

# Rule of Law: The Commission opens a debate to strengthen the rule of law in the EU

The Communication presented today takes stock of the available tools to monitor, assess, and protect the rule of law in the Union. It also looks back at the experience of the past years so that we can start a wider European debate on how the rule of law could be further strengthened. The past experience, in particular, points to the need for better promotion of the rule of law, early prevention of risks or breaches to the rule of law, and effective response when such issues occur in the Union.

First Vice-President Frans **Timmermans** said: *“The Union’s capacity to uphold the rule of law is essential, now more than ever. First because it is an issue of fundamental values, a matter of ‘who we are’. Second, because the functioning of the EU as a whole depends on the rule of law in all member states. Now is the time to reflect together with all institutions, Member States, different authorities and stakeholders on how to defend and bolster the rule of law in the Union.”*

In the last years, the rule of law in Europe has come under increased pressure. Common and concrete concerns were raised in debates within the Union, at international level and by civil society. It has become clear that more needs to be done to ensure that the rule of law is defended, strengthened and upheld throughout the Union. Building on the ongoing debates and past experience today’s Communication aims to start this process by setting out possible avenues for reflection on future action.

## **Possible avenues for the future**

It is a common responsibility of EU institutions and all Member States to defend, strengthen, and uphold the rule of law in the Union. The Commission has already used a wide range of tools to carefully monitor, assess and respond to rule of law concerns in Member States, including the Rule of law Framework, Article 7(1) TEU procedure, infringement procedures, as well as the European Semester, the EU Justice Scoreboard or the Cooperation and Verification Mechanism (CVM). Building on the experience gathered so far through all the instruments, the Commission outlines today three pillars which could contribute to further the effective enforcement of the rule of law in the Union:

- **Better Promotion:** rule of law standards and jurisprudence are not always sufficiently known at national level. To address this, increased efforts should be geared towards better promoting knowledge of the rule of law standards and case law at national level. This could be achieved, for instance, through communication activities for the public, common EU approaches that help promote a stronger rule of law culture across institutions and professions, continued engagement with the Council of

Europe, and participation of civil society at the regional and local levels.

- **Early prevention:** While the prime responsibility to ensure respect for the rule of law at national level lies with the Member States, the EU can offer important support to build resilience of key systems and institutions. Regular cooperation and dialogue could contribute to a deeper understanding of the rule of law situation and developments in Member States and could contribute to the early resolution of any rule of law issues.

- **Tailored response:** A diversity of rule of law challenges requires a diversity of effective responses. The Commission will continue to ensure the correct application of the EU law via infringement procedures. Different approaches may also be appropriate in specific policy areas such as the [Commission's proposal on the protection of EU's financial interest](#). In addition, some refinement to the existing Rule of Law Framework could be explored, including early information to and support from the European Parliament and the Council, as well as clear timelines for the duration of dialogues.

## Next Steps

The Commission now invites the European Parliament, the European Council and the Council, and the Member States as well as relevant stakeholders, including judicial networks and civil society, to reflect on the issues presented in today's Communication and contribute with concrete ideas on how the rule of law toolbox could be enhanced in the future.

Building on this reflection process and the ongoing debate, the Commission will return to this issue with its own conclusions and proposals in June 2019.

## Background

The rule of law is one of the common values upon which the European Union is founded and embraced by all Member States. It is enshrined as such in Article 2 of the Treaty on European Union. It is also essential for the functioning of the EU as a whole, for example with regard to the Internal Market, cooperation in the area of Justice and Home Affairs, and ensuring that national judges who are also 'EU judges' can fulfil their role in ensuring the application of EU law and can properly interact with the Court of Justice of the EU in the context of preliminary ruling procedures. The European Commission, together with other institutions and the Member States, is responsible under the Treaties, for guaranteeing the rule of law as a fundamental value of our Union and making sure that EU law, values and principles are respected.

The Commission has a wide range of tools to carefully monitor, assess, and respond to the rule of law issues in Member States, among others infringement procedures, the [European Semester](#), the [EU Justice Scoreboard](#) or the [Cooperation and Verification Mechanism](#) (CVM). On 11 March 2014, the European Commission adopted [a new Framework for addressing systemic threats to the](#)

[Rule of Law](#) in any of the EU's Member States. The Framework establishes a tool allowing the Commission to enter into a staged dialogue with the Member State concerned to prevent the escalation of systemic threats to the rule of law. The most emblematic, yet exceptional, tool for defending the Rule of Law is the procedure of Article 7 TEU, which allows the EU to act in case of a serious breach of rule of law in a Member State. The Article 7 TEU procedure was triggered in two cases so far: in December 2017 in case of Poland (by the Commission) and in September 2018 in the case of Hungary (by the European Parliament).

Today the Commission has also launched an infringement procedure by sending a Letter of Formal Notice to Poland regarding the new disciplinary regime for judges (full press release [here](#)).

### **For More Information**

[Communication](#): Further strengthening the Rule of Law within the Union – State of play and possible next steps

[Factsheet](#): EU Toolbox on the Rule of Law

[Press Release](#) – European Citizens' Initiative: Commission registers 'Respect for the rule of law' initiative

[Press Release](#) – Rule of Law: European Commission launches infringement procedure to protect judges in Poland from political control

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## **[Daily News 03 / 04 / 2019](#)**

### **COLLEGE MEETING: Rule of Law: The Commission opens a debate to strengthen the rule of law in the EU**

The European Commission is launching a reflection process on the rule of law in the European Union and setting out possible avenues for future action. The Communication presented today takes stock of the available tools to monitor, assess, and protect the rule of law in the Union. It also looks back at the experience of the past years so that we can start a wider European debate on how the rule of law could be further strengthened. The past experience, in particular, points to the need for better promotion of the rule of law, early prevention of risks or breaches to the rule of law, and effective response when such issues occur in the Union. Building on this reflection process and the ongoing debate, the Commission will return to this issue with its own conclusions and proposals in June 2019. Today the European Commission has also launched an infringement procedure against Poland regarding the new disciplinary regime for judges in order to protect them from political control (full press release [here](#)). The European Commission has also today decided to register a European Citizens' Initiative entitled 'Respect for the

rule of law within the European Union', which coincides with the launch of this reflection process. The aim of the initiative is to create 'an objective and impartial evaluation mechanism to verify the application of the European Union's values by all the Member States'. The Commission considered the initiative legally admissible and decided to register it. At this stage in the process, the Commission has not analysed the substance of the initiative, only its legal admissibility. The registration of this initiative will take place on 8 April 2019, starting a one-year process of collection of signatures of support by its organisers. The press releases on the [Rule of Law Communication](#), the [European Citizens' Initiative](#), the [infringement on Poland](#) as well as a factsheet on the [EU's Rule of Law Toolbox](#) are available online. (For more information: Mina Andreeva – Tel.: +32 229 91382; Natasha Bertaud – Tel.: +32 229 67456; Christian Wigand – Tel.: +32 229 62253; Katarzyna Kolanko – Tel.: +32 229 63444)

### **COLLEGE MEETING: Rule of Law: European Commission launches infringement procedure to protect judges in Poland from political control**

Today, the European Commission has launched an infringement procedure by sending a Letter of Formal Notice to Poland regarding the new disciplinary regime for judges. The Polish government has 2 months to reply. The new disciplinary regime undermines the judicial independence of Polish judges by not offering necessary guarantees to protect them from political control, as required by the Court of Justice of the European Union. The Commission is of the opinion that Poland failed to fulfil its obligations under Article 19(1) of the Treaty on European Union read in connection with Article 47 of the Charter of Fundamental Rights of the European Union, which enshrine a right to an effective remedy before an independent and impartial court. The Commission also considers that Poland failed to fulfil its obligations under Article 267 of the Treaty on the Functioning of the European Union (TFEU), which enshrines the right of courts to request preliminary rulings from the European Court of Justice. The functioning of the preliminary reference mechanism – which is the backbone of the Union's legal order – requires national courts to be free to refer to the European Court of Justice any question for a preliminary ruling that they consider necessary, at whatever stage of the proceedings. The Polish Government now has 2 months to reply to the Letter of Formal Notice. The full press release is available [online](#). (For more information: Christian Wigand – Tel.: +32 229 62253; Katarzyna Kolanko – Tel.: +32 229 63444)

### **COLLEGE MEETING: European Commission appoints Director of the European Centre for the Development of Vocational Training**

The Commission has today decided to appoint Mr Juergen Siebel to the position of Director of the European Centre for the Development of Vocational Training (CEDEFOP) in Thessaloniki, Greece. Mr Siebel, a German national, will join the EU institutions from the private sector. Since 1999, he has held a variety of positions in the area of human resource management and development with Siemens. Mr Siebel has held management positions since 2004. Most recently, he has served as Head of Strategy, Portfolio, and International Operations of Siemens Professional Education, Munich, Germany. More information about CEDEFOP is available online [here](#). (For more information:

Alexander Winterstein: Tel.: +32 229 93265; Andreana Stankova – Tel.: +32 229 57857)

## **Brexit preparedness: Customs authorities in the EU ready and prepared for 'no-deal' scenario**

The EU regrets, but respects, the UK's decision to leave the EU. Brexit has never been the EU's preference. Nor has the EU been in favour of a so-called 'no-deal' scenario: the Withdrawal Agreement negotiated between the EU and the UK remains the best possible outcome. That said, the EU has been preparing since December 2017 for a 'no-deal', so that disruption can be minimised if such a scenario transpires. As things currently stand, the UK will leave the EU without a deal at midnight on 12 April (i.e. 00:00 13 April). The overall impact of a 'no-deal' scenario cannot be mitigated, but preparations continue within Member States, supported by the Commission, and much has already been achieved to ensure that national customs infrastructure and logistics are ready to handle such a scenario. Commission and Member State outreach to businesses in the area of customs and indirect taxation, which are among the main sectors concerned, has also helped EU27 traders dealing with the UK to get ready to comply with customs obligations, if a 'no-deal' scenario materialises. Pierre **Moscovici**, Commissioner for Economic and Financial Affairs, Taxation and Customs, said: *"The European Commission and the EU-27 did not want Brexit in 2016 and we certainly do not want to see a no-deal Brexit in 2019. Or at all, for that matter. And we still hope this can be avoided. But we are ready to face this challenge should it come to that. In the area of customs and taxation, a no-deal Brexit would mean the immediate re-establishment of customs controls on goods coming from the UK, new customs forms to fill in for companies trading with the UK and the need to collect VAT on goods imported from the UK. Any traders still not aware of what is required should contact their national authorities immediately to ensure that the flow of goods remains as smooth as possible in case of no deal."* A [range of material](#) is available for businesses that need to get prepared, including a simple [5-step checklist](#) and a more [comprehensive guide to customs](#) which provides a full overview of the steps that need to be taken. A press conference with Commissioner **Moscovici** will today be [live on EBS](#) (+/-12.40 CET) where further details of the EU's customs preparedness will be presented. (For more information: Vanessa Mock – Tel.: +32 229 56194; Patrick McCullough – Tel.: +32 229 8718)

## **Brexit preparedness: Provisional agreement reached on visa-free travel to the EU for UK nationals**

The European Parliament and the Council have reached a provisional agreement on the [Commission's proposal](#) to grant UK nationals visa-free travel to the EU after the United Kingdom's withdrawal from the European Union. This means that UK nationals will not need a visa when travelling to the Schengen area for short stays of up to 90 days in any 180-day period. The visa-free travel for UK nationals is conditional upon the UK also granting reciprocal and non-

discriminatory visa-free travel for all EU citizens, in line with the principle of visa reciprocity. The agreement, confirmed yesterday by EU ambassadors and backed by the European Parliament's Committee on Civil Liberties, Justice and Home Affairs today, now needs to be formally adopted by the European Parliament and the Council. In the scenario where the UK leaves the EU without a deal, this would apply as of midnight on 12 April 2019. In a "deal scenario", this would apply as of the end of the transition period, as outlined in the Withdrawal Agreement. The proposal made by the Commission, and agreed today, is one of the preparedness measures needed as a consequence of the United Kingdom's withdrawal from the European Union. (For more information: *Natasha Bertaud – Tel.: +32 229 67456; Tove Ernst – Tel.: +32 229 86764; Katarzyna Kolanko – Tel.: +32 229 63444*)

### **Commission adopts update to second Enhanced Surveillance Report for Greece**

The Commission has adopted an update of the [second Enhanced Surveillance Report for Greece](#) detailing progress in implementing policy commitments since the publication of the report on 27 February 2019. At that point, the second Enhanced Surveillance Report found that considerable progress had been made in completing the implementation of specific reform commitments, but that a number of issues remained outstanding. Given developments since then, today's update concludes that Greece has now taken the necessary actions to achieve all specific reform commitments expected for end-2018. The Report notes that the Greek authorities should continue to ensure the sustained implementation of agreed reforms, as per their commitments at the [Eurogroup of June 2018](#). The contents of the Enhanced Surveillance Report of 27 February 2019 and this subsequent update will also be used by the Eurogroup to discuss the release of a first tranche of policy-contingent debt measures. The updated report is available [here](#). (For more information: *Annika Breidhardt – Tel.: +32 229 56153; Enda McNamara – Tel.: +32 229 64976*)

### **Libye: l'UE va pourvoir 6 millions d'euros d'aide humanitaire**

Alors que de nombreux Libyens sont toujours déplacés au sein de leur propre pays en raison des conflits, la Commission européenne a annoncé aujourd'hui 6 millions d'euros d'aide humanitaire pour 2019. Cette somme porte à 15 millions d'euros le montant total de l'aide humanitaire dans le pays pour la période 2018-2019. « *L'UE se tient aux côtés du peuple libyen qui souffre depuis des années à cause des conflits et de l'instabilité. Notre assistance humanitaire permettra aux Libyens les plus nécessiteux d'accéder à de la nourriture, à de l'eau potable, à de l'éducation en situation d'urgence et à des soins de santé de base. Il est primordial que toutes les parties au conflit adhèrent au droit international humanitaire et permettent aux organisations humanitaires de faire leur travail pour sauver des vies,* » a déclaré Christos **Stylianides**, commissaire en charge de l'aide humanitaire et de la gestion des crises. Le secteur de la santé en Libye est particulièrement touché par le manque de personnel qualifié et la pénurie de médicaments indispensables. L'aide de l'UE est également acheminée vers des projets humanitaires offrant une protection et un soutien psychosocial. Plus d'informations dans le [communiqué de presse](#). (Pour plus d'informations: *Carlos Martin Ruiz De Gordejuela – Tél.: +32 229 65322; Daniel Puglisi – Tél.: +32 229 69140*)

## **Commission and Council of Europe support justice, governance and fundamental rights reforms in Member States**

Maarten Verwey, Director-General of the European Commission's [Structural Reform Support Service](#) and Gabriella Battaini-Dragnoni, Deputy Secretary General of the Council of Europe, agreed yesterday on the principles of cooperation in providing support to Member States under the [Structural Reform Support Programme](#). Under the agreement, the Structural Reform Support Service and the Council of Europe will work together to support reforms of judicial systems, local governance or protection of fundamental rights, based on requests from Member States. Projects are for example already lined up in Cyprus, Latvia, Lithuania, Slovakia and Slovenia. The Structural Reform Support Programme offers tailor-made expertise to all EU countries for the implementation of growth-enhancing reforms. The support is based purely on demand and is tailor-made for the beneficiary Member State. *(For more information: Annika Breidthardt – Tel.: +32 229 56153; Annikky Lamp – Tel.: +32 229 56151)*

## **Digital Single Market: Global blockchain association launched**

A new international association with the aim of encouraging the global governance and development of blockchain technology was launched today in Brussels. Speaking ahead of her keynote speech to the inaugural meeting of the International Association for Trusted Blockchain Applications (INATBA), Mariya **Gabriel**, Commissioner for Digital Economy and Society, said: *“Europe must make more of technological innovation and blockchain technology is an innovation that Europe cannot afford to miss. As digital services become increasingly widespread, we need to be able to trust their security and reliability, and blockchain offers myriad possibilities in this regard. We have an opportunity to develop an inclusive partnership that will help it flourish. This is why I welcome the ambitious goals of INATBA, to bring together a wide range of stakeholders on blockchain and distributed ledger technologies in general to work together with global policy institutions to develop a governance structure that works for everyone.”* In 2018, the European Commission launched the [European Blockchain Partnership](#), in order to develop a European Blockchain Services Infrastructure that will support the delivery of cross-border digital public services, with the highest standards of security and privacy, as well as the [EU Blockchain Observatory and Forum](#), with the support of the European Parliament. Blockchain technology is also a key part of the [FinTech Action plan](#) as well as of the priorities for the [Digital Europe Programme](#). For more information, see this [factsheet](#). *(For more information: Nathalie Vandystadt – Tel.: +32 229 67083; Johannes Bahrke – Tel. +32 229 58615; Marietta Grammenou – Tel.: +32 229 83583)*

## **Agriculture: the Commission approves protected geographical indication from Cambodia**

The Commission has approved today the addition of ‘[Skor Thnot Kampong Speu](#)’ (Skor Thnot Kampong Speu) in the register of Protected Geographical Indications (PGI). ‘Skor Thnot Kampong Speu’ is sugar made from sap of a palm

tree collected and processed in three districts located in the centre of Cambodia. The harvesting of the sugar is done by local sugar producers that climb to the top of the trees to collect the sap from the flowers. This sugar was recognised in 2005 as the emblem of Cambodia. There are currently 32 geographical indications protected in the EU register originating from third countries (food, wines and spirits included), benefitting from the same protection and market added-value than EU protected products. For more information: webpages on [quality products](#) and [e-bacchus database](#) of protected wines and spirits. (For more information: Daniel Rosario – Tel: +32 229 56 185; Clémence Robin – Tel: +32 229 52 509)

### **Eurostat: Le volume des ventes du commerce de détail en hausse de 0,4% dans la zone euro et dans l'UE28 (février 2019 comparé à janvier 2019)**

En février 2019 par rapport à janvier 2019, le volume des ventes du commerce de détail corrigé des variations saisonnières a augmenté de 0,4% tant dans la zone euro (ZE19) que dans l'UE28, selon les estimations d'Eurostat, l'office statistique de l'Union européenne. En janvier 2019, le commerce de détail avait progressé de 0,9% dans la zone euro et de 1,0% dans l'UE28. En février 2019 par rapport à janvier 2018, l'indice corrigé des effets de calendrier des ventes de détail a augmenté de 2,8% dans la zone euro et de 3,3% dans l'UE28. Un communiqué de presse Eurostat est disponible [en ligne](#). (Pour plus d'informations: Lucia Caudet – Tél.: +32 229 56182 ; Victoria von Hammerstein-Gesbold – Tél.: +32 229 55040)

### **ANNOUNCEMENTS**

#### **EU – Western Balkans Cultural week: High Representative/Vice President Mogherini will present a new street art mural in Brussels**

Tomorrow, 4 April, High Representative/Vice-President Federica **Mogherini** will inaugurate a new mural in Brussels, painted by [Rikardo Druškić](#), one of the most acclaimed young artists from Bosnia and Herzegovina. The mural is dedicated to the people from the Western Balkans and the EU and the deep cultural ties between them. Its title "It is only with the heart that one can see well" invites us to look at each other with open hearts and without prejudice. The creation of the mural was supported by the EU, the Balkan Trafik Festival and the City of Brussels. It will become part of the popular Brussels' Street Art Parcours. The EU – Western Balkans mural is part of an EU – Western Balkans Cultural week organised by the European External Action Service (EEAS) in Brussels to celebrate the shared European identity and strong cultural connection between the EU and the Western Balkans. It kicked off on 2 April in Bozar with performances by renowned musicians from the region, artists from the social media campaign "[Europeans making a difference](#)" and presentations of the Western Balkans cultural heritage projects supported by the EU. (For more information: Maja Kocijančič – Tel.: +32 229 86570; Alceo Smerilli – Tel.: +32 229 64887)

#### **Juvenes Translatores: Le commissaire Oettinger remettra des prix aux meilleurs jeunes traducteurs en Europe**



Le commissaire en charge du budget, des ressources humaines et de la traduction, Günther H. **Oettinger**, remettra demain, le 4 avril 2019, un trophée et un diplôme aux [28 lauréats](#) du concours annuel « [Juvenes Translatores](#) » de la Commission européenne destiné aux jeunes traducteurs. Les 28 élèves de l'enseignement secondaire, un de chaque État membre, sont les lauréats d'un concours qui a rassemblé plus de 3 200 participants issus de 751 écoles de toute l'Union européenne. Ils ont tous traduit un texte sur le thème de l'Année européenne du patrimoine culturel. Les participants pouvaient choisir parmi l'une des 552 combinaisons possibles linguistiques possibles entre chacune des 24 langues de l'UE. Cette année, les élèves participants ont utilisé 154 combinaisons de langues. On compte les traductions du portugais vers le néerlandais et du hongrois vers le finnois parmi les choix les plus intéressants. Tous les lauréats ont choisi de traduire vers la langue qu'ils maîtrisent le mieux ou vers leur langue maternelle, comme c'est le cas des traducteurs des institutions de l'UE. Les textes traduits ont été vérifiés et évalués par les traducteurs de la Commission européenne. « Juvenes Translatores » (latin pour « jeunes traducteurs ») est un concours visant à récompenser les meilleurs jeunes traducteurs de l'UE. La direction générale de la traduction de la Commission européenne organise le concours chaque année depuis 2007 afin d'encourager l'apprentissage des langues à l'école et à permettre aux jeunes de se faire une idée de ce qu'est le métier de traducteur. La cérémonie de remise des prix sera [retransmise en direct](#) à partir de 11 heures demain. Du matériel audiovisuel sera également disponible sur [EbS](#). *(Pour plus d'informations: Alexander Winterstein – Tél.: +32 229-93265; Andreana Stankova – Tél.: +32 229 57857)*

### **Le commissaire Avramopoulos participe à la réunion des ministres de l'Intérieur du G7 à Paris**

Dimitris **Avramopoulos**, le commissaire européen en charge de la migration, des affaires intérieures et de la citoyenneté, participera à la réunion des ministres de l'Intérieur du G7 les 4 et 5 avril à Paris. La réunion commencera demain midi avec un déjeuner de travail consacré à la lutte contre le trafic de migrants et les réseaux de passeurs. Les participants discuteront ensuite des questions relatives aux défis actuels de la sécurité, comme entre autres la lutte contre l'utilisation d'Internet à des fins terroristes ou les enjeux liés au retour des combattants terroristes étrangers et de leurs familles. *(Pour plus d'informations : Natasha Bertaud – Tél.: +32 229 67456; Katarzyna Kolanko – Tél.: +32 229 63444)*

### **Commissioner Crețu visits Turin, Italy to discuss the future Cohesion Policy**

Tomorrow and Friday, Commissioner for Regional Policy Corina **Crețu** is in Turin, Italy. She will meet the President of the Piemonte region, Sergio Chiamparino, and the Mayor of Turin, Chiara Appendino. The Commissioner will participate to an event on "Piemonte, where cohesion works" and to an event on smart villages and territories, "A European and Piemontese agenda for rural, mountain and peripheral areas". She will also meet the Romanian community of the region and visit EU-funded projects. *"Piemonte has an*

*excellent track record in implementing Cohesion Policy,” said the Commissioner ahead of her visit, “I am confident that it will continue to do a great job in the post-2020 period and that our partnership will grow even stronger.” (For more information: Christian Spahr – Tel .: +32 2 295 00 55; Sophie Dupin de Saint-Cyr – Tel .: +32 229 56169)*

[Upcoming events](#) of the European Commission (ex-Top News)

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## European Citizens' Initiative: Commission registers ‘Respect for the rule of law’ initiative

The aim of the initiative is to create ‘an objective and impartial evaluation mechanism to verify the application of the European Union’s values by all the Member States’. More specifically, the organisers call on the Commission to ‘provide the European Union with general legislation [...] to verify the practical application of national provisions relating to the rule of law’. In addition, the organisers aim to ‘facilitate the enforcement of European laws on judicial cooperation in criminal matters (e.g. the European Arrest Warrant)’ and strengthen the role of the European Union Agency for Fundamental Rights.

The decision to register the ‘Respect for the rule of law’ initiative coincides with the launch of a reflection process by the European Commission today on possible next steps for further strengthening the rule of law in the European Union (press material [here](#)) as announced in the [Commission’s Work Programme for 2019](#). Today’s consultative Communication will be followed by a more forward-looking initiative in June. Under the Treaties, the Commission can propose legal acts to evaluate the implementation by Member States of Union policies in the area of freedom, security and justice, and to strengthen the European Union Agency for Fundamental Rights. The European Commission therefore considered the initiative legally admissible and decided to register it. At this stage in the process, the Commission has not analysed the substance of the initiative, only its legal admissibility.

The registration of this initiative will take place on 8 April 2019, starting a one-year process of collection of signatures of support by its organisers. Should the initiative receive 1 million statements of support within 1 year, from at least 7 different Member States, the Commission will analyse it and react within 3 months. The Commission can decide either to follow the request or not, and in both instances would be required to explain its reasoning.

### Background

European Citizens’ Initiatives were introduced with the Lisbon Treaty and

launched as an agenda-setting tool in the hands of citizens in April 2012, upon the entry into force of the European Citizens' Initiative Regulation which implements the Treaty provisions. In 2017, as part of President Juncker's State of the Union address, the European Commission tabled [reform proposals for the European Citizens' Initiative](#) to make it even more user-friendly. In [December 2018](#), the European Parliament and the Council agreed on the reform and the revised rules will start applying as of 1 January 2020.

Once formally registered, a European Citizens' Initiative allows 1 million citizens from at least one quarter of EU Member States to invite the European Commission to propose a legal act in areas where the Commission has the power to do so.

The conditions for admissibility are that the proposed action does not manifestly fall outside the framework of the Commission's powers to submit a proposal for a legal act, that it is not manifestly abusive, frivolous or vexatious and that it is not manifestly contrary to the values of the Union.

### **For More Information**

Full text of the proposed European Citizens' Initiative (available 8 April 2019)

[ECIs currently collecting signatures](#)

[ECI website](#)

[ECI Regulation](#)

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## **[Libya: EU to provide €6 million in humanitarian assistance](#)**

This brings total humanitarian assistance in the country for 2018-2019 to €15 million.

*"The EU stands by the Libyan people who have suffered years of conflict and instability. Our new humanitarian assistance will provide access to food, clean water, education in emergencies and basic health care for Libyans most in need. It is paramount that all parties to the conflict adhere to International Humanitarian Law and allow humanitarian organisations to do their lifesaving job,"* says Christos **Stylianides**, Commissioner for Humanitarian Aid and Crisis Management.

The health sector in Libya is particularly undermined due to the lack of qualified staff and the shortage of essential medicinal products. EU aid is also being channelled to humanitarian projects providing protection and

psychosocial support.

The European Union's humanitarian support for people in need in Libya has reached €44.3 million since 2014. Humanitarian aid is part of the EU's broader support for Libya to address the ongoing crisis in the country. The EU is currently implementing 23 projects worth €70 million in bilateral support to Libya to promote governance, health, civil society and socio-economic development while €318 million have been mobilised under the [EU Emergency Trust Fund for Africa](#) for protecting migrants, refugees and internally displaced people in Libya and supporting local communities to cope with the migration challenge.

## Background

EU humanitarian aid in Libya has helped access to essential health care for victims of the conflict including emergency war surgery, physical rehabilitation, prosthesis and psychosocial support, provision of essential medicines and care of gender-based violence survivors. It contributes to the restoration of primary health care services in conflict-affected areas. The Commission also supports the 'Rapid Response Mechanism' set up by humanitarian organisations to facilitate quick provision of basic humanitarian assistance when there is a new forced displacement or another shock.

EU-funded humanitarian organisations have contributed to the restoration of essential education services in conflict-stricken Benghazi and Sirt, which has enabled thousands of girls and boys to access basic education and to receive psychosocial support.

## For more information

[Libya](#)

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# [ESMA launches third EU-wide CCP stress test exercise](#)

For this third CCP stress test, ESMA has further developed its framework, adding a new component to the exercise on concentration risk, in addition to assessments on credit and liquidity risks. This new component will be used to assess the impact of liquidation costs for concentrated positions.

Steven Maijoor, ESMA Chair, said:

"CCPs are systemically important and ensuring their resilience is critical for the stability of the entire financial system. It is crucial to have an EU-wide picture to identify emerging systemic risks related to CCPs and

ESMA's stress test exercise is fundamental to identifying weaknesses and potential spill-over effects.

ESMA's stress tests continue to evolve, we have built on the knowledge acquired in the first two exercises and have added a new component on concentration risk to ensure the exercise is fit for purpose.

The CCP stress test is an indispensable supervisory tool to contribute to systemic resilience, financial stability and orderly markets."

### **Scope and components of ESMA's CCP stress tests**

ESMA, in cooperation with National Competent Authorities (NCAs) and the European Systemic Risk Board (ESRB), test the resilience of European CCPs by exposing them to different stress scenarios comprising of '*extreme but plausible market conditions*'. CCPs' resilience will be assessed against a combination of multiple participant defaults and simultaneous market price shocks. The new stress test exercise has the following components:

- **Credit Stress:** Assess the sufficiency of CCPs' resources to absorb losses under a combination of market price shocks and member default scenarios;
- **Liquidity Stress:** Assess the sufficiency of CCPs' liquid resources under a combination of market price shocks, member/liquidity provider default scenarios and additional liquidity stress assumptions;
- **Concentration risk:** Assess the impact of liquidation costs derived from concentrated positions; and
- **Reverse Credit Stress:** Increase the number of defaulting entities and level of shocks to identify at which point resources are exhausted.

ESMA will also carry out additional analyses on the degree of interconnectedness of CCPs, concentration of CCPs credit and liquidity exposures and a clearing member knock on analysis.

### **Market Stress Scenarios**

The ESRB General Board has approved the adverse scenario and transmitted it to ESMA. The European Central bank (ECB), in close collaboration with the ESRB and ESMA, has developed the narrative and calibrated the adverse scenario for the third CCP stress test, involving triggering one or more of the sources of systemic risk to the EU financial system, as identified by the ESRB.

The CCPs will be exposed to stress shocks that are defined for a large number of risk factors across all relevant asset classes. The shocks are derived using a methodology that considers the joint empirical distribution of historical observations of the risk factors deemed relevant to EU CCPs to produce a coherent scenario. The purpose of the stress test is not to assess the compliance of CCPs to the minimum regulatory requirements but assess their resilience to macro-economic scenarios that can have an EU-wide impact.

### **CCPs Involved and Timeline**

The new exercise will cover the 16 CCPs authorised in the EU. Concerning the three UK CCPs (LCH Ltd, ICE Clear Europe Ltd and LME Clear Ltd), ESMA will include them within its exercise unless there is a no-deal Brexit. ESMA will shortly launch a data request to the CCPs.

Once received, the submitted data will first be validated by the NCAs and ESMA. This will be followed by the analysis and computation of the stress test results. The publication of the final report and results is scheduled to take place in Q2 2020.