



**European Committee
of the Regions**

RESOL-VI/033

132nd plenary session, 5 -6 December 2018

RESOLUTION

on the European Commission Work Programme for 2019

**Resolution of the European Committee of the Regions
on the European Commission Work Programme for 2019**

THE EUROPEAN COMMITTEE OF THE REGIONS (CoR):

Having regard to:

- the European Commission Work Programme (CWP) for 2019¹;
 - the Protocol of Cooperation with the European Commission of February 2012;
 - the Joint Declaration on the EU's Legislative Priorities for 2018-19;
1. emphasises that 2019 will be a crucial year for the future of the European Union, with its very foundations being called into question; reiterates, against this background, the imperative necessity of linking the grassroots level to the European level and involving local and regional representatives and European citizens in the framing and implementation of EU policies, notably through the proper application of active subsidiarity and multi-level governance;
 2. calls for an early agreement on the Multiannual Financial Framework (MFF) before the European elections in May 2019 to ensure the timely launch of the new EU programmes and supports the call of the European Parliament that the next MFF should correspond to at least 1.3% of the EU-27 GNI;

finds it regrettable that the Commission's proposed multiannual budget lacks a clear gender equality element. Article 8 of the Treaty on the Functioning of the European Union requires the EU to incorporate gender equality in all policy areas and all its activities, in order to promote equality between men and women. Moreover, gender budgeting should be made more comprehensive, more widespread and more systematic;

3. expresses its wish that the European Union and the United Kingdom come in due time to an agreement on the UK's intention to withdraw from the EU, preserving the four freedoms of movement. The CoR expects the Commission to involve it in the negotiations on the future cooperation between the UK and the EU beyond 30 March 2019, relaying the contributions of regional and local authorities for a productive and sustainable future relationship;

Citizenship, governance and better law-making

4. welcomes the Commission Communication on strengthening the role of subsidiarity and proportionality, which promotes the implementation of the recommendations of the Task Force on Subsidiarity, Proportionality and "Doing Less More Efficiently"; calls, to this effect, on the European Parliament and the Commission to implement the recommendations of the Task Force in cooperation with the CoR, helping to promote active subsidiarity in Europe and a new way of working; remains committed to contributing to this implementation by gathering the expertise

¹ COM(2018) 800 final

and knowledge of Europe's regions and cities, notably through its Subsidiarity Monitoring Network, the network of regional hubs and the REGPEX platform;

5. questions whether the proposal to abolish the twice-yearly time change meets the European added value and coordination requirements suggested by the Task Force and warns against negative repercussions for local and regional authorities (notably in border regions);
6. welcomes the Commission's plan to make use of the passerelle clause in order to apply qualified majority voting in particular in the area of taxation, which would facilitate the fight against tax avoidance and allow for fairer taxation systems;

Jobs, growth, investment and cohesion policy

7. calls, together with the partners in the #CohesionAlliance, for a swift agreement on the Cohesion Policy legislative package for the years 2021-2027, which should continue to be based on the principles of partnership and multilevel governance. The CoR recalls that Cohesion Policy is the main European Union investment policy aimed at strengthening economic, social and territorial cohesion across the European Union. It asks that, with the aim of reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions, particular attention be paid to rural areas and to regions affected by industrial transition or which suffer from severe, permanent geographic or demographic handicaps, such as island, cross-border and mountain regions;
8. draws attention to the fact that the Commission's programme for 2019 does not contain any reference to the outermost regions as it should, at least as regards the implementation of the 2017 Communication "A reinforced and renewed strategic partnership with the outermost regions of the EU". The CoR hopes that the Commission will continue to take the necessary steps to develop the new approach for the ORs;
9. suggests drawing on the experience acquired in the Urban Agenda partnerships that have achieved positive results in terms of multilevel governance actions in order to improve the subsidiarity check and to enhance the link between Better Regulation and the Urban Agenda for the EU; considers that the action plan of the Urban Partnership on housing adopted in November 2018 paves the way for a European Agenda for Housing;
10. notes with concern that public investment remains too low and unevenly distributed in the EU, as acknowledged by the Commission's focus in the 2019 European Semester cycle on long-term investment; reiterates, therefore, the need to transpose the agreement on the flexibility margins within the Stability and Growth Pact (SGP) into primary law; also reiterates its call for further measures to boost public investment, notably by excluding national, regional or local co-financing under the ESIF from SGP accounting, as already foreseen for co-financing under the EFSI;
11. calls on the Commission to adopt a pragmatic approach in relation to the governance aspects of the InvestEU programme, following consultation with all relevant principal actors, such as the EIB;

12. stresses the strong European added value of youth related policies and programmes such as ERASMUS+, the European Solidarity Corps and DiscoverEU and points to the need to facilitate their accessibility and to ensure the involvement of local and regional authorities in their implementation. There should also be rewards for projects with a high added value in terms of involving young people with a disability and emphasising the regional and local dimension, particularly when it comes to rural areas, refugee reception areas, the EU's outermost regions and overseas countries and territories. In line with the new Youth Strategy, the CoR reiterates its call to establish structured cooperation between itself and the proposed EU Youth Coordinator;
13. underlines the fact that, in order for the EU to maximise its potential in the field of research and innovation (R&I), the Commission and the Member States must close the "innovation gap" between regions and suggests that Horizon Europe should strengthen ties with regional smart specialisation strategies (S3);
14. looks forward to the announced Coordinated Plan on the development of Artificial Intelligence in Europe, which should also cover the public sector at local and regional level, considering the role and involvement of LRAs in the promotion of investment and the AI ecosystem in their areas;

Economic policy and the EU's social dimension

15. stresses that the Sustainable Development Goals should be implemented as the overall reference framework for EU policy and specifically replace the Europe 2020 strategy as long-term goals of the European Semester;
16. reiterates its support to the introduction of a budgetary capacity aimed at increasing the euro area's resilience, and paving the way for convergence with future euro area members. This capacity must however be financed from own resources that are separate from those provided for financing the budget of the European Union to avoid any encroachment by this capacity on EU programmes that are accessible to the EU-27. Furthermore, this capacity should be accounted for outside the ceiling for EU budget resources;
17. underlines the fact that the low implementation rates of the Country-Specific Recommendations are due to lack of ownership, funding and administrative capacity at all levels and therefore reiterates its proposal for a code of conduct to involve the local and regional authorities in the European Semester;
18. is concerned that local and regional authorities have not benefited sufficiently from EU-funded capacity-building measures under the current MFF; reiterates its request that the Commission issue a single set of guidelines to coordinate all EU-funded capacity-building measures;
19. welcomes the Commission's proposals to establish rules allowing taxation of profits generated by multinationals through the digital economy; also stresses the need for a European legal definition for virtual permanent establishment for digital companies;

20. calls on the Commission to closely monitor the implementation of the European Pillar of Social Rights and expresses its concerns at the reduction of the related budgetary resources; considers it essential in this respect to acknowledge the strong territorial component in the delivery of the Pillar; urges the Commission and the European legislator to speed up the process of establishing the European Labour Authority and to include a representative of the regional authorities of the Member States on its management board;
21. welcomes the recent establishment of the Expert Group on Social Economy and Social Enterprises, in which the CoR is represented, and urges the European Commission to present a European legal framework which would encompass a body of common definitions applying to the different forms of social economy, such as cooperatives, mutual societies, associations and foundations;
22. proposes, as an implementation tool for principle 11 of the European Pillar of Social Rights, the launching of a European Child Guarantee to address the dramatic rate of child poverty and exclusion in the EU (26.4% in 2017). This Guarantee should become an integral part of the ESF+;

Single Market Strategy, SMEs, competition, industry and the Digital Single Market

23. insists on the importance of developing an integrated industrial strategy and reaffirms its commitment to incorporating the role of local and regional authorities into this strategy;
24. invites the Commission to propose an update of the Small Business Act; regarding particularly the SME test, calls on the Commission to take account of the various specificities of the legislation to which the test should be applied, with particular reference to legislative proposals, and to intervene with remedial measures in the spirit of REFIT;
25. reiterates its commitment to providing feedback on the implementation of the 2014 directives on public procurement at local and regional level, in the light of the weight of subnational authorities in the field of public procurement and with a view to assessing the use of social and environmental criteria;
26. calls on the Commission to launch a review in 2019 of the legislative framework on State aid, notably the GBER, the de minimis Regulation and the SGEI framework, with the aim of engaging all relevant stakeholders in due course in a constructive dialogue on the substance of the reform;
27. calls on the Commission to facilitate the deployment of broadband infrastructure, paying particular attention to rural areas, which have small and low-density populations, and where broadband is a crucial resource for delivering effective public services, bringing back a younger population and starting up new businesses; these are areas where operators have no commercial interest and the market may be considered to have failed. This would contribute to closing the EU's digital gap and establishing a consistent network of European Digital Innovation Hubs;

28. calls on the Commission to come up with proposals to address regulatory issues linked to the collaborative and digital economy. Calls in particular for an EU Directive on platform work based on article 153 (2) (b) TFEU to set minimum standards for fair working conditions in the digital economy;

Agriculture and forestry, public health and consumer protection

29. calls for the CAP to be developed into an agricultural policy that is simplified, fair, sustainable and based on solidarity for the benefit of farmers, regions, consumers and citizens, and calls for more internal and external convergence of direct payments, effective crisis management tools to stabilise farmers' income and more multi-level governance in the drafting and implementation of the National Strategic Plans;
30. joins forces with the European Parliament² in calling for an EU Agenda for Rural, Mountainous and Remote Areas to promote socio-economic development, economic growth and diversification, social wellbeing, protection of nature, and cooperation and interconnection with urban areas in order to foster cohesion and prevent territorial fragmentation;
31. likewise calls for a European strategy for regions facing demographic challenges, to make all EU policies – cohesion, innovation, transport, health, social and employment policies, ICT, rural development, emigration, etc. – more sensitive to this factor. The strategy should include cost analysis and projections at national, regional, and local level, as set out in the CoR opinion on "The EU response to the demographic challenge";
32. Highlights that innovation and digital solutions are paramount to the development of smart villages, the revitalisation of town centres and rural areas; calls on the Commission to take stock and follow up on the actions implemented under the EU action plan for smart villages;
33. plans to react to the Mid-term review of the EU Forest Strategy expected in December 2018 and insists on the importance of prevention of deforestation, reforestation and forest conversion;
34. Congratulates the continuation of the EMFF as a specific and simplified fund with a budget for the blue growth that allows cross-cutting actions to be taken in conjunction with other European programmes. Requests that the EMFF budget and the share of shared management remains at the level of the previous program. The EU's exclusive fisheries and aquaculture areas, the development of the blue economy, ports aids, the environmental issues and the preservation of maritime biodiversity face major challenges for the post-2020 period, and therefore should be supported by the EMFF. Requests the withdrawal of the obligation to use financial instruments under the EMFF to support aquaculture and the processing of products;
35. regrets that the incorporation of the EU's health programme into the ESF+ has led to a reduced financial envelope for EU-funded health initiatives and calls for measures and funding to compensate for this reduction;

²

See EP Resolution on 3 October 2018 addressing the specific needs of rural, mountainous and remote areas.

36. calls on the Commission to examine existing food labelling systems and to propose a mandatory single European colour labelling system, on a basis of 100g units, on the front of food packaging throughout the EU, providing consumers with clear information and encouraging healthier eating patterns. Specific criteria should similarly be introduced for products bearing nutritional and health claims;
37. welcomes the Commission's proposal for a European Electronic Health Record to improve patients' treatment across regions and Member States; asks the Commission to carefully consider data protection and interoperability issues in this proposal;

Tourism and culture

38. reiterates its call to the Commission for a thorough revision of its 2010 tourism strategy with a clear multiannual work programme;
39. asks for a follow-up to the European Year of Cultural Heritage 2018 through a new European Action Plan for Cultural Heritage;

Energy Union, climate policy and environment

40. advocates the establishment of an effective multilevel governance mechanism to implement the Clean Energy for all Europeans package efficiently, by ensuring that National Energy and Climate Plans are drafted in close cooperation with local and regional authorities and provide for the development of a system of locally and regionally determined contributions to complement the NDCs under the Paris agreement;
41. underlines the importance, with a view to the fourth Report on the State of the Energy Union, of promoting a just energy transition, which requires special attention to regions that will be particularly affected, such as those with a specific dependency on fossil fuel industries, and islands, especially those that are not interconnected, as is the case with the outermost regions. In this context, the CoR acknowledges measures already on-going relating to energy poverty and emphasises the key role of LRAs in their implementation;
42. calls on the Commission to monitor the socio-economic consequences of the new electricity market design on all EU Member States and regions;
43. welcomes the recently published "European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy- a clean planet for all", which commits the EU to be climate neutral by 2050 and recognises the central role of local and regional authorities; insists that the measures to implement this strategy must follow the principle of multilevel governance, give a formal role to local and regional authorities notably through the integration of a system of locally and regionally determined contributions to the national climate and energy plans, and build on initiatives such as the Covenant of Mayors; underlines the need to integrate these efforts closely with the circular economy strategy and the energy union, making sure that the

socio-economic consequences of the necessary transitions are fairly distributed in order to achieve a just transition;

44. calls on the European Commission to devise, in cooperation with the CoR, a strategic and integrated 8th Environment Action Programme and commits itself to playing an active role in the Technical Platform for Cooperation on the Environment. The CoR also calls for the subnational authorities to be involved in the second cycle of the Environmental Implementation Review;
45. calls on the European Commission to propose a comprehensive plan to improve the implementation of the EU Biodiversity Strategy to 2020 by providing strategic guidance for EU Member States, and notably by formally recognizing the crucial role of local and regional authorities; looks forward to continuing to work closely with the European Commission in the pro-active preparation of the post-2020 policy framework in view of the 2020COP 15 in Beijing. This will require firm commitments to not only halt the loss of, but also to restore biodiversity and ecosystems as well as an ambitious, inclusive biodiversity policy framework until 2030 that is capable of achieving the 2050 Vision of the CBD in the context of the SDGs;
46. calls on the Commission to better incorporate the principles of disaster resilience into all EU policies and funds in order to increase the capacity of the Member States and subnational authorities to prevent, prepare for, respond to and recover from both natural and man-made disasters; this could be done through a better understanding of risks, including introducing a uniform risk-analysis method and conducting targeted and increasingly accurate studies not just to grasp the vulnerabilities of particular areas but also to assess the economic damage – direct and indirect – an area can suffer when struck by an extreme natural event;
47. renews its call for an EU Roadmap for Cycling to address the growing demand for coordinated action at EU level;

Justice, security, fundamental rights and migration

48. reiterates its call for the Commission to support local and regional authorities in addressing the issue of radicalisation by issuing guidelines for local and regional governments for prevention strategies to counter radicalisation;
49. calls for strengthened procedures and mechanisms for the protection of democracy, the rule of law and fundamental rights, which could become part of a Union pact;
50. welcomes the proposed UN Compact for Migration and encourages all EU Member States to sign it on December 10-11 in Marrakesh and to ratify it; stresses that the Compact is an essential part of a comprehensive multi-lateral and multi-level approach to migration as advocated by the CoR;
51. underlines the fact that an effective and humane management of the EU's external borders and the development of a comprehensive migration policy and a common EU asylum system with

common high standards are essential for all municipalities, cities and regions, especially those hosting refugees and those situated at borders particularly affected by migratory peaks;

52. asks the Commission to propose additional safe and accessible legal pathways for migration to the EU, such as humanitarian visas and private sponsorship programmes, and calls on the Member States to promptly agree on and implement a new EU Resettlement Framework that is ambitious as regards the terms of protection and the numbers of beneficiaries; also asks the Commission to encourage the Member States to show real solidarity towards the Member States most exposed to migration, in accordance with Article 80 TFEU and the principle enshrined therein of solidarity and fair sharing of responsibility, including its financial implications;
53. invites the Commission to further simplify and speed up the funding procedures and to facilitate direct access for regions and cities to the financial resources designed to address humanitarian crises and the integration of refugees; emergency aid could take the form of direct grants to local and regional authorities facing strong migration pressures, particularly those with responsibility for receiving and integrating unaccompanied migrant children. Also calls on the Commission to step up its efforts to facilitate the exchange of good practices between European local and regional authorities concerning the integration of migrants, and in particular to focus on medium-sized and small cities;
54. Similarly with the EU's support for the integration of refugees and third countries in humanitarian aid operations, urges the Commission to provide support for the integration of citizens with European nationality who are forced to leave the host countries due to political, economic or humanitarian crises, that would otherwise become completely unprotected, despite being EU citizens;

External policies

55. calls on the European Commission to fully take into consideration the input of local and regional authorities and the work of the CoR's Joint Consultative Committees and Working Groups, in particular its 2019 progress reports on the candidate and potential candidate countries, and reiterates its call for existing EU funding schemes, in particular TAIEX and Twinning, to be further adapted to the needs of local and regional stakeholders;
56. is supportive of a new European territorial cooperation programme that enables close cooperation between local and regional authorities in the Member States and in candidate, potential candidate and neighbouring countries; in this regard, calls on the Commission to support the EU's existing macro-regional strategies and to support the establishment of new ones; also encourages the Commission to support cross-border cooperation processes between regional and local authorities, including in the form of European groupings of territorial cooperation (EGTCs);
57. announces its intention to contribute to the strategic discussions on the future of the Eastern Partnership initiative on the occasion of its 10th anniversary in 2019, notably through CORLEAP, the CoR's Ukraine Task Force and EU-Ukraine peer-to-peer partnerships;

58. calls for the European Commission to take into account work carried out by the CoR in stabilising the Southern Neighbourhood through the Euro-Mediterranean Regional and Local Assembly (ARLEM) and, in particular, the Nicosia Initiative for Libyan municipalities, which is improving local public services in Libya and reconnecting these municipalities with the international community, by building on existing best practices and providing for suitable funding to support operational initiatives;
59. welcomes the Commission's intention to address online deliberate misinformation in both the EU and partner countries and expresses the CoR's readiness to support these efforts;
60. notes that the work of the executive group in the implementation of the EU-US joint statement of July 2018 seems mainly to target regulatory cooperation and calls for EU standards, notably high sanitary, food and environmental standards, to be upheld; stresses, in this regard, that the Commission has to ensure that prevailing labour standards and legal standards on product safety, on data, consumer, health and environmental protection, are not sidelined for the sake of fighting trade protectionism and achieving the suspension of US sanctions;
61. instructs its President to forward this resolution to the European Commission, the European Parliament, the Austrian, Romanian and Finnish Presidencies of the Council of the EU and the President of the European Council.

Brussels, 6 December 2018

The President
of the
European Committee of the Regions

Karl-Heinz Lambertz
