



**FRANS TIMMERMANS**

First Vice-President

Brussels, 29 JAN. 2015  
Ares(2015) 351711

*Dear Ms Čigāne,*

*I would like to follow up on the discussion held during the last COSAC meeting in Rome in December 2014.*

*On behalf of the Commission, I am pleased to send you in attachment the Commission's official reply to the Contribution of the LII COSAC. I also take this opportunity to thank Mr Michele BORDO and Senator Vannino CHITI (in copy) and their teams for the efficient organisation of the Italian COSAC Presidency.*

*Under your Presidency, the Commission is looking forward to further intensifying the dialogue with national Parliaments on issues of particular strategic and political importance, such as the Eastern Partnership and the European Energy Policy.*

*I am confident that we will be able to continue our exchange of views on political priorities and future initiatives under the Latvian COSAC Presidency, starting with the upcoming Chairpersons' meeting in Riga in February 2015, which I am looking forward to attending on behalf of the Commission.*

*Yours faithfully,*

*Cc: Mr Michele BORDO and Sen. Vannino CHITI*

*Ms Lolita ČIGĀNE*

*Chairperson of the European Affairs Committee*

*Saeima*

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**Reply of the European Commission  
to the Contribution of the LII COSAC  
Rome, 31 November - 2 December 2014**

**1. Mid-term review of Europe 2020 Strategy**

The Commission welcomes COSAC's support for the Europe 2020 strategy and the views expressed by national Parliaments in the context of the dedicated public consultation, and more generally in the context of the mid-term review of the strategy. The full involvement and commitment of national Parliaments is key to the strategy's success.

The Commission agrees with COSAC regarding the importance of a qualitative dimension in the analysis of progress towards the Europe 2020 objectives, as well as the importance of strong ownership among stakeholders at national, regional and local levels. This is explicitly highlighted in the stock-taking Communication on the Europe 2020 strategy of March 2014 and such analysis is carried out in the context of the European Semester.

The Commission notes that COSAC calls for measures to support aggregate demand and to supplement growth-friendly fiscal consolidation while making use of the flexibility clauses set out in the Stability and Growth Pact. The Commission also notes that COSAC calls for "public expenditure related to the implementation of programmes co-financed by the European Structural and Investment Funds to be completely excluded from the definition of Stability and Growth Pact structural deficits". In its Communication on the 2015 Draft Budgetary Plans, the Commission underscored "the need for a better alignment of Member States' policies with the priorities of the Jobs, Growth and Investment package, including by making use of the flexibility available under the rules". In this perspective, the Commission's Communication from 13 January 2015 "Making the best use of the flexibility within the existing rules of the Stability and Growth Pact" presents detailed guidance on how the Commission will apply the existing rules of the Stability and Growth Pact to strengthen the link between structural reforms, investment and fiscal responsibility in support of jobs and growth. This Communication clarifies the application of the so called "structural reforms clause" and the "investment clause" in the preventive arm of the Pact. In particular, Member States in the preventive arm implementing major structural reforms may be allowed to make a smaller fiscal effort when implementing the reforms, and to compensate for this with a greater effort later. The Communication also confirms, in line with past practice, that Member State's contributions to the European Fund for Strategic Investments (EFSI) will not be counted when defining the fiscal adjustment under either the preventive or the corrective arm of the Pact. Finally, the Communication specifies how cyclical conditions are treated in the preventive arm of the Pact. Member States in the preventive arm will be required to make a larger fiscal effort during better times and a smaller fiscal effort during difficult economic times.

The Commission also welcomes COSAC's support for the Investment Plan for Europe and acknowledges its willingness to drive it forward by increasing the amount of EU

contributions. Member States may complement EU investments by contributing to the European Fund for Strategic Investments themselves. Several Member States have signalled their potential interest in doing so and the Commission is now awaiting concrete proposals to that end. Public investment does not seek to act as a substitute for private investment. In line with this, EU contributions within the Investment Plan are complemented by two other strands that seek to maximise the impact of public resources and unlock private investment: targeted initiatives to make sure that this extra investment meets the needs of the real economy, and measures to provide greater regulatory predictability and to remove barriers to investment, making Europe more attractive and thereby multiplying the impact of the Plan.

As for the European Structural and Investment Funds, the Commission invites Member States and regional authorities to increase their use of innovative financial instruments, such as loans, equity and guarantees, instead of traditional grants, in key investment areas such as SME-support, energy efficiency, Information and Communication Technology, transport and R&D support.

## **2. Future of the EU - EU Institutions and Parliaments**

The Commission shares national Parliaments' positive assessment as regards the implementation of the Lisbon Treaty's provisions conferring new powers on national Parliaments and welcomes the strong involvement of national Parliaments in this process.

The Commission notes COSAC's comments as regards the Commission's use of delegated acts. The Commission's approach to the delegation of power is based on the premise that acts adopted through a legislative procedure best ensure the democratic legitimacy foreseen by the Treaty. However, properly used, delegated and implementing powers are an integral tool of better law-making, contributing to simple and up-to-date legislation and its efficient and speedy implementation. Therefore, the Commission will further reinforce its Treaty-based practice of proposing empowerments for delegated acts only where they concern non-essential elements and are justified, i.e. when it is not possible or less efficient or effective to include the relevant elements directly in the basic legislative act.

The Commission recalls that the scope, objectives and content of a delegation of powers to the Commission must be clearly framed in the proposal for a basic legislative act. It is the European Parliament and the Council that decide whether delegated or implementing powers should be conferred on the Commission.

The Commission would also like to recall that the European Parliament, the Council and the Commission agreed in their Common Understanding on delegated acts that the delegation of powers may be for an undetermined or determined time. The general preference of the Commission is to have delegations of power of undetermined duration, and to include in the basic instrument an option for the legislator to revoke the delegation of power. The Commission believes that the use of sunset clauses which automatically set a time limit on the powers conferred on the Commission and compel the Commission to present a new basic legislative proposal and launch a new legislative procedure when the time limit imposed by the legislator expires is contrary to the objectives of efficiency and speed that justify the use of delegated acts in the first place. Democratic control is ensured as no delegated act can enter into force if either the European Parliament or the Council object to it. In addition, any co-legislator may revoke the delegation at any time, irrespective of whether it is limited in time or made conditional on a report.

As regards COSAC's observation on public consultations aimed at national Parliaments the Commission would like to recall that in line with Article 11 TEU, the Commission has a long tradition of consulting those affected by a new policy or initiative and those involved in implementing it.

In view of improving information and increasing transparency on ongoing preparatory work for new important initiatives and in view of facilitating the contribution of national Parliaments to public consultations, all 41 chambers of national Parliaments have since May 2014 received automatic notifications<sup>1</sup> whenever a new roadmap is published<sup>2</sup> or a new public online consultation is launched<sup>3</sup>. This enables national Parliaments to actively contribute to the policy development process from its very beginning. The Commission continues to encourage national Parliaments to make more use of these instruments available to them and to participate more actively in public consultations.

In addition, the Commission is currently working on internal guidelines on stakeholder consultation, with a view to improving its consultation policy. A public consultation on these guidelines took place between June and September 2014. Among others things, these guidelines are intended to further strengthen the reporting requirements on contributions received in the context of a consultation. This also includes an improved presentation of responses by the type of stakeholder and represented interest. Thus, any contribution of national Parliaments will be duly reflected and highlighted in the summary report of public consultations.

In regard to COSAC's comment on the lack of transparency and involvement of national Parliaments in ongoing trilogues, the Commission would like to emphasise that transparency is a priority for this Commission which has already taken important measures in several different areas, in particular the Commission's transparency initiative from November 2014. In that regard, increasing transparency for the wider public of ongoing trilogues is a matter that can only be addressed by the three institutions, the European Parliament, the Council and the Commission, together.

The Commission welcomes COSAC's invitation to a discussion on a stronger role for the European Parliament and national Parliaments. In accordance with President Juncker's Political Guidelines from July 2014 and as confirmed in his mission letters to all Commissioners, the new Commission has made it a priority to forge a new partnership with national Parliaments, working closely and constructively together. The Commission welcomes open debates on democratic legitimacy and on how to bridge the gap between European citizens and EU decisions. In that regard the Commission would like to recall that discussions on the role of the European Parliament and national Parliaments should take place in the framework of the current Treaty provisions and respect the institutional balance.

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<sup>1</sup> <https://webgate.ec.europa.eu/notifications/homePage.do?locale=en>

<sup>2</sup> [http://ec.europa.eu/smart-regulation/impact/planned\\_ia/roadmaps\\_2014\\_en.htm](http://ec.europa.eu/smart-regulation/impact/planned_ia/roadmaps_2014_en.htm)

<sup>3</sup> [http://ec.europa.eu/yourvoice/consultations/index\\_en.htm](http://ec.europa.eu/yourvoice/consultations/index_en.htm)

### **3. The role of the EU in the Mediterranean and in Eastern Europe**

The Commission notes COSAC's comments as regards the European Neighbourhood Policy, the Eastern Partnership and the Union for the Mediterranean.

In that regard the Commission would like to recall that the European Neighbourhood Policy (ENP) was created to avoid new dividing lines in Europe and to support prosperity and stability in the neighbourhood. As such, the ENP has contributed to the long-term strategic priorities of the EU, both to the East and to the South. Ten years after its inception, the ENP is now undergoing a major review. Further differentiation of the policy will be a key element of this review, as well as an increased sense of ownership by partners, and a better visibility of the policy with the general public. Security, energy, mobility, and trade are topics that will in all likelihood be addressed in detail. Stakeholders, including the European Parliament and Member States, will be consulted thoroughly in this process.

The Eastern Partnership and Union for the Mediterranean remain important frameworks for cooperation and differentiation on a regional level. While they develop at their own pace, they will continue to inform the ENP and its review, particularly in the months to come.

The Commission takes note of COSAC's view on a regional security strategy for the Southern neighbourhood and finds that important political and security related challenges have to be addressed in a coordinated and comprehensive way.

In regard to the EU's efforts to address the on-going migratory challenges in the Mediterranean, strengthening comprehensive dialogues and cooperation on migration with countries of origin and transit are of particular importance. Significant steps forward were made in 2014, notably through the Mobility Partnerships with Morocco, Tunisia and Jordan, the Dialogue on Migration, Mobility and Security with Lebanon and the so-called 'Khartoum Process' with the countries along the Eastern African migratory route.

The Commission fully shares COSAC's condemnation of Russia's military presence in Ukraine and illegal annexation of Crimea and Sevastopol and finds that the territorial integrity of Ukraine should be restored. The Commission notes that the restrictive measures adopted by the Council in March and July 2014 and reinforced since then can be scaled up or down depending on the situation on the ground, notably the full implementation of the Minsk Protocol.

### **4. EU Agencies and national Parliaments**

The Commission takes note of the issues raised by COSAC on EU Agencies and national Parliaments.

With regard to the role, functioning, governance and accountability of EU Agencies, the Commission wishes to emphasise the importance of the principles set out in the Common Approach on EU decentralised agencies agreed in July 2012 by the European Parliament, the Council and the Commission.

The Commission is committed to following up on this agreement and has invested considerable efforts in delivering on the actions under its responsibility in the roadmap to follow-up to the Common Approach on EU decentralised agencies. The Commission has also performed a thorough case-by-case analysis upon preparation of its legislative proposals to revise the agencies' founding acts to make sure they are in line with the Common Approach. The main objective of this work has been to ensure more balanced governance, improved efficiency and accountability and greater coherence.

The Commission does not currently envisage setting up new agencies. Should there be a well-justified need to make a proposal to either create or merge existing agencies, the Commission would ensure that this is done in accordance with the principles agreed in the Common Approach and based on a thorough evaluation.

In line with the Treaty, the agencies should conduct their work as openly as possible in order to promote good governance and ensure the participation of civil society. As independent legal entities, the EU decentralised agencies are responsible for the communication activities on issues falling under their specific mandates. The Commission has supported the agencies' efforts to communicate on their activities by for instance opening its communication framework contracts to allow the participation of agencies. This facilitates more effective communication on the added value of the agencies' key activities, including towards national Parliaments. As for matters related to EU policies and legislation regarding the agencies, the Commission will keep national Parliaments fully informed in accordance with Protocols 1 and 2 to the Treaties, and underlines the importance of an active contribution of national Parliaments to the good functioning of the Union.