider objectives.

To make sure that they have their desired impact, the Commission will work closely in partnership with both the European Parliament and the Council. This collective spirit is what made Europe come together to agree on NextGenerationEU. It is what will enable us to overcome this pandemic and to deliver the systemic change Europe needs. We have the vision, we have the plan, we have the investment – and we now have to recover today by building a better world for tomorrow.