<u>Press release — MEPs welcome unity on</u> <u>Brexit and call for reform of the EU</u>

MEPs welcomed the unity of the 27 Member States and the EU institutions with regard to Brexit and also called for a reform of the EU to benefit all its citizens.

The President of the European Council Donald Tusk presented to MEPs the <u>Guidelines for Brexit negotiations</u> agreed by the Member States at the summit on 29 April. He welcomed the alignment with the '<u>red lines'</u> set by the European Parliament. The detailed negotiating mandate will be presented for adoption at a European Council summit on 22nd May, pointed out the President of the Commission Jean-Claude Juncker.

In line with negotiator Michel Barnier, most MEPs emphasised the unity between the EU institutions and the 27 Member States, who are determined to act together to reach a balanced agreement with the United Kingdom.

The debated focussed on the basis for future negotiations, as recalled by Michel Barnier:

- no negotiations on the future relationship between the EU and the United Kingdom can take place before "tangible progress" is made,
- guaranteeing the rights of European citizens affected by the UK's decision to leave the EU,
- the Northern Ireland peace process must be upheld (including the absence of physical border between Ireland and Northern Ireland),
- the United Kingdom must respect all the financial commitments made as a Member State.

Michel Barnier stressed the need for transparent negotiations, which will begin after the UK national election on 8 June.

MEPs underlined the importance of unity and trust so that, in parallel to negotiations being carried out for an 'orderly withdrawal' of the UK, the reform of the Union can take place to rapidly respond to citizens' concerns and make the benefits of European integration much more visible.

The vote in the UK for Brexit and the rise in populism in some countries, in particular in France and the Netherlands, should be a lesson to European leaders, said many MEPs. Whilst the victories of pro-European parties was welcomed, several MEPs urged not to pat ourselves too much on the back;

"populism and nationalism are not dead". More than ever, it is vital to listen to citizens and respond to their expectations in defining the future of the EU: social and environmental norms in a globalised world, organisation of the job market in the face of technological challenges, taxation and the security of European citizens must all be taken into account, said MEPs.

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Replay links:

Donald TUSK, for the Council

Jean-Claude JUNCKER, for the Commission

Manfred WEBER (EPP, DE)

Roberto GUALTIERI (S&D, IT)

Raffaele FITTO (ECR, IT)

Guy VERHOFSTADT (ALDE, BE)

Gabriele ZIMMER (GUE/NGL, DE)

Philippe LAMBERTS (Greens/EFA, BE)

Nigel FARAGE (EFDD, UK)

Marcel de GRAAFF (ENF, NL)

Closing statements:

Michel BARNIER (part 1)

Michel BARNIER (part 2)

Donald TUSK
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Statement by Commissioner Vestager — Commission simplifies rules for public investment in ports and airports, culture and the outermost regions

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#euco #Brexit @eucopresident

Today, the Commission has exempted public support measures in a number of

areas from prior Commission state aid control. This facilitates public investments in key infrastructure, namely ports and existing airports, but also public support for culture, multi-purpose sport arenas and the EU's outermost regions.

But first, let me say just a few words on why this matters:

EU State aid rules ensure that companies can compete on equal terms in the EU Single Market to the benefit of European consumers. The EU Treaty gives the Commission the task of enforcing those rules.

Because fair competition is not just a question of what private companies do. We also have to look at what governments are doing — at how State-owned companies operate and at the subsidies that governments give.

That's why Member States are normally required to notify their plans for State aid to the Commission, and to go ahead only if the Commission gives its agreement.

This allows the Commission to prevent measures that distort competition, that hinder trade across national borders and undermine the EU Single Market. For example, if a Member State wants to give a better tax treatment to its national champion at the expense of more efficient competitors abroad.

At the same time, the vast majority of public support measures do not cause such problems. Either they are not State aid at all and fall outside the scope of EU State aid control. Or, they do amount to State aid but do not distort competition. They can all be implemented by Member States without having to ask the Commission for permission in advance.

It is important for Member States, companies and the citizens, to have clear guidance on this.

Today's changes are only the latest step in the Commission's recent efforts to modernise EU State aid control. The Commission has implemented several initiatives to stimulate investment by reducing the administrative burden for public authorities and companies and by increasing legal certainty for companies receiving aid.

To clarify what public measures are not State aid at all, in May last yearthe Commission adopted a Notice on the Notion of State aid. This covers, for example, public investments in roads, inland waterways, rail, and water distribution networks.

We have also taken a series of decisions, which show that measures are not State aid where their impact is essentially local, without affecting competition and trade between Member States. For example, public investments in hospitals, old age homes, sports facilities and regional news media.

For public measures that are covered by EU State aid control, but do not harm competition, the Commission set out clear criteria in the "General Block Exemption Regulation". Member States can rely on these criteria to support investment in important areas such as energy, environment, broadband and

innovation. And this without asking the Commission's approval first. This Regulation already exempts about 95% of all State aid measures — that's around 28 billion euros in State aid per year.

This reduces the administrative burden for Member States and increases legal certainty for companies that receive State aid. Of course, less control by the Commission requires Member States to themselves take responsibility: to show citizens where public funds go and what their impact is. Therefore, cooperation between Member States and the Commission is key to make modernisation of State aid control a success.

And today, we are giving flexibility to Member States to grant State aid directly, without asking the Commission's approval first, in a number of additional, important sectors — setting out clear criteria to make sure the aid does not distort competition.

The main changes relate to ports and existing airports. Over the past few years the Commission has taken more than 30 State aid decisions on ports and more than 50 State aid decisions on airports. So, we now have a good idea of which measures are likely to distort competition and which are not. We also consulted the public twice and took on board the feedback we received.

In particular, the new provisions exempt from prior control by the Commission public investments in existing **regional airports**. As long as they serve less than 3 million passengers per year. There are more than 420 airports of this size in the EU — they account for more than 80% of all airports in the EU but only about 13% of air traffic. These airports will be able to receive aid to maintain and upgrade their infrastructures, if they respect the criteria in the Regulation.

For small existing airports, the Regulation also allows Member States to help cover operating costs. By small airports I mean those handling less than 200 000 passengers per year. These may not always be as profitable as larger airports, but they can play an important role for the connectivity of a region and are unlikely to have much effect on competition. Airports of this size account for almost half of all EU airports but less than 1% of air traffic. Therefore, it should be up to the relevant region — and its citizens — to decide if they want to spend public funds to support these small airports.

For **ports**, the Regulation now exempts investments by Member States of up to 150 million euros in seaports and up to 50 million euros in inland ports. This includes dredging costs that certain ports need to incur to keep the waterway deep enough for ships to dock. For ports these costs are nonnegotiable because of their geography, regardless of how efficient and competitive they are.

So, these are significant changes for public investments in ports and airports, which clarify the rules, simplify procedures and allow Member States to invest in these sectors more quickly. This can help create jobs and spur economic growth, whilst preserving competition in Europe's Single Market.

We have also simplified EU State aid control in some other areas, namely culture and multi-purpose sports arenas. Support in these areas often does not amount to State aid anyway, as we clarified in the Notice on the Notion of State aid. Only a few large size projects are — and for these, in future even fewer projects will need to be notified to the Commission for approval.

We have also made it simpler for public authorities to compensate companies for additional costs they face in the EU's outermost regions and sparsely populated areas. These regions often face significant economic challenges because they are remote and dependent on a few traded products. EU State aid rules allow support for these regions to meet those challenges.

Furthermore, in addition to the important existing exemptions under the General Block Exemption Regulation to support innovation, we have clarified today that Member States can support projects with a so-called "Seal of Excellence" quality label. These are innovation projects funded by Member States that also meet the conditions for funding under the EU Horizon 2020 instrument. Today's clarification helps ensuring that these projects can be implemented as quickly as possible. This can especially benefit SMEs.

Finally, we addressed another issue that is at the heart of fair competition in the Single Market: EU state aid rules do not allow Member States to use state aid to incentivise the relocation of jobs from one EU country to another. Today's changes add safeguards to ensure that the rules work well in practice.

From now on, to benefit from the procedural speed of the General Block Exemption Regulation, the company benefitting from investment aid has to confirm that it did not relocate this activity from elsewhere in the EU. And will also not do so in the future.

The point of all this, of course, is to facilitate public investments that serve citizens while preserving competition. To make it easier to grant aid on clear and simple conditions that contributes to our common goals on jobs & growth, climate, innovation and social cohesion.

This is also at the heart of the Juncker Commission's Better Regulation agenda, which is led by my colleague Frans Timmermans.

Our objective is to focus the Commission's action on those issues that really matter to people, taking European action only where it is necessary and leaving the Member States to take responsibility for everything else.

Similarly, when it comes to state aid policy what we want to ensure is that responsibility for public measures is taken at the appropriate level — by the Commission, if it genuinely affects competition and European consumers across borders, and by national authorities, if the effect is local.

We have to work together to make sure that the Commission can be "big on big things and small on small things" to the benefit of EU citizens and companies.

Statement by Federica Mogherini and Commissioner Johannes Hahn on the mandate given to Zoran Zaev to form the government of the

We welcome the decision of President Ivanov to give the mandate to form a government to Mr. Zaev as an important step in the process of government formation. We hope that this constructive spirit will continue to prevail so that the country can finally come out of the political crisis. We expect now a swift formation of the government committed to implementing all parts of the Przino agreement and the Urgent Reform Priorities.

We call on all parliamentary parties to put their divisions aside and work jointly on a common reform agenda, to bring the country back on its Euro-Atlantic integration path. This is what the people want and deserve.

We stand ready to support the new government in its reform efforts.

Spokesperson's statement on allegations of misconduct by a humanitarian partner organisation in Greece, on behalf of Commissioner for Humanitarian Aid and Crisis Management Christos Stylianides

The European Commission has in place a thorough mechanism to monitor and ensure that its humanitarian funding worldwide is implemented in full respect of all humanitarian principles and sound financial management.

Through this mechanism we have identified potentially serious allegations related to one of the humanitarian projects being implemented by a partner in Greece.

An allegation relates to a case of potential sexual exploitation of

beneficiaries by the partner's staff members. Another allegation concerns potential financial corruption by these staff members.

Although these remain allegations under investigation, the Commission is taking them very seriously. We take a zero tolerance approach to any abuse of the rights and personal integrity of all refugees and migrants as well as to any misuse of funds.

Our primary concern is the welfare of the potential victims. Accordingly, we shall ensure that immediate support is provided to them.

We have already informed the Greek authorities and submitted the case to OLAF, the EU's anti-fraud office for immediate investigation.

Steps are being taken to suspend payments to the partner until the investigation is concluded.

<u>High Representative Federica Mogherini</u> announces senior nominations

Federica Mogherini, High Representative of the European Union for Foreign Affairs and Security Policy/Vice-President of the European Commission, announced today the nomination of 41 new Heads of EU Delegations^[1].

Pierre MAYAUDON has been nominated as Head of the EU Delegation to Afghanistan. He is currently serving as Head of the EU Delegation to Bangladesh.

Aude MAIO-COLICHE has been nominated as Head of the EU Delegation to Argentina. She is currently serving as Head of the EU Delegation to Venezuela.

Michael PULCH has been nominated as Head of the EU Delegation to Australia. He is currently serving as Head of the EU Delegation to Singapore.

Rensje TEERINK has been nominated as Head of the EU Delegation to Bangladesh. She is currently serving as Head of the EU Delegation to Nepal.

Oliver NETTE has been nominated as Head of the EU Delegation to Benin. He is currently serving as Head of Unit, Foreign Policy Instruments (FPI) in the European Commission.

Hans-Peter SCHADEK has been nominated as Head of the EU Delegation to Cameroon. He is currently serving as the Head of Division for West Africa within the EEAS.

Peteris USTUBS has been nominated as Head of the EU Delegation to Canada. He is currently serving as a member of Cabinet of the High Representative/Vice-President of the European Commission, Federica Mogherini.

Sofia MOREIRA DE SOUSA has been nominated as Head of the EU Delegation to Cabo Verde. She is currently serving as Deputy Head of the EU Delegation to South Africa.

Samuela ISOPI has been nominated as Head of the EU Delegation to the Central African Republic. She is currently serving as the Ambassador of Italy to Cameroon, Central African Republic, Chad and Equatorial Guinea.

Alberto NAVARRO GONZALEZ has been nominated as Head of the EU Delegation to Cuba. He is currently serving as Head of the EU Delegation to the Dominican Republic.

Gianluca GRIPPA has been nominated as Head of the EU Delegation to the Dominican Republic. He is currently serving as Head of Division for Strategy and Instruments of the European Neighbourhood Policy within the EEAS.

Andres BASSOLS SOLDEVILA has been nominated as Head of the EU Delegation to El Salvador. He is currently serving as Deputy Head of Division for Regional Affairs Americas within the EEAS and as Chair of the Council Working Party on Latin America and the Caribbean (COLAC).

Johan BORGSTAM has been nominated as Head of the EU Delegation to Ethiopia. He is currently serving as Ambassador of Sweden to Kenya.

Julian WILSON has been nominated as Head of the EU Delegation to the Pacific Region, based in Fiji. He is currently serving as Head of Division for Japan, Korea, Australia, New Zealand and the Pacific within the EEAS.

Alessandro PALMERO has been nominated as Head of the EU Delegation to Honduras. He is currently serving as Head of the EU Delegation to Paraguay.

Michael MANN has been nominated as Head of the EU Delegation to Iceland. He is currently serving as Head of Division for Strategic Communications within the EEAS.

Ramon BLECUA has been nominated as Head of the EU Delegation to Iraq. He is currently serving as Head of Political Section in the EU Delegation to Yemen.

Emanuele GIAUFRET has been nominated as Head of the EU Delegation to Israel. He is currently serving as Head of Division for Democracy and Electoral Observation within the EEAS.

Boris IAROCHEVITCH has been nominated as Head of the EU Delegation to the Kyrgyz Republic. He is currently serving as Head of Division for Eastern Partnership, Regional Cooperation and OSCE within the EEAS.

Christian MANAHL has been nominated as Head of the EU Delegation to Lesotho. He is currently serving as Head of the EU Delegation to Eritrea.

Hélène CAVE has been nominated as Head of the EU Delegation to Liberia. She is currently serving as Advisor to the Managing Director for Africa within the EEAS.

Giacomo DURAZZO has been nominated as Head of the EU Delegation to Mauritania. He is currently serving as Advisor for Development Cooperation Coordination within the EEAS.

Klaus RUDISCHHAUSER has been nominated as Head of the EU Delegation to Mexico. He is currently serving as Deputy Director General for International Cooperation and Development (DEVCO) in the European Commission.

Peter MICHALKO has been nominated as Head of the EU Delegation to Moldova. He is currently serving as Ambassador of the Slovak Republic to the Hellenic Republic.

Claudia WIEDEY has been nominated as Head of the EU Delegation to Morocco. She is currently serving as Head of Division for the Horn of Africa, East Africa and Indian Ocean within the EEAS.

Kristian SCHMIDT has been nominated as Head of the EU Delegation to Myanmar. He is currently serving as Head of the EU Delegation to Uganda.

Ketil KARLSEN has been nominated as Head of the EU Delegation to Nigeria. He is currently serving as Head of the EU Delegation to Honduras.

Thierry BECHET has been nominated as Head of the EU Delegation to Norway. He is currently serving as Deputy Head of the EU Delegation to the International Organisations in Vienna and as EU Permanent Representative to the OSCE.

Paolo BERIZZI has been nominated as Head of the EU Delegation to Paraguay. He is currently serving as a member of Cabinet of the Commissioner for International Cooperation and Development, Neven Mimica.

Diego MELLADO has been nominated as Head of the EU Delegation to Peru. He is currently serving as Head of Division for Selection and Recruitment within the EEAS.

Markus EDERER has been nominated as Head of the EU Delegation to Russia. He is currently serving as State Secretary of the Foreign Office of the Federal Republic of Germany.

Nicola BELLOMO has been nominated as Head of the EU Delegation to Rwanda. He is currently serving as Head of the EU Delegation to Swaziland.

Sem FABRIZI has been nominated as Head of the EU Delegation to Serbia. He is currently serving as Head of the EU Delegation to Australia.

Tom VENS has been nominated as Head of the EU Delegation to Sierra Leone. He is currently serving as Head of Political Section in the EU Delegation to Somalia.

Barbara PLINKERT has been nominated as Head of the EU Delegation to

Singapore. She is currently serving as Head of Division for HQ Security and EEAS Security Policy within the EEAS.

Esmeralda HERNANDEZ ARAGONES has been nominated as Head of the EU Delegation to Swaziland. She is currently serving as Desk Officer for Southern Africa within the EEAS and has formerly served as Chargé d'Affaires to the Gambia and to Suriname.

Pirkka TAPIOLA has been nominated as Head of the EU Delegation to Thailand. He is currently serving as Head of the EU Delegation to Moldova.

Maria Cristina MARTINS BARREIRA has been nominated as Head of the EU Delegation to Togo. She is currently serving as Head of Division for Horizontal Coordination of the EU Military Staff within the EEAS.

Attilio PACIFICI has been nominated as Head of the EU Delegation to Uganda. He is currently serving as Advisor to the Managing Director for Africa within the EEAS.

Karl-Otto KÖNIG has been nominated as Head of the EU Delegation to Uruguay. He is currently serving as Ambassador of Germany to Panama.

Isabel BRILHANTE PEDROSA has been nominated as Head of the EU Delegation to Venezuela. She is currently serving as Ambassador of Portugal to Namibia.

^[1] They will be formally appointed after the receipt of the agréments.

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