[One year on: EU-Canada trade agreement delivers positive results]

Early signs show that the agreement is already starting to deliver for EU exporters. Commissioner Malmström will visit Canada on 26 and 27 September to take stock of progress.

Whilst in Montreal, the Commissioner will meet with Minister of International Trade Diversification, James Gordon Carr. She will attend the first EU-Canada Joint Committee on 26 September, which is the highest body for the two partners to discuss issues of interest related to the agreement. She will also visit several European and Canadian companies, discuss with company representatives who are already making use of the agreement, and speak at the Université de Montréal on 27 September.

Commissioner for Trade Cecilia **Malmström** said: *"The EU-Canada trade agreement has now been in action for a year and I'm pleased with the progress made so far. The preliminary data shows there is plenty to celebrate, even at this stage. Exports are up overall and many sectors have seen impressive increases. This is great news for European businesses, big and small. As ever with these agreements, there are certain areas where we have to make sure that we thoroughly implement what has been agreed, making sure that citizens and companies can fully benefit from the new opportunities. This is something I intend to discuss with my Canadian counterparts at the Joint Committee next week. I'm happy to say that our partnership with Canada is stronger than ever – strategically as well as economically. Together, we are standing up for an open and rules-based international trading order. CETA is a clear demonstration of that."*

Early days but positive trends

In addition to removing virtually all customs duties, CETA has given a boost to the business climate between the EU and Canada, offering valuable legal certainty for EU companies looking to export. Although it is too early to draw any firm conclusions, the initial trade results are pointing in the right direction. Across the EU, the latest statistics available, covering the October 2017 to June 2018 period, suggest that exports are up by over 7% year on year.

Of these, certain sectors are doing especially well. Machinery and mechanical appliances, which make up one fifth of EU exports to Canada, are up by over 8%. Pharmaceuticals, which account for 10% of the EU exports to Canada and are up by 10%. Other important EU exports are also on the rise: furniture by 10%, perfumes/cosmetics by 11%, footwear by 8% and clothing by 11%.

In terms of agricultural products, there are also some encouraging figures: exports of fruit and nuts increased by 29%, chocolate by 34%, sparkling wine by 11% and whisky by 5%.

Companies that are already benefitting from CETA in different ways include, for example:

- The consortium of Italian San Daniele ham producers increased its sales to Canada by 35%. Exports of Italian agricultural products to Canada are up by 7.4% overall.
- Belgian chocolate company *Smet Chocolaterie* that has just opened their first shop in Ontario, Canada, to cope with extra demand for their products; thanks to scrapping of 15% import duties their sales increased by a fifth compared to year ago. European exports of chocolate to Canada are up 34% overall.
- Spanish company *Hiperbaric* making innovative machines for preserving food using high pressure. Thanks to CETA, it is easier for their workers to enter Canada temporarily to install and maintain their equipment.

Company examples from **Belgium**, **Estonia**, **Finland**, **France**, **Ireland**, **Italy**, **The Netherlands**, **Spain**, and **Sweden** are available here.

Background

CETA offers new opportunities for EU businesses of all sizes to export to Canada. The agreement eliminated tariffs on 98% of products that the EU trades with Canada. This amounts to approximately €590 million in saved duties per year once all the tariff reductions kick in. It also gives EU companies the best access ever offered to companies from outside Canada to bid on the country's public procurement contracts – not just at the federal level but at provincial and municipal levels, too.

CETA creates new opportunities for European farmers and food producers, while fully protecting the EU's sensitive sectors. The agreement now means that 143 EU high quality food and drink products (the "geographical indications") can now be sold under their own name in Canada and are protected from imitation.

The agreement also offers better conditions for services' suppliers, greater mobility for company employees, and a framework to enable the mutual recognition of professional qualifications, from architects to crane operators.

CETA has been provisionally in force since 21 September 2017 following its approval by EU Member States, expressed in the Council, and by the European Parliament. It will only enter into force fully and definitively, however, when all EU Member States have ratified the agreement.

The EU has 39 trade agreements with 69 countries in place. The latest agreement concluded by the EU is with Japan. The EU's trade agreements have been proven to spur European growth and jobs. One example is the EU-South Korea trade deal. Since it entered into force in 2011, EU exports to South Korea have increased by more than 55%, exports of certain agricultural products have risen by 70%, EU car sales in South Korea have tripled and the trade deficit turned into a surplus. 31 million jobs in Europe depend on exports. On average, each additional €1 billion of exports supports 14 000 jobs in the EU.

For more information

EU exporter stories

Factsheets

Town and cities exporting to Canada

Text of CETA

More resources on CETA

U.S. is now the EU’s main supplier of soya beans with a share of 52%

Presidents **Juncker** and Trump issued a EU-U.S. Joint Statement following a meeting in Washington on 25 July, in which the two sides agreed to increase trade in several areas and products, notably soya beans.

To monitor the evolution of trade in soya beans, President Juncker put in place a reporting mechanism according to which imports from the United States increased by 133% compared to the same period in the previous year (July-mid-September 2017).

Commissioner for Agriculture, Phil **Hogan**, said*: “I welcome the latest trade figures which show that we are delivering on the commitment made by Presidents Juncker and Trump to increase trade, particularly in relation to soya beans. This reflects both our longstanding trade relationship and the potential to achieve so much more by working together to build on that relationship.”*

The current figures show that imports of U.S. soya beans to the EU have been continuously increasing over the past weeks:

- Compared to the first 12 weeks of the 2017 marketing year (July to mid-September), EU imports of **soya beans** from the United States are **up by 133% at 1,473,749 tonnes.** At the time of the first reporting issued on 1 August 2018, and covering the first five weeks of the current marketing year, imports amounted to 360,000 tonnes, corresponding to a 280% year-on-year increase;
- In terms of the EU’s total imports of soya beans the **U.S. share is now at 52%,** compared to 25% in in the same period last year. This puts the U.S. ahead of Brazil (40%), the EU’s second main supplier, followed by Canada (2.3%), Paraguay (2.3%) and Uruguay (1.7%).

Background

The EU currently imports about 14 million tonnes of soya beans per year as a source of protein to feed our animals, including chicken, pigs and cattle, as well as for milk production. Soya beans from the US happen to be a very attractive feed option for European importers and users thanks to their competitive prices.

The data included in the report published today on soya beans, comes from the [Crops Market Observatory] which the European Commission launched in July 2017 to share market data and short-term analysis to ensure more transparency.

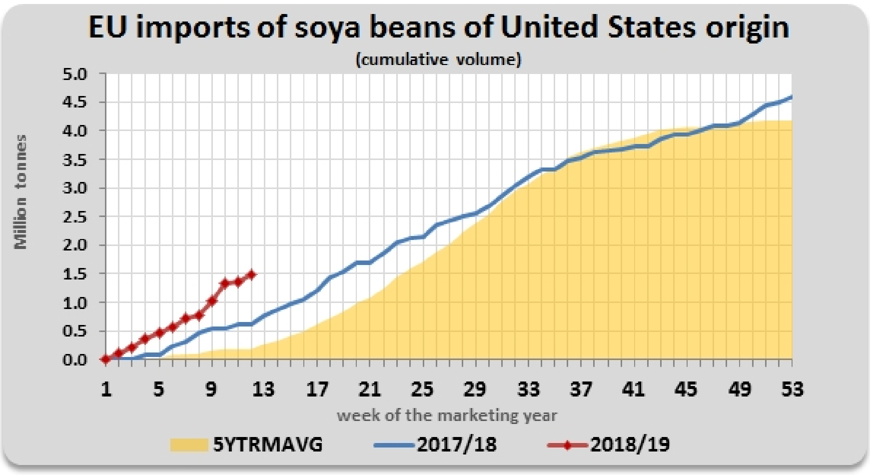
For more information

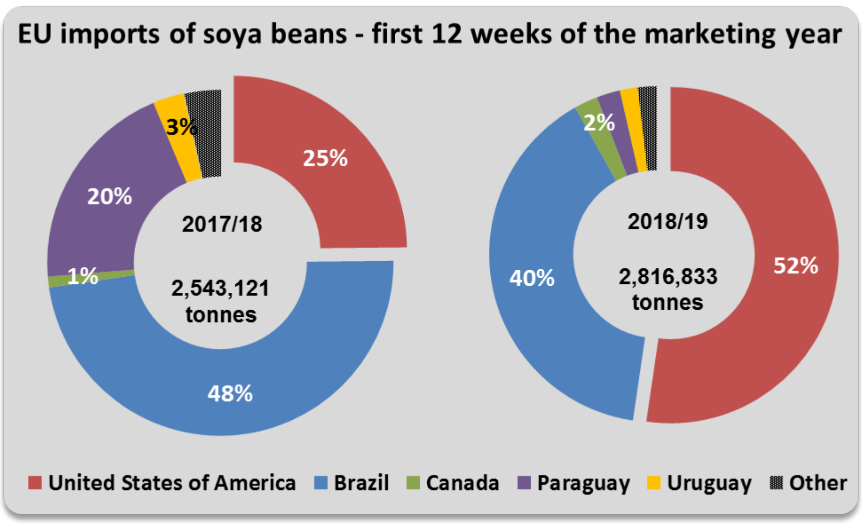
EU-US Joint Statement

EU-US soya bean trade report

The Crops Market Observatory

Annex





EU soya beans imports

volume in metric tonnes					
	MY 2018/19		MY / MY	MY 2017/18	
Origin	tonnes	share		tonnes	share
United States of America	**1 473 749**	**52.3%**	*+133.3%*	**631 762**	**24.8%**
Brazil	1 114 325	39.6%	*-8.4%*	1 217 000	47.9%
Canada	64 230	2.3%	*+150.2%*	25 668	1.0%
Paraguay	63 755	2.3%	*-87.5%*	508 165	20.0%
Uruguay	49 129	1.7%	*-33.4%*	73 733	2.9%
Other	51 645	1.8%	*-40.5%*	86 793	3.4%
Total	**2 816 833**		*+10.8%*	**2 543 121**	

Daily News 20 / 09 / 2018

One year on: EU-Canada trade agreement delivers positive results

Friday 21 September will mark the first anniversary of the provisional entry into force of the Comprehensive Economic and Trade Agreement (CETA) between the EU and Canada. Early signs show that the agreement is already starting to deliver for EU exporters. Commissioner for Trade Cecilia **Malmström** said: *"The EU-Canada trade agreement has now been in action for a year and I'm pleased with the progress made so far. The preliminary data shows there is plenty to celebrate, even at this stage. Exports are up overall and many sectors have seen impressive increases. Our partnership with Canada is stronger than ever – strategically as well as economically. Together, we are standing up for an open and rules-based international trading order. CETA is a clear demonstration of that."* The latest statistics available, covering the October 2017 to June 2018 period, suggest that exports are up by over 7% year on year. EU exports benefiting the most include machinery, mechanical appliances and footwear that are up by over 8%; pharmaceuticals and furniture that are up by 10%, as well as cosmetics and clothing that are up by 11%. In terms of agri-food products, exports of fruit and nuts increased by 29%, chocolate by 34%, sparkling wine by 11% and whisky by 5%.Commissioner **Malmström** will visit Canada on 26 and 27 September to take stock of progress. Examples of companies that are already benefitting from CETA in various ways are available [here](). For more information see the full [press release]() and a dedicated CETA website. *(For more information: Daniel Rosario – Tel.: +32 229 56185; Kinga Malinowska – Tel: +32 229 51383)*

U.S. is now the EU's main supplier of soya beans with a share of 52%

Today the European Commission has published the latest figures on EU imports of soya beans, showing that the U.S. has become Europe's main supplier of this commodity, reaching a 52% share compared to 25% in in the same period last year. Presidents **Juncker** and Trump issued a [EU-U.S. Joint Statement]() following a meeting in Washington on 25 July, in which the two sides agreed to increase trade in several areas and products, notably soya beans. To monitor the evolution of trade in soya beans, President Juncker put in place a reporting mechanism according to which imports from the United States increased by 133% compared to the same period in the previous year (July-mid-September 2017). Commissioner for Agriculture, Phil **Hogan,** said*: "I welcome the latest trade figures which show that we are delivering on the commitment made by Presidents Juncker and Trump to increase trade, particularly in relation to soya beans. This reflects both our longstanding trade relationship and the potential to achieve so much more by working together to build on that relationship."*The EU currently imports about 14 million tonnes of soya beans per year as a source of protein to feed our animals, including chicken, pigs and cattle, as well as for milk production. Soya beans from the US happen to be a very attractive feed option for European importers and users thanks to their competitive prices. A press release is available online. *(For more information: Daniel Rosario – Tel.: + 32 229 56185; Clémence Robin – Tel.: +32 229 52509)*

Commissioner Jourová met with tech companies to push for full compliance with EU consumer rules

Commissioner Jourová and national consumer authorities met with Airbnb and Facebook to take stock of the progress made on two ongoing consumer enforcement actions. Following the call from the European Commission and EU consumer authorities in July, Airbnb has now committed to making the necessary changes to their terms and conditions and improving the presentation of their prices. The company has until the end of 2018 to make these changes on all EU language versions of their website. Věra **Jourová**, European Commissioner for Justice, Consumers and Gender Equality, said: *"The online players have revolutionised the way we travel, find accommodation and experience our holidays. But they also need to fully comply with the rules and take responsibility when things go bad. But EU consumers enjoy rights both off-line and online. I welcome Airbnb's willingness to do the necessary changes to ensure full transparency and understanding of what consumers pay for. This action is part of a larger push for stronger protection of consumers online. That's why we proposed reinforced consumer rules under the 'New Deal for Consumers' a few months ago."* Regarding Facebook, there was very limited progress in the framework of the ongoing enforcement action. Facebook's new terms of services from April contain a misleading presentation of the main characteristics of Facebook's services. In particular, Facebook now tells consumers that their data and content is used only to improve their overall "experience" and does not mention that the company uses these data for commercial purposes. Commissioner **Jourová** said: *"My patience has reached its limit. While Facebook assured me to finally adapt any remaining misleading terms of services by December, this has been ongoing for too long. It is now time for action and no more promises. If the changes are not fully implemented by the end of the year, I call on consumer authorities to act swiftly and sanction the company."* A full press release on the Airbnb action is available online. Commissioner Jourová gave a press point on these topics this morning, which can be watched here. *(For more information Christian Wigand– Tel.: +32 229 62253; Sara Soumillion – Tel.: +32 229 67094)*

European Border and Coast Guard: Agreement reached on operational cooperation with Serbia

Today, Commissioner for Migration, Home Affairs and Citizenship Dimitris **Avramopoulos** and Nebojša Stefanović, Deputy Prime Minister and Minister of Interior of the Republic of Serbia, initialled a status agreement that will allow European Border and Coast Guard teams to be deployed in Serbia. The Agency will be able to assist Serbia in border management and carry out joint operations with Serbia, in particular in the event of a sudden change in migratory flows. Commissioner for Migration, Home Affairs and Citizenship Dimitris **Avramopoulos** said: *"Today is another milestone in our cooperation with Serbia on migration, border management and security. I want to thank the Serbian authorities for their efforts, willingness and commitment to reach this agreement. Step by step, we are better protecting the EU's external borders, and we are doing so also by cooperating more closely with partner countries in our direct neighbourhood and beyond. I look forward to finalising the agreement soon and hope to also swiftly conclude the ongoing negotiations with other Western Balkan partners."* Last week, following President **Juncker**'s State of the Union Address 2018, the Commission proposed to further reinforce the European Border and Coast Guard, giving it the right level of ambition and allowing the joint operations and deployments to take place in countries beyond the EU's immediate neighbourhood. Today's status agreement with Serbia is the third agreement initialled with partner countries from the Western Balkan region, following Albania in February and the former Yugoslav Republic of Macedonia in July.A full press release is available online and the initialling of the status agreement can be followed on EBS. *(For more information: Natasha Bertaud – Tel.: +32 229 67456 ; Katarzyna Kolanko – Tel.: +32 299 63444; Markus Lammert – Tel.: +32 229 58602)*

E-commerce: Commission publishes new guidance for ending unjustified geo-blocking and making cross-border parcel delivery more affordable

Today, the Commission issued updated guidance for ending unjustified geo-blocking to help Member States and businesses active in the area of e-commerce to adapt to the new rules which start applying across the EU as of 3 December 2018. The rules against unjustified geo-blocking complement a number of other measures put forward by the Commission in 2016 to boost e-commerce in Europe (see factsheet). With these measures, the Commission wants to allow consumers and companies, to buy and sell products and services online more easily and confidently across the EU. Vice-President **Ansip** in charge of the Digital Single Market said: "*Our initiatives will make it easier for people to shop online and for companies to reach new markets. To make the new rules work properly, all parties involved need to be fully informed and committed to applying them in their daily work. This guidance is part of the Commission's broader efforts to boost e-commerce, through its proposals to simplify VAT rules, facilitate cross-border parcel delivery and payments, and strengthen consumer protection*"*.* The new questions and answers on geo-blocking will help Member States to ensure a smooth start, by providing practical assistance to consumers, responsible authorities and traders. Today the Commission also delivers on its efforts to make parcel delivery across the EU more affordable. A new [Regulation on cross-border parcel delivery services](#) entered into force earlier this year (see [press release](#) and the [MEMO](#))and the Commission now helps to ensure the proper roll-out of these new rules in the Member States. An implementing act adopted today specifies the information that parcel delivery service providers will have to hand in to national regulators. This will lead to increased transparency and improved regulatory oversight on the EU parcel market. Both documents are issued ahead of the meeting of European competitiveness ministers on 27 September, as they will also discuss the state of play of the [Digital Single Market e-commerce initiatives](#).*(For more information: Nathalie Vandystadt – Tel.: +32 229 67083; Lucía Caudet Tel.: +32 229 56182)*

Increased prevention efforts needed to curb the growing risk of future wildfires

Today, the European Commission published its [annual report on Forest Fires in Europe, the Middle East and North Africa for 2017](#).It shows the need to tackle climate change "to leave a healthier planet for those that follow", as President Jean-Claude **Juncker** highlighted in his latest [State of the Union Address](#) and calls for stronger measures to prevent wildfires.Alone in Europe,last yearwildfires destroyed over 1.2 million hectares of forests and land – more than the total surface area of Cyprus. Karmenu **Vella**, Commissioner for Environment, said: "*Extreme weather conditions exacerbate wildfires and make firefighting more difficult. We need to invest much more in forest management to ensure best practice throughout the EU. As the summer of 2018 has shown us again, much work is needed on prevention and Europe must remain at the forefront in the fight against climate change.*" Tibor **Navracsics**, Commissioner for Education, Culture, Youth and Sport, responsible for the Joint Research Centre (JRC), said: "*JRC scientists are continuously monitoring wildfires in Europe through the European Forest Fire Information System. This helps us better understand the changes and provides a basis for national authorities to improve both prevention and firefighting preparedness.*" The report drawn up by the JRC based on [data provided by the EU](#), EU Member States and neighbouring countries gives a detailed analysis of the wildfires in 2017, including country-specific reports. A press release is available [online](#). *(For more information: Nathalie Vandystadt – Tel.: [+32 229 67083](#); Enrico Brivio – Tel.: +32 229 56172)*

State aid: Commission finds Italy granted incompatible aid to Naples port authority but no aid involved in delayed collection of concession fees by port authority

The European Commission has assessed under EU State aid rules several measures concerning the Port of Naples, and has today adopted two separate State aid decisions in this regard. First, the Commission has found that Italy's grants of €44 million to the Naples port authority to refurbish dry-docks rented out to Cantieri del Mediterraneo (CAMED) were in breach of EU State aid rules, as they gave both the Port Authority of Naples and CAMED an unfair economic advantage over their competitors. The Commission also examined whether the aid could be found compatible with State aid rules, which allow Member States to support certain economic activities under specific conditions, but found that the measures failed to meet the relevant criteria. Second, the Commission investigated certain delays in the collection of concession fees by the Naples port authority from certain concessionaires (e.g. ship repairers, terminal operators and transport companies) but found that these delays did not constitute State aid. A full press release is available in EN, DE, FR and IT *(For more information: Lucia Caudet Tel – +32 2 295 61 82); Giulia Astuti – Tel: +32 229 55344)*

Concentrations : la Commission renvoie l'examen de l'acquisition de Bernard Participations par PGA Motors et Fiber à l'autorité française de la concurrence

La Commission européenne a décidé, en vertu du règlement européen sur les concentrations, d'accepter le renvoi à l'autorité française de la concurrence de la totalité de l'examen du projet d'acquisition de la société Bernard Participations SAS par les sociétés PGA Motors SAS (filiale du groupe Emil Frey) et Fiber SC, toutes trois basées en France. Bernard Participations et PGA Motors sont principalement actives dans la distribution au détail de véhicules automobiles neufs et d'occasion et de pièces détachées, ainsi que dans la fourniture des services de réparation et d'entretien connexes. À titre accessoire, elles sont également actives dans la location de véhicules et la distribution de produits d'assurance. Fiber est une société holding familiale détenant une participation de contrôle dans Bernard Participations. La Commission a conclu que la concentration envisagée était susceptible de soulever des problèmes de concurrence sur des marchés distincts situés exclusivement en France, et que l'autorité française de la concurrence était la mieux placée pour examiner l'opération. De plus amples informations sont disponibles sur le site internet concurrence de la Commission, dans le registre public des affaires sous le numéro d'affaire M.8966. *(Pour plus d'informations: Lucía Caudet – Tel. +32 229 56182; Maria Tsoni – Tel.: +32 229 90526)*

ANNOUNCEMENTS

Federica Mogherini travels to Montreal to co-host women Foreign Ministers meeting with Canada's Chrystia Freeland

On 21-22 September, High Representative/Vice-President Federica **Mogherini** will co-host, with Foreign Minister Chrystia Freeland, a global meeting of women Foreign Ministers. The discussions between the women Foreign Ministers, taking place in Montreal, will focus on strengthening democracy and advancing global peace, security and prosperity – which include ensuring women's rights, from equal participation to freedom from violence. The Foreign Ministers will also exchange with experts and civil society organisations.The European Union and Canada share a strong commitment to promoting gender equality and women's rights, and more broadly to the values of democracy, equality and multilateral cooperation to advance global peace, security and prosperity.This initiative by High Representative **Mogherini** and Minister Freeland seeks to complement ongoing and multilateral efforts to advance these shared values, bringing together women Foreign Ministers from around the world to reflect on and identify areas where cooperation could bring

about change. Audio-visual coverage of the event will be provided by EbS.
(For more information: Maja Kocijancic – Tel.: +32 229 86570; Adam Kaznowski – Tel: +32 229 89359)

Vice President Katainen in Paris to co-chair the Global Forum on Steel Excess Capacity

European Commission Vice-President Jyrki **Katainen**, responsible for Jobs, Growth, Investment and Competitiveness, will be in Paris, France, today to co-chair the Ministerial Meeting of the Global Forum on Steel Excess Capacity. The meeting aims to confirm and implement recommendations of the previous Ministerial Meeting having taken place in Berlin in November 2017. The problem of steel overcapacity continues to have the highest political and economic significance. It drives prices down to unsustainable levels, and has had a real impact on the steel industry and people who work in it. It has also strained global trade relations. While recognising the large efforts to reduce overcapacity, in particular in China, the EU wants to see more and accelerated efforts to reduce excess capacity wherever necessary, and subsidies which cause overcapacity to be eliminated within a clear timeline. The Global Forum on Steel Excess Capacity was established in December 2016 following a G20 recommendation, to develop principles guiding governments towards concrete policy solutions to reduce steel excess capacity. The Forum brings together 33 member economies representing more than 90% of global steel production and capacity. The OECD acts as the facilitator to the Global Forum, its Steering Group and the Chairmanship, currently held by Argentina. *(For more information: Daniel Rosario – Tel.: +32 229 56185; Kinga Malinowska – Tel: +32 229 51383)*

Commissioner Stylianides in Greece

Today Commissioner for Humanitarian Aid and Crisis Management Christos **Stylianides** attends the 20th Insurance& Reinsurance Meeting organised by the Union of Insurance Companies of Greece. Commissioner **Stylianides** willdeliver a keynote speech on the Commission'srescEU proposal which aims to strengthen European capacities to deal with disasters, such as floods, forest fires, earthquakes and epidemics. *(For more information: Carlos Martin Ruiz de Gordejuela – Tel.: +32 229 65322; Daniel Puglisi – Tel.: +32 229 69140)*

Commissioner Jourová on official visit to Cyprus

Commissioner Jourová will be in Nicosia tomorrow, where she will meet M. Nicolaou, the Minister of Justice and M. Petrides, the Minister of Interior, with whom she will discuss the Cypriot citizenship programme and the implementation of EU anti-money laundering rules. They will exchange views on the reform of the justice system- a topic she will also discuss with the President of the Supreme Court, M. Nicolatos. In the afternoon, she will further discuss anti-money laundering topics with the Cyprus Financial Intelligence Unit and Central Bank. She will then participate in a roundtable on equality, including gender and LGBTI, with representatives from businesses, the government and NGOs. Finally, she will host a Citizens' Dialogue on the Future of Europe regarding to justice, consumers and gender equality at the University of Cyprus, which will be live from 15:30-17:00 CET. A joint press point is planned with the Minister of Justice at 12:15. *(For more information Christian Wigand– Tel.: +32 229 62253; Melanie Voin – Tel.: +32 229 58659)*

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

EESC to advocate for an ambitious EU budget of at least 1.3% of EU GNI

Commissioner Oettinger joined EESC plenary to discuss the Multiannual Financial Framework for 2021-2027

The negotiations for the next Multiannual Financial Framework (MFF) and the European elections come as the European Union finds itself at a crossroads. From growing Euroscepticism to challenges of migration, it faces a wide range of pressing political and socio-economic challenges; some of them are even calling the EU itself into question.

During a plenary **debate with Günther Oettinger** (European Commissioner for Budget and Human Resources) at this crucial juncture, the EESC stressed the need for the future budget to address these challenges, and called for an ambitious commitment from the Member States of **at least 1.3% of Gross National Income (GNI)** for the future financial framework. An agreement on a robust budget for 2021-2027 before the European elections in May 2019 would send an important political message and **ensure that important spending programmes can start without delay**.

At the outset of the debate, EESC President **Luca Jahier** acknowledged the different constraints which the European Commission had to take into account when drawing up the budget proposal. Nevertheless, he felt that it lacked ambition. "We need a very strong budget if we are to send a message of hope, aspiration and optimism with regard to Europe and Europeans' future before the 2019 elections," he said. An ambitious budget was needed, now more than ever.

Javier Doz Orrit, rapporteur of the EESC opinion on the subject, said: "We support the structure and the priorities of the Commission's proposal as well as the measures for simplification, flexibility and synergies, but cuts are not the way forward. A further decrease in the volume of resources, given the state of the EU economy, is not acceptable." The EESC would advocate, in line with the European Parliament, a budget of at least 1.3% of GNI. This volume would better provide the EU with the tools to tackle current and future challenges and to take the range of various societies' needs on board.

In his speech about the structure and aims of the Commission's proposal, **Günther Oettinger** defended the planned budget decrease from 1.16% to 1.11% of GNI. The backdrop of the upcoming departure of the United Kingdom, the second largest net contributor to the EU, with a resulting shortfall in income of about EUR 84 billion for the next period, together with the unwillingness of some Member States to contribute more, would form the basis for this decision. The Commission's proposal needed to be ambitious but realistic in order to ultimately achieve unanimous agreement. The Commissioner was convinced that a budget of "more than 1.14% of GNI will not be achievable."

Speakers from the three groups, representing employers, workers and various interests in Europe, could by no means accept a severe budget cut for **cohesion policy or the Common Agricultural Policy (CAP)**, in view of the challenges. Nevertheless, they recognised the need to reform these policies. The need for funding for rural development and closing disparities between Member States was underlined.

The EESC rapporteur, **Mr Doz Orrit**, pointed to the social consequences of the crisis and the existing differences between Member States. **Both policies would need to at least maintain their current budget envelope**. On top of that, a specific programme to assist Member States in implementing the **European Pillar of Social Rights** should be established.

"If you cannot avoid cuts, then you also cannot avoid cuts in the two major programmes," responded **Commissioner Oettinger** referring to cuts for cohesion policy and the CAP. He regretted the budget cuts but considered them appropriate. Economic and social cohesion, solidarity between stronger and weaker regions, and sustainability would remain priorities for the Commission. This was also reflected in less important cuts for the ESF+. He emphasised that the cuts would be a logical consequence of Brexit and the necessary introduction of new political priorities, like border protection, migration, development aid and defence. Structural savings and higher contributions by Member States would each make up 50% of the shortfall caused by Brexit.

In its opinion, the EESC supports the introduction of **new own resources** for the budget to raise revenue. It believes that the Commission's proposals in this regard do not go far enough and calls, in line with the proposals of the High-Level Group on Own Resources chaired by Mario Monti, for the introduction of a corporate tax based on the Common Consolidated Corporate Tax Base (CCCTB) and of taxes on financial transactions and carbon emissions. It draws attention to the complexity of making these resources operational on time.

In the debate following the Commissioner's speech, speakers from the Committee's three groups recognised the general consensus with the Commission regarding the aim of ensuring that the EU has sufficient financial resources. The Commissioner's willingness to take ideas for further simplification and flexibility on board, as well as the Commission's aim to increase **spending on policies with high European added value** (research and innovation, Trans-

European Networks, Erasmus), were welcomed.

For some programmes, the **allocation of resources was criticised**. Members wanted a higher budget for the ESF+ and even more flexibility for cohesion funding. The need for adequate resources to fulfil international climate agreements and to tackle the challenges of digitalisation was highlighted. Therefore, the funding for the Globalisation Fund should be further expanded. It was also mentioned that interconnecting programmes could make funding more efficient.

Speakers welcomed the Commissioner’s final encouragement to advocate for a **timely agreement** of a more ambitious budget. Together with the European Parliament and the Committee of the Regions, they want to advocate for a more ambitious budget whilst supporting the positive aspects of the Commission’s proposal. Communication with the Member States would be crucial so as to enhance not only the European project itself but also the required ambitious budget.

After the debate with the Commissioner, the EESC plenary session adopted its opinion on the subject almost unanimously. **During forthcoming plenary sessions, several other opinions on the Commission‘s sectorial proposals for spending programmes in the 2021-2027 MFF will be debated and voted on.**

Read the statement on the European Commission’s MFF proposal for 2021-2027 by EESC President Luca Jahier and watch the video statement by EESC rapporteur Javier Doz Orrit.

Interview with Fausto Parente, Executive Director of EIOPA on personal pensions conducted by Lukas Blekaitis, the Lithuanian news agency ELTA

Interview with Fausto Parente, Executive Director of EIOPA on personal pensions conducted by Lukas Blekaitis, the Lithuanian news agency ELTA

20/09/2018 12:00

Interview with Fausto Parente, Executive Director of EIOPA on personal pensions conducted by Lukas Blekaitis, the Lithuanian news agency ELTA