FOLLOW-UP PROVIDED BY THE EUROPEAN COMMISSION TO THE OPINIONS OF THE

EUROPEAN COMMITTEE OF THE REGIONS PLENARY SESSION OF NOVEMBER 2023 110th REPORT

N°	TITLE / LEAD DG	REFERENCES					
DG HOME							
1.	The EU Anti-Corruption Framework Rapporteur-general: Jean-Luc VANRAES (BE/RENEW E.)	Own-initiative COM(2023) 234 final JOIN(2023) 12 COR-2023-03805-00-00-AC-TRA CIVEX-VII/024					
	DG JUST						
2.	Stopping gender-based violence - cities and regions leading the way Rapporteur: Donatella PORZI (IT/RENEW E.)	Own-initiative COR-2023-02488-00-00-AC-TRA SEDEC-VII/039					
	DG EAC						
3.	Building a values-based, bottom-up European sports model: a vehicle for encouraging inclusion and social wellbeing among young Europeans Rapporteur: Roberto PELLA (IT/EPP)	Own-initiative COR-2023-02588-00-00-AC-TRA SEDEC-VII/040					
4.	Promoting cultural policies in rural areas within the framework of development and territorial cohesion strategies and the 2030 Agenda Rapporteur: Csaba BORBOLY (RO/EPP)	Council presidency referral COR-2023-03454-00-00-AC-TRA SEDEC-VII/041					
	DG REGIO						
5.	The future of cohesion policy post-2027? Rapporteurs: Vasco ALVES CORDEIRO (PT/PES)/ Emil BOC (RO/EPP)	Own-initiative COR-2023-02250-00-00-AC-TRA COTER-VII/030					
	DG NEAR						
6.	Boosting lasting and effective cross-border cooperation with our neighbours Rapporteur: Marie-Antoinette MAUPERTUIS (FR/EA)	Own-initiative COR-2023-03418-00-00-AC-TRA COTER-VII/031					

	DG ENER & DG CLIMA							
7.	European Hydrogen Bank Rapporteur: Arianna Maria CENSI (IT/PES)	Own-initiative COM(2023) 156 final COR-2023-03286-00-00-AC-TRA ENVE-VII/040						
	DG CLIMA							
8.	Towards a multilevel Green Deal governance: the revision of the Governance of the Energy Union and Climate Action Regulation Rapporteur: Joško KLISOVIĆ (HR/PES)	Own-initiative COR-2023-03285-00-00-AC-TRA ENVE-VII/037						
DG SANTE								
9.	The role of cities as health promoters Rapporteur: Adam BANASZAK (PL/ECR)	Council presidency referral COR-2023-02951-00-01-AC-TRA NAT-VII/037						
	DG MARE							
10.	The Common Fisheries Policy on the ground: towards sustainable and resilient coastal communities in the EU Rapporteur: Jesús GAMALLO ALLER (ES/EPP)	Own-initiative COM(2023) 100 final COM(2023) 101 final COM(2023) 102 final COM(2023) 103 final COR-2023-02953-00-00-AC-TRA NAT-VII/035						
	DG CNECT							
11.	EU Cyber Solidarity Act and Digital Resilience Rapporteur: Pehr GRANFALK (SE/EPP)	Optional COM(2023) 209 final COR-2023-02191-00-00-AC-TRA ECON-VII/034						
	DG COMP							
12.	2022 Annual Report on Competition Policy Rapporteur: Antonio MAZZEO (IT/PES)	Own-initiative COM(2023) 184 final COR-2023-02190-00-00-AC-TRA ECON-VII/033						

**	*OPINIONS ADOPTED DURING PREVIOUS PLEN	JARY SESSIONS***					
DG CNECT & EEAS							
13. Opinion adopted during the plenary session of July 2023	The role of local and regional authorities in countering disinformation and foreign information manipulation and interference Rapporteur-general: Gustaw Marek BRZEZIN (PL/EPP)	Council presidency referral COR-2023-01564-00-00-AC-TRA CIVEX-VII/023					
	DG REGIO						
14. Opinion adopted during the plenary session of October 2023	A just and sustainable transition for Automotive Regions Rapporteur: Sven SCHULZE (DE/EPP)	Own-initiative COR-2023-01449-00-00-AC-TRA COTER-VII/029					
15. Opinion adopted during the plenary session of October 2023	European Cross-Border Mechanism 2.0 Rapporteur: Magali ALTOUNIAN (FR/renew E)	Own-initiative COR-2022-06083-00-01-AC-TRA COTER-VII/025					
	DG JUST						
16. Opinion adopted during the plenary session of October 2023	Consumers' protection package Rapporteur: Dan BOYLE (IE/GREENS)	Own-initiative COM(2023) 166 final COM(2023) 155 final COR-2023-02019-00-00-AC-TRA NAT-VII/036					

N°1 EU Anti-Corruption Framework

Own-initiative

COM(2023) 234 final

JOIN(2023) 12

COR-2023-03805 - CIVEX-VII/024

158th plenary session – November 2023

Rapporteur: Jean-Luc VANRAES (BE/Renew Europe)

DG HOME – Commissioner JOHANSSON

Points of the European Committee of the Regions opinion considered essential

European Commission position

1. The European Committee of the Regions (CoR) stresses that the fight against corruption is essential in order to guarantee the rule of law.

6. The CoR approves the general objective of the anti-corruption directive proposed by the European Commission to harmonise relevant legislation across the Member States. The proposal properly reflects Article 83 of the Treaty on the Functioning of the European Union, which qualifies corruption as a "eurocrime", that is, a particularly serious crime with a cross-border dimension, in which case the EU may in certain circumstances, adopt minimum rules in this area. The cross-border dimension of corruption and the stark disparity in the scope of Member States' criminal law necessitate a stronger coordination and definition of common standards across the EU. Acknowledges by the same token that the full implementation of the directive into national criminal law will be a difficult and long-lasting process.

8. The CoR is convinced that [...] the proposal appears compatible with the principle of subsidiarity. Moreover, the proposal is in line with the proportionality principle because it is limited to what is necessary and proportionate to efficiently prevent and combat corruption and to implement international obligations and

The Commission welcomes the Committee's support for the proposal for a Directive on combating corruption¹ and its recognition of the great harm that corruption can inflict on democracies. It also takes note of the Committee's recognition that the proposal conforms to the principles of subsidiarity and proportionality.

Discussions concerning the proposal between the Commission, the European Parliament and the Council, are underway and the Commission looks forward to continuing to work constructively to reach an ambitious agreement in the near future. To that end, the Commission has taken due note of the Committee's recommendations for amendments.

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2023%3A234%3AFIN

standards. Furthermore, since the proposal takes the form of a directive, it gives Member States sufficient latitude in its implementation.

- 7. The CoR considers that, given that corruption undermines European democracy and the integrity of elections at all levels of government, the additional sanction proposed by the directive of deprivation of the right to stand in elections on the basis of a common definition of corruption across the EU is to be welcomed, especially since the proposal only requires that the national legislator envisages the possibility of these additional or alternative sanctions and measures listed in Article 15(4).
- 15. The CoR recommends that local and regional authorities reflect on their on existing ethics and integrity frameworks and the use of whole range of activities and tools in order to better combat any potentially corrupt practices and reinsure citizens of high ethical standards.
- 16. The CoR calls on the local and regional authorities to take inspiration from the Code and guidelines proposed by the Congress and develop or revise their anti-corruption strategies and codes of conduct addressing, inter alia, the areas of transparency and open methods of governance, prevention of conflicts of interest and clientelism through maintenance of registers of financial and non-financial interests of public officials, a clear protection of whistle-blowers in strengthen order to reporting behaviour, ofcombatting nepotism, cronyism favouritism, ensuring full transparency of public procurement processes and preventing abuse of administrative resources in election campaigns.

28. The CoR expresses its keen interest in participating in the works of the EU network against corruption established by the European Commission, in the firm belief that the local and regional perspective is key to effectively

The Commission agrees that it is important to address, prevent and fight corruption at all levels of government, including the national, regional and local level. In this respect, it agrees with the Committee on the importance of local and regional governments adopting Codes of Conduct. It also welcomes the Committee's position and support concerning the additional sanction of deprivation of the right to stand in election.

The Commission welcomes the Committee's interest to participate in the work of the EU network against corruption and looks forward to discussing possible forms of the Committee's involvement in the network, in full agreement with

fighting corruption.	the co-legislators.
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N°2 Stopping gender-based violence – cities and regions leading the way

Own-initiative

COR-2023-02488 - SEDEC-VII/039

158th plenary session – November 2023

Rapporteur: Donatella PORZI (IT/renew E.)

DG JUST - Commissioner DALLI

Points of the European Committee of the Regions opinion considered essential

European Commission position

17. The European Committee of the Regions (CoR) reiterates however that GBV also affects people who do not identify as women, and highlights that, while the directive is titled "violence against women", it should be considered to relate to other genders as well;

The Proposal for a directive on combating violence against women and domestic violence¹ states firstly that women are disproportionately represented as victims of both forms of violence due to the underlying patterns of coercion, power and/or control. Secondly, the proposal confirms that nevertheless anyone can be a potential victim of such violence, regardless of their sex or gender. In the case of domestic violence, in particular, it can affect any person, including men, younger or older people, children and LGBTIQ persons.

Furthermore, all the protection, prevention and support measures under Chapters 3-5 of the proposed directive are formulated in a genderneutral way and apply to all victims of violence against women (VAW), regardless of their gender.

EDUCATION - measures for LONG-TERM SOCIETAL CHANGE

34. The CoR appreciates that the European Commission launched a campaign to challenge gender stereotypes, on 8 March 2023; is however concerned about the degree to which it reached European citizens in their villages, cities and regions. Calls in this regard on the Commission to involve the CoR in future similar initiatives and to launch a targeted campaign on stopping GBV;

This social media campaign was designed to reach users across regions in the targeted countries, encompassing individuals from diverse locations, possibly even smaller villages.

Media coverage included articles published in regional/local outlets.

Following outreach to stakeholders, some municipalities also shared the campaign in their social media.

Information about the campaign has been shared

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¹ COM(2022) 105 final.

with 845 members of Building Europe with Local Councillors (BELC), a European network of locally elected politicians interested in communicating about the EU and its policies.

FUNDING and DISSEMINATION OF PROJECTS COMBATTING GBV

58. The CoR appreciates the funding provided with the Daphne Initiative under the Citizens, Equality, Rights and Values Programme to fight GBV and violence against children; understands however that the geographical distribution of Daphne funding to beneficiaries is uneven and the Central and Eastern European region in particular lacks initiatives to benefit from such EU funds²;

The funding of the Daphne stream under the Citizen Equality Rights and Values (CERV) programme (2021-27) has been increased compared to the CERV's predecessor, the REC (Rights, **Equality** and Citizenship) programme. About EUR 30 million are now available for Daphne projects each year. Besides, in 2023 a new type of funding scheme was launched: a call for proposals for intermediaries who would then re-grant most of the funds to smaller third-party civil society organisations active in the field of gender-based violence and violence against children. One of the main aims was to reach more and smaller grass-roots organisations also at the regional and local levels. Among the 13 proposals selected in autumn of 2023, some concern civil society organisations in the Central and Eastern European region, especially in Hungary, Romania, Bulgaria, Lithuania, Latvia and Estonia. These 3-year projects have recently started (at the beginning of 2024).

In order to boost the programme's promotion in these under-represented countries, the Commission has launched a specific communication campaign with the help of a contractor, which will concentrate its action on these countries, raising awareness and looking at the methods to help applications build their capacity to prepare better quality proposals in response to CERV calls. The activities of the campaign are currently under preparation and will

² Implementation of the Daphne programme and other funds aimed at fighting violence against women and girls, EP (2019).

be deployed by spring 2024.

Finally, together with European Education and Culture Executive Agency (EACEA), which supports the Commission in the programme's implementation, efforts have been made to nominate and provide financial support to CERV National Contact Points in all Member States. These efforts have been successful given that almost all EU Member States have established a Contact Point (except for Poland, Hungary and Bulgaria).

59. The CoR calls on the European Commission to better inform CoR members on the Daphne programme, to help such funding reach LRAs and use them as a dissemination platform to also inform other actors on the ground;

In those Member States which have a CERV National Contact Point³, it would be relevant to set up closer collaborations between these Contact Points and local and regional authorities (LRA). National Contact Points CERV have responsibility for providing impartial guidance, practical information and assistance to applicants, stakeholders and beneficiaries of the Programme with respect to all the aspects thereof, including in relation to the application procedure, dissemination of user-friendly information and Programme results, inquiries for partners, training and formalities in their countries.

60. The CoR calls on the Commission to swiftly launch the EU network on the prevention of GBV and DV, including LRAs and also allowing for an exchange of good practice on prevention, education and training initiatives, coupled with a guide on available EU funding instruments for the latter;

The EU Network on Prevention of gender-based violence and domestic violence had its first meeting in Brussels on 29-30 November 2023. The purpose is for it to be a practical tool for those responsible for policymaking and implementation to discuss emerging issues, improve knowledge and test ideas. Every Member State has been invited to send 2 members per meeting (1 permanent and 1 additional expert on the specific topic), with stakeholders invited on an ad hoc basis also depending on the topic. The next meeting will take place on 10-11 April 2024, with the topic being finalised.

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the full list is available here: CERV Contact Points 3 AUG 2023.pdf (europa.eu)

61. The CoR urges the Commission and the Member States to implement gender budgeting in the Multi-Annual Financial Framework and national budgets, as an instrument to improve gender equality via budget measures that can help close gender gaps; and to allocate sufficient, long-term, sustainable financial and human resources in order to adequately prevent and combat all forms of GBV.

The Commission has a long-standing commitment towards the promotion of gender equality. In line with its gender equality strategy 2020-2025⁴ and the Interinstitutional agreement on the multiannual financial framework (MFF) 2021-2027, Commission has developed a dedicated pilot methodology to track gender equality related expenditure in its funding. The objective is to improve gender mainstreaming and tracking in the Commission's annual budgetary process by tracking the contribution made by policy design and resource allocation to gender equality objectives. The methodology is based on four scores which reflect the extent to which an intervention is geared towards the promotion of gender equality. For instance, all proposals submitted under the CERV programme are given, during their evaluation, a gender score $(0, 0^*, 1, or$ 2) based on this methodology, in line with the corporate assessment guidelines.

Here is the overview of the scores:

- Category 0 not targeted interventions, which do not contribute significantly towards gender equality;
- Category 0* interventions, which can have an important impact on gender equality but where the actual impact is yet unclear, due to for example the absence of an assessment of the gender equality perspective in the design phase, or the absence of data allowing a more detailed assessment of the effects of the intervention;
- Category 1 interventions having gender equality as an important and deliberate objective but not as the main reason for the intervention;
- Category 2 interventions whose principal objective is to improve gender equality:

https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/gender-equality/gender-equality-strategy_en

improving gender equality is the main objective of the intervention, without it the intervention would probably not be undertaken.

In case it is identified that an intervention has the potential to contribute to gender equality, but the gender dimension has not been sufficiently included in the intervention's design (score 0*), it is provided with a recommendation on how to improve their focus on gender equality, in order to improve it in future projects' submissions.

As previously mentioned, funding of the Daphne stream under the CERV programme (2021-27) has been increased compared to CERV's predecessor, the REC programme. About EUR 30 million are now available for Daphne projects each year.

Following the increase of its budget, the CERV Programme has also been allocated more human resources for the Programme management; these additional posts have been created in the EACEA, which has been given the mission to implement 60% of CERV's budget.

N°3 Building a values-based, bottom-up European sports model: a vehicle for encouraging inclusion and social wellbeing among young Europeans
Own-initiative
COR-2023-02588 – SEDEC-VII/040
158th plenary session – November 2023
Rapporteur: Roberto PELLA (IT/EPP)
DG EAC – Commissioner IVANOVA

Points of the European Committee of the Regions opinion considered essential

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

 $N^{\circ}4$ Promoting cultural policies in rural areas within the framework of development and territorial cohesion strategies and the 2030 Agenda Council presidency referral COR-2023-03454 – SEDEC-VII/041

158th plenary session – November 2023 Rapporteur: Csaba BORBOLY (RO/EPP) DG EAC – Commissioner IVANOVA

Points of the European Committee of the Regions opinion considered essential

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

N°5 The future of cohesion policy post-2027?

Own-initiative

COR-2023-02250 - COTER-VII/030

158th plenary session – November 2023

Rapporteurs: Vasco ALVES CORDEIRO (PT/PES)/ Emil BOC (RO/EPP)

DG REGIO – Commissioner FERREIRA

European Commission position on points of the European Committee of the Regions opinion considered as essential

The Commission welcomes the opinion of the Committee, which addresses in a very comprehensive manner the set of challenges and priorities of cohesion policy in the future.

The Regulation laying down the Multiannual Financial Framework (MFF) for the years 2021-2027⁵, provides that the Commission shall present a proposal for a new MFF until 30 June 2025. The outcome of that proposal as well as the post-2027 sectoral proposals cannot be prejudged. All comments below should be seen in that light.

The Commission acknowledges that not all regions are equally equipped to face the long-term challenges of the green, digital and demographic transitions, nor to retain its economic dynamism in terms of income and equity. In view of this, the Commission takes note of the Committee's recommendation that the next programming period should be guided by principles underpinning the idea of a just transition.

The Commission fully shares the Committee's view that cohesion policy must address the European Pillar of Social Rights and the Charter of Fundamental Rights of the European Union.

The Commission agrees with the Committee that Gross Domestic Product as a sole basis for cohesion policy funding allocations would not be fit for purpose. In this regard, the allocation methodology, as detailed in Annex XXVI of the 2021-2027 Common Provisions Regulation⁶, already includes a complex set of economic, social and environmental indicators mirroring the set of challenges addressed by the policy. The Commission welcomes the Committee's support for cohesion policy as a key instrument to promote an overall harmonious development of the Union and to achieve the objectives of social, economic and territorial cohesion enshrined in Article 174 of the Treaty on the Functioning of the European Union (TFEU). The Commission also recognises the importance of ensuring that other EU and national policies do not undermine the achievement of cohesion objectives pursuant to the 'do no harm to cohesion' principle.

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⁵ Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027; OJ L 433I, 22.12.2020, p. 11–22.

Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy; OJ L 231, 30.6.2021, p. 159–706.

The Commission fully agrees with the Committee on the need to further reinforce the effectiveness of the 'partnership' and 'multilevel governance' principles in cohesion policy – being necessary to improve ownership and increase the quality and impact of programmes. It is too early to discuss how the system of enabling conditions should evolve. As for the partnership principle, an approach setting only minimum conditions applicable to all may result in less effective arrangements than currently.

The Commission also notes the Committee's view on co-financing, which should be applied in a proportionate manner, with a view to ensuring a greater impact of the policy, additionality, and ownership on the ground.

The Commission takes note of the Committee's view that the scope and objectives of the future cohesion policy should mirror the changing nature of disparities as captured by the findings of the 8th Cohesion Report⁷.

The Commission fully recognizes the need for a quicker start of programming. The level and modalities of payments for the pre-financing in the future remains to be established.

Regarding a possible EU enlargement, the Commission duly takes note of the Committee's concerns regarding any unfavourable consequences that a 'statistical effect', following an enlargement, could have on cohesion policy eligibility. In any case, and without prejudging discussions on the future MFF, the categories of regions and applicable thresholds are customarily set up based on statistical data of the years preceding the proposal which indicates a statistical effect at a later point in time.

The Commission agrees with the Committee on the need to further modernise and adapt cohesion policy to the needs and emerging priorities of regions, cities, rural areas, and people, making it more flexible, particularly given the fast-changing nature of our times and EU long-term challenges.

The Commission is exploring the possibility to embed reforms, steered by the European Semester, contributing to stimulate regional growth in the future cohesion policy framework, as investments alone proved in several Member States to be insufficient to ensure sustainable development.

The policy reform should also include further simplification of rules and procedures to allow for easier access to funding by beneficiaries.

The Commission agrees with the Committee that there is scope to simplify the architecture of this policy, and to avoid overlaps between EU instruments. Simplification of the EU programmes is a key objective, which would indeed require rationalisation of the funding framework.

In the context of preparatory discussions on the next Multiannual Financial Framework, the Commission will consider the proposal of the Committee on earmarking for community-led local development under the relevant funds regarding the corresponding costs and benefits. This will be assessed in the light of the positive experience in the European Agricultural Fund for Rural Development but also bearing in mind the recent crisis, which demonstrated the need for higher flexibility and adaptability of the policies, together with complexity in the management of EU funds.

⁷ Inforegio - Eighth Report on Economic, Social and Territorial Cohesion (europa.eu).

The Commission is open to explore place-based and targeted interventions and is committed to keep pursuing cohesion policy mission to reduce disparities in least favoured territories, with particular attention to rural areas, and support territories with severe and permanent or demographic handicaps as enshrined in Article 174 TFEU.

The Commission agrees with the Committee on the need to strike the right balance between the necessary flexibilities to address crises and pursue long-term structural objectives.

The Commission believes in the key role European Territorial Cooperation programmes play in the development of cross-border areas.

Decentralised debates have been taking place throughout a majority of Member States since Spring 2023 to exchange views on the future cohesion policy, including regarding its simplification. Consultations will be continued until the adoption by the Commission of its legislative proposals for the future cohesion policy.

N°6 Boosting lasting and effective cross-border cooperation with our neighbours

Own-initiative

COR-2023-03418 - COTER-VII/031

158th plenary session – November 2023

Rapporteur: Marie-Antoinette MAUPERTUIS (FR/EA)

DG NEAR – Commissioner VÁRHELYI

Points of the European Committee of the Regions opinion considered essential

European Commission position

36. The European Committee of the Regions (CoR) welcomes the increase in the overall budget for IPA III and calls for the overall budget for cross-border territorial cooperation to be increased;

The Commission acknowledges that territorial cooperation can play an important role in the context of the enlargement process and for good neighbourly relations, overall. As such, the IPA III programming framework dedicates one of the five thematic windows to cross-border, transnational, and interregional cooperation programmes to strengthen cooperation by means of actions conducive to integrated territorial development linked to the Union's priorities. As a result, the allocation of funds for territorial cooperation under IPA III¹ has significantly increased, compared to IPA II (2014-2020).

37. The CoR calls for further simplification of Interreg projects and stresses that the corresponding funding should be flexible enough to meet the actual needs of cross-border areas in line with a bottom-up approach;

Current Interreg programmes benefit from significantly more simplified and flexible rules compared to their 2014-2020 predecessors. For example, the regulation now makes it simpler to implement small projects via the Small Project Funds. Furthermore, the extended use of simplified cost options clearly reduces the administrative and control burden for project partners programme management bodies. The Commission continue supporting the responsible managing authorities in Member States to further simplify arrangements for the Interreg partners.

All Interreg programmes are designed by public authorities that are aware of regional and local needs. The association of socio-economic,

IPA III: the Instrument for Pre-Accession Assistance (2021–2027) https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/overview-instrument-pre-accession-assistance_en

environmental and civil society partners in this process make it all the more relevant and bottomup. In addition, the implementation mode, which is largely based on calls for projects, ensures a high degree of relevance to local needs.

38. The CoR calls on the EU to increase the use of clear indicators to measure the impacts of EU policy in its relations with neighbouring countries;

The IPA III Regulation² calls for a reinforced monitoring and reporting with a focus on results, covering outputs, outcomes and impacts, with the aim of both providing effective accountability and transparency in implementing the Union budget and ensuring effective assessment of progress towards the achievement of the objectives of the Instrument.

Building on this legal requirement ('policy first' principle) and on lessons learnt from previous practice under IPA II and the IPA Performance Framework, DG NEAR has set up the IPA III Results Framework³. The framework allows for consistency and a harmonisation of approaches among the different stakeholders and interventions, when it comes to reporting on results. The IPA III Programming framework has 5 windows, with Territorial and Cross Border Cooperation covered by Window 5.

Additionally, all Interreg cooperation programmes along the EU external borders, covering the 2021-27 period, fall under the legal framework of cohesion policy. In accordance with the Common Provision Regulation⁴, relevant, clear and realistic programme indicators are core requirement for the programme cycle management, notably measurement of impact under structural funds. Several indicators are cooperation-specific and measure the impact of projects and programmes

Regulation (EU) 2021/1529 of the European Parliament and of the Council of 15 September 2021 establishing the Instrument for Pre-Accession assistance (IPA III); OJ L 330, 20.9.2021, p. 1–26.

³ SWD(2022) 455 final (SWD 2022 445 1 EN document travail service part1 v2.pdf (europa.eu))

Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy; OJ L 231, 30.6.2021, p. 159–706 (Publications Office (europa.eu)).

	on	interaction	between	neighbours.	The
	experience gained during the implementation of 2021-27 programmes will be considered when				on of
	settii	ng up indicator	rs for post 2	027 programm	es.

N°7 European Hydrogen Bank

Own-initiative

COM(2023) 156 final

COR-2023-03286 - ENVE-VII/040

158th plenary session – November 2023

Rapporteur: Arianna Maria CENSI (IT/PES)

DG ENER - Commissioner SIMSON

Points of the European Committee of the Regions opinion considered essential

European Commission position

9. The European Committee of the Regions (COR) recognises the role-model played by the first call of the EHB to further promote renewable hydrogen to decarbonise industrial activities, energy supply and heavy transport in the EU. After the first call, auctions should be organised to prioritise the decarbonisation of those industrial sectors (including the energy production sector) with the biggest potential in terms of emission savings, and that will need the price delta coverage the most. Priority should also be given to sectors where electrification is not a technically and economically viable option and with particular regard to undertakings which are strategically important to the country or region in question;

In the pilot auction for renewable hydrogen production in the EU under the Innovation Fund (IF) all sectors are eligible for the offtake of the renewable hydrogen that receives the subsidy.

This element of design will be assessed as part of a 'lessons learned' exercise following the evaluation of the proposals under the pilot auction in Spring 2024 (currently scheduled for May).

The lessons learned exercise will feed into the stakeholders' consultation on the Terms and Conditions (T&C) of the second round of the auction for renewable hydrogen production under the IF that is planned for summer 2024. The choice of sectors eligible for offtake will be part of this consultation.

12. The COR reiterates the importance of geographical balance to enable the production and use of renewable hydrogen across the EU; urges the Commission to develop macroregional auctions and, for that purpose, define macro-regions that would be sufficiently large to secure adequate competition while ensuring geographical balance; requests that Commission propose an allocation key with the aim of sharing the financial envelope between the different regions on an equal footing, based in particular on the possibility of contributing to the transformation of EU industry to improve global competitiveness and reduce climate impact. This regional differentiation should take

As explained above, once the current auction call closes, there will be a 'lessons learned' exercise and stakeholder consultations on the draft T&C for the second round of the auction on renewable hydrogen production in the EU. Additional criteria aimed at achieving a geographically balanced distribution of the IF support for the purposes of project selection can be discussed there as well.

The IF aims for selection of projects based on excellence and through European-wide competitive calls for proposals (regular calls for proposals and auctions). We expect that in this way already a good geographical balance can be achieved. If not, dedicated actions can be taken to

into account the specific challenges faced by outermost regions, islands, mountains areas and peripherical regions, as well as cities and regions characterised by the presence of energyintensive industrial activities having significant impact on environment and human health and being difficult to electrify; achieve a better balance over the lifetime of the IF as a programme.

Also, the auction call document foresees that for proposals with the same bid price a priority order will be determined for ranking according to a list of criteria. According to the second of those criteria, proposals located in a country (EU Member State, European Economic Area (EEA) country) which had, at call publication, less funds awarded in previous IF calls, will be considered to have higher priority.

Currently under the IF there are three major initiatives to support Member States to develop a high-quality national innovative project pipeline and improve the geographical balance:

- the revision of the EU Emissions Trading System (EU ETS) Directive introduced 'Technical Assistance for Member States with low effective participation' – aiming to increase the overall quality of the Innovation Fund applications;
- the Commission's Technical Support Instrument (TSI);
- training sessions for all Member States' National Contact Points and the Innovation Fund Expert Group representatives on award criteria, outreach and communication.

13. The COR recognises the importance of regions that play an overarching role in ensuring a geographically balanced distribution of hydrogen in the EU through the import and transport of hydrogen, and calls on the Commission to set up a compensatory mechanism for these regions in order to compensate them for the particular burden they experience as a consequence of this transit function;

As explained above, there will be a lessons learned exercise and consultations on T&C for the second round of the auction on renewable hydrogen production in the EU. The location of bids (in which Member States projects will be located) will be discussed there as well.

It would be difficult to propose a 'compensatory mechanism' for specific regions as a part of the competitive bidding auction, but the Commission is open to discuss the outcome of the pilot auction in terms of geographical balance.

The transport of hydrogen across regions and the

local production of hydrogen on site (e.g. use of electrolysers at a hydrogen refuelling station) could bring benefits to the local economy in their own right by fostering regional transport, storage and logistics hubs and local value chains for example.

15. The COR emphasises the inherent weakness of the chosen auction concept in terms of insufficient protection against default. Auctions between just one supplier and one customer increase the risk of default by one of the two participants during the up to 10 years of operational implementation, with potentially fatal economic consequences for the strongly participants. The CoR therefore recommends considering how to mitigate the risk of default by an auction participant during operational implementation. Both producers and customers should use effective market-proven methods. For subsequent auctions it should also assessed whether alternative auction mechanisms (e.g. double auctions similar to H2Global) can minimise such risks;

The Commission considers that there are sufficient safeguards against awarded projects failing to deliver the RFNBO (Renewable Fuels of Non Biological Origins) hydrogen production (what was understood by 'risk of default' in the Committee text, namely the risk of either the hydrogen producer or off taker not being able to comply with their contractual obligations).

While the auction is based on price-only ranking of projects, this is coupled with an assessment of quality of bids (assessed on pass/fail basis) and the requirement to provide a completion guarantee by the pre-selected projects.

There is no obligation for the bidder to have just one offtaker. What will be checked as part of the quality assessment is whether a project has a hydrogen off-taking and price hedging strategy reflected by pre-contractual arrangements for 60 percent of hydrogen volume that is to be awarded. Considering the regulatory framework, the carbon price and the financial incentives being put in place for hydrogen, it is not expected that there would be a scarcity of hydrogen offtakers by the time awarded projects enter into operation.

Even if one offtaker disappears from the market, projects will have the strongest possible incentive to find another one considering that payments will be made on renewable hydrogen produced, verified and certified (if hydrogen was not sold, the production costs would not be covered by the auction support alone). The auction imposes no exclusivity requirement between the producer and the offtaker. Producers of renewable hydrogen can therefore mitigate risks by engaging with several stakeholders, which can change during the

implementation period.

The Commission considers that the project developers are best placed to tackle this risk and that the market will be sufficiently liquid by the time they enter into operation.

Moreover, projects are closely monitored by the European Climate, Infrastructure and Environment Executive Agency (CINEA) and the model grant agreement to be signed with the beneficiaries, provides sufficient procedures and possible measures that can be taken by the contracting authority in the case of situations that lead to non-compliance or breach of grant agreement.

Double-sided auctions would take away this risk from project developers to the Commission/ its executive agency which does not seem necessary and was not requested by industry either.

Furthermore, the Commission has organised several workshops with stakeholders from the hydrogen industry, and on multiple occasions received stakeholder feedback that knowing the counterpart (and elements such as its credit-risk profile) in a hydrogen agreement is key for such a long-term agreement (expanding to 10 years or more in some cases).

17. The COR considers that LRAs will act as facilitators for the development of the hydrogen economy, as they serve as a natural platform to create strong connections between hydrogen producers and offtakers. In order to fully tap into this facilitation role, supporting instruments need to be put in place to provide additional technical assistance and capacity building to LRAs. It is also important to remove legal obstacles that prevent local and regional authorities themselves contributing to the production and sale of hydrogen. Calls on the

The Commission acknowledges the role which local and regional authorities (LRA) can play in the development of the hydrogen economy.

Via its Clean Hydrogen Partnership, the Commission has launched a tender for Technical Assistance to Generate Synergies with Members States and Regions. An assessment has been carried out of the various policy and funding initiatives in the hydrogen field across 32 European countries.² The Clean Hydrogen Partnership also launched a call in 2023 for regional and national Managing Authorities from

European Commission to address this issue in the roadmap for hydrogen valleys¹ that it announced; the EU-27 and Horizon Europe associated countries aiming to develop cooperation in relevant key areas for hydrogen development.

Almost all Member States are accompanying this regulatory overhaul with permitting reforms included in their Recovery and Resilience Plans.

The Commission supports Member States through the Technical Support Instrument (TSI)³ with tailor-made expertise to design and implement reforms, including those promoting investments in accelerating the green energy transition through hydrogen. The technical support, for example, involves strengthening administrative capacity, harmonising legislative frameworks, and sharing good practices.

The TSI foresees that Member States can receive, through either stand-alone or multi-country projects, technical expertise for accelerating permitting for hydrogen projects, including the digitalisation of permitting, a possibility which has already been used by six Member States.

The new European Hydrogen Academy, originally funded under the Clean Hydrogen Joint Undertaking call for proposals 2023 and to be integrated under the Net-Zero Industry Act (NZIA)⁴ academies, is envisaged to up- and reskill 100.000 workers in the first three years.

The Commission will consider capacity building to LRAs in the roadmap for hydrogen valleys which is planned to be published in 2024.

18. The COR calls on the European Commission to actively involve LRAs for aggregating supply and demand, and gathering exact data on where the main points of

The co-legislators provisionally agreed on a mechanism for support to market development for hydrogen. The Commission will reflect on how best to involve local and regional authorities in this

² Generate Synergies with Member States and Regions: Assessment of hydrogen policies and funding strategies (europa.eu)

REPowering the EU with Hydrogen Valleys (roadmap), https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13875-REPowering-the-EU-with-Hydrogen-Valleys-roadmap-en.

³ Technical Support Instrument (TSI) (europa.eu)

⁴ COM(2023) 161 final.

production and use of renewable hydrogen will be distributed across the EU paying attention to territories facing structural barriers; mechanism.

20. The COR invites the European Commission to promote future auctions for zero-emission mobility, especially for long-haul mobility such as trains, planes, trucks, lorries and ships. A great supply of renewable hydrogen will help with the deployment of hydrogen refuelling stations (HRS) all over the EU, as pointed out in the Alternative Fuels Infrastructure Regulation;

What is currently scheduled is the second round of auctions following a lessons learned exercise and a stakeholders consultation process leading to opening of the bidding window by the end of 2024.

Expanding the auctions to different low-carbon goods will also be considered in the light of how successful the hydrogen pilot auction was, how different sectors are served by the 'regular grants' under the IF, what budget the IF will have in the next years, and what the political priorities will be in the years to come.

Indeed, the pilot auction on renewable hydrogen should have spill-over effects on many sectors, including for transport where long-distance road haul is an emerging prominent use case for hydrogen. Long-distance trucks are expected for series production in the second half of this decade, while the new Alternative Fuels Infrastructure Regulation⁵ requires Member States to ensure that by 2030 a minimum of sufficient hydrogen refuelling infrastructure is rolled out in the TEN-T core networks and urban nodes. Sufficient availability of clean hydrogen will ensure that hydrogen vehicles can fully contribute to emission reduction. Hydrogen-fuel cell technologies will take longer to materialise in shipping or aviation.

In addition to the direct use in transport, renewable hydrogen also has a role to play as a basis for deriving synthetic fuels, which are particularly important for decarbonising aviation and maritime transport in the coming years and

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Regulation (EU) 2023/1804 of the European Parliament and of the Council of 13 September 2023 on the deployment of alternative fuels infrastructure, and repealing Directive 2014/94/EU; OJ L 234, 22.9.2023, p. 1–47.

decades.

24. The COR calls on the European Commission to allocate more ETS resources within the EHB budget. The revised Innovation Fund, with an increased size and new categories of projects to be supported, would allow for bigger auction windows for the EHB and an increase in the volumes supported. In this scenario, more calls per year, organised per sector or per macro-region could be fit for purpose to kick-start an evenly spread renewable hydrogen market in Europe;

In her recent speech⁶, President von der Leyen announced to launch a second round of auctions to deliver on the Commission's intention for the European Hydrogen Bank to provide a total of EUR 3 billion of support for the sector.

This follows up on the President's announcement of EUR 3 billion for the Hydrogen Bank in her 2022 State of the Union speech, which the Commission is determined to deliver.

Follow-up auctions with increased budgets will be subject to the success of the pilot auction launched in 2023. Only if there is a significant number of bids coming forward in the pilot, the Commission can conclude that the market is ready for this kind of novel support and possibly continue and allocate more funds behind the instrument.

The timetable is also clear: the current bidding window closed on 8 February 2024. After that, the 'lessons learned' phase started where the Commission will conduct as swiftly as possible and with a view to publish in spring 2024 the terms and conditions for a next auction. The bidding window would only open after a period of cocreation with stakeholders.

The budget of a next round will have to be calibrated with the next call for proposals for grants in the light of the overall resources available under the Innovation Fund.

The lessons learned and stakeholders' consultation will address geographical and sectoral balance, among other aspects.

Considering limited budget and administrative burden, it would be difficult to launch multiple calls. Alternatively, dedicated baskets within the auctions could be considered.

^{6 &}lt;u>https://ec.europa.eu/commission/presscorner/detail/en/speech 23 5907</u>

28. The COR stresses that the first pilot auction in particular should aim also to attract smaller, developing projects; asks the Commission, therefore, to alleviate the administrative burden and adjust some of the elements of the mechanism design – namely the requirement for the minimum installed electrolyser capacity and the restriction on bid size – in order to facilitate the participation of small and medium-sized entities:

The lessons learned and stakeholders' consultation will address the application process (notably the quality and relevance criteria, completion guarantee), restrictions on the bid size (currently: minimum electrolyser size, bid price cap, the maximum amount of the grant to be requested) along-side all other elements of the design.

36. The COR stresses the importance of limiting the fragmentation of EU entities and initiatives (i.e. Clean Hydrogen Joint Undertaking, Fuel Cell Hydrogen Observatory, European Clean Hydrogen Alliance) dealing with hydrogen, without reducing public investment for research, development and innovation.

The European Clean Hydrogen Alliance brings all private and public EU stakeholders involved in the EU clean hydrogen value chain together in order to encourage matchmaking, facilitate the deployment of clean hydrogen projects and identify bottlenecks to such deployment to inform the EU policymaking process. By including the Joint Undertaking in the Steering Board of the European Clean Hydrogen Alliance, the Commission ensures that their complementary roles are optimised. The European Clean Hydrogen Alliance includes many European regions within its membership and has one European region (Rhône Alpes) on its Steering Board in recognition of the critical role that European regions play in the development of the European clean hydrogen ecosystem.

N°8 Towards a multilevel Green Deal governance: the revision of the Governance of the Energy Union and Climate Action Regulation
Own-initiative
COR-2023-03285 – ENVE-VII/037
158th plenary session – November 2023
Rapporteur: Joško KLISOVIĆ (HR/PES)

Points of the European Committee of the Regions opinion considered essential

DG CLIMA – Commissioner HOEKSTRA

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

 $N^{\circ}9$ The role of cities as health promoters

Council Presidency referral

COR-2023-02951-00-01 - NAT-VII/037

158th plenary session – November 2023

Rapporteur: Adam BANASZAK (PL/ECR)
DG SANTE – Commissioner KYRIAKIDES

Points of the European Committee of the Regions opinion considered essential

European Commission position

6. The European Committee of the Regions (CoR) calls on the European Commission to commission a new edition of the outdated 2013 report on social determinants and health inequalities in the EU; in the last decade we have witnessed a major health crisis coupled with an energy, housing and food crisis and an ongoing war that is raging in the European neighbourhood. All these factors call for a new analysis of the health situation of European citizens;

The Commission would like to stress that social inequalities are an important aspect to be addressed to improve the livelihoods of European citizens, particularly with consideration to marginalised and vulnerable communities. As such the Commission adopts an integrated, cross-sectoral approach to social discrimination and inequalities, ensuring collaboration among its services as well as external stakeholders. The 2013 report was a followup of the 2009 Communication Solidarity in Health - Reducing Health Inequalities in the EU¹, to collect information on health inequalities and assess progress and implementation of the 2009 strategy. As such no specific update of the report is planned. Nevertheless, since then the Commission has implemented several policy actions to address health inequalities.

The EU Pillar of Social Rights Action Plan² adopted in 2021, endorses the 20 principles set out to help build fairer and more well-functioning welfare systems for the benefit of all Europeans. These principles work in synergy with access to affordable, preventive and curative healthcare of good quality for all, to foster social inclusion and combat poverty.

¹ COM(2009) 567 final (<u>Commission Communication - Solidarity in Health: Reducing Health Inequalities in the EU - European Commission (europa.eu)</u>).

² European Commission, Directorate-General for Employment, Social Affairs and Inclusion, *The European pillar of social rights action plan*, Publications Office, 2021 (<u>European Pillar of Social Rights - Building a fairer and more inclusive European Union - Employment, Social Affairs & Inclusion - European Commission (europa.eu)).</u>

In 2022, a Commission Public Health Expert Group was established by Decision³, bringing together Member States to guide the Commission in its work to support them in tackling public health challenges. The Public Health Expert Group has a broader mandate than its predecessor, the Steering Group on Health Promotion, Disease Prevention and Management of Non-Communicable Diseases, and can therefore also work on e.g. communicable diseases. The Public Health Expert Group has several subgroups, including on cancer, vaccination, prevention of non-communicable diseases and mental health.

In addition, publications such as the Synthesis Report on the State of Health in the EU 2023⁴ also covers health inequalities. The report recognises that current indicators fall short of shedding light on the coverage of health services for vulnerable and/or marginalised groups, be it in terms of socioeconomic groups or regional disparities in access to care. It also highlights instruments to address health inequalities and the related socio-economic. environmental and behavioural determinants, such as investment in health literacy to integrated care, health promotion and legislation.

The European Cancer Inequalities Registry⁵ also addresses inequalities in cancer burden, prevention and care specifically, with an outlook on differences across Member States and by socioeconomic status. The Registry also integrates and aims to expand on inequalities data for disadvantaged groups including people with disabilities, LGBTIQ, Roma and homeless.

8. The CoR calls on the Member States and the EU institutions to prioritise health promotion, protection and prevention in the discussion on

The Commission, in collaboration with the Member States, have already allocated more than EUR 290 million for health promotion and disease

Commission Decision of 7 December 2022 setting up a Commission expert group on public health and repealing Commission Decision setting up a Commission expert group 'Steering Group on Health Promotion, Disease Prevention and Management of Non-Communicable Diseases', C(2022) 8816 final.

⁴ Synthesis Report 2023 - State of Health in the EU - European Commission (europa.eu)

⁵ European Cancer Inequalities Registry (ECIR) | ECIR – European Cancer Inequalities Registry (europa.eu)

the midterm review of the MFF and the EU4Health programme;

prevention through the EU4Health 2021-2024 annual work programmes⁶. Cooperation and networking between Member States has been supported through Joint Actions such as ImpleMENTAL (EUR 5,3 million) to implement best practices on mental health, **JACARDI** (EUR 53 million) that focuses on reducing the burden of cardiovascular diseases and diabetes, and JAPreventNCD (EUR 76 million) that focuses on preventing non-communicable diseases (NCDs) and their risk factors. For instance, the 2024 work programme includes actions on non-communicable communicable diseases (EUR 45 million), mental health (EUR 10 million), tobacco control policy (EUR 2.5 million), and support to nongovernmental organisations (NGOs) for relevant activities (EUR 9 million). The Commission also intends to discuss the results of the actions on health promotion and disease prevention in the ongoing mid-term review of the EU4Health Programme.

12. The CoR calls on the European Commission and the Council to promote the use of social media by Member States' health systems as a means of promoting health, combating fake news and disinformation, encouraging user participation in health and promoting preventive and other health-related programmes;

Social media can indeed have positive effects on health through access to information and health services, support in online forums for health-related causes, and staying socially connected to avoid anxiety and depression stress. and prevent loneliness. It is therefore essential that users and health and care professionals have the relevant digital skills. Various funding opportunities to fill the digital skills gap, including for older people, are available under the Digital Europe Programme (DEP) and Horizon Europe. The DEP 2021-2022 Work Programme, specific objective 4, Advanced digital skills chapter, with a total budget of EUR 170 million, has been allocated to actions promoting advanced digital skills in key capacity areas (e.g. artificial intelligence, data analytics, cybersecurity, Internet of Things) and in specific sectors including health. From the awarded projects, four projects were selected providing specialised education programmes (masters) and training

https://health.ec.europa.eu/funding/key-documents_en?f%5B0%5D=topic_topic%3A194

opportunities for the health sector. Additionally, in 2021, EUR 2.8 million was allocated to the Horizon Europe call on 'supporting digital empowerment and health literacy of citizens', with the aim of empowering EU citizens to leverage digital tools to take a more active role in the management of their own health.

Air and water quality

18. The CoR welcomes the ambition to improve air quality in the EU and moving closer to realising the 2050 zero- pollution objective, whilst allowing and introducing flexibility for Member States in the implementation of the Ambient Air Quality Directive;

19. The CoR repeats its call to support air quality improvement by providing new better targeted EU funding opportunities while simplifying and increasing access to existing funding opportunities, in particular under ERDF, LIFE and EAFRD; also requires technical assistance and multilingual tailored guidance on funding specifically addressed to local and regional authorities

21. The CoR welcomes the recast Drinking Water Directive and its objectives to further protect human health thanks to updated water quality standards, tackle endocrine disruptors and microplastics and guarantee even cleaner tap water for all; calls on the Member States to set up data sets on water quality and to support their cities and regions in efforts to improve their distribution systems;

The Commission welcomes the Committee's views on air and water quality as well as on noise and light pollution. However, the Committee does not mention the Zero Pollution Action Plan⁷ including its Zero Pollution Stakeholder Platform which aims at addressing environmental determinants of health in a more holistic way. To this effect, some important topics are omitted such as indoor air pollution, chemicals or soil contamination, to name just few. Also, the importance of good waste management and stormwater treatment (as provided for in the revised Urban Wastewater Treatment Directive⁸) could be mentioned as they are important for hygiene and wellbeing in cities.

The Commission welcomes the Committee's appreciation of the proposal to revise the Ambient Air Quality Directive⁹. The Commission proposal includes interim 2030 EU air quality standards, aligned more closely with World Health Organization guidelines, while putting the EU on a trajectory to achieve zero pollution for air at the latest by 2050, in synergy with climate-neutrality efforts. The proposal is currently being discussed by the co-legislators in the Council of the EU and the European Parliament.

A wide range of possibilities to promote policy learning and to provide technical assistance and capacity building to regional and local authorities and actors is available under existing cohesion policy programmes. In addition, urban authorities

⁷ COM(2021) 400 final.

⁸ COM(2022) 541 final.

⁹ COM(2022) 542 final.

can also benefit from the European Urban Initiative capacity building offer that includes: i) city2city exchanges on topics that are chosen freely by the applicant city, ii) peer-reviews to evaluate integrated sustainable urban development strategies and, iii) capacity building events that are organised both at national and EU level.

Local authorities committed to make their cities greener, cleaner and healthier may sign the Green City Accord¹⁰. By signing the Green City Accord, city leaders agree to take further action to make their cities greener, cleaner and healthier places by acting on air and water quality, noise, biodiversity and circular economy. The signatory cities become part of a community of like-minded cities that gain access to information concerning EU funding opportunities, participate in networking events, avail of capacity-building opportunities, receive tailored guidance and support via a dedicated helpdesk and gain visibility and benchmark their environmental achievements.

The Horizon Europe Cities' Mission¹¹, funded with EUR 359.3 million, has the objective of achieving 100 climate-neutral and smart cities by 2030 and to ensure that these cities act as experimentation and innovation hubs. In the process of achieving climate neutrality, these cities will deliver multiple benefits to their communities in terms of reduced air and noise pollution, less congestion and healthier lifestyles. The benefits that the Mission offers include tailor-made advice and assistance, for example towards developing an Investment Plan to draw in external finance, unlocking additional funding and financing opportunities through a 'Mission label', funding opportunities for cities to be part of large innovation actions, pilot projects and demonstrators. other opportunities and

Green City Accord - European Commission (europa.eu)

<u>Inforegio - Discover the 100 cities selected for the Cities Mission (europa.eu)</u>

networking and visibility.

The main objective of the recast Drinking Water Directive¹² is to protect human health and to ensure access to clean water for all EU citizens.

The Drinking Water Directive includes also obligations for Member States to set up data sets on the quality of water supplied which have to be updated annually. Data on the water quality supplied has to be available to consumers, thereby maintaining consumers' confidence in the water supplied.

Regarding the improvement of the distribution systems in the Member States, the Drinking Water Directive includes an obligation for Member States to assess the water leakage levels within their territory and assess the potential to improvements in water leakage reduction by 2026. Based on the Member States' assessments, the Commission will set a maximum threshold for leakage rates by 2028. Member States having a leakage rate exceeding this threshold shall present an action plan to the Commission within 2 years laying down measures to reduce their leakage rates. These measures will support the cities and regions to improve the efficiency of their drinking water distribution systems.

Noise and light pollution

25. The CoR draws attention to light pollution; points out that an excessive amount of artificial lighting has an impact on human functioning, including the quality of sleep; in this respect addressing light pollution coincides with the goal of reducing energy consumption **and improving biodiversity protection**;

The Commission welcomes the particular attention to light pollution and suggest to also highlight its impacts on urban biodiversity, in particular nocturnal species. Reducing light pollution will have co-benefits for energy consumption and biodiversity protection which could be explicitly mentioned.

Directive (EU) 2020/2184 of the European Parliament and of the Council of 16 December 2020 on the quality of water intended for human consumption (recast); OJ L 435, 23.12.2020, p. 1–62.

Climate change and health

27. The CoR notes the creation of the European Climate and Health Observatory and the Environment & Health Atlas as a joint initiative of the European Commission, the European Environment Agency and other organisations and expects to see regional data featured there:

The Commission welcomes the Committee's appreciation of the European Climate and Health Observatory initiative¹³. The Observatory combines different sources of data and evidence contributed by its partner organisation. This includes a wealth of detailed, geo-localised data, providing information on the impacts of climate change at regional and local level. In addition. Commission the recommends adding the European Environment Agency's Environment and Health Atlas¹⁴ which includes an integrated assessment of pollution effects on health and allows citizens to check available data in their neighbourhood 'Check Your Place'.

Health promotion and disease prevention

31. The CoR [...] considers it important to expand efforts and to make use of the full breadth of health promotion work, based on health and social determinants such as education and work;

The Commission would like to highlight the 'Healthier Together' initiative¹⁵, co-created with Member States and stakeholders in 2022. This aims to provide impactful policy tools, take health and social determinants into account, and promote a holistic approach to health promotion and disease prevention across all policies.

Role of public authorities in health promotion

38. The CoR underlines that regional and local authorities together with other relevant actors are the best placed to foster the practice of sport (both indoor and outdoor) which plays a crucial role in health promotion and disease prevention. Encourages the European Union to support this action within all its policies;

The Commission welcomes the suggestion and would like to point to the EU Best Practice Portal¹⁶, which contains reliable and practical information on implemented practices recognised as best or promising in the area of public health. Through regular calls for best practice in certain public health fields, the Commission facilitates the identification and transfer of best and promising practices. This includes fostering education, sport, nutrition as well as urban planning and city design. This takes health into account at an early stage. It also greatly contributes to supporting the health promotion and disease prevention by promoting healthy and active lifestyles for its citizens through, for example, active transport (bikes, walking), proximity to parks, nature

Best practices - European Commission (europa.eu)

European Climate and Health Observatory (europa.eu)

EEHA - Health Atlas (europa.eu)

¹⁵ https://health.ec.europa.eu/non-communicable-diseases/healthier-together-eu-non-communicable-diseases-initiative en

and urban green/ blue spaces, and clean air. The EU Best Practice Portal is a key tool for the work of the Commission Public Health Expert Group.

The Health Promotion and Disease Prevention Knowledge Gateway¹⁷ is another reference point with reliable, independent and up-to date information on topics related to promotion of health and well-being for municipalities and member states public health policy makers.

The Commission would like to remind that regional and local authorities together with other relevant actors are well placed to foster the practice of sport (both indoor and outdoor) which plays a crucial role in health promotion and non-communicable disease prevention. The Commission will continue to support this action via its sport policies such as Health-Enhancing Physical Activity (HEPA) and SHARE 2.0¹⁸.

44. therefore, the CoR requests cooperation between urban and rural local authorities in terms of mutual accessibility of cultural and sports facilities and green areas and greater integration of rural and urban residents;

The Commission would like to recall the recently published report on 'Sport's contribution to the European Green Deal' 19.

Alcohol, tobacco, drugs

49. The CoR welcomes the Commission's communication on the EU Roadmap to Fight Drug Trafficking and Organised Crime and in particular its action 13 on public safety and public health in areas affected by the use and sale of drugs and drug-related crime; wishes to be part of the 2024 high-level conference to discuss best practice examples from local and regional level;

50. The CoR draws attention to the sobering

The Commission welcomes the Committee's appreciation of the EU Roadmap to Fight Drug Trafficking and Organised Crime and the particular in interest drug-related crime prevention. The Commission also welcomes the Committee's interest in the 2024 high-level conference on improving public safety and public health in areas affected by drugs. The conference will bring together EU institutions and Agencies, Member States, relevant professionals and local authorities to exchange on evidence-based approaches and draw

Health Promotion Knowledge Gateway (europa.eu)

For more information on these initiatives please see:
 https://sport.ec.europa.eu/initiatives/share-initiative-2018-2023
 https://sport.ec.europa.eu/initiatives/share-20

https://op.europa.eu/en/publication-detail/-/publication/0e76da18-9e26-11ee-b164-01aa75ed71a1/language-en

European Drug report 20237 and its conclusions that illicit drugs have a significant impact on European health and security; calls for more funding for local and regional substance use prevention and harm reduction programmes;

up best practices.

The Commission published on 12 December 2023 a call for proposals of EUR 20 million on Organised Crime, including drugs related priorities such as demand and harm reduction projects.

Obesity

54. The CoR calls on the European Commission to prepare the successor of the 2014-2020 EU Action Plan on Childhood Obesity, including the Committee of the Regions in its elaboration and delivery of this plan; calls on the Member States to take measures to promote physical activity and healthy food among children and adolescents;

The Commission thanks the Committee for their interest in a renewal of the EU Action Plan on Childhood Obesity²⁰. It would like to inform that an evaluation study is ongoing to assess the progress achieved under the Action Plan and to provide an overview of the Member States' efforts in addressing its key areas. The study will also identify ongoing and planned actions at national level, remaining obstacles and challenges, and will collect best practices in policy approaches to tackle childhood obesity. As the study is still in early stages, and the evaluation will take place over the next 12 months, it would be premature to table a new initiative before the results of this evaluation are available. The results of the study are expected to be published in the fourth quarter of 2024 and will inform if any necessary follow-up or update of the plan should be proposed.

Vaccination

55. The CoR highlights that vaccines have proved to be one of the most successful healthcare interventions of our time, saving countless lives, slowing down anti-microbial resistance, protecting against disease and secondary interventions and keeping health budgets in check;

56. The CoR points out that while vaccination calendars are typically set up at national level, local and regional authorities may contribute to the take-up of vaccines through their early

The for vaccination responsibility policies, programmes and services indeed lies with Member States and/or their regions. Nevertheless, the Commission supports Member States in achieving or maintaining high vaccination coverage in a lifecourse perspective for public health reasons. Since 2018, the Commission's work on vaccination has been guided by the Council Recommendation on strengthened cooperation against vaccinepreventable diseases²¹, promoting the importance of vaccination throughout life. The Commission's work on vaccination is currently closely linked to the Europe's Beating Cancer Plan²². On 31 January

ttps://health.ec.europa.eu/publications/eu-action-plan-childhood-obesity-2014-2020 en

²¹ Council Recommendation of 7 December 2018 on strengthened cooperation against vaccine-preventable diseases (OJ C 466, 28.12.2018, p. 1).

²² COM(2021) 44 final.

childhood and education services, social care services and specific awareness-raising campaigns targeting selected population groups;

57. The CoR draws attention to the CoR 2020 Regional Barometer report and its examples of how different regions and cities mobilised to ensure the broadest possible coverage against COVID-19; these case studies are proof that local knowledge and engagement are key to success.

2024, the Commission presented a proposal for a Council Recommendation on vaccine-preventable cancers²³ to help Member States address the cancer burden caused by infection with Human Papillomaviruses and Hepatitis B by boosting the uptake of vaccination in all relevant population groups.

²³ COM(2024) 45 final.

 $N^{\circ}10$ The Common Fisheries Policy on the ground: towards sustainable and resilient

coastal communities in the EU

Own-initiative

COM(2023) 100 final

COM(2023) 101 final

COM(2023) 102 final

COM(2023) 103 final

COR-2023-0295 - NAT-VII/035

158th plenary session – November 2023

Rapporteur: Jesús GAMALLO ALLER (ES/EPP)

DG MARE – Commissioner SINKEVIČIUS

Points of the European Committee of the Regions opinion considered essential

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

N°11 EU Cyber Solidarity Act and Digital Resilience

Optional

COM(2023) 209 final

COR-2023-02191 - ECON-VII/034

158th plenary session – November 2023

Rapporteur: Pehr GRANFALK (SE/EPP)
DG CNECT – Commissioner BRETON

Points of the European Committee of the Regions opinion considered essential

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

N°12 2022 Annual Report on Competition Policy

Own-initiative COM(2023) 184 final

COR-2023-02190 - ECON-VII/033

158th plenary session – November 2023

Rapporteur: Antonio MAZZEO (IT/PES) DG COMP – Commissioner VESTAGER

Points of the European Committee of the Regions opinion considered essential

European Commission position

The follow-up given by the Commission to this opinion will be included in a subsequent report.

N°13 The role of local and regional authorities in countering disinformation and foreign information manipulation and interference

Council presidency referral

COR-2023-01564 - CIVEX-VII/023

156th plenary session – July 2023

Rapporteur-general: Gustaw Marek BRZEZIN (PL/EPP)

DG CNECT - Commissioner BRETON

Points of the European Committee of the Regions' opinion considered essential

European Commission position

9. The European Committee of the Regions (CoR)calls again for funding to be made available across Europe to increase the skills of local and regional authorities to counter disinformation and provide them with qualified staff and appropriate tools, especially in the external border regions of the EU, particularly those in geographical and geopolitical zones located outside Europe;

The Commission already sets at the disposal of the Member States technical support upon request through the Technical Support Instrument (TSI) for structural and institutional reforms including on the fight against disinformation and to reinforce capacity of national authorities, at all levels: the TSI funds are available for potential requests from local, regional and central government authorities. DG REFORM has also proposed a flagship technical support project on democracy for the 2024 TSI round¹. Moreover, several TSI projects are already in place to enhance the skills of central government officials to build capacity to tackle disinformation. DG REFORM works together with DG NEAR to align the public administration approach for candidate countries with that for the Member States.

- 11. The CoR believes that it is absolutely necessary for national and EU authorities to provide support through funding, programmes and initiatives to help local and regional authorities in their work to counter disinformation on the ground;
- 12. The CoR therefore encourages:
- c. taking action to harness funds and

The EU's approach recognises that an effective response to foreign information manipulation and interference, including disinformation requires the engagement of all relevant stakeholders – public authorities at various levels, industry, media and civil society, and that media literacy and public awareness-raising are key tools to counter and limit the impact of foreign information manipulation and

¹ TSI 2024 Flagship - Reinforce Democracy and the Rule of Law - European Commission (europa.eu)

opportunities under EU programmes such as CERV and Horizon Europe. The Committee will support local and regional authorities in this regard and calls for other EU and national institutions to provide them with support and guidance in this area;

interference, including disinformation.

This approach is reflected in initiatives such as the European Democracy Action Plan², 2022 Code of Practice on Disinformation³, the European Digital Media Observatory (EDMO)⁴, as well as funding streams, for instance under the Union programs Horizon Europe or Citizens, Equality, Rights and Values (CERV), Erasmus+, etc.

Since 2021, several actions have been launched in Horizon Europe, in particular in its Cluster 'Digital, Industry and Space', to develop technologies to fight disinformation.

One of the objectives of the Citizens, Equality, Rights and Values Programme (CERV)⁵ is to foster democracy by promoting citizens' engagement and participation in the democratic life of the Union. Through its Citizens' engagement and participation strand, the 2023-2024 CERV work programme supports actions aimed at countering disinformation and other forms of interference in the democratic debate and promoting media literacy.

Regarding EDMO, the EU supported its development through the Connecting Europe Facility (CEF)⁶ and the Digital Europe Programme (DEP)⁷. Since 2020 EDMO has built a dedicated community of independent fact-checkers and academic researchers that leads the way in tracking, exposing and countering disinformation. With 14 EDMO hubs now in place, the EDMO network covers all 27 EU Member States as well as Norway, in the EEA.

Support is also available through EU funds whose

² COM(2020) 790 final.

European Commission, Directorate-General for Communications Networks, Content and Technology, 2022 new strengthened code of practice on disinformation, Publications Office of the European Union, 2022 (https://data.europa.eu/doi/10.2759/895080)

⁴ European Digital Media Observatory (EDMO) | Shaping Europe's digital future (europa.eu)

⁵ Citizens, Equality, Rights and Values programme - European Commission (europa.eu)

⁶ Connecting Europe Facility - European Commission (europa.eu)

<u>Digital Europe Programme - European Commission (europa.eu)</u>

delivery is shared with Member States and regions. The Common Provisions Regulation⁸ established to govern these EU funds provides for partnerships with several regional, local bodies including civil society and requires these to be involved throughout the preparation, implementation, and evaluation of EU funded programmes.

In January 2022, the Commission published a Staff Working Document on Tackling R&I Foreign Interference⁹ that aims to support EU Higher Education Institutions and Research Performing Organisations in protecting fundamental values by safeguarding academic freedom, integrity, and institutional autonomy, as well as protecting key research findings and intellectual assets. In this Document, guidance is also provided regarding how to raise awareness about disinformation campaigns, identify disinformation actions, and implement preventive measures.

13. The CoR, in order to improve situational awareness, recommends:

[...]

- a. setting up a European working group to provide guidance to, or within a network of, local and regional authorities to exchange experiences on disinformation threats. This would allow for better identification of disinformation campaigns and incidents and possible links between local and regional incidents in different EU Member States;
- c. expanding the scope of analyses of local and regional disinformation campaigns and incidents in the EU vs Disinfo database and adapting its filters for searching such events

The European External Action Service (EEAS) encourages local and regional authorities to foster close contact with the national points of contact of the Rapid Alert System (RAS), who are in a position to provide relevant information to them that are being shared through the RAS, including material shared on a regular basis by the EEAS on situational awareness and best practices.

The EEAS analyses and assesses foreign information manipulation and interference relevant for the EU and its Member States. In that regard, the monitoring also covers locally and regionally targeted foreign information manipulation and interference (FIMI) activities if they are covered by the FIMI definition and the EEAS mandate. Such incidents could then, as appropriate and relevant,

Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy; OJ L 231, 30.6.2021, p. 159–706.

⁹ European Commission, Directorate-General for Research and Innovation, *Tackling R&I foreign interference – Staff working document*, Publications Office of the European Union, 2022 (https://data.europa.eu/doi/10.2777/513746).

accordingly;

d. integrating the exchange of information, analyses and recommendations on local and regional disinformation campaigns and incidents in the EU's alert system (RAS);

also be covered in the work of EUvsDisinfo.

The methodology used by the EEAS to analyse and assess FIMI incidents and activity is publicly available through the 1st EEAS Report on FIMI 2023^{10} . February Threats published in Furthermore, in its 2nd Report on FIMI Threats¹¹, published in January 2024, the EEAS sets out a comprehensive response framework, helping all stakeholders in cooperating more effectively in fighting information manipulation. Local and regional stakeholders are invited to consult these documents and use it for their own monitoring and response purposes. Training is ongoing to EU Member States on this methodology.

The EU's Rapid Alert System is open to any information shared by EU Institutions and EU Member States that focusses on FIMI activity, regardless of the level (international, national, regional, local). EU Member States, as the ones who are exchanging with their regional and local administrations, are best placed to share such kind of information in addition to incidents detected by the EEAS.

Besides, the Commission regularly processes insights from Commission Representations in the Member States and Europe Direct Centres as part of its disinformation monitoring and uses these inputs to inform its communication and responses to disinformation actions and other threats, where useful.

- 14. The CoR, in terms of resilience building, recommends:
- c. with the support of EU and national institutions, developing and launching a pilot model for systemic responses to disinformation campaigns and incidents in regions, counties and municipalities, especially those most

Through its Europe Direct centres (EDs) in Member States, the Commission maintains a local presence in EU regions and counties. This includes their role in following and reacting to local conversations involving mis and disinformation. The ED network is coordinated in each Member State by the relevant Commission Representation in the Member State. Through Representations,

¹⁰ EEAS-DataTeam-ThreatReport-2023.pdf (europa.eu)

¹¹ https://www.eeas.europa.eu/eeas/2nd-eeas-report-foreign-information-manipulation-and-interference-threats en

exposed to disinformation;

this work is connected with the Commission's central level and is also coordinated across the Network against Disinformation. The Network aims to ensure common situational awareness, the exchange of best practices and participation in thematic working groups. To do this, the EDs receive disinformation trainings from a central level. **I**t is important that Commission Representations and EDs maintain operational autonomy in order to tailor their responses to their local contexts. Going forward, the Commission intends to further harness the synergies between local and central levels through strengthened exchange of information and coordination.

Additionally, the EEAS, in close cooperation with the Commission and the EU Member States, has continued to develop a FIMI Toolbox, as called for in the European Democracy Action Plan, the Strategic Compass for the EU¹² and the 2022 Council Conclusions on Foreign Information Manipulation and Interference¹³. The Toolbox was endorsed by the European Council in December 2023. With its four dimensions (1) situational awareness, (2) resilience building, (3) disruption and regulation as well as (4) external action, this Toolbox can be applied at the national, regional and local level to establish a comprehensive and effective response framework to FIMI activity. The EEAS stands ready to share its experience with regional and local authorities and stakeholders, in addition to existing exchanges with Member States in the Council and the Rapid Alert System.

- 14. The CoR, in terms of resilience building, recommends:
- f. translating the "Learn" section of the EU vs Disinfo website into all official EU languages, providing a database of cases of

The EEAS strives to provide information on EUvsDisinfo in multiple relevant languages. The range of languages covered depends on the resources available to the EEAS for this purpose. In addition to the EUvsDisinfo website, the EEAS conducts trainings in different languages to raise

² A Strategic Compass for the EU | EEAS (europa.eu)

¹³ pdf (europa.eu)

disinformation, regular bulletins and reports and know-how in the field of campaigns to raise awareness of the dangers of disinformation; awareness of FIMI threats.

21. The CoR encourages:

d. creating dedicated expert pilot programmes on media education and training for school children by specialised educational organisations, including on a commercial basis, with support from EU and national budgets;

e. translating textbooks supporting the development of media literacy activities in school, developed at the request of the European Commission and the Council of Europe, into all official EU languages;

As part of the Digital Education Action Plan 2021-2027¹⁴, in October 2022, the Commission launched Guidelines for teachers and educators on tackling disinformation and promoting digital literacy through education and training¹⁵ developed by a multi-stakeholder expert including group, education practitioners and members from the private sector. The Guidelines are available for the use of teachers, educational staff, and learners in primary and secondary level of education. In addition, Erasmus+ and its digital transformation priority has been continuously supporting grassroot work on media literacy and tackling disinformation in education that allow to different stakeholders to join forces and work on projects.

The Commission recognises the key importance of multilingualism when it comes to the development of educational materials. For instance, the Guidelines for teachers and educators on tackling disinformation and promoting digital literacy through education and training alongside their short promotional video, have been made available for the use of teachers and learners in all EU official languages.

21. The CoR encourages:

f. translating the resources of the European Digital Media Observatory (EDMO), which serves as a repository of information and resources related to disinformation and media literacy, into all official EU languages;

The Commission agrees that the accessibility of information and resources related to disinformation and media literacy is very important. Up to now, the fact-checks in the EDMO online fact-checking platform are available in 12 EU languages using automated translation and most of the EDMO material is produced by the hubs in local languages. Such material is available on the EDMO hubs' websites.

Digital Education Action Plan – Action 6 | European Education Area (europa.eu)

European Commission, Directorate-General for Education, Youth, Sport and Culture, *Guidelines for teachers and educators on tackling disinformation and promoting digital literacy through education and training*, Publications Office of the European Union, 2022 (https://data.europa.eu/doi/10.2766/28248)

23. The CoR therefore calls for:

a. increasing financial support from EU and national budgets and regional and local funds given to local media and journalists to protect media pluralism and to support fact-checking organisations and media literacy initiatives, while ensuring transparency, impartiality and independence of these actors;

The Commission supports a broad range of innovative projects to fight disinformation under various EU programmes, in particular by civil society organisations (such as fact-checkers), higher education institutions, or with journalists' involvement, with a view to promote media literacy and help citizens identify disinformation.

For instance, the Creative Europe programme is allocating at least EUR 75 million to projects and initiatives supporting media pluralism, freedom and literacy.

In addition, the Commission started implementing in 2022 a Pilot Project supporting local and regional media in news desert and allocated for the first time EUR 5 million (as part of Creative Europe's Journalism Partnerships action¹⁶) to create schemes financing media of specific relevance for democracy, such as investigative journalism, but also local and regional media.

23. The CoR therefore calls for:

b. providing guidance to local and regional media to develop their online presence, e.g. by carrying out a study based on experiences in EU countries and examples of media that have achieved media and market success:

The ongoing Pilot Project supporting local and regional media in news deserts will produce a list of case studies of successful local and regional media, with a view to inspiring their peers across the EU.

25. The CoR therefore recommends:

- a. involving representatives of local and regional authorities as much as possible in the work of the above-mentioned network;
- b. improving election transparency monitoring, building on the experience of existing organisations and projects¹⁷;
- c. banning foreign funding by non-EU countries of political parties and setting common EU rules on political campaigning and

Securing free and fair elections and protecting democratic processes has been a priority for the Commission's actions for years including in the framework of its 2021 electoral package.¹⁸

This package includes among others a legislative proposal on transparency and targeting of political advertising. Political advertising can be a vector of disinformation and foreign information manipulation and interference in particular where the advertising does not disclose its political nature, the identity of its sponsors and the entities

¹⁶ Journalism Partnerships under the Creative Europe Programme (CREA) | GFMD

¹⁷ E.g. "Who Targets Me" – https://whotargets.me/en/; Memo 98 – https://memo98.sk/.

https://ec.europa.eu/commission/presscorner/detail/en/qanda 21 6212

political party funding. This applies not only to national elections, but also regional and local ones;

d. using trained local volunteers to monitor the transparency of election campaigns, including online funding; financing it, and where and how it was targeted. The new Regulation - on which a provisional agreement was reached in November 2023 - will establish a binding framework applicable equally to elections and referenda at European, national, regional and local level, allowing citizens to recognise political advertisements and exercise their democratic rights in an informed manner.

The Commission also prepared a set of initiatives in the context of the 'Defence of Democracy' package¹⁹. It aims, among others, to introduce common transparency and accountability standards in the internal market for interest representation services impacting the decision-making process in the Union, including at regional and local level, and carried out on behalf of third countries.

The European Cooperation Network on Elections brings together representatives of Member States' authorities with a competence in electoral matters, and allows for concrete and practical exchanges on a range of topics relevant to European, national, regional and local elections, including disinformation, foreign information manipulation and interference, cyber-security, transparency and awareness raising. Meetings of the network have included representatives from local governments and funded projects involving local government, and participants in the Network are encouraged to disseminate its material widely.

Since January 2022 the Commission offers to Member States a joint mechanism on election resilience as a capacity-building tool to support the exchange of expertise in areas such as disinformation. These exchanges can incorporate local and regional dimensions.

The 2022 Code of Practice on disinformation²⁰ includes a number of commitments that may contribute to protecting the European Parliament

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⁹ Protecting democracy - European Commission (europa.eu)

https://digital-strategy.ec.europa.eu/en/policies/code-practice-disinformation

and national elections from disinformation. On 26 September 2023 the major platforms, signatories of the Code, published the reports on the implementation of the Code's commitments.²¹ This regular exercise (every 6 months for Very Large Online Platforms (VLOPs)) is a part of the robust Code's monitoring framework.

The Code's signatories, which include online platforms, players from the online advertising industry, civil society organisations, fact-checkers from across the EU and providers of technical solutions to counter disinformation, have formed a special Working Group dedicated to preparing for the 2024 European elections. Under the Digital Services Act (DSA)²² VLOPs and Very Large Online Search Engines have to mitigate any actual or foreseeable negative effects on civic discourse and electoral processes, and public security. To do so, they have to put in place reasonable, proportionate and effective mitigation measures.

In addition, EDMO has established a Task Force that will focus on monitoring the EU information ecosystem ahead of the European elections as well as facilitating research, media literacy and fact-checking initiatives.

26. The CoR stresses the need:

[...]

a. for national authorities to support local and regional authorities by creating a contact point to provide those authorities with regular information on the latest disinformation trends and narratives. This contact point could also act as a bridge with social media companies;

b. to provide information on the implementation of the Digital Services Act (DSA) and other EU and national legislation

The EEAS encourages local and regional authorities to foster close contact with the national points of contact of the Rapid Alert System, who are in a position to provide relevant information to them that are being shared through the RAS, including material shared on a regular basis by the EEAS on situational awareness and best practices.

The DSA aims to address risks linked to civic discourse, such as those posed by disinformation. Disinformation as a concept, is a harmful, but legal form of speech. Thus, the primary tool to address this in the DSA is a risk assessment framework,

https://disinfocode.eu/reports-archive/?years=2023

Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and amending Directive 2000/31/EC (Digital Services Act); OJ L 277, 27.10.2022, p. 1–102.

related to countering disinformation;

c. to consider the participation of local government representatives in advisory or consultative bodies of national digital service coordinators, if such bodies are created; subject to regulatory oversight by the Commission. VLOPs and search engines will be obliged to assess which systemic risks stem from the design or functioning of their service and its related systems. VLOPS must then adopt relevant risk-mitigating measures, e.g. by adapting their algorithmic systems, removing fake accounts, or by labelling deepfakes.

If the platforms breach any of the rights and obligations stipulated, the DSA specifically gives the user the right to file complaints with a Digital Services Coordinator in the relevant EU Member State. The latter can commence supervisory action against the platform.

The DSA became binding on all online platforms on 17 February 2024 while VLOPs will have to comply from the end of August 2024 and will be subject to Commission supervision.

Local government representatives or any local or regional authority can, like any other user of an online platform, file a complaint to the Digital Service Coordinator in the Member State they are located in. The Digital Services Coordinator shall be responsible for ensuring coordination at national level for contributing to the effective and consistent supervision and enforcement of the DSA. It is up to the Digital Service Coordinators to determine how to carry out their tasks.

N°14 A just and sustainable transition for Automotive Regions

Own-initiative

COR-2023-01449 - COTER-VII/029

157th plenary session – October 2023

Rapporteur: Sven SCHULZE (DE/EPP)
DG REGIO – Commissioner FERREIRA

Points of the European Committee of the Regions opinion considered essential

European Commission position

1. With regard to technological openness, it is important to ensure that engines running on various climate-neutral fuels can also continue to be authorised after this date;

Delivering on the EU's net greenhouse gas emissions reduction target calls for ambitious policies and action to ensure a swift and sufficient decrease in emissions from all sectors, including transport.

The CO₂ standards for cars and vans provide a clear long-term signal on the scale of transformation needed in the sector, to contribute to the agreed EU climate targets. Beyond reducing greenhouse gas emissions, the standards also help stimulate timely investments by the EU automotive industry in zero-emission technologies, key for innovation and industry competitiveness.

The CO₂ standards regulation for cars and vans contains¹ a recital aiming to allow new vehicles running only on 'CO₂ neutral fuels' to be sold after 2035. The Commission is now working to follow up on this recital and set up a system to approve types of cars that can exclusively run on these fuels.

A holistic approach is needed to reach our climate targets, and action on fuels decarbonisation is very important. This is why a broad basket of measures such as the Emission trading for road transport and buildings², the Renewable Energy Directive³,

Regulation (EU) 2023/851 of the European Parliament and of the Council of 19 April 2023 amending Regulation (EU) 2019/631 as regards strengthening the CO2 emission performance standards for new passenger cars and new light commercial vehicles in line with the Union's increased climate ambition; OJ L 110, 25.4.2023, p. 5–20.

Directive (EU) 2023/959 of the European Parliament and of the Council of 10 May 2023 amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union and Decision (EU) 2015/1814 concerning the establishment and operation of a market stability reserve for the Union

the FuelEU Maritime⁴ and the REFuel EU Aviation⁵ aim to promote the uptake of sustainable renewable fuels. As highlighted in the Climate Target Plan⁶, some of these fuels such as advanced biofuels are derived from feedstocks with limited scalability, therefore, to achieve climate neutrality, it is necessary to ensure that sectors with emissions that are more difficult to abate have access to sufficient quantities of these fuels, while conventional cars and vans will need to be gradually replaced by zero-emission vehicles.

3. The European Committee of the Regions (CoR) calls on the European Commission to empower and support cities and regions in achieving these ambitious climate targets;

A number of support instruments are available to European cities through directly managed tools, such as Horizon Europe, and to regions and cities through shared management funds, such as Cohesion policy funds. The support is provided following the fund's specific regulations.

7. The CoR stresses that the transition of the automotive industry goes hand in hand with structural change in the regions, and underlines the need to help shape that change in particular and to explore appropriate support options, such as the Just Transition Mechanism (JTM) or a just transition strand in the next cohesion policy after 2027, with the involvement of local and regional authorities;

As outlined in the 8th Cohesion Report⁷, it is clear that the climate transition has an asymmetric social and economic impact on territories. The Just Transition Fund (JTF) is considered as an emblematic example of place-based policy and instrument, the importance of which has been emphasised with regard to recent crisis and forthcoming challenges, demonstrating the need to tailor support to territorial needs and challenges. Currently, the JTF has a very targeted scope, both thematically and geographically. This is also linked to its relatively small size, compared to the other funds. The Commission services will assess the implementation of the JTF, taking into account

greenhouse gas emission trading system; OJ L 130, 16.5.2023, p. 134–202.

Directive (EU) 2023/2413 of the European Parliament and of the Council of 18 October 2023 amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652; OJ L, 2023/2413, 31.10.2023.

Regulation (EU) 2023/1805 of the European Parliament and of the Council of 13 September 2023 on the use of renewable and low-carbon fuels in maritime transport, and amending Directive 2009/16/EC; OJ L 234, 22.9.2023, p. 48–100.

⁵ Regulation (EU) 2023/2405 of the European Parliament and of the Council of 18 October 2023 on ensuring a level playing field for sustainable air transport (ReFuelEU Aviation); OJ L, 2023/2405, 31.10.2023.

⁶ COM(2020) 562 final.

⁷ <u>Inforegio - Eighth Report on Economic, Social and Territorial Cohesion (europa.eu).</u>

the outcome of the future mid-term review, to optimise the effectiveness of cohesion policy support to mitigate the impact of climate transition beyond 2027.

10. The CoR calls for a comprehensive territorial impact assessment on the employment consequences of the shift towards a zero-emission automotive industry. The impact varies across regions, depending on how the regional automotive industry is structured (vehicle manufacturers or mainly suppliers), the technological priorities in the supply industry (e.g. a focus on propulsion systems) or the performance of the region as a whole.

Territorial impacts are included in the 'Better regulation' toolbox⁸ and are analysed, as needed, as part of the impact assessment process.

20. The CoR underlines that a successful transition requires the engagement of all stakeholders, including through public-private partnerships. It is therefore essential to step up EU in resources order to encourage collaboration between industry, SMEs, universities and research bodies, education and training institutions, local and authorities and all stakeholders in the sector, so that the regions can keep up with the latest technological developments with regard to mobility;

Every region that specialises in the automotive sector must undergo the so called 'entrepreneurial discovery process' which requires collaboration among public bodies, industry, research institutes and civil society. The Commission encourages and the EU supports through the European Regional Development Fund all regions that have decided to specialise in the automotive sector.

24. The CoR stresses the importance of EU State aid law and the role it plays in crises, and is convinced that State aid rules need to be adapted so that economically strong automotive regions too can further consolidate their innovation clusters. Clusters contribute to the prosperity of other regions through Interregional and Europe-wide value chains;

The automotive sector may, in principle and like other industries, benefit from State aid. In addition to the general State aid framework, the Temporary Crisis and Transition Framework⁹ adopted on 9 March 2023 introduced new measures (i.e. section 2.8) to further accelerate investments in key sectors for the transition towards a net-zero economy, enabling investment support for the manufacturing of strategic equipment, namely

https://commission.europa.eu/document/download/9c8d2189-8abd-4f29-84e9-abc843cc68e0_en?filename=BR%20toolbox%20-%20Jul%202023%20-%20FINAL.pdf

Communication from the Commission Temporary Crisis and Transition Framework for State Aid measures to support the economy following the aggression against Ukraine by Russia 2023/C 101/03; OJ C 101, 17.3.2023, p. 3–46.

batteries, solar panels, wind turbines, heat-pumps, electrolysers and carbon capture usage and storage as well as for production of key components and for production and recycling of related critical raw materials. More specifically, Member States may until 31 December 2025 design simple and effective schemes, providing support capped at a certain percentage of the investment costs up to specific nominal amounts, depending on the location of the investment and the size of the beneficiary, with higher support possible for small and medium-sized enterprises ('SMEs') as well as companies located in disadvantaged regions, to ensure that cohesion objectives are duly taken into Furthermore, in exceptional cases, account. Member States may provide more support to individual companies, where there is a real risk of investments being diverted away from Europe, subject to a number of safeguards. For example, on the Commission 8 January 2024, approved a EUR 902 million German measure to support Northvolt in the construction of one of the first environmentally friendly batteries plant for electric vehicles to foster the transition towards a net-zero economy, in line with the Green Deal Industrial Plan.

In recent years, the Commission has also approved several regional investment aid measures (worth hundreds of million euros) to companies along the electric vehicle (EV) battery value chain: for example, aid to SK Battery Manufacturing Kft. SKBM¹⁰, SK On¹¹ and Samsung¹² for battery manufacturing plants.

25. The CoR calls for both the notification threshold and the maximum rate for regional

The recent amendments to the Regional Aid Guidelines¹³ and the General Block Exemption

¹⁰ SA 58<u>633 B00B247D-0000-C867-BF2A-DDFCB1574EA8 146 1.pdf (europa.eu)</u>

¹¹ State aid: Commission approves €209 million Hungarian aid (europa.eu)

¹² State aid: Commission approves €89.6 million Hungarian aid (europa.eu)

Communication from the Commission amending paragraph 188, Annexes I and IV to the Guidelines on regional State aid regarding the mid-term review of the regional aid maps for the period 1 January 2022 to 31 December 2027; 2023/C 194/05; OJ C 194, 2.6.2023, p. 13–28.

aid to be raised in the General Block Exemption Regulation (GBER). A rate of 50% for large firms in 'a' areas is far too low. This is the only way to also develop and market future-oriented technologies in Europe, which will be needed under the European Green Deal;

Regulation¹⁴, include an increase of maximum aid intensity thresholds applicable to regional investment aid. Those maximum aid intensities are, however, not uniform and reflect the different degrees of development and wealth of the targeted regions.

26. The CoR stresses the need not only for a reform aimed at increasing the amount of aid, but also for measures to adapt the De minimis Regulation, with the current ceiling of EUR 200 000 rising to at least EUR 500 000;

The new *de minimis* Regulation has entered into force on 1 January 2024¹⁵. An adjustment for inflation is provided for, raising the threshold to EUR 300.000 over three years. However, given that the ceiling is linked to the notion of 'State aid' (measures which are presumed not to have an impact on trade or competition), the Commission has limited discretion in setting the ceiling.

27. The CoR welcomes the reforms of the Important Projects of Common European Interest (IPCEI) announced in the Green Deal Industrial Plan. However, consideration should be given not only to speeding up authorisation procedures, but also to extending thematic areas to include future technologies (e.g. autonomous driving); the extent to which IPCEIs can be adapted to enable small and medium-sized enterprises (SMEs) to take part should also be explored;

The Commission recently launched a Joint European Forum for Important Projects of Common European Interest (IPCEIs) that will help identifying new areas for potential new IPCEIs. As part of the review of the IPCEI Communication¹⁶, specific provisions facilitating small and medium enterprises (SMEs) participation were introduced. Also, it is expected that SMEs may largely benefit from the recent amendments to the General Block Exemption Regulation, including on research and development (R&D) projects.

29. The CoR proposes that it continue to be possible to temporarily regulate significant seasonal spikes in energy prices in a clearly time-limited way. Such price volatility is a major locational disadvantage in global competition, especially for energy-intensive production. On top of this, there are risks in terms of supply and reliability of the energy

Intervention on prices was part of the EU answer to the unprecedented energy crisis, exacerbated by the war of aggression against Ukraine. There are significant downsides to regulated prices. In particular, they can reduce energy efficiency incentives and undermine competition to the long-term detriment of consumers. That is why they should be targeted and proportionate. The Council

¹⁴ EUR-Lex - 02014R0651-20170710 - EN - EUR-Lex (europa.eu).

Commission Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid; OJ L, 2023/2831, 15.12.2023.

¹⁶ Communication from the Commission — Criteria for the analysis of the compatibility with the internal market of State aid to promote the execution of important projects of common European interest; OJ C 188, 20.6.2014, p. 4–12.

grid. For such intervention to be justified in the context of regional transitions, specific attention must be paid to SMEs in the supply sector:

Regulation on an emergency intervention to address high energy prices¹⁷ extended the possibility for Member States to intervene in price setting during the crisis under certain conditions for SMEs. This measure was temporary and got extended, in December 2023, until 31 January 2025. The Commission proposed in the Electricity market design reform¹⁸ to introduce the possibility to have an emergency mechanism, in case of high prices at wholesale and retail market that could lead to regulated prices for SMEs. The provisional agreement¹⁹ was reached by the co-legislators on the reform of the EU's electricity market design; its formal adoption is foreseen in early 2024.

33. Test and demo environments with the possibility of producing hardware in low volumes are a necessity for SMEs that should be addressed to a greater extent, in order to foster a transition in sustainable production and to develop new business models for SMEs;

The Commission supports through Horizon Europe and other spending programmes the testing and demonstration of innovative transport technologies and systems. In particular research and innovation (R&I) actions funded under the European Partnerships such as Connected, cooperative and automated mobility (CCAM), Batteries (BATT4EU) and Zero-emission vehicles (2Zero) provide good possibilities for testing and demonstration.

35. The CoR recommends that the European Commission issue clear guidance on how to improve and strengthen the ability of Member States and regions to provide the necessary safety nets for all workers and citizens who could be negatively impacted by the changes ahead. This should also specifically address workers that might not benefit from re-training and upskilling due to their age profiles and find mechanisms to incentivise retaining their skills

The 2022 Council Recommendation on learning for the green transition and sustainable development²⁰ aims to promote Member States' initiatives in preparing learners across all education and training sectors. The objective is to provide them with the knowledge and skills essential for fostering a socially just and sustainable future.

The 2022 Council Recommendation on ensuring a fair transition towards climate neutrality²¹ offers

¹⁹ Council reaches agreement on parts of electricity market reform - Consilium (europa.eu)

Council Regulation (EU) 2022/1854 of 6 October 2022 on an emergency intervention to address high energy prices; OJ L 261I, 7.10.2022, p. 1–21.

¹⁸ COM(2023) 147 final.

²⁰ Council Recommendation of 16 June 2022 on learning for the green transition and sustainable development 2022/C 243/01; OJ C 243, 27.6.2022, p. 1–9.

²¹ Council Recommendation of 16 June 2022 on ensuring a fair transition towards climate neutrality 2022/C 243/04; OJ C 243, 27.6.2022, p. 35–51.

and qualifications in the transition process;

guidance on the employment, skills, and social policies needed to mitigate the effects of the transition on both workers and households. This includes targeted measures for vulnerable groups, regions, and sectors like the automotive industry. The Recommendation specifically urges Member States to facilitate the efficient allocation of funding, including Cohesion Funds, to provide support for those most impacted by the transition.

The Commission and Member States have carried out a review of the implementation of this Recommendation. The review highlighted innovative job-to-job transition schemes, such as 'job transition allowances,' which go beyond traditional re- and up-skilling approaches.

Furthermore, through the Pact for Skills²², the Commission has been mobilising and encouraging private and public stakeholders in Member States to take action for upskilling and reskilling the working-age population. The Automotive Skills Alliance (ASA), a large-scale Pact for Skills partnership, aims to upskill 5% of its workforce annually, translating to the upskilling and reskilling of 700,000 employees in the automotive ecosystem in the coming years. By the end of 2022, it had already up- or reskilled about 10 000 persons and updated or developed almost 1 200 training programmes with an investment of around EUR 5.4 million covering accreditation and promotional activities.

Recognising the role of vocational education and training (VET) in the green transition, whether for young people starting their careers or people seeking to adapt their skills, VET enables learners to meet the evolving demands of the working world, including those related to the green transition and the automotive industry. The 2020 Council Recommendation on vocational education and training²³ calls for Member States to adapt

Pact for Skills - Employment, Social Affairs & Inclusion - European Commission (europa.eu)

²³ Council Recommendation of 24 November 2020 on vocational education and training (VET) for sustainable

VET policy to facilitate a just transition to the green economy.

The Erasmus+ initiative on Centres of Vocational Excellence (CoVE) aims to be a driving force for reforms in the VET sector. The CoVE initiative supports collaboration among stakeholders at on local, regional and transnational levels.

The Auto-CoVE 2.0 project aims to establish an Education and Training framework for the vehicle sector with a focus on the green transition addressing the sustainability skills gap in the automotive sector.

Short courses, focused on specific skills for the transition and aligning with the recently adopted European approach to micro-credentials for lifelong learning and employability²⁴, will serve as a valuable tool for targeted skills development of workers.

The introduction of individual learning accounts enables learners to take into account the broader labour market context and their professional aspirations when selecting training programmes. This approach facilitates the transition of people from contracting to expanding sectors and occupations, addressing the prevalent skills gaps in today's labour markets.

39. The CoR calls on the European Commission to link up initiatives on supply chain resilience, critical raw materials security and the semiconductor industry in order to ensure that locations are competitive. The Committee urges the European Commission to accelerate the enhancement of European strategic autonomy and security in the raw materials supply chain with a view to diversifying imports (particularly lithium and cobalt for batteries, and rare earth elements),

The Critical Raw Materials Act²⁵ aims to achieve a secure and sustainable supply of critical raw materials to the Union. The Commission proposal would set benchmarks for the diversification of supplies of strategic raw materials (including lithium, cobalt and rare earth elements) to not rely for more than 65% of annual EU consumption for any stage of the supply chain on any single third country. An important way to achieve this goal is by designating Strategic Projects in the Union and third countries which represent a strategic value to

competitiveness, social fairness and resilience 2020/C 417/01; OJ C 417, 2.12.2020, p. 1–16.

A European approach to micro-credentials | European Education Area (europa.eu)

²⁵ COM(2023) 160 final.

while ensuring diligent management and oversight of emissions and pollution at every stage of the value chain. The share of European semiconductor production as a proportion of global production is set to double by 2030;

the Union and are implemented in a sustainable way.

The proposal also empowers the Commission to set calculation rules for the environmental footprint of raw materials, subject to safeguards such as an impact assessment and consultation of all relevant stakeholders and third countries.

For critical raw materials used in the semiconductor production specifically, discussion will take place in the fora such as the European Semiconductor Board and the Industrial Alliance on Processors and Semiconductor Technologies.

40. It is important for the envisaged AI Act to correspond to the needs of the European automotive industry and its transformation. AI issues are crucial in a number of areas of development within the mobility sector, and national actors should contribute to a holistic approach to AI issues related to the development of new innovations in mobility;

The proposed Artificial Intelligence Act²⁶, although being horizontal in its nature, takes the sectoral needs into account. Requirements on artificial intelligence (AI) systems provided for the European automotive industry would be incorporated into already existing conformity assessments and be adapted to the specific needs of the industry.

41. The CoR calls on the Commission to put forward without delay a specific proposal on access to non-personal data – along the lines of the Data Act – also for the automotive sector, with a view to promoting the data economy and new business models:

The Commission is currently preparing a legislative proposal on access to vehicle data, functions and resources, complementing the Data Act²⁷, with a view to complement the internal market framework required to develop a flourishing market for vehicle data-driven services.

45. The CoR calls on the European Commission, as part of the mid-term review of the current multiannual financial framework (MFF), to provide funds for the just transition automotive regions and automotive suppliers, regardless of where they are based, and to take this into account now while planning the next MFF. In this context, the regions must be allowed flexibility in the use

The Commission's proposal for the revision of the Multiannual Financial Framework (MFF), and the provisional agreement between the European Parliament and the Council provide a targeted revision to equip the MFF with the means to ensure that the EU can meet its legal obligations and address the most urgent priorities until 2027. Member States are nonetheless expected, through the midterm review of their programmes, to take into account new challenges, to be addressed,

²⁶ COM(2021) 206 final.

²⁷ COM(2022) 68 final.

of funds, as the challenges vary widely; using the eligible scope of support under the current legislative framework. 46. A possible successor to the JTF should be Reflections on this will feed into the integrated into a transition strand in the ERDF Commission's proposal for the MFF post-2027. and the ESF, while respecting the partnership principle and shared management and with the aim of facilitating support. This would prevent further fragmentation of the support instruments. The reader is referred to the opinion on the future of cohesion policy, to be adopted in late 2023; 47. The CoR stresses that multiple industrial considerations will Such feed into the transitions are under way at the same time and Commission's proposal for the MFF post-2027. At this stage it is however too early to prejudge underlines the need for a successor to the JTF to be open to other sectors; the MFF post-2027. Commission will continue 49. The CoR welcomes the Route 35 process The the close initiated by Commissioner Thierry Breton and cooperation with the Committee's Automotive points out that the CoR's Automotive Regions Regions Alliance in the relevant stakeholder Alliance (ARA) has proposed an additional dialogues and processes concerning a successful key performance indicator (KPI) on regional green transition of the EU automotive industry. impacts as a measure of success of the just transition, and calls on the European Commission to include it in the process; 56. The CoR underlines that other EU policies Smart Specialisation takes up the challenges from also need to support this structural change and the overarching objectives of the European Green calls on the European Commission to step up Deal and converts them into local innovative its support for the Partnerships for Regional solutions. The Commission Joint Research Centre Innovation (PRI) as a bridge between smart works in close cooperation with the European specialisation and other EU policies and with Parliament on the Partnerships for Regional Innovation. the aim of achieving the overarching objectives of the European Green Deal using local solutions: 60. The CoR asks the European Commission, The Commission agrees on the need for after five years of the European Green Deal, to continuous coordination of support to contribute make a successful transition its priority for the to successful transitions, using the existing next five-year term of office and calls for a coordination mechanisms, including through the coordinated effort by all Commission services European Semester exercise. to make the transition a success.

N°15 European Cross-Border Mechanism 2.0

Own-initiative

COR-2022-06083 - COTER-VII/025

157th plenary session – October 2023

Rapporteur: Magali ALTOUNIAN (FR/renew E)

DG REGIO – Commissioner FERREIRA

Points of the European Committee of the Regions opinion considered essential

European Commission position

15. The European Committee of the Regions (CoR) calls on the European Commission to address the Member States' concerns by rewriting the Regulation in order to simplify it and clearly explain the voluntary nature of the solutions to be implemented, while retaining its main aspects, such as cross-border coordination points in each Member State, or in regions with legislative powers, and the obligation for Member States to have an effective barrier resolution mechanism in place if they choose not to apply the one proposed by the Regulation;

The Commission adopted a revised proposal for a Regulation on 12 December 2023¹, taking due account the concerns. comments recommendations from the two co-legislators, while maintaining the original focus of the European Cross-Border Mechanism ('ECBM') proposal on resolving the obstacles that hamper the lives of cross-border communities. The amended proposal addresses concerns about subsidiarity and proportionality. The Cross-Border Facilitation Tool is optional and should be used only if no other tools from existing cooperation structures are available or able to satisfactorily resolve the obstacle. The amended proposal requires setting up cross-border coordination points in each Member State, whose role will be pivotal in identifying cross-border obstacles and assessing the relevance of solving them. Member States can decide, after analysing the file, whether to resolve the obstacle, taking account of the assessment made by the cross-border cooperation point.

17. The CoR calls on the European Commission, in order to avoid misunderstandings in the application of this Regulation, to clarify and simplify procedures described therein, while leaving sufficient flexibility to each Member State;

The revised proposal brings in substantial simplifications to the 2018 'ECBM' proposal, including the procedures for assessing cross-border files submitted by initiators. Under the Cross-Border Facilitation Tool, one single procedure is established, with limited requirements for Member States and applicable to

¹ COM(2023) 790 final.

both legal and administrative obstacles. In addition, Member States can decide how best to organise their resources when nominating a cross-border coordination point, including by nominating an existing body or joint cross-border coordination points with neighbouring Member States.

The amended proposal is fully based on the principle of subsidiarity, respecting Member States' legislative prerogatives. The Cross-Border Facilitation Tool is optional and should be used only if no other tools from existing cooperation structures are available or able to satisfactorily resolve the obstacle.

21. The CoR proposes that cross-border coordination points also play a watchdog role in order to avoid the creation of new legal and administrative barriers that could result from new national legislation, as well as from the uncoordinated transposition of EU directives into national law, and raise awareness among legislators of their cross-border impact;

The Commission notes that minimising adverse effects of new national legislation on border regions is a responsibility of each Member State. However, cross-border coordination points are expected to develop an expertise which could be useful in this process, notably to ensure the necessary coordination with neighbouring Member States when transposing EU directives into national laws.

23. The CoR calls for cross-border coordination points to remain in close cooperation with ESPON in order to collect statistical and geospatial data on cross-border flows, and to work towards the harmonisation statistics standardisation of and across countries in order to improve decision-making and introduce solutions to remove cross-border barriers:

The Commission acknowledges the importance of enhancing data collection and knowledge on cross-border interactions. Information gathered by cross-border coordination points can contribute significantly to the studies and analyses conducted notably by the European Observation Network for Territorial Development and Cohesion (ESPON), supporting evidence-based decision-making.

26. The CoR calls for the Regulation to specify its geographical scope. Its purpose is to remove border barriers for the benefit of border regions. The solution must be adopted on a case-by-case basis, within the functional perimeter resulting from each barrier. The initiator of the request may be based in an area larger than the border region, depending on the

The Commission welcomes the Committee's suggestions for a targeted and placed-based approach. The proposed geographical scope of the solutions should be limited to the lowest territorial level necessary for the effective resolution of the obstacle on a case-by-case basis, in full accordance with the institutional framework of each Member State.

division of powers affected by the barrier in each Member State;

28. The CoR recommends that the exchange of experience between border regions should be promoted and that an evaluation of the experience gained should be carried out after five years, with a view to a possible revision of the regulation.

The revised proposal defines the coordination tasks of the Commission, including the promotion of exchanges of experiences between cross-border regions, in particular between cross-border coordination points. It also provides for an evaluation of the Regulation five years after its entry into force.

 $N^{\circ}16$ Consumers' protection package

COM(2023) 166 final

COM(2023) 155 final

COR-2023-02019 - NAT-VII/036

157th plenary session – October 2023

Rapporteur: Dan BOYLE (IE/GREENS)
DG JUST – Commissioner REYNDERS

Points of the European Committee of the Regions opinion considered essential

European Commission position

- 5. The European Committee of the Regions (CoR) calls for harmonised rules for providing information to consumers, including, inter alia, repair scores and information on estimated lifespans, spare parts, repair services and on when software updates are available (for goods with digital elements), while keeping in mind the imperatives of consumer safety;
- 15. The CoR welcomes the publication of a long-awaited proposal for a directive on repair and reuse; points out that the lack of reliable information on products' environmental sustainability, reparability and lifespan is among the main obstacles preventing consumers from adopting more sustainable consumption behaviours;
- 20. The CoR stresses that improving consumer information will help consumers compare and identify the most sustainable products available on the market;
- 6. The CoR stresses the importance of basing product information on standardised measurements (for example for durability), and of developing standards where these do not yet exist:

The European Parliament and the Council have in December reached a political agreement¹ on the Proposal for a Directive empowering consumers for green transition. This new Directive an information introduces, amongst others, obligation for sellers of the goods to inform the consumers, at the point of sale, about the applicable reparability score for the goods when such score is established at Union level. In the absence of such reparability score, the seller must convey to the consumer the information made available by the producer concerning spare parts and repair and maintenance instructions. The new Directive also requires the sellers of the goods to inform the consumer about the existence and duration of the commercial guarantee of durability when provided by the producer and the minimum period during which the producer will provide software updates, when the information is made available by the producer.

The Ecodesign for Sustainable Products Regulation (ESPR) proposal² applies the 'Ecodesign approach' already deployed under the existing Ecodesign Directive³, to set product-level sustainability requirements. This approach proved to be

¹ Procedure File: 2022/0092(COD) | Legislative Observatory | European Parliament (europa.eu)

https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2022%3A0142%3AFIN

Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products (recast); OJ L 285, 31.10.2009, p. 10–35.

successful in increasing the energy efficiency of energy related products and will be extended to more ecodesign requirements (which include both performance and information-related requirements) and to the broadest possible range of products under the ESPR proposal.

The ecodesign requirements will (amongst others) aim to make products more durable, reliable, reusable, reparable, easier to maintain and energy efficient, address the substances that inhibit circularity or the amount of recycled content products contain, and make them more resource-efficient and easier to remanufacture and recycle.

The requirements will be developed on a productby-product basis, or for groups of products with similar characteristics. Depending on the products or requirements concerned, as well as the most appropriate approaches identified in preparatory studies and impact assessments, the definition of such requirements will be based on a range of possible methodologies example, (for Methodology for Ecodesign for Energy-related Products, or life cycle analysis tools such as the Product Environmental Footprint), standards (such as material efficiency standards developed by the European Committee for Standardisation (CEN)/ the European Committee for Electrotechnical Standardisation (CENELEC)), and appropriate methods. Each set of rules will be tailored to the products in question, so that the information and performance requirements set on them are verifiable and comparable.

7. The CoR calls for a reparability product label to be introduced across the EU, similar to the energy efficiency label;

The energy label for smartphones and tablets⁴ includes a scoring system on the ability of the product to be repaired.

These products are the first for which reparability scoring is introduced at EU level.

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Commission Delegated Regulation (EU) 2023/1669 of 16 June 2023 supplementing Regulation (EU) 2017/1369 of the European Parliament and of the Council with regard to the energy labelling of smartphones and slate tablets; OJ L 214, 31.8.2023, p. 9–46.

The Commission is committed to introduce reparability scoring on other relevant products in the future under the Ecodesign framework.

9. The CoR supports the idea to provide environmentally relevant, reliable, comparable and verifiable information to consumers through an EU legal framework requiring companies to substantiate claims via the environmental footprint method;

10. The CoR underlines that considering the overall environmental footprint of a product across its entire lifespan is particularly important. Looking at in-use energy consumption in isolation does not say anything about a product's overall environmental impact and may even make it more difficult to repair it;

The new directive on empowering consumers for the green transition will strengthen horizonal consumer protection rules against misleading claims, environmental through its targeted amendments of the Unfair Commercial Practices Directive. In addition, the proposal for a Green Claims Directive⁵ acknowledges the role that Environmental Footprint (EF) methods, notably product or sector category rules, can play to support substantiation of environmental claims in line with the requirements of the Green Claims Directive⁶ particularly recitals 24 and 32. When assessing an environmental claim, the product's main environmental impacts over its lifecycle, including its supply chain, are relevant and should be assessed. While the use of EF is not mandated in the Green Claims Directive, the Commission proposed empowerment to adopt delegated acts to further specify substantiation provisions and to adopt specific life-cycle product and sector category rules as per Article 3(4).

The Commission will continue its work on EF methods as set out in Commission Recommendation (EU) 2021/2279⁷, and in line with the commitments listed in recital 32 of the Green Claims proposal as appropriate.

The setting of Ecodesign requirements will also be based on assessment of the life-cycle environmental impacts of products.

11. The CoR stresses the need to accelerate the process to harmonise specific rules for specific claims, particularly those falling outside the

Article 3(4) of the Green Claims proposal would empower the Commission to adopt delegated acts to inter alia set more detailed rules for assessing the

⁵ Proposal for a directive on substantiation and communication of explicit environmental claims (the Green Claims Directive) (COM(2023) 166 final).

⁶ see recitals 24 and 32.

Commission Recommendation (EU) 2021/2279 of 15 December 2021 on the use of the Environmental Footprint methods to measure and communicate the life cycle environmental performance of products and organisations, OJ L 471, 30.12.2021, p. 1.

scope of life cycle assessments (such as durability, recycled content, and biodiversity), based on a monitoring activity carried out by the European Environmental Agency of the most important claims in the market;

environmental aspects, impacts or environmental performance, or establish specific life-cycle-based rules for certain product groups and sectors. The regular monitoring of the evolution of environmental claims will be instrumental for the Commission in defining priority areas where additional harmonised rules could be proposed.

13. The CoR highlights the fact that measures and guidance need to be put in place to make the process easier for SMEs to be able to substantiate their green claims;

The Green Claims proposal provides that small and medium-sized enterprises (SMEs) should receive dedicated support from the Member States. In addition, in the financial fiche accompanying the proposal the Commission provides for additional support measures for SMEs at the EU level such as flanking measures to adapt to this directive (e.g. calculation tools) or access to datasets helping companies evaluate their value chains.

Moreover, the proposal exempts microenterprises from the obligations of substantiation and verification but opens up the possibility for these actors to comply voluntarily.

14. The CoR calls for a strong governance framework involving local and regional authorities and civil society in order to establish a transparent and inclusive processes for developing rules for substantiating and communicating green claims, such as a consultation forum on green claims;

The Commission takes note of the suggestion of the Committee as regards involvement of the social partners and representatives of civil society in the implementation of the Green Claims Directive once adopted.

18. The CoR asks to ensure better access for end users and independent repair service providers to spare parts and instruction manuals within a reasonable timeframe and at a reasonable cost, for a period corresponding to the expected lifespan of the product. The CoR also underlines the importance of informing consumers before purchase of the durability and repairability of a product and on the availability of spare parts.

The Commission recognises that better access to spare parts, information and repair instructions for end users and independent repair service providers is an important element to promote repair in the EU. These aspects fall outside the scope of the Proposal promoting the repair of goods⁸ that the Commission adopted on 22 March 2023 but will be addressed by other instruments.

Measures ensuring better access to spare parts and instruction manuals are addressed in the

Proposal for a Directive of the European Parliament and of the Council on common rules promoting the repair of goods and amending Regulation (EU) 2017/2394, Directives (EU) 2019/771 and (EU) 2020/1828 (COM(2023) 155 final).

framework of the Ecodesign Directive and the Ecodesign for Sustainable Products Regulation (ESPR)⁹.

The Directive on Empowering Consumers for the Green Transition aims at better informing consumers about the durability and repairability of goods at the point of sale and provides also better consumer protection against early obsolescence practices.

- 21. The CoR regrets that the proposal does not introduce changes to the legal guarantee framework to extend legal guarantee periods for more durable goods by defining them through the ecodesign implementing measures, or further expand the reversal of the burden of proof to align it with the legal guarantee period and introduce a joint seller-producer liability. The CoR suggests amending recital 16 by including an extension of the legal guarantee for products with repairability requirements (amendment 3).
- 22. The CoR points out that an extended guarantee can incentivise repair over replacement.

In the context of the Proposal promoting the repair of goods the Commission considered various options for promoting repair and incentivising consumers to repair, also within the legal guarantee period. The Commission concluded that the option of a general extension of the legal guarantee period would only have a minimal impact on sustainable consumption as consumers would continue choosing the replacement over repair of defective goods. For this reason, the Commission proposed giving priority to the repair remedy over replacement, rather than extending general legal guarantee period. The Commission's Proposal addresses the specific objective of promoting the repair (within and outside the legal guarantee) and did not aim at a thorough revision of the Sale of Goods Directive¹⁰ as regards for example, a joint sellerproducer liability.

23. The CoR highlights the importance of tackling high repair prices and other such barriers to repair (such as those related to IP laws) and suggests putting in place structures and framework conditions that favour repairs. This can be achieved, for example, by adopting tax measures (cutting/abolishing the sales tax on repairs; cutting the wage tax on repairs, tax

The Commission recognises that high repair prices can constitute barriers to repair.

The price of repair depends on many factors, such as labour costs, costs of spare parts, the type and complexity of a defect, etc. Considering these factors, it is not possible to regulate repair prices in a general instrument such as the Proposal

Proposal for a Regulation of the European Parliament and of the Council establishing a framework for setting ecodesign requirements for sustainable products and repealing Directive 2009/125/EC (COM(2022) 142 final).

Directive (EU) 2019/771 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the sale of goods, amending Regulation (EU) 2017/2394 and Directive 2009/22/EC, and repealing Directive 1999/44/EC.

deductibility of repair costs for consumers) and by creating other financial incentives for repairs such as repair bonuses, repair funds, etc. Alongside these mainly financial aspects, the necessary documentation (e.g. workshop manuals, blow-up views, repair instructions, circuit diagrams) must be freely accessible to repairers. promoting the repair of goods. Instead, the Proposal helps consumers to identify the best and most suitable repair services, as well as repair service providers offering the best price, via the European Repair Information Form and the online platform (Articles 4 and 7).

The Proposal promoting the repair of goods does not prevent Member States from adopting other measures, such as tax incentives or other incentives that promote repair. The Commission supports national financial incentives and other types of incentives but leaves it for Member States to decide which measures are the most appropriate and effective in a specific Member State. The Commission further notes that tax measures to a large extent remain a national competence and consequently, the Directive for the European Union's common system of value added tax¹¹ leaves it to the discretion of Member States to decide whether to apply reduced value-added tax (VAT) rates for certain repair services.

The Commission takes note of this suggestion for subsequent interinstitutional negotiations.

37. The CoR highlights the need to broaden producer responsibility to take a "cradle to grave" approach to products they produce.

The Proposal for promoting the repair of goods broadens the producer's responsibility by introducing an obligation to repair goods for which repairability requirements are provided in Union legal acts (Article 5). Accordingly, depending on the time-limits sets by the relevant product-specific measure, the obligation to repair will apply from the moment of placement of the goods on the market until several years after the last unit is produced.

39. The CoR highlights the importance of enhancing training and education, administered by regional and local governments, to better address skills needed to repair and maintain

The Commission recognises that training and education is an important element needed to increase the supply of repair services in the EU; however, this aspect is outside the scope of the

Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax; OJ L 347, 11.12.2006, p. 1–118.

goods.

Proposal promoting the repair of goods.

On 13 June 2023, the Commission proposed a Council Recommendation on developing social economy framework conditions¹², in which it encourages Member States to support training and skills development for the social economy, including with regards to circular and repair skills.

Amendment 2, recital 14

The requirements laid down in delegated acts adopted pursuant to Regulation Ecodesign Sustainable for Products] implementing measures adopted pursuant to Directive 2009/125/EC [...] apply. Those requirements ensure the technical feasibility of repair, not only by the producer, but also by other repairers, including independent ones. As a consequence, the consumer can select a repairer of its choice. In this context, this Directive should ensure that all actors of the repair sector can access spare parts at a reasonable and non-discriminatory price, as well as repair and maintenance information and diagnosis tools necessary to perform the repair, be it hardware or software.

The Proposal promoting the repair of goods is part of a broader, complete system of measures promoting repair of goods and is strongly linked to the Eco-design framework. The Eco-design framework under current Directive 2009/125/EC and future ESPR address the repairers' access to repair information and spare parts.

Amendment 5, article 4

4. (f) the estimated *maximum* time needed to complete the repair;

The Commission takes note of this suggestion for the subsequent interinstitutional negotiations.

Amendment 7, article 9 (new)

Amendment to Directive (EU) 2019/771

Commercial guarantees, the following text is added: (4) Member States may lay down rules on other aspects concerning commercial guarantees which are not regulated in this Article, including rules on the language or

The Sale of Goods Directive¹³ already provides for an option (Article 17(4)) for Member States to lay down rules on other aspects concerning commercial guarantees, including rules on the language(s) in which the commercial guarantee statements should be provided.

The minimum legal guarantee period laid down in

¹² COM(2023) 316 final.

Directive (EU) 2019/771 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the sale of goods, amending Regulation (EU) 2017/2394 and Directive 2009/22/EC, and repealing Directive 1999/44/EC; OJ L 136, 22.5.2019, p. 28–50.

languages in which the commercial guarantee statement is to be made available to the consumer.

These aspects may include the following.

- a) In cases of products not covered by durability requirements under Ecodesign, manufacturers should be able to offer a voluntary extension of the minimum legal guarantee period. This would incentivise sellers and producers to offer more durable goods, since they would have to bear the potential costs of a repair or replacement for a longer period of time. From a consumer perspective, it would increase the chances of getting goods repaired, as the costs would be taken in charge.
- b) An obligation to provide for the temporary replacement of goods, where proportionate.
 - In addition to mandatory timeframes to perform the repair, measures should be set to ensure that a replacement good is provided, either by the seller or the manufacturer, for the duration of the repair.
- c) Incentives under the sale of goods to further promote repair, such as zeroing the legal guarantee period.

Article 10 of the Sale of Goods Directive applies to sellers. However, manufacturers are free to offer the commercial guarantee of durability providing for free repair or replacement for an extended period of time in accordance with Article 17.

An obligation to provide a temporary replacement good for all repairs could increase the cost of repair and discourage businesses from offering it. However, depending on circumstances, the seller may provide such temporary replacement for the duration of repair, to avoid that the repair causes significant inconvenience to the consumer in the meaning of the Sale of Goods Directive.

Similarly, a single mandatory time-limit for all repairs is not feasible considering that the legal guarantee covers a wide range of products and potential defects. A short general time-limit would discourage the sellers from repairing the defects that require longer time whilst a general long time-limit could be counterproductive as it could extend the duration of those repairs that could be otherwise performed faster. The current rules under the Sale of Goods Directive already address the duration of repair by requiring that the repair does not cause significant inconvenience to the consumer which is to be assessed on a case-by-case basis.

In the preparation of the Proposal promoting the repair of goods, the Commission also considered the option of extending the legal guarantee period for the repaired goods. However, the Commissions' preferred option was giving priority to repair over replacement, as such solution was deeded more effective to achieve the goal of promoting repair. The Commission takes note of this suggestion for the subsequent interinstitutional negotiations.