

**European Commission Key EU priorities for 2017**

**Overview**

Yesterday the Commission published the final version of its Work Programme for 2017. As we expected there are very few proposals that were not forecasted in the previous 2016 and 2015 Work Programmes as they scoped the incoming Commission proposals until 2019. These priorities were fully discussed and politically approved as [COSLA's European Priorities](#) at the COSLA Convention in March 2015.

Given that there has been no major initiative announced for 2017 that was not known previously, it is expected the Convention mandate for 2015 will carry over for 2016 and 2017, although several COSLA Exec Groups will receive updates in the dossiers more relevant to them.

Inevitably however our assessment is affected by the uncertainty over “Brexit” and specifically the level of impact that EU law will have be directly or by equivalence in the future. That will depend on the exact nature of the eventual EU-UK agreement. It is worth noting that the Prime Minister has confirmed that the UK will be out of the EU legal jurisdiction and the court “subject to our obligations to our international partners”. This means that for the time being we cannot just assume that the below proposals will not have a bearing upon Scottish local government post “Brexit”. Therefore we are mirroring the approach of the UK Government in terms of keeping the full involvement in EU legislative discussions for as long as the current membership terms remain unchanged.

**Detail**

The below table updates the one COSLA circulated last year and which was approved by the March COSLA Convention. Thus we are providing below an assessment of what has happened since and our anticipation of what will take place over the next year.

<b>Juncker Commission Key Proposals for 2017</b>	<b>COSLA Comment</b>
<b>A new boost for jobs, growth and investment</b>	
<ul style="list-style-type: none"><li data-bbox="220 1518 459 1550">• Youth initiative</li></ul>	<p data-bbox="544 1518 1453 1706">Under the new Youth Initiative, the Commission will strengthen youth provision within the New Skills Agenda and reinforce the Youth Guarantee and Youth Employment Initiative. Action will be focussed on modernising education, improving apprenticeships and tracking educational and training outcomes.</p> <p data-bbox="544 1756 1453 1827">The South West of Scotland NUTS II benefits from the YEI and we will be keen that this new proposal is fully maximised in that area.</p> <p data-bbox="544 1877 1453 2020">COSLA has been monitoring the development of the New Skills Agenda which is being rolled out gradually since June 2016 and is currently providing updates and seeking views of members in liaison with Education Scotland.</p> <p data-bbox="544 2069 1453 2134">Also included is a proposal for a <u>European Solidarity Corps for under 30s.</u> <a href="#">We will assess the subsidiarity implications of this proposal</a></p>

<ul style="list-style-type: none"> <li>Implementation of the Action Plan on Circular Economy</li> </ul>	<p>Three non-legislative actions will progress the Circular Economy: a strategy on plastics use, reuse and recycling, an initiative to address legal, technical or practical bottlenecks at the interface of chemical, product and waste legislation, in addition to a monitoring framework for the circular economy.</p> <p>The Commission has also proposed a Regulation on minimum quality requirements for reused water and a REFIT revision of the Drinking Water Directive.</p> <p>COSLA will continue working on the ongoing Waste Framework Directive review as to ensure that the targets , calculation criteria and reporting obligations are within the existing domestic waste policy</p>
<ul style="list-style-type: none"> <li>Waste Electrical and Electronic Equipment (WEEE)</li> </ul>	<p>Implementing act on a standard format and frequency of reporting 4<sup>th</sup> quarter 2017. Follow-up to a REFIT Platform Opinion.</p> <p>We will monitor this as to ensure there are no ancillary liabilities for Local Authorities.</p>
<ul style="list-style-type: none"> <li>Financial framework beyond 2020</li> <li>Mid Term EU Budget Review (ongoing)</li> <li>'Omnibus' Financial Regulation (ongoing)</li> </ul>	<p>A comprehensive proposal for the next Multi-Annual Financial Framework, including on own resources for post 2020.</p> <p>This proposal overlaps with the <b>Mid Term EU Budget Review</b> tabled on September 14<sup>th</sup> and will be discussed in parallel. COSLA will work to ensure maximum drawdown of existing allocations until 'Brexit', a smooth transition to post 'Brexit' domestic local economic development programmes both in terms of fulfilling HM Treasury commitments and formulation of new domestic policy frameworks.</p> <p>We are keen that this proposal is approved next year so that Councils can benefit from the simplifications measures under EU funds, including Simplified Cost Options and Joint Action Plans, inter alia.</p>
<p><b>A connected Digital Single Market</b></p>	
<ul style="list-style-type: none"> <li>Implementation of the Digital Single Market Strategy</li> </ul>	<p>Completing the implementation of the Digital Single Market remains priority including the delivery of 2016 Work Programme proposal for VAT for e-products and services.</p> <p>Already planned initiatives for digital contracts, copyright, geo-blocking, portability, parcel delivery audio-visual will continue to be taken</p> <p>COSLA is keen that the EU proposal for a minimum tolerable rate for broadband is approved</p> <p>COSLA is assessing the added value of the recently announced <b>WiFi4EU</b> programme.</p>

A resilient Energy Union with a forward-looking climate change policy	
<ul style="list-style-type: none"> <li>• Implementation of Climate Deal,</li>   <li>• HABITAT III and Sustainable Development goals</li>   <li>• Covenant of Mayors</li> </ul>	<p>The Work Programme vows to continue the work to transpose into legislative commitments the Paris <b>UN Climate Deal</b>. At the same time it speaks at length over the need to implement the UN Sustainable Development Goals.</p> <p>The <b>Sustainable Development Goal 11</b> has specific commitments for Local Authorities, both UK and Scottish Government have vowed to transpose. Equally the UN <b>HABITAT III</b> sustainable urban development deal has been agreed this October will require EU and domestic legislation. <i>We are keen that both EU and domestic processes to deliver SDGs/HIII are aligned and respect subsidiarity.</i></p> <p>The Covenant of Mayors has been reshaped to cover climate and energy. It has been merged with the “Bloomberg” Pact of Mayors. <i>As official Scottish supporting body we are considering the merits of this new framework</i></p>
<ul style="list-style-type: none"> <li>• Energy Union Strategy (ongoing)</li> </ul>	<p>A comprehensive package to deliver the Energy Union will be presented by the end of 2016 and will include legislation for energy efficiency (<b>EPBD</b>), renewables (<b>RES</b>), the electricity market and <b>Energy Union governance</b> rules. Security of gas supply, EU ETS and effort sharing regulations that include land use and forestry carry over from last year.</p> <p><i>COSLA has been working on the EPBD and RES, including compliance issues with the present directive. New EPBD expected to have higher targets but not include specific refurbishment target for the public sector which is welcome.</i></p> <p><i>We would welcome the simplified reporting expected to come by the Energy Governance proposal but we are concerned about the lack of previous engagement with local government.</i></p>
<ul style="list-style-type: none"> <li>• Low Emission Mobility</li> </ul>	<p>The Commission will be tabling a number of proposals to ensure interoperability of transport, road charging. It has also been working on Low Emissions guidance. <i>COSLA is keen that this is not used to introduce indirectly mandatory EU rules on urban mobility – as was clearly ruled out in 2014 on grounds of subsidiarity.</i></p> <p>As part of REFIT, <b>Clean Vehicles Procurement Directive</b> will be presented. It is likely to include stricter criteria including a new formula to calculate lifetime cost <i>COSLA will be keen that the current exceptions for certain vehicles that we pressed for during the previous legislative negotiations are maintained in the new Directive</i></p> <p><b>Transport Financing</b> the commission is expected to launch together with the EIB a number of credit lines to boost sustainable public transport including hydrogen and electric buses. <i>The Commission has invited COSLA to provide views and we are keen to support this</i></p>

	<p><b>Alternative Fuels Directive</b> – Member States are expected to send back national plans to the EC end November to roll out hydrogen charging points. This requires LA contribution but very few MS have actually engaged with LAs to scope this.</p>
<p><b>A Deeper and Fairer Internal Market with a Strengthened Industrial Base</b></p>	
<ul style="list-style-type: none"> <li>VAT Reform</li> </ul>	<p>COSLA welcomed the VAT Reform package as a move towards more flexible approach that respond to national and local circumstances. The Commission is proposing new measures to simplify burden to consumer's small business and reduce cross border VAT fraud. We are keen to resist any attempt to disguise the existing VAT recovery scheme for municipalities as a simplification measure.</p>
<ul style="list-style-type: none"> <li>General Block Exemption Regulation (GBER) 2015 - review</li> </ul>	<p>Expected 1<sup>st</sup> Quarter 2017. In spite of the recent review of GBER by the State Aid Modernisation package it remains an overly complex set of rules with too many overlaps with the Regional Aid Guidelines and other rules. A more consistent framework would be welcome.</p>
<p><b>A deeper and fairer Economic and Monetary Union</b></p>	
<ul style="list-style-type: none"> <li>European Pillar of Social Rights</li> <li>Working Time Directive</li> </ul>	<p>The outline for the Social Pillar proposal will be presented in the New Year as will the Work-Life Balance Package for Working Families. COSLA's SHRM Executive recently approved an initial response to the ongoing public consultation for the Social Pillar and we are working in partnership with our sister associations to prepare for the Work Life Balance including analysis of legislative provision. At this stage it has been indicated that both packages will contain a mix of legislative and non-legislative measures and COSLA will continue to monitor and report developments to members.</p> <p>New, but not entirely unexpected, is also possible legislative changes to access to social protection and a REFIT revision of the Written Statement Directive which obliges employers to inform employees of the conditions of a contract or employment relationship.</p> <p>Announced is also a non-legislative assessment of the <b>Working Time Directive</b> COSLA has done significant work in scoping the impact on LA workforce of the previous attempts to review this sensitive Directive. We are keen that this new exercise undertakes a proper territorial impact assessment (e.g. continuity of services in remote or small communities) and that it is done in a more transparent fashion as pruned by the REFIT process.</p>
<p><b>A reasonable and balanced Free trade agreement with the USA</b></p>	
<ul style="list-style-type: none"> <li>Implementation of the Trade for All Strategy</li> </ul>	<p>Free trade negotiations with US, Japan, Mercosur, Mexico, Tunisia and ASEAN will continue and new negotiations will be sought with Turkey, Australia, New Zealand and Chile.</p>

	<p>The Commission also proposes to amend the EU's antidumping legislation to modernise the EU's Trade Defence Instruments.</p> <p>The controversies over TTIP and CETA point towards a poor understanding by DG Trade of the implications (legal and political) in terms of subsidiarity and local service provision of their trade deals. Clearly COSLA will press for existing EU Trade negotiations ensure the prior involvement of regional and local representatives in the areas of their competence. COSLA has also formally communicated that same expectation to the UK Government as regards to the future EU-UK deal and for involvement in any trade negotiation that the UK might undertake post 'Brexit'.</p>
<b>An area of justice and fundamental rights based on mutual trust</b>	
<ul style="list-style-type: none"> <li>• Data Protection Package</li> </ul>	<p>The package will include an alignment of rules for the protection of personal data when processed by EU Institutions and a REFIT revision of the ePrivacy Directive. The Commission will also explore a new framework for adequacy decisions on exchange of personal data with third countries.</p> <p>COSLA remains concerned about the implementation provisions of the new Data Protection Regulation as regards to Local Authority new obligations, urges early discussion with HMG on this.</p>
<ul style="list-style-type: none"> <li>• Consumer Law</li> </ul>	<p>The Commission will undertake a series of legislative revisions under REFIT to improve consumer protection. This may have implications for Local Authorities trading standard services and we will liaise with Trading Standards Scotland on this.</p>
<b>Towards a new policy on migration</b>	
<ul style="list-style-type: none"> <li>• Implementation of the European Agenda on Migration</li> </ul>	<p>In 2017 work to progress the European Agenda on Migration will continue. Specifically, reform of the Dublin rules, transformation of the European Asylum Support Office into a new EU Agency for Asylum, reinforcement of the Eurodac finger database, a new resettlement framework and more to manage legal migration will take place. A new migration partnership framework with third countries will also be established. These developments will be of interest to COSLA's Strategic Migration Partnership.</p>
<b>A Union of democratic change</b>	
<ul style="list-style-type: none"> <li>• Inter-institutional agreement on a mandatory transparency register (ongoing)</li> </ul>	<p>COSLA strongly welcomes the recent proposal that explicitly excludes Local Authorities and their associations, like any other public authority, to be obliged to register in the so called lobby register. We played a no minor role in achieving that policy change. However this is still a proposal and we urge HMG to press for this proposal to remain intact as per LAs and their associations, avoiding it is a negotiation card.</p>

<ul style="list-style-type: none"> <li>• Inter-institutional agreement on better law-making (ongoing)</li> </ul>	<p>We broadly welcomed the agreement as it encouraged more partnership working between the EU institutions. Thus it is also welcome the Commission's intention to improve its application. COSLA thinks however that it remains weak on Territorial, Subsidiarity and local costs assessment and will continue to press from improvement on that front. Equally the membership and engagement of local government in the REFIT platform deserves to be reviewed</p>
<ul style="list-style-type: none"> <li>• A more strategic approach to enforcement of EU law</li> </ul>	<p>This includes the package of measures for better enforcement of single market rules and, in the environmental area, a REFIT proposal to simplify environmental reporting following the recent Fitness Check, and measures to facilitate access to justice and support environmental compliance assurance in Member States.</p> <p>We welcome measures that consolidate reporting obligations and reduce reporting burden. We remain however opposed on grounds of subsidiarity to providing the European Environmental Agency direct enforcement of EU environmental law.</p>
<ul style="list-style-type: none"> <li>• EU Reform</li> </ul>	<p>The "Brexit" negotiations will also provide an opportunity to tidy up the existing EU treaties and possibly to bring into the EU framework the so called Fiscal Treaties. Equally there might be scope to look at some improvements on subsidiarity reached by the February 2016 UK-EU reform deal , as well as expanding the "Green Card" trialled by a number of Parliaments led by the UK House of Lords. At the same time COSLA has been contributing to the discussions at the EP on treaty reform</p> <p>We expect that the "Brexit" negotiations will have consequential for the EU own governance and vice-versa, therefore in influencing the "Brexit"; negotiations we will also consider the EU reform agenda</p>

**Approved EU Legislation relevant for Councils entering into force this year:**

- Standardisation of Public Documents Regulation (EU) 2016/1191 –concerns birth and other local registry documents. 16 February 2017
- Revision of the Environmental impact Assessment Directive Directive 2014/52/EU – 16<sup>th</sup> May 2017

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