

MAROŠ ŠEFČOVIČ

VICE-PRESIDENT OF THE EUROPEAN COMMISSION

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*Dear Chairmen,*

*On behalf of the Commission, I am very pleased to send you in attachment the Commission's official reply to the Contribution of the LI COSAC.*

*The Commission is looking forward to continuing the dialogue with national Parliaments and the European Parliament on issues of particular importance, such as growth, employment and competitiveness in the framework of the Europe 2020 Strategy review as well as European prospects of integration.*

*I trust that COSAC and the Commission will continue the exchange of views on these and other political priorities at the COSAC Plenary meeting in Rome in November-December 2014.*

*Yours faithfully,*



Maroš Šefčovič

*Cc: Mr Ioannis TRAGAKIS*

*Mr Michele BORDO  
Chairman of the Committee on  
EU policies  
Camera dei Deputati  
Palazzo Montecitorio  
I - 00186 Rome*

*Sen. Vannino CHITI  
Chairman of the Committee on  
EU policies  
Senato della Repubblica  
Palazzo Madama  
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**Reply of the European Commission  
to the Contribution of the LI COSAC  
Athens, 15-17 June 2014**

**1. European Elections**

The Commission takes note of COSAC's observations concerning the conduct of the European elections held in May 2014.

**2. Ukraine**

The Commission welcomes COSAC's observations with regard to Ukraine and EU energy security. The Commission is continuing its efforts to facilitate a compromise solution regarding gas supplies from Russia. Notwithstanding the current difficulties, and in particular the fact that deliveries of Russian gas to Ukraine have been suspended as of 16 June 2014, the transportation of gas to the EU via Ukraine has not been interrupted. To date, in terms of the gas supplies and transit to the EU, both Russia and Ukraine have been fulfilling their commitments and contractual obligations vis-à-vis Europe. The Commission continues to monitor the situation very closely together with the Member States, including within the framework of the EU's Gas Coordination Group. The Commission refers in that regard to the ongoing work on energy security stress tests.

The Commission also welcomes COSAC's call to explore ways for financing energy efficiency measures and curbing energy demand and to engage in further developing the European Energy Security Strategy. In the Commission's view the Russia-Ukraine gas crisis already has and will continue to have far-reaching consequences for the EU's energy security. Therefore the Commission undertook a number of steps to secure the energy supply into the EU. In May 2014 it presented the European Energy Security Strategy which has been welcomed by the European Council. Furthermore, the Commission is of the opinion that more needs to be done, both at national and European level, in order to cope with new energy security challenges. Europe remains vulnerable to energy shocks and Europe's most exposed regions should be better protected. The Commission considers that the European Union's energy security is inseparable from its climate and energy policy framework and fits fully in the 2030 policy discussion. Finally, the Commission finds it crucial to intensify diversification efforts and to reflect the energy security objectives in the implementation of the EU financial instruments in the period 2014-2020, in particular using the European Regional Development Fund, the Connecting Europe Facility, Horizon 2020 and the European Neighbourhood Instrument.

**3. Addressing the Social Deficit in the EU**

As regards the COSAC's comment on protection against the intense global competition, the Commission would like to note that EU policies support and protect EU citizens and

economic operators in their participation in the global economy. The EU strongly supports an international level playing field, based on international norms contained in the agreements of the World Trade Organisation, the ILO and other international institutions. Furthermore, the EU in its trade agreements and trade preferences to developing countries always insists on very high standards of protection for labour and the environment. The Commission would also like to stress that the EU stands ready to impose customs duties against imports that are unfairly priced, whether because of foreign subsidies or predatory practices. Finally, the EU remains vigilant on the respect of the agreed rules by foreign countries, and does not hesitate to engage in international dispute settlement when necessary.

#### **4. Rethinking the European employment Strategy**

The Commission shares COSAC's analysis of the challenges faced by the European labour market and welcomes COSAC's support for the EU key initiatives to tackle youth unemployment. Responding to COSAC's call on the Commission to step up efforts in order to create better and more employment opportunities for the youth of Europe, the Commission observes that direct employment creation is mostly within the remit of Member States and the Commission has limited competences in this respect. The Commission will however continue to support Member States in providing young people with a good-quality offer of employment, continued education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving formal education, as stipulated by the Council Recommendation on establishing a Youth Guarantee. Setting up Youth Guarantee schemes includes not only measures that improve the employability of the young, but also measures that support demand, e.g. well-targeted recruitment subsidies to apprenticeships or jobs.

The Commission refers to the Council Recommendation which emphasises that the Youth Guarantee should be an integral part of the national support systems (including employment services, career guidance providers, education and training institutions and youth support services) and should be offered to all young people up to the age of 25. Furthermore, the Council Recommendation calls for building strong partnerships among stakeholders in order to be able to provide an efficient Youth Guarantee.

The Commission provided support to Member States to draw up their Youth Guarantee Implementation Plans. In addition, the Commission is directly managing 18 projects to establish Youth Guarantees at local and regional level.

The Commission is also working towards improving education to work transitions: the Council Recommendation on a Quality Framework for Traineeships was adopted on 10 March 2014, based on a Commission proposal. This sets out guidelines for traineeships outside formal education to provide high quality learning content and fair working conditions in order to support education-to-work transitions and increase the employability of trainees. It also addresses transparency in compensation and social security coverage, and hiring chances. The European Alliance for Apprenticeships aims to increase the quality and supply of apprenticeships across Europe and to change mind-sets towards this type of learning. The strands of action are: (1) targeted knowledge transfer and support for reform of apprenticeship systems; (2) promoting the benefits of apprenticeships; and (3) making smart use of EU funding and resources. By May 2014, 21 Member States had submitted commitments to increase quantity, quality and supply of apprenticeships. More than 30 organisations have pledged to take action.

The Commission notes COSAC's call to take up concrete and imminent initiatives in order to facilitate the fight against unemployment among young adults and to introduce specific measures for the 25-34 age group. The Commission is aware that young people face a higher risk of a longer term 'scarring effect' when inactive or unemployed at the beginning of their career. This is why the Commission encourages the Member States to use European funds (in particular the European Social Fund) to fight unemployment also in other age groups, without however diluting the firm commitment made to deliver a Youth Guarantee for those aged 15-24, a group which includes some of the most vulnerable young people. The dedicated EU funding under the Youth Employment Initiative targets young persons under the age of 25 not in employment, education or training. Member States may already extend this target group to include young people up to the age of 30 (within the eligible regions) on a voluntary basis. Moreover, Member States are free to extend the Youth Guarantee policy to young people older than 25, as is already the case in some Member States.