Daily News 06 / 06 / 2019

Procédures d'infraction du mois de juin: la Commission prend des mesures en vue d'une mise en œuvre complète, correcte et en temps utile du droit de l'Union dans l'intérêt des citoyens et des entreprises

Pour aider les citoyens et les entreprises à tirer pleinement profit du marché intérieur, la Commission européenne noue un dialogue permanent avec les États membres qui ne respectent pas le droit européen et, au besoin, ouvre des procédures d'infraction à leur égard. Les décisions prises aujourd'hui, dans le cadre des décisions régulières d'infraction, comprennent 52 lettres de mise en demeure, deux avis motivés et deux renvois à la Cour de justice de l'UE. Elle clôt également 97 dossiers en cours lorsque l'État membre concerné, en coopération avec la Commission, a résolu le problème et assuré le respect du droit de l'Union et que, dès lors, une saisine de la Cour de justice de l'Union européenne n'est pas nécessaire. Un résumé des principales décisions et les références des communiqués de presse correspondants figurent ici. Les aspects essentiels des procédures d'infraction de l'UE sont énoncés ici. (Pour plus d'informations: Alexander Winterstein — Tél.: +32 229 93265; Uldis Šalajevs — Tél.: +32 229 67560)

EU that Protects: The launch of the European Drug Report 2019

Today, Commissioner for Migration, Home Affairs and Citizenship Dimitris Avramopoulos and the Director of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) Alexis Goosdeel launched the European Drug Report 2019. Commissioner **Avramopoulos** said: "Today's report shows the complex nature of Europe's drug phenomenon. Drugs remain a constantly evolving, multi-faceted threat for our societies, affecting the life of millions of citizens around the world. We need a more coordinated approach that tackles both supply and demand. Our efforts are bearing fruit with our new rules to ban psychoactive substances and our enhanced cooperation with international partners. But we also need to look at the role of digitalisation in the drug market. We have no time to spare. We need to be coordinated at the national, European and international levels. Together with our EU drugs agency, we will continue to play a leading role in this effort." The European Drug Report provides a comprehensive analysis of recent drug use and market trends across the EU, Turkey and Norway. The 2019 Report highlights in particular an increase in cocaine availability with seizures at a record high, amounting to 140.4 tonnes, double the quantity seized in 2016 (70.9 tonnes). It also explores the challenges associated with new synthetic opioids, the latest developments in the cannabis market and synthetic drug production in Europe. The report is accompanied by the 2019 Statistical Bulletin and Country Drug Reports presenting summaries of national drug phenomena. A press conference, which took place today at 10:00 am (CET) is available on EbS. The European Drug Report 2019 and the full press release are available online. (For more information: Natasha Bertaud - Tel.: +32 229 67456; Tove Ernst - Tel.: +32 229 86764; Katarzyna Kolanko - Tel.: +32 229 63444)

Plan Juncker: nouveaux prêts aux PME accordés par HSBC France

Le Fonds européen d'investissement (FEI), filiale du groupe de la Banque européenne d'investissement, garantira à hauteur de 50% les nouveaux prêts accordés par HSBC France aux petites et moyennes entreprises (PME) françaises. La garantie du FEI, dans le cadre du programme européen Innovfin pour les PME, s'élèvera à 200 millions d'euros pour un montant total de prêts qui pourra atteindre 400 millions d'euros. Cette garantie est ensuite soutenue par le Fonds européen pour les investissements stratégiques, EFSI, le cœur du Plan Juncker, afin de permettre au groupe de la Banque européenne d'investissement de soutenir d'autres projets — souvent jugés plus risqués. Pierre Moscovici, commissaire européen pour les affaires économiques et financières, la fiscalité et les douanes, a déclaré : « Je me réjouis que le plan Juncker soit associé à ce premier accord entre le groupe BEI et HSBC France. Grâce au soutien du plan Juncker, près de 240 000 startups, PME et entreprises de taille intermédiaire françaises ont déjà bénéficié de financements à des conditions favorables. J'encourage fortement les entrepreneurs français à tirer parti de ces nouvelles sources de financement pour développer leurs activités. » Un communiqué de presse est disponible <u>ici</u>. En mai 2019, le plan Juncker a mobilisé près de 400 milliards d'euros d'investissements supplémentaires dans toute l'UE, dont plus de 68,7 milliards en France. Le plan soutient actuellement 949 000 petites et moyennes entreprises en Europe. (Pour plus d'informations: Annika Breidthardt - Tél.: +32 229-56153; Siobhan Millbright - Tél.: +32 229 57361)

Une eau potable plus saine et accessible en Roumanie grâce aux investissements de la politique de cohésion

Le Fonds de Cohésion investit 110,5 millions d'euros dans les réseaux de distribution d'eau potable et de collecte des eaux usées de la région Nord-Ouest de la Roumanie. Grâce à ce projet, plus de 16 500 habitants se verront reliés au système de distribution d'eau potable d'ici 2023 et plus de 14 200 auront accès à un meilleur système de collecte et traitement de l'eau. La commissaire à la politique régionale, Corina **Creţu**, a déclaré: "Chaque euro investi par l'UE dans ce projet contribue à un meilleur accès à une eau potable saine et à un environnement préservé en Roumanie. Voici un exemple parlant de la valeur ajoutée de l'UE et de sa politique de cohésion." Le projet financera notamment la construction ou la rénovation de 535 kilomètres de canalisations et de réseau de distribution d'eau potable et de plusieurs puits et stations de traitement de l'eau. Ce projet contribuera à préserver la santé des habitants de la région et à prévenir les déversements d'eau usées dans l'environnement. (Pour plus d'informations: Christian Spahr — Tél.: +32 2 295 00 55; Sophie Dupin de Saint-Cyr — Tél.: +32 229 56169)

DiscoverEU: 20,000 more young people get the chance to explore Europe

The <u>third round</u> of the DiscoverEU initiative attracted applications from almost 95,000 young people from all EU Member States during a two-week period that ended on 16 May 2019. Around 20,000young people were selected based on the <u>award criteria</u> and taking into account the <u>quota</u> set for each EU Member State. Commissioner Tibor **Navracsics**, responsible for Education, Culture, Youth and Sport, said: "This month, DiscoverEU is celebrating its first anniversary. In one year, around 275,000 young Europeans applied to become part of the experience, with some 50,000 awarded a travel pass. I am proud to

see that more and more young people are exploring the richness of our history and culture, making new friends across borders, becoming more independent and self-reliant, sharing experiences and emotions, and ultimately, discovering themselves." The winners of the third round will now be contacted so that they can arrange their trips. They will be able to travel, alone or in groups of maximum five people, between 1 August 2019 and 31 January 2020 for up to 30 days. Most of them will travel by rail, with alternative modes of transport used in exceptional cases. All participants will also be invited to attend the very first DiscoverEU meet-ups that will be taking place in various locations across Europe, on specific themes such as sustainability or cultural heritage. The first meet-up will take place in Nijmegen (Netherlands) on 12 and 13 July with a focus on sustainability. The Commission is planning to launch the next application round before the end of the year when another 20,000 travel passes will be available. A press release, FAQ and factsheet are online. (For more information: Nathalie Vandystadt - Tel.: <u>+32 229 67083</u>; Joseph Waldstein - Tel.: <u>+32 229 56184</u>).

Over 85% of European bathing sites rated as excellent for water quality Just over 85% of bathing water sites across Europe monitored last year met the European Union's highest 'excellent' and most stringent quality standards for water cleanliness, according to the latest annual European bathing water quality report. The results published today give a good indication of where the best quality bathing waters are likely to be found this summer. An overwhelming number - 95.4% - of the 21 831 bathing water sites monitored in the 28 EU Member States met the minimum quality requirements under EU rules, according to this year's report by the European Commission and the European Environment Agency (EEA). In addition, 300 bathing sites monitored in Albania and Switzerland were also included in the report. Karmenu Vella, European Commissioner for the Environment, Maritime Affairs and Fisheries said: "As yesterday's World Environment Day showed, we face many challenges. But it is also good to celebrate the green success stories of the European Union. The quality of European Bathing Water sites is one such story to which everyone can relate. Through good testing, reporting, monitoring and sharing of expertise, we are sure to continue improving the quality of our favourite swimming spots. Our new Environmental Implementation Review will help Member States learn from each other how best to attain and keep the excellent standards we have achieved during the course of my mandate. I congratulated the EEA for helping to improve standards and also for providing this information in a regular and reliable way. That reliability allows you to make clear choices wherever you take the plunge this summer". Hans Bruyninckx, EEA Executive Director, said: "Our report confirms that Member States' efforts over the last 40 years, mainly in wastewater treatment, have paid off. Today, most Europeans enjoy excellent bathing water quality. However, this is only one of the many components, ranging from tackling plastic pollution to protecting marine life, we need to work on in order to achieve healthier seas, lakes and rivers". The full press release is available online. (For more information: Enrico Brivio - Tel.: +32 2 295 61 72; Ana Crespo Parrondo — Tel.:+32 2 298 13 25)

Humanitarian Aid: EU mobilises €6 million for people in need in Colombia

As many people continue to be displaced in Colombia and are threatened by natural disasters, the European Commission announces today a new aid package of €6 million to help those most in need in the country. This includes €1 million for preparedness and response to natural disasters. "Supporting the Colombian people remains a high priority for the European Union. During my visit to the country last year, I witnessed the complex situation of those displaced by violence. This funding will help address the humanitarian needs of those affected by the conflict in Colombia as well as reinforcing the country's preparedness and response capacity to natural disasters." said Christos Stylianides, Commissioner for Humanitarian Aid and Crisis Management. EU assistance in Colombia provides protection, healthcare and food assistance to those displaced by the ongoing conflict within the country, access to safe water and sanitation, education in emergencies as well as preparing for, and mitigating natural disasters such as floods, landslides, and drought. Funding will support the most vulnerable groups such as women, children, and indigenous and Afro-Colombian populations. The full press release is available here. (For more information: Carlos Martin Ruiz De Gordejuela - Tel.: +32 229 65322; Daniel Puglisi - Tel.: +32 229 69140)

Security Union: Commission welcomes Member States' votes on new rules for secure ID cards

The Commission welcomes today's vote by Justice Ministers in the Council, who greenlighted the Commission's proposal to strengthen the security of identity cards and residence documents. Paper ID cards still issued by some Member States represent a serious security risk: they can easily be falsified and used by terrorists and other criminals to enter the EU. The rules will introduce minimum common security standards, making such documents secure and reliable. Commissioner for Justice, Consumers and Gender Equality Věra Jourová said: "These security standards for ID cards will close loopholes that can be exploited by criminals or terrorists. At the same time, citizens will face fewer problems when using their ID cards for travel." The security features of ID cards will be aligned with those of passports, with a highly secure contactless chip with the holder's photo and fingerprints. To speed up border checks, residence cards for third-country family members of EU citizens living in another Member State will be in a uniform format. Member States will start issuing the new documents two years after the publication of the regulation in the Official Journal. ID cards currently in circulation that do not conform to the new standards will have to be replaced within five to ten years, depending on their security level. You will find more information in this <u>factsheet</u>. (For more information: Christian Wigand -Tel.: + 32 229 62253; Sophie Dupin de Saint Cyr — Tel.: +32 229 56169)

Member States greenlight Commission's proposal to prevent bankruptcy in businesses

Today, Justice Ministers in the Council approved <u>new rules proposed by the Commission</u> making early restructuring procedures to prevent insolvency for

viable businesses available throughout the Union. It will help viable companies in financial difficulties negotiate a restructuring plan with their creditors, continue their activity and preserve jobs. Commissioner for Justice, Consumers and Gender Equality Věra Jourová said: "This is excellent news for companies and for the EU as a whole, as allowing entrepreneurs to restart business activities keeps innovation going and could potentially create an additional three million jobs in Europe. We are throwing viable businesses a rescue line. Entrepreneurs will have a second chance instead of being penalised for failing in their first business attempt." Under the new rules, honest insolvent entrepreneurs will benefit from a second chance, as they will be fully discharged of their debt after a maximum period of 3 years, with justified exemptions in order to prevent abuse. The rules will also increase the efficiency of insolvency, restructuring and discharge procedures, reducing excessive procedural length and costs in many Member States. These rules will contribute to removing important barriers to the development of capital markets in the EU, by providing more legal certainty to cross-border investors and companies operating across the EU. More information is available in this <u>factsheet</u>. (For more information: Christian Wigand - Tel.: + 32 229 62253; Sophie Dupin de Saint Cyr - Tel.: +32 229 56169)

Publication of latest agri-food trade figures: net trade balance for the EU exports

The latest monthly <u>agri-food trade report</u> published today shows that the monthly value of EU agri-food exports in March 2019 reached €12.6 billion which is 7% above the level of March last year. Imports in March 2019 were valued at €10.1 billion, which brings the monthly agri-food trade surplus at €2.5 billion, a 34% increase over the positive trade balance of €1.9 billion in March 2018. Export values notably increased for wheat, spirits and liqueurs, cotton flax and pork meat. On their side, monthly import values from soybeans, cereals and cocoa beans significantly went up. The United States are the EU's first origin for imports and first destination for exports. The <u>monthly report</u> provides a table presenting the trade balance, its development by product category and the main trading partners from April 2017 to March 2018. (For more information: Daniel Rosario – Tel.: + 32 229 56185; Clémence Robin – Tel.: +32 229 52509)

State aid: Commission approves public support for setting up new development bank in the Netherlands

The European Commission has approved, under EU State aid rules, Dutch plans to set up a new development bank "Invest-NL" with initial capital of up to €2.5 billion. In addition, the Dutch authorities will provide Invest-NL with yearly subsidies of €10 million to provide advisory services on the development or improvement of certain financing schemes. The scope of Invest-NL's activities will target market failures in lending and capital markets. Concretely, Invest-NL will focus on improving access to finance for Dutch small and medium-sized enterprises (SMEs) and small-midcaps related to research and development activities and for energy transition projects (e.g.

renewable energy). Invest-NL will also facilitate access to EU funding, for example under the Juncker Plan and its <u>European Fund for Strategic</u> <u>Investments</u>, for Dutch companies. The Commission found that the setting up of Invest-NL is an appropriate and proportionate solution to provide additional financing to companies that remain underfinanced because of market failures. Furthermore, Invest-NL will implement safeguards to ensure that the state-supported development bank does not crowd out private investors. On this basis, the Commission concluded that the measure is in line with EU State aid rules. More information will be available on the Commission's <u>competition</u> website, in the <u>public case register</u>, under case number SA.47821. (For more information: Ricardo Cardoso — Tel.: +32 229 80100; Giulia Astuti — Tel.: +32 229 55344)

Mergers: Commission clears acquisition of Fidea by Bâloise

The European Commission has approved, under the EU Merger Regulation, the acquisition of control over Fidea N.V. of Belgium by Bâloise Holding AG of Switzerland. Fidea provides life and non-life insurance products predominantly in Belgium. Bâloise provides prevention, pension, assistance and insurance solutions mainly in Switzerland, Germany, Belgium and Luxembourg. The Commission concluded that the proposed acquisition would raise no competition concerns because of the limited overlaps between the activities of Fidea and Bâloise in Belgium, where both companies are active. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's competition website, in the public case register under the case number M.9380. (For more information: Ricardo Cardoso — Tel.: +32 229 80100; Maria Tsoni — Tel.: +32 229 90526)

Mergers: Commission clears acquisition of parts of Ashland by INEOS

The European Commission has approved, under the EU Merger Regulation, the acquisition of parts of Ashland Global Holdings Inc. ("Ashland"), consisting in its global composite resins business and a manufacturing plant in Marl (Germany), by INEOS. Ashland is a US based chemicals company. INEOS is a Swiss based company, active globally in the manufacture and sale of petrochemicals, specialty chemicals and oil products. The Commission concluded that the proposed acquisition does not raise competition concerns given the very limited horizontal overlaps and the absence of anticompetitive vertical links between the activities of Ashland's acquired assets and INEOS. The transaction was examined under the normal merger review procedure. More information is available on the Commission's competition website, in the public case register under the case number M.9238. (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Tsoni – Tel.: +32 229 90526)

Eurostat: Le PIB en hausse de 0,4% dans la zone euro et de 0,5% dans l'UE28,

l'emploi en hausse de 0,3% dans la zone euro et de 0,3% dans l'UE28 (premier trimestre 2019)

En ce qui concerne la croissance du PIB dans la zone euro et dans l'UE28, au cours du premier trimestre 2019, le PIB corrigé des variations saisonnières a progressé de 0,4% dans la zone euro (ZE19) et de 0,5% dans l'UE28 par rapport au trimestre précédent, selon l'estimation publiée par Eurostat, l'office statistique de l'Union européenne. Au cours du quatrième trimestre 2018, le PIB avait augmenté de 0,2% dans la zone euro et de 0,3% dans l'UE28. En comparaison avec le même trimestre de l'année précédente, le PIB corrigé des variations saisonnières s'est accru de 1,2% dans la zone euro et de 1,5% dans l'UE28 au premier trimestre 2019, après respectivement +1,2% et +1,5% au quatrième trimestre 2018. En ce qui concerne la croissance de l'emploi dans la zone euro et dans l'UE28, les figures Eurostat d'aujourd'hui montrent que le taux d'emploi est à son niveau le plus élevé jamais atteint à la fois au sein de l'Union européenne et dans la zone euro. Eurostat estime que pour le premier trimestre de 2019, 241 millions d'hommes et de femmes avaient un emploi au sein de l'UE et que parmi ces derniers, 160millions disposaient d'un emploi au sein de la zone euro. Cela signifie que depuis que la Commission est entrée en fonction, l'UE a crée 13.4 millions d'emplois, desquels 9.5 millions dans la zone euro. Un communiqué de presse est disponible en ligne. (Pour plus d'informations: Annika Breidthardt — Tél.: +32 229 56153; Christian Wigand — Tél.: +32 229 62253; Enda McNamara — Tél.: +32 229 64976; Annikky Lamp - Tél.: +32 229 56151 ; Sara Soumillion - Tél.: + 32 229 67094)

ANNOUNCEMENTS

First Vice-President Timmermans to participate in the High Level Policy Dialogue on the Rule of Law in Florence

Tomorrow, First Vice-President **Timmermans** will participate in the <u>High Level Policy Dialogue on the rule of law</u> organised by the European University Institute in Florence. The event will bring together policy-makers and scholars who will explore how to further strengthen the rule of law within the Union. The discussion will feed into the ongoing rule of law debate, which the European Commission launched in <u>April 2019</u>. At the time, the Commission encouraged all actors, including national authorities, the judiciary, civil society and academics to take part in the debate and contribute with concrete ideas on how the rule of law toolbox could be enhanced in the future. The Commission intends to return to this issue with its conclusions and proposals, based on this reflection process and the ongoing debate. The opening speech by the First Vice-President Timmermans will be available to follow on <u>EbS</u>. (For more information: Christian Wigand — Tel.: +32 229 62253; Katarzyna Kolanko — Tel.: +32 229 63444)

Vice-President Ansip and Trade Commissioner Malmström in Japan to participate in the G20 Ministerial Meeting on Trade and Digital Economy

On 8 and 9 June, Vice-President for the Digital Single Market Andrus **Ansip** and Commissioner for Trade Cecilia **Malmström** will be in Tsukuba, Ibaraki, Japan, to participate in the G20 Ministerial Meeting on Trade and Digital

Economy. On 6 and 7 June, Vice-President Ansip will be in Tokyo for a series of events, starting with an exchange of views with leading stakeholders from the technological and research community of Japan and the President of the European Research Council Jean-Pierre Bourguignon. Vice-President Ansip will then participate in a roundtable on G20 digital priorities with business associations and government representatives from Japan, Europe and the United States. He will meet Hiroshige Sekō, Japanese Minister of Economy, Trade and Industry, and Masatoshi Ishida, Japanese Minister for Internal Affairs and Communications to discuss data flows, artificial intelligence and research and innovation. During his participation in the G20 Ministerial Meeting on Trade and Digital Economy on 8 June Vice-President Ansip will emphasise the need for a human-centric approach in the field of artificial intelligence as well as describe the EU's efforts in ensuring a high level of cybersecurity of 5G networks. On the same day, Commissioner Malmström will meet Tarō Kōno, the Japanese Minister of Foreign Affairs and Hiroshige Sekō, the Japanese Minister of Economy, Trade and Industry, as well as the Australian Minister for Trade, Simon Birmingham, the Korean Minister for Trade, Yoo Myung-hee, and the Singaporean Minister for Trade and Industry, Chan Chun Sing. Both Vice-President Ansip and Commissioner Malmström will highlight the recently launched plurilateral negotiations at the World Trade Organization (WTO) on electronic commerce. On 9 June, Commissioner Malmström will join trade ministers to discuss current developments. She will call for increased efforts to reform the World Trade Organization, notably the need to solve the crisis facing its Appellate Body mechanism, as well as pushing for new rules to tackle market distortions and to ensure a level playing field for producers and investors. (For more information: Nathalie Vandystadt - Tel.: +32 229 67083; Daniel Rosario - Tel.: +32 229-56185; Marietta Grammenou -Tel.: +32 229 83583; Kinga Malinowska - Tel.: +32 229 51383)

Vice-President Katainen in Helsinki to discuss country-specific recommendations, security and defence

European Commission Vice-President Jyrki Katainen, responsible for Jobs, Growth, Investment and Competitiveness, will be in Helsinki, Finland, on 6-8 June. On Thursday 6 June he will address the country-specific recommendations to Finland in an event organised by the European Commission Representation. He will also deliver a keynote speech about "Europe's challenges in the global economy" at a gala dinner hosted by the Crisis Management Initiative. On Friday 7 June he will open the Sustainable Development Goals Champions Conference in Espoo. Furthermore, he will deliver a keynote speech and participate in a panel discussion on the "EU defence and the changing security policy landscape" at the <u>TEPSA 2019 Finnish Pre-Presidency</u> <u>Conference</u>, organised by the Finnish Institute of International Affairs (FIIA) in cooperation with the Trans-European Policy Studies Association (TEPSA). The session will be livestreamed. In the afternoon, the Vice-President will participate in a <u>Citizens' Dialogue</u> focusing on EU defence with Director Teija Tiilikainen, Programme Director Juha Jokela and Research Fellow Matti Pesu from the Finnish Institute of International Affairs. On Saturday 8 June, he will address the summer school of think tank Libera on the rule of law, freedom of speech, European values and liberal democracy. (For more information: Annika Breidthardt - Tel.: +32 229 56153; Siobhán

Commissioner Arias Cañete in Italy to present the strategy for a climate neutral Europe by 2050

Today, Climate Action and Energy Commissioner Miguel Arias Cañete, will be in Italy to present the <u>European Commission's strategic long-term vision for a</u> prosperous, modern, competitive and climate-neutral economy by 2050, published by the Commission last November. His visit will start with a parliamentary hearing at the Industry, Environment and EU Affairs Committees of the Senate and Chamber of Deputies, to present the Commission's vision for a climate-neutral Europe. Later that day, Commissioner Arias Cañete will meet relevant stakeholders, both third-sector organisations and industry representatives, to discuss the opportunities for European industry in the modernisation and transition towards a climate neutral economy. The Commissioner will also meet Davide Crippa, Undersecretary of State in charge of Energy issues. Finally, he will conclude his visit exchanging views on climate neutrality objectives with Sergio Costa, Minister of Environment, Land and Sea. This is the seventh of a number of visits that the Commissioner is planning in the coming weeks and months to highlight the EU's long-term vision, aligned with the objectives of the Paris Agreement. (For more information: Anna-Kaisa Itkonen — Tel: +32 229-56186; Lynn Rietdorf +32 229-74959)

La commissaire Thyssen participe au G7 Social

Aujourd'hui et demain, le 6 et 7 juin, la commissaire européenne chargée de l'emploi, des affaires sociales, des compétences et de la mobilité des travailleurs, Marianne **Thyssen**, assistera au « G7 Social », réunion des Ministres du Travail des pays du G7 (l'Allemagne, le Canada, les Etats-Unis, la France, l'Italie, le Japon et le Royaume-Uni), à Paris. La réunion sera présidée par le Ministre du Travail de la France, Muriel Pénicaud, sur le thème « Plus de justice sociale dans la mondialisation ». Cette réunion a pour but de renforcer la coopération internationale pour réduire les inégalités sociales ; de soutenir l'accès universel à une protection sociale adaptée, aux mutations du monde du travail ; d'armer les individus faces aux transformations numériques ; et d'assurer l'égalité professionnelle entre les femmes et les hommes. L'intervention de la Commissaire sera publiée <u>ici</u>. Plus d'informations sur cette réunion ministérielle sont disponibles <u>ici</u>. (*Pour plus d'informations: Christian Wigand— Tél.: +32 229 62253; Sara Soumillion — Tél.: + 32 229 67094*)

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

June infringements package: key

decisions

Overview by policy area

In its monthly package of infringement decisions, the European Commission ('Commission') is pursuing legal action against Member States for failing to comply with their obligations under EU law. These decisions, covering various sectors and EU policy areas, aim to ensure the proper application of EU law for the benefit of citizens and businesses.

The key decisions taken by the Commission are presented below and grouped by policy area. The Commission is also closing 97 cases in which the issues with the Member States concerned have been solved without the Commission needing to pursue the procedure further.

For more information on the EU infringement procedure, see the full MEMO/12/12. For more detail on all decisions taken, consult the infringement decisions' register.

1. Environment

(For more information: Enrico Brivio — tel.: +32 229 56172, Ana Crespo Parrondo — tel.: +32 229 81325)

Letters of formal notice:

Waste: Commission urges 9 Member States to fully comply with EU rules on ship recycling

Today, the Commission decided to open EU infringement proceedings against Croatia, Cyprus, Germany, Greece, Italy, Portugal, Romania, Slovenia, and Sweden over their duty to fully implement European legislation on ship recycling (the Ship Recycling Regulation, Regulation (EU) No 1257/2013). The EU Regulation aims to make ship recycling greener and safer. The Regulation's main objective is to ensure that ships under EU authority (those sailing under the flag of an EU Member State) are recycled in a safe and sustainable manner. It is essential that Member States fulfil key obligations relating to the designation of competent authorities, administrations and contact persons and to the establishment of national law provisions relating to the enforcement of these EU rules and the applicable penalties. All of these obligations had to be fulfilled by 31 December 2018 and Member States were obliged to notify the relevant designations and national enforcement provisions to the Commission by the same date. However, to date, these Member States have not, or not completely, fulfilled their relevant obligations. The Commission is, therefore, sending letters of formal notice to all these Member States. The Member States concerned have now two months to reply; otherwise, the Commission may send a reasoned opinion.

Marine environment: Commission calls on PORTUGAL to protect its marine waters

The European Commission urges Portugal to comply with the reporting

obligations on the environmental status of marine waters under the EU rules establishing a Marine Strategy Framework (Directive 2008/56/EC). This EU law provides a comprehensive framework to protect the EU's seas and oceans, and ensures that their resources are managed sustainably. Member States were required to review and update their assessment of the environmental status of the waters concerned, the environmental impact of human activities, their determination of good environmental status and their environmental targets by 15 October 2018. Portugal failed to submit reports to the Commission by the required deadline. As a result, today, the Commission decided to send a letter of formal notice to Portugal. The Portuguese authorities have now two months to reply; otherwise, the Commission may send a reasoned opinion.

2. Internal Market, Industry, Entrepreneurship and SMEs

(For more information: Lucia Caudet — tel.: +32 229 56182, Victoria von Hammerstein-Gesmold — tel.: +32 229 55040)

Letters of formal notice:

Single Market: Commission calls on 28 Member States to comply with EU rules on services

Today, the European Commission decided to send letters of formal notice to all 28 Member States, requesting them to improve their points of single contact (PSC) and to provide user-friendly one-stop shops for service providers and professionals. The points of single contact contribute to a modern Single Market for businesses, who need to get easy access to the information they need and complete administrative procedures online. In line with the Services Directive (Directive 2006/123/EC), Member States must establish PSCs to help service providers and professionals overcome administrative hurdles in the access to service activity. These PSCs are very important for the free movement of services in the Single Market. In the letters of formal notice, the Commission points out deficiencies in how the 28 Member States have implemented the requirements for the PSCs as laid down inthe Services Directive and the Recognition of Professional Qualifications Directive (Directive 2005/36/EC, as amended by Directive 2013/55/EU). The letters address issues with the online availability and quality of information on requirements and procedures relevant for service providers and professionals who want to make use of their Single Market rights. The letters also cover concerns with access to and completion of procedures online through the PSCs, including for cross-border users. This is why the compliance with the EU Regulation on electronic identification (910/2014) is also important. Member States have two months to reply to the arguments raised by the Commission. Otherwise, the Commission may decide to send a reasoned opinion.

e-Invoicing: Commission calls on 12 Member States to transpose new rules

On 21 May 2019, the Commission decided to send a letter of formal notice to 12 Member States (Cyprus, Finland, France, Greece, Hungary, Ireland, Lithuania, Luxembourg, Romania, Slovakia, Slovenia and Spain) that have not yet transposed EU rules on electronic invoicing in public procurement

(Directive 2014/55/EU)) or implemented the European e-Invoicing standard. By 17 April 2019, public authorities engaging in public procurement in the EU should have complied with the European standard on e-Invoicing and been able to receive and process electronic invoices accordingly. The EU standard helps to ensure the timely and automatic processing of companies' e-Invoices and payments, makes it easier for companies to manage their contracts in any Member State and raises the attractiveness of public procurement for businesses. To help Member States with the implementation of the new standard, the Commission invested over €33 million in grant funding to support the uptake of innovative e-Invoicing solutions, such as end-to-end automation, robotics and the use of artificial intelligence, including through the Connecting Europe Facility (CEF) on the e-Invoicing Building Block. The 12 Member States have two months to respond to the arguments raised by the Commission; otherwise, the Commission may decide to send a reasoned opinion to them. In the meantime, the Commission stands ready to continue to help Member States in this process.

A closure

Defence procurement: Commission closes a case against ITALY

Today, the Commission decided to close an infringement case against **Italy** concerning its application of EU defence procurement rules (<u>Directive</u> 2009/81/EC). By sending a letter of formal notice, the Commission opened the infringement proceedings in <u>January 2018</u>. In the letter, the Commission expressed its concerns about the direct awards of a number of defence contracts, which the Commission considered to be in breach of EU defence procurement rules. Further to a constructive dialogue between the Commission and the Italian authorities, as well as the measures taken and clarifications provided by Italy the Commission decided to close the case.

3. Taxation and Customs Union

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Referrals to the Court of Justice of the European Union

Taxation: Commission refers AUSTRIA to the Court for its failure to align with EU VAT rules for travel agents

The Commission decided today to refer **Austria** to the Court of Justice of the EU for not applying special VAT rules for travel agents correctly. The <u>special VAT scheme</u> for travel agents means that VAT should be applied only on the margins made from sales of travel services to consumers. In return, however, travel agents cannot deduct VAT they pay while buying services from other businesses. However, Austria does not correctly apply this rule, because it currently excludes from travel services sold to other businesses from the scheme. Such an exclusion is not allowed under current EU rules, and can lead to a distortion of competition. Austria also infringes on this provision (VAT Directive, <u>Council Directive 2006/112/EC</u>) by calculating the VAT to be paid by travel agents on an overall turnover within a tax period.

EU case law (Commission vs Spain, case C-189/11) clearly states that the taxable amount must be defined for each individual sale, and not calculated on the basis of a group of sales. For more information, please refer to the full press release.

Taxation: Commission refers SPAIN to the Court for imposing disproportionate sanctions for failures to report assets held abroad

The Commission decided today to refer **Spain** to the Court of Justice of the EU for imposing disproportionate penalties on Spanish taxpayers for the failure to report assets held in other EU and EEA States ("Modelo 720"). Currently, Spain requires resident taxpayers to submit information on the assets they hold abroad. This includes properties, bank accounts and financial assets. The failure to submit this information on time and in full is subject to sanctions that are higher than those for similar infringements in a purely domestic situation, and which may even exceed the value of assets held abroad. The Commission considers that such sanctions for incorrect or belated compliance with this legitimate information obligation are disproportionate and discriminatory. They may deter businesses and private individuals from investing or moving across borders in the Single Market. Such provisions are consequently in conflict with the fundamental freedoms in the EU, such as the free movement of persons, the free movement of workers, the freedom of establishment, the freedom to provide services and the free movement of capital. For more information, please refer to the full press release.

Reasoned opinions:

Taxation: Commission requests POLAND to align its national practices regarding exemptions for imported alcohol used to produce medicines with EU rules

The Commission decided today to send a reasoned opinion to **Poland** for not allowing importers of alcohol used for medicines to avail of a mandatory exemption from excise duty, in case they do not choose the duty suspension arrangement. Current Polish rules do not provide scope for refunding the excise duty paid on the import of ethyl alcohol that is used to produce medicines after the duty has been paid. This practice runs against provisions of EU law on the harmonisation of the structures of excise duties on alcohol and alcoholic beverages and the principle of proportionality (Council Directive 92/83/EEC). If Poland does not act within the next two months, the Commission may decide to bring the case before the Court of Justice of the EU.

Taxation: Commission requests that HUNGARY align tax rates on cigarettes with the minimum EU threshold

The European Commission decided today to send a reasoned opinion to **Hungary** for failing to reach the minimum EU threshold for excise duty on cigarettes set by EU rules on manufactured tobacco (<u>Council Directive 2011/64/EU</u>). Current rules, which aim to ensure the proper functioning of the internal market and a high level of protection for human health, require Member States to charge an excise duty on cigarettes of at least 60% of the applicable

weighted average retail price of cigarettes. Hungary was allowed a long transitional period until 31 December 2017 in order to gradually increase the excise duty on cigarettes and reach the required minimum threshold. To date, the excise duty applied by Hungary remains below that threshold, generating distortions of competition with other Member States and at odds with the EU health protection policy. If Hungary does not act within the next two months, the Commission may decide to bring the case before the Court of Justice of the EU.

Letters of formal notice:

Taxation: Commission requests CYPRUS to amend its rules on imported cars

The Commission has decided to send a letter of formal notice to **Cyprus** for immobilisation of motor vehicles. Cypriot law provides for on-the-spot immobilisation of motor vehicles without any prior warning when temporary importation and registration rules have not been complied with. Administrative fines can also be imposed in certain cases, which could exceed the value of the vehicle itself. Member States are required to comply with EU law and its general principles, including the principle of proportionality, while the European Court of Justice of the EU has repeatedly held that administrative measures or penalties must not go beyond what is strictly necessary and be in line with the freedoms enshrined in <u>Article 45</u>of the Treaty on the Functioning of the EU (<u>TFEU</u>). If Cyprus does not act within the next two months, the Commission may send a reasoned opinion to the Cypriot authorities.

Car taxation: Commission calls on MALTA to change its legislation on the annual circulation tax for cars

The Commission decided to send a letter of formal notice to **Malta** asking it to amend its rules on car taxation. Under current Maltese legislation, cars registered in Malta after 1 January 2009 and imported from other Member States are taxed more heavily than similar cars registered in Malta before that date, even when the imported car has already been registered in another Member State. The Commission considers that the Maltese legislation is not compatible with EU law. According to the case-law (Article 110 of TFEU) of the Court of Justice of the EU, EU law is infringed where road taxes are calculated according to different criteria which lead to higher taxes being imposed on cars imported from other Member States compared to non-imported vehicles. The Maltese authorities have now two months to reply; otherwise, the Commission may send a reasoned opinion.

Humanitarian Aid: EU mobilises €6

million for people in need in Colombia

As many people continue to be displaced in Colombia and are threatened by natural disasters, the European Commission announces today a new aid package of €6 million to help those most in need in the country. This includes €1 million for preparedness and response to natural disasters.

"Supporting the Colombian people remains a high priority for the European Union. During my visit to the country last year, I witnessed the complex situation of those displaced by violence. This funding will help address the humanitarian needs of those affected by the conflict in Colombia as well as reinforcing the country's preparedness and response capacity to natural disasters." said Christos Stylianides, Commissioner for Humanitarian Aid and Crisis Management.

EU assistance in Colombia provides protection, healthcare and food assistance to those displaced by the ongoing conflict within the country, access to safe water and sanitation, education in emergencies as well as preparing for, and mitigating natural disasters such as floods, landslides, and drought. Funding will support the most vulnerable groups such as women, children, and indigenous and Afro-Colombian populations.

The European Commission's humanitarian assistance pays special attention to victims of forgotten crises — severe, protracted humanitarian crises where affected people do not receive sufficient international aid, such as Colombia. With more than €241 million in humanitarian aid since 1994, Colombia is the largest recipient of EU humanitarian aid in Latin America.

Background

EU humanitarian assistance is allocated following a strict needs based approach, respecting the humanitarian.principles of humanity, neutrality, impartiality, and independence. It seeks to alleviate human suffering without any political, economic or other consideration.

The EU strives to reduce the risks associated with natural hazards and increase the resilience and preparedness of people who are most vulnerable to floods, droughts, landslides and earthquakes. Disaster preparedness and capacity-building are integrated into all projects to limit the impact of natural hazards, and to strengthen the response capacity of communities and institutions.

For more information

EU humanitarian aid in Colombia

EU humanitarian aid in South America

Photos of Commissioner Stylianides in Colombia (March 2018)

Taxation: Commission refers Spain to the Court for imposing disproportionate sanctions for failure to report assets held abroad

The Commission decided today to refer SPAIN to the Court of Justice of the EU for imposing disproportionate penalties on Spanish taxpayers for the failure to report assets held in other EU and EEA States ("Modelo 720").

Currently, Spain requires resident taxpayers to submit information on the assets they hold abroad. This includes properties, bank accounts and financial assets. The failure to submit this information on time and in full is subject to sanctions that are higher than those for similar infringements in a purely domestic situation, and which may even exceed the value of assets held abroad.

The Commission considers that such sanctions for incorrect or belated compliance with this legitimate information obligation are disproportionate and discriminatory. They may deter businesses and private individuals from investing or moving across borders in the Single Market.

Such provisions are consequently in conflict with the fundamental freedoms in the EU, such as the free movement of persons, the free movement of workers, the freedom of establishment, the freedom to provide services and the free movement of capital.

Background

The European Commission opened the EU infringement proceedings in November 2015 with a letter of formal notice, followed by <u>a reasoned opinion on 15 February 2017</u>. Since Spain has not yet complied, the Commission decided today to bring the matter before the Court of Justice of the EU.

For More Information

- On the key decisions in the June 2019 infringements package, see full MEMO/19/2772.
- On the general infringements procedure, see MEMO/12/12.
- On the EU infringements procedure.

<u>Taxation: Commission refers Austria to</u> <u>the Court for its failure to align</u> <u>with EU VAT rules for travel agents</u>

The Commission decided today to refer Austria to the Court of Justice of the EU for not applying special VAT rules for travel agents correctly.

The special VAT scheme for travel agents means that VAT should be applied only on the margins made from sales of travel services to consumers. In return, however, travel agents cannot deduct VAT they pay while buying services from other businesses.

However, Austria does not correctly apply this rule, because it currently excludes travel services sold to other businesses from the scheme. Such an exclusion is not allowed under current EU rules, and can lead to a distortion of competition.

Austria also infringes on this provision (VAT Directive, <u>Council Directive</u> 2006/112/EC) by calculating the VAT to be paid by travel agents on an overall turnover within a tax period. EU case law (Commission vs Spain, case <u>C-189/11</u>) clearly states that the taxable amount must be defined for each individual sale, and not calculated on the basis of a group of sales.

Background

By sending a letter of formal notice to the Austrian authorities, the European Commission formally requested Austria to amend its VAT legislation in July 2014. As Austria has not complied with the <u>reasoned opinion sent by the Commission in June 2018</u>, the Commission decided today to bring the matter before the Court of Justice of the EU

For More Information

- On the key decisions in the June 2019 infringements package, see full MEMO/19/2772.
- On the general infringements procedure, see MEMO/12/12.
- On the EU infringements procedure.