

Reply of the European Commission
to the Contribution adopted by the plenary meeting of the Conference of
Parliamentary Committees for Union Affairs (COSAC)

Bucharest, 23 to 25 June 2019

1. European elections

The Commission welcomes together with COSAC the outcome of the European elections in May 2019 and the high voter turnout, which can be seen as citizens placing higher trust in the European Union.

The Commission also supports COSAC in its call for bringing citizens closer to the decision-making process. As laid out by President-elect von der Leyen in her political guidelines, the next Commission will give a new push for European democracy, inter alia with a Conference on the Future of Europe to start in 2020 and to run for two years. National Parliaments should be adequately involved in the process. The Commission will also continue to give high priority to the political dialogue with national Parliaments, in terms of direct contacts between them and the Members of the Commission, and timely quality replies to national Parliaments' opinions.

2. Cohesion, a common European value

The Commission welcomes COSAC's remarks in relation to the achievements of the Union's cohesion policy in promoting economic, social and territorial cohesion throughout its territory. Its aim is and will continue to be bringing the benefits of the European integration to all corners of the Union and to all citizens, leaving no one behind and allowing everybody to actively participate in further development of the European project. The Commission also agrees with COSAC's recommendations as regards the next programming period and believes that they are well reflected in the Commission's budgetary and legislative proposals. The proposed five policy objectives for the post-2020 cohesion policy – a smarter, greener, more connected and social Europe that is closer to citizens – are fully aligned with the goals advocated by COSAC.

3. Prospects for international trade relations of the European Union; future relations between the European Union and the United Kingdom in the context of Brexit

The Commission welcomes COSAC's support to multilateralism and the reform of the World Trade Organization. As stated in the political guidelines for the new Commission, '[m]ultilateralism is in Europe's DNA. It is our guiding principle in the world.'

The Commission shares the importance COSAC attaches to developing trade relations to seize new economic opportunities and to promote the Union's values all over the world. It has successfully concluded a number of free trade agreements, such as with Canada, Japan, Singapore and Vietnam, and has reached an important political conclusion with Mercosur. The Commission continues to pursue free trade agreement negotiations, such as with Australia, New Zealand, Chile and others.

The Commission agrees with COSAC on the need for a balanced EU trade policy taking into account reciprocity, such as in the case of public procurement.

The Commission shares COSAC's view on the importance of promoting sustainable development underpinned by respect for core labour rights, adequate environmental standards and action against climate change, and advancing human rights and democracy. That is why the new Commission and its Members will ensure the delivery of the United Nations Sustainable Development Goals within all policy areas.

Respect for human rights is an 'essential element' in the EU's overall relations with third countries; and EU free trade agreements are part of those relations. All modern EU free trade agreements include detailed provisions on Trade and Sustainable Development (TSD). These provisions are anchored in multilateral standards and international governance in the field of labour rights and environmental protection. For instance, in the field of labour, they include an obligation to adhere to the International Labour Organization's (ILO) core standards and to ratify and effectively implement its 8 Fundamental Conventions. In the field of environment, the TSD provisions include a requirement to effectively implement Multilateral Environmental Agreements, as well as on climate change (Kyoto Protocol and Paris Agreement), biodiversity, chemicals and waste. It also includes separate articles on forests and trade in timber (including combatting illegal logging and related trade). The implementation of the EU's trade and sustainable development agenda has received an important boost following the adoption by the Commission of the 15-Point TSD Action Plan geared to step up implementation and enforcement efforts. In this context, the Commission has strengthened cooperation with the European Parliament, Member States and international organisations (in particular with the ILO on the implementation of TSD chapters).

The Commission notes that Member States are closely involved in the implementation of the common commercial policy. The Council authorises the Commission to open negotiations, which the Commission conducts in consultation with the Trade Policy Committee appointed by the Council to assist the Commission in this task. In this

context, the Commission reports regularly to the Trade Policy Committee on the progress of the negotiations.

The Commission also carefully considers opinions from national Parliaments, notably through its 'political dialogue' with them.

The Commission takes note of COSAC's call for a consensual approach to the negotiations between the EU and Switzerland on the Institutional Framework Agreement. While the recent political context in Switzerland has not facilitated the signature of the agreement, the Commission's objective is to have it signed as soon as possible and limit the impact of a delay in other areas of cooperation. The signature of the agreement would also launch the process leading to the modernisation of the free trade agreement and other trade related agreements as foreseen in the Joint Declaration.

The Commission agrees with COSAC on the importance of transatlantic trade relations. The EU and the United States (US) are each other's most important trading partner. Our economic partnership reaches up to €2 trillion in trade, investment and income payments each year, unrivalled by any other economic partnership. The transatlantic economy is the central artery of the global economy, and key for prosperity in the EU and US, and supporting around 15 million jobs in the EU and US. It is our common interest to preserve the long-standing and mutually beneficial relationship, and improve it where possible. The agreement reached between Presidents Trump and Juncker last year on a positive bilateral agenda is an important step in this direction. The EU is ready to engage on a positive bilateral agenda; the Council agreed to launch negotiations on conformity assessment and on industrial tariff elimination to deliver on the commitments made. On 25 July 2019, the Commission published¹ a progress report on the Implementation of the EU-US Joint Statement of 25 July 2018. The Commission hopes that the positive agenda with the US will not be undermined by unilateral US actions in the field of trade policy or in respect of sanctions. The Commission considers the extra-territorial application of unilateral restrictive measures to be contrary to international law and will defend EU interests.

The Commission shares COSAC's assessment that the EU remains fully engaged towards a negotiated and orderly withdrawal of the United Kingdom from the EU on 31 October 2019.

On 17 October 2019 the European Council (Article 50) endorsed the agreement reached at negotiators' level on the Withdrawal Agreement, including a revised Protocol on Ireland / Northern Ireland, and approved a revised Political Declaration on the framework of the future EU-UK relationship.

¹ https://trade.ec.europa.eu/doclib/docs/2019/july/tradoc_158272.pdf

The revised Protocol provides a legally operational solution that avoids a hard border on the island of Ireland, protects the all-island economy and the Good Friday (Belfast) Agreement in all its dimensions and safeguards the integrity of the Single Market. This solution responds to the unique circumstances on the island of Ireland with the aim of protecting peace and stability.

All other elements of the Withdrawal Agreement remain unchanged in substance, as per the agreement reached on 14 November 2018. The Withdrawal Agreement brings legal certainty where the UK's withdrawal from the EU created uncertainty: citizens' rights, the financial settlement, a transition period at least until the end of 2020, governance, Protocols on Gibraltar and Cyprus, as well as a range of other separation issues.

Before the Withdrawal Agreement can enter into force, it needs to be ratified by the EU and the UK. For the EU, the Council of the European Union has authorized on 21 October the signature of the Withdrawal Agreement and sent it to the European Parliament for its consent. The United Kingdom must ratify the agreement according to its own constitutional arrangements.

Although a no-deal will never be the EU's choice, the EU has fully continued its preparations for a 'no-deal' scenario, with the adoption on 4 September 2019 of the 6th Preparedness Communication urging all EU citizens and businesses to make final preparations in case of the UK's withdrawal on 31 October 2019 without an agreement.

4. The European Education Area as driving factor for reshaping and strengthening the Single Market

The Commission welcomes COSAC's request for an enhanced coordination between the EU, its Member States and all federated entities in the field of education and training. Such a strengthened cooperation is at the heart of the Strategic Framework for European Cooperation in Education and Training (ET 2020).

ET 2020 helps implementing the European Education Area, which supports the inclusive, lifelong learning-based and innovation-driven character of the education and training systems in the EU. The European Universities initiative is one of the flagships of the European Education Area; it will contribute to making the EU's education systems more inclusive, more innovative and more competitive.

The new Commission is fully committed to making the European Education Area a reality by 2025 by *inter alia* updating the Digital Education Action Plan to speed on digital skills for both young people and adults; and supporting the European Parliament's idea to triple the Erasmus+ budget as part of the next long-term budget.

The Commission agrees on the importance of lifelong learning and takes good note of the invitation by COSAC to give a new impetus to this concept. As noted in the political guidelines for the new Commission, ‘we need to change the culture of education towards lifelong learning that enriches us all.’ That is the reason why both ET 2020 and the Erasmus+ programme are strongly underpinned by the lifelong learning concept, which ranges from early childhood education over school education, higher education and vocational education and training to adult learning. This is also the case for the European Education Area.

Regarding the call by COSAC to support vocational education and Erasmus for apprentices, the Commission would like to underline that vocational education and training and adult education are already a fully integrated part of ET 2020, the Erasmus+ programme and the European Education Area. The mobility of apprentices, learners and staff in vocational education and training is an important component of Erasmus+ and will be further strengthened under the new programme. Erasmus+ also funds networks and tools improving vocational education and training systems as well as the transparency and recognition of qualifications across borders. The next generation of the Erasmus programme will also fund the creation of Centres of Vocational Excellence. They are platforms aiming to improve the quality and attractiveness of vocational education and training so that it becomes more responsive to societal challenges.

In relation to digital competences and digital education, the Commission would like to highlight that the Digital Education Action Plan², adopted in January 2018, outlines a set of actions through which the EU can help people as well as educational institutions and systems adapt to life and work in an age of rapid digital change. The Action Plan has triggered a policy dialogue with Member States, which continues to gain momentum and is well on track with a number of actions even extending beyond original plans. For example, the Commission launched SELFIE, a free online tool to help schools see where they stand with using technologies for teaching and learning. SELFIE has so far been used by more than 400,000 students and teachers and has received extensive support from ministries of education. In order to better support students to acquire the skills necessary for their future, the Commission also launched the Digital Opportunity Traineeships Initiative. During the academic year 2018/2019, over 4,500 students have benefited from this scheme and enhanced their digital skills in areas such as programming, cybersecurity, data analytics, digital marketing, development of apps and artificial intelligence applications. Additionally, the Commission is building a framework to support recognition of certifications as part of the Digital Education Action Plan. The framework will include tools, services and software to support the issuance of authentic, tamper-proof digital credentials by education and training institutions. Currently 15 countries are piloting the framework with the aim to implement it by spring 2020. In terms of funding, the Erasmus+ programme funds projects on digital learning technologies, the teaching of digital competences and innovative pedagogies.

² COM/2018/022 final

Furthermore, the Horizon 2020, the previous research framework programme FP7 and the Competitiveness and Innovation Programme have invested around EUR 260 million into learning and teaching through Information and Communication Technology. Finally, the European Structural and Investment Funds also provide support to digital technology teaching and learning.

The Commission would also like to draw attention to the Council recommendation on key competences for lifelong learning, which was adopted in May 2018. The recommendation highlights the important role digital and entrepreneurship competences play in today's society. It goes together with the new European Entrepreneurship Competence Framework (EntreComp) and the European Digital Competence Framework, which promote a common understanding of entrepreneurship and digital competences respectively.

The Commission agrees that partnerships between the world of education and business are a way forward to ensure that learners are motivated and education delivers labour-market relevant skills. The Erasmus+ programme is addressing the issue through its Knowledge Alliances and Sectors Skills Alliances. They bring together businesses and education institutions with the aim to develop new ways of creating and sharing knowledge as well as to design and deliver new curricula promoting creativity, employability and entrepreneurship. Stakeholders' interest in these actions is very strong; in many cases they have a strong regional focus, which helps to bring innovation to regions that are modest innovators. Furthermore, the Commission organises the University Business Forum that has led to concrete initiatives like HEInnovate, a guiding framework supporting higher education institutions and systems in improving their innovative and entrepreneurial capacity. The 2019 edition takes place in Brussels on 24 and 25 October 2019, with a focus on Innovation and Sustainable Development.

The Commission welcomes the emphasis put by COSAC on STEM education. Science, technology, engineering, and mathematics are essential to Europe's knowledge development and economic competitiveness. Several international surveys have shown low levels of achievement and interest in mathematics and science by EU students and adults alike. Therefore, increasing the attractiveness of STEM education in schools is essential. The Commission is testing different approaches in this respect. One is the so-called STEAM approach, which promotes a multidisciplinary approach, blending mathematics and science with a very broad range of other Arts disciplines, including also humanities and social sciences. Furthermore, the Commission tries to demystify science through the European Researchers' Night, an annual public event taking place across Europe, promoting research and science and attracting 1.5 million visitors, notably youngsters. It is funded by the Marie Skłodowska-Curie Action of the Horizon 2020 programme.

5. Economy based on innovation, technological progress and social impact; the role of parliaments in fostering the new economy of the EU

The Commission welcomes COSAC's view that technological progress and Artificial Intelligence (AI) in particular are crucial for the Single Market, providing a significant advantage to the European economy in the global competition context and therefore require a common and harmonised legislative approach, in line with the principle of subsidiary.

In line with this, as part of the next Multiannual Financial Framework, the Commission has proposed the Digital Europe programme, focused on building the strategic digital capacities of the EU and on facilitating the wide deployment of digital technologies, to be used by Europe's citizens and businesses. The programme seeks to boost investments in supercomputing, artificial intelligence, cybersecurity, advanced digital skills, and ensure a wide use of digital technologies across the economy and society.

This will support Europe's endeavour to compete globally, to achieve scale through collective co-investment, to regain control over Europe's value chains and ensure Europe's strategic autonomy, to better address Europe's economic and societal challenges (e.g. climate, health, mobility, public services) and to ensure broad take up of digital technologies across all regions of Europe, especially where demand is greatest.

The advent of AI is transforming our world. That is why the European Commission has actively promoted the development of AI in Europe. On 25 April 2018 the Commission adopted the Communication *Artificial Intelligence for Europe*³, outlining three main priorities: (i) boost the EU's technological and industrial capacity, increase public and private investment to boost AI uptake across the economy; (ii) prepare for socio-economic changes brought by AI; (iii) ensure an appropriate ethical and legal framework.

Following the publication of this Communication, the Commission launched a reflection process⁴ on whether further developments are needed in the EU legal framework. Regulating AI and automated decisions is per se not necessarily a new thing; The General Data Protection Regulation (GDPR) contains some important provisions on rights to explanations for individuals in relation to processing personal data; or the Markets in Financial Instruments Directive (MIFID II) contains provisions on high-frequency trading algorithms; various sector specific safety regulations and standards in principle capture also AI applications, e.g. the Medical Devices Directive.

In April 2019 Ethics Guidelines for Trustworthy AI⁵ were published by the High-Level Expert Group on AI (AI HLEG), an independent expert group established by the

³ COM(2018) 237, <https://ec.europa.eu/digital-single-market/en/news/communication-artificial-intelligence-europe>

⁴ SWD(2018) 137

⁵ <https://ec.europa.eu/digital-single-market/en/news/ethics-guidelines-trustworthy-ai>

European Commission in June 2018, consisting of 52 representatives from academia, civil society and industry. The Guidelines are addressed to all relevant stakeholders developing, deploying or using AI, encompassing companies, organisations, researchers, public services, institutions, individuals or other entities. The guidelines are now being piloted in the market, and feedback on the experience with these guidelines is expected before the end of the year. After that, the High-Level Expert Group on AI will revise the guidelines.

The Commission shares COSAC's assessment of the importance of innovation for European Union policy and that technological progress and Artificial Intelligence, being crucial for the Single Market, require a common and harmonised legislative approach. In her Agenda for Europe, President-elect Ursula von der Leyen stated that: *'In my first 100 days in office, I will put forward legislation for a coordinated European approach on the human and ethical implications of Artificial Intelligence. This should also look at how we can use big data for innovations that create wealth for our societies and our businesses.'*

The Commission agrees with COSAC that such legislative proposal will have to be based on economic, social, legal and ethical assessments. The Commission also agrees with COSAC that it will have to be widely discussed and consulted and shall respect the principles of subsidiarity and proportionality. A transparent dialogue is expected to take place on all political levels, including government representatives and Parliamentarians. This is very much in line with the three pillars of better regulation rules: impact assessment, 'evaluate first', stakeholder engagement.

The Commission welcomes COSAC's support to the concept of trustworthy Artificial Intelligence. Trustworthiness is a prerequisite for people and societies to develop, deploy and use AI systems. Trustworthy AI has three components, which should be met throughout the system's entire life cycle: it should be lawful, ethical and robust. The Ethics Guidelines for Trustworthy AI include seven key requirements for trustworthy AI: Human agency and oversight, Technical robustness and safety, Privacy and data governance, Transparency, Diversity, non-discrimination and fairness, Societal and environmental well-being and Accountability.

6. Subsidiarity and proportionality

The Commission shares COSAC's views about the importance of strengthening the application of the subsidiarity and proportionality principles.

The Commission notes with satisfaction that COSAC welcomes the Commission's Communication *The principles of subsidiarity and proportionality: Strengthening their role in the EU's policymaking*. It is taking concrete action to implement the commitments set out in the Communication.

The Commission is pleased to announce that, with the tacit agreement of the European Parliament and the Council and as of December 2019, when determining the subsidiarity

scrutiny deadline of eight weeks for national Parliaments, it will take into account the period between 20 December of a given year and 10 January of the following year. The Commission will also strive to give greater visibility to national Parliaments' opinions. If a significant number of them express subsidiarity concerns, while not reaching the yellow card threshold set by the Treaties, it will give aggregated responses to all national Parliaments concerned and make these responses available to the public and the co-legislators. The commitments taken with regard to increased attention to subsidiarity and proportionality aspects in the evaluations of existing legislation, consultations and impact assessments are already being put into action as part of the follow-up on the stocktaking of its 'Better regulation' policy.

The new Commission will continue to give high priority to the dialogue with national Parliaments and will strive to increase direct regular contacts between national Parliaments and Members of the Commission, as the Mission letters of President-elect von der Leyen to the Commissioners-designate indicate.