Vice-President Dombrovskis' remarks at the press conference on Investing in People, Social Cohesion & Damp; Values

Dear colleagues,

Good afternoon,

From the first day, this Commission has promised to propose a budget which 'protects, empowers and defends'. Today, we want to highlight some of the programmes that make that promise concrete.

As you know, the context of next Multiannual Financial Framework negotiations this time around is probably more difficult than ever before — if such a thing is even possible. With the UK leaving the EU, the income side had to be revisited, including through new own resources. With plenty of new challenges that need to be addressed, we also had to prioritise expenses.

The package we put forward today reflects the widely shared ambitions for a social and fair Europe, as highlighted at the Gothenburg social summit of November 2017. Concretely, it allows us to more effectively support progress on the European Pillar of Social Rights, which guides our policies in this field.

The priority is to invest in people, assure them Europe is on their side. If we get the new funding to match social needs more closely, the EU can make a real difference in empowering people to meet today's challenges and prepare them for tomorrow.

That is the logic behind all of the proposals we present today.

We propose an integrated European Social Fund Plus to boost cohesion, to improve the employability and the skills of our labour force, and also to focus on those who need it most. We want to tighten the link with the European Semester, in order to support the pace of structural reforms in Member States, in full complementarity with the Reform Support Programme.

Besides, the new European Globalisation Adjustment Fund is our way of reacting to profound changes brought about by shifts and shocks in the global economy.

Commissioner Thyssen will explain more in detail what the changes imply for the ESF+ and the EGF.

We also propose a revamped Erasmus programme, our "classic". With doubled funding, this programme will be even more effective to enable millions of young Europeans to study, train or learn abroad while broadening their experience and awareness of Europe, and increasing their future chances on the job market.

Investing in people also means focusing on culture, which also helps to address societal and economic challenges. The EU budget should therefore also promote common values and a sense of belonging to the EU.

The goal of the new Creative Europe programme is to strengthen and protect European cultural and linguistic diversity, cultural heritage and creativity, as well as the competitiveness of Europe's cultural and creative sectors.

Commissioners Navracsics and Gabriel will elaborate on the proposals for Erasmus+ and Creative Europe in a moment.

Let me finish with a few words on the new Justice, Rights and Values Fund. Open, democratic and inclusive societies are at the heart of Europe's identity.

With this fund we propose to invest €947 million over 7 years, while simplifying the existing programmes in this field. The Fund consists of two programmes: the Rights and Values programme (€642 million) and the Justice programme (€305 million).

The idea behind the latter is to further support the development of a European Area of Justice based on the rule of law and mutual trust. It will support, for instance, judicial training or mutual learning programmes, and the use of Information and Communication Technologies in our justice systems.

The Rights and Values programme is focussed on protecting and promoting rights and values as enshrined in the EU Treaties. This includes supporting civil society organisations and NGO's.

At a time where we are confronted with extremism, radicalism and societal divisions, it is even more important to stand up for our common EU values, and to ensure people can truly enjoy their rights in our Union.

With that, I now pass the floor to Marianne.

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Mergers: Commission confirms approval of acquisition of Dutch cable TV operator Ziggo by Liberty Global, subject to conditions

Before the transaction, Ziggo and Liberty Global were separate cable TV operators providing mainly fixed telecommunications services, with non-overlapping activities in the Netherlands. In particular, they operated in different parts of the Netherlands and did not compete for the same customers. The merger between both companies was notified to the Commission in March 2014 and approved in October 2014, subject to conditions. This approval was then annulled by the General Court in October 2017 for procedural reasons.

Following a new investigation, the European Commission has confirmed its approval of the acquisition of Dutch cable TV operator Ziggo by Liberty Global, subject to conditions.

The Commission's competition concerns

In 2014 the Commission had concerns that the merger, as initially notified, would have hindered competition by removing two close competitors and important competitive forces in the Dutch market for the wholesale of premium Pay TV film channels. In order to maintain effective competition for the

wholesale of premium Pay TV film channels in the Netherlands, Liberty Global committed to divest its Film1 channel to a third party purchaser. The channel was divested to Sony.

In its new assessment, the Commission confirmed its concerns that the merger, as initially notified, would have increased Liberty Global's negotiating power $vis-\grave{a}-vis$ TV channel broadcasters, hindering innovation in the delivery of audio visual content over the internet (the so-called over-the-top or "OTT" services). The renewed approval is therefore again conditional upon the implementation of a commitments package.

The proposed remedies

To address the Commission's competition concerns, Liberty Global offered commitments similar to those offered in 2014, in particular:

- to terminate clauses in channel carriage agreements that limit broadcasters' ability to offer their channels and content over the internet, and
- not to include such clauses in future channel carriage agreements for eight years from today's decision;
- to maintain adequate interconnection capacity through at least three uncongested routes into its Internet network in the Netherlands, helping to ensure sufficient capacity for competing OTT services, also for eight years from today's decision;
- not to re-acquire the Film1 channel, to ensure that this divestment is a structural change to the market.

The Commission concluded that the proposed transaction, as modified by the commitments, would no longer raise competition concerns. The decision is conditional upon full compliance with the commitments.

The re-assessment of the transaction

Today's Commission decision follows a re-assessment of the merger, which was initially notified on 14 March 2014 and approved by the Commission on 10 October 2014, subject to certain conditions.

On 26 October 2017, the General Court annulled the Commission's decision, on the ground that the Commission did not fully state the reasons of its conclusion that the merger would not lead to vertical anti-competitive effects on the potential market for premium pay TV sports channels. The reassessment confirmed that there are no concerns on this possible market and this is fully motivated in today's decision.

In order to comply with the judgment and in line with Article 10(5) of the <u>EU Merger Regulation</u>, the Commission has undertaken a re-assessment of the entire transaction, including all affected markets, under current market conditions.

Companies and products

Liberty Global, based in the UK, owns and operates cable networks and some

mobile networks worldwide. It offers television, broadband internet, mobile and telephony services as well as mobile services. Today, Liberty Global is active in the Netherlands via its joint venture with Vodafone — VodafoneZiggo.

Ziggo, based in the Netherlands, owned and operated a cable network at the time of the approval of the decision in 2014. The network covers more than half of the Netherlands, including the third and fourth biggest cities, Den Haag and Utrecht. Ziggo provided digital and analogue cable video, broadband internet, mobile telephony and digital telephony (VoIP) services. In 2016, Ziggo became part of the newly formed joint venture VodafoneZiggo.

Merger control rules and procedures

In line with EU merger rules, the Commission received a supplementary notification of the merger on 4 April 2018.

The Commission has the duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds (see Article 1 of the Merger Regulation) and to prevent concentrations that would significantly impede effective competition in the EEA or any substantial part of it.

The vast majority of notified mergers do not pose competition problems and are cleared after a routine review. From the moment a transaction is notified, the Commission generally has a total of 25 working days to decide whether to grant approval (Phase I) or to start an in-depth investigation (Phase II).

More information will be available on the Commission's <u>competition</u> website, in the <u>public case register</u> under the case number <u>M.7000</u>.

Daily News 30 / 05 / 2018

EU budget: Investing in people with a new Social Fund, Erasmus, Creative Europe, Globalisation Adjustment Fund and Justice, Rights and Values Fund

Investing in people and strengthening the social dimension of the European Union has been a core priority of the Juncker Commission. The next long-term EU budget clearly reflects this commitment, as the Commission proposes to reinforce, pool and better target several existing Funds that already now put people at the centre. More specifically, the Commission proposes to establish a renewed <u>European Social Fund</u>, the 'European Social Fund Plus' (ESF+), and a strengthened and more effective <u>European Globalisation Adjustment Fund (EGF)</u>. Both are geared to invest in people: ensuring they are equipped with the right skills needed to deal with challenges and changes on the labour market, following up on the <u>European Pillar of Social Rights</u>. For the period 2021-2027, the European Social Fund Plus would be worth €101.2 billion, and

the Globalisation Adjustment Fund €1.6 billion. The Justice, Rights and Values Fund will be worth €947 million over 7 years and will further support the development of a European Area of Justice based on the rule of law and mutual trust and ensure people can enjoy their rights. More information on the European Social Fund Plus will be available in this press release and memo as well as this <u>factsheet</u>. Further details on the Justice, Rights and Values Fund will be published here. The Commission also proposes to double the funding for <u>Erasmus</u> to €30 billion for 2021-2027 and increase the budget for <u>Creative Europe</u> to €1.85 billion. The Erasmus programme already enables millions of young Europeans to study, train or learn abroad while broadening their experience and awareness of Europe, and increasing their future chances on the job market. With doubled funding, Erasmus will be even more effective in supporting key political objectives such as building a European Education Area by 2025, empowering young people and promoting a European identity through youth, education and culture policies. It will also be more inclusive reaching out to people from all backgrounds. Beneficiaries will include school pupils, higher education students, trainees, teachers, trainers, youth workers, sports coaches, and also learners in vocational education and training and adult learning staff. The main goal of the Creative Europe programme is to promote, strengthen and protect European cultural and linguistic diversity, cultural heritage and creativity, as well as the competitiveness of Europe's cultural and creative sectors. Culture plays a pivotal role in addressing key societal and economic challenges, especially in promoting active citizenship, common values, wellbeing, innovation, economic growth and job creation. A press release and a factsheet on Erasmus as well as a press release and a factsheet on Creative Europe will be available online. At 13:00 today, Vice-President Dombrovskis and Commissioners Thyssen, Navracsics and Gabriel will give a press conference on all the aforementioned Funds. (For more information: Christian Wigand- Tel.: +32 229 62253, Nathalie Vandystadt — Tel.: +32 229 67083, Sara Soumillion — Tel.: + 32 229 67094, Joseph Waldstein - Tel.: +32 229 56184)

EU budget: €181 million to strengthen the fight against fraud affecting the EU budget

For the next long-term EU budget 2021-2027, the Commission proposes to make €181 million available to support Member States' efforts to fight fraud, corruption and other irregularities affecting the EU budget. The new EU Anti-Fraud Programme will finance targeted training and the exchange of information and best practice between anti-fraud enforcers across Europe. It will also provide support for investigative activities through the purchase of technical equipment used in detecting and investigating fraud, as well as facilitate access to secure information systems. "The new EU Anti-Fraud Programme will make a tangible contribution to boosting the fight against fraud and corruption to the detriment of the EU budget. Reinforcing cooperation between Member States enforcers and providing them with state of the art investigative tools can make all the difference in identifying fraudsters, stopping smugglers, or preventing corruption in procurement procedures" said Günther H. Oettinger, European Commissioner for Budget and Human Resources. A press release in all languages is available online. (For more information: Alexander Winterstein - Tel.: +32 229 93265; Maria Tsoni -

Protecting and supporting migrants and refugees: new actions worth €467 million under the EU Trust Fund for Africa

The European Union adopts today new programmes and projects worth a total of €467 million under the <u>EU Trust Fund for Africa</u>, in line with its continuous commitment to assist vulnerable migrants and refugees and address root causes of irregular migration. The new support measures in the Sahel/Lake Chad region and the Horn of Africa will foster stability, jobs and growth, especially for young people and vulnerable groups. They complement ongoing bilateral and multilateral efforts, such as through the Joint African Union -European Union — United Nations Task Force and will allow for live-saving assistance to be taken forward, including accelerating resettlements of refugees from Niger as a priority. High Representative/Vice-President Federica Mogherini said: "We continue working to save lives, provide safe and dignified returns and legal avenues, and tackle the root causes of migration, by creating jobs and growth. With the UNHCR, we have evacuated 1,287 refugees from Libya to Niger, who need to be resettled swiftly now. With the IOM, we helped 22,000 people to return home and provide reintegration assistance. Today's additional commitments will further consolidate our work towards managing human mobility — in a humane, secure and dignified way together with our partners." Commissioner for International Cooperation and Development, Neven Mimica, said: "The majority of today's €467 million assistance package will be dedicated towards improving employment opportunities, especially for young people. But challenges remain, and the Trust Fund's resources are running out. If we want to continue our live-saving assistance, additional contributions by EU member states' and other donors will be crucial." The full press release, the MEMOs on the Horn of Africa and on the Sahel windows are available online. (for more information: Carlos Martin Ruiz De Gordejuela- Tel.: +32229 65322; Maja Kocijancic — Tel.: +32 229 86570; Christina Wunder - Tel.: +32 229 92256; Esther Osorio - Tel.: +32 229 62076)

European Union increases efficiency and rapidity of civilian Common Security and Defence Policy missions

As of today, the European Union's civilian missions under Common Security and Defence Policy (CSDP) will be able to carry out their work with greater efficiency and rapidity, thanks to a new logistical platform (the CSDP Warehouse) that will ensure the rapid deployment of key equipment and assets for EU crisis management missions to any area of operation within 30 days. The Warehouse will substantially improve the logistic support to EU crisis management and allow the EU's 10 civilian CSDP missions and 8 EU Special Representatives to benefit from support services, and quickly resort to new and used equipment and assets, such as vehicles, IT and communication equipment, protective and medical equipment. It will provide technical maintenance and repair facilities and maintain a strategic stock of assets. An electronic System will be developed and made available to the civilian CSDP missions to ensure a centralised asset management and the standardisation of logistics processes. Located in Kristinehamn, Sweden, the

Warehouse will be operated by the Swedish <u>Civil Contingencies Agency MSB</u>, in agreement with the European Commission's Service for Foreign Policy Instruments and the European External Action Service, on the basis of the agreement signed today. It will have a budget of approximately €50 million over a period of three years. Strengthening the EU's civilian Common Security and Defence Policy is an essential element of the EU's joined-up approach, and one of the priorities of the <u>Implementation Plan on Security and Defence</u> presented High Representative/Vice-President Mogherini in November 2016. Today's decision is in line with the call by the <u>Council</u> this Monday, 28 May, to further increase the responsiveness of civilian CSDP mission, encouraging stronger synergies in logistical support among them. Background information and pictures of the signing ceremony will be made available <u>here</u> shortly. (for more information: Maja Kocijančič – Tel.: +32 229 86570; Esther Osorio – Tel.: +32 229 62076)

Common Fisheries Policy: Commission proposes new rules to step up enforcement

The Commission is proposing improvements to modernise and simplify the way in which fishing rules are monitored and complied within the EU. An effective control system is key to ensuring that the EU's fisheries are sustainably managed, which in turn guarantees the long-term viability of the EU fishing sector and protects the livelihoods of our fishermen. The proposal includes measures to improve the enforcement of the Common Fisheries Policy, for example with a common list of criteria for what qualifies as serious infringements; a more reliable and complete fisheries data system, including fully digitised reporting of catches; reinforced rules on fishing gear and revising the mandate of the European Fisheries Control Agency to upgrade its inspection powers. Commissioner Karmenu Vella, responsible for the Environment, Fisheries and Maritime Affairs, said: "The EU's Common Fisheries Policy has already gone a long way towards making sure our seas are healthy, while building a strong fishing industry and thriving coastal communities. At the same time, we need to keep up the work and make sure the commonly agreed rules are enforced across the EU. This is why we are proposing improvements to modernise the existing control system to make it more efficient and ensure that all operators in the fishing industry in the EU are treated equally." A press release is available. (For more information: Enrico Brivio - Tel.: + 32 229 56172; Iris Petsa - Tel.: +32 229 93321)

Juncker Plan supports flood defence project in the Netherlands

The European Investment Bank (EIB) is providing €330 million in financing to modernise the "Afsluitdijk" dam, which runs between the provinces of Noord-Holland and Friesland in the Netherlands. This major overhaul of crucial flood defence works will keep the Netherlands safe, while special pumps will re-establish fish migration between the lake and sea. The EIB financing is guaranteed under the European Fund for Strategic Investments (EFSI), the central pillar of the Juncker Commission's Investment Plan for Europe. Karmenu Vella, European Commissioner for Environment, Maritime Affairs and Fisheries, said: "The coming decades are likely to see a higher flood risk in Europe and potentially greater economic losses. I am happy to see that the EFSI loan guarantee will provide crucial flood defence for the Netherlands, but also make an important contribution to nature protection with the

creation of passages enabling the re-establishment of fish migration, vital for the ecosystem." (Full press release is found here. For more information: Christian Spahr — Tel.: +32 229 50055; Siobhán Millbright — Tel.: +32 229 57361)

Mergers: Commission clears acquisition of Validus Holdings by American International Group

The European Commission has approved, under the EU Merger Regulation, the acquisition of sole control over Validus Holdings Limited ("Validus") of Bermuda by American International Group Inc ("AIG") of the US. Validus is globally active in insurance, reinsurance, specialty lines insurance and investment advisory. AIG is a global insurance company providing a wide range of insurance and other financial services to commercial and individual customers. The Commission concluded that the proposed transaction would raise no competition concerns given the small horizontal overlaps and the minor vertical relationships between the companies' activities. 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.8865. (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Sarantopoulou – Tel.: +32 229 13740)

Mergers: Commission clears the acquisition of Capita Specialist Insurance Solutions by HPS Investment Partners and Madison Dearborn Partners

The European Commission has approved, under the EU Merger Regulation, the acquisition of joint control over Capita Specialist Insurance Solution Ltd ("Capita") of the UK by HPS Investment Partners ("HPS") and Madison Dearborn Partners ("MDP"), both of the US. Capita, currently solely controlled by Capita Insurance Services Holdings, is a provider of insurance brokerage services, specialising care, charity and school staff absence insurance in the UK. HPS is an investment company with a focus on acquisitions and strategic financing of recapitalisation of companies that require financial assistance. MDP is a private equity investment company, with investments in a broad range of industries. The Commission concluded that the proposed transaction would raise no competition concerns given the minor horizontal overlaps and the lack of vertical relationships between the companies' activities. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's competition website, in the public <u>case register</u> under the case number <u>M.8913</u>. (For more information: Ricardo Cardoso — Tel.: +32 229 80100; Maria Sarantopoulou — Tel.: +32 229 13740)

Conseil européen de la recherche: Mario Monti nommé à la tête d'un comité exploratoire en vue de désigner son prochain président

Carlos Moedas, commissaire européen en charge de la recherche, de la science et de l'innovation, a nommé aujourd'hui sept experts de haut niveau chargés de faire des recommandations en vue de la désignation du prochain président du Conseil européen de la recherche (CER, ERC en anglais). Une fois formellement en place, le groupe d'experts sera présidé par Mario Monti, ancien commissaire européen et président du Conseil des ministres d'Italie, et actuellement président de l'Université Bocconi à Milan. Avec un budget total de plus de 13,1 milliards d'euros pour la période 2014-2020, le CER contribue à promouvoir l'excellence scientifique européenne dans la recherche fondamentale et à attirer les meilleurs talents en Europe. Le commissaire Carlos Moedas a déclaré: "Je suis ravi que Mario Monti ait accepté mon invitation à présider le comité constitué en vue de recruter le prochain président du CER. Le CER est devenu un moteur de la science et constituera un pilier essentiel du prochain programme-cadre de recherche et d'innovation, que j'espère encore plus ambitieux qu'Horizon 2020. Je suis convaincu que M. Monti et son éminent groupe de scientifiques et de chercheurs européens peuvent nous aider à trouver la bonne personne pour mener l'ERC vers encore plus de succès." La Commission européenne doit désigner le prochain président du CER qui devra prendre ses fonctions le 1er janvier 2020, en tant que successeur de l'actuel président, le professeur Jean-Pierre Bourguignon. Plus d'informations <u>ici</u>. (Pour plus d'informations: Lucía Caudet - Tél.: +32 229 56182; Maud Noyon — Tél.: +32 229-80379; Victoria von Hammerstein — Tél.: +32 229 55040)

STATEMENTS

"Tobacco consumption still a threat to our societies": Statement by Commissioner Andriukaitis on the World No Tobacco Day

"Tobacco use remains the single biggest cause of chronic disease and avoidable death in the EU. Statistics on deaths in the EU from lung cancer, the cancer most associated with smoking, show that in 2015, there were 273 400 deaths from lung cancer alone, 273 400 too many. [...] Having been personally affected by the loss of loved ones to the terrors of tobacco, I am deeply upset by the statistics of young people smoking. We need to reverse this trend. One of the key aims of the new <u>Tobacco Products Directive</u> (TPD) which became fully applicable in the EU two years ago, is to make tobacco products less attractive to young people. However, the growing popularity of new products such as electronic cigarettes among the young generation worries me a lot. Concerns are now being raised about whether such products are encouraging young people to start smoking instead of helping them to quit. That being said, we have taken important steps towards better protecting our citizens' health from tobacco consumption [...] Non-governmental organisations can also play a big role here, which is why in April this year I launched the EU Health Award for NGOs, to highlight the outstanding initiatives of international, European, national and regional NGOs that have significantly contributed to prevent tobacco use within the EU. The deadline for submissions is 15 June 2018, and I will be presenting the Award this November. As a medical doctor, I have seen first-hand the devastation tobacco use has on health, and how important it is to attack the problem from all

angles. We should all step up our efforts to inform, educate and protect our citizens from the harmful effects of tobacco", said Commissioner for Health and Food Safety, Vytenis **Andriukaitis** on the eve of the World No Tobacco Day. The full Statement is available online. (For more information: Anca Paduraru — Tel.: +32 229 91269; Aikaterini Apostola — Tel.: +32 229 87624)

ANNOUNCEMENTS

Vice-President Šefčovič in the Czech Republic for second Energy Union Tour

As part of his second Energy Union Tour, Vice-President of the European Commission for Energy Union Maroš Šefčovič will travel to the Czech Republic on 31 May and 1 June. He will be discussing the EU's plan to help provide Europe with secure, affordable and clean energy. During the visit, he will meet with Prime Minister in resignation Andrej Babiš, as well as the Ministers of Industry and Environment and ministerial experts. Furthermore, the Vice-President will meet with the Minister of Regional Development to discuss the coal initiative and strategy for regions affected by planned mine closures (see Platform for Coal Regions in Transition <u>IP/17/5165</u>). During his Energy Union Tour to Prague, he will also have a meeting at the EU committee of the Lower Chamber of the Parliament, EU Committee of the Senate and Economic policy Committee of the Lower Chamber. The Vice-President will focus on encouraging the Czech Republic to continue its efforts to sustain and further deploy renewable energy in electricity, heating and cooling and transport, as well as its effort to lower greenhouse gas emissions. The preparation of National Climate and Energy Plan will be discussed, too. During his visit at the European Global Navigation Satellite Systems Agency (GSA), he will have a bilateral meeting with the GSA executive director Carlo des Dorides. The Vice-President will conclude his visit by participating in the <u>Citizens' Dialogue</u> on future of space and mobility in GSA premises. Ahead of the visit, Vice-President **Šefčovič** said: "I am impressed that Czech Republic has already reached its 2020 targets on renewable energy and is well on track to meet its greenhouse gas emissions target. But there is still incredible potential to evolve in the field of energy intensity. EU investments in energy efficiency improvements in Czech buildings aims at keeping a low average in energy intensity within the EU. Under the Horizon 2020 energy programme Czech participants have received funds for several projects, including one which aims at creating more flexible local energy systems." More information on the Commission's website. (For more information: Anna-Kaisa Itkonen - Tel.: +32 229 56186; Nicole Bockstaller -Tel.: +32 229 52589)

Commissioner Jourová on official visit to Japan and to the Republic of Korea to make progress on data flows

Věra **Jourová**, Commissioner for Justice, Consumers and Gender Equality, is visiting Japan today and tomorrow before heading to the Republic of Korea. The main focus of her visit will be to make progress on the data protection discussions with the aim to reaching an adequacy decision as soon as possible in 2018. To that end, she will meet Ms. Kamikawa, the Minister of Justice,

as well as the Personal Information Protection Commission of Japan. She will then speak at the public event dedicated to the General Data Protection Regulation and international data transfers. In Seoul, she will exchange views on various areas of her portfolio with Lee Nak-yeon, Prime Minister of South Korea, Kang Kyung-wha, Minister of Foreign Affairs of South Korea, with Park Sang-ki, Minister of Justice of South Korea with Yanghee Choi, Minister of Science, ICT and Future Planning of South Korea and with Chung Hyun-back, Minister of Ministry of Gender Equality and Family of South Korea. On data protection topics, she will then meet Lee Hyo-seong, Chairman of the Korea Communications Commission and Kim Seok-hwan, President of Korea Internet & Security Agency, and speak at the Personal Information Security Fair 2018. Finally, she will discuss consumer topics with representatives of the Korea Consumer Agency and gender topics with representatives of civil society and non-government organisations. (For more information: Christian Wigand — Tel.: +32 229 62253; Mélanie Voin — Tel.: +32 229 58659)

Commissioner King on official visit to the Middle East

Commissioner for the Security Union Julian **King** is in the Middle East from today until Friday to discuss issues related to cybersecurity and counterterrorism. Commissioner King will meet with senior Israeli and Palestinian security and government representatives. He will also visit the Ben Gurion Airport and its facilities with particular focus on cybersecurity and the protection of passengers and infrastructure. At the end of his visit the Commissioner will participate in a wreath-laying ceremony at Yad Vashem, the World Holocaust Remembrance Centre. (For more information: Natasha Bertaud – Tel.: +32 229 67456; Tove Ernst – Tel.: +32 229 86764; Katarzyna Kolanko – Tel.: +32 229 63444)

<u>Upcoming events</u> of the European Commission (ex-Top News)

EU budget: €181 million to strengthen the fight against fraud affecting the EU budget

The new EU Anti-Fraud Programme will finance targeted training and the exchange of information and best practice between anti-fraud enforcers across Europe. It will also provide support for investigative activities through the purchase of technical equipment used in detecting and investigating fraud, as well as facilitate access to secure information systems.

"The new EU Anti-Fraud Programme will make a tangible contribution to boosting the fight against fraud and corruption to the detriment of the EU

budget. Reinforcing cooperation between Member States enforcers and providing them with state of the art investigative tools can make all the difference in identifying fraudsters, stopping smugglers, or preventing corruption in procurement procedures" said GüntherH. **Oettinger**, European Commissioner for Budget and Human Resources.

The **specific objectives** of the Programme will be threefold, as illustrated below:



The new Programme will replace the Hercule III Programme which has already had a positive impact on the fight against fraud affecting the EU budget at national and local level in recent years. Examples of successful projects include the funding of digital forensic equipment that has proven essential in allowing French customs stay ahead of the game in customs operations targeting smuggling and the evasion of VAT duties in 2016; funding for the training of sniffer dogs that helped Greek customs seize 250 million illicit cigarettes in 2016; and the development of advanced IT tools that have allowed enforcers across Europe to detect anomalies in trade flows and to uncover major cases of import fraud concerning textiles and footwear in 2017.

The funds to be made available under the new EU Anti-Fraud Programme will finance similar projects, as well as training and expert conferences that will foster information exchange and transnational cooperation. The Programme will also support the joint investigative efforts of Member States' customs authorities, since such joint operations are key in dismantling criminal networks operating across borders. The Programme is expected to bring significant added-value by complementing and supporting national efforts to counter fraud and corruption.

Background

In addition to activities previously funded under the Hercule III Programme, the new EU Anti-Fraud Programme will provide support for operational and investigative activities, including through the provision of secure IT systems, and facilitate irregularity reporting by Member States and risk management at national level. The Programme will be managed and implemented by the European Anti-Fraud Office, OLAF.

Today's proposal related to the new EU Anti-Fraud Programme is part of the Commission's proposal for the next long-term EU budget adopted by the

Commission on 2 May 2018.

The action to safeguard the Union's financial interests through the new reinforced and streamlined funding programme, forms part of a wider approach pursuing the same objective. The next long-term EU budget will be implemented against the background of significant changes in the legislative and institutional framework for the protection of the Union's financial interests.

For instance, the <u>Commission's proposal</u> of 23 May 2018 to amend the "OLAF Regulation"[1] aims at ensuring the close collaboration between OLAF and the newly established European Public Prosecutor's Office (EPPO)[2] when it comes to detecting and investigating fraud concerning the EU's financial interests across the EU. Other actions include the implementation of the Directive on the fight against fraud to the Union's financial interests by means of criminal law (the "PIF Directive")[3].

Next steps

A swift agreement on the overall long-term EU budget and its sectoral proposals is essential to ensure that EU funds start delivering results on the ground as soon as possible.

Delays similar to the ones experienced at the beginning of the current 2014-2020 budgetary period would mean that important investigative and forensic equipment could not be bought and less support would be available for Member States enforcers. This would have a negative impact on the fight against fraud, at the expense of EU taxpayers.

An agreement on the next long-term budget in 2019 would provide for a seamless transition between the current long-term budget (2014-2020) and the new one and would ensure predictability and continuity of funding to the benefit of all.

For More Information

- [1] Regulation (EU, Euratom) 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council Regulation (Euratom) No 1074/1999
- [2] Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office.
- [3] Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law, (OJ L 198, 28.7.2017, p. 29).