Questions and answers: the EU budget for external action

What did the EU propose today?

The European Commission proposes to **increase** the external action budget to **€123 billion** for the period 2021-2027. Up from €94.5 billion in the period 2014-2020, this represents an increase of 30%. At the same time, it is proposing to significantly **simplify** its structure and make it much more **flexible** and **effective** to address today's global challenges. The Commission proposes to reduce the number of instruments, which would allow a clearer focus on political objectives and engagements with partners, in line with the EU's values and priorities.

What will be the impact of Brexit?

The EU is going to increase its external action funding even if the proposed total EU budget for the period 2021-2027 does not include a UK contribution. It would rise from €94.5 billion in the period 2014-2020 to €123 billion for the period 2021-2028, representing an increase of 30%.

In times of uncertainties all over the world, the EU strengthens its role as global player that is reliable, responsive and predictable — politically as well as financially.

What are the external action budget instruments?

The new proposed instruments for EU external action are a Neighbourhood, Development and International Cooperation Instrument with €89.2 billion, complemented by a European Instrument for Nuclear Safety with €300 million; an Instrument for Pre-Accession Assistance with €14.5 billion; a humanitarian aid instrument with €11 billion; a Common Foreign and Security budget with €3 billion; and cooperation with overseas countries and territories including Greenland, with €500 million. In addition, and outside the EU budget, the High Representative, with support of the Commission, is proposing to establish a European Peace Facility, worth €10.5 billion (see factsheets here).

Why is a restructuring of the external action financial instruments needed?

Global challenges, which need to be tackled by external action, have increased in recent years. Moreover, they have become more complex, multidimensional, and rapidly evolving. To effectively address them, the European Union needs to strengthen its external action with efficient and flexible instruments. Having multiple instruments, with multiple sets of priorities, multiple management structures and multiple reporting procedures is not an effective approach. There is a need to tear down artificial boundaries between instruments, to ensure the right mix of short-, medium- and long-term policies for each region and each priority.

The new broad instrument, with a **coherent set of principles**, will allow the EU to pursue and achieve its policy objectives and overcome gaps, overlaps and inconsistencies that exist between today's multitude of geographic and thematic instruments. More **flexibility** will enable the EU to react swiftly to evolving needs and priorities, and a **simplified** management structure will reduce the administrative burden for EU institutions, Member States and implementing partners.

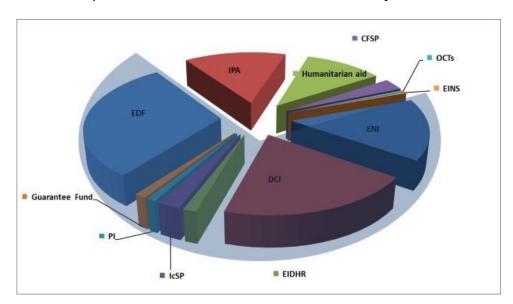
Significantly simplified financial architecture

In the new proposed funding architecture for the EU's external action (MFF 2021-2027), the Commission proposes to simplify its structure by tearing down artificial barriers between instruments. The new broad Neighbourhood, Development and International Cooperation Instrument (NDICI) would integrate the following instruments from the previous MFF:

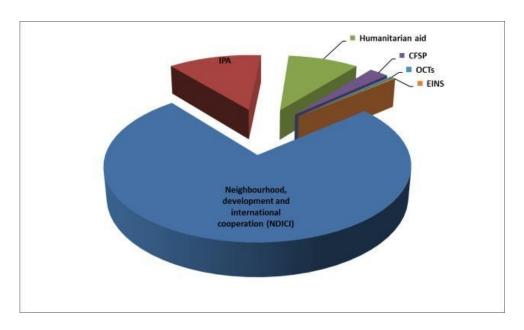
- European Development Fund (EDF) currently outside the budget
- European Neighbourhood Instrument (ENI)
- Development Cooperation Instrument (DCI)
- European Instrument for Democracy and Human Rights (EIDHR)
- Instrument contributing to Stability and Peace (IcSP)
- Partnership instrument for cooperation with third countries (PI)
- Guarantee Fund for External Actions

This broad instrument will be complemented by the:

- Instrument for Pre-accession assistance (IPA)
- Humanitarian aid
- Common Foreign and Security Policy (CFSP)
- Overseas countries and territories (OCTs) incl. Greenland
- European Instrument for Nuclear Safety (EINS)



New structure of the EU's external action funding under the Multiannual Financial Framework 2021-2027:



Proposed Multiannual Financial Framework 2021-2027 commitments in current prices:

Neighbourhood, Development and International Cooperation Instrument	89,500
1.1 Geographic programmes	68,000
Neighbourhood	22,000
Sub-Saharan Africa	32,000
Asia and the Pacific	10,000
Americas and Caribbean	4,000
1.2 Thematic programmes	7,000
Human Rights and Democracy	1,500
Civil Society Organisations	1,500
Stability and Peace	1,000
Global Challenges	3,000
1.3 Rapid response	4,000
1.4 Emerging challenges and priorities cushion	10,200
2. Complementary European Instrument for Nuclear Safety	300
3. Instrument for Pre-accession	14,500
4. Humanitarian aid	11,000
5. Common Foreign and Security Policy (CFSP)	3,000
6. Overseas countries and territories (incl. Greenland)	500
7. Other	1,070
8. Decentralised agencies	149
9. Margin	3,283
TOTAL	123,002

Is the increase by 30% calculated in current or in constant prices?

The increase the external action budget from €94.5 billion in the period 2014-2020 to €123 billion for the period 2021-2027, constitutes an increase

of 30%, as calculated in current prices. If we deduct yearly inflation up until 2027, the increase would be 13%.

Will the simplified structure mean less accountability?

Simplification or increased flexibility does not mean that there will be less scrutiny or accountability. On the contrary: for example by proposing to integrate the European Development Fund into the EU budget, the scrutiny powers of the European Parliament will be reinforced: In the new broad instrument for Neighbourhood, Development and International Cooperation, the same parliamentary procedures and scrutiny would apply across all development cooperation.

Furthermore, it will be essential to create a governance system that ensures political control and democratic scrutiny, while also ensuring efficiency and flexibility. The European Parliament will play its essential role as a colegislator in the adoption of this governance structure.

How will the new instrument be more flexible?

It will allow for using and re-using unutilised funds on a multi-annual basis, mobilise funding from the rapid response pillar (\in 4 billion) for situations of crisis or emergency. Thanks to the flexibility cushion (\in 10.2 billion) the EU will be able to address new needs, unforeseen challenges and emerging priorities.

Will the increased flexibility come at the cost of predictability for partner countries?

No. The new Neighbourhood, Development and International Cooperation Instrument, notably through its geographic programming (at least 75% of the overall financial envelope), will remain predictable. It will continue to be based on country needs and other transparent criteria and respect principles of development effectiveness including country ownership. Increased flexibility will come from access to the emerging challenges and priorities cushion to face issues and events, which are by nature non-predictable and therefore non-programmable.

Will a one-size-fits-all approach mean that some countries will lose out?

One broad instrument does not mean a one-size-fits-all approach, and it does not mean less funding for certain regions or themes. On the contrary, the Commission's proposal takes into account the strategic priorities of the EU, namely the European Neighbourhood, Africa, and countries that are most in need, as well as challenges regarding security, migration, climate change and human rights. The instrument earmarks funding dedicated to each region and policy area in order to reflect the EU's political priorities.

Will democracy, human rights and civil society lose out in the new instrument?

No. The work on democracy, human rights and civil society will remain at the very core of the EU's external action. By streamlining this in the geographic

pillar of the Neighbourhood, Development and International Cooperation Instrument (NDICI), this will allow for a tailor-made approach taking into account the specific context and needs of each of the partner countries in question, while helping to strengthen their democratic processes, governance and oversight. Such actions will be complemented with action under the thematic pillar — with €1.5 bilion for Human Rights and Democray and €1.5 bilion for Civil Society Organisations. This is particularly relevant in places where human rights activists and civil societies are confronted with shrinking space for their activities.

What will be the impact on development cooperation? Will the new structure mean that development funding will be diverted to other objectives?

The policy framework for the EU's development cooperation has been laid out in the <u>European Consensus on Development</u>, which sets the political vision underlying the financial proposals for the future MFF. The core objective of this vision remains the <u>eradication of poverty</u> and the implementation of the <u>Sustainable Development Goals</u> of the UN's 2030 Agenda and its determination to leave no one behind. In that vein, the EU will continue to tackle challenges related to human development, climate change, migration and mobility, as well as promote good governance, democracy and human rights.

The countries most in need, particularly least developed countries, low income countries, fragile or crisis-stricken countries will be given particular priority. The NDICI maintains a horizontal spending target of 20% for human development and social inclusion, including gender equality and women's empowerment. At least 92% of the funding in NDICI shall fulfil the requirements of the OECD Development Assistance Committee and hence count as Official Development Assistance. The countries most in need, particularly least developed countries, low income countries, fragile or crisis-struck countries will be given particular priority. The EU will continue to work towards achieving the target of investing 0.7% of its collective Gross National Income in official development assistance by 2030, and 0.2% to least developed countries. The NDICI instrument will significantly support EU Member States in deliver on this important political commitment.

What impact will the new financial architecture have on Africa?

Africa is and will remain one of the main priorities of the Union, as our prosperity and security in Europe are closely interlinked with that of Africa. The proposed allocation for Sub-Saharan Africa is at least €32 billion, up from €26.1 billion. These increased resources will allow for supporting development, inclusive economic growth, as well as African-led initiatives in the field of peace and security. In addition, the EU will aim to reinforce its continent-to-continent cooperation with the African Union.

The large majority of least developed countries are in Africa. The EU has committed to dedicate 20% of its official development assistance to human development and social inclusion, including gender equality and women's empowerment. It further continues to work towards achieving the target of investing 0.7% of its collective GNI in official development assistance, and 0.2% to least developed countries.

Moreover, the integration of the European Development Fund into the budget and the creation of a single instrument will make is easier to finance policy priorities covering both North African and Sub Saharan African countries.

What will be its impact on Asia and the Pacific region?

The Commission proposes to allocate €10 billion for Asia and the Pacific region, compared to previously €9.8 billion. It will continue supporting developing countries, while take into account evolving needs and specificities of partner countries that may be graduating out of eligibility for official development assistance. Main topics in our relationship with the regions are connectivity, investments and infrastructure, economic and trade cooperation, climate change, and the sustainable management of natural resources.

The flexibility provided by the new financial architecture will allow to better account for emerging needs such as reconstruction needs in countries that suffered from instability and conflict.

What will be its impact on Latin America and the Caribbean?

The Commission has proposed to allocate €4 billion to this region, i.e. a slight increase compared to previously. While some countries in the region may be graduating out of ODA eligibility in the coming years, some are facing specific economic and environmental vulnerabilities, including climate change, natural disasters and other challenges. The EU will continue to closely work with and support its partner countries in Latin America and the Caribbean, to jointly tackle global challenges.

What impact will the new financial architecture have on EU-ACP relations?

The new external action budget will support the implementation of a modernised association agreement with countries of the Africa, Caribbean and Pacific group of states (ACP), and allow the EU and its ACP partners to develop further strong alliances on key global challenges.

What will be the impact of the new financial architecture on overseas countries and territories (OCTs)?

Cooperation with overseas countries and territories (OCTs) including Greenland, with €500 million, aims at supporting and strengthening the economic, political and cultural ties between the EU and the overseas countries and territories linked to the Union Member States. After the United Kingdom's expected withdrawal from the European Union, only 13 of the currently 25 would remain EU OCTs.

How will funds for individual countries be allocated?

Allocations to individual countries, notably under the geographic pillar, will be programmed in a tailor-made and specific approach. They will take into account the needs and priorities of the countries in question. The process will be guided by the principle of ownership and dialogue between the European Union, its Member States and the partner countries concerned,

including national and local authorities. It will also involve civil society, national and local parliaments as well as other stakeholders.

The allocations will come in the form of multiannual indicative programmes, which will be based on results and internationally agreed targets, in particular those set out for the Sustainable Development Goals. The European Parliament and the Council, together with Member States, are involved in the process of adoption of these programmes.

In development cooperation, the Commission has developed a transparent methodology based on quantitative as well as qualitative indicators. It takes into account country-specific situations and evolutions in their political and security situations. It also looks at partner countries' commitments and performance regarding political reforms, economic and social development, as well as the partner countries' absorption capacity. The countries most in need, in particular least developed countries or countries in fragile situations will be given priority. To promote coherence and effectiveness of EU policies, joint programming by the EU and its Member States will be the preferred approach for country programming, while leaving the possibility for other donors to join where relevant.

For the **Neighbourhood countries**, the relevant association agendas, partnership priorities and other equivalent jointly agreed documents are key points of reference for setting the priorities for EU support to neighbourhood countries.

For the new **Instrument for Pre-Accession Assistance**, the programming framework will be prepared for each priority on the basis of overall country needs to reach the jointly agreed objectives. The magnitude of funding available for each priority will be fully transparent. Partners will be invited to respond with strategies on how they intend to meet the objectives for each policy priority, thus increasing their country ownership. Funding will then be distributed on the basis of a "fair share" principle and transparent criteria such as project/programme maturity, expected impact and progress on accession criteria, rule of law, fundamental rights and economic governance.

Will you continue the External Investment Plan in the new MFF?

The new Neighbourhood, Development and International Cooperation Instrument includes an **investment framework** for external action. It expands the previous External Investment Plan to raise additional financial resources for sustainable development from the private sector, in order to foster sustainable and inclusive economic development. It will support investments in partner countries in order to promote decent job creation, strengthen public and private infrastructure, foster renewable energy and sustainable agriculture and support digital economy. Building on the successful experience of the External Investment Plan, the new investment framework will consist of the **European Fund for Sustainable Investment (EFSD+)** and the **External Action Guarantee**.

The EFSD+ will ensure world-wide coverage for blending, guarantees and other

financial operations streamlining the current architecture. The External Action Guarantee will have a capacity of €60 billion to guarantee the EFSD+ operations, as well as macro-financial assistance and loans to third countries. Together with the private sector and thanks to the leverage effect, this may mobilise up to half a trillion euro in investments for the 2021-2027.

Particular attention will be paid to the EU Neighbourhood, the Western Balkans and Africa as well as countries experiencing fragility or conflict, least developed countries and highly indebted poor countries, or regions with critical infrastructure and connectivity needs.

What impact will the new financial architecture have on the Neighbourhood?

The new financial architecture offers much needed flexibility and coherence, while preserving the core specificities of the special partnership with the EU Neighbours. With an indicative funding of at least $\[\in \] 22$ billion, the EU Neighbourhood benefits from the largest increase of funding in the external action envelopes — by 24% compared to the previous period. The flexibility cushion of $\[\in \] 10.2$ billion will furthermore allow for a rapid and flexible reaction in the event of new crises and challenges in the EU Neighbourhood region.

How could such an instrument guarantee that the specificities of the Neighbourhood policy would be preserved?

The instrument includes a chapter dedicated to the Neighbourhood region, which contains specific provisions applicable to Eastern and Southern Neighbourhood only. These specificities and key principles are maintained and reinforced, notably the performance-based approach ('more for more'), the differentiation approach, thus providing incentives for jointly-agreed political and economic reforms. Cross-border cooperation between EU Member States and partner countries, both in the Eastern and in the Southern Neighbourhood, will also be continued in view of the very positive results so far achieved.

Why not a separate instrument?

We don't need a separate instrument to show that the Neighbourhood policy remains a key priority for the Commission. The Neighbourhood is at the core of the new Neighbourhood, Development and International Cooperation Instrument. The instrument offers much needed flexibility and coherence while preserving the core specificities of the special partnership with the EU Neighbours. This signals our long-term commitment to our partners, which attaches a lot of importance to their special relations with the EU.

What is the new Instrument for Pre-Accession (IPA III)?

The new Instrument for Pre-Accession (IPA III) will be clearly positioned in the context of the Western Balkans Strategy "A credible enlargement perspective for and enhanced EU engagement with the Western Balkans". The new IPA aims to contribute to the transformation process in the Western Balkans through the six flagship initiatives included in the Western Balkans strategy. These flagships aim to support the implementation of robust economic reform programmes and enhance the focus on reforms necessary for future membership. At the same time, IPA III will be flexible enough to adapt to the evolving situation in Turkey and reflect developments in our relations with the country. The new instrument will increase steer from the Union, as its programming is based on priorities rather than country envelopes. This allows to reward performance and progress towards key priorities and increased flexibility to respond to the evolving needs of the partners in their path towards accession.

Will there be money if new Member States join during the MFF?

The rule in the long-term budget is that for new accessions to the European Union, the Multi-Annual Financial Framework shall be revised to take account of the expenditure requirements resulting from an accession of a new Member State. To help partner countries to reach that stage the pre-accession assistance has increased considerably, up to €14.5 billion (from €12.8 billion) in line with the priorities. There will be more funds available for the Western Balkans than in the past MFF, and preparations for new accessions will be made in good time.

Is the European Nuclear Safety part of the broad Instrument for Neighbourhood, Development and International Cooperation Instrument?

Nuclear safety is an important part of the EU external action, and the Instrument for Nuclear Safety will be closely linked and complement the Neighbourhood, Development and International Cooperation Instrument (NDICI). However, because some nuclear activities are in the competence of the Euratom Treaty (notably Article 203), they are not compatible with the ordinary legislative procedure of the NDICI. Therefore, while the Instrument for Nuclear Safety and Cooperation (INSC) has to be a separate instrument with a separate legal basis, it will seamlessly complement the broad NDICI instrument.

Will there be changes to EU humanitarian aid policy or funding?

The EU continues to be the world's first humanitarian aid provider, and has increased its funding to meet growing global humanitarian challenges. EU humanitarian aid will continue to be provided exclusively based on needs and it will go to people in need, irrespective of their nationality, religion, gender, ethnic origin or political affiliation. Funding will continue to be provided only through trusted humanitarian partners such as United Nations agencies, NGOs and international organisations — not Governments.

How will the EU monitor and evaluate the implementation of its external action spending?

In line with its commitment to focus on results and effectiveness, the Commission will regularly monitor its actions and review progress made. This monitoring and evaluation system involves internal staff as well as implementing partners and external expertise. The effectiveness, efficiency,

EU added value and coherence with other EU policies will be evaluated based on relevant and concrete indicators: from a rule of law score, the number of children immunised from diseases with EU support, over the amount of greenhouse gas emissions reduced, to political stability and absence of violence indicators. Lessons learned will help to identify any potential to further improve EU policies and their results, and to help maximise their impact.

The evaluations will be communicated to the European Parliament and to the Council, as well as feed into relevant decision-making processes.

How will you ensure that funding will not be misused, e.g. to fund corrupt governments?

All EU funding is strictly monitored and partners that receive funding are obliged to follow strict guidelines to ensure it is well spent.

To ensure that EU funding reaches those most in need, the EU has put in place and will continue to draw on a solid system of compliance controls, with significant ex-ante as well as ex-ante checks by both external auditors and Commission staff. This control system consists of preventive, detective as well as corrective measures.

Failure to respect the EU's high standards can be met with the suspension and recovery of funds.

For more information

Press release

Legal texts and factsheets on the Neighbourhood and the World

European Peace Facility

Further information on the EU budget for the future

Daily News 14 / 06 / 2018

Budget de l'Union: l'UE prépare un budget à la hauteur de son rôle d'acteur mondial de premier plan

La Commission européenne présentera aujourd'hui à 12h15 sa proposition de budget de l'Union européenne pour l'action extérieure pour la période 2021-2027.Le budget consacré à l'action extérieure constituera le principal instrument dont disposera l'UE pour aider ses partenaires dans leurs mutations politiques et économiques sur la voie du développement durable, de la stabilité, de la consolidation de la démocratie, du développement socioéconomique et de l'éradication de la pauvreté. Il permettra également à l'UE

de continuer à fournir une assistance humanitaire dans le monde entier. En ce qui concerne le voisinage de l'UE, l'instrument servira également à aider ces pays dans leur rapprochement économique vis-à-vis du marché unique européen. Uncommuniqué de presse, unmémo Q&A ainsi que les textes législatifs et les fiches techniquesseront disponibles en ligne à 12h15. Une conférence de presse de la haute représentante/vice-présidente Federica Mogherini, du commissaire pour la politique européenne de voisinage et les négociations d'élargissement Johannes Hahn, du commissaire pour la coopération internationale et le développement Neven Mimica, et du commissaire pour l'aide humanitaire et le gestion des crises Christos Stylianides aura lieu à 12h15 (retransmission live sur EbS), et sera suivie par un briefing technique. (For more information: Maja Kocijancic — Tel.: +32 229 86570; Carlos Martin Ruiz De Gordejuela — Tel.: +32 229 65322)

Spring 2018 Standard Eurobarometer: One year ahead of the European elections, trust in the Union and optimism about the future is growing

According to the latest Standard Eurobarometer released today, a majority of Europeans think the situation of the economy is good and are optimistic about the future. For the first time since spring 2007, positive opinions on the situation of the national economy outweigh negative opinions. While perceptions between Member States vary, positive economic sentiment has increased in 18 Member States since autumn 2017. Trust in the Union is also on the rise and at its highest level since autumn 2010. The latest Eurobarometer shows that 40% of Europeans have a positive image of the EU against 37% who are neutral and only 21% with a negative one. Trust in the EU remains higher than trust in national governments or parliaments. "Free movement of people, goods and services within the EU" and "Peace among EU Member States" are perceived as the two most positive results of the EU. Support for the Economic and Monetary Union is at its highest level too and two thirds of Europeans advocate a strong EU when it comes to trade. Finally, 70% of Europeans feel they are citizens of the EU and the proportion of Europeans thinking that their voice counts has reached its highest level since 2004. A majority of Europeans are optimistic about the future of the EU and there is strong support for the priorities that the Commission has set itself. On this background, migration and terrorism are Europeans' top concerns. A press release is available online. (For more information: Margaritis Schinas — Tel.: +32 229 60524; Mina Andreeva — Tel.: +32 229 91382)

Europe leads the global clean energy transition: Commission welcomes ambitious agreement on further renewable energy development in the EU This morning, an ambitious political agreement on increasing renewable energy use in Europe was reached between negotiators from the Commission, the European Parliament and the Council. Today's deal means that two out of the 8 legislative proposals in the Clean Energy for All Europeans package (adopted by the European Commission on 30 November 2016, IP/16/4009) have been already agreed by the co-legislators. The new regulatory framework includes a binding

renewable energy target for the EU for 2030 of 32% with an upwards revision clause by 2023. This will greatly contribute to the Commission's political priority as expressed by President Juncker in 2014 for the European Union to become the world number one in renewables. This will allow Europe to keep its leadership role in the fight against climate change, in the clean energy transition and in meeting the goals set by the Paris Agreement. Commissioner for Climate Action and Energy Miguel Arias Cañete said: "Renewables are good for Europe, and today, Europe is good at renewables. This deal is a hard-won victory in our efforts to unlock the true potential of Europe's clean energy transition. This new ambition will help us meet our Paris Agreement goals and will translate into more jobs, lower energy bills for consumers and less energy imports. I am particularly pleased with the new European target of 32%. The binding nature of the target will also provide additional certainty to the investors. I now call on the European Parliament and the Council to continue negotiating with the same commitment and complete the rest of the proposals of the Clean Energy for All Europeans Package. This will put us on the right path towards the Long-Term Strategy that the Commission intends to present by the end of this year". Read the full statement here. (For more information: Anna-Kaisa Itkonen - Tel.: +32 229 56186; Nicole Bockstaller -Tel.: +32 229 52589)

Dual quality of food: European Commission releases common testing methodology

The European Commission has just released a new common methodology to allow national consumer authorities comparing the quality of food products sold with similar packaging across the EU. Elżbieta Bieńkowska, Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, said: "All European consumers are entitled to a fair deal on the Single Market. The common methodology we developed together with Member States, consumer organisations and stakeholders from the food supply chain will help shed an evidence-based light on the different compositions of identically branded food products across Europe. Věra Jourová, Commissioner for Justice, Consumers and Gender Equality, added: "The Single Market cannot be a double standard market. All EU citizens must feel that they are treated in the same way and are offered fair and clear information on the products they buy. I encourage all national authorities to use it in the coming months, so that we can put an end to this practice. Tibor Navracsics, Commissioner for Education, Culture, Youth and Sports, responsible for the Joint Research Centre, said: "European consumers have the right to be protected from misleading marketing about the food they eat. The Joint Research Centre has developed a harmonised procedure to evaluate perceived differences in the quality of products in an objective way. This is an excellent example of how first-class scientific work directly benefits citizens." The methodology will be presented today by the Joint Research Centre at a meeting of the High-Level Forum for a better functioning food supply chain. It complements the actions announced recently in the Commission's New Deal for Consumers initiative. Under the coordination of the Joint Research Centre, laboratories across a number of EU Member States will now apply this methodology in a pan European testing campaign to collect data on the scope of the dual quality issue. First results should be available by the end of 2018. A press release is available online. (For more information: Christian Wigand — Tel.: +32 229 62253; Lucia Caudet — Tel.: +32 229 56182;

Sécurité aérienne: la Commission retire toutes les compagnies aériennes d'Indonésie de la liste des transporteurs aériens faisant l'objet d'une interdiction ou de restrictions d'exploitation dans l'UE

Aujourd'hui, la Commission européenne a aujourd'hui mis à jour la <u>liste des</u> compagnies aériennes interdites dans l'UE, autrement dit la liste des transporteurs aériens faisant l'objet d'une interdiction ou de restrictions d'exploitation car ils ne respectent pas les normes internationales de sécurité. Avec cette mise à jour, toutes les compagnies aériennes certifiées en **Indonésie** ont été retirées de la liste, compte tenu des progrès en matière de sécurité aérienne qui ont été constatés dans ce pays. Par ailleurs, dans le cadre des efforts de l'UE pour rendre son espace aérien européen aussi sûr que possible, Eurocontrol déploie aujourd'hui un nouveau système qui interdira l'accès de l'espace aérien européen aux avions dangereux. Violeta Bulc, commissaire chargée des transports, a déclaré: «La liste des transporteurs aériens faisant l'objet d'une interdiction ou de restrictions d'exploitation dans l'Union est l'un des principaux instruments dont nous disposons pour garantir en permanence aux Européens le niveau de sécurité aérienne le plus élevé. Je me réjouis particulièrement qu'après des années de travail, nous puissions aujourd'hui retirer toutes les compagnies aériennes indonésiennes de cette liste. Cela montre que des efforts incessants et une coopération étroite donnent des résultats. Je me réjouis également que nous ayons maintenant un nouveau système d'alerte qui empêchera les avions dangereux d'entrer dans l'espace aérien européen.» Plus d'information est disponible dans un communiqué de presse en EN, FR et DE. (For more information: Enrico Brivio - Tel.: +32 229 56172; Alexis Perier - Tel.: +32 229 69143)

Artificial intelligence: Commission appoints expert group and launches European AI Alliance

Today, the Commission appointed <u>52 experts</u> to advise the Commission on artificial intelligence (AI) and set up a collaboration platform to help build a community of stakeholders - the **European AI Alliance**. The expert group will help the Commission implement the European approach on AI presented on 25 April (press release, Q&A and factsheet). More specifically the experts will draft ethical guidelines by the end of this year and a set of recommendations by mid-2019. They will build on contributions from stakeholders through the European AI Alliance. Everyone interested in AI can join the European AI Alliance and address all aspects of AI in discussions via the platform and via dedicated events. Facilitating multistakeholder dialogue on how to advance AI innovation to increase trust and adoption, and to inform future policy discussions, is a commitment made as part of the recent <u>G7's Charlevoix Common Vision for the Future of Artificial</u> <u>Intelligence</u>. It is also a key element of the <u>European approach on AI</u> and the <u>Declaration of Cooperation on AI</u> signed by 28 European countries. AI Alliance platform can be accessed here. Full list of experts is available here. (For more information: Nathalie Vandystadt - Tel.: +32 229 67083; Inga Höglund -

More Member States sign up to digital cooperation initiatives on supercomputers, artificial intelligence and innovation

Several Member States have signed recent cooperation declarations demonstrating their commitment to work together at EU level in digital policy areas. This morning Finland and Sweden signed the EuroHPC Declaration, signalling their willingness to join European cooperation on supercomputers. Austria signed the same declaration yesterday afternoon and Lithuania last week. Altogether 20 countries have joined this European initiative to build and deploy a world-class computing and data infrastructure in Europe. In addition, cooperation on artificial intelligence is growing, with Cyprus and Greece being the latest countries to sign up, bringing the number up to 28 European countries. Meanwhile, Croatia is the 20th country to have signed the Innovation Radar declaration, which aims to provide access to innovations supported by EU funding and the innovators behind them. Read more here. (For more information: Nathalie Vandystadt – Tel.: +32 229 67083; Inga Höglund – Tel.: +32 229 50698)

State aid: Commission approves €165 million of investments by Croatia for the extension of the Istrian Y motorway

The European Commission has approved under EU State aid rules a Croatian plan to prolong the Istrian Y motorway concession agreement between Croatia and the company Bina-Istra. This will allow €165 million of new investments to go ahead, while limiting distortions of competition. In March 2018, Croatia notified to the Commission a prolongation of the concession agreement until 2032. Under certain conditions relating to the repayment of Bina-Istra's debt, the concession can be prolonged by up to 18 further months. The prolongation of the concession will allow Bina-Istra to finance the construction of a 28 km long second carriageway on the north-eastern side of the motorway. The Commission examined the measure under EU State aid rules on services of general economic interest and EU public procurement rules, according to which companies can be compensated for the extra cost of providing a public service on certain conditions. The Commission concluded that the measure will promote growth and unlock investment, while limiting the impact on motorway users, in line with EU State aid and public procurement rules. On this basis, the Commission approved the Croatian support granted through the prolongation of the Istrian Y motorway concession. Commissioner Margrethe Vestager, in charge of competition policy, said: "The prolongation of the Croatian Y motorway concession will promote regional growth and investment, as well as enhancing citizens' safety and reducing congestion. Our decision will ensure that the motorway extension can be built, while limiting any potential distortions of competition." A press release is available in EN, FR, DE, HR. (For more information: Ricardo Cardoso — Tel.: +32 229 80100; Maria Sarantopoulou — Tel.: +32 229 13740)

Mergers: Commission clears acquisition of joint control over Noris Metallrecycling by Thyssen Alfa and Max Aicher Recycling

The European Commission has approved, under the EU Merger Regulation, the acquisition of joint control over Noris Metallrecycling GmbH by Thyssen Alfa Rohstoffhandel München GmbH ("Thyssen Alfa"), belonging to the Rethmann group, and Max Aicher Recycling GmbH, belonging to the Max Aicher group. All companies are based in Germany. Noris Metallrecycling manages two sites in Fürth and Nürnberg and is active in the collection and trade of non-ferrous scrap. It is currently jointly controlled by Thyssen Alfa and Scholz Recycling GmbH. Thyssen Alfa is active in the collection, processing and trade of ferrous and non-ferrous scrap. Max Aicher Recycling manages five scrapyards in Bavaria and is active in the collection and trade of ferrous and non-ferrous scrap. The Commission concluded that the proposed acquisition would raise no competition concerns given the limited activities of Noris Metallrecycling within the European Economic Area. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's competition website, in the public case <u>register</u> under the case number <u>M.8893</u>. (For more information: Ricardo Cardoso — Tel.: +32 229 80100; Maria Sarantopoulou — Tel.: +32 229 13740)

STATEMENTS

Statement by Commissioner Gabriel following the cancellation of the first call for applications for WiFi4EU vouchers

Commissioner for the Digital Economy and Society Mariya **Gabriel** announced today that the first call for applications for WiFi4EU vouchers, for EU financing of free wireless internet hotspots in public spaces, has been cancelled due to a technical issue. The Commissioner said in a statement: "During the investigation, the Commission identified a flaw in the software supplied by contractors. This issue allowed some municipalities to apply in good faith before the call was opened, while it prevented others from doing so once the call had opened. The Commission is strongly attached to the principles of fairness, transparency and reliability. Therefore, as this technical issue prevented all municipalities from applying on an equal basis, I have asked my services to cancel this first call. The vouchers from this first round of applications will be added to the budget for the next call." The Commissioner's full statement is available here. (For more information: Nathalie Vandystadt — Tel.: +32 229 67083; Inga Höglund — Tel.: +32 229 50698)

International Blood Donor Day: Statement by Commissioner Vytenis Andriukaitis

On 2018 World Blood Donor Day, let us remember that blood is the lifeline that connects us and that we all have a pivotal role to play in donating blood to help save lives. In particular, I would like to invite young people to come forward, to ensure that our blood banks do not diminish and are constantly replenished. To encourage blood transfusions and avoid related complications, including the transmission of diseases from donor to recipient

the EU has laid out <u>directives</u>that set out safety standards for blood collection. Moreover, the European Commission is currently carrying out the first formal evaluation of this legislation since its adoption in 2002. The evaluation is taking an in-depth look to see if the legislation has achieved its objectives and if it is still fit for purpose. As there have been many scientific, societal and epidemiological changes since 2002, I believe that our citizens deserve to benefit from the latest developments in health and safety. Given that the aims of the World Blood Donor Day include raising awareness of the importance of regular and safe blood donation and thanking the thousands of unpaid blood donors worldwide, I am proud to say that there are 20 million blood donations in the EU every year, resulting in 26 million blood transfusions to patients. Together, let us do all we can to continue this trend and to ensure universal access to safe and timely blood donations. Read the full statement here. (For more information: Anca Paduraru — Tel.: +32 229 91269; Aikaterini Apostola — Tel.: +32 229 87624)

ANNOUNCEMENTS

HR/VP Mogherini accueillera la réunion annuelle UE-G5 Sahel à Bruxelles

Le 18 juin prochain, la Haute Représentante/Vice-Présidente Federica Mogherini animera la réunion annuelle de l'Union européenne et du G5 Sahel avec les Ministres des Affaires étrangères des pays du G5 Sahel (Burkina Faso, Mali, Mauritanie, Niger, Tchad), ainsi que le Secrétaire Permanent du G5 Sahel. La réunion se tiendra également en présence de Neven Mimica, commissaire pour la coopération internationale et le développement. Le suivi de la Conférence internationale de haut niveau sur le Sahelqui a eu lieu à Bruxelles en février sera à l'agenda des discussions. Lors de la Conférence, l'UE avait mobilisé un support conséquent de la communauté internationale pour la région du Sahel, y compris pour l'opérationnalisation de la Force Conjointe du G5 Sahel. L'UE soutient pleinement le travail du G5 Sahel depuis 2015, qui poursuit l'objectif de coopérer dans les domaines d'intérêt commun que sont le développement, la gouvernance dans les zones fragiles, l'amélioration de la sécurité, ainsi que la lutte contre le terrorisme et le trafic. Une conférence de presse aura lieu le 18 juin à +/- 13h15 CET au Service européen pour l'action extérieure, à Bruxelles. (For more information: Maja Kocijancic - Tel.: +32 229 86570; Daniel Puglisi - Tel.: +32 229 69140)

Le commissaire Vella inaugure la première usine d'énergie marémotrice du monde à Cherbourg, France

Le commissaire à l'environnement, aux affaires maritimes et à la pêche, Karmenu **Vella**, inaugure aujourd'hui à Cherbourg, France, la première grande usine d'assemblage de turbines marémotrices au monde, construite par Naval Energies et financée par l'UE. S'exprimant lors de l'événement, le commissaire **Vella** a dit: "L'UE a besoin de l'énergie des océans pour réussir sa transition vers <u>une économie sobre en carbone</u>. L'énergie renouvelable de la mer est une excellente nouvelle pour l'environnement. Mais c'est aussi une

excellente nouvelle pour le développement économique des régions et des communautés côtières européennes. L'UE a tout pour développer son leadership technologique actuel et créer une nouvelle industrie dans la décennie à venir ". L'Europe est à la pointe du développement de l'énergie marine, en raison de ses conditions favorables et de la disponibilité d'une main-d'œuvre hautement qualifiée, y compris des ingénieurs de classe mondiale. Le secteur représente actuellement 2,000 emplois hautement qualifiés, principalement dans la recherche et le développement. L'UE accueille 50% des développeurs d'énergie marémotrice dans le monde, 60% des développeurs d'énergie des vagues et 70% de l'infrastructure de recherche et d'essais en énergie marine. Grâce à Horizon 2020, l'UE soutient actuellement 17 projets d'énergie marine, d'une valeur de €124 millions. De nouveaux types de soutien financier, tels que la plateforme d'investissement de l'UE prévue pour l'économie bleue ou investEU, pourraient offrir de nouvelles opportunités pour attire des investisseurs et réduire les coûts. Lors de sa visite, le commissaire Vella rencontrera également Hervé Morin, président des associations des régions françaises pour discuter comment l'Europe peut soutenir l'innovation et la croissance dans l'économie bleue, y compris à travers le nouveau Fonds européen pour les affaires maritimes et la pêche. Plus d'informations ici. (Pour plus d'informations: Enrico Brivio — Tél.: + 32 229 56172, Iris Petsa — Tél.: +32 229 93321)

Commissioner Vestager to hold two Citizens' Dialogues in Denmark

Commissioner for Competition, Margrethe **Vestager** travels to Bornholm, Denmark to hold two Citizens' Dialogues. Today, the Commissioner will participate in a <u>Citizens' Dialogue</u> on the future of Europe, at 17.15 CEST. Tomorrow, the Commissioner will also participate in a <u>Citizens' Dialogue</u> on questions related to the competition portfolio as well as on topics currently at the top of the EU's agenda, at 14.00 CEST. Both Citizens' Dialogues can be followed live <u>here</u> and <u>here</u>, respectively. (For more information: Ricardo Cardoso — Tel.: +32 229 80100; Maria Sarantopoulou — Tel.: +32 229 13740)

Commissioner Thyssen gives speech at European Validation Festival

Tomorrow, 15 June, Commissioner for Employment, Social Affairs, Skills and Labour Mobility, Marianne **Thyssen**, will give a keynote speech at the second day of the European Validation Festival in Brussels. The aim of the Festival, organised for the very first time by the European Commission, is to raise awareness about the importance of validating non-formal and informal learning as part of one's curriculum. Examples of non-formal and informal learning are language learning during travels, development of health care competences while taking care of a family member for several years, any kind of on-the-job training, and more. Commissioner Thyssen's speech will be published here. (For more information: Christian Wigand— Tel.: +32 229 62253; Sara Soumillion — Tel.: + 32 229 67094)

Commissioner Bieńkowska in Sofia to discuss access to public procurement markets

On Friday 15 June, Elżbieta **Bieńkowska**, Commissioner for Internal Market, Industry, SMEs and Entrepreneurship, will be opening a https://doi.org/10.1007/journal.com/

on access to public procurement markets in Sofia, Bulgaria. At the conference, organised with the Bulgarian Presidency of the Council of the EU, she will be joined by Tomislav Donchev, Bulgarian Deputy Prime Minister, and Juliane Kokott, Advocate General at the European Court of Justice. Every year public authorities tender out contracts for products and services worth 14% of EU GDP. The conference will discuss how to ensure that economic operators - including Europe's many small and medium sized companies - can seize the opportunities offered by public procurement. It will also explore how to make sure that public procurement processes function efficiently by increasing transparency, preventing collusion, and allowing relevant redress mechanisms striking the right balance between protecting rights of economic operators and contracting authorities and avoiding unnecessary delays. The conference follows the <u>Commission initiative in October 2017</u> to increase the impact of public investment through efficient and professional procurement. The initiative aims to ensure that procurement is carried out more efficiently and strategically and in a sustainable manner, while making full use of digital technologies to simplify and accelerate procedures. (For more information:Lucia Caudet - Tel.: +32 229 56182; Victoria von Hammerstein-Gesmold - Tel.: +32 229 55040)

<u>Upcoming events</u> of the European Commission (ex-Top News)

Statement by Commissioner Gabriel on the first call for applications for WiFi4EU vouchers

Commissioner Mariya Gabriel, in charge of the Digital Economy and Society, issued a statement following the cancellation of the first call for applications for free Wi-Fi vouchers:

"In March 2018, the European Commission opened the WiFi4EU portal (www.wifi4eu.eu) to install free public Wi-Fi hotspots in public squares, libraries, town halls or other places of public interest.

The programme generated an enormous amount of interest. In less than two months, more than 18,000 municipalities, around a quarter of all in Europe, expressed their interest. A first call for applications was launched on 15 May 2018. Within seconds, over 5,000 municipalities had already applied and, within a few hours, 11,000 had done so. However, after a few hours we had to close the WiFi4EU portal in response to information received from a third party about a technical issue.

During the investigation, the Commission identified a flaw in the software supplied by contractors. This issue allowed some municipalities to apply in good faith before the call was opened, while it prevented others from doing

so once the call had opened.

The Commission is strongly attached to the principles of fairness, transparency and reliability. Therefore, as this technical issue prevented all municipalities from applying on an equal basis, I have asked my services to cancel this first call. The vouchers from this first round of applications will be added to the budget for the next call.

As of today we are informing all municipalities registered on the portal of this decision. Their registrations will remain valid for future calls, so municipalities can apply again with one click of a button. Those that have not yet registered on the portal will be able to do so when it re-opens before the next call in autumn 2018, once the IT problems have been fully resolved.

The allocation of the first vouchers was already planned to take place after the summer, therefore the current issue has not caused significant delay to the programme."

For More Information

<u>Digital Single Market webpage on WiFi4EU</u> (available in all EU official languages)

Joint press statement by European Council President Donald Tusk and NATO Secretary-General Jens Stoltenberg on the solution to the "name dispute"

Your request will be handled by the Press Office of the General Secretariat of the Council in accordance with the provisions of Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data.

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Certain data (name, e-mail address, preferred language, media name, media type) may be disclosed to the press offices of the European institutions, the Permanent Representations of the Member States and to European Union agencies, under the conditions laid down in Articles 7 and 8 of Regulation 45/2001.

<u>Screening of investments: Council</u> <u>agrees its negotiating stance</u>

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On 13 June 2018, EU ambassadors agreed on the Council's stance on the proposed regulation on screening of investments. They asked the presidency to start negotiations with the European Parliament as soon as possible.

The proposed regulation establishes a framework at EU level for analysing investments from third countries in strategic sectors and creates a cooperation mechanism among member states and also with the Commission with regard to investments likely to affect security and public order.

Foreign direct investments are a major source of innovation, growth and jobs. Keeping the EU open to investment is crucial, but we also need to have the right tools to protect our key technologies from strategic threats and ensure that our essential interests are not undermined.

said Emil Karanikolov, Bulgarian minister for trade.

Currently, fewer than half of EU member states have legislation in place that allows them to review FDIs. The proposal put forward by the Commission in September 2017 aims at enhancing cooperation, by defining a set of information to be exchanged and introducing certain time limits. Having an EU-wide framework for screening by the member states will increase legal certainty and transparency and will address more effectively the potential cross-border impact of investment inflows on security and public order.

The EU is the number one destination for FDIs and is a very open market. However, in recent years there has been a surge in investments relating to critical EU assets which are not the result of normal market forces. For example, opaque state-owned enterprises or private firms with close government links are buying EU firms using cutting-edge or dual use

technologies (such as artificial intelligence, robotics or nanotechnologies) or strategic infrastructure assets which could have a potential impact on the EU's security or public order.

The investment screening proposal has been identified as a legislative priority by all three institutions. The European Council of March 2018 also called on the Council and the European Parliament to make progress on this file.

On the basis of the text endorsed by EU ambassadors, the Presidency will start negotiations with the Parliament with a view to reaching an agreement within the current legislature.

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