

Vice-President Dombrovskis on the proposal for a stronger and more integrated European financial supervision for the Capital Markets Union

Good afternoon,

In today's College Meeting we discussed several important topics.

First, we had a fruitful discussion on the Communication for an EU Agenda for fair taxation of the Digital Economy. This is due to be adopted tomorrow. So I am afraid that you will have to see me here again.

And today we are putting forward a set of targeted amendments to the post-crisis system of EU-level financial supervision.

We want to make cross-border operations easier for companies, more effective to monitor for supervisors, and more trustworthy for consumers.

Today's proposals flow from the Five Presidents' Report and the Reflection Paper on the Deepening of the Economic and Monetary Union. They have been announced in the Capital Markets Union Mid-term review in June. And they are grounded in various reports, a public consultation, and a detailed impact assessment.

Supervision might sound technical, but let me say a few words about why this is actually important:

European financial markets are evolving rapidly. Financial integration is on the rise again in recent years. We want to consolidate this trend by completing the Banking Union and the Capital Markets Union.

More integrated markets will support jobs and growth by increasing the pool of capital available for productive investments. And they will help guard against the effects of financial shocks, thereby reducing the need for public intervention. This is key for a more resilient Economic and Monetary Union.

New opportunities are also arising in other areas, such as the push for sustainable and green finance, and the rise of Fintech. Last but not least, finance in Europe is changing due to the departure of the UK from the EU.

With today's proposals,

We want to give the system of EU-wide supervisors the tools they need to stay ahead of new market developments – to highlight new opportunities and addressing issues in a timely manner.

And we want to enhance supervisory convergence – this will promote consistent supervision and help avoid regulatory arbitrage.

Today's main proposals concern the three European Supervisory Authorities – or ESAs – and the European Systemic Risk Board:

First of all, we are upgrading the supervisory convergence tools of the ESAs and giving new responsibilities to the EU-wide supervisor for securities and capital markets, or ESMA.

Today, there is almost no EU-level supervision of capital markets. Our proposals would expand EU-level supervision in areas where common supervision is easier for companies operating cross border and more effective for supervisors.

- This includes the approval of certain new prospectuses for listing on public markets, for which simplified EU rules will come into force in 2019.
- It includes the authorisation of EU-labelled cross-border investment funds, such as EuVECA for venture capital or ELTIFs for long-term investment.
- And finally, it includes the supervision of systemically important services such as critical benchmarks and data reporting service providers.

Second, we are improving the governance and funding of all three ESAs. Our proposal would create new Executive Boards with permanent members for quicker and more EU-oriented decision-making. And it would introduce proportional contributions from the financial industry to cover the bulk of the financing while maintaining EU co-financing.

Third, we are proposing to deploy the ESAs in the fight against climate change. There is a clear and urgent need to mobilise billions of euros in private investment towards green and sustainable goals. This is why we are proposing to require the ESAs to integrate Environmental, Social and Governance considerations into all their tasks.

Fourth, we want supervision to keep up with the pace of technological innovation, which is rapidly changing the way we pay, borrow, save and invest. Europe's Fintechs need a coherent regulatory approach across the EU in order to scale up and grow to their full potential. We are proposing to give the ESAs a strong coordinating role for national Fintech initiatives, such as innovation hubs and regulatory sandboxes. They should also help coordinate approaches towards cybersecurity.

Last but not least, we are proposing targeted amendments to the efficiency of the European Systemic Risk Board, to re-inforce macro-prudential coordination

and allow the ESRB to better fulfil its mission.

Together, these reforms will ensure that our supervisory system adapts to the times and promotes supervisory convergence.

In other issues, let me note that tomorrow marks a milestone in the European Union's trade policy, with the provisional entry into force of the EU-Canada Comprehensive Economic and Trade Agreement.

This will enable companies and citizens to start reaping the benefits of this agreement.

As President Juncker said in a statement issued today, "now it's time for our companies and citizens to make the most out of this opportunity and for everyone to see how our trade policy can produce tangible benefits for everyone".

As you know, this agreement is now being ratified at national level before it enters fully into force.

The Commission now expects Member States to conduct an inclusive discussion in the context of the ongoing national ratification processes of this agreement.

And it goes without saying that we remain available to continue engaging with Member States, Parliaments and citizens in the democratic process towards full ratification.

Thank you very much.

Joint Statement by High Representative/Vice-President Federica Mogherini and Commissioner for Humanitarian Aid and Crisis Management Christos Stylianides on the earthquake in Mexico City

The earthquake that struck Mexico yesterday has caused many deaths and casualties. This came only two weeks after another devastating earthquake hit the country. Our heartfelt condolences and thoughts go out to the victims, their families and loved ones.

As President Juncker underlined in his letter to President Peña Nieto, the European Union stands in solidarity with our Mexican friends. We salute the first responders who are there from the beginning to help and save lives in this difficult time.

We are in touch with the Mexican authorities and stand ready to help. Our capabilities to provide urgent support have been put on alert, as our Emergency Response Coordination Centre is monitoring the situation on the ground.

The EU and the UN team up to eliminate violence against women and girls

The EU-UN Spotlight Initiative was launched by the EU High Representative / Vice-President of the Commission **Federica Mogherini** and Commissioner for International Cooperation and Development **Neven Mimica**, together with the UN Secretary-General **Antonio Guterres** and the UN Deputy Secretary-General **Amina Mohammed**.

Commissioner **Mimica** said: *“Violence against women and girls is one of the greatest injustices of our time, which crosses all borders, generations, nationalities and communities. It deeply touches our hearts and our minds. And it is a serious barrier to any society’s full development potential. Today’s launch of our Spotlight Initiative is a major step forward: with half a billion euros as the “seed money” and the full support of the United Nations, I am convinced that together we can change the lives of women and girls for the better and achieve a truly sustainable development.”*

“Elimination of violence against all women and girls is a precondition for inclusive, equitable and sustainable development,” stated UN Secretary-General **António Guterres**, emphasising that: *“Gender equality and women and girls’ empowerment are at the heart of the 2030 Agenda, both as a standalone goal and as a cross-cutting element central to the achievement of all SDGs.”*

The EU-UN Spotlight Initiative is supported by a multi-stakeholder trust fund, with the EU as its main contributor in the order of EUR 500 million, which is open to other donors.

Over the next few years, comprehensive programmes will be implemented to eliminate all forms of violence against women and girls, such as sexual and gender-based violence and harmful practices; trafficking and economic (labour) exploitation; femicide; domestic and family violence. Core areas of intervention would include strengthening legislative frameworks, policies and institutions, preventive measures, access to services and improving data gathering in Africa, Latin America, Asia, the Pacific and the Caribbean.

Consistent with the principles of the 2030 Agenda for Sustainable Development, the Spotlight Initiative will apply a rights-based approach, and give particular attention to the most marginalised women and girls in order to “leave no-one behind”. It will aim at galvanizing political commitments at the highest level and at providing large-scale targeted support, as well as at building new partnerships. It will also raise awareness on the widespread, persistent and detrimental impact of violence against women and girls.

Background

Violence against women and girls (VAWG) is one of the most widespread and devastating human rights violations across the globe. It affects all societies, cutting across generational, socio-economic, educational and geographic boundaries. Overall over a billion lives today are touched by violence. It is estimated that 35% of women have experienced violence at some point in their lives. This figure is as high as 70% in some countries.

Moreover, more than 700 million women worldwide were married as children before 18. Of those women, more than 1 in 3 – or some 250 million – before the age of 15. At least 200 million women and girls have undergone female genital mutilation in 30 countries.

This scourge is a barrier to gender equality, women’s and girls’ empowerment and overall sustainable development, and an impediment to the achievement of the SDGs.

The Spotlight Initiative is an expression of the same political will that was demonstrated by the international community in adopting the SDGs, with standalone Goal 5 on Gender Equality and specific targets on ending violence against women and girls, as well as mainstreaming of gender equality across the entire SDG framework.

The New European Consensus on Development, the EU’s new global approach to sustainable development for the years to come, also underlines the commitment of the EU and all its Member States to gender equality.

Commission creates forum of experts to overcome cross border obstacles

For businesses, workers and students, navigating between different administrative and legal systems remains complex and costly. In line with President Juncker’s call to ensure fairness in our [single market](#) in his [2017 State of the Union](#) speech, the Border Focal Point will help border regions cooperate better with a set of concrete actions.

It will contribute to (1) improving access to jobs, (2) to services such as

health care and public transport systems and (3) to facilitating business across the border.

This initiative is part of a wider [Communication](#) on “Boosting growth and cohesion in EU border regions”, with a set of new actions and a list of ongoing initiatives, to help EU border regions grow faster and ever closer.

Commissioner for Regional Policy Corina **Crețu** said: «*Over a quarter of Europe’s wealth is produced in its border regions but their full economic potential remains untapped. We are looking at a gold mine of opportunities, just waiting to be explored. The Commission will provide tailored support to these regions, for the direct benefit of their inhabitants.*»

The Border Focal Point will consist of Commission experts in cross border issues, who will offer advice to national and regional authorities, by gathering and sharing good practices through **the creation of a new EU-wide online network**.

Better access to jobs

2 million workers and students already commute daily or weekly across the border. To help people find a job across the border, the Border Focal Point will support regions looking to deepen their cooperation. They can get advice on mutual recognition of qualifications, joint study programmes or coaching services for entrepreneurs.

The Border Focal Point will centralise information on good practices in the field of cross border employment services, such as the [joint network](#) created by Spain’s Galicia and the Northern region of Portugal and supported by the EU’s job mobility portal [EURES](#).

In doing so, the Border Focal Point can contribute to the setting-up of the future [European Labour Authority](#) announced by President Juncker in the [2017 State of the Union](#) address, in order to strengthen cooperation between labour market authorities at all levels better manage cross-border situations.

Better access to public services

To make border regions more attractive and more inclusive in terms of public services, the Border Focal Point will:

- Map existing **cross border healthcare facilities**, such as the [cross border health care zones](#) on the Franco-Belgian border.
- Study **missing rail links** along internal borders, for more efficient cross border public transport services.

Doing business across the border

The Border Focal Point will stimulate dialogue on cross border issues via the online network.

Upon request, Border Focal Point experts will provide support for a greater alignment of rules for setting up businesses, share good practices from other

border regions and promote an increased use of online procedures.

In addition to the creation of the Border Focal Point, the Commission will select up to **20 projects showcasing innovative solutions** to deal with cross border obstacles. A call for projects will be launched before the end of 2017.

Next steps

The Border Focal Point will be operational as of January 2018.

In the ongoing reflection on [the future of EU finances](#), good practices gathered via the Border Focal Point will feed into the discussion on the next generation of cross border cooperation (“[interreg](#)”) programmes, so they better address legal and administrative obstacles and help develop efficient cross border public services.

More information

[Communication “Boosting Growth and Cohesion in EU border regions”](#)

[Memo: Overcoming cross border obstacles to boost growth in EU border regions](#)

[Factsheet – France and Germany: affordable tickets for local travel across the border](#)

[Factsheet – Denmark and Sweden: over the border for work, back in time for supper](#)

[Factsheet – Hungary and Slovakia: responding to emergency across the border](#)

[Factsheet – Spain and Portugal: train and qualify in your country, work in another](#)

[Factsheet – Latvia and Estonia: when the nearest hospital happens to be abroad](#)

Overcoming cross border obstacles to boost growth in EU border regions

See also [IP/17/3270](#)

In line with the objectives for [Better Regulation](#) and a [deeper and fairer internal market](#), the Commission is issuing a communication on “Boosting growth and cohesion in EU border regions”, with a set of new concrete actions and a list of ongoing initiatives to develop further, to help EU border regions grow faster and ever closer.

The issues at stake:

Border regions represent 40% of the EU territory. While over a quarter of Europe's GDP is produced in its border regions, their full economic potential remains untapped.

In 2015, the Commission launched a review of cross border obstacles across the EU, which identified [239 specific cases](#) of obstacles of administrative and legal nature. These are invisible yet real bottlenecks for those 150 million citizens living in EU border regions. The review established three main categories of obstacles:

Getting a job across the border: having one's skills and competences fully recognised, accessing job vacancies, securing full social security coverage: there is still room for improvement in these areas. In the context of the review, citizens and businesses have asked for better access to reliable information about rules and available services on the other side of the border.

Doing business across the border: a company doing business across the border spends 60% more than businesses operating domestically to carry out key procedures mainly because of additional translation and certification costs.

Using public services: different procedures for reimbursement of medical services, different fares and lack of connections between public transport systems, language barriers – using public services in border regions is not always a smooth part of one's daily routine like in other EU regions.

The overall aim of this communication is to stimulate dialogue on cross border issues between Member States and regions and help them, upon request, deepen their cooperation. The Commission will make good practices available and provide expert advice with the creation of a hub of Commission experts, **the Border Focal Point**, and the selection of up to **20 projects offering innovative solutions** to deal with cross border issues.

In addition, in the context of the ongoing reflection of [the future of EU finances](#), this Communication provides food for thoughts in the shaping of **the next generation of cross border cooperation ("interreg") programmes**.

The Border Focal Point

The new Border Focal Point is comprised of Commission experts in cross border issues. Experts will interact with Member States, regional and local authorities and businesses via **a new online network**, hosted on the Commission [Futurium](#) IT-platform.

Via this network, which will be operational as of January 2018, they will gather and share good practices on smooth cooperation and offer tailored support to overcome specific cases of cross border obstacles.

- **Getting a job across the border**

The new Border Focal Point will identify good practices in the field of cross

border employment services, such as the partnership developed between the Spanish region of Galicia and the Portuguese Norte region.

Regions looking to deepen their cooperation can get advice on mutual recognition of qualifications, joint study programmes or coaching services for entrepreneurs.

Where differences in rules and procedures cannot be overcome, the Border Focal Point can provide good practices on how to best give citizens reliable and understandable information on different tax or social security regimes, for example.

Good practices gathered via the Border Focal Point in this area can contribute to the setting-up of the future [European Labour Authority](#) announced by President Juncker in the [2017 State of the Union](#) address, in order to strengthen cooperation between labour market authorities at all levels better manage cross-border situations.

The future authority will strengthen administrative cooperation in the single market, pool existing tools for cross-border mobility to provide a one-stop shop for citizens, business and public authorities, fight abuse of labour and social legislation, organise joint cross-border control activities and build on existing agencies and structures to manage better cross-border and joint activities.

- **Doing business across the border**

In line with the wider Commission effort to upgrade business environment in Europe, especially via the third pillar of the [Juncker Plan](#), the Border Focal Point aims to stimulate dialogue and cooperation among border regions on removing barriers to investments.

Experts from the Border Focal Point will get in touch with regional authorities and businesses via the online network. Upon request they will provide support for a greater alignment of rules for setting up businesses, share good practices from other border regions (coaching and training services, projects promoting bilingualism, platforms for job vacancies across the border) and promote an increased use of online procedures.

In this respect, the Border Focal Point will inform stakeholders about Commission initiatives that will benefit companies looking to do business on the other side of the border:

[A Single Digital Gateway](#) will help people and companies have easier access to reliable information, online administrative procedures and assistance services. Any procedure currently available online for domestic users will be accessible to users from other Member States and in one additional EU language. 13 key administrative procedures will be made available online, including on setting up a business.

Moreover, citizens and businesses having problems in a cross border situation because of the wrong application of EU law by a public authority, should be informed and signposted to [SOLVIT](#) if appropriate. SOLVIT is a network that

helps companies and businesses solve problems in the single market.

Finally, in January 2017, as part of a wider [service economy](#) package, the Commission proposed a **new European Services e-card**; a simplified online procedure that would make it easier for providers of business services (engineering firms, IT consultants...) and construction services to complete the administrative formalities required to provide services abroad.

The organisation of services is a competence that lies at national, regional and local level. The Border Focal Point will make good practices available and provide expert advice on setting up efficient cross border services.

Such good practices include, in the field of transport, the cross border agglomeration of Strasbourg-Kehl on the Franco-German border. A tramline was developed to link the two cities, as well as a common tariff zone for cross border transit only; read more about it here. In the field of health care, an [agreement](#) establishing 7 organised cross border health care zones on the Franco-Belgian border was signed between the two countries. It benefitted over 20,000 patients who have received health care closer to their residence in the neighbouring country.

In addition, the Border Focal Point will **map existing cross border healthcare facilities and services** across the EU and share this study with stakeholders. The Border Focal Point will also map and share **a study of missing railway links** along EU internal borders. Both studies will be made available by the end of 2018.

Call for innovative projects

By the end of 2017, the Commission will launch a call which will select **up to 20 projects** putting forward innovative solutions to cross border issues. The overall budget of the call is €600,000 from the [European Regional Development Fund](#) (ERDF). These innovative projects should be easily replicable in other EU border regions.

The Future of Interreg

Established in 1990, Interreg has become a key instrument for cross border cooperation under the EU cohesion policy. Interreg helps partners on both sides of a border find joint solutions to common challenges in the field of health, research and education, transport or the use of sustainable resources.

In the funding period 2014-2020, over €6 billion from the ERDF will be invested along European internal borders.

This communication, as well as feedbacks gathered via the Border Focal Point and lessons drawn from the implementation of the selected innovative projects, will fuel the reflection on **the next generation of Interreg programmes for the period post 2020**.

The communication already sets up a few discussion points:

- Ensuring EU funding is available to tackle institutional, legal or administrative cross border issues
- Introducing the possibility of financing missing transport links or joint public services
- Including institution-building elements in funding programmes and taking into account identified obstacles