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From: Secretary-General of the European Commission,  
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 26 October 2016

To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of  
the European Union

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PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND  
SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS  
Commission Work Programme 2017  
- Delivering a Europe that protects, empowers and defends

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Delegations will find attached document COM(2016) 710 final.

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Strasbourg, 25.10.2016  
COM(2016) 710 final

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN  
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL  
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

**Commission Work Programme 2017**

**Delivering a Europe that protects, empowers and defends**

{SWD(2016) 400 final}

## **I. EUROPE IS AT A CRITICAL JUNCTURE**

Europeans know and see in their daily lives the consequences of the challenges that remain with us. A still-nascent economic recovery, which has yet to deliver benefits for all in our societies, especially when it comes to creating jobs for the young and reducing inequality. Migration flows, which have tested our external borders and remain a challenge for the capacity of the Union to deliver solidarity. A heightened terrorist threat. Ongoing instability in our eastern and southern neighbourhood. To which we now have to add the uncertainty as a result of the UK referendum.

Listening to Europeans, we have understood that they look for a response to these challenges and protection from these threats. They look for the means that can empower them to build a sustainable future for themselves and their families. And they look for perspective: an assurance that governance at local, regional, national and European levels can collectively meet the expectations of today and tomorrow's generations.

### ***A Commission focussed on the important things...***

From the start of our mandate, this Commission has set its priorities to focus on the big things, where effective European action can make a concrete difference in addressing the challenges facing Europe's citizens, our Member States and the Union as a whole. Over the last year we have made solid progress in implementing the strategies we have set out in the Investment Plan for Europe, the Digital Single Market, the Energy Union, the European Agenda on Security, the European Agenda on Migration, the Capital Markets Union, the Action Plan for Fair and Efficient Corporate Taxation, the new Trade Strategy, the Steps towards completing Economic and Monetary Union, the Single Market Strategy, and the Action Plan for the Circular Economy.

Focussing on the big things, and sharing these priorities with the European Parliament and the Council, we have delivered tangible and quick results in key areas. In just one year, the European Fund for Strategic Investments has been activated in 27 Member States and has triggered €138 billion in investments, including new financing for almost 300,000 small and medium-sized enterprises. We have made substantial progress in regaining control of irregular migration flows and preventing deaths in the Aegean and Mediterranean Seas. The European Border and Coast Guard is already working to strengthen control of our external borders just ten months after the Commission proposed it. At the same time Europe has shown solidarity with 1 million Syrians who have found shelter and protection here. And we have relocated and resettled over 15 000 further refugees in the past twelve months. In the last three months we have reached an average of some 1 000 relocations per month. In September the figure has increased up to 1,200 relocations. The gap between current relocation needs and effective relocations from Greece is now decreasing, but these efforts need to be maintained in the coming months, and relocation from Italy should be significantly stepped up.

This Work Programme sets out the key initiatives<sup>1</sup> the Commission commits to delivering by the end of 2017. These concrete proposals are the most visible way in which our work will contribute to the process of renewal ahead of the 60<sup>th</sup> anniversary of the Treaties of Rome in March 2017. And we will be cooperating with the European Parliament and Council to make sure that these and the other key proposals we have made in the past years are adopted swiftly, so they can make a tangible impact on the ground.

*... and a Commission focussed on doing things better*

But shared priority-setting is just one way in which improving how we work together at European level can demonstrate to Europeans that our governance structures are really at their service. Because doing things better is just as important for citizens' confidence as doing better things.

That is why over the next months we will pay close attention to the operational side of our work: making sure existing European laws are properly applied and enforced and remain fit for purpose; providing structural support, for example in Greece; boosting the roll-out of the European Fund for Strategic Investments and tackling barriers to investment; and cooperating with Member States, the Social Partners and civil society to help create a supportive environment for delivering the Union's policy objectives, including through the effective deployment of the budgetary means at our disposal. This year we will in particular step up our efforts on the enforcement agenda, because even the best law is useless unless it delivers real results on the ground.

We will also continue to apply better regulation principles across all our work, so that what we do is constantly assessed that it is effective and proportionate in achieving the ambitions of the policy goals we have set. Many of the key initiatives we will present in the next year include proposals which follow on from regulatory fitness and performance reviews (REFIT) and which will update and improve existing legislation so it continues to achieve its objectives effectively and without undue burdens.

Beyond the key initiatives, we also propose a number of further REFIT revisions to current laws<sup>2</sup>, and for the future we will seek to achieve REFIT goals whenever any existing law is due to be reviewed. In setting our priorities for the coming months, we have taken particular account of the 22 opinions of the REFIT Platform. We are doing or have planned work in all areas covered by the opinions<sup>3</sup>. In parallel to this Work Programme, we are publishing a Scoreboard which sets out in detail the follow up to the REFIT Platform opinions and ongoing efforts to evaluate and review existing laws, whilst we are also proposing the repeal of a series of pieces of legislation which are obsolete<sup>4</sup>. We also propose to withdraw a series

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<sup>1</sup> Annex I.

<sup>2</sup> Annex II.

<sup>3</sup> With the exception of a standard VAT declaration, on which an earlier Commission proposal had to be withdrawn this year due to lack of support from the Council in the legislative procedure. Examples of Commission follow-up in this year's Work Programme include: the proposals for the amendment of EU legislation on e-privacy and VAT (see Annex I), and the proposal for an implementing act under the Waste Electrical and Electronic Equipment (WEEE) Directive (see Annex II).

<sup>4</sup> Annex V.

of pending proposals that are technically outdated or no longer serve their purpose, to allow the co-legislators to focus on the proposals that really matter<sup>5</sup>.

We will also continue to bed down the other changes we have made to the way we work. In the past two years the Commission has considerably increased our openness and accountability to citizens<sup>6</sup>, and that has improved the quality of our work and our proposals. We are now seeking the views of the public across the board, including on draft delegated and implementing acts. We are open about the interest representatives who seek to influence our policy decisions and have invited the European Parliament and Council as co-legislators to join us in a new Interinstitutional Agreement on a mandatory transparency register<sup>7</sup> so that there is accountability to citizens about lobbying across all stages of European law-making.

## **II. DELIVERING ON THE 10 PRIORITIES**

In the coming year, the Commission will work in the framework of the 10 priorities outlined in the Political Guidelines<sup>8</sup> – presented at the start of our mandate following discussions with the European Parliament and inspired by the European Council's 'Strategic agenda for the Union in times of change' – to deliver a targeted and positive agenda that brings concrete results to protect, empower and defend citizens<sup>9</sup>.

### **1. A New Boost for Jobs, Growth and Investment**

*A Europe that preserves our way of life and empowers our young.* Some eight million more jobs have been created over the last three years, but unemployment still remains at unacceptably high levels in many Member States, especially among the young. Our priority must be to help Member States to create the best possible conditions for our young people to develop the skills they need and become active on the labour market and in society.

The aim of our new Youth Initiative is that every young person should have real prospects for education, training and employment. We will prioritise youth in the implementation of the New Skills Agenda for Europe. Proposals will address the modernisation of education, improving the quality of apprenticeships and further developing mobility of apprentices, and tracking outcomes for young people in the labour market once they have finished their academic or vocational training. We are also reinforcing the Youth Guarantee as a tool to invest in young people, in their skills and in their first steps in a career<sup>10</sup>, as well as the Youth

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<sup>5</sup> Annex IV.

<sup>6</sup> Commission Decision of 25.11.2014 on the publication of information on meetings held between Members of the Commission and organisations or self-employed individuals (C(2014)9051 final) and Commission Decision of 25.11.2014 on the publication of information on meetings held between Directors-General of the Commission and organisations or self-employed individuals (C(2014)9048 final).

<sup>7</sup> COM(2016) 627 final.

<sup>8</sup> [http://ec.europa.eu/priorities/docs/pg\\_en.pdf](http://ec.europa.eu/priorities/docs/pg_en.pdf).

<sup>9</sup> In this context, the Commission will focus its communication work in 2017 on the priorities of the Commission, on the basis of the corporate communication action in 2017-18 under the Multiannual Financial Framework 2014-2020 (C(2016) 6838 of 25.10.2016).

<sup>10</sup> COM(2016) 646 final.

Employment Initiative<sup>11</sup>. This will support Member States' actions by reaching out to the regions and young people most in need.

We will launch the European Solidarity Corps by the end of 2016 which will create opportunities for under-30s to contribute actively to society in a spirit of solidarity, and acquire new skills and experience, including language skills, in the process.

It is through innovation and the right investment in our economies that companies create jobs. Building on the initial success of the Investment Plan for Europe<sup>12</sup>, the Commission is committed to doubling both the duration and the financial capacity of the European Fund for Strategic Investments (EFSI). The original Fund was agreed by the co-legislator in a record-time of four and a half months and the Commission counts on both the European Parliament and the Council to ensure an equally swift agreement on its extension and reinforcement, thereby strengthening sustainable investment. Inspired by the success of EFSI, the Commission has also presented an External Investment Plan for Africa and the EU Neighbourhood to tackle some of the root causes of migration and promote jobs and sustainable growth in these regions<sup>13</sup>.

We will continue to work to create the right climate for innovation in Europe, to help create new industries and jobs, tackle societal and environmental challenges and improve people's lives. By mainstreaming innovation across all Union policies and targeting our research and development and structural and investment funds effectively, we aim to make Europe a leader in new technologies and business methods, including through smart specialisation.

The Commission will continue to work to deliver on the Sustainable Development Goals. The circular economy offers great innovative, growth and jobs potential. The Commission will take forward the implementation of the Circular Economy Action Plan by improving the economics, quality and uptake of plastic recycling and reuse in the EU and reducing plastic leakage into the environment. We will also come forward with a legislative proposal on minimum quality requirements for reused water and a revision of the Directive on drinking water following up on the REFIT evaluation and the European Citizens' Initiative "Right2Water". We will develop a monitoring framework to ensure that progress towards our circular economy ambitions is on track and delivering the mutually-reinforcing benefits both for the environment and our economic growth.

The 2017 European Semester will continue to put focus on the necessary measures that Member States should take to deliver investment, sound public finances and structural reform. In its next recommendation on the economic policy of the euro-area, the Commission will also promote a positive fiscal stance for the euro-area, in support of the monetary policy of the European Central Bank. On the basis of the analysis contained in the country reports to be

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<sup>11</sup> To further support implementation on the ground, we have recently proposed to top up the existing financing for the Youth Employment Initiative with an additional €2 billion for 2017-2020.

<sup>12</sup> As mentioned above, in just one year, the European Fund for Strategic Investments has been activated in 27 Member States and has triggered €138 billion in investments, including new financing for almost 300,000 small and medium-sized enterprises.

<sup>13</sup> COM(2016)581 final.

adopted in February, the Commission will develop a further series of country-specific recommendations to be proposed to the Council in May.

We will follow up with the European Parliament and Council on our proposal to revise the Multiannual Financial Framework (2014-2020)<sup>14</sup>. Our ambition is a revised budget that reinforces support for the Union's priorities and is better able to respond rapidly to unforeseen circumstances, with simplified rules for beneficiaries and strengthened focus on results. A comprehensive proposal for the future framework beyond 2020, including on own resources, will follow. This proposal will be guided by the "EU-budget-focused-on-results" initiative and reflect the future challenges and needs of the Union post-2020 on the basis of an assessment of existing spending policies and instruments.

The Commission will take forward work and consult widely on simplification and modernisation of the Common Agricultural Policy to maximise its contribution to the Commission's ten priorities and to the Sustainable Development Goals. This will focus on specific policy priorities for the future, taking account of the opinion of the REFIT Platform, and without prejudice to the Commission proposal to revise the Multiannual Financial Framework. As concerns the position of farmers in the food supply chain, in the light of the outcome of the ongoing work of the Agricultural Markets Task Force and the High Level Forum on the food supply chain, the Commission will consider further action as necessary.

## **2. A Connected Digital Single Market**

*A Europe that empowers its citizens and businesses.* Digital technologies and digital communications are permeating every aspect of life, bringing new opportunities for creativity, business and employment, but also underscoring the need for trust and cybersecurity. Releasing the full additional growth potential of a connected Digital Single Market by completing the implementation of the Strategy will remain high on the agenda in 2017. As announced in last year's Work Programme we will deliver the remaining proposals in the next few months, such as the Value Added Tax (VAT) REFIT package covering proposals on e-commerce, e-publications and e-books and initiatives on advancing the data economy including addressing unjustified barriers to the free flow of data within Europe.

We will devote particular attention to working closely with the co-legislators in order to advance swiftly on the proposals already put forward. These include digital contracts<sup>15</sup>, copyright<sup>16</sup>, geo-blocking<sup>17</sup>, portability<sup>18</sup>, parcel delivery<sup>19</sup>, audio-visual media services<sup>20</sup>, telecommunications<sup>21</sup>, the use of the 700 MHz band for mobile services<sup>22</sup>, and our recent

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<sup>14</sup> COM(2016)603 final.

<sup>15</sup> COM(2015)634 final, COM(2015)635/2 final.

<sup>16</sup> COM(2016)593 final, COM(2016)594 final, COM(2016)595 final, COM(2016)596 final.

<sup>17</sup> COM(2016)289 final.

<sup>18</sup> COM(2015)627 final.

<sup>19</sup> COM(2016)285 final.

<sup>20</sup> COM(2016)287 final.

<sup>21</sup> COM(2016)590 final, COM(2016)591 final.

<sup>22</sup> COM(2016)43 final.

proposal on WiFi4EU<sup>23</sup>. Connectivity is key, and the Commission will deliver on its promise to bring about the abolition of mobile roaming charges by mid-2017. We will review the progress made towards completing the Digital Single Market and will identify where further efforts are needed by the co-legislators and any necessary further proposals.

### **3. A Resilient Energy Union with a Forward-Looking Climate Change Policy**

*A Europe that takes responsibility for delivery on promises made.* The swift ratification of the Paris Agreement has shown that Member States can find common ground when it is clear that acting together the Union's impact is bigger than the mere sum of its parts. Moreover, it has confirmed the EU's global leading role on climate change. Delivery on our commitments is now needed to make the modernisation of our economy a reality whilst ensuring a socially fair transition. The implementation of the Paris Agreement and of the international agreement on emissions from aircraft (International Civil Aviation Organisation) is a priority here.

As already announced, we will continue to deliver on our Energy Union Strategy and present, by the end of this year, a comprehensive package aimed at managing the modernisation of the economy by placing energy efficiency first, pursuing the ambition to become world number one in renewable energies and providing a fair deal to consumers. This will encompass legislative action on energy efficiency, renewable energy including bioenergy sustainability, the design of the electricity market and the governance rules for the Energy Union. An initiative to Accelerate Clean Energy Innovation will support the research and market uptake of technological innovation needed for energy efficiency and renewables to meet the decarbonisation goals set by the Paris Agreement and our 2030 targets. All the Energy Union related legislative proposals presented by the Commission in 2015 and 2016 need to be addressed as a priority by the Parliament and Council. These include the above-mentioned package, the security of gas supply package<sup>24</sup>, the EU emissions trading system<sup>25</sup> and related rules on effort-sharing<sup>26</sup> and landuse and forestry<sup>27</sup>.

We will also follow up on our Strategy on low-emission mobility presented in July. The aim will be to increase the efficiency of transport by responding to the mobility needs of people and goods and promoting lower emissions, including a gradual shift to zero emission vehicles, which will also enhance the competitiveness of the industry. To achieve this, as a first step we will present REFIT revisions of the car and light commercial vehicles Regulations, presenting strategies establishing zero- and low-emission standards post-2020, and the clean vehicles Directive to improve procurement incentives and rules. Applying the user-pay and polluter-pay principle, we intend to propose improvements for those Member States who choose to use road charging, including for the interoperability of electronic tolling services.

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<sup>23</sup> COM(2016)589 final.

<sup>24</sup> COM(2016)52 final and COM(2016)53 final/2.

<sup>25</sup> COM(2015)337 final/2.

<sup>26</sup> COM(2016)482 final/2.

<sup>27</sup> COM(2016)479 final.



#### **4. A Deeper and Fairer Internal Market with a Strengthened Industrial Base**

*A Europe that makes a strong contribution to jobs and growth and stands up for its industry,* The free movement of goods, people, services and capital is the basis of Europe's economic power. We have the largest single market in the world, and the reforms set out in the Single Market Strategy seek to unlock its full potential. In synergy with our other strategies, this will create the right conditions for the sustainable competitiveness of the European economy and support innovation, digitisation and the industrial transformation.

Upcoming deliverables, already announced, cover action to help SMEs and start-ups to grow, an Intellectual Property Rights Package and a Services package to tackle barriers in the services market. We will present a company law initiative to facilitate the use of digital technologies throughout a company's lifecycle and cross-border mergers and divisions.

Next year the Commission will act to strengthen the single market in goods, notably by facilitating the mutual recognition and addressing the increasing amount of non-compliant products on the EU market through REFIT revisions of the relevant legislation. This will allow entrepreneurs to offer their products more easily across borders while offering incentives to boost regulatory compliance and restoring the level playing field to the benefit of businesses and citizens. We will also introduce an initiative on coordinated health technology assessments.

Building upon the Strategy for low-emission mobility, the Commission will work in an integrated way on mobility, connectivity and the future of the automotive industry, which needs to meet structural challenges and rebuild trust in its commitment and ability to address car emissions. We will notably continue work on the regulatory environment, ecosystem-building, resource efficiency and standardisation to facilitate the market introduction of increasingly efficient autonomous and connected vehicles.

As concerns the space industry, as a follow-up to the European Defence Action Plan and the Space Strategy for Europe, the Commission will put forward in 2017 an initiative to ensure reliable, secure and cost-effective satellite communication services for public authorities (GOVSATCOM – governmental satellite communication) as well as measures to facilitate market uptake of space services and data.

Enforcement of Single Market rules is essential to ensure that they deliver on the ground. In 2017, the Commission will put forward, as part of a wider enforcement focus, proposals to upgrade and streamline problem-solving tools, including the SOLVIT network, and promote awareness among citizens and companies of their rights. This will include the Single Market Information Tool and the Digital Single Gateway to support businesses and to help them to develop cross-border activities throughout the Single Market taking into account an opinion of the REFIT Platform. Proposals will be made to further empower National Competition Authorities to be more effective enforcers of rules that guarantee a competitive environment in the Single Market.

In line with the European Council's call to make swift progress to ensure easier access to finance for business and to support investment in the real economy, the Commission will present a mid-term review of the Capital Markets Union Action Plan, identifying remaining obstacles and any additional measures required. We will propose a simple, efficient and competitive EU personal pension product aimed at reducing barriers to the provision of pension services across borders and increasing competition between pension providers, a REFIT revision of the European Market Infrastructure Regulation (EMIR), a strategy on sustainable finance, measures to facilitate funding of infrastructure corporates, and an action plan for retail financial services to break down the national barriers which prevent consumers from getting the best value, choice and prices and to benefit from new financial technologies. The Commission will also ensure follow up on the call for evidence on the cumulative impact of financial legislation, also taking into account the REFIT Platform opinion on reporting requirements. And we will bring forward the remaining proposals that have already been announced, including legislation on business restructuring and second chance to ensure that when business fail they are wound down fairly and efficiently and entrepreneurs get a fresh start.

A sound tax environment must be simple and efficient for companies operating across borders whilst ensuring that these companies are fairly and effectively contributing to taxes in the places where they actually make their profits. In parallel with this Work Programme, the Commission is re-launching the Common Consolidated Corporate Tax Base with a compulsory common tax base as the first step<sup>28</sup>. The Commission is also presenting further measures to tackle tax fraud and evasion, including via third countries<sup>29</sup>. Taking account of the ongoing consultation, additional measures in the area of tax transparency over the next year could include a proposal to increase oversight of promoters and enablers of aggressive tax planning schemes. As a key component of the External Strategy for Effective Taxation, the Commission will work with Member States to finalise an EU list of third country jurisdictions which fail to comply with international tax good governance standards and implementation of the relevant international agreements on best practices against profit shifting and base erosion.

Every year, cross-border VAT fraud costs tax-payers in our Member States some €50 billion. At the same time, the administrative burden of VAT compliance for small businesses is high and technical innovations pose new challenges for effective tax collection. The Commission will therefore bring forward measures to implement the VAT Action Plan, to simplify VAT for smaller companies and set the foundations for a modern, more efficient, business-friendly and fraud-proof definitive VAT regime across Europe, taking account of the opinions of the REFIT Platform. A more effective and proportionate approach to VAT rates is a key element of this reform.

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<sup>28</sup> COM(2016)683 and COM(2016)685.

<sup>29</sup> COM(2016)686 and COM(2016)687.

## 5. A Deeper and Fairer Economic and Monetary Union

*A Europe that protects our economies and ensures a fair playing field for workers and business.* As an established global currency the euro brings huge, often invisible economic benefits. Euro area countries saved €50 billion this year in interest payments on their debt, thanks to the low interest rates and the European Central Bank's monetary policy. The Commission stands by the ambition and roadmaps presented in the 5 Presidents' Report on the completion of the Economic and Monetary Union (EMU).

The White Paper on the Future of Europe setting out steps on how to reform an EU of 27 Member States 60 years after the Treaties of Rome will also include the future of the EMU to prepare stage 2 of EMU deepening in the new political and democratic context, including a stability-oriented review of the Stability and Growth Pact and the follow-up to Article 16 of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union (incorporating the substance of this Treaty into the legal framework of the European Union). We will also review the European System of Financial Supervision (ESFS) to strengthen the effectiveness and efficiency of oversight at both macro- and micro- prudential levels. The adoption of the proposal for a unified representation of the euro area in the International Monetary Fund<sup>30</sup> should be accelerated.

The completion of Banking Union and in that context, finding an agreement on the proposal for a common European Deposit Insurance Scheme<sup>31</sup>, remains a priority. The Commission will also, in the light of the latest considerations at international level, review parts of the banking legislation and propose targeted amendments to the Capital Requirement Regulation and Directive, as well as to the Bank Recovery and Resolution Directive, to make banks even more resilient while simplifying the rules for those with a less complex business model, promoting investment especially in SMEs, and strengthening existing risk-reduction measures in particular through the implementation of the global standards on total loss-absorbing capacity for systemic banks. Stepping up progress on the delivery of the Capital Markets Union is key to fostering a greater level of private sector risk sharing in EMU. The adoption of the pending proposals on securitisation<sup>32</sup> and prospectus<sup>33</sup> must be accelerated.

The Commission is committed to promoting social upwards convergence and strengthening the social dimension of European integration. Drawing on the evidence gathered by this year's public consultation, we will propose a European Pillar of Social Rights setting out principles for a Union built on social fairness. The Pillar will set out a framework of principles to foster a fair playing field in a European social market economy. This will offer a policy compass for fair and dynamic labour markets, in which everyone has a chance to put their talent to use, and for well-functioning and sustainable welfare systems which reflect today's fast-changing realities. It will be accompanied by related initiatives, such as initiatives to address the challenges of work-life balance faced by working families.

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<sup>30</sup> COM(2015)603 final.

<sup>31</sup> COM(2015)586 final/2.

<sup>32</sup> COM(2015)472 final/2.

<sup>33</sup> COM(2015)583 final.

## **6. Trade: A Reasonable and Balanced Free Trade Agreement with the US**

*A Europe that is open and trading with our partners while strengthening its defence instruments.* In today's global economy, trade is essential for growth, jobs and competitiveness. Trade means jobs – for every 1 billion Euros we get in exports, 14,000 extra jobs are created across the EU. And more than 30 million jobs, 1 in 7 of all jobs in the EU, now depend on exports to the rest of the world. That is why the EU remains committed to an open, rules-based trading system.

Building on the Union's successful network of free trade agreements, the Commission will continue negotiations with the US, Japan, Mercosur, Mexico, Tunisia and ASEAN countries. We will seek new mandates to open negotiations with Turkey, Australia, New Zealand and Chile. We will continue work in the WTO, including plurilateral agreements, as well as for a swift ratification of the Comprehensive Economic and Trade Agreement (CETA) with Canada.

We are also committed to ensuring that trade remains fair by updating and modernising Europe's trade defence instruments in order to ensure they are fully sustainable in light of new economic challenges such as over-capacity and changing legal realities, as the expiry of certain provisions of WTO accession protocols. It is now urgent that the Council solves the stalemate on our proposal from 2013 to modernise Trade Defence Instruments, including a reform of the lesser duty rule<sup>34</sup>. The European Council called on 21 October 2016 for an urgent and balanced agreement on the Council position for a comprehensive modernisation of all trade defence instruments by the end of 2016.

Given the common values of the EU and the United States, as well as the strategic, political, and economic importance of the transatlantic relationship, the Commission stands ready to conclude an ambitious, balanced and high-standards Trade and Investment Partnership Agreement. Given the upcoming elections in the US and the inevitable slowdown of the pace of negotiations, both parties will endeavour to consolidate the progress that has been achieved. The Commission stands ready to engage with the new US administration as soon as possible, on the basis of the mandate given to the Commission, reconfirmed by the European Council on 21 October 2016<sup>35</sup>.

The Commission will also play a leading role in the implementation of the Global Forum on steel excess capacity, under the auspices of the G20.

## **7. An Area of Justice and Fundamental Rights Based on Mutual Trust**

*A Europe that defends and preserves our values of freedom, democracy and the rule of law.* Security at and within our borders is a key and common concern given the current threats Europe faces. The terrorist threat has never before been so widely felt in Europe. We intend to

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<sup>34</sup> COM(2013)192 final.

<sup>35</sup> European Council Conclusions – Brussels, 20-21/10/2016, point 14: "...It also invites the Commission to continue the negotiations with the US authorities to be able to present an ambitious, balanced and comprehensive free trade agreement".

follow up the EU Security Agenda with actions to pave the way towards a Security Union and to strengthen controls at our borders. This will include a European Travel Information and Authorisation System (ETIAS) so that there is automated checking of visa-exempt third country nationals intending to travel to the Schengen area, which will complement the entry and exit system for third country nationals that the Commission has already proposed<sup>36</sup> and which, together with our proposal for systematic controls on EU nationals crossing EU external borders, should be agreed quickly<sup>37</sup>. We will also present improvements to the Schengen Information System and will make our existing and future law enforcement and border management systems more interoperable, following up on the ongoing work of the High Level Group on Information systems and interoperability. And we will present an initiative on access to electronic evidence, given its increasing importance for ensuring effective criminal investigations and prosecutions to fight serious crime and terrorism.

Over the next months the Commission will continue to implement the EU Action Plan on tackling terrorism financing, with proposals on harmonised sanctions to deter money laundering, illicit cash movements, illicit trade in cultural goods and the freezing and confiscation of criminals' assets. We are also working to boost Europol and in particular the resourcing of the European Counter Terrorism Centre. We will report on progress towards a Security Union on a monthly basis<sup>38</sup> and will work with the European Parliament and Council for timely agreement on key measures to combat firearms abuse and to criminalise terrorist behaviours including foreign terrorist fighters' travel.

The right to security can never compromise the respect of other fundamental rights, including the right to personal data protection. The European Data Protection Regulation<sup>39</sup> will apply as of 2018 and the Commission will ensure that the same high level of protection of personal data extends to the European institutions, bodies, agencies and offices. In the same spirit, the Commission will also explore new adequacy decisions on exchange of personal data with third countries to ensure high standards when personal data is transferred to third countries. We will present a REFIT revision of the e-privacy Directive to update it in the light of latest technological developments and taking into account the opinion of the REFIT Platform. We will also assess the scope for horizontal or further sectorial action at EU level to protect whistle-blowers who expose illegal conduct.

We will continue to work towards accession of the Union to the European Convention on Human Rights, taking full account of the rulings of the European Court of Justice. And since independent, effective justice systems support economic growth and upholding fundamental rights, we will continue to work together with the European Parliament and Member States to promote and defend the rule of law.

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<sup>36</sup> COM(2016)194 final and COM(2016)196 final.

<sup>37</sup> COM(2015)670 final.

<sup>38</sup> First Commission report progress report towards an effective and genuine Security Union was adopted on 12 October 2016 – COM(2016)670 final.

<sup>39</sup> Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), OJ L 119 of 4.5.2016.

## 8. Towards a New Policy on Migration

*A Europe that protects our borders and delivers on a responsible migration policy.* Managing migration flows whilst ensuring that those who seek refuge always find safe haven here continues to be a daily challenge. Over the last year the Commission has accelerated work with the European Parliament, the Council and the Member States under the European Agenda on Migration to enable a swift coordinated response to the refugee crisis and to outline a long-term framework based on solidarity and responsibility.

The EU's determination to tackle the impact of the crisis has led to an unprecedented day-to-day engagement on the ground. The Commission, EU agencies and Member States have worked together to save lives at sea and to support Member States in the front line. More than €15 billion from the EU budget has been devoted to the EU response to the refugee crisis. The EU-Turkey statement is proving a decisive step in stopping migrant smuggling, putting order in flows and preventing the loss of lives. In 2017 the Commission will maintain the intensity of its work to bring direct support to refugees and their integration in host communities in Europe and in third countries, to improve migration management at the most exposed border areas, to combat migrant smuggling and trafficking, in particular of unaccompanied minors, and on the return of irregular migrants.

In an area of free internal movement, our external borders are more than ever a matter of common responsibility. Steps have been taken to get the Schengen area of free movement of people back on the path to normality. In less than one year the EU has built a permanent system to ensure the protection of borders and prevent and address weaknesses in controls on persons entering the EU through an operational European Border and Coast Guard.

A permanent capacity to manage migration in a credible and sustainable manner requires a full range of migration instruments to be in place. All of the necessary building blocks are now on the table of the European Parliament and the Council. Rapid adoption of key proposals, such as the reform of the Dublin rules for the Common European Asylum System<sup>40</sup>, the transformation of the European Asylum Support Office into a fully-fledged EU Agency for Asylum<sup>41</sup>, the reinforcement of Eurodac<sup>42</sup>, the new resettlement framework<sup>43</sup>, as well as measures for properly managed legal migration<sup>44</sup>, is essential to provide the comprehensive and coherent approach the European Union needs to manage the challenge of migration.

Building on the first results of the recent Partnership Framework with third countries under the European Agenda on Migration<sup>45</sup>, work needs to be taken forward by the EU institutions and the Member States so that migration issues are at the heart of and a condition for the quality of relations with all key partner countries of origin and transit. Countries of origin and

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<sup>40</sup> COM(2016)270 final/2.

<sup>41</sup> COM(2016)271 final.

<sup>42</sup> COM(2016)272 final/2.

<sup>43</sup> COM(2016)468 final.

<sup>44</sup> COM(2016)378 final.

<sup>45</sup> COM(2016) 385 final.

transit have started to engage in deeper cooperation on prevention of irregular migration and on return. We will also need to put in place effective legal pathways into the Union, whether through legal migration or resettlement.

Next year we will take stock across the different work strands under the Strategy, to provide a comprehensive review of the progress made towards more effective and sustainable migration management, and will identify where further efforts are needed.

## **9. A Stronger Global Actor**

*A Europe that protects also defends our interests beyond our borders.* Europe is a soft power of global importance. Through the Global Strategy and the revised European Neighbourhood Policy, the EU will continue to deploy all instruments at its disposal to support its partners in economic and political stabilisation, reforms and resilience building. The Commission will continue to create shared stability and prosperity with candidate countries through its enlargement policy.

However, soft power is not enough in an increasingly conflictual world. Therefore, the Commission will present later this year a European Defence Action Plan, which will explore how EU policies and instruments can ensure that the industrial and skills base will be able to deliver the defence capabilities identified in view of current and future security challenges. Following this, the Commission will propose the creation of a European Defence Fund in order to promote research and innovation and contribute to the strengthening of the European defence technological and industrial base and to further stimulate the development of key defence capabilities. In addition, further measures will be proposed in the field of public procurement for defence.

The Commission's pending proposal to amend the instrument contributing to stability and peace aims at addressing gaps in the European Union's ability to support partner countries in preventing and managing crises on their own, in particular through capacity building in support of security and development. Given the immediate threats to stability and peace and hence development in a number of key partner countries, it is important that the European Parliament and the Council swiftly adopt this proposal.

The European Union will continue to strive to resolve ongoing conflicts and crises in its neighbourhood and beyond, and contribute to ongoing efforts of the United Nations and other international actors in this regard. The Commission and the High Representative will adopt an EU Strategy for Syria which will set out how Europe can continue to provide humanitarian support and contribute to political transition, stabilisation and reconstruction with a view to rebuilding a peaceful Syrian nation and a pluralistic, tolerant civil society in Syria.

Africa will remain one of the EU's key strategic partners, and the recent refugee crisis has once more underlined the importance of investing in sustainable and sound relations with African countries, led by a spirit of shared responsibility. The Partnership Framework and the specific funding provided by the EU Emergency Trust Fund for Africa and the new European

External Investment Plan (EIP)<sup>46</sup> reflect our commitment to work hand in hand with our African partners and to jointly face our global challenges. In view of the 5<sup>th</sup> EU-Africa Summit which will take place at the end of 2017, we will propose a new approach which should define the EU's strategic objectives and priorities in its relations with Africa. This would also contribute to the African pillar of the post-Cotonou framework, which the Commission will shortly present, and should also emphasise the crucial importance of our trade relations with African partners.

As already announced, the Commission will also propose a renewed European Consensus on Development, aligning our development policy with the UN 2030 Agenda for Sustainable Development and ensuring it plays its full part in the implementation of the Sustainable Development Goals.

## **10. A Union of Democratic Change**

*A Europe that takes responsibility, listens and delivers.* Delivering a Union of democratic change – the most overarching of the 10 priorities this Commission has set itself – has never been more urgent. At this critical time, the future of our Union will depend on giving Europeans the assurance that collectively we are capable of protecting, empowering and defending them, and helping build a positive and sustainable perspective for their futures.

Better regulation, accountability and transparency continue to be the core business model of this Commission and all EU institutions need to apply these principles in a consistent and committed manner if we want to win back the trust of our citizens. The Commission will work closely with the European Parliament and the Council to ensure that the Interinstitutional Agreement on Better Law-Making is fully implemented and applied, and will also engage in constructive negotiations with both institutions on our recent proposal for an mandatory Transparency Register covering the European Parliament, Council and Commission. The Commission will also bring forward amendments to the Framework Agreement with the European Parliament to ensure that Members of the Commission can stand for European Parliament elections.

The Commission will propose legislation to align existing acts with the Treaty provisions on delegated and implementing acts, thus phasing out the regulatory procedure with scrutiny. We will also assess the democratic legitimacy of existing procedures for the adoption of delegated and implementing acts and consider options for changing existing procedures for the adoption of certain secondary acts.

To ensure that the EU's legal instruments have the intended effect, the Commission intends to step up its efforts on the application, implementation and enforcement of EU law. This includes the package of measures for better enforcement of single market rules and, in the environmental area, a REFIT proposal to simplify environmental reporting following the recent Fitness Check, and measures to facilitate access to justice and support environmental compliance assurance in Member States.

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<sup>46</sup> COM(2016)581 final.



### III. ACCELERATING DELIVERY ON THE 10 PRIORITIES BY THE THREE INSTITUTIONS

Our agenda, launched by the President's State of the Union address of 14 September 2016<sup>47</sup>, not only reflects what we have heard that citizens expect the EU do to, and our dialogues with the directly elected Members of the European Parliament<sup>48</sup> and the Council in which all national governments are represented<sup>49</sup>, as well as the inputs of the European Economic and Social Committee<sup>50</sup> and the Committee of the Regions<sup>51</sup>, but is also fully aligned with the priorities identified by 27 Heads of State or Government in Bratislava<sup>52</sup>.

The focus of this Commission over the coming year is squarely on delivery, but we cannot do it alone. Our constructive dialogue with the European Parliament and Council ahead of the presentation of this Work Programme has built a shared understanding of the priorities ahead, in line with the new Interinstitutional Agreement on Better Law-Making<sup>53</sup>. The Commission sees this agreement as a joint commitment to focus on big and urgent things, whilst striving for simple, evidence-based, predictable and proportionate laws which deliver maximum benefits for citizens and businesses.

We therefore look forward to working in the next weeks with the European Parliament and the Council to reach an agreement between the three Presidents on a Joint Declaration which will set out the broad objectives and priorities for 2017 and identify proposals that deserve priority treatment in the legislative process. This is a new shared commitment under the Interinstitutional Agreement<sup>54</sup>. This Work Programme provides a basis for this shared reflection and highlights the pending proposals<sup>55</sup> on which the Commission considers it most important to advance quickly, enabling the Union to turn proposals into action and deliver where it is most needed.

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<sup>47</sup> [http://ec.europa.eu/priorities/state-union-2016\\_en](http://ec.europa.eu/priorities/state-union-2016_en). See also the Letter of Intent signed by the President and the First Vice-President and addressed to the Presidents of the European Parliament and of the Council. On this basis, the First Vice-President discussed with the General Affairs Council on 20 September and the Commission met with the Conference of Committee Chairs on 3 and 4 October.

<sup>48</sup> <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2016-0312+0+DOC+XML+V0//EN>

<sup>49</sup> Letter of 4 October from the President of the General Affairs Council to the President and the First Vice-President of the Commission.

<sup>50</sup> [http://www.eesc.europa.eu/resources/docs/eesc\\_contribution-to-ec--2017-workprogramme\\_en.pdf](http://www.eesc.europa.eu/resources/docs/eesc_contribution-to-ec--2017-workprogramme_en.pdf)

<sup>51</sup> <https://toad.cor.europa.eu/corwipdetail.aspx?folderpath=RESOL-VI/010&id=24254>

<sup>52</sup> <http://www.consilium.europa.eu/en/press/press-releases/2016/09/16-bratislava-declaration-and-roadmap>

<sup>53</sup> <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2016:123:FULL&from=EN>

<sup>54</sup> Point 7 of the Interinstitutional Agreement on Better Law-Making.

<sup>55</sup> Annex III.