

ESMA Staff Stakeholder contacts in the Third Quarter 2017

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September 2017 – Euro area international trade in goods surplus €26.4 bn – €3.1 bn surplus for EU28

The first estimate for **euro area** (EA19) exports of goods to the rest of the world in September 2017 was €187.1 billion, an increase of 5.6% compared with September 2016 (€177.2 bn). Imports from the rest of the world stood at €160.7 bn, a rise of 5.1% compared with September 2016 (€152.9 bn). As a result, the **euro area** recorded a €26.4 bn surplus in trade in goods with the rest of the world in September 2017, compared with +€24.3 bn in September 2016. **Intra-euro area** trade rose to €157.6 bn in September 2017, up by 4.9% compared with September 2016.

[Full text available on EUROSTAT website](#)

Daily News 15 / 11 / 2017

Migration: la Commission présentera les progrès réalisés en ce qui concerne l'agenda européen en matière de migration

En amont du Conseil Européen de décembre, la Commission européenne présentera aujourd'hui un rapport sur les progrès réalisés en ce qui concerne l'agenda européen en matière de migration. Le rapport rassemblera, pour la première fois, tous les volets de l'agenda, y compris les aspects internes et externes de la gestion de la migration, et identifiera les domaines dans lesquels une action concertée de l'UE, de ses États membres et de ses pays partenaires est encore nécessaire. Le commissaire **Avramopoulos** présentera le rapport lors d'une conférence de presse aujourd'hui à 16h30 CET, qui sera diffusée en direct sur [EbS](#). Le [matériel de presse](#) sera disponible en ligne au début de la conférence de presse. *(Pour plus d'informations: Natasha Bertaud – Tél.: +32 229 67456, Tove Ernst – Tél. : +32 229 86764, Catherine Ray – Tél. : +32 229 69921, Esther Osorio – Tél. : +32 229 62076)*

Commission reports on progress in Bulgaria and Romania under the Co-operation and Verification Mechanism

The European Commission issued today its latest reports on steps taken by Bulgaria and Romania to meet their commitments on judicial reform and the fight against corruption, and in the case of Bulgaria organised crime, in the context of the Cooperation and Verification Mechanism (CVM) set up when the countries joined the European Union in 2007. Today's reports looks concretely at the progress made to meet the recommendations issued by the Commission in its January 2017 CVM Reports. On Bulgaria, First Vice-President Frans **Timmermans** said: *"We have seen progress in many areas but there is still more work needed. Bulgaria has met or made progress on several of our recommendations, but not yet all. I count on the Bulgarian Government to implement all the planned reforms, and to avoid backtracking, so that we can move towards the goal of ending the CVM under this Commission's mandate."* On Romania, **Timmermans** said: *"We have seen progress in some areas but there is still more work to be done. Romania has met some of our recommendations, but there is not enough progress yet on others. I count on the Romanian Government to pursue the necessary reforms, and to avoid backtracking, so that we can work together towards the goal of ending the CVM under this Commission's mandate."* The Commission's last reports in January 2017 took stock of overall progress in the past ten years and identified 12 specific recommendations for Romania and 17 specific recommendations for Bulgaria, which would help them move towards fulfilment of all CVM benchmarks. The Commission will assess progress again towards the end of 2018. Press releases are available online on the reports for [Bulgaria](#) and [Romania](#), and a [Memo](#) provides more information about the CVM process and the benchmarks and recommendations. The CVM Reports are available online [here](#). (For more information: Mina Andreeva – Tel.: +32 229 91382; Christian Wigand – Tel.: +32 229 62253; Tim McPhie –Tel.: +32 229 58602)

The future of EU finances: Commissioner Crețu discusses Cohesion policy after 2020 in the Council

This morning, Commissioner for Regional policy Corina **Crețu** discussed the future of EU funds with the ministers in charge of cohesion, on the basis of [the 7th Cohesion Report](#). Commissioner **Crețu** said: *"Cohesion policy should keep on investing in all EU regions and address the main challenges of our times; the fight against social exclusion and youth unemployment, migration, adaptation to globalisation and climate change. It should continue to support sustainable transport, health and digital infrastructure, small businesses and innovation, focusing on areas where the highest EU value added can be achieved."* On how Cohesion policy can best support structural reforms, Commissioner **Crețu** suggested that the process of fulfilling and assessing [the preconditions to successful investments](#) (so-called "[ex-ante conditionalities](#)") should be reviewed. Incentives for reforms could be provided throughout the funding period and not only in the beginning. *"We should also reflect on whether the European Semester annual cycle and the mid-term planning of Cohesion policy could be better linked,"* the Commissioner added. Commissioner **Crețu** called for *"a lighter, proportionate and tailor-made approach"* to claiming EU payments for beneficiaries: *"Real or*

simplified costs should not be the only options. Many countries support payments upon fulfilment of pre-agreed conditions.” Finally, the Commissioner suggested that similar projects financed under different EU funds should be treated the same way, for example as regards public procurement. The Commissioner’s speaking points are available [here](#). A press conference with Commissioner **Crețu** and Mr Jaak Aab, Minister of public administration and political representative of the Estonian Presidency responsible for Cohesion policy, is organised in the Council’s Europa building at 13h CET and live on [EBS](#). (For more information: Johannes Bahrke – Tel.: +32 229 58615; Sophie Dupin de Saint-Cyr – Tel.: +32 229 56169)

Agriculture: €179 millions pour promouvoir les produits agro-alimentaires européens en 2018

Les producteurs européens disposeront d’un budget de €179 million en 2018 pour assurer la promotion des produits agricoles tant à l’extérieur qu’à l’intérieur de l’Union et continuer à trouver de nouveaux marchés. Le budget adopté aujourd’hui par la Commission co-financera des campagnes de promotion ciblant principalement des pays tiers à fort potentiel de croissance, notamment la Chine, le Japon, l’Asie du sud-est, le Mexique, la Colombie, le Canada. Cette orientation s’inscrit dans la continuité du mouvement lancé au début de l’année par l’offensive diplomatique du commissaire **Hogan** visant à trouver de nouveaux débouchés et à soutenir la consommation des produits de l’Union à l’étranger. Au sein du territoire de l’Union, l’accent sera mis sur les labels de qualité existants: label bio, IGP, AOP, etc. Par ailleurs, une enveloppe spécifique sera destinée aux campagnes visant à promouvoir la consommation de fruits et légumes, d’une part pour encourager les citoyens européens dans des habitudes alimentaires saines, et d’autre part pour soutenir les producteurs européens de fruits et légumes. Un appel à propositions pour bénéficier du budget alloué à la promotion en 2018 sera lancé au plus tard au mois de janvier de l’année prochaine. Les organisations concernées pourront soumettre leurs projets. Plus d’informations [en ligne](#). (Pour plus d’information: Daniel Rosario – Tel: +32 2 29 56185; Clémence Robin – Tel: +32 229 52 509)

Commission to amend Land Transport Agreement with Switzerland

The Commission has asked today the Council for a mandate to negotiate with Switzerland an amendment of the 1999 bilateral [Land Transport Agreement](#). This amendment is necessary to allow Switzerland to participate in the [European Union Agency for Railways](#), as foreseen by the Agency regulation. Switzerland applies rules equivalent to those in the EU in the areas of railway interoperability and railway safety, it fulfils the conditions for participation as a third country in the work of the Agency. Commissioner for Transport, Violeta **Bulc** said: “Switzerland is an important partner for the EU, situated at the heart of the European rail network. Its participation in the work of the Agency European Union Agency for Railways would be mutually beneficial, particularly for railway safety and interoperability.” The mandate requested by the Commission is needed exclusively to negotiate the necessary amendment to the bilateral Land Transport Agreement. Following this

action, the exact terms of Swiss participation in the Agency would be negotiated directly between the Agency and Switzerland. *(For more information: Enrico Brivio – Tel.: + 32 229 56172; Iris Petsa – Tel.: +32 229 93321)*

Bringing inland waterways to the forefront of efficient, digital and low-carbon transport

Commissioner for Transport, Violeta Bulc is attending the Inland waterways and ports dialogue in Strasbourg today. The event gathers stakeholders and EU decision-makers to discuss a vision for inland waterways transport towards 2030. At this occasion Commissioner Bulc said: *“European inland waterways and ports have united people and facilitated growth for centuries. Therefore I welcome the sector’s vision towards even more sustainability and innovation. It is high time to boost the potential for a digitally connected, low-carbon, and highly skilled inland navigation and port sector. A major step was achieved yesterday, with the adoption of the Directive on professional qualifications in inland waterways by the European Parliament. The Directive is now only pending the approval of the Council of the EU.”* Inland waterway transport, that is, the use of rivers, canals and lakes for connecting people and trade, provide a reliable and environmentally-friendly transport option. The sector is small in relative terms, but with 140 billion tonne kilometres makes a considerable contribution to the EU’s transport system and the aim is to realise more multimodal integration. The EU seeks to make inland waterways a decarbonised, digital and innovative alternative, which provides efficient mobility throughout the EU. EU-supported projects in the sector do not only improve navigability, but also the ecological status and resilience against climate change. This can be achieved for example by promoting smart, clean and modular barges, and multimodal inland ports, as well as by deploying alternative fuels. *(For more information: Enrico Brivio – Tel.: + 32 229 56172; Iris Petsa – Tel.: +32 229 93321)*

EU and China strengthen cooperation on education, culture, youth, gender equality and sport

Tibor Navracsics, Commissioner for Education, Culture, Youth and Sport, and Chinese Vice-Premier Liu Yandong met on 13-14 November 2017 on the occasion of the 4th EU-China High Level People-to-People Dialogue in Shanghai. The dialogue was launched in 2012 to build trust and understanding between the peoples of the EU and China. This year’s exchanges focused on culture, but education, gender equality, youth and, for the first time, sport were also discussed. Following the meeting, Commissioner Navracsics said: *“EU and China increasingly share global responsibilities. We work together on complex issues, from fighting poverty and tackling climate change to boosting trade and security. We build on shared views but sometimes we need to bridge differences. Promoting mutual understanding and respect between our people and cultures is therefore today more important than ever if we want to succeed.”* Over the past decade the EU and China have closely cooperated in the areas of education, training, culture, multilingualism and youth through sector-focused policy dialogues. In 2012, the European Commission and China

decided to integrate these sectoral activities under the High Level People-to-People Dialogue, which complements the EU-China High Level Economic and Trade Dialogue and High Level Strategic Dialogue. The full [press release](#) in EN/FR/DE is available online. (For more information: Nathalie Vandystadt – Tel.: +32 229 67083; Joseph Waldstein – Tel.: +32 229 56184)

EU and ASEAN step up their cooperation to achieve the Sustainable Development Goals

The Association of South East Asian Nations (ASEAN) and the European Union (EU) are marking a milestone in their [40 years of bilateral relations](#), as they are holding their first high level dialogue on Sustainable Development on 17 November in Bangkok. More specifically, the two regions aim to promote green growth, address the challenges posed by climate change and empower women and girls as key drivers of change. Commissioner for International Cooperation and Development Neven Mimica, who is representing the EU at the high level dialogue, said: “The EU and ASEAN are two of the most advanced examples of regional integration. We are therefore natural partners for promoting Sustainable Development, and our cooperation is growing: we are launching today three new ASEAN-EU flagship programmes for a total of EUR 85 million.” The new programmes will further strengthen EU-ASEAN cooperation and support the ASEAN states’ efforts to implement the 2030 Agenda on Sustainable Development, as well as the Paris Agreement on climate change. Recognising that empowering women is a key component for sustainable development, the project launched today under the [Spotlight Initiative](#) will empower women migrant workers in the ASEAN region. Secondly, the EU will support policy dialogue, which will facilitate experience sharing among policy makers, experts and civil society across all sectors from trade and economic development, to social, environmental and security affairs, bringing the ASEAN region and the EU closer together. Thirdly, the EU also promotes sustainable trade and economic integration in line with the ASEAN Economic Community Blueprint 2025. The EU has significantly stepped up its support to the ASEAN region, having doubled it to over EUR 170 million for 2014 to 2020. This is in addition to EUR 2 billion already provided to ASEAN Member States at the national level. (For more information: Carlos Martin Ruiz De Gordejuela – Tel.: +32 229 65322; Christina Wunder – Tel.: +32 229 92256)

State aid: Commission approves prolongation of Irish credit union resolution scheme

The European Commission has found the prolongation of an Irish scheme for the orderly winding-up of credit unions to be in line with EU state aid rules, in particular with the [2013 Banking Communication](#) (see also [MEMO](#)). The objective of the scheme is to safeguard financial stability when a credit union becomes unable to meet regulatory requirements. It allows Ireland to provide aid for transferring the assets and liabilities of a failing credit union to an acquirer through a competitive process. This will help to achieve the maximum value for the assets and liabilities, ensuring that the aid is limited to the minimum necessary for an orderly winding-up, and that no buyer gains an undue economic advantage through the acquisition of under-priced assets and

liabilities. The scheme is valid until 31 May 2018. The Commission initially approved the scheme in December 2011. It has been prolonged several times since then, the last time in [July 2017](#). More information will be available on the Commission's [competition](#) website, in the public [case register](#) under the reference SA.49274. *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Sarantopoulou – Tel.: +32 229 13740).*

Mergers: Commission clears acquisition of joint control over Axion by BP and Bidas

The European Commission has approved, under the EU Merger Regulation, the acquisition of joint control over Axion Energy Holding S.L. of Spain by BP p.l.c. of the UK and Bidas Corporation of the British Virgin Islands. Axion is active in the refining of crude oil and the sale of petroleum products and its derivatives in Argentina, Uruguay and Paraguay. It is currently solely controlled by Bidas. BP is active in crude oil and natural gas exploration and production as well as in the refining, supply and transportation of petroleum and related products, along with alternative energies. Bidas is a holding company with indirect activities in exploration, development, production and transportation of crude oil and natural gas, in power generation, and the sale of fuels, lubricants and associated products. The Commission concluded that the proposed acquisition would raise no competition concerns because Axion has negligible activities within the European Economic Area. 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.8671](#). *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Sarantopoulou – Tel.: +32 229 13740).*

Eurostat: Septembre 2017, excédent de 26,4 milliards d'euros du commerce international de biens de la zone euro, excédent de 3,1 mrds d'euros pour l'UE28

D'après les premières estimations pour le mois de septembre 2017, les exportations de biens de la zone euro (ZE19) vers le reste du monde se sont établies à 187,1 milliards d'euros, en hausse de 5,6% par rapport à septembre 2016 (177,2 mrds). Les importations depuis le reste du monde ont quant à elles été de 160,7 mrds d'euros, en hausse de 5,1% par rapport à septembre 2016 (152,9 mrds). En conséquence, la zone euro a enregistré en septembre 2017 un excédent de 26,4 mrds d'euros de son commerce international de biens avec le reste du monde, contre +24,3 mrds en septembre 2016. Le commerce intra-zone euro s'est établi à 157,6 mrds d'euros en septembre 2017, soit +4,9% par rapport à septembre 2016. Un communiqué de presse Eurostat est [disponible en ligne](#). *(Pour plus d'informations: Daniel Rosario – Tel.: +32 229 56185; Kinga Malinowska – Tel.: +32 229 51383)*

STATEMENTS

European Antibiotic Awareness Day 2017 – Statement by Vytenis Andriukaitis, Commissioner for Health and Food Safety, and Carlos Moedas, Commissioner for

Research, Science and Innovation

Today we mark the 10th anniversary of the European Antibiotic Awareness Day, by raising awareness once more about the antimicrobial resistance (AMR) – one of the biggest threats to global health. With 25 000 deaths per year and €1.5 billion in healthcare costs and productivity losses in the EU, a robust communication effort is needed more than ever. But raising awareness is not enough, we need action that bridges differences and raises the level of all Member States to that of the highest performer. With increasing resistance even to last-resort antibiotics such as Colistin, we face a frightening “post-antibiotic” future where we could lose the ability to perform any major surgery, organ transplant or successfully implant devices like new hips or heart valves. By 2050, AMR could potentially kill one person every three seconds and become a more common cause of death than cancer. It is precisely to avoid this unthinkable future that on 29 June we presented a new One Health action plan against AMR, building on nearly two decades of EU action in both the human health and veterinary health sectors, taking account of the lessons learnt from the previous [EU actions](#). It stresses that we need to tackle antimicrobial use in people and animals simultaneously, while better addressing the role of AMR in the environment. It stresses that the EU should play a leading role in the fight against AMR and should add value to Member States’ actions. The goal of the new Action Plan is to preserve our ability to effectively treat infections in humans and animals. The [key objectives](#) are: ‘Making the EU a best practice region’; ‘Boosting research and innovation’; and ‘Shaping the global agenda’. The Statement is available [online](#). (For more information: Anca Paduraru – Tel.: +32 229 91269; Lucia Caudet +32 229 56182 Aikaterini Apostola – Tel.: +32 229 87624)

ANNOUNCEMENTS

Commissioner Jourová participates in the first G7 Ministerial on gender equality in Taormina, Italy

Today and tomorrow, Commissioner **Jourová** is representing the European Union at the G7 Ministerial meeting on gender equality, held in Taormina, Italy. This is the first ever G7 Ministerial dedicated to the topic of gender equality. Ministers from the G7 countries will discuss the implementation of the [G7 Roadmap](#) for a Gender Responsive Economic Environment, adopted by G7 Leaders at the Summit held last May. Commissioner **Jourová** said ahead of the meeting: *“This first G7 ministerial on gender equality is an important statement to the world. The #MeToo campaign reminded us that violence and sexual harassment is not a problem limited to one country or one region, or just to some women. Also in all G7 countries, women continue to earn less than men. We need to fight the persisting gender inequalities together at international level. We want women to be able to participate fully in order for our economies and societies to thrive.”* The Commissioner will attend a working lunch on Women’s economic and political empowerment and then take part in a working session on preventing and combating gender-based violence. On Thursday, the participants will adopt a Final Declaration calling on all G7 countries to adopt national Action Plans on combatting gender-based violence. Commissioner Jourová will also participate in the press conference

at 13:30. The European Commission dedicated [2017](#) to fighting violence against women; it will dedicate its annual [Colloquium on Fundamental Rights](#) on 20-21 November to “*Women’s rights in turbulent times*”, and present an Action Plan to tackle the gender pay gap on 20 November. (For more information: Christian Wigand – Tel.: +32 229 62253; Mélanie Voin – Tel.: +32 229 58659)

Commissioner Andriukaitis attends World Health Organisation Ministerial Conference on Tuberculosis in Moscow

On 16-17 November, Commissioner for Health and Food Safety, Vytenis **Andriukaitis**, is in Moscow participating in the first World Health Organisation (WHO) Global Ministerial Conference “Ending Tuberculosis in the Sustainable Development Era: a Multisectoral Response”. Ahead of the visit, Commissioner **Andriukaitis** said: “*Tuberculosis is the world deadliest infectious disease. The time has come to join forces and strengthen our efforts – across borders, across sectors, across organisations – to eradicate this disease. I am looking forward to work together with colleagues from WHO, OIE, the global fund, UNICEF, OECD and the World Bank towards this goal*”. Later on Thursday, he will hold a bilateral meeting with the Director-General of WHO, Dr Tedros Adhanom Ghebreyesus. On Friday, the Commissioner will attend the ministerial parallel panel on research and innovation. In the margins of the Conference, bilateral meetings with the Minister of Healthcare of the Russian Federation, Ms Veronika Skvortsova, and the Minister of Agriculture of the Russian Federation, Mr Alexander Tkachev are also foreseen. (For more information: Anca Paduraru – Tel.: +32 229 91269; Aikaterini Apostola – Tel.: +32 229 87624)

Forum sur la qualité de l’air, Paris: l’UE continue de lutter contre la pollution atmosphérique, en mettant l’accent sur le rôle des villes

Du 16 au 17 novembre, la Commission organise le Forum sur la qualité de l’air à Paris. Représentée par le Commissaire à l’environnement Karmenu **Vella** et le commissaire aux affaires économiques et financières, à la fiscalité et aux douanes Pierre **Moscovici**, la Commission invitera des décideurs et des acteurs-clés du secteur pour échanger et activer la mise en œuvre des politiques européennes, nationales et locales sur la qualité de l’air. Le Forum vise à catalyser les énergies et renforcer les efforts de la Commission, à travers tous les secteurs économiques et les niveaux décisionnels, pour un air plus pur pour les citoyens. Cela fait suite à l’adoption du [paquet sur la Mobilité Propre](#) la semaine dernière, tandis que l’UE se montre à la pointe du combat pour une meilleure qualité de l’air et pour faire avancer l’Accord de Paris à Bonn à la [COP23](#). Le forum se concentrera sur trois domaines: la qualité de l’air dans les villes; l’agriculture et la qualité de l’air; et des nouvelles opportunités pour les entreprises dans le domaine de la qualité de l’air. Parmi les conférenciers figureront la maire de Paris, Anne Hidalgo et l’adjointe au maire de Londres, Shirley Rodrigues, qui présenteront la façon dont leurs villes luttent contre la pollution atmosphérique. Plus d’informations [ici](#). (Pour plus d’informations: Enrico Brivio – Tél .: + 32 229 56172, Iris Petsa – Tél .: +32 229 93321)

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

Cooperation and Verification Mechanism Reports on Bulgaria and Romania

Why does the Commission report on progress in judicial reform and the fight against corruption in Bulgaria and Romania?

At the accession of Bulgaria and Romania to the European Union on 1 January 2007, certain weaknesses remained in both Member States in the areas of judicial reform and the fight against corruption, and in the case of Bulgaria in the fight against organised crime. These weaknesses could prevent an effective application of EU laws, policies and programmes, and prevent Bulgarians and Romanians from enjoying their full rights as EU citizens.

Therefore, the Commission undertook to assist Bulgaria and Romania in remedying these shortcomings and to regularly verify progress against specific benchmarks set for this purpose, through the Cooperation and Verification Mechanism (CVM). These benchmarks are interlinked and should be seen together as the expression of a long-term political commitment of the two countries to their own citizens, as well as to the other Member States. The monitoring process of the CVM, together with the opportunities provided by EU funds and the constructive engagement of the Commission and many Member States, has provided valuable support to encourage, advance and consolidate reform in Bulgaria and Romania. In January 2017 the Commission set out the remaining steps needed to achieve the CVM's objectives, providing concrete recommendations to both Member States which would allow them to fulfil the benchmarks, if completed.

What are the CVM benchmarks for Romania?

- Benchmark 1: Ensure a more transparent and efficient judicial process notably by enhancing the capacity and accountability of the Superior Council of Magistracy. Report and monitor the impact of the new civil and penal procedures codes.
- Benchmark 2: Establish, as foreseen, an integrity agency with responsibilities for verifying assets, incompatibilities and potential conflicts of interest, and for issuing mandatory decisions on the basis of which dissuasive sanctions can be taken.
- Benchmark 3: Building on progress already made, continue to conduct professional, non-partisan investigations into allegations of high-level corruption.
- Benchmark 4: Take further measures to prevent and fight against corruption, in particular within local government.

What are the CVM benchmarks for Bulgaria?

- Benchmark 1: Adopt constitutional amendments removing any ambiguity regarding the independence and accountability of the judicial system.
- Benchmark 2: Ensure a more transparent and efficient judicial process by adopting and implementing a new judicial system act and the new civil procedure code. Report on the impact of these new laws and of the penal and administrative procedure codes, notably on the pre-trial phase.
- Benchmark 3: Continue the reform of the judiciary in order to enhance professionalism, accountability and efficiency. Evaluate the impact of this reform and publish the results annually.
- Benchmark 4: Conduct and report on professional, non-partisan investigations into allegations of high-level corruption. Report on internal inspections of public institutions and on the publication of assets of high-level officials.
- Benchmark 5: Take further measures to prevent and fight corruption, in particular at the borders and within local government.
- Benchmark 6: Implement a strategy to fight organised crime, focussing on serious crime, money laundering as well as on the systematic confiscation of assets of criminals. Report on new and ongoing investigations, indictments and convictions in these areas.

How does the Commission report on progress in Bulgaria and Romania?

The Commission regularly assesses progress in judicial reform and the fight against corruption in Bulgaria and Romania, and in the fight against organised crime in Bulgaria. The Commission's assessments and its formal reports are based on a careful analysis and monitoring, drawing on a continuous dialogue between the Bulgarian and Romanian authorities and the Commission services. The reports also benefit from contacts with Member States, civil society, international organisations, independent experts and a variety of other sources. Each Commission report, as well as its methodology and conclusions, is subsequently discussed with the Council of Ministers and has been consistently endorsed in Council Conclusions. The Reports and methodology are also presented to the European Parliament.

What are the next steps for Romania?

The last report in January 2017 identified specific recommendations to be fulfilled. This report notes that progress has been achieved on a number of these recommendations.. In particular, the recommendation to set up the system for checks on conflicts of interest in public procurement (PREVENT) has been satisfactorily implemented. The Commission also notes progress on other recommendations, subject to practical implementation. At the same time, the Commission notes that the reform momentum in the course of 2017 was lost overall, slowing down the fulfilment of the remaining recommendations, with a risk of re-opening issues which the January 2017 report had considered as fulfilled. Challenges to judicial independence are a serious source of concern.

On this basis, the Commission cannot conclude that any of the benchmarks are at this stage satisfactorily fulfilled, though progress has brought some benchmarks closer to this point. The Commission remains of the opinion that with loyal cooperation between State institutions, a political steer holding

firm to past achievements and with respect for judicial independence, Romania will be able to fulfil the remaining outstanding CVM recommendations, and therefore satisfactorily fulfil the benchmarks, in a near future.

The Commission invites Romania to implement the necessary actions and fulfil all recommendations, and will assess progress again towards the end of 2018.

Recommendations in January 2017 CVM Report:

1. Put in place a robust and independent system of appointing top prosecutors, based on clear and transparent criteria, drawing on the support of the Venice Commission.
2. Ensure that the Code of Conduct for parliamentarians now being developed in Parliament includes clear provisions on mutual respect between institutions and making clear that parliamentarians and the parliamentary process should respect the independence of the judiciary. A similar Code of Conduct could be adopted for Ministers.
3. The current phase in the reform of Romania's Criminal Codes should be concluded, with Parliament taking forward its plans to adopt the amendments presented by the government in 2016 after consultation with the judicial authorities. The Minister of Justice, the SCM and the High Court of Cassation and Justice should finalise an action plan to ensure that the new deadline for the implementation of the remaining provisions of the Code of Civil Procedures can be respected.
4. In order to improve further the transparency and predictability of the legislative process, and strengthen internal safeguards in the interest of irreversibility, the Government and Parliament should ensure full transparency and take proper account of consultations with the relevant authorities and stakeholders in decision-making and legislative activity on the Criminal Code and Code for Criminal Procedures, on corruption laws, on integrity laws (incompatibilities, conflicts of interest, unjustified wealth), on the laws of justice (pertaining to the organisation of the justice system) and on the Civil Code and Code for Civil Procedures, taking inspiration from the transparency in decision-making put in place by the Government in 2016.
5. The Government should put in place an appropriate Action Plan to address the issue of implementation of court decisions and application of jurisprudence of the courts by public administration, including a mechanism to provide accurate statistics to enable future monitoring. It should also develop a system of internal monitoring involving the SCM and Court of Auditors in order to ensure proper implementation of the Action Plan.
6. The Strategic Judicial Management, i.e. the Minister of Justice, the SCM, the HCCJ and the Prosecutor-General should ensure the implementation of the Action Plan as adopted and put in place regular common public reporting on its implementation, including solutions to the issues of shortages of court clerks, excessive workload and delays in motivation of decisions.
7. The new SCM should prepare a collective programme for its mandate, including measures to promote transparency and accountability. It should include a strategy on outreach, with regular open meetings with

assemblies of judges and prosecutors at all levels, as well as with civil society and professional organisations, and set up annual reporting to be discussed in courts' and prosecutors' general assemblies.

8. Ensure the entry into operation of the PREVENT system. The National Integrity Agency and the National Public Procurement Agency should put in place reporting on the ex-ante checks of public procurement procedures and their follow-up, including ex post checks, as well as on cases of conflicts of interest or corruption discovered, and the organisation of public debates so that the government, local authorities, the judiciary and civil society are invited to respond.
9. The Parliament should be transparent in its decision-making with regard to the follow-up to final and irrevocable decisions on incompatibilities, conflicts of interests and unjustified wealth against its members.
10. Adopt objective criteria for deciding on and motivating lifting of immunity of Members of Parliament to help ensure that immunity is not used to avoid investigation and prosecution of corruption crimes. The government could also consider modifying the law to limit immunity of ministers to time in office. These steps could be assisted by the Venice Commission and GRECO19. The Parliament should set up a system to report regularly on decisions taken by its Chambers on requests for lifting immunities and could organise a public debate so that the Superior Council of Magistracy and civil society can respond.
11. Continue to implement the National Anti-corruption Strategy, respecting the deadlines set by the government in August 2016. The Minister of Justice should put in place a reporting system on the effective implementation of the National Anti-corruption Strategy (including statistics on integrity incidents in public administration, details of disciplinary procedures and sanctions and information on the structural measures applied in vulnerable areas).
12. Ensure that the National Agency for the Management of Seized Assets is fully and effectively operational so that it can issue a first annual report with reliable statistical information on confiscation of criminal assets. The Agency should put in place a system to report regularly on development of administrative capacity, results in confiscation and managing criminal assets.

What are the next steps for Bulgaria?

The last report in January 2017 identified specific recommendations to be fulfilled. This report notes that significant progress has been achieved on these recommendations. While political uncertainty led to some delays in the implementation of reforms early in the year, since May the reform process has again taken on momentum, even if final outcomes are still to be seen, notably in areas requiring legislative reform and government action, such as in the fight against corruption. In the judiciary, important developments have also taken place this year, notably with the election of a new Supreme Judicial Council, the impact of which should begin to show in the coming year.

While the Commission cannot yet conclude that any of the benchmarks are at this stage satisfactorily fulfilled, it remains of the opinion that, with a continued political steer and a determination to advance the reform, Bulgaria should be able to fulfil the remaining outstanding CVM recommendations, and therefore satisfactorily fulfil the benchmarks, in the near future.

The Commission invites Bulgaria to implement the necessary actions and fulfil all recommendations, and will assess progress again towards the end of 2018.

Recommendations in January 2017 CVM Report:

1. Ensure a transparent election for the future SJC, with a public hearing in the National Assembly before the election of the members of the parliamentary quota, and giving civil society the possibility to make observations on the candidates.
2. Establish a track record of transparent and merit-based appointments to high-level judicial posts, including the upcoming appointment of a new President of the Supreme Administrative Court.
3. To improve the practical functioning of the ISJC and the follow-up by the Supreme Judicial Council to the inspectorate's findings, in particular on integrity issues, consider soliciting external assistance, for example from the SRSS and/or Council of Europe.
4. Adopt amendments to the Criminal Procedure Code and the Criminal Code to improve the legal framework for the prosecution of high-level corruption and serious organised crime.
5. Publish a report for public consultation detailing the progress made implementing the national judicial reform strategy and setting out the remaining steps to be taken. Establish a mechanism for continued public reporting of progress for the remaining duration of the strategy's implementation.
6. Address the workload situation in the busiest courts based on the new workload standards, and agree a roadmap for the reform of the judicial map in parallel with the development of e-justice.
7. Establish a roadmap for the implementation of the recommendations of the SRSS report concerning the reform of the Prosecutor's Office and its interactions with other institutions, including a mechanism for the reporting of progress to the wider public.
8. Establish a roadmap for the implementation of the recommendations of the study, including a mechanism for the reporting of progress to the wider public.
9. Adopt a new legal framework on the fight against corruption in line with the intentions set out in the anti-corruption strategy, and ensure its implementation. Set up an effective anti-corruption authority.
10. Adopt and implement a reform of the law on public administration to strengthen the internal inspectorates in the public administration.
11. Building on the analysis of past cases, establish a roadmap between all relevant institutions to address shortcomings in the investigation and prosecution of high-level corruption cases, including a mechanism for the reporting of progress to the wider public.
12. Establish a mechanism for public reporting on progress in high-level cases which are in the public domain. General Prosecution to report –

whilst respecting the presumption of innocence – on investigations and indictments. Supreme Court of Cassation and Ministry of Justice to report on convictions as well as the enforcement of sentences.

13. Carry out an external review of the ex ante checks of public procurement procedures and their follow-up, including ex post checks, as well as on cases of conflicts of interest or corruption discovered and remedial measures taken to address identified shortcomings.
14. Put in place risk-based measures to address low-level corruption in high risk sectors within the public administration, taking inspiration from what has been done in the Ministry of Interior. Continue the efforts in the Ministry of Interior.
15. Establish a mechanism for public reporting on the implementation of the national anti-corruption strategy covering the remaining duration of the Strategy's implementation.
16. Establish a mechanism for public reporting on progress in high-level cases which are in the public domain. General Prosecution to report – whilst respecting the presumption of innocence – on investigations and indictments. Supreme Court of Cassation and Ministry of Justice to report on convictions as well as the enforcement of sentences.
17. Adopt the necessary amendments to the law on confiscation of criminal assets and ensure the Illegal Asset Forfeiture Commission continues to operate independently and efficiently.

Does the Commission provide financial and technical support to help with the reforms?

The Commission supports the efforts of Bulgaria and Romania in achieving the CVM objectives through funding under the European Structural and Investment Funds.

There were already a number of projects in the anti-corruption and judicial reform area in the 2007-2013 period. In the 2014-2020 period the Administrative Capacity Programme (ESF) will provide funding of about €103 million for judicial reform projects in Romania, including €35 million specifically for anticorruption, and €35 million to support improvements in public procurement. ERDF resources up to €15 million will be invested in capacity building and technical assistance in public procurement, in fraud prevention for Management Authorities and in the Fight Against Fraud Department (DLAF).

In Bulgaria, during the 2007-2013 programming period €51 million was allocated under the Operational Programme for Administrative Capacity for the judiciary. Under the new programming period 2014-2020 a priority axis for the judiciary has been included in the Operational Programme for Good Governance with an allocation of €30.2 million. In addition to this, in 2016 Bulgaria asked for the assistance of the European Commission's Structural Reform Support Service (SRSS) to prepare an independent analysis of the Prosecutor's Office. As a result, a report on the functioning of the prosecution was prepared by experts from Germany, Spain, The Netherlands and the United Kingdom, also proposing recommendations. The development of further technical

assistance projects under the auspices of the SRSS could be considered to further assist the Bulgarian authorities.

Commission reports on progress in Romania under the Co-operation and Verification Mechanism

Today's report looks concretely at the progress made to meet the 12 recommendations issued by the Commission in its January 2017 CVM Report.

First Vice-President Frans Timmermans said: *"We have seen progress in some areas but there is still more work to be done. Romania has met some of our recommendations, but there is not enough progress yet on others. I count on the Romanian Government to pursue the necessary reforms, and to avoid backtracking, so that we can work together towards the goal of ending the CVM under this Commission's mandate."*

The Commission's last report in January 2017 took stock of overall progress in the past ten years and identified 12 specific recommendations which would help Romania move towards fulfilment of all CVM benchmarks. Today's report notes that progress has been achieved on a number of these recommendations, in particular the recommendation to set up a system for checks on conflicts of interest in public procurement (PREVENT) has been satisfactorily implemented. The Commission also notes progress on other recommendations, subject to practical implementation. At the same time, the Commission notes that the overall reform momentum in the course of 2017 has stalled, slowing down the fulfilment of the remaining recommendations, and with a risk of re-opening issues which the January 2017 report had considered as closed. Challenges to judicial independence are a serious source of concern.

The Commission cannot yet conclude that any of the CVM benchmarks are at this stage satisfactorily fulfilled, though progress has brought some benchmarks closer to this point. The Commission remains of the opinion that with loyal cooperation between State institutions, a political steer holding firm to past achievements and with respect for judicial independence, Romania will be able to fulfil the outstanding recommendations, and therefore satisfactorily meet the CVM benchmarks, in the near future. The Commission will assess progress again towards the end of 2018.

Background

On 1 January 2007, the Commission established the Cooperation and Verification Mechanism to assess progress against the commitments made by

Romania in the areas of judicial reform and the fight against corruption. The Commission reports on progress in these areas on a regular basis. The Commission issued its first report on 27 June 2007. The reports have benefitted from contacts with Member States, civil society, international organisations, independent experts and a variety of other sources. The Commission's conclusions and the methodology of the CVM have consistently enjoyed the strong support of the Council of Ministers.

In the previous CVM report of January 2017, the Commission took stock and gave an overview of the achievements of the past 10 years and the remaining steps needed to achieve the CVM's objectives. It defined 12 recommendations, most of them focusing on the responsibility and accountability required from the Romanian authorities and the internal safeguards needed to ensure the irreversibility of the results. The report highlighted that the speed of the process would depend on how quickly Romania will be able to fulfil the recommendations in an irreversible way and also on avoiding negative steps which could call into question the progress made in the past 10 years.

Today's report concerns the period since January 2017. It contains the Commission's assessment of how the Romanian authorities have followed-up on the 12 recommendations, and is complemented by a staff working document which sets out the Commission's detailed analysis, drawing on continuous dialogue between the Romanian authorities and the Commission services.

For more information:

[All CVM Reports](#)