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EN

Acts whose titles are printed in light type are those relating to day-to-day management of agricultural matters, and are generally valid for a limited period.

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II

(Non-legislative acts)

REGULATIONS

COMMISSION IMPLEMENTING REGULATION (EU) 2015/1176

of 17 July 2015

approving the active substance *Pepino mosaic* virus strain CH2 isolate 1906, in accordance with Regulation (EC) No 1107/2009 of the European Parliament and of the Council concerning the placing of plant protection products on the market, and amending the Annex to Commission Implementing Regulation (EU) No 540/2011

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EC) No 1107/2009 of the European Parliament and of the Council of 21 October 2009 concerning the placing of plant protection products on the market and repealing Council Directives 79/117/EEC and 91/414/EEC ⁽¹⁾, and in particular Article 22(1) in conjunction with Article 13(2) thereof,

Whereas:

- (1) In accordance with Article 7(1) of Regulation (EC) No 1107/2009 Belgium received on 30 July 2012 an application from De Ceuster NV for the approval of the active substance *Pepino mosaic* virus strain CH2 isolate 1906. In accordance with Article 9(3) of that Regulation, Belgium, as rapporteur Member State, notified the Commission on 10 January 2013 of the admissibility of the application.
- (2) On 8 January 2014 the rapporteur Member State submitted a draft assessment report to the Commission with a copy to the European Food Safety Authority (hereinafter 'the Authority'), assessing whether that active substance can be expected to meet the approval criteria provided for in Article 4 of Regulation (EC) No 1107/2009.
- (3) The Authority complied with Article 12(1) of Regulation (EC) No 1107/2009. In accordance with Article 12(3) of Regulation (EC) No 1107/2009, it requested that the applicant supply additional information to the Member States, the Commission and the Authority. The assessment of the additional information by the rapporteur Member State was submitted to the Authority in the format of an updated draft assessment report in October 2014.
- (4) On 19 December 2014 the Authority communicated to the applicant, the Member States and the Commission its conclusion on whether the active substance *Pepino mosaic* virus strain CH2 isolate 1906 can be expected to meet the approval criteria provided for in Article 4 of Regulation (EC) No 1107/2009 ⁽²⁾. The Authority made its conclusion available to the public.
- (5) On 20 March 2015 the Commission presented to the Standing Committee on Plants, Animals, Food and Feed the review report for *Pepino mosaic* virus strain CH2 isolate 1906 and a draft Regulation providing that *Pepino mosaic* virus strain CH2 isolate 1906 is approved.

⁽¹⁾ OJ L 309, 24.11.2009, p. 1.

⁽²⁾ EFSA Journal 2015;13(1):3977 Available online: www.efsa.europa.eu

- (6) The applicant was given the possibility to submit comments on the review report.
- (7) It has been established with respect to one or more representative uses of at least one plant protection product containing the active substance, and in particular the uses which were examined and detailed in the review report, that the approval criteria provided for in Article 4 of Regulation (EC) No 1107/2009 are satisfied. Those approval criteria are therefore deemed to be satisfied. It is therefore appropriate to approve *Pepino mosaic virus* strain CH2 isolate 1906.
- (8) In accordance with Article 13(2) of Regulation (EC) No 1107/2009 in conjunction with Article 6 thereof and in the light of current scientific and technical knowledge, it is, however, necessary to include certain conditions and restrictions.
- (9) The Commission further considers that *Pepino mosaic virus* strain CH2 isolate 1906 is a low-risk active substance pursuant to Article 22 of Regulation (EC) No 1107/2009. *Pepino mosaic virus* strain CH2 isolate 1906 is not a substance of concern and fulfils the conditions set in point 5 of Annex II to Regulation (EC) No 1107/2009. *Pepino mosaic virus* strain CH2 isolate 1906 is a naturally occurring plant virus strain. A plant virus does not replicate outside the plant cell and the virus does not have a cellular structure and does not produce metabolites. It is not pathogenic to humans or animals. The additional exposure of humans, animals and the environment by the uses approved under Regulation (EC) No 1107/2009 is expected to be negligible compared to exposure expected through realistic natural situations.
- (10) It is therefore appropriate to approve *Pepino mosaic virus* strain CH2 isolate 1906 as a low-risk substance. In accordance with Article 13(4) of Regulation (EC) No 1107/2009, the Annex to Commission Implementing Regulation (EU) No 540/2011 ⁽¹⁾ should be amended accordingly.
- (11) The measures provided for in this Regulation are in accordance with the opinion of the Standing Committee on Plants, Animals, Food and Feed,

HAS ADOPTED THIS REGULATION:

Article 1

Approval of active substance

The active substance *Pepino mosaic virus* strain CH2 isolate 1906, as specified in Annex I, is approved subject to the conditions laid down in that Annex.

Article 2

Amendments to Implementing Regulation (EU) No 540/2011

The Annex to Implementing Regulation (EU) No 540/2011 is amended in accordance with Annex II to this Regulation.

Article 3

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

⁽¹⁾ Commission Implementing Regulation (EU) No 540/2011 of 25 May 2011 implementing Regulation (EC) No 1107/2009 of the European Parliament and of the Council as regards the list of approved active substances (OJ L 153, 11.6.2011, p. 1).

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 17 July 2015.

For the Commission

The President

Jean-Claude JUNKER

ANNEX I

Common Name, Identification Numbers	IUPAC Name	Purity ⁽¹⁾	Date of approval	Expiration of approval	Specific provisions
<i>Pepino mosaic virus</i> strain CH2 isolate 1906 GenBank, accession number JN835466 CIPAC No: not allocated	Not applicable	minimum concentra- tion 5×10^5 viral gen- ome copies per μL	7 August 2015	7 August 2030	Only the use in greenhouses may be authorised. For the implementation of the uniform principles as referred to in Article 29(6) of Regulation (EC) No 1107/2009, the conclusions of the review report on <i>Pepino mosaic virus</i> strain CH2 isolate 1906, and in particular Appendices I and II thereof, shall be taken into account. In this overall assessment Member States shall pay particular attention to the protection of operators and workers, taking into account that <i>Pepino mosaic virus</i> strain CH2 isolate 1906 is to be considered as a potential sensitiser. Conditions of use shall include risk mitigation measures, where appropriate. Strict maintenance of environmental conditions and quality control analysis during the manufacturing process shall be assured by the producer.

⁽¹⁾ Further details on identity and specification of active substance are provided in the review report.

ANNEX II

In Part D of the Annex to Implementing Regulation (EU) No 540/2011, the following entry is added:

	Common Name, Identification Numbers	IUPAC Name	Purity (*)	Date of approval	Expiration of approval	Specific provisions
'4	<i>Pepino mosaic virus</i> strain CH2 isolate 1906 GenBank, accession number JN835466 CIPAC No: not allocated	Not applicable	minimum concentration 5×10^5 viral genome copies per μL	7 August 2015	7 August 2030	Only the use in greenhouses may be authorised. For the implementation of the uniform principles as referred to in Article 29(6) of Regulation (EC) No 1107/2009, the conclusions of the review report on <i>Pepino mosaic virus</i> strain CH2 isolate 1906, and in particular Appendices I and II thereof, shall be taken into account. In this overall assessment Member States shall pay particular attention to the protection of operators and workers, taking into account that <i>Pepino mosaic virus</i> strain CH2 isolate 1906 is to be considered as a potential sensitiser. Conditions of use shall include risk mitigation measures, where appropriate. Strict maintenance of environmental conditions and quality control analysis during the manufacturing process shall be assured by the producer.'

(*) Further details on identity and specification of active substance are provided in the review report.

COMMISSION IMPLEMENTING REGULATION (EU) 2015/1177**of 17 July 2015****establishing the standard import values for determining the entry price of certain fruit and vegetables**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 ⁽¹⁾,

Having regard to Commission Implementing Regulation (EU) No 543/2011 of 7 June 2011 laying down detailed rules for the application of Council Regulation (EC) No 1234/2007 in respect of the fruit and vegetables and processed fruit and vegetables sectors ⁽²⁾, and in particular Article 136(1) thereof,

Whereas:

- (1) Implementing Regulation (EU) No 543/2011 lays down, pursuant to the outcome of the Uruguay Round multilateral trade negotiations, the criteria whereby the Commission fixes the standard values for imports from third countries, in respect of the products and periods stipulated in Annex XVI, Part A thereto.
- (2) The standard import value is calculated each working day, in accordance with Article 136(1) of Implementing Regulation (EU) No 543/2011, taking into account variable daily data. Therefore this Regulation should enter into force on the day of its publication in the *Official Journal of the European Union*,

HAS ADOPTED THIS REGULATION:

Article 1

The standard import values referred to in Article 136 of Implementing Regulation (EU) No 543/2011 are fixed in the Annex to this Regulation.

Article 2

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 17 July 2015.

*For the Commission,
On behalf of the President,*

*Jerzy PLEWA
Director-General for Agriculture and Rural Development*

⁽¹⁾ OJ L 347, 20.12.2013, p. 671.

⁽²⁾ OJ L 157, 15.6.2011, p. 1.

ANNEX

Standard import values for determining the entry price of certain fruit and vegetables

(EUR/100 kg)		
CN code	Third country code ⁽¹⁾	Standard import value
0702 00 00	MA	211,3
	MK	39,0
	ZZ	125,2
0707 00 05	TR	137,2
	ZZ	137,2
0709 93 10	TR	113,5
	ZZ	113,5
0805 50 10	AR	111,5
	LB	87,7
	TR	109,0
	UY	130,6
	ZA	133,8
0808 10 80	ZZ	114,5
	AR	95,4
	BR	111,0
	CH	142,8
	CL	118,3
	NZ	157,6
	US	165,6
	UY	155,7
	ZA	124,9
	ZZ	133,9
0808 30 90	AR	109,3
	CL	146,8
	NZ	307,3
	ZA	128,9
	ZZ	173,1
0809 10 00	TR	247,3
	ZZ	247,3
0809 29 00	CA	1 187,7
	TR	228,2
	US	493,3
	ZZ	636,4
0809 30 10, 0809 30 90	TR	142,5
	ZZ	142,5
0809 40 05	BA	80,6
	IL	133,1
	ZZ	106,9

⁽¹⁾ Nomenclature of countries laid down by Commission Regulation (EU) No 1106/2012 of 27 November 2012 implementing Regulation (EC) No 471/2009 of the European Parliament and of the Council on Community statistics relating to external trade with non-member countries, as regards the update of the nomenclature of countries and territories (OJ L 328, 28.11.2012, p. 7). Code 'ZZ' stands for 'of other origin'.

COMMISSION IMPLEMENTING REGULATION (EU) 2015/1178

of 17 July 2015

fixing the allocation coefficient to be applied to the quantities on which applications for import licences and applications for import rights lodged from 1 to 7 July 2015 are based and establishing the quantities to be added to the quantity fixed for the sub-period from 1 January to 31 March 2016 under the tariff quotas opened by Regulation (EC) No 616/2007 for poultrymeat

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007 ⁽¹⁾, and in particular Article 188 thereof,

Whereas:

- (1) Commission Regulation (EC) No 616/2007 ⁽²⁾ opened annual tariff quotas for imports of poultrymeat products originating in Brazil, Thailand and other third countries.
- (2) The quantities on which applications for import licences lodged from 1 to 7 July 2015 for the sub-period from 1 October to 31 December 2015 are based relate, for some quotas, to quantities exceeding those available. The extent to which import licences may be issued should therefore be determined by fixing the allocation coefficient to be applied to the quantities requested, calculated in accordance with Article 7(2) of Commission Regulation (EC) No 1301/2006 ⁽³⁾.
- (3) The quantities on which applications for import rights lodged from 1 to 7 July 2015 for the sub-period from 1 October to 31 December 2015 are based relate, for some quotas, to quantities exceeding those available. The extent to which import rights may be issued should therefore be determined by fixing the allocation coefficient to be applied to the quantities requested, calculated in accordance with Article 6(3) in conjunction with Article 7(2) of Regulation (EC) No 1301/2006.
- (4) The quantities on which applications for import licences and import rights lodged from 1 to 7 July 2015 for the sub-period from 1 October to 31 December 2015 are based relate, for some quotas, to quantities less than those available. The quantities for which applications have not been lodged should therefore be determined, and these should be added to the quantity fixed for the following quota sub-period.
- (5) In order to ensure the efficient management of the measure, this Regulation should enter into force on the day of its publication in the *Official Journal of the European Union*,

HAS ADOPTED THIS REGULATION:

Article 1

1. The quantities on which applications for import licences lodged pursuant to Regulation (EC) No 616/2007 for the sub-period from 1 October to 31 December 2015 are based shall be multiplied by the allocation coefficient set out in part A of the Annex hereto.
2. The quantities for which applications for import licences have not been lodged pursuant to Regulation (EC) No 616/2007, to be added to the sub-period from 1 January to 31 March 2016, are set out in part A of the Annex hereto.

⁽¹⁾ OJ L 347, 20.12.2013, p. 671.

⁽²⁾ Commission Regulation (EC) No 616/2007 of 4 June 2007 opening and providing for the administration of Community tariff quotas in the sector of poultrymeat originating in Brazil, Thailand and other third countries (OJ L 142, 5.6.2007, p. 3).

⁽³⁾ Commission Regulation (EC) No 1301/2006 of 31 August 2006 laying down common rules for the administration of import tariff quotas for agricultural products managed by a system of import licences (OJ L 238, 1.9.2006, p. 13).

Article 2

1. The quantities on which applications for import rights lodged pursuant to Regulation (EC) No 616/2007 for the sub-period from 1 October to 31 December 2015 are based shall be multiplied by the allocation coefficient set out in part B of the Annex hereto.
2. The quantities for which applications for import rights have not been lodged pursuant to Regulation (EC) No 616/2007, to be added to the sub-period from 1 January to 31 March 2016, are set out in part B of the Annex hereto.

Article 3

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 17 July 2015.

*For the Commission,
On behalf of the President,
Jerzy PLEWA*

Director-General for Agriculture and Rural Development

ANNEX

PART A

Group No	Order No	Allocation coefficient — applications lodged for the sub-period from 1 October to 31 December 2015 (%)	Non-requested quantities to be added to the quantities available for the sub-period from 1 January to 31 March 2016 (in kg)
1	09.4211	0,362538	—
2	09.4212	0,734532	—
4A	09.4214	0,696278	—
	09.4251	0,792129	—
	09.4252	—	7 224 290
6A	09.4216	0,371886	—
	09.4260	0,458718	—
7	09.4217	—	22 177 600
8	09.4218	—	6 957 600

PART B

Group No	Order No	Allocation coefficient — applications lodged for the sub-period from 1 October to 31 December 2015 (%)	Non-requested quantities to be added to the quantities available for the sub-period from 1 January to 31 March 2016 (in kg)
5A	09.4215	0,567537	—
	09.4254	1,460433	—
	09.4255	6,211209	—
	09.4256	—	3 050 002

DECISIONS

DECISION (EU) 2015/1179 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

of 8 July 2015

on the mobilisation of the European Globalisation Adjustment Fund (EGF/2015/000 TA 2015 — Technical assistance at the initiative of the Commission)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1309/2013 of the European Parliament and of the Council of 17 December 2013 on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006 ⁽¹⁾, and in particular Article 11(2) thereof,

Having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management ⁽²⁾, and in particular point 13 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The European Globalisation Adjustment Fund (EGF) aims to provide support for workers made redundant and self-employed persons whose activities have ceased as a result of major structural changes in world trade patterns due to globalisation, as a result of a continuation of the global financial and economic crisis, or as a result of a new global financial and economic crisis, and to assist them with their reintegration into the labour market.
- (2) The EGF is not to exceed a maximum annual amount of EUR 150 million (2011 prices), as laid down in Article 12 of Council Regulation (EU, Euratom) No 1311/2013 ⁽³⁾.
- (3) Regulation (EU) No 1309/2013 provides that a maximum of 0,5 % of the annual maximum amount of the EGF may be used each year for technical assistance at the initiative of the Commission.
- (4) The EGF should, therefore, be mobilised in order to provide the sum of EUR 630 000 for technical assistance at the initiative of the Commission,

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the European Union for the financial year 2015, the European Globalisation Adjustment Fund shall be mobilised to provide the sum of EUR 630 000 in commitment and payment appropriations.

⁽¹⁾ OJ L 347, 20.12.2013, p. 855.

⁽²⁾ OJ C 373, 20.12.2013, p. 1.

⁽³⁾ Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

Article 2

This Decision shall enter into force on the third day following that of its publication in the *Official Journal of the European Union*.

Done at Strasbourg, 8 July 2015.

For the European Parliament
The President
M. SCHULZ

For the Council
The President
N. SCHMIT

DECISION (EU) 2015/1180 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of 8 July 2015
on the mobilisation of the EU Solidarity Fund (floods in Romania, Bulgaria and Italy)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC) No 2012/2002 of 11 November 2002 establishing the European Union Solidarity Fund ⁽¹⁾, and in particular Article 4(3) thereof,

Having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management ⁽²⁾, and in particular point 11 thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The European Union Solidarity Fund (the 'Fund') aims to enable the Union to respond in a rapid, efficient and flexible manner to emergency situations and to show solidarity with the population of regions struck by disasters.
- (2) The Fund is not to exceed a maximum annual amount of EUR 500 000 000 (2011 prices), as laid down in Article 10 of Council Regulation (EU, Euratom) No 1311/2013 ⁽³⁾.
- (3) Romania has submitted two applications to mobilise the Fund, concerning floods.
- (4) Bulgaria has submitted an application to mobilise the Fund, concerning floods.
- (5) Italy has submitted an application to mobilise the Fund, concerning floods.
- (6) The Fund should therefore be mobilised in order to provide a financial contribution of EUR 66 505 850 in respect of the applications submitted by Romania, Bulgaria and Italy.
- (7) In order to minimise the time taken to mobilise the Fund, this decision should apply from the date of its adoption,

HAVE ADOPTED THIS DECISION:

Article 1

For the general budget of the European Union for the financial year 2015, the European Union Solidarity Fund shall be mobilised to provide the sum of EUR 66 505 850 in commitment and payment appropriations.

⁽¹⁾ OJ L 311, 14.11.2002, p. 3.

⁽²⁾ OJ C 373, 20.12.2013, p. 1.

⁽³⁾ Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020 (OJ L 347, 20.12.2013, p. 884).

Article 2

This Decision shall enter into force on the day of its publication in the *Official Journal of the European Union*. It shall apply from 8 July 2015.

Done at Strasbourg, 8 July 2015.

For the European Parliament

The President

M. SCHULZ

For the Council

The President

N. SCHMIT

COUNCIL IMPLEMENTING DECISION (EU) 2015/1181
of 17 July 2015
on granting short-term Union financial assistance to Greece

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 407/2010 of 11 May 2010 establishing a European financial stabilisation mechanism ⁽¹⁾, and in particular Article 3(2) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) Greece has requested new financial assistance from the European Stability Mechanism ('ESM') and there is an agreement in principle to provide the requested assistance.
- (2) However, Greece needs bridge financing until such assistance can be put into place, in order to preserve the integrity of the euro area, preserve financial stability and avoid further default on its repayment obligations. In view of the severe economic and financial disturbance caused by exceptional circumstances beyond the control of the Government, Greece officially requested some urgent financial assistance from the Union on 15 July 2015 with a view to safeguarding financial stability in Greece, the euro area and the Union. The assistance to be granted to Greece by the ESM will be used to repay the loan received by Greece under the European Financial Stability Mechanism ('EFSM').
- (3) The draft economic and financial adjustment programme (the 'Programme') submitted by Greece to the Commission and to the Council aims to ensure the adoption of a set of reforms needed to improve the sustainability of public finances and the regulatory environment.
- (4) The assessment by the Commission, in liaison with the European Central Bank ('ECB'), is that Greece needs financing of a total amount of EUR 7 160 million over the month of July 2015. The detailed financial terms should be laid down in a Loan Facility Agreement.
- (5) The Union financial assistance should be managed by the Commission.
- (6) Greece submitted to the Commission and to the Council the Programme aiming to ensure the adoption of a set of reforms needed to improve the sustainability of public finances and the regulatory environment. On 15 July 2015, an agreement was reached at services level between the Government and the Commission in respect of the Programme, to be laid down in a Memorandum of Understanding on Specific Economic Policy Conditionality (the 'Memorandum of Understanding').
- (7) The Commission should verify at regular intervals that the economic policy conditions attached to the assistance are fulfilled, through missions and regular reporting by the Greek authorities.
- (8) The assistance should be provided with a view to supporting the successful implementation of the Programme.
- (9) The euro area Member States have communicated their commitment to reimburse jointly and promptly through a dedicated arrangement each non euro area Member State for the amount that that non euro area Member State has paid in own resources corresponding to the use of the general budget of the Union in cases of losses stemming from a Union financial assistance to a euro area Member State under Regulation (EU) No 407/2010. Appropriate arrangements will also be put in place so as to ensure the absence of over-compensation of non euro area Member States, when instruments to protect the general budget of the Union, including the recovery of debt, where necessary by offsetting amounts receivable and payments over time, are activated.

⁽¹⁾ OJ L 118, 12.5.2010, p. 1.

- (10) The EFSM loan is guaranteed by the general budget of the Union. In case of default under this loan, the Commission can call additional funds in excess of its assets taking into account any surplus cash balances, to service the Union's debt. Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council ⁽¹⁾ (the 'Financial Regulation') applicable to the general budget of the Union and its detailed rules foresee instruments to protect the Union budget including the recovery of debt, where necessary by offsetting amounts receivable and payments over time. The Commission will apply these instruments,

HAS ADOPTED THIS DECISION:

Article 1

1. The Union shall make available to Greece a loan amounting to a maximum of EUR 7 160 million, with a maximum maturity of three months.
2. Union financial assistance under this Decision shall not be made available unless liquid collateral amounting to their exposure has been provided to those Member States whose currency is not the euro under legally binding arrangements such that it is immediately payable to them to the extent required to cover any liability they may incur as a result of any failure by Greece to repay the financial assistance in accordance with its terms.
3. The financial assistance shall be made available immediately after the entry into force of this Decision.
4. The Union financial assistance shall be made available by the Commission to Greece in up to two instalments.
5. The instalments shall be released subject to the entry into force of the Loan Agreement and the Memorandum of Understanding, and compliance by Greece with the relevant policy conditionality, in accordance with Article 3.
6. Greece shall pay the cost of funding of the Union, with a mark-up of ten basis points.
7. The costs referred to in Article 7 of Regulation (EU) No 407/2010 shall be charged to Greece.
8. If required, in order to finance the loan in time, the Commission shall be allowed to borrow via a private placement of notes or via any other appropriate financial arrangement that allows it to raise funds at very short term.

Article 2

1. The assistance shall be managed by the Commission in a manner consistent with Greece's undertakings.
2. The Commission, in consultation with the ECB, shall agree with the Greek authorities the specific economic policy conditions attached to the financial assistance as set out in Article 3. Those conditions shall be laid down in the Memorandum of Understanding, which shall be signed by the Commission and the Greek authorities consistent with the undertakings referred to in paragraph 1 of this Article. The detailed financial terms shall be laid down in a Loan Facility Agreement to be concluded with the Commission.
3. The Commission shall verify at regular intervals that the economic policy conditions attached to the assistance are fulfilled, and report to the Economic and Financial Committee. To this end, the Greek authorities shall cooperate in full with the Commission and the ECB, and shall place all the necessary information at their disposal. The Commission shall keep the Economic and Financial Committee informed of all relevant developments.

Article 3

1. The economic and financial adjustment programme (the 'Programme') prepared by the Greek authorities is hereby approved.
2. The disbursement of the assistance shall be conditioned on Greece's:
 - (i) adopting the measures mentioned in the Programme as having 15 July 2015 as the deadline for adoption;

⁽¹⁾ Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 298, 26.10.2012, p. 1).

- (ii) taking unambiguous steps to prepare the implementation of the other policy conditions listed in the Programme; and
- (iii) obtaining the agreement in principle from ESM members under Article 13(2) of the Treaty establishing the European Stability Mechanism to provide financial assistance to Greece.

3. Greece shall adopt in a timely manner the measures indicated below:

VAT system

- adopt, by 15 July 2015, legislation to reform the VAT system. The reform shall target a net revenue gain of 1 % of GDP on an annual basis from parametric changes. The new VAT system shall: (i) unify the rates at a standard 23 % rate, which is to include restaurants and catering, and a reduced 13 % rate for basic food, energy, hotels, and water (excluding sewage), and a super-reduced rate of 6 % for pharmaceuticals, books, and theatre; (ii) streamline exemptions to broaden the base and raise the tax on insurance; and (iii) eliminate discounts on islands, starting with the islands with higher incomes and which are the most popular tourist destinations, except the most remote ones. The reform shall be completed by end-2016, as appropriate and targeted fiscally neutral measures to compensate those inhabitants who are most in need are determined. The new VAT rates on hotels and islands shall be implemented from 1 October 2015.

Pensions

- adopt legislation to freeze monthly guaranteed contributory pension limits in nominal terms until 2021;
- adopt legislation to provide to people retiring after the entry into force of the relevant Greek legislation the basic, guaranteed contributory, and means-tested pensions only at the attainment of the statutory normal retirement age of currently 67 years;
- adopt legislation to increase the health contributions for pensioners from 4 % to 6 % on average and extend it to supplementary pensions;
- adopt the appropriate legal instrument to instruct all pension funds to fully implement law 3863/2010 to new pension requests submitted from 1 January 2015.

Statistical governance

- adopt legislation to strengthen the governance of the Hellenic Statistical Authority (ELSTAT). The legislation shall cover (i) the role and structure of the Advisory bodies of the Hellenic Statistical System, including the recasting of the Council of ELSS (Hellenic Statistical System) to an advisory Committee of the ELSS, and the role of the GPAC (Good Practice Advisory Committee); (ii) the recruitment procedure for the President of ELSTAT, to ensure that a President of the highest professional calibre is recruited, following transparent procedures and selection criteria; (iii) the involvement of ELSTAT as appropriate in any legislative or other legal proposal pertaining to any statistical matter; (iv) other issues that have an impact on the independence of ELSTAT, including financial autonomy, the empowerment of ELSTAT to reallocate existing permanent posts and to hire staff where it is needed and to hire specialised scientific personnel, and the classification of the institution as a fiscal policy body in the recent law 4270/2014; role and powers of Bank of Greece in statistics in line with Union legislation.

Implementation of the Treaty on Stability, Coordination and Governance (TSCG) in the EMU

- Greece shall implement by 15 July 2015 the relevant provisions of the TSCG.

Article 4

Greece shall open a special account with the Bank of Greece for the management of the Union financial assistance.

Article 5

This Decision shall take effect upon notification.

Article 6

This Decision is addressed to the Hellenic Republic.

Article 7

This Decision shall be published in the *Official Journal of the European Union*.

Done at Brussels, 17 July 2015.

For the Council
The President
J. ASSELBORN

COUNCIL IMPLEMENTING DECISION (EU) 2015/1182
of 17 July 2015
approving the adjustment programme of Greece

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 472/2013 of the European Parliament and of the Council of 21 May 2013 on the strengthening of economic and budgetary surveillance of Member States in the euro area experiencing or threatened with serious difficulties with respect to their financial stability ⁽¹⁾, and in particular Article 7(2) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) Regulation (EU) No 472/2013 sets rules for the approval of a macro-economic adjustment programme for a Member State in receipt of financial assistance, including from the European Financial Stabilisation Mechanism (EFSM). These rules need to be consistent with the provisions of Council Regulation (EU) No 407/2010 ⁽²⁾ establishing the EFSM.
- (2) Greece has been granted financial assistance from the EFSM by Council Implementing Decision (EU) 2015/1181 ⁽³⁾ on granting short-term Union financial assistance to Greece.
- (3) For reasons of consistency, the approval of the macroeconomic adjustment programme for Greece under Regulation (EU) No 472/2013 should be done by reference to the relevant provisions of Implementing Decision (EU) 2015/1181,

HAS ADOPTED THIS DECISION:

Article 1

The measures specified in Article 3(3) of Implementing Decision (EU) 2015/1181 to be taken by Greece as part of its adjustment programme are hereby approved.

Article 2

This Decision shall take effect upon the date of its notification.

Article 3

This Decision is addressed to the Hellenic Republic.

Article 4

This Decision shall be published in the *Official Journal of the European Union*.

Done at Brussels, 17 July 2015.

For the Council
The President
J. ASSELBORN

⁽¹⁾ OJ L 140, 27.5.2013, p. 1.

⁽²⁾ Council Regulation (EU) No 407/2010 of 11 May 2010 establishing a European financial stabilisation mechanism (OJ L 118, 12.5.2010, p. 1).

⁽³⁾ See page 15 of this Official Journal.

COMMISSION IMPLEMENTING DECISION (EU) 2015/1183**of 17 July 2015****setting out the necessary technical and operational specifications for implementing version 3 of the EGNOS system**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1285/2013 of the European Parliament and of the Council of 11 December 2013 on the implementation and exploitation of European satellite navigation systems and repealing Council Regulation (EC) No 876/2002 and Regulation (EC) No 683/2008 of the European Parliament and of the Council ⁽¹⁾, and in particular Article 12(3)(d) thereof,

Whereas:

- (1) Article 12 of Regulation (EU) No 1285/2013 provides that the Commission shall have overall responsibility for the EGNOS programme and confers on it implementing powers to determine the technical and operational specifications necessary for EGNOS system evolution.
- (2) The EGNOS system has already evolved, as version 1 was introduced in the 2000s, followed by version 2 in 2009. The three services offered by the system, namely the open service, the commercial data dissemination service ('EDAS') and the safety-of-life service ('SoL') defined in Article 2(5) of Regulation (EU) No 1285/2013 became operational on 30 October 2009, 26 July 2012 and 12 March 2011 respectively.
- (3) In order to comply with the characteristics and meet the specific objectives of the EGNOS programme referred to in Article 2 of Regulation (EU) No 1285/2013, it is now important to determine the technical and operational specifications of a version 3 of the system. This version 3, which should be brought into service in the 2020s, would be an improvement on version 2 because, in technical terms, it would include on the one hand the monitoring and correction of the signals of the open service offered by the system established under the Galileo programme, and on the other hand the use of double frequency, both for the GPS system and for that of the Galileo programme.
- (4) The technical evolution of version 2 to version 3 would improve the geographic coverage of the three services offered by the system and enhance their performance.
- (5) With regard to geographic coverage, system evolution would aim, first of all, to guarantee coverage of all territories of the EU Member States geographically located in Europe, including the Azores, the Canary Islands and Madeira. An extension of this coverage beyond the borders of the EU Member States to include the EU candidate countries and the countries involved in the EU neighbourhood policy would also be possible, subject to technical feasibility and on the basis of international agreements, under the conditions set out in the last subparagraph of Article 2(5) of Regulation (EU) No 1285/2013.
- (6) Performance, mainly that of the 'SoL' service, should be improved in version 3 of the system, compared to version 2.
- (7) For the open service, an improvement in performance would involve providing precise data in terms of time measurement, such as differences between the time used by EGNOS on the one hand, and the UTC time and the GPS system time on the other hand.
- (8) For the 'EDAS' service, this improvement would above all serve to reduce the data-transmission time to two seconds and reduce the lapse of time during which the service is not available.
- (9) However, the performance enhancement achieved by version 3 of the EGNOS system should concern mainly the 'SoL' service, particularly for the sectors of civil aviation and maritime transport.

⁽¹⁾ OJ L 347, 20.12.2013, p. 1.

- (10) For civil aviation and in order to adequately meet air navigation needs, in particular with respect to the optimisation of traffic flow between various geographical areas, version 3 should provide a new 'Cat I Precision Approach' service in addition to the three services already on offer in version 2, i.e. the 'En-Route — Non-precision Approach', 'Approach with Vertical Guidance APV-I' and 'LPV 200 Approach'. Furthermore, the availability of the 'LPV 200 Approach' service would be significantly increased because the time period during which this service is available should fall within the range of 0,99 to 0,999.
- (11) In civil aviation, it is also important to ensure that the SoL service continues to comply with Commission Implementing Regulation (EU) No 1035/2011⁽¹⁾. Indeed, as set out in recital 14 of this Regulation, air navigation service providers should operate in compliance with the relevant standards of the International Civil Aviation Organisation, pending the complete transposition of the standards of that international organisation into EU law.
- (12) For maritime transport, version 3 of the EGNOS system should introduce the 'SoL' service in accordance with the international standards laid down by the International Maritime Organisation, allowing new EGNOS applications which, thanks to their greater precision, would benefit this sector in terms of effectiveness and safety. To this end and bearing in mind the constraints inherent to navigation close to the coast, on the approach to and when entering ports, the extension of the 'SoL' service to the maritime sector should in particular provide for a very high degree of availability, over 0,998 on a scale ranging from 0 to 1, guaranteeing the integrity of the service in an interval of less than ten seconds and lateral precision of less than 10 metres.
- (13) In addition to this, in order not to affect EGNOS users or compromise the current commercial applications, the technical and operational specifications of version 3 of the EGNOS system should be compatible with those of version 2 so as not to jeopardise what has been achieved so far, or result in degrading current possible uses, to the detriment of users.
- (14) In order to complete the technical evolution of version 2 to version 3 of the system, the technical and operational specifications set out in the Annex must be established.
- (15) The measures provided for in this Decision comply with the opinion of the committee established pursuant to Article 36(1) of Regulation (EU) No 1285/2013,

HAS ADOPTED THIS DECISION:

Article 1

The technical and operational specifications of version 3 of the EGNOS system are set out in the Annex.

Article 2

This Decision shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

Done at Brussels, 17 July 2015.

For the Commission
The President
Jean-Claude JUNCKER

⁽¹⁾ Commission Implementing Regulation (EU) No 1035/2011 of 17 October 2011 laying down common requirements for the provision of air navigation services and amending Regulations (EC) No 482/2008 and (EU) No 691/2010 (OJ L 271, 18.10.2011, p. 23).

ANNEX

TECHNICAL AND OPERATIONAL SPECIFICATIONS

1. Main characteristics of EGNOS v3 which are maintained or improved from, or added to EGNOS v2

	EGNOS v2	EGNOS v3
Receivers modes	— Mono-frequency mono-constellation: GPS L1	— Mono-frequency mono-constellation: GPS L1 — Dual-frequency mono-constellation: GPS L1/L5 or Galileo E1/E5a — Dual-frequency dual-constellation: GPS L1/L5 + Galileo E1/E5a
Specific services for Aviation	— En-route/non-precision approach — Approach with vertical guidance APV-I — LPV-200 approach	— En-route/non-precision approach — Approach with vertical guidance APV-I — LPV-200 approach — CAT-I precision approach
Specific services for Maritime	n.a.	— Oceanic areas — Navigation in harbour entrance, harbour approaches and coastal waters
Capability of the system to be replicated	yes	yes
Compatibility of service performance at user level vs. previous version	n.a.	yes
Limitation of services ⁽¹⁾	— Safety of Life area limited to [40W, 40E], [20N, 70N] — Maximum number of stations limited to 60	None ⁽²⁾

⁽¹⁾ User access for open service and safety of life services limited to visibility area of the geostationary satellites.

⁽²⁾ Absence of limitation to allow the design of EGNOS v3 to include additional stations in order to extend, in a continuous manner, the EGNOS service area in accordance with Article 2(5) of Regulation (EU) No 1285/2013.

2. Open service technical and operational specifications

	Open service
Lateral accuracy (95 %)	3 m
Vertical accuracy (95 %)	4 m
OS availability	0,99
Service Area	EU-MS + Norway and Switzerland
Guarantee of service	No
Accessibility	— Through compatible receivers within the EGNOS service area — No specific authorisation/certification required

	Timing service
EGNOS Network time to UTC system time accuracy	20 ns 3sigma
EGNOS Network time to GPS system time accuracy	Maximum 50 ns
Availability of timing service	99 %
Guarantee of service	no
Accessibility	— Through compatible receivers within the EGNOS service area — No specific authorisation/certification required

3. EGNOS Data Access service (EDAS) technical and operational specifications

	EDAS	
Service specifications	Products provided directly by the system	RIMS raw data
		EGNOS broadcast message data
		EGNOS health status data
	Latency ⁽¹⁾	2 sec
	Availability	0,999
	Accessibility	Products provided to end users through specific service providers connected to the EGNOS server
Server specifications	Secured architecture for worldwide access Sufficient bandwidth connectivity	

⁽¹⁾ Latency is the time elapsed since the transmission of the last bit of the navigation message from the space segment (EGNOS and GPS/Galileo satellites) until the data leave the EGNOS server.

4. Safety-of-Life service technical and operational specifications

4.1. Aviation service ⁽¹⁾

	En-route — Non-Precision Approach	Approach with Vertical Guidance APV-I (legacy service)	LPV 200 Approach	Cat I Precision Approach
Standards	Annexe V, point 3(a) of Implementing Regulation (EU) No 1035/2011, as applicable			
Lateral accuracy	220 m	16 m	16 m	16 m
Vertical accuracy	Not applicable	20 m	4 m	4 m
VNSE — fault-free conditions	N/A	N/A	10 m with probability of 10 ⁻⁷ /150 s	N/A

	En-route — Non-Precision Approach	Approach with Vertical Guidance APV-I (legacy service)	LPV 200 Approach	Cat I Precision Approach
VNSE — system failure conditions	N/A	N/A	15 m with probability of $10^{-5}/150$ s	N/A
Integrity risk	$1,10^{-7}/\text{hour}$	$2,10^{-7}/150$ s	$2,10^{-7}/150$ s	$2,10^{-7}/150$ s
Time To Alarm	10 s	10 s	6 s	6 s
HAL	556 m	40 m	40 m	40 m
VAL	Not applicable	50 m	35 m	10 m
Continuity risk	$1,10^{-5}/\text{hour}$	$8,10^{-6}/15$ s	$8,10^{-6}/15$ s	$8,10^{-6}/15$ s
SoL Service ⁽²⁾ availability	0,999	0,99	0,99 to 0,999	0,99
Service area	Flight information regions (FIRs) of EU-MS + Norway and Switzerland	Landmasses ⁽³⁾ of EU-MS + Norway and Switzerland	Landmasses of EU-MS + Norway and Switzerland	Landmasses of EU-MS + Norway and Switzerland
Target service area extension	Article 2(5) of Regulation (EU) No 1285/2013			
Performance of reversion modes	EGNOS V3 shall deliver LPV 200 ⁽⁴⁾ service level over its Service Area with 99 % availability when reverting to the use of the Galileo constellation only. EGNOS V3 shall deliver LPV 200 service level in the land masses of the Service Area with 99 % availability upon complete loss of L5/E5a frequency at user level.			
Guarantee of service	Yes			
Accessibility	Through SBAS-compatible receivers			

⁽¹⁾ The performance specifications included in this table address only signal-in-space contributions.

⁽²⁾ A range is given for service availability for approach procedure. The bottom of the range shall correspond to the availability expected for the GPS L1-only service. The top of the range shall be available for users equipped with a dual frequency GPS L1-L5 receiver or a combined GPS/Galileo dual-frequency receiver.

⁽³⁾ 'Land masses of an area' means any land territory, including islands, in the FIR of that area except for the Cat I service for which coverage of Azores, Madeira and Canary Islands are excluded.

⁽⁴⁾ Until sufficient Galileo performance is demonstrated, APV-I service level is accepted.

4.2. Maritime service ⁽¹⁾

	Navigation in harbour entrances, Harbour approaches and coastal waters
Standards	IMO Resolution A.915(22) and A.1046(27)
Lateral accuracy	10 m
Vertical accuracy	Not applicable
Integrity risk	$1,10^{-5}/3$ hours

	Navigation in harbour entrances, Harbour approaches and coastal waters
Time To Alarm	10 s
HAL	25 m
VAL	Not applicable
Continuity risk	$3,10^{-4}/15$ minutes
SoL Service availability	0,998
Service Area	National Waters ⁽²⁾ of EU-MS + Norway and Switzerland
Guarantee of service	Yes
Accessibility	Through SBAS-compatible receivers

⁽¹⁾ The performance specifications included in this table address only signal-in-space contributions.

⁽²⁾ National (or territorial) waters are defined in the 1982 United Nations Convention on the Law of the Sea as waters extending at most 12 nautical miles from the coast line.

*Appendix***ACRONYMS**

APV	Approach Procedure with Vertical Guidance
CAT	Category
EDAS	EGNOS Data Access Service
EGNOS	European Geostationary Navigation Overlay Service
EU-MS	European Union Member States
FIR	Flight Information Region
Galileo E1	E1 frequency of Galileo system, corresponding to 1 575,42 MHz
Galileo E5a	E5a frequency of Galileo system, corresponding to 1 176,45 MHz
GPS	Global Positioning System
GPS L1	L1 frequency of GPS system, corresponding to 1 575,42 MHz
GPS L5	L5 frequency of GPS system, corresponding to 1 176,45 MHz
HAL	Horizontal Alert Limit
ICAO	International Civil Aviation Organization
IMO	International Maritime Organization
LPV	Localizer Performance with Vertical guidance
OS	Open Service
RIMS	Ranging and Integrity Monitoring Station
SARPs	Standard and Recommended Practices
SBAS	Satellite-Based Augmentation System
SoL	Safety of Life
UTC	Coordinated Universal Time
VAL	Vertical Alert Limit
VNSE	Vertical Navigation System Error

RECOMMENDATIONS

COUNCIL RECOMMENDATION (EU) 2015/1184

of 14 July 2015

on broad guidelines for the economic policies of the Member States and of the European Union

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 121(2) thereof,

Having regard to the recommendation from the European Commission,

Having regard to the conclusions of the European Council,

Whereas:

- (1) The Treaty provides that Member States are to regard their economic policies as a matter of common concern and coordinate them within the Council. The Treaty further provides that broad economic policy guidelines and employment guidelines are to be adopted by the Council to guide Member State and Union policies.
- (2) In accordance with the Treaty, the Union has developed and implemented policy coordination instruments for fiscal policy and macro-structural policies. The European Semester combines the different instruments in an overarching framework for integrated multilateral economic and budgetary surveillance. The streamlining and strengthening of the European Semester, as set out in the Commission's 2015 Annual Growth Survey, should further improve its functioning.
- (3) The financial and economic crisis revealed and emphasised important weaknesses in the economy of the Union and its Member States. It has also underscored the close interdependence of the Member States' economies and labour markets. Moreover, the strong increase in public debt levels has created risks for fiscal sustainability. Moving the Union to a state of smart, sustainable and inclusive growth and job creation is the key challenge faced today. This requires coordinated and ambitious policy action at both Union and national levels, in line with the Treaty and Union economic governance. Combining supply and demand side measures, that policy action should encompass a boost to investment, a renewed commitment to structural reforms and exercising fiscal responsibility.
- (4) Member States and the Union should also address the social impact of the crisis and aim at building a cohesive society in which people are empowered to anticipate and manage change, and can actively participate in society and the economy. Access and opportunities for all should be ensured and poverty and social exclusion reduced, in particular by ensuring an effective functioning of labour markets and social welfare systems and removing barriers to labour market participation. Member States should also make sure that the benefits of economic growth reach all citizens and all regions.
- (5) Action in line with the integrated guidelines for the economic and employment policies of the Member States is an important contribution to reaching the goals of the Europe 2020 strategy for smart, sustainable and inclusive growth ('Europe 2020 strategy'). The Europe 2020 strategy should be underpinned by an integrated set of European and national policies, which Member States and the Union should implement in order to achieve the positive spillover effects of coordinated structural reforms, an appropriate overall economic policy mix and a more consistent contribution from European policies to the objectives of the Europe 2020 strategy, and in order to ensure the smooth functioning of the Economic and Monetary Union. The broad guidelines for the economic policies of the Member States and of the European Union, annexed to this Recommendation, and the relevant guidelines for employment policies form together the integrated guidelines for implementing the Europe 2020 strategy ('Europe 2020 integrated guidelines').
- (6) While the Europe 2020 integrated guidelines are addressed to Member States and the Union, they should be implemented in partnership with all national, regional and local authorities, closely involving parliaments, as well as social partners and representatives of civil society.

- (7) The broad guidelines for economic policies give guidance to the Member States on implementing reforms, reflecting interdependence between the Member States. They are in line with the Stability and Growth Pact. Such guidelines should form the basis for country-specific recommendations that the Council may address to the Member States,

HEREBY RECOMMENDS that Member States and, where relevant, the Union take into account in their economic policies the guidelines set out in the Annex, which form part of the Europe 2020 integrated guidelines.

Done at Brussels, 14 July 2015.

For the Council
The President
P. GRAMEGNA

ANNEX

Broad guidelines for the economic policies of the Member States and of the European Union**Part I of the Europe 2020 integrated guidelines****Guideline 1: Promoting investment**

Increasing the level of productive investment in Europe is key to boosting demand and improving competitiveness and long-term growth potential in Europe. Efforts should focus on mobilising finance for viable investment projects, making finance reach the real economy and improving the investment environment. Macroeconomic and financial stability, as well as regulatory predictability and openness and transparency of its financial sector, are critical for keeping the Union attractive for private sector investment, including foreign investment.

The potential of Union funds, including the European Fund for Strategic Investments and structural funds, and national funds to finance growth enhancing investments in key areas should be fully exploited. The result-oriented management of funds as well as an increased use of innovative financial instruments, where appropriate, are crucial elements in that regard.

Making finance reach the real economy calls for increasing transparency and information provision, in particular through the implementation of a European investment advisory hub under the auspices of the European Investment Bank and the establishment of a transparent pipeline of projects. Close cooperation with all relevant stakeholders is key, in order to ensure a smooth carrying out of operations, adequate risk taking and maximum added value.

Guideline 2: Enhancing growth through Member States' implementation of structural reforms

Ambitious implementation of structural reforms by Member States in both product and labour markets, social welfare and pension systems is crucial to strengthen and sustain the economic recovery and ensure sustainable public finances, improve competitiveness, prevent and correct harmful macroeconomic imbalances in line with the macroeconomic imbalance procedure, and increase the growth potential of the Union economies. This would also help achieve higher economic and social cohesion. Competition-enhancing reforms, in particular in the non-tradable sector, a better functioning of the labour markets, and an improved business environment contribute to removing obstacles to growth and investment and increasing the adjustment capacity of the economy. Member States shall regard their economic policies as a matter of common concern, and coordinate them in order to enhance positive synergies and avoid negative spillovers.

Labour market and social system reforms need to be pursued in order to promote growth and employment, while ensuring access for all to high quality, affordable and sustainable social services and benefits. Action in the area of labour market reforms, for example wage setting mechanisms and an increase in participation rates, should be pursued in line with the more detailed guidance set out in the employment guidelines.

Further efforts are needed to make the Union an attractive destination for talent and skills. The process of reforming and further integrating product markets should be continued to ensure that Union consumers and businesses benefit from lower prices and a wider choice of goods and services. Better-integrated markets give companies access to a substantially larger market than their own domestic market, thus providing them with more opportunities for expansion. More competitive and better-integrated product markets will also boost innovation and can help increase the speed of adjustment and resilience to economic shocks in individual Member States and for the Union as a whole.

Efforts should continue to be made in order to improve the regulatory environment in which enterprises operate, to support in particular small and medium sized enterprises, and should include modernisation of public administration, a reduction in administrative burdens, greater transparency, the fight against corruption, tax evasion and undeclared work, the improvement of the independence, quality and efficiency of judicial systems, alongside with contract enforcement and well-functioning insolvency procedures.

Information and communication technologies and the digital economy are important drivers of productivity, innovation and growth in all sectors of the economy. Promoting private investment in research and innovation should be

accompanied by in-depth reforms to modernise the research and innovation systems, to enhance cooperation between public institutions and the private sector, and to improve the broader framework conditions for companies to become more knowledge-intensive. Raising the quality and efficiency of public investments in research and innovation will continue improving the quality of public finances and could improve the long-term sustainability of public finances.

Guideline 3: Removing key barriers to sustainable growth and jobs at Union level

Further integrating the single market, including removing remaining barriers, increasing competition and improving the business environment is key to Europe remaining an attractive location for businesses, both domestic and foreign. In order to move Europe's productivity frontier, it is necessary to increase innovation and human capital formation and to ensure an integrated well-functioning digital single market. Increasing the uptake of information and communication technologies by both consumers and businesses can contribute to creating a borderless digital Europe and increasing productivity.

A well-functioning financial sector is key to a smooth functioning of the economy. The strengthened regulatory and supervisory provisions, and consumer protection rules in the area of financial markets and financial institutions, should be fully implemented. Measures need to be taken in order to build a sustainable market for securitisation in Europe, which will help improve the effective funding capacity of Union banks. A genuine capital markets Union needs to be established, building on the achievements of the single market for financial services and capital.

Delivering a strong energy Union should ensure affordable, secure and sustainable energy for businesses and households. A cost-effective implementation of the 2030 climate and energy framework and transition to a competitive, resource efficient low carbon economy should be pursued, including through both demand and supply side reforms, while promoting green jobs, green technologies and innovative solutions. In that regard, the energy and transport sectors continue to require particular attention, including with respect to interconnections and infrastructure.

Union legislation should focus on those issues that are best dealt with at European level, and should be designed taking into account their economic, environmental and social impact. Creating a level playing field across borders with greater regulatory predictability and in full compliance with competition rules will further attract investment. A better and more predictable business environment is particularly important in network industries characterised by long investment horizons and large-scale initial investments. The external dimension of the internal market should be further developed.

Guideline 4: Improving the sustainability and growth-friendliness of public finances

Sound public finances are key for growth and job creation. Fiscal sustainability is vital to secure investor confidence and the fiscal space necessary to counter unexpected developments and maximise the positive contribution of public finances to the economy. This also creates the appropriate conditions for supporting growth and investment. Member States should secure long-term control over the deficit and debt levels. Fiscal policies must be conducted within the Union rules-based framework, in particular the Stability and Growth Pact, complemented by sound national budgetary arrangements. Fiscal policies should reflect the economic conditions and sustainability risks at Member State level, while ensuring a good coordination of economic policies. Euro area Member States are invited to continue monitoring closely and discussing the aggregate fiscal situation of the euro area, including the fiscal stance.

In designing and implementing budgetary consolidation, strategies should prioritise growth-enhancing expenditure items within areas such as education, skills and employability, research and development, and innovation and investment in networks with positive impacts on productivity. Expenditure reforms should target efficiency gains in public administration; such reforms can be prepared in particular by spending reviews, with a view to securing long-term sustainability.

Expenditure reforms that promote efficient resource allocation to support growth and employment while preserving equity should be complemented by the modernisation of revenue systems, where necessary. A common consolidated corporate tax base should continue to be explored. Shifts towards more growth-friendly taxes, while ensuring compliance with the Stability and Growth Pact, can help correct market inefficiencies and lay foundations for sustained

growth and job creation. At the same time, it is important to consider the distributional effects in any change in taxation. The efficiency of the tax system could be enhanced by broadening tax bases, such as removing or reducing the use and generosity of exemptions and preferential regimes, verifying the scope and efficiency of tax expenditures and strengthening the tax administration, simplifying the tax system, and combating tax fraud and aggressive tax planning.

