



Malta-EU Steering & Action Committee

ECONOMIC AND FINANCIAL AFFAIRS



30.11.09

From the European Commission

EU 2020 Strategy

COM (2009) 647/3 – Commission Working Document Consultation on the Future "EU 2020" Strategy

EU 2020 is being designed as the successor to the current Lisbon Strategy, which has been the EU's reform strategy for the last decade and has helped the EU to weather the storm of the recent crisis. EU 2020 builds on its achievements as a partnership for growth and job creation, and renewing it to meet new challenges. It also draws on the benefits that have flowed from the coordinated response to the crisis in the European Economic Recovery Plan. The Commission considers that EU 2020 should focus on key policy areas where collaboration between EU and Member States can deliver the best results, and on improved delivery through better use of the instruments at hand.

The Commission considers that the key drivers of EU 2020 should be thematic, focused on the following priorities:

- (1) Creating value by basing growth on knowledge.
- (2) Empowering people in inclusive societies.
- (3) Creating a competitive, connected and greener economy.

The purpose of this consultation paper is to seek the views of the other Institutions and stakeholders on a new approach. The Commission intends to adopt a formal Communication addressed to the Spring European Council early in 2010.



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VAT

COM (2009)641 - Proposal for a Council Decision authorising the Portuguese Republic to apply a measure derogating from Articles 168, 193 and 250 of Council Directive 2006/112/EC on the common system of value added tax

By means of Council Decision 2004/738/EC Portugal was authorised to apply, until 31 December 2009, a special optional scheme for doorstep sales. Portugal has now requested an extension of this special scheme for derogating from Articles 193 and 250 of the VAT Directive (2006/112/EC) as well as a derogation from Article 168 of the VAT Directive, which would result in resellers not being allowed to deduct the VAT payable on the goods covered by the measure.

The Commission believes that the derogation requested meets the conditions laid down in that Article and, in particular, that it simplifies the procedure for collecting the tax and helps to prevent tax fraud, without affecting the amount of tax revenue collected at the stage of final consumption. Consequently, the Commission has no objection to this request and it is therefore presenting this proposal for a Council decision. Nevertheless, the Commission is of the opinion that the period of application of this derogation should be limited so that a regular assessment may be made of whether the grounds that justify the measure today continue to obtain.

Developing Public Private Partnerships

COM (2009) 615 – Communication from the Commission to the European Parliament, the Council, the Council, the European Economic and Social Committee and the Committee of the Regions: Mobilising private and public investment for recovery and long term structural change: developing Public Private Partnerships (PPPs)

Investment in infrastructure projects is an important means to maintain economic activity during the financial and economic crisis and support a rapid return to sustained economic growth. Public Private Partnerships (PPPs) can provide effective ways to deliver infrastructure projects, to provide public services and to innovate more widely in the context of these recovery efforts.

In this Communication the Commission lays down the key actions which it intends to take in 2010 in order to create a supportive Community framework for PPPs. The Commission will:

- set up a PPP group inviting relevant stakeholders to discuss their concerns and further ideas with regard to PPPs;
- work with the EIB with a view to increasing the funding available for PPPs;
- review the relevant rules and practices in order to ensure that there is no discrimination in the allocation of public funds, where Community funding is involved;
- propose a more effective framework for innovation, including the possibility for the EU to participate in private law bodies and directly invest in specific projects;



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- consider a proposal for a legislative instrument on concessions, based on the ongoing Impact Assessment.

From the Council

Economic and Financial Affairs Council

2 December 2009

In accordance with the provisions of the Treaty of Lisbon, which will enter into force on 1 December, the Council's deliberations on legislative acts will be taken in public session. During this session, the Council will be called on to agree on a general approach on regulations establishing a European banking authority, a European insurance and occupational pensions authority and a European securities and markets authority. On taxation matters, the Council will examine the savings tax directive with a view to reaching a political agreement, and directives regarding reverse charge on emission allowances and certain goods (VAT), recovery and administrative cooperation, on which it will try to agree on a general approach.

During the non public session, the Council will be called on to agree on a general approach for an anti-fraud agreement with Liechtenstein and to adopt a negotiating mandate for anti-fraud agreements with other third countries as well as a report on Code of conduct for business taxation. It is also expected to adopt conclusions on future policy action concerning derivatives markets and on financial stability arrangements. It will prepare the meeting of the European Council (10-11 December) as regards information about progress on financial supervision, Ecofin's contribution to the discussion on the post-2010 Lisbon agenda and exit strategies by adopting on both last items conclusions. It will also discuss the implementation of the Stability and Growth Pact.

Economic Indicators

Economic Sentiment Indicator continues to rise though consumers more cautious – 27/11/2009

In November, the Economic Sentiment Indicator (ESI) rose to 87.9 (+1.9 points) in the EU and to 88.8 (+2.7) in the euro area. The indicator has improved in both areas for eight consecutive months since its trough in March 2009, though it still remains significantly below the long-term average. [Click here](#) for further details



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Other Matters

President Barroso unveils his new team – 27/11/2009

Barroso, President of the European Commission, announced the portfolios responsibilities for the next Commission. The President has held detailed consultations with all the Commissioners-designate in order to assign the right jobs to the right people. The President believes that this team can deliver the agenda for change he set out in the political guidelines he presented in September, following his nomination by all 27 Member States and before his approval as President of the next Commission by the European Parliament.

Responsibilities of the Commissioners-designate

- Joaquín ALMUNIA: Competition. Vice-President of the Commission.
- László ANDOR: Employment, Social Affairs and Inclusion.
- Baroness Catherine ASHTON: High Representative of the Union for Foreign Affairs and Security and Vice-President of the Commission.
- Michel BARNIER: Internal Market and Services.
- Dacian CIOLOS: Agriculture and Rural Development.
- **John DALLI: Health and Consumer Policy.**
- Maria DAMANAKI: Maritime Affairs and Fisheries.
- Karel DE GUCHT: Trade.
- Štefan FÜLE: Enlargement and European Neighbourhood Policy.
- Johannes HAHN: Regional Policy.
- Connie HEDEGAARD: Climate Action.
- Maire GEORGHEGAN-QUINN: Research and Innovation.
- Rumiana JELEVA: International Cooperation, Humanitarian Aid and Crisis Response.
- Siim KALLAS: Transport. Vice-President of the Commission.
- Neelie KROES: Digital Agenda. Vice-President of the Commission.
- Janusz LEWANDOWSKI: Budget and Financial Programming.
- Cecilia MALMSTRÖM: Home Affairs.
- Günter OETTINGER: Energy.
- Andris PIEBALGS: Development.
- Janez POTOČNIK: Environment.
- Viviane REDING: Justice, Fundamental Rights and Citizenship. Vice-President of the Commission.



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- Olli REHN: Economic and Monetary Affairs.
- Maroš ŠEFČOVIČ: Vice-President of the Commission for Inter-Institutional Relations and Administration.
- Algirdas ŠEMETA: Taxation and Customs Union, Audit and Anti-Fraud.
- Antonio TAJANI: Industry and Entrepreneurship. Vice-President of the Commission.
- Androulla VASSILIOU: Education, Culture, Multilingualism and Youth.

[Click here](#) for further details

EIB provides CZK 2 billion for regional infrastructure in South Moravia (Czech Rep.) – **25/11/2009**

The European Investment Bank (EIB) is lending CZK 2 billion (approx. EUR 76 million) to the South Moravia Region for co-financing the Region's priority infrastructure projects supported by the EU Structural and Cohesion Funds over the period 2007 – 2013. [Click here](#) for further info

European Investment Bank signs agreements to finance renewable energy projects in Pakistan - **24 November 2009**

The European Investment Bank (EIB) is providing EUR 100 million to the Islamic Republic of Pakistan to part-finance investments in the renewable energy sector. The operation will be co-financed with the Asian Development Bank (ADB) under an innovative arrangement. The lending operation is structured as a framework scheme, under which the EIB will support a series of investments in the renewable energy sector in Pakistan, thereby contributing to the mitigation of climate change, one of the core objectives of the European Union's mandate for lending in Asia.

This is the EIB's fifth lending operation in Pakistan, where it started operations in 1993. It is also the third operation with Pakistan's Ministry of Finance. [Click here](#) for more info