

Oireachtas Digest on Europe

Week: 4 to 10 July 2022 | Ref: 25-22



SPOTLIGHT

European Parliament

Plenary Session, Strasbourg Coming Week Highlights

President's Diary. EP President Roberta Metsola will take part in the unveiling of the bust of Simone Veil on Tuesday. On Wednesday, President Roberta Metsola will meet the President of the Government of Czechia, Petr Fiala. On the same day, she will meet the President of the European Investment Bank, Werner Hoyer.

Digital Services Package. Parliament will hold the final vote on the new Digital Services Act (DSA) and Digital Markets Act (DMA), the landmark EU digital rules that oblige online companies to protect users from illegal content, increase accountability and limit the market power of tech giants. (debate Monday, vote Tuesday). A press conference will take place on Tuesday at 14.00.

Loss of life and inhumane treatment of asylum-seekers at the Spain-Morocco border. MEPs will assess the recent tragic events at the Spanish enclave of Melilla, as well as possible EU action to relieve pressure at EU external borders and support front-line member states. (Monday)

"This is Europe"/Greek Prime Minister Kyriakos Mitsotakis. MEPs will discuss the state of the EU and its future prospects with the Prime Minister of Greece, Kyriakos Mitsotakis. This will be the fifth in a series of "This is Europe" debates. (Tuesday)

EU initiatives on the cost of living/Taxing windfall energy profits. Plenary will discuss what the EU can do to mitigate the consequences of surging inflation, fuelled by escalating food and energy prices following Russia's war against Ukraine. In a separate debate, MEPs will assess the most effective way of imposing a windfall tax on the profits of energy companies. (Tuesday and Wednesday)

Czechia's Council Presidency. MEPs will discuss with Prime Minister Petr Fiala the programme of Czechia's six month-long Council Presidency, which starts on 1 July. Parliament President Roberta Metsola and Prime Minister Fiala will hold a joint press conference at 11.30. (Wednesday).

EU summit. MEPs will debate the results of the 23-24 June EU summit with European Council President Charles Michel and Commission Vice-President Šefčovič. (Wednesday).

Taxonomy. MEPs will decide whether to veto the Commission's proposal to classify nuclear and gas energy as transitional activities contributing to climate change mitigation. If an absolute majority of MEPs objects to the Commission's plan, it will have to withdraw or amend it. (debate Tuesday, vote Wednesday)

Fit for 55/Greener aviation fuels. MEPs will debate and vote on new rules that aim to increase the uptake of sustainable fuels by aircraft operators and EU airports to cut emissions from aviation and help Europe become climate neutral by 2050. (debate and vote Thursday)

Abortion rights in the United States. Following the decision by the US Supreme Court, Parliament is



SPOTLIGHT

expected to reiterate its call for the need to safeguard abortion rights in the EU, and condemn the backsliding in women's sexual and reproductive health and rights in the US (debate Monday, vote Thursday).

Link to full week's Agenda here

European Commission

Coming Week Highlights

College meeting on Wednesday, link to weekly calendar here

European Council and Council of the European Union

Coming Week Highlights

No ministerial meetings scheduled for the coming week.

Highlights of Week 27 June to 3 July 2022

European Parliament. Highlights Week 27 June to 3 July 2022.

Crypto assets:

Parliament and Council negotiators reached a provisional deal on a new bill aiming to ensure that crypto transfers can always be traced and suspicious transactions blocked.

Traceability from the first euro sent

The agreement extends the so-called "travel rule", already existing in traditional finance, to cover transfers in crypto assets. This rule requires that information on the source of the asset and its beneficiary travels with the transaction and is stored on both sides of the transfer. Crypto-assets service providers (CASPs) will be obliged to provide this information to competent authorities if an investigation is conducted into money laundering and terrorist financing.

As crypto-asset transactions easily circumvent existing thresholds that would trigger traceability requirements, Parliament negotiators assured that there is no minimum thresholds nor exemptions for low-value transfers, as originally proposed.

Regarding protecting personal data, including a name and an address required by the travel rule, negotiators agreed that if there is no guarantee that privacy is upheld by the receiving end, such data should not be sent.

Next steps

Parliament, Council and Commission are now working on the technical aspects of the text. Thereafter, the agreement must be approved by the Economic and Monetary Affairs and Civil Liberties and Justice Committees and Parliament as a whole, before it can enter into force.

Link to EP report here

Moldovan agricultural exports liberalised for a year to support its economy

The International Trade Committee gave its green light on Thursday to double the amount of Moldovan agricultural products exported to the EU tariff-free.

MEPs in the International Trade Committee approved a proposal to double quotas on seven agricultural products, the export of which has not yet been fully liberalised: plums, table grapes, apples, tomatoes, garlic, cherries and grape juice. For a year, twice as many of these products can be sold to the EU without tariffs.

The liberalisation will help Moldovan producers and businesses overcome the loss of Russian, Belarusian and Ukrainian markets due to Russia's war on Ukraine. Due to the temporary liberalisation, this trade will be rerouted towards the EU.

The committee's draft report, prepared by standing rapporteur for Moldova Markéta Gregorová (Greens/EFA, CZ) was adopted with the unanimous vote of 30 MEPs.

Next steps

To allow for Moldova to benefit from the measure already this year, the draft report is expected to be fast-tracked for a vote by all MEPs at the July plenary session. Council is also expected to decide on the matter in July. The measure will apply on the day following its publication in the Official Journal of the EU.

Link to EP report here

Agreement on foreign subsidies: ensuring equal competition in the EU

Parliament and Council negotiators agreed on Thursday on new tools ensuring that foreign subsidies granted by non-EU countries to companies do not distort the internal market.

The new draft regulation will enable the Commission to investigate subsidies granted by non-EU public authorities to companies operating in the EU. If it finds that the subsidies are distortive, it can apply redressive measures and avoid that, for instance, subsidised firms outbid EU competitors in public procurement procedures or benefit from low-cost financing.

More effective tool

To enhance the effectiveness of EU action, EP negotiators made sure that state-owned companies - which often receive subsidies - are explicitly included in the scope of the regulation. MEPs also shortened the period available for the Commission to investigate potentially distortive foreign subsidies in public procurement. In addition, member states, companies and other interested parties will be able to approach the Commission with information on potential distortive subsidies.

Next steps

The compromise agreement now has to be approved by the Parliament and the Council. That process starts with a vote in the Committee on International Trade.

Link to EP report here

European Commission.

Highlights Week 27 June to 3 July 2022.

Ukraine: EU mobilises emergency reserves for chemical, biological, radiological and nuclear threats

Following a request from the Government of Ukraine for medical equipment, protective gear and specialised equipment for public health risks such as chemical, biological, radiological and nuclear (CBRN) threats, the European Commission has mobilised its new rescEU emergency reserves.

EU provided equipment includes 300,000 specialised protection suits, 5,600 litres of decontaminants and 850 pieces of equipment for decontamination operations. As hospitals in Ukraine are in urgent need of medical equipment, the EU is also donating patient monitors, infusion pumps and ventilators, together with protective equipment for the medical staff, like masks and gowns.

With total financial value of €11.3 million, this assistance will be delivered to Ukraine from the EU's emergency stockpiles hosted by Romania, Hungary, Sweden, Germany, Greece and Denmark.

Link to Commission statement here

Next Generation EU

Slovakia: On Monday, the Commission endorsed a positive preliminary assessment of <u>Slovakia's</u> first payment request for €398.7 million in grants (net of pre-financing) under the Recovery and Resilience Facility (RRF), the key instrument at the heart of NextGenerationEU.

Spain: The Commission endorsed a positive preliminary assessment of <u>Spain's second payment</u> request for €12 billion in grants under the Recovery and Resilience Facility (RRF), the key instrument at the heart of NextGenerationEU.

State Aid

Romania. The Commission has approved a €60.7 million (RON 300 million) Romanian scheme to support companies active in road transport of goods and persons in the context of Russia's invasion of Ukraine.

Poland. The European Commission has approved a €1.2 billion Polish scheme (PLN 5.5 billion) to support companies across sectors in the context of Russia's invasion of Ukraine.

Slovenia. The Commission has approved a <u>€140 million Slovenian scheme</u> to support companies across sectors in the context of Russia's invasion of Ukraine.

Czechia. The European Commission has opened an in-depth investigation to assess whether public support that <u>Czechia</u> plans to grant for the construction of a new nuclear power plant in Dukovany is in line with EU State aid rules.

France. The European Commission has approved a <u>€5 billion French</u> scheme to support energy intensive companies across sectors in the context of Russia's invasion of Ukraine.

European Health Union: Start of delivery of vaccines in response to the monkeypox outbreak

On Tuesday, the delivery of the first vaccine doses purchased by the European Commission's Health Emergency Preparedness and Response Authority (HERA) in response to the current monkeypox outbreak started, with an initial 5,300 doses arriving in Spain, out of the total 109,090 doses procured. It is the first of a series of deliveries that will take place regularly in the weeks and months to come to ensure that all Member States are ready to respond to the current monkeypox outbreak, prioritising the most affected Member States.

Link to Commission statement here

2022 Strategic Foresight Report:

On Wednesday, the Commission adopted the 2022 Strategic Foresight Report – "Twinning the green and digital transitions in the new geopolitical context".

The green and digital transitions are at the top of the Commission's political agenda set out by President von der Leyen in 2019. In light of Russia's aggression against Ukraine, Europe is accelerating its embrace of climate and digital global leadership, with eyes firmly on key challenges, from energy and food, to defence and cutting-edge technologies. From this perspective, the 2022 Strategic Foresight Report puts forward a future-oriented and holistic analysis of the interactions between the twin transitions, taking into account the role of new and emerging technologies as well as key geopolitical, social, economic and regulatory factors shaping their twinning – i.e. their capacity to reinforce each other.

Link to Commission statement here

Ukraine: Cohesion Policy steps up support to address the consequences of Russia's aggression in Ukraine with the 'Flexible Assistance to Territories'

On Thursday, the Commission took a step to help Member States, regional and local authorities and partners to address the consequences of Russia's aggression against Ukraine by adopting the 'Flexible Assistance to Territories (FAST-CARE)'. This is a new comprehensive package that extends the support already provided under Cohesion's Action for Refugees in Europe (CARE) by offering further support and further flexibility to Cohesion Policy funding.CARE mobilised investments for housing, healthcare, translation services or training for displaced people, as well as for the countries receiving them. However, as needs continue to grow, the European Council, the European Parliament and EU regions called the Commission to present new initiatives within the Multiannual Financial Framework to support the Member States' efforts in this regard.

FAST-CARE is responding to these requests by offering additional flexibility for the implementation of Cohesion Policy investments, also contributing to mitigate the delayed implementation of EU-funded projects due to the combined effect of COVID-19 and the high energy costs, shortage of raw materials and labour force caused by the war.

Link to Commission statement here

Speech by Vice-President Maroš Šefčovič at Bloomberg on EU-UK relations

Link to Speech here

Commission releases a new strategy to drive its internal digital transformation

On Thursday, the Commission adopted a new Digital Strategy under the theme "Next Generation Digital Commission". This corporate strategy sets out a vision for a digitally transformed, more agile administration that will contribute to the achievement of the EU's strategic priorities, including Europe's Digital Decade and the European Green Deal. Smooth interaction between people, processes, data and technology will underpin a fully digitalised Commission.

Building on the previous (2018) digital strategy of the Commission, the new strategy provides a corporate approach to further streamline current IT initiatives, refocus on digital modernisation and innovative service provision. It is based on guiding principles, which will be reinforced by the update, such as digital by default and once-only, security and privacy, openness and transparency, interoperability and cross-border, and usercentric, data-driven and agile.

The corporate strategy encompasses five strategic objectives:

- Foster a digital culture empower all staff and equip them with the necessary skills and tools to think 'digital first', whilst encouraging cross-functional teams and collaboration, supported by a flexible and accessible digital workplace;
- Enable digital-ready EU policymaking ensure digital technologies are considered from the very beginning of the policy cycle, making new policies fit for the Digital Decade;
- Empower business-driven digital transformation support Commission departments in reinventing their business by leveraging innovative technologies and data reuse;
- Ensure a seamless digital landscape efficiently manage a streamlined portfolio of IT systems;
- Sustain a green, secure and resilient infrastructure as the foundation of the Commission's operations and new ways of working.

Link to Commission statement here

New Roaming rules for travellers in the EU: "Roam like at home" for 10 more years

From 1 July 2022, the new improved Roaming regulation enters into force. It extends "Roam-like-at-home" until 2032 – the scheme thanks to which travellers in the EU and the EEA can call, text and surf abroad without extra charges. The new rules will also bring about significant benefits for EU businesses and citizens, who will enjoy a better roaming experience, with the same quality of mobile service abroad as they have at home. The new rules also improve access to emergency communications across the EU and guarantee clear information about services that may be subject to extra charges.

Better mobile internet speed while travelling

Consumers now will have the right to the same quality of mobile internet abroad, as the one they have at home. Operators providing mobile services should ensure that consumers have access to use 4G, or the more advanced 5G, networks, if these are available at the destination the consumer is visiting. Consumers should be able to find information about network availability in their mobile service contracts and on the operators'

websites.

Preventing unexpected hidden charges

When consumers travel by planes or on boats, mobile phones may automatically connect to the on-board network, provided by satellites. Using mobile connection services provided by non-terrestrial networks may be subject to very high surcharges. The new roaming rules oblige operators to protect their consumers and notify them if their phones switch to a non-terrestrial networks. Additionally, operators should automatically interrupt mobile services if the mobile services over non-terrestrial networks reach charges of €50 or another predefined limit. Operators may also offer additional services, such as the possibility to opt out from roaming on planes and boats.

More information for better choices

Consumers should be able to make informed decisions about using services that may subject them to additional costs. When travelling abroad, calling customer service, insurance and airline helpdesks, or SMS texting to participate in contests or events, may be more expensive than it costs at home. Operators have to make sure to provide consumers with information about the types of phone numbers that may carry additional costs when consumers dial or access them from abroad. Operators should inform consumers via automatic SMS messages sent when crossing the border to another EU country, as well as in the service contracts.

112 - Emergency communication while travelling

The new roaming rules are ensuring that citizens are aware of the single EU emergency number 112, which they can use anywhere in the EU to reach emergency services. By June 2023, operators should send automatic messages to their customers who travel abroad to inform them about the available alternative means of reaching emergency services, such as through real time text or apps. Those citizens who are not able to make voice calls may use these alternative means.

Link to Commission statement here

EU - New Zealand Trade Agreement:

The EU and New Zealand concluded negotiations for a Trade Agreement, which is set to open significant economic opportunities for companies and consumers on both sides. The deal also includes unprecedented sustainability commitments, including respect of the Paris Climate Agreement and core labour rights, which are enforceable through trade sanctions as a last resort.

Bilateral trade is expected to grow by up to 30% thanks to this deal, with EU annual exports potentially growing by up to €4.5 billion. EU investment into New Zealand has a potential to grow by up to 80%. The deal can cut some €140 million a year in duties for EU companies from the first year of application.

Next steps

The negotiated draft texts will be published shortly. These texts will go through legal revision ('legal scrubbing') and will be translated into all official EU languages. Following that, the European Commission will submit the agreement for signature and conclusion to the Council. Once adopted by the Council, the EU and New Zealand can sign the agreement. Following the signature, the text will be transmitted to the European Parliament for consent. After the consent by the Parliament, and once New Zealand also ratifies it, the agreement can enter into force.

Link to Commission statement here

European Council and Council of the European Union Highlights Week 27 June to 3 July 2022.

Transport, Telecommunications and Energy Council (Energy), 27 June

Package "Fit for 55"

The Council adopted its negotiating positions (general approaches) on two proposals addressing the energy

aspects of the EU's climate change in the context of the Fit for 55 package.

Decarbonisation

The Presidency presented a report on the progress made on a proposal on the energy performance of buildings. The Commission adopted this proposal on 15 December 2021 as part of the Fit for 55 package and work on the proposal began under the French Presidency. This Directive is an essential tool for achieving the EU's decarbonisation targets for 2030 and 2050. At EU level, buildings account for 40% of energy consumption and 36% of direct and indirect energy-related greenhouse gas emissions.

Gas storage

The Council adopted a regulation to ensure that EU gas storage facilities are replenished before winter and can be shared by Member States in a spirit of solidarity.

Energy supply situation in the EU in view of the war in Ukraine

Ministers exchanged views on the energy situation in the EU against the background of the war in Ukraine. Ministers held a political debate on current developments in the field of natural gas and exchanged information on the state of their country's preparations for next winter. Ministers also discussed further measures to be envisaged in favour of a wider joint EU preparation. In this context, ministers welcomed the REPowerEU plan presented by the Commission in May 2022 and the establishment of the EU Energy Platform, which will have the task of working with international suppliers and managing the joint procurement of natural gas.

Link to Council report here

Environment Council, 28 June

Package "Fit for 55"

Ministers reached a general approach on the following dossiers of the Fit for 55 package:

- Revision of the EU Emissions Trading Scheme (EU ETS)
- Revision of the Regulation on binding annual national greenhouse gas emission reduction targets (Effort Sharing Regulation))
- Revision of the Regulation on Greenhouse Gas Emissions and Removals from Land Use, Land Use Change and Forestry (LULUCF))
- Revision of the Regulation setting CO₂ emission standards for new passenger cars and for new light commercial vehicles
- Regulation establishing a Climate Social Fund

Deforestation and forest degradation

Ministers reached a general approach on a proposal to minimise the consumption of products from supply chains linked to deforestation or forest degradation.

The proposal aims to ensure that products consumed on the EU market do not contribute to global deforestation and forest degradation.

Shipments of waste

The Presidency presented a report on the progress of work on a proposal for a regulation tightening EU rules on shipments of waste. The proposal aims to ensure that the EU does not shift its waste problems to third countries. It also aims to facilitate the transport of waste for reuse and recycling in the EU. Finally, it aims to combat illegal shipments of waste more effectively.

Link to Council report here

European Court of Auditors

Data in the Common Agricultural Policy - Unrealised potential of big data for policy evaluations

The European Court of Auditors (ECA) has just published special report 16/2022 "<u>Data in the Common Agricultural Policy - Unrealised potential of big data for policy evaluations"</u>,

"External consultants at the European Commission - Scope for reform"

The European Court of Auditors (ECA) has just published special report 17/2022 "External consultants at the European Commission – Scope for reform",

Interparliamentary Meetings with National Parliaments Czech Presidency of the Council of the European Union Second Semester

Date	Meeting	Presidency, EP Committee	Location
10 – 11 July 2022 (Sunday-Monday)	Czech Presidency. Meeting of the Chairpersons of COSAC	Czech Presidency	Prague (Senate in charge)
Postponed until autumn	Interpalarliamentary Meeting on the Principle of Universal Jurisdiction.	DROI- JURI	EP Brussels
12 July PM	Interparliamentary Committee Meeting on the Rights of Ukrainian Women Fleeing the War	FEMM	EP, Brussels

Interparliamentary Meetings with National Parliaments Czech Presidency of the Council of the European Union Second Semester

4 - 5 September 2022 (Sunday-Monday)	Interparliamentary Conference for the Common Foreign and Security Policy and the Common Security and Defence Policy (IPC-CFSP/CSDP)	Czech Presidency AFET	Prague (Chamber in charge)
September - October (tbc)	Interparliamentary Committee Meeting on the assessment of the 2022 European Semester and on the Priorities for the Annual Sustainable Growth Strategy.	ECON	EP, Brussels
10 – 11 October 2022 (Monday- Tuesday)	Interparliamentary Conference on Stability, Economic Coordination and Governance in the European Union (IPC-SECG)	Czech Presidency BUDG ECON EMPL	Prague (Chamber in charge)
24 – 25 October 2022 (Monday- Tuesday)	11th Meeting of the Joint Parliamentary Scrutiny Group on Europol (JPSG on Europol)	Czech Presidency LIBE	EP ,Brussels,
26 October TBC	Interparliamentary Committee Meeting on the conclusions of the COFE and the role of national Parliaments in the EU (exact title tbc)	AFCO	EP, Brussels
13 – 15 November 2022 (Sunday- Tuesday)	LXVIII Conference of Parliamentary Committees for Union Affairs of Parliaments of the European Union (COSAC)	Czech Presidency	Prague (Chamber in charge)
30 November (TBC)	Interparliamentary Committee Meeting on the current EU Foreign and Security Challenges (exact title tbc)	AFET	EP Brussels
November (tbc)	Interparliamentary Committee Meeting on Eurojust	LIBE	EP, Brussels
December (tbc)	Interparliamentary Committee Meeting on Rule of Law.	LIBE	EP, Brussels

Interparliamentary Meetings with National Parliaments Czech Presidency of the Council of the European Union Second Semester

January/February 2023	Meeting of the Secretaries General of the European Union Parliaments (EUSG)	Prague (Senate in charge)
April/May 2023	Conference of the Speakers of European Union Parliaments (EUSC)	Prague (Senate in charge)

Sources: Websites of: European Parliament European Commission, European Council and Council of the European Union Council, European Court of Auditors and European Ombudsman.