

European Committee of the Regions

Brussels, 20 November 2017

# SUBSIDIARITY WORK PROGRAMME 2018

#### Subsidiarity Work Programme 2018

#### 1. Introduction

In accordance with the Subsidiarity Monitoring Strategy<sup>1</sup>, the Subsidiarity Work Programme (SWP) is prepared by the Subsidiarity Steering Group (SSG) and the Subsidiarity Expert Group (SEG) in coordination with all commissions to ensure a consistent approach to the subsidiarity monitoring of legislative initiatives.

The Subsidiarity Work Programme is based on a priority list, i.e., an initial pre-selection of legislative initiatives included in the 2018 Commission Work Programme based on the following cumulative criteria<sup>2</sup>:

- initiatives should present a clear political interest for local and regional authorities;
- initiatives should touch on competences of local and regional authorities;
- initiatives should have a potential subsidiarity dimension;
- preference should be given to legislative proposals. Moreover, the pre-selection takes account of European Committee of the Regions (CoR) priorities and initiatives included in the work programmes of the commissions.

This work programme provides guidelines for the work to be carried out in 2018 and therefore helps to ensure forward-looking and strategic planning of subsidiarity monitoring activities while also ensuring the necessary flexibility to adapt to changes in the institutional and political agenda, in particular changes linked to the establishment of the Task Force on Subsidiarity, Proportionality and "Doing Less more Efficiently" and the participation of the designated CoR members in its work.

#### 2. **Priority initiatives**

The following **five priority initiatives were identified, along with three additional relevant dossiers** for the 2018 SWP. These additional dossiers could replace one or more of the priority initiatives if the latter do not materialise, do not progress sufficiently in 2018 or are not considered sufficiently relevant upon a more detailed analysis. The priority list could also be subject to changes following the institutional and political agenda, once the content of the European Commission initiatives are known and if the Commission submits other initiatives outside its Work Programme which could be relevant in terms of subsidiarity.

Furthermore, the CoR will continue to closely follow the subsidiarity monitoring activities carried out by regional and national parliaments, particularly via its Subsidiarity Expert Group and REGPEX<sup>3</sup>, the internet platform dedicated to regional parliaments and governments.

<sup>2</sup> Criteria established by the SEG at its first meeting on 25 October 2012.

<sup>&</sup>lt;sup>1</sup> R/CdR 606/2012 item 7a).

<sup>3</sup> http://portal.cor.europa.eu/subsidiarity/regpex/Pages/default.aspx.

Any change of priority files or addition of relevant dossiers would be done in agreement with the SSG, taking account of the work programme of the relevant CoR commission.

## 2.1 Implementation of the Action Plan on Circular Economy<sup>4</sup>

This initiative is carried over from the 2017 Subsidiarity Work Programme. Special focus will be put on two legislative initiatives: the proposal for a regulation on minimum quality requirements for reused water and a REFIT revision of the Drinking Water Directive. These two initiatives might raise subsidiarity and in particular proportionality concerns as the already published Inception Impact Assessment has indicated.

### 2.2 Social fairness package

In the framework of this package of proposals, from a subsidiarity and proportionality monitoring perceptive specific focus could be placed on the legislative initiatives relating to establishing a European Labour Authority for which publication is foreseen in the 2nd quarter of 2018.

#### 2.3 Multi-annual financial framework

This package will consist, among others, of a comprehensive proposal for the future Multi-annual Financial Framework beyond 2020 (Q2 2018) followed by proposals for the next generation of programmes and new own resources. From a cohesion policy standpoint the issue of potential further allocation of funds to centrally managed programmes or financial instruments (like EFSI) may raise significant subsidiarity concerns. Also, due to local and regional authorities' important role in the management of structural and rural development funds these initiatives should be analysed in detail regarding their conformity with the principles of subsidiarity and proportionality.

### 2.4 EU Civil Protection Mechanism

Disaster risk management and civil protection is a matter of major responsibility for EU Member States, and many regional authorities and regional organisations are entrusted with specific tasks. Therefore the legal basis for equipping and expanding the European Civil Protection Mechanism with own operational capacities will be closely examined to determine in terms of subsidiarity to determine whether the proposed capacities can generate added value.

### 2.5 Completing the Economic and Monetary Union

The integration of the Treaty on Stability, Coordination and Governance (Fiscal Compact) into EU law in the Stability and Growth Pact are considered important due to their effect on the ability of local governments to invest in public services and tackle societal challenges. The proposal is of clear political interest for local and regional authorities and touches upon their fiscal policy competences, raising potential subsidiarity concerns for fiscal decentralization.

<sup>4</sup> 

Descriptions of initiatives are taken from the Commission Work Programme 2018.

### 3. Additional relevant initiatives

## 3.1 Doing less more efficiently

Although the planned communication on further enhancing subsidiarity, proportionality and better regulation in the daily operation of the European Union, is a non-legislative initiative, its content requires the assessment by the bodies dealing with subsidiarity. The proposal concerns the role of local and regional authorities within EU law and policies and should therefore be included within the SWP so as to ensure their interests are properly pursued.

# 3.2 Fair taxation in the digital economy

The proposal establishing rules at EU level allowing taxation of profits generated by multinationals through the digital economy (legislative, incl. impact assessment, Art. 113, 115 TFEU, Q1 2018) could raise proportionality concerns as in some member states these issues are dealt with at the subnational level.

# 3.3 Follow up to Environmental Monitoring & Reporting Fitness Check (EMR)

The Commission intention to reduce administrative efforts and offer simplification should be examined, as environmental monitoring and reporting are often present administrative burdens to national and regional authorities. In particular focus should be on whether the intended "streamlining" of monitoring and reporting are proportionate and able to reduce administrative costs.

### 3.4 EU food supply chain

The proposal to improve the EU food supply chain might intersect existing regional instruments and could conflict with regional policies on food and agriculture.

3.5 Delivering on the EU Agenda on Migration

Legislative proposals in this area are closely linked with the Reform of Common European Asylum System and might have an impact on regional and municipal systems, especially systems for the social welfare of the population.

### 4. Cooperation with other institutions, organisations, bodies and associations

Based on the protocol on the cooperation between the CoR and the European Commission<sup>5</sup>, the CoR will build on its privileged relationship with the Commission concerning subsidiarity monitoring. Moreover, in accordance with the cooperation agreement, close relations and cooperation between the CoR and the European Parliament should be ensured as early as possible in the legislative phase. The CoR's cooperation with the JURI committee has been reinforced through the establishment of closer relations with the rapporteur on subsidiarity, and this cooperation will be further built upon in 2018.

<sup>5</sup> 

Point 23 of the Protocol on the cooperation between the European Commission and the Committee of the Regions signed on 16 February 2012, OJ C 102, 5.4.2012.

Cooperation with the national parliaments and COSAC will also continue. Furthermore, the CoR will pursue close cooperation with the Conference of European Regional Legislative Assemblies (CALRE) in terms of subsidiarity monitoring.

The CoR also intends to put emphasis on its work in the 'Task Force on Subsidiarity and Proportionality and "Doing Less more Efficiently" that was set up on 14 November by the European Commission and in which the CoR will participate with 3 members. The Task Force is expected to take a critical look at all policy areas to make sure the EU is only acting where it adds value.

#### 5. Adoption procedure and implementation

The SWP is prepared in parallel to the work programme of all CoR commissions. The adoption procedure comprises several steps: firstly the SEG and all commission chairs carry out a pre-selection of initiatives on the basis of the Commission Work Programme 2018. Then, this pre-selection is discussed by the SEG, the draft Subsidiarity Work Programme is prepared and then submitted to the SSG for decision. The SSG Chair presents the draft Subsidiarity Work Programme to the CIVEX commission. Finally, the Bureau adopts the final SWP together with work programmes of all commissions.

Given that the CIVEX commission has responsibility for the oversight of subsidiarity and proportionality monitoring, and in light of the emphasis placed by the European Commission on ensuring that the principle of subsidiarity is fully upheld, the CIVEX commission cooperates closely with all commissions in the implementation of the work programme, making use of all synergies and available resources. For this purpose, CIVEX relies on the work of the Subsidiarity Monitoring Network and its Subsidiarity Steering Group and the Subsidiarity Expert Group.