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II

(Non-legislative acts)

INTERNATIONAL AGREEMENTS

COUNCIL DECISION (EU) 2017/2428

of 30 November 2017

on the conclusion, on behalf of the European Union and its Member States, of the Protocol to the Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and the Republic of the Philippines, of the other part, to take account of the accession of the Republic of Croatia to the European Union

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 207 and 209, in conjunction with point (a) of Article 218(6) thereof,

Having regard to the Act of Accession of the Republic of Croatia, and in particular Article 6(2) thereof,

Having regard to the proposal from the European Commission,

Having regard to the consent of the European Parliament ⁽¹⁾,

Whereas

- (1) In accordance with Council Decision 2014/718/EU ⁽²⁾, the Protocol to the Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and the Republic of the Philippines, of the other part ('the Protocol') has been signed, subject to its conclusion at a later date.
- (2) The Protocol should be approved,

HAS ADOPTED THIS DECISION:

Article 1

The Protocol to the Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and the Republic of the Philippines, of the other part, to take account of the accession of the Republic of Croatia to the European Union is hereby approved on behalf of the European Union and its Member States.

The text of the Protocol is attached to this Decision.

Article 2

The President of the Council is hereby authorised to designate the person(s) empowered to deposit, on behalf of the European Union and its Member States, the instrument of approval provided for in Article 4(1) of the Protocol.

⁽¹⁾ Consent given on 8 June 2016.

⁽²⁾ Council Decision 2014/718/EU of 8 October 2014 on the signing, on behalf of the European Union and its Member States, of the Protocol to the Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and the Republic of the Philippines, of the other part, to take account of the accession of the Republic of Croatia to the European Union (OJ L 300, 18.10.2014, p. 3).

Article 3

This Decision shall enter into force on the date of its adoption.

Done at Brussels, 30 November 2017.

For the Council
The President
K. SIMSON

PROTOCOL

to the Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and the Republic of the Philippines, of the other part, to take account of the accession of the Republic of Croatia to the European Union

THE KINGDOM OF BELGIUM,

THE REPUBLIC OF BULGARIA,

THE CZECH REPUBLIC,

THE KINGDOM OF DENMARK,

THE FEDERAL REPUBLIC OF GERMANY,

THE REPUBLIC OF ESTONIA,

IRELAND,

THE HELLENIC REPUBLIC,

THE KINGDOM OF SPAIN,

THE FRENCH REPUBLIC,

THE REPUBLIC OF CROATIA,

THE ITALIAN REPUBLIC,

THE REPUBLIC OF CYPRUS,

THE REPUBLIC OF LATVIA,

THE REPUBLIC OF LITHUANIA,

THE GRAND DUCHY OF LUXEMBOURG,

HUNGARY,

REPUBLIC OF MALTA,

THE KINGDOM OF THE NETHERLANDS,

THE REPUBLIC OF AUSTRIA,

THE REPUBLIC OF POLAND,

THE PORTUGUESE REPUBLIC,

ROMANIA,

THE REPUBLIC OF SLOVENIA,

THE SLOVAK REPUBLIC,

THE REPUBLIC OF FINLAND,

THE KINGDOM OF SWEDEN,

THE UNITED KINGDOM OF GREAT BRITAIN, AND NORTHERN IRELAND,

Contracting Parties to the Treaty on European Union and the Treaty on the Functioning of the European Union, hereinafter referred to as the 'Member States', represented by the Council of the European Union, and

THE EUROPEAN UNION, hereinafter referred to as 'the European Union',

of the one part, and

THE REPUBLIC OF THE PHILIPPINES, hereinafter referred to as 'the Philippines',

of the other part,

hereinafter jointly referred to as 'the Contracting Parties' for the purposes of this Protocol,

HAVING REGARD TO the accession of the Republic of Croatia to the European Union on 1 July 2013,

WHEREAS the Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and the Republic of the Philippines, of the other part, hereinafter referred to as 'the Agreement' was signed in Phnom Penh on 11 July 2012;

WHEREAS the Treaty concerning the accession of the Republic of Croatia to the European Union, hereinafter referred to as 'the Treaty of Accession', was signed in Brussels on 9 December 2011;

WHEREAS pursuant to Article 6(2) of the Act of Accession of the Republic of Croatia, its accession to the Agreement, is to be agreed by the conclusion of a protocol to the Agreement,

HAVE AGREED AS FOLLOWS:

Article 1

The Republic of Croatia hereby accedes as a Party to the Framework Agreement on Partnership and Cooperation between the European Union and its Member States, of the one part, and the Republic of the Philippines, of the other part, signed in Phnom Penh on 11 July 2012, and shall respectively adopt and take note, in the same manner as the other Member States of the European Union, of the text of the Agreement.

Article 2

In due time after the initialling of this Protocol, the European Union shall communicate to its Member States and to the Philippines, the Croatian language version of the Agreement. Subject to the entry into force of this Protocol, the language version referred to in the first sentence of this Article shall become authentic under the same conditions as the Bulgarian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish language versions of the Agreement.

Article 3

This Protocol shall form an integral part of the Agreement.

Article 4

1. This Protocol shall be approved by the European Union, by the Council of the European Union on behalf of the Member States and by the Philippines in accordance with their own procedures. The Contracting Parties shall notify each other of the completion of the procedures necessary for that purpose. The instruments of approval shall be deposited with the General Secretariat of the Council of the European Union.
2. This Protocol shall enter into force on the first day of the month following the date of the deposit of the last instrument of approval, but not before the date of entry into force of the Agreement.

Article 5

This Protocol is drawn up in duplicate in the Bulgarian, Croatian, Czech, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish languages, each of these texts being equally authentic.

IN WITNESS WHEREOF, the undersigned Plenipotentiaries, duly empowered to this effect, have signed this Protocol.

Съставено в Брюксел на петнадесети януари две хиляди и петнадесета година.

Hecho en Bruselas, el quince de enero de dos mil quince.

V Bruselu dne patnáctého ledna dva tisíce patnáct.

Udfærdiget i Bruxelles den femtende januar to tusind og femten.

Geschehen zu Brüssel am fünfzehnten Januar zweitausendfünfzehn.

Kahe tuhande viieteistkümnenda aasta jaanuarikuu viieteistkümnendal päeval Brüsselis.

Έγινε στις Βρυξέλλες, στις δέκα πέντε Ιανουαρίου δύο χιλιάδες δεκαπέντε.

Done at Brussels on the fifteenth day of January in the year two thousand and fifteen.

Fait à Bruxelles, le quinze janvier deux mille quinze.

Sastavljeno u Bruxellesu petnaestog siječnja dvije tisuće petnaeste.

Fatto a Bruxelles, addì quindici gennaio duemilaquindici.

Briselē, divi tūkstoši piecpadsmitā gada piecpadsmitajā janvārī.

Priimta du tūkstančiai penkioliktą metų sausio penkioliktą dieną Briuselyje.

Kelt Brüsszelben, a kétezer-tizenötödik év január havának tizenötödik napján.

Magħmul fi Brussell, il-ħmistax-il jum ta' Jannar tas-sena elfejn u ħmistax.

Gedaan te Brussel, de vijftiende januari tweeduizend vijftien.

Sporządzono w Brukseli dnia piętnastego stycznia roku dwa tysiące piętnastego.

Feito em Bruxelas, em quinze de janeiro de dois mil e quinze.

Întocmit la Bruxelles la cincisprezece ianuarie două mii cincisprezece.

V Bruseli pātnāsteho januāra dvetisīcpātnāst.

V Bruslju, dne petnajstega januarja leta dva tisoč petnajst.

Tehty Brysselissä viidentenätoista päivänä tammikuuta vuonna kaksituhattaviisitoista.

Som skedde i Bryssel den femtonde januari tjugohundrafemton.

За държавите членки
 Por los Estados miembros
 Za členské státy
 For medlemsstaterne
 Für die Mitgliedstaaten
 Liikmesriikide nimel
 Για τα κράτη μέλη
 For the Member States
 Pour les États membres
 Za države članice
 Per gli Stati membri
 Dalībvalstu vārdā –
 Valstybių narių vardu
 A tagállamok részéről
 Ghall-Istati Membri
 Voor de lidstaten
 W imieniu Państw Członkowskich
 Pelos Estados-Membros
 Pentru statele membre
 Za členské štáty
 Za države članice
 Jäsenvaltioiden puolesta
 För medlemsstaterna

Za Europejskij s'juz
 Por la Unión Europea
 Za Evropskou unii
 For Den Europæiske Union
 Für die Europäische Union
 Euroopa Liidu nimel
 Για την Ευρωπαϊκή Ένωση
 For the European Union
 Pour l'Union européenne
 Za Evropsku uniju
 Per l'Unione europea
 Eiropas Savienības vārdā –
 Europos Sąjungos vardu
 Az Európai Unió részéről
 Ghall-Unjoni Ewropea
 Voor de Europese Unie
 W imieniu Unii Europejskiej
 Pela União Europeia
 Pentru Uniunea Europeană
 Za Európsku úniu
 Za Evropsko unijo
 Euroopan unionin puolesta
 För Europeiska unionen

За Република Филипини
 Por la República de Filipinas
 Za Filipínskou republiku
 For Republikken Filippinerne
 Für die Republik der Philippinen
 Filipiini Vabariigi nimel
 Για τη Δημοκρατία της Φιλιππίνων
 For the Republic of the Philippines
 Pour la République des Philippines
 Za Republiku Filipine
 Per la Repubblica delle Filippine
 Filipīnu Republikas vārdā –
 Filipinų Respublikos vardu
 A Fülöp-szigeteki Köztársaság részéről
 Ghar-Repubblika tal-Filippini
 Voor de Republiek der Filippijnen
 W imieniu Republiki Filipin
 Pela República das Filipinas
 Pentru Republica Filipine
 Za Filipínsku republiku
 Za Republiko Filipini
 Filippiiniin tasavallan puolesta
 För Republiken Filippinerna

DECISIONS

COUNCIL DECISION (EU) 2017/2429

of 5 December 2017

abrogating Decision 2008/713/EC on the existence of an excessive deficit in the United Kingdom

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 126(12) thereof,

Having regard to the recommendation from the European Commission,

Whereas:

- (1) On 8 July 2008, following a recommendation from the Commission, the Council decided, by Decision 2008/713/EC ⁽¹⁾ in accordance with Article 104(6) of the Treaty establishing the European Community ("TEC"), that an excessive deficit existed in the United Kingdom. The Council noted that, according to the EDP data notified by the United Kingdom authorities in March 2008, the United Kingdom's general government deficit in 2008-09 was expected to reach 3,2 % of GDP, thus exceeding the 3 %-of-GDP Treaty reference value. Furthermore, following the publication of the March 2008 budget, a policy announcement on 13 May 2008 reducing personal income tax in 2008-09 was expected to further increase the planned deficit in that financial year. Adding this measure to the Commission 2008 spring forecast implied a deficit of 3,5 % of GDP in 2008-09. The excessive deficit was also not considered temporary as the Commission forecast, on the basis of unchanged policies, estimated a deficit in 2009-10 of 3,3 % of GDP. The Council further noted that the general government debt ratio remained well below the 60 % reference value, although it was projected to be on a rising trend up to 2009-10.
- (2) On the same date, in accordance with Article 104(7) TEC and Article 3(4) of Council Regulation (EC) No 1467/97 ⁽²⁾, the Council, based on a recommendation from the Commission, addressed a Recommendation to the United Kingdom with a view to bringing the excessive deficit situation to an end by financial year 2009-10 at the latest. The Council also set a deadline of 8 January 2009 for effective action to be taken.
- (3) In accordance with Article 104(8) TEC, the Council decided, on 27 April 2009, by Decision 2009/409/EC ⁽³⁾, that the United Kingdom had not taken effective action in response to the Council Recommendation of 8 July 2008.
- (4) Recognising that the United Kingdom's budgetary position in 2009-10 resulted from the implementation of measures amounting to around 1,5 % of GDP, which were an appropriate response to the European Economic Recovery Plan, and the free play of automatic stabilisers, on 2 December 2009 the Council issued a revised Recommendation under Article 126(7) of the Treaty on the Functioning of the European Union ("TFEU"), recommending that the United Kingdom put an end to the excessive deficit situation by 2014-15. Specifically, in order to bring the general government deficit below 3 % of GDP in a credible and sustainable manner, the United Kingdom was recommended to ensure an average annual fiscal effort of 1¼ % of GDP between 2010-11 and 2014-15. In its Recommendation of 2 December 2009, the Council established a deadline of 2 June 2010 for effective action to be taken in line with the Article 3(4) of Regulation (EC) No 1467/97.
- (5) On 6 July 2010, the Commission concluded that, based on the Commission 2010 spring forecast, the United Kingdom had taken effective action in compliance with the Council Recommendation of 2 December 2009 under Article 126(7) TFEU.

⁽¹⁾ Council Decision 2008/713/EC of 8 July 2008 on the existence of an excessive deficit in the United Kingdom (OJ L 238, 5.9.2008, p. 5).

⁽²⁾ Council Regulation (EC) No 1467/97 of 7 July 1997 on speeding up and clarifying the implementation of the excessive deficit procedure (OJ L 209, 2.8.1997, p. 6).

⁽³⁾ Council Decision 2009/409/EC of 27 April 2009 establishing, in accordance with Article 104(8) of the Treaty, whether effective action has been taken by the United Kingdom in response to the Council Recommendation of 8 July 2008 pursuant to Article 104(7) (OJ L 132, 29.5.2009, p. 11).

- (6) On 19 June 2015, in accordance with Article 126(8) TFEU, the Council decided that the United Kingdom had not taken effective action in response to the Council Recommendation of 2 December 2009. ⁽¹⁾ The Council noted that the United Kingdom had experienced a large fall in real GDP growth as a result of the global economic and financial crisis in 2008 and 2009, which had also affected its public finances. The United Kingdom had subsequently implemented a consolidation plan and the general government deficit had fallen, as a percentage of GDP, each year between the 2009-10 and 2014-15 financial years. In contrast, the general government debt ratio had continued to increase over this period, driven mainly by the headline deficit, but also by financial sector interventions. The Council concluded that, despite a fiscal consolidation programme being set out and implemented, the United Kingdom had not put an end to its excessive deficit by 2014-15. Furthermore, the United Kingdom had not adhered to the average annual fiscal effort of 1 % of GDP that had been recommended by the Council on 2 December 2009.
- (7) On 19 June 2015, in accordance with Article 126(7) TFEU and Article 3(4) of Regulation (EC) No 1467/97, the Council, based on a recommendation from the Commission, addressed a Recommendation to the United Kingdom to correct the excessive deficit by financial year 2016-17. Specifically, the United Kingdom was recommended to reach a headline deficit of 4,1 % of GDP in 2015-16 and 2,7 % of GDP in 2016-17, which was projected to be consistent with delivering an improvement in the structural balance of 0,5 % of GDP in 2015-16 and 1,1 % of GDP in 2016-17, based on the updated Commission 2015 spring forecast.
- (8) On 16 November 2015, the Commission concluded that the United Kingdom had taken effective action towards correcting the excessive deficit by financial year 2016-17, as recommended by the Council on 19 June 2015.
- (9) In accordance with Article 4 of the Protocol (No 12) on the excessive deficit procedure annexed to the Treaty on European Union and to the TFEU, the Commission provides the data for the implementation of the procedure. As part of the application of that Protocol, Member States are to notify data on government deficits and debt and other associated variables twice a year, namely before 1 April and before 1 October, in accordance with Article 3 of Council Regulation (EC) No 479/2009. ⁽²⁾
- (10) The Council takes decisions to abrogate decisions on the existence of an excessive deficit on the basis of notified data. Moreover, a decision on the existence of an excessive deficit should be abrogated only if the Commission forecasts indicate that the deficit will not exceed the Treaty reference value of 3 % of GDP over the forecast horizon. ⁽³⁾
- (11) Based on data provided by the Commission (Eurostat) in accordance with Article 14 of Regulation (EC) No 479/2009, following the 2017 Convergence Programme, the September 2017 notification by the United Kingdom, and the Commission 2017 autumn forecast, the following conclusions are justified:
- The United Kingdom has met the recommended general government deficit targets in recent years. After peaking at 10 % of GDP in 2009-10, the nominal general government deficit has followed a steadily declining trend, falling to 4 % in 2015-16 and 2,3 % in 2016-17, in line with the Council Recommendation of 19 June 2015. Fiscal consolidation undertaken during the period has largely been expenditure based, with total current expenditure falling from 42,9 % of GDP in 2009-10 to 38 % of GDP in 2016-17. A rise in the government revenue ratio, from 37,4 % of GDP in 2009-10 to 38,6 % of GDP in 2016-17, has also contributed, albeit to a lesser extent.
 - The 2016-17 Convergence Programme, submitted by the United Kingdom authorities on 27 April 2017 and covering the period 2016-17 to 2021-22, projected an increase in the general government deficit to 2,8 % of GDP in 2017-18 followed by a fall to 1,9 % of GDP in 2018-19. This forecast was based on a planned general government deficit of 2,7 % in 2016-17, as per the EDP data notified by the United Kingdom authorities in March 2017. Since the submission of the Convergence Programme, the Office for National Statistics (ONS) has revised downwards its estimate of the general government deficit in 2016-17 to 2,3 % of GDP. While the United Kingdom authorities did not subsequently publish an updated forecast for the general

⁽¹⁾ Council Decision 2015/1098/EC of 19 June 2015 establishing that no effective action has been taken by the United Kingdom in response to the Council Recommendation of 2 December 2009 (OJ L 180, 8.7.2015, p. 1).

⁽²⁾ Council Regulation (EC) No 479/2009 of 25 May 2009 on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community (OJ L 145, 10.6.2009, p. 1.)

⁽³⁾ In line with the 'Specifications on the implementation of the Stability and Growth Pact and Guidelines on the format and content of Stability and Convergence Programmes' of 3 September 2012. See: http://ec.europa.eu/economy_finance/economic_governance/sgp/pdf/coc/code_of_conduct_en.pdf

government deficit, the Commission 2017 autumn forecast projects deficits of 2,5 % in 2017-18, 1,8 % in 2018-19, and 1,3 % in 2019-20, based on a no-policy-change assumption. Thus, the deficit is set to remain below the Treaty reference value of 3 % of GDP over the forecast horizon.

- According to its 2017 autumn forecast, the Commission estimates the structural balance, which is the general government balance adjusted for the economic cycle and net of one-off and other temporary measures, to have improved by 3,2 % of GDP between 2008-09 and 2016-17.
 - The United Kingdom's general government gross debt ratio has increased significantly since the Council decided, on 8 July 2008, that an excessive deficit existed in the United Kingdom. The general government debt ratio increased from 41 % of GDP in 2007-08 to 86,8 % in 2016-17, reflecting higher nominal general government deficits as well as financial sector interventions during this period. According to the Commission 2017 autumn forecast, the debt-to-GDP ratio is expected to have peaked in 2016-17 and to decrease gradually to 82,9 % of GDP in 2019-20.
- (12) In accordance with Article 126(12) TFEU, a Council decision on the existence of an excessive deficit is to be abrogated when the excessive deficit in the Member State concerned has, in the view of the Council, been corrected.
- (13) In the view of the Council, the excessive deficit in the United Kingdom has been corrected, and Decision 2008/713/EC should therefore be abrogated.
- (14) As from 2017-18, which is the financial year following the correction of the excessive deficit, the United Kingdom is subject to the preventive arm of the Stability and Growth Pact and should progress towards the minimum medium-term budgetary objective at an appropriate pace, including respecting the expenditure benchmark, and comply with the debt criterion in accordance with Article 2(1a) of Regulation (EC) No 1467/97,

HAS ADOPTED THIS DECISION:

Article 1

From an overall assessment, it follows that the excessive deficit situation in the United Kingdom has been corrected.

Article 2

Decision 2008/713/EC is hereby abrogated.

Article 3

This Decision is addressed to the United Kingdom of Great Britain and Northern Ireland.

Done at Brussels, 5 December 2017.

For the Council
The President
T. TÖNISTE

POLITICAL AND SECURITY COMMITTEE DECISION (CFSP) 2017/2430**of 8 December 2017****on the appointment of the Head of Mission of the European Union Border Assistance Mission for the Rafah Crossing Point (EU BAM Rafah) (EU BAM Rafah/2/2017)**

THE POLITICAL AND SECURITY COMMITTEE,

Having regard to the Treaty on European Union, and in particular the third paragraph of Article 38 thereof,

Having regard to Council Joint Action 2005/889/CFSP ⁽¹⁾ of 25 November 2005 on establishing a European Union Border Assistance Mission for the Rafah Crossing Point (EU BAM Rafah), and in particular Article 10(1) thereof,

Having regard to the proposal from the High Representative of the Union for Foreign Affairs and Security Policy,

Whereas:

- (1) Pursuant to Article 10(1) of Joint Action 2005/889/CFSP, the Political and Security Committee (PSC) is authorised, in accordance with Article 38 of the Treaty, to take the relevant decisions for the purpose of exercising the political control and strategic direction of the European Union Border Assistance Mission for the Rafah Crossing Point (EU BAM Rafah), including the decision to appoint a Head of Mission.
- (2) On 7 July 2015, the PSC adopted Decision EU BAM Rafah/1/2015 ⁽²⁾, appointing Ms Natalina CEA as Head of Mission of EU BAM Rafah from 1 July 2015 to 30 June 2016.
- (3) On 4 July 2017, the Council adopted Decision (CFSP) 2017/1193 ⁽³⁾ extending the duration of EU BAM Rafah until 30 June 2018.
- (4) On 11 July 2017, the PSC adopted Decision EU BAM Rafah/1/2017 ⁽⁴⁾, extending the mandate of Ms Natalina CEA as Head of Mission of EU BAM Rafah for the period until 30 June 2018.
- (5) On 1 December 2017, the High Representative of the Union for Foreign Affairs and Security Policy proposed the appointment of Mr Günther FREISLEBEN as Head of Mission of EU BAM Rafah in place of Ms Natalina CEA from 4 December 2017 to 30 June 2018,

HAS ADOPTED THIS DECISION:

Article 1

Mr Günther FREISLEBEN is hereby appointed Head of Mission of the European Union Border Assistance Mission for the Rafah Crossing Point (EU BAM Rafah) for the period from 4 December 2017 to 30 June 2018.

Article 2

Political and Security Committee Decision EU BAM Rafah/1/2017 is repealed.

⁽¹⁾ OJ L 327, 14.12.2005, p. 28.

⁽²⁾ Political and Security Committee Decision (CFSP) 2015/1128 of 7 July 2015 on the appointment of the Head of Mission of the European Union Border Assistance Mission for the Rafah Crossing Point (EU BAM Rafah) (EU BAM Rafah/1/2015) (OJ L 184, 11.7.2015, p. 16).

⁽³⁾ Council Decision (CFSP) 2017/1193 of 4 July 2017 amending Joint Action 2005/889/CFSP on establishing a European Union Border Assistance Mission for the Rafah Crossing Point (EU BAM Rafah) (OJ L 172, 5.7.2017, p. 12).

⁽⁴⁾ Political and Security Committee Decision (CFSP) 2017/1280 of 11 July 2017 extending the mandate of the Head of Mission of the European Union Border Assistance Mission for the Rafah Crossing Point (EU BAM Rafah) (EU BAM Rafah/1/2017) (OJ L 184, 15.7.2017, p. 63).

Article 3

This Decision shall enter into force on the date of its adoption.

It shall apply from 4 December 2017.

Done at Brussels, 8 December 2017.

For the Political and Security Committee

The Chairperson

W. STEVENS

COUNCIL DECISION (EU) 2017/2431**of 11 December 2017**

on the position to be taken, on behalf of the European Union, within the Joint Committee established by the Cooperation Agreement on Partnership and Development between the European Union and its Member States, of the one part, and the Islamic Republic of Afghanistan, of the other part, as regards the adoption of the Rules of Procedure of the Joint Committee and the setting-up of two special working groups

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union, and in particular Article 37 thereof,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 207 and 209, in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission and the High Representative of the Union for Foreign Affairs and Security Policy,

Whereas:

- (1) The Cooperation Agreement on Partnership and Development between the European Union and its Member States, of the one part, and the Islamic Republic of Afghanistan, of the other part ⁽¹⁾ ('the Agreement'), was signed on 18 February 2017 and is subject to provisional application, pursuant to Article 59(2) and (3) of the Agreement and to Article 3 of Council Decision (EU) 2017/434 ⁽²⁾.
- (2) Pursuant to Article 49 of the Agreement, a Joint Committee has been established to ensure, inter alia, the proper functioning and implementation of the Agreement. In order to contribute to the effective implementation of the Agreement, the Joint Committee should adopt its rules of procedure.
- (3) Pursuant to Article 49 of the Agreement, the Joint Committee may decide to set up special committees or working groups to assist it in the performance of its tasks.
- (4) The position of the Union within the Joint Committee as regards the adoption of the Rules of Procedure of the Joint Committee and the setting up of special working groups should therefore be based on the attached draft Decisions of the Joint Committee,

HAS ADOPTED THIS DECISION:

Article 1

1. The position to be taken on behalf of the Union within the Joint Committee established by Article 49 of the Agreement in relation to:

- (a) the adoption of the Rules of Procedure of the Joint Committee; and
- (b) the setting-up of two special working groups,

shall be based on the draft Decisions of the Joint Committee attached to this Decision.

2. Minor changes to the draft Decisions of the Joint Committee may be agreed to by the representatives of the Union in the Joint Committee without further decision of the Council.

⁽¹⁾ OJ L 67, 14.3.2017, p. 3.

⁽²⁾ Council Decision (EU) 2017/434 of 13 February 2017 on the signing, on behalf of the Union, and provisional application of the Cooperation Agreement on Partnership and Development between the European Union and its Member States, of the one part, and the Islamic Republic of Afghanistan, of the other part (OJ L 67, 14.3.2017, p. 1).

Article 2

This Decision shall enter into force on the date of its adoption.

Done at Brussels, 11 December 2017.

For the Council
The President
F. MOGHERINI

DRAFT

DECISION No 1/2017 OF THE EU-AFGHANISTAN JOINT COMMITTEE
of ...
regarding the adoption of its Rules of Procedure

THE EU-AFGHANISTAN JOINT COMMITTEE,

Having regard to the Cooperation Agreement on Partnership and Development between the European Union and its Member States, on the one part, and the Islamic Republic of Afghanistan, of the other part, and in particular Article 49(5) thereof,

Whereas:

- (1) The Cooperation Agreement on Partnership and Development between the European Union and its Member States, on the one part, and the Islamic Republic of Afghanistan, of the other part ⁽¹⁾ ('the Agreement'), was signed on 18 February 2017 and is subject to provisional application pursuant to Article 59(2) and (3) of the Agreement and to Article 3 of Council Decision (EU) 2017/434 ⁽²⁾.
- (2) The Joint Committee was established pursuant to Article 49 of the Agreement. In order to allow it to perform the tasks entrusted to it, the Joint Committee should adopt its Rules of Procedure,

HAS ADOPTED THIS DECISION:

Article 1

The Rules of Procedure of the Joint Committee, as set out in Annex to this Decision, are hereby adopted.

Article 2

This Decision shall enter into force on the date of its adoption.

Done at ..., ...

For the EU-Afghanistan Joint Committee
The Chair

⁽¹⁾ OJ L 67, 14.3.2017, p. 3.

⁽²⁾ Council Decision (EU) 2017/434 of 13 February 2017 on the signing, on behalf of the Union, and provisional application of the Cooperation Agreement on Partnership and Development between the European Union and its Member States, of the one part, and the Islamic Republic of Afghanistan, of the other part (OJ L 67, 14.3.2017, p. 1).

ANNEX

Rules of Procedure of the Joint Committee*Article 1***Composition and chair**

1. The Joint Committee shall perform the tasks provided for in Article 49 of the Agreement.
2. The Joint Committee shall be composed of representatives of the Parties at the highest possible level and shall be chaired alternately, for a period of one calendar year, by the Party hosting the meeting in the calendar year in question.
3. The Joint Committee shall be chaired alternately by the Minister of Finance of the Islamic Republic of Afghanistan and the High Representative of the Union for Foreign Affairs and Security Policy. They may delegate their authority to preside over all or part of the meetings of the Joint Committee to a senior official.

*Article 2***Meetings**

1. The Joint Committee shall meet annually. Meetings of the Joint Committee shall be convened by the Chair. Meetings shall be held in Brussels and Kabul alternately, on a date fixed by mutual agreement. Special sessions of the Joint Committee may be held at the request of either Party, if the Parties so agree.
2. If the Parties agree, the meetings of the Joint Committee may exceptionally be held by means of video-conference.

*Article 3***Participants**

1. Each Party shall inform the Chair of the intended composition of its delegation, before each meeting of the Joint Committee.
2. The Chair, in agreement with the Parties, may invite experts or representatives of other bodies to the meeting to act as observers or to provide information on a particular subject.

*Article 4***Publicity**

1. The meetings of the Joint Committee shall be held behind closed doors, unless the Chair, in agreement with the Parties, decides that the meeting shall be public.
2. The Joint Committee may issue statements to the public as it deems appropriate.

*Article 5***Secretariat**

A representative of the European External Action Service and a representative of the Government of the Islamic Republic of Afghanistan shall act jointly as Secretaries of the Joint Committee. All communications to and from the Chair shall be forwarded to the Secretaries. Correspondence to and from the Chair may be by any written means, including electronic mail.

*Article 6***Agendas for meetings**

1. The Chair shall draw up a provisional agenda for each meeting of the Joint Committee. The provisional agenda shall be sent, together with the relevant documents, to the Parties at least 15 calendar days before the date of the meeting.
2. Either Party may request the Chair to place an item on the agenda.
3. The agenda shall be adopted by the Joint Committee at the beginning of each meeting. Items other than those appearing on the provisional agenda may be placed on the agenda if the Parties so agree.
4. In special circumstances and in agreement with the Parties, the Chair may shorten the time limit referred to in paragraph 1 in order to take account of the requirements of the particular case.

*Article 7***Minutes**

1. The outcome of the meetings of the Joint Committee shall be in the form of agreed minutes.
2. The Chair shall summarise the conclusions reached by the Joint Committee at each meeting. The two Secretaries shall jointly draw up draft minutes on the basis of those conclusions, preferably at the end of the meeting or at the latest within 30 calendar days following the date of the meeting.
3. The Parties shall approve the draft preferably at the end of the meeting or at the latest within 45 calendar days following the date of the meeting or by any date agreed by the Parties. Once the Parties have approved the draft minutes, two original copies shall be signed by the Chair and by the Secretaries. Each Party shall receive one original copy.

*Article 8***Decisions and recommendations**

1. Decisions and recommendations of the Joint Committee shall be adopted by common agreement of the Parties.
2. Decisions or recommendations of the Joint Committee shall be entitled 'Decision' or 'Recommendation' respectively, followed by a serial number, the date of their adoption and a description of the subject matter. Each decision shall state the date on which it enters into force.
3. The Joint Committee may adopt decisions or recommendations by means of a written procedure. In such cases, the Parties shall agree a time-limit for the duration of the procedure. If at the expiry of that time-limit, no Party has expressed opposition to the proposed decision or recommendation, the Chair shall declare the decision or recommendation to have been adopted by common agreement.
4. Decisions and recommendations of the Joint Committee shall be made in two authentic copies signed by the Chair.
5. Each Party may publish the decisions and recommendations of the Joint Committee in its respective official publication.

*Article 9***Expenses**

1. Each Party shall bear the expenses it incurs in relation to its participation in the meetings of the Joint Committee, both with regard to staff, travel and subsistence expenditure and to postal and telecommunications expenditure.
2. Each Party shall bear the expenses it incurs in connection with interpretation at meetings and translation.
3. The Party hosting the meeting shall bear the expenses in connection with the organisation of meetings and reproduction of documents.

*Article 10***Special committees and working groups**

1. The Joint Committee may set up special committees or working groups to assist it in the performance of its tasks.
 2. The Joint Committee may decide to abolish any existing special committee or working group, adopt or amend their terms of reference.
 3. The special committees or working groups shall make detailed reports of their activities to the Joint Committee after each of their meetings and may make recommendations to the Joint Committee.
-

DRAFT

DECISION No 2/2017 OF THE EU-AFGHANISTAN JOINT COMMITTEE
of ...
establishing two special working groups and adopting their terms of reference

THE EU-AFGHANISTAN JOINT COMMITTEE,

Having regard to the Cooperation Agreement on Partnership and Development between the European Union and its Member States, on the one part, and the Islamic Republic of Afghanistan, of the other part, and in particular Article 49(3) thereof, and to Article 10 of the Rules of Procedure of the Joint Committee,

Whereas:

- (1) The Cooperation Agreement on Partnership and Development between the European Union and its Member States, on the one part, and the Islamic Republic of Afghanistan, of the other part ⁽¹⁾ ('the Agreement'), was signed on 18 February 2017 and is subject to provisional application, pursuant to Article 59 thereof.
- (2) In order to contribute to the effective implementation of the Agreement, its institutional framework should be established.
- (3) Pursuant to Article 49(3) of the Agreement and Article 10 of the Rules of Procedure of the Joint Committee, the Joint Committee may decide to set up special committees or working groups to assist it in the performance of its tasks.
- (4) To allow for expert level discussions on the key areas falling within the scope of the Agreement, special working groups should be established. The Parties may further agree to amend the list of special committees or working groups and/or their scope.
- (5) The special working groups should become operational in a timely manner,

HAS ADOPTED THIS DECISION:

Article 1

The special working groups listed in Annex A are hereby established. The terms of reference of the special working groups shall be as set out in Annex B.

Article 2

This Decision shall enter into force on the date of its adoption.

Done at ..., ...

For the EU-Afghanistan Joint Committee
The Chair

⁽¹⁾ OJ L 67, 14.3.2017, p. 3.

ANNEX A

EU-Afghanistan Joint Committee**Special working groups**

1. Special Working Group on Human Rights, Good Governance and Migration.
 2. Special Working Group on Economic and Social Development.
-

ANNEX B

Terms of reference of special working groups established under the Cooperation Agreement on Partnership and Development between the European Union and its Member States, on the one part, and the Islamic Republic of Afghanistan, of the other part*Article 1*

The special working groups may discuss the implementation of the Agreement in the areas they cover. They may also discuss subjects or specific projects related to the relevant area of bilateral cooperation.

Article 2

The special working groups shall work under the authority of the Joint Committee. They shall report and transmit their minutes and conclusions to the Chair of the Joint Committee within 30 calendar days after each meeting.

Article 3

1. The special working groups shall be composed of representatives of the Parties.
2. The special working groups may invite experts to their meetings and may hear them regarding specific points on the agenda.

Article 4

The special working groups shall be chaired by the Party chairing the Joint Committee.

Article 5

A representative of the European Union and a representative of the Government of Afghanistan shall act jointly as Secretaries of the special working groups.

Article 6

1. The special working groups shall meet whenever circumstances require, on the basis of a written request from either Party, and at least once a year. Each meeting shall be held at a place and date commonly agreed by the Parties.
2. Where one Party requests a meeting of a special working group, the Secretary of the other Party shall reply within 15 working days of receipt of that request. In cases of particular urgency, a meeting of a special working group may be convened at shorter notice, subject to the agreement of the Parties.
3. Meetings of the special working groups shall be jointly convened by the two Secretaries.

Article 7

1. Either Party may request the Chair to place an item on the agenda of a meeting of a special working group. Items for inclusion on the agenda shall be submitted to the Secretaries at least 15 working days before the date of the meeting in question. Any supporting documentation shall be provided to the Secretaries at least 10 working days before the meeting.
2. The Secretaries shall communicate the draft agenda to the Parties not later than 5 working days before the meeting. In exceptional circumstances, upon agreement of the Parties, items may be added to the agenda at short notice.

Article 8

1. The Secretaries shall jointly draw up draft minutes of each meeting.
 2. The meetings of the special working groups shall be held behind closed doors, unless the Chair, in agreement with the Parties, decides that the meeting shall be public.
-

**POLITICAL AND SECURITY COMMITTEE DECISION (CFSP) 2017/2432
of 13 December 2017**

on the appointment of the EU Force Commander for the European Union military operation in the Southern Central Mediterranean (EUNAVFOR MED operation SOPHIA) and repealing Decision (CFSP) 2017/1534 (EUNAVFOR MED/3/2017)

THE POLITICAL AND SECURITY COMMITTEE,

Having regard to the Treaty on European Union, and in particular Article 38 thereof,

Having regard to Council Decision (CFSP) 2015/778 of 18 May 2015 on a European Union military operation in the Southern Central Mediterranean (EUNAVFOR MED operation SOPHIA) ⁽¹⁾, and in particular Article 6 thereof,

Whereas:

- (1) Pursuant to Article 6(1) of Decision (CFSP) 2015/778, the Council authorised the Political and Security Committee (PSC) to take decisions on the appointment of the EU Force Commander for EUNAVFOR MED operation SOPHIA ('EU Force Commander').
- (2) On 31 August 2017, the PSC adopted Decision (CFSP) 2017/1534 ⁽²⁾ appointing Rear Admiral (LH) Javier MORENO SUSANNA as EU Force Commander.
- (3) The EU Operation Commander has recommended the appointment of Rear Admiral (LH) Alberto MAFFEIS to succeed Rear Admiral (LH) Javier MORENO SUSANNA as the new EU Force Commander as from 14 December 2017.
- (4) On 6 December 2017, the EU Military Committee supported that recommendation.
- (5) A decision on the appointment of Rear Admiral (LH) Alberto MAFFEIS should be taken and Decision (CFSP) 2017/1534 should therefore be repealed.
- (6) In accordance with Article 5 of Protocol No 22 on the position of Denmark, annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union, Denmark does not participate in the elaboration and the implementation of decisions and actions of the Union which have defence implications,

HAS ADOPTED THIS DECISION:

Article 1

Rear Admiral (LH) Alberto MAFFEIS is hereby appointed as EU Force Commander for the European Union military operation in the Southern Central Mediterranean (EUNAVFOR MED operation SOPHIA) as from 14 December 2017.

Article 2

Decision (CFSP) 2017/1534 is hereby repealed.

Article 3

This Decision shall enter into force on 14 December 2017.

Done at Brussels, 13 December 2017.

For the Political and Security Committee

The Chairperson

W. STEVENS

⁽¹⁾ OJ L 122, 19.5.2015, p. 31.

⁽²⁾ Political and Security Committee Decision (CFSP) 2017/1534 of 31 August 2017 on the appointment of the EU Force Commander for the European Union military operation in the Southern Central Mediterranean (EUNAVFOR MED operation SOPHIA) and repealing Decision (CFSP) 2017/681 (EUNAVFOR MED/2/2017) (OJ L 233, 9.9.2017, p. 4).

COUNCIL DECISION (EU) 2017/2433**of 18 December 2017**

on the position to be adopted on behalf of the European Union within the Customs Sub-Committee established by the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, as regards the replacement of Protocol I to that Agreement, concerning the definition of the concept of ‘originating products’ and methods of administrative cooperation, by a new protocol which refers to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 207 in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) The Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part ⁽¹⁾ (‘the Agreement’), was concluded by the Union by Council Decision (EU) 2016/838 ⁽²⁾ and entered into force on 1 July 2016.
- (2) Pursuant to Article 38 of Protocol I to the Agreement (‘Protocol I’), the EU-Georgia Customs Sub-Committee established by Article 74(1) of the Agreement (‘Customs Sub-Committee’) may adopt amendments to the provisions of that Protocol.
- (3) The Customs Sub-Committee is to adopt a decision on the replacement of Protocol I, concerning the definition of the concept of ‘originating products’ and methods of administrative cooperation, by a new protocol which refers to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin ⁽³⁾ (‘the Convention’).
- (4) The Convention lays down provisions on the origin of goods traded under relevant agreements concluded between the Contracting Parties. The Convention entered into force in relation to the Union and to Georgia on 1 May 2012 and on 1 July 2017 respectively.
- (5) Article 6 of the Convention provides that each Contracting Party is to take appropriate measures to ensure that the Convention is effectively applied. To that effect, Protocol I should be replaced by a new protocol which, with regard to the rules of origin, refers to the Convention.
- (6) It is appropriate to establish the position to be adopted on the Union’s behalf in the Customs Sub-Committee, as the decision will be binding upon the Union,

HAS ADOPTED THIS DECISION:

Article 1

The position to be adopted on the Union’s behalf within the Customs Sub-Committee established by Article 74(1) of the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, shall be based on the draft Decision of the Customs Sub-Committee attached to this Decision.

Minor technical corrections to the draft decision of the Customs Sub-Committee may be agreed to by the representatives of the Union in the Customs Sub-Committee without further decision of the Council.

⁽¹⁾ OJ L 261, 30.8.2014, p. 4.

⁽²⁾ Council Decision (EU) 2016/838 of 23 May 2016 on the conclusion, on behalf of the European Union, of the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part (OJ L 141, 28.5.2016, p. 26).

⁽³⁾ OJ L 54, 26.2.2013, p. 4.

Article 2

This Decision is addressed to the Commission.

Done at Brussels, 18 December 2017.

For the Council
The President
K. SIMSON

DRAFT

DECISION No .../2017 OF THE EU-GEORGIA CUSTOMS SUB-COMMITTEE**of ...**

replacing Protocol I to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, concerning the definition of the concept of 'originating products' and methods of administrative cooperation

THE EU-GEORGIA CUSTOMS SUB-COMMITTEE,

Having regard to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part ⁽¹⁾, and in particular Article 23(2) thereof,

Having regard to Protocol I to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, concerning the definition of the concept of 'originating products' and methods of administrative cooperation,

Whereas:

- (1) Article 23(2) of the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part ('the Agreement'), refers to Protocol I to the Agreement ('Protocol I') for the rules of origin.
- (2) The Agreement entered into force on 1 July 2016.
- (3) Article 38 of Protocol I provides that the Customs Sub-Committee provided for in Article 74(1) of the Agreement may decide to amend the provisions of Protocol I.
- (4) The Regional Convention on pan-Euro-Mediterranean preferential rules of origin ⁽²⁾ ('the Convention') aims to replace the protocols on rules of origin currently in force among the countries of the pan-Euro-Mediterranean area with a single legal act.
- (5) The Union signed the Convention on 15 June 2011. By its Decision No 1/2016 ⁽³⁾, the Joint Committee established by Article 3(1) of the Convention decided that Georgia should be invited to accede to the Convention.
- (6) The Union and Georgia deposited their instruments of acceptance with the depositary of the Convention on 26 March 2012 and 17 May 2017 respectively. Consequently, in application of Article 10(3) of the Convention, the Convention entered into force in relation to the Union and to Georgia on 1 May 2012 and on 1 July 2017 respectively.
- (7) Protocol I should therefore be replaced by a new protocol making reference to the Convention,

HAS ADOPTED THIS DECISION:

Article 1

Protocol I to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part, concerning the definition of the concept of 'originating products' and methods of administrative cooperation shall be replaced by the text set out in the Annex to this Decision.

⁽¹⁾ OJ L 261, 30.8.2014, p. 4.

⁽²⁾ OJ L 54, 26.2.2013, p. 4.

⁽³⁾ Decision No 1/2016 of the Joint Committee of the Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin of 28 September 2016 as regards the request of Georgia to become a Contracting Party to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin [2016/2126] (OJ L 329, 3.12.2016, p. 118).

Article 2

This Decision shall enter into force on the date of its adoption.

It shall apply from ...

Done at ...,

For the Customs Sub-Committee
The Chairman

ANNEX

Protocol I**concerning the definition of the concept of 'originating products' and methods of administrative cooperation***Article 1***Applicable rules of origin**

1. For the purpose of implementing this Agreement, Appendix I and the relevant provisions of Appendix II to the Regional Convention on pan-Euro-Mediterranean preferential rules of origin ⁽¹⁾ ('the Convention') shall apply.
2. All references to the 'relevant agreement' in Appendix I and in the relevant provisions of Appendix II to the Convention shall be construed so as to mean this Agreement.

*Article 2***Dispute settlement**

1. Where disputes arise in relation to the verification procedures of Article 32 of Appendix I to the Convention that cannot be settled between the customs authorities requesting the verification and the customs authorities responsible for carrying out that verification, they shall be submitted to the Customs Sub-Committee. The provisions on the dispute settlement mechanism in Chapter 14 (Dispute Settlement) of Title IV (Trade and Trade-related Matters) of this Agreement shall not apply.
2. In all cases the settlement of disputes between the importer and the customs authorities of the importing country shall take place under the legislation of that country.

*Article 3***Amendments to the Protocol**

The Customs Sub-Committee may decide to amend the provisions of this Protocol.

*Article 4***Withdrawal from the Convention**

1. Should either the European Union or Georgia give notice in writing to the depositary of the Convention of their intention to withdraw from the Convention according to Article 9 thereof, the Union and Georgia shall immediately enter into negotiations on rules of origin for the purpose of implementing this Agreement.
2. Until the entry into force of such newly negotiated rules of origin, the rules of origin contained in Appendix I and, where appropriate, the relevant provisions of Appendix II to the Convention, applicable at the moment of withdrawal, shall continue to apply to this Agreement. However, as of the moment of withdrawal, the rules of origin contained in Appendix I and, where appropriate, the relevant provisions of Appendix II to the Convention shall be construed so as to allow bilateral cumulation between the Union and Georgia only.

*Article 5***Transitional provisions – cumulation**

Notwithstanding Articles 16(5) and 21(3) of Appendix I to the Convention, where cumulation involves only EFTA States, the Faroe Islands, the Union, Turkey, the participants in the Stabilisation and Association Process, the Republic of Moldova and Georgia, the proof of origin may be a movement certificate EUR.1 or an origin declaration.'

⁽¹⁾ OJ L 54, 26.2.2013, p. 4.

COUNCIL DECISION (EU) 2017/2434**of 18 December 2017**

on the position to be adopted on behalf of the European Union within the Joint Council established by the Political Dialogue and Cooperation Agreement between the European Union and its Member States, of the one part, and the Republic of Cuba, of the other part, as regards the adoption of a decision of the Joint Council on the rules of procedure of the Joint Council and those of the Joint Committee

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union, and in particular Article 37 thereof,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 207 and 209 in conjunction with Article 218(9) thereof,

Having regard to the proposal from the European Commission and the High Representative of the Union for Foreign Affairs and Security Policy,

Whereas:

- (1) The Political Dialogue and Cooperation Agreement between the European Union and its Member States, of the one part, and the Republic of Cuba, of the other part ⁽¹⁾ ('the Agreement') was signed in Brussels on 12 December 2016 and has been applied in part on a provisional basis since 1 November 2017.
- (2) Articles 81 and 82 of the Agreement establish a Joint Council and a Joint Committee to facilitate the implementation of the Agreement.
- (3) Article 81(4) of the Agreement provides that the Joint Council is to establish its own rules of procedure, and Article 82(3) provides that the Joint Council is to establish the rules of procedure of the Joint Committee.
- (4) Article 81(3) and (5) of the Agreement provides that the Joint Council is composed of representatives of the Parties at ministerial level and is to be chaired alternately by a representative of the Union and of Cuba.
- (5) Article 82(1) and (5) of the Agreement provides that the Joint Committee is composed of representatives of the Parties at senior official level and is to be chaired alternately by a representative of the Union and of Cuba.
- (6) In order to ensure the effective implementation of the Agreement, the rules of procedure of the Joint Council and of the Joint Committee should be adopted.
- (7) The position of the Union within the Joint Council should therefore be based on the attached draft Decision,

HAS ADOPTED THIS DECISION:

Article 1

The position to be adopted on the Union's behalf within the Joint Council established by Article 81 of the Agreement shall be based on the draft Decision of the Joint Council attached to this Decision.

Article 2

This Decision shall enter into force on the date of its adoption.

Done at Brussels, 18 December 2017.

For the Council

The President

K. SIMSON

⁽¹⁾ OJ L 337 I, 13.12.2016, p. 3.

DRAFT

DECISION No 1/... OF THE EU-CUBA JOINT COUNCIL
of ...
adopting its Rules of Procedure and those of the Joint Committee

THE EU-CUBA JOINT COUNCIL,

Having regard to the Political Dialogue and Cooperation Agreement between the European Union and its Member States, of the one part, and the Republic of Cuba, of the other part, ('the Agreement') and in particular Articles 81(4) and 82(3) thereof,

Whereas:

- (1) In accordance with Article 86(3) of the Agreement, parts of the Agreement have been applied provisionally between the Union and Cuba since 1 November 2017.
- (2) Pursuant to Article 81(4) of the Agreement, the Joint Council is to establish its own rules of procedure.
- (3) Pursuant to Article 82(1) of the Agreement, the Joint Council is to be assisted in the performance of its duties by a Joint Committee.
- (4) Pursuant to Article 82(3) of the Agreement, the Joint Council is to establish the rules of procedure of the Joint Committee,

HAS ADOPTED THIS DECISION:

Article 1

The Rules of Procedure of the Joint Council and those of the Joint Committee, as set out in Annexes 1 and 2 respectively, are hereby adopted.

Article 2

This Decision shall enter into force on the date of its adoption.

Done at ..., ...

For the Joint Council
The Chair

ANNEX 1

Rules of Procedure of the Joint Council

*Article 1***General provisions**

1. The Joint Council established in accordance with Article 81(1) of the Political Dialogue and Cooperation Agreement between the European Union and its Member States, of the one part, and the Republic of Cuba, of the other part ('the Agreement') shall perform its duties as provided for in Article 81(2) of the Agreement.
2. In accordance with Article 81(3) of the Agreement, the Joint Council shall be composed of representatives of the Parties. It shall meet at ministerial level.
3. As provided for in Article 81(6) of the Agreement, and for the purpose of attaining the objectives thereof, the Joint Council shall have the power to take decisions that are binding upon the Parties. The Joint Council shall take appropriate measures for the implementation of its decisions, including, if necessary, by empowering specific bodies established under the Agreement, to act on its behalf. The Joint Council may also make recommendations. It shall adopt its decisions and recommendations by agreement between the Parties after the completion of their respective internal procedures, in accordance with Article 11 of these Rules of Procedure. The Joint Council may delegate the power to take decisions to the Joint Committee.
4. The Parties in these Rules of Procedure are those defined as in Article 84 of the Agreement.

*Article 2***Chairmanship**

The Joint Council shall be chaired alternately, from one meeting to the next, by a representative of the European Union and a representative of the Republic of Cuba. The first Joint Council shall be chaired by a representative of the European Union.

*Article 3***Meetings**

1. The Joint Council shall meet regularly at least every two years, and when circumstances require, if the Parties so agree. Unless otherwise agreed by the Parties, the Joint Council shall be held at the usual venue for meetings of the Council of the European Union.
2. The meetings of the Joint Council shall be held at a date agreed by the Parties.
3. The meetings of the Joint Council shall be convened jointly by the Secretaries of the Joint Council, in agreement with the Chair of the Joint Council, not later than 30 days before the date of the meeting.

*Article 4***Representation**

1. The members of the Joint Council may be represented if unable to attend. If a member wishes to be represented, that member shall inform the Chair in writing of the name of his representative before the meeting in question.
2. The representative of a member of the Joint Council shall exercise all the rights of that member.

*Article 5***Delegations**

The members of the Joint Council may be accompanied by officials. Before each meeting, the Chair shall be informed, through the Secretariat, of the intended composition of the delegation of each Party.

*Article 6***Secretariat**

An official of the General Secretariat of the Council of the European Union and an official of the Government of Cuba shall act jointly as Secretaries of the Joint Council.

*Article 7***Correspondence**

1. Correspondence addressed to the Joint Council shall be directed to either Secretary, who in turn shall inform the other Secretary.
2. The two Secretaries shall ensure that correspondence is forwarded to the Chair and, where appropriate, circulated to the members of the Joint Council.
3. Correspondence circulated in accordance with paragraph 2 shall be sent, as appropriate, to the Secretariat-General of the European Commission, the European External Action Service and the Permanent Representations of the Member States to the European Union, as well as to the Mission of Cuba to the European Union and the Ministry of Foreign Affairs of the Republic of Cuba.
4. Communications from the Chair of the Joint Council shall be sent to the addressees by the two Secretaries on behalf of the Chair of the Joint Council. Such communications shall be circulated, where appropriate, to the members of the Joint Council as provided for in paragraph 3.

*Article 8***Confidentiality**

1. Unless decided otherwise by the Parties, the meetings of the Joint Council shall not be public.
2. When a Party submits to the Joint Council information designated as confidential, the other Party shall treat that information as such.

*Article 9***Agendas for the meetings**

1. The Chair shall draw up a provisional agenda for each meeting. It shall be circulated by the Secretaries to the addressees referred to in Article 7 not later than 15 calendar days before the meeting.
2. The provisional agenda shall include the items in respect of which the Chair has received a request for inclusion in the agenda not later than 21 calendar days before the meeting. Such items shall be accompanied by the relevant supporting documents to be sent to the Secretaries before the date of dispatch of the agenda.
3. The agenda shall be adopted by the Joint Council at the beginning of each meeting. An item other than those appearing on the provisional agenda may be placed on the agenda if the Parties so agree.
4. The Chair may reduce, in consultation with the Parties, the time limits specified in paragraphs 1 and 2 in order to take account of the requirements of a particular case.
5. The Joint Council may, by agreement between the Parties, invite independent experts in a subject area to attend its meetings as observers or in order to provide information on particular subjects. The Parties shall agree on a case-by-case basis on the terms and conditions under which these experts may attend the meetings and ensure that they respect any confidentiality requirements.

*Article 10***Minutes**

1. Draft minutes of each meeting shall be drawn up jointly by the two Secretaries.

2. The minutes shall, unless otherwise agreed at the meeting, indicate in respect of each item on the agenda:
 - (a) the documentation submitted to the Joint Council;
 - (b) statements which a member of the Joint Council has asked to be entered in the minutes; and
 - (c) issues agreed to by the Parties, such as decisions adopted, statements agreed upon and any conclusions.
3. The draft minutes shall be submitted to the Joint Council for approval. The Joint Council shall approve the draft minutes at its next meeting. Alternatively, the draft minutes may be approved in writing by the Joint Council prior to the next meeting.

Article 11

Decisions and recommendations

1. The Joint Council shall take decisions and make recommendations by mutual agreement between the Parties after the completion of their respective internal procedures.
2. The Joint Council may also take decisions or make recommendations by written procedure if the Parties so agree. For this purpose, the draft of the proposal shall be circulated in writing by the Chair of the Joint Council to its members pursuant to Article 7, with a time limit of no less than 21 calendar days, within which members shall make known any reservations or amendments they wish to make. The Chair may reduce, in consultation with the Parties, the aforementioned time limit in order to take account of the requirements of a particular case.
3. The acts of the Joint Council shall be entitled 'Decision' or 'Recommendation', as appropriate, followed by a serial number, the year of their adoption and a description of their subject-matter. The decisions and recommendations of the Joint Council shall be signed by the Chair and circulated to the addressees referred to in Article 7 of these Rules of Procedure. Each Party may decide on the publication of the decisions and recommendations of the Joint Council in its respective official publication.
4. Each decision shall enter into force on the date of its adoption unless the decision provides otherwise.

Article 12

Languages

1. The official languages of the Joint Council shall be English and Spanish.
2. Unless decided otherwise, the Joint Council shall base its deliberations on documentation prepared in those languages.

Article 13

Expenses

1. Each Party shall meet any expenses it incurs as a result of participating in the meetings of the Joint Council, with regard to both staff, travel and subsistence expenditure and postal and telecommunications expenditure.
2. Expenditure in connection with interpretation at meetings, translation and reproduction of documents shall be borne by the European Union. In the event that Cuba requires interpretation or translation into or from languages other than those provided for in Article 12, it shall bear the related expenses.
3. Other expenditure relating to the organisation of meetings shall be borne by the Party hosting the meetings.

Article 14

Joint Committee

1. In accordance with Article 82 of the Agreement, the Joint Council shall be assisted in the performance of its duties by the Joint Committee. The Joint Committee shall be composed of representatives of the Parties, in principle at senior official level.

2. The Joint Committee shall prepare the meetings and deliberations of the Joint Council, implement the decisions of the Joint Council where appropriate and, in general, ensure continuity of the relationship and the proper functioning of the Agreement. It shall consider any matter referred to it by the Joint Council as well as any other matter that may arise in the course of the implementation of the Agreement. It shall submit proposals or any draft decisions or recommendations to the Joint Council for its approval.

3. The Joint Committee shall take decisions and make recommendations where it is empowered to do so by the Agreement. In accordance with Article 82(4) of the Agreement, the Joint Council may empower the Joint Committee to take decisions.

4. In cases where the Agreement refers to an obligation to consult or a possibility of consultation or where the Parties decide by mutual agreement to consult each other, such consultation may take place within the Joint Committee, except as otherwise specified in the Agreement. The consultation may continue in the Joint Council if the Parties so agree.

Article 15

Amendment of Rules of Procedure

These Rules of Procedure may be amended by a decision of the Joint Council, in accordance with Article 11.

ANNEX 2

Rules of Procedure of the Joint Committee

*Article 1***General provisions**

1. The Joint Committee established in accordance with Article 82 of the Political Dialogue and Cooperation Agreement between the European Union and its Member States, of the one part, and the Republic of Cuba, of the other part ('the Agreement') shall assist the Joint Council in the performance of its duties and functions and perform the tasks provided for in the Agreement and assigned to it by the Joint Council.
2. The Joint Committee shall prepare the meetings and deliberations of the Joint Council, implement the decisions of the Joint Council where appropriate and, in general, ensure continuity of the relationship and the proper functioning of the Agreement. It shall consider any matter referred to it by the Joint Council as well as any other matter that may arise in the course of the day-to-day implementation of the Agreement. It shall submit proposals or any draft decisions or recommendations for adoption by the Joint Council.
3. In accordance with Article 82(1) of the Agreement, the Joint Committee shall be composed of representatives of the Parties, at senior official level, taking into consideration the specific issues to be addressed.
4. The Parties in these Rules of Procedure are those defined as in Article 84 of the Agreement.

*Article 2***Chairmanship**

The Joint Committee shall be chaired alternately, from one meeting to the next, by a representative of the European Union and a representative of the Republic of Cuba. The first Party to hold the Chairmanship is the Republic of Cuba.

*Article 3***Meetings**

1. Unless otherwise agreed by the Parties, the Joint Committee shall meet regularly, at least once a year. Special sessions of the Joint Committee may be held if the Parties so agree, at the request of either Party.
2. Each meeting shall be convened by the Chair at a date and place agreed by the Parties. The notice concerning the convening of the meeting shall be issued by the Secretariat of the Joint Committee not later than 28 calendar days before the date of the meeting, unless the Parties agree otherwise.
3. Whenever possible, the regular meeting of the Joint Committee shall be convened in due time in advance of the regular meeting of the Joint Council.
4. By way of exception and if the Parties agree, the meetings of the Joint Committee may be held by any agreed technological means, such as video-conference.

*Article 4***Delegations**

Before each meeting, the Parties shall be informed, through the Secretariat, of the intended composition of the delegations attending the meeting on either side.

*Article 5***Secretariat**

An official of the European Union and an official of the Government of Cuba shall act jointly as Secretaries of the Joint Committee and shall execute secretarial tasks in a joint manner unless these Rules of Procedure provide otherwise, in a spirit of mutual trust and cooperation.

*Article 6***Correspondence**

1. Correspondence addressed to the Joint Committee shall be directed to either Secretary, who in turn shall inform the other Secretary.
2. The Secretariat shall ensure that correspondence addressed to the Joint Committee is forwarded to the Chair and circulated, where appropriate, in accordance with Article 7.
3. Correspondence from the Chair shall be sent to the Parties by the Secretariat on behalf of the Chair. Such correspondence shall be circulated, where appropriate, in accordance with Article 7.

*Article 7***Documents**

1. Documents shall be circulated through the Secretaries.
2. A Party shall transmit its documents to its Secretary. The Secretary shall transmit those documents to the Secretary of the other Party without undue delay.
3. Each Secretary shall circulate the documents to the responsible representatives of his or her Party, systematically including the Secretary of the other Party in copy.

*Article 8***Confidentiality**

Unless otherwise decided by the Parties, the meetings of the Joint Committee shall not be public. When a Party submits to the Joint Committee information designated as confidential, the other Party shall treat that information as such.

*Article 9***Agendas for the meetings**

1. A provisional agenda for each meeting as well as draft operational conclusions as provided for in Article 10 shall be drawn up by the Secretariat on the basis of proposals made by the Parties. The provisional agenda shall include items in respect of which the Secretariat has received a request for inclusion in the agenda by a Party, supported by relevant documents, not later than 21 calendar days before the meeting.
2. The provisional agenda, together with the relevant documents, shall be circulated in accordance with Article 7, not later than 15 calendar days before the meeting date.
3. The agenda shall be adopted by the Joint Committee at the beginning of each meeting. Items other than those appearing on the provisional agenda may be placed on the agenda if the Parties so agree.
4. The Chair of the meeting of the Joint Committee may, on an ad hoc basis and subject to the agreement of the other Party, invite independent experts in a subject-area to attend its meetings in order to provide information on specific subjects. The Parties shall ensure that those observers or experts respect any confidentiality requirements.
5. The Chair of the meeting of the Joint Committee may reduce, in consultation with the Parties, the time limits specified in paragraphs 1 and 2 in order to take account of special circumstances.

*Article 10***Minutes and operational conclusions**

1. Draft minutes of each meeting shall be drawn up jointly by the two Secretaries.
2. The minutes shall, as a general rule, indicate in respect of each item on the agenda:
 - (a) a list of participants, a list of accompanying officials and a list of any observers or experts who attended the meeting;
 - (b) the documentation submitted to the Joint Committee;

- (c) statements which the Joint Committee has asked to be entered in the minutes; and
 - (d) operational conclusions from the meeting.
3. The draft minutes shall be submitted to the Joint Committee for approval. The Joint Committee shall approve the minutes at its next meeting or, alternatively, in writing.
4. Draft operational conclusions of each meeting shall be drawn up by the Secretary of the Party holding the Chairmanship, and circulated to the Parties together with the agenda, normally not later than 15 calendar days before the meeting. That draft shall be updated as the meeting proceeds so that at the end of the meeting, unless agreed otherwise by the Parties, the Joint Committee adopts the operational conclusions, reflecting follow-up action to be taken by the Parties. Once agreed, the operational conclusions shall be attached to the minutes and their implementation shall be reviewed in any subsequent meeting of the Joint Committee. To that end, the Joint Committee shall adopt a template, allowing for each action point to be tracked against a specific deadline.

Article 11

Decisions and recommendations

1. In the specific cases where the Agreement confers the power to take decisions or where such power has been delegated to it by the Joint Council, the Joint Committee shall take decisions. It shall also make recommendations to the Joint Council. Decisions and recommendations shall be made by mutual agreement between the Parties and on completion of the respective internal procedures. Each decision or recommendation shall be signed by the Chair.
2. The Joint Committee may take decisions or make recommendations by written procedure if the Parties so agree. The written procedure shall consist of an exchange of notes between the two Secretaries, acting in agreement with the Parties. For this purpose, the text of the proposal shall be circulated in accordance with Article 7, with a time limit of no less than 21 calendar days, within which any comments or objections shall be made known. The Chair of the Joint Committee may, in consultation with the Parties, reduce that time limit, in order to take account of special circumstances. Once the text is agreed, the decision or recommendation shall be signed by the Chair.
3. The acts of the Joint Committee shall be entitled 'Decision' or 'Recommendation', as appropriate, followed by a serial number, the year of their adoption and a description of their subject-matter. Each decision shall enter into force on the date of its adoption unless it provides otherwise.
4. The decisions and recommendations shall be circulated to the Parties.
5. Each Party may decide on the publication of the decisions and recommendations of the Joint Committee in its respective official publication.

Article 12

Reports

The Joint Committee shall report to the Joint Council on its activities and those of its subcommittees at each regular meeting of the Joint Council.

Article 13

Languages

1. The official languages of the Joint Committee shall be the official languages of the Joint Council.
2. The working languages of the Joint Committee shall be English and Spanish. Unless decided otherwise, the Joint Committee shall base its deliberations on documentation prepared in those languages.

Article 14

Expenses

1. Each Party shall meet any expenses it incurs as a result of participating in the meetings of the Joint Committee, with regard to both staff, travel and subsistence expenditure and postal and telecommunications expenditure.

2. Expenditure in connection with the organisation of meetings, the reproduction of documents and interpreting at meetings and translation of documents into or from English and Spanish shall be borne by the Party hosting the meeting. Interpreting and translation into or from other languages shall be borne directly by the requesting Party.

Article 15

Amendment of Rules of Procedure

These Rules of Procedure may be amended by a decision of the Joint Council in accordance with Article 11 of the Rules of Procedure of the Joint Council.

Article 16

Subcommittees

1. In accordance with Article 83(1) of the Agreement, the Joint Committee may decide to create a subcommittee in specific areas necessary for the implementation of the Agreement to assist it in the performance of its duties. The Joint Committee may decide to abolish any such subcommittee, and define or amend its rules of procedure. Unless decided otherwise, those subcommittees shall work under the authority of the Joint Committee, to which they shall report after each of their meetings.

2. Unless provided otherwise by the Agreement or agreed in the Joint Council, these Rules of Procedure shall be applied *mutatis mutandis* to any subcommittee established by the Agreement or under paragraph 1.

3. The meetings of the subcommittees may be held as and when the need arises in person, either in Brussels or in Cuba, or, for example, by videoconference. The subcommittees shall be the platform for monitoring progress on approximation in specific areas, discussing certain issues and challenges arising from that process and formulating recommendations and operational conclusions.

4. The Secretariat of the Joint Committee shall be in copy for all relevant correspondence, documents and communications pertaining to the work of a subcommittee.

5. Unless agreed otherwise by the Parties within the Joint Council, the subcommittees shall only have the power to make recommendations to the Joint Committee.

COUNCIL DECISION (EU) 2017/2435
of 18 December 2017
appointing a member, proposed by Malta, of the Committee of the Regions

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 305 thereof,

Having regard to the proposal of the Government of Malta,

Whereas:

- (1) On 26 January 2015, 5 February 2015 and 23 June 2015, the Council adopted Decisions (EU) 2015/116 ⁽¹⁾, (EU) 2015/190 ⁽²⁾ and (EU) 2015/994 ⁽³⁾ appointing the members and alternate members of the Committee of the Regions for the period from 26 January 2015 to 25 January 2020. On 11 July 2017, by Council Decision (EU) 2017/1337 ⁽⁴⁾, Mr Marc SANT was replaced by Mr Mario FAVA as a member.
- (2) A member's seat on the Committee of the Regions has become vacant following the end of the mandate on the basis of which Mr Mario FAVA (*Councillor, Swieqi, Local Council*) was proposed,

HAS ADOPTED THIS DECISION:

Article 1

The following is hereby appointed as a member of the Committee of the Regions for the remainder of the current term of office, which runs until 25 January 2020:

— Mr Mario FAVA, *Councillor, Fgura, Local Council* (change of mandate).

Article 2

This Decision shall enter into force on the date of its adoption.

Done at Brussels, 18 December 2017.

For the Council
The President
K. SIMSON

⁽¹⁾ Council Decision (EU) 2015/116 of 26 January 2015 appointing the members and alternate members of the Committee of the Regions for the period from 26 January 2015 to 25 January 2020 (OJ L 20, 27.1.2015, p. 42).

⁽²⁾ Council Decision (EU) 2015/190 of 5 February 2015 appointing the members and alternate members of the Committee of the Regions for the period from 26 January 2015 to 25 January 2020 (OJ L 31, 7.2.2015, p. 25).

⁽³⁾ Council Decision (EU) 2015/994 of 23 June 2015 appointing the members and alternate members of the Committee of the Regions for the period from 26 January 2015 to 25 January 2020 (OJ L 159, 25.6.2015, p. 70).

⁽⁴⁾ Council Decision (EU) 2017/1337 of 11 July 2017 appointing a member and an alternate member, proposed by Malta, of the Committee of the Regions (OJ L 185, 18.7.2017, p. 48).

COUNCIL DECISION (EU, Euratom) 2017/2436**of 18 December 2017****appointing a member, proposed by the Italian Republic, of the European Economic and Social Committee**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 302 thereof,

Having regard to the Treaty establishing the European Atomic Energy Community, and in particular Article 106a thereof,

Having regard to the proposal of the Italian Government,

Having regard to the opinion of the European Commission,

Whereas:

- (1) On 18 September 2015 and 1 October 2015, the Council adopted Decisions (EU, Euratom) 2015/1600 ⁽¹⁾ and (EU, Euratom) 2015/1790 ⁽²⁾ appointing the members of the European Economic and Social Committee for the period from 21 September 2015 to 20 September 2020.
- (2) A member's seat on the European Economic and Social Committee has become vacant following the end of the term of office of Mr Giancarlo DURANTE,

HAS ADOPTED THIS DECISION:

Article 1

Mr Giovanni SABATINI, *Direttore Generale dell'ABI (Associazione Bancaria Italiana)*, is hereby appointed as a member of the European Economic and Social Committee for the remainder of the current term of office, which runs until 20 September 2020.

Article 2

This Decision shall enter into force on the date of its adoption.

Done at Brussels, 18 December 2017.

For the Council

The President

K. SIMSON

⁽¹⁾ Council Decision (EU, Euratom) 2015/1600 of 18 September 2015 appointing the members of the European Economic and Social Committee for the period from 21 September 2015 to 20 September 2020 (OJ L 248, 24.9.2015, p. 53).

⁽²⁾ Council Decision (EU, Euratom) 2015/1790 of 1 October 2015 appointing the members of the European Economic and Social Committee for the period from 21 September 2015 to 20 September 2020 (OJ L 260, 7.10.2015, p. 23).

COUNCIL IMPLEMENTING DECISION (EU) 2017/2437**of 18 December 2017****on the renewal of the term of office of the Chair of the Single Resolution Board**

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 ⁽¹⁾, and in particular Article 56(6) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) Regulation (EU) No 806/2014 entered into force on 19 August 2014.
- (2) On 19 December 2014, the Council adopted Implementing Decision 2014/943/EU ⁽²⁾, in accordance with Article 56(6) of Regulation (EU) No 806/2014 appointing the first Chair, the Vice-Chair and four further full-time members of the Single Resolution Board.
- (3) Pursuant to Article 56(7) of Regulation (EU) No 806/2014, the term of office of the first Chair of the Single Resolution Board appointed after the entry into force of that Regulation is three years, renewable once for a period of five years.
- (4) On 29 November 2017, the Commission submitted a proposal for the renewal of the term of office of Ms Elke KÖNIG, the first Chair of the Single Resolution Board, to the European Parliament, for a period of five years as from 23 December 2017. The European Parliament approved this proposal on 12 December 2017,

HAS ADOPTED THIS DECISION:

Article 1

The term of office of Ms Elke KÖNIG, Chair of the Single Resolution Board, is hereby renewed for a period of five years as from 23 December 2017.

Article 2

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

Done at Brussels, 18 December 2017.

For the Council

The President

K. SIMSON

⁽¹⁾ OJ L 225, 30.7.2014, p. 1.

⁽²⁾ Council Implementing Decision 2014/943/EU of 19 December 2014 on the appointment of the Chair, the Vice-Chair and the further full-time members of the Single Resolution Board (OJ L 367, 23.12.2014, p. 97).

POLITICAL AND SECURITY COMMITTEE DECISION (CFSP) 2017/2438**of 19 December 2017****on the appointment of the Head of Mission of the European Union Monitoring Mission in Georgia
(EUMM Georgia) (EUMM GEORGIA/1/2017)**

THE POLITICAL AND SECURITY COMMITTEE,

Having regard to the Treaty on European Union, and in particular the third paragraph of Article 38 thereof,

Having regard to Council Decision 2010/452/CFSP of 12 August 2010 on the European Union Monitoring Mission in Georgia, EUMM Georgia ⁽¹⁾, and in particular Article 10(1) thereof,

Whereas:

- (1) Pursuant to Decision 2010/452/CFSP, the Political and Security Committee is authorised, in accordance with Article 38 of the Treaty, to take the relevant decisions for the purpose of exercising political control and strategic direction of the European Union Monitoring Mission in Georgia (EUMM Georgia), including the decision to appoint a Head of Mission.
- (2) Council Decision (CFSP) 2016/2238 ⁽²⁾ extended the mandate of EUMM Georgia until 14 December 2018.
- (3) On 15 December 2017, the High Representative of the Union for Foreign Affairs and Security Policy proposed the appointment of Mr Erik HØEG as Head of Mission of EUMM Georgia from 15 December 2017 to 14 December 2018,

HAS ADOPTED THIS DECISION:

Article 1

Mr Erik HØEG is hereby appointed Head of Mission of EUMM Georgia for the period from 15 December 2017 to 14 December 2018.

Article 2

This Decision shall enter into force on the date of its adoption.

It shall apply from 15 December 2017.

Done at Brussels, 19 December 2017.

For the Political and Security Committee

The Chairperson

W. STEVENS

⁽¹⁾ OJ L 213, 13.8.2010, p. 43.

⁽²⁾ Council Decision (CFSP) 2016/2238 of 12 December 2016 amending Decision 2010/452/CFSP on the European Union Monitoring Mission in Georgia, EUMM Georgia (OJ L 337, 13.12.2016, p. 15).

POLITICAL AND SECURITY COMMITTEE DECISION (CFSP) 2017/2439**of 19 December 2017****on the appointment of the EU Mission Force Commander of the European Union CSDP Military Training Mission in the Central African Republic (EUTM RCA) (EUTM RCA/4/2017)**

THE POLITICAL AND SECURITY COMMITTEE,

Having regard to the Treaty on European Union, and in particular Article 38 thereof,

Having regard to Council Decision (CFSP) 2016/610 of 19 April 2016 on a European Union CSDP Military Training Mission in the Central African Republic (EUTM RCA) ⁽¹⁾, and in particular Article 5 thereof,

Whereas:

- (1) By Decision (CFSP) 2016/610, the Council authorised the Political and Security Committee (PSC), in accordance with Article 38 of the Treaty on European Union, to take the relevant decisions concerning the political control and strategic direction of EUTM RCA, including the decisions on the appointment of subsequent EU Mission Force Commanders.
- (2) On 26 June 2017, the PSC adopted Decision (CFSP) 2017/1177 ⁽²⁾ appointing Brigadier General Fernando GARCÍA BLÁZQUEZ as the EU Mission Force Commander of EUTM RCA.
- (3) On 20 November 2017, the Military Committee of the European Union recommended the approval of the nomination of Brigadier General Hermínio TEODORO MAIO to succeed Brigadier General Fernando GARCÍA BLÁZQUEZ as the EU Mission Force Commander of EUTM RCA as from 11 January 2018.
- (4) In accordance with Article 5 of Protocol No 22 on the position of Denmark, annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union, Denmark does not participate in the elaboration and the implementation of decisions and actions of the Union which have defence implications,

HAS ADOPTED THIS DECISION:

Article 1

Brigadier General Hermínio TEODORO MAIO is hereby appointed as the EU Mission Force Commander of the European Union CSDP Military Training Mission in the Central African Republic (EUTM RCA) as from 11 January 2018.

Article 2

This Decision shall enter into force on the date of its adoption.

Done at Brussels, 19 December 2017.

For the Political and Security Committee

The Chairperson

W. STEVENS

⁽¹⁾ OJ L 104, 20.4.2016, p. 21.

⁽²⁾ Political and Security Committee Decision (CFSP) 2017/1177 of 26 June 2017 on the appointment of the EU Mission Force Commander of the European Union CSDP Military Training Mission in the Central African Republic (EUTM RCA) (EUTM RCA/2/2017) (OJ L 170, 1.7.2017, p. 96).

COMMISSION IMPLEMENTING DECISION (EU) 2017/2440**of 18 December 2017****amending Implementing Decision 2014/190/EU as regards the annual breakdown of the resources from the specific allocation for the Youth Employment Initiative by Member State together with the list of eligible regions***(notified under document C(2017) 8300)*

THE EUROPEAN COMMISSION,

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

Having regard to Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 ⁽¹⁾, and in particular Article 91(2) thereof,

Whereas:

- (1) Commission Implementing Decision 2014/190/EU ⁽²⁾ sets out, among others, the annual breakdown by Member State of resources from the specific allocation for the Youth Employment Initiative ("YEI"), together with the list of eligible regions for the YEI pursuant to Article 91(2) of Regulation (EU) No 1303/2013.
- (2) By Regulation (EU) 2017/2305 of the European Parliament and of the Council ⁽³⁾ amending Regulation (EU) No 1303/2013, the specific allocation for the YEI has been increased.
- (3) The regions eligible for the YEI for the period 2017-2020 are determined in accordance with Article 16 of Regulation (EU) No 1304/2013 of the European Parliament and of the Council ⁽⁴⁾ by making reference, however, to the latest available annual data on youth unemployment. Pursuant to Article 65(2) of Regulation (EU) No 1303/2013, expenditure under the YEI is eligible until 31 December 2023, both for the regions already listed in Annex IV to Implementing Decision 2014/190/EU and for the regions eligible for the YEI for the period 2017-2020. The existing list should therefore continue to apply. For reasons of clarity and transparency, Annex IV to Implementing Decision 2014/190/EU should therefore include both lists and be amended accordingly.
- (4) In accordance with Annex VIII to Regulation (EU) No 1303/2013 the breakdown by Member State of the additional resources should follow the same steps applied for the initial allocation. The annual breakdown of the specific allocation for the YEI set out in 2011 prices in Annex III to Implementing Decision 2014/190/EU should therefore be amended accordingly.
- (5) In order to allow Member States to plan ahead, the annual breakdown should also be provided in current prices to reflect the indexation of 2 % per year in accordance with Article 91(1) of Regulation (EU) No 1303/2013. Annex X to Implementing Decision 2014/190/EU should therefore be amended accordingly.
- (6) Implementing Decision 2014/190/EU should therefore be amended,

⁽¹⁾ OJ L 347, 20.12.2013, p. 320.

⁽²⁾ Commission Implementing Decision 2014/190/EU of 3 April 2014 setting out the annual breakdown by Member State of global resources for the European Regional Development Fund, the European Social Fund and the Cohesion Fund under the Investment for growth and jobs goal and the European territorial cooperation goal, the annual breakdown by Member State of resources from the specific allocation for the Youth Employment Initiative together with the list of eligible regions, and the amounts to be transferred from each Member State's Cohesion Fund and Structural Funds allocations to the Connecting Europe Facility and to aid for the most deprived for the period 2014-2020 (OJ L 104, 8.4.2014, p. 13).

⁽³⁾ Regulation (EU) 2017/2305 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) No 1303/2013 as regards the changes to the resources for economic, social and territorial cohesion and to the resources for the Investment for growth and jobs goal and for the European territorial cooperation goal (OJ L 335, 15.12.2017, p. 1).

⁽⁴⁾ Regulation (EU) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006 (OJ L 347, 20.12.2013, p. 470).

HAS ADOPTED THIS DECISION:

Article 1

Implementing Decision 2014/190/EU is amended as follows:

- (1) Annexes III and IV are replaced by the text set out in Annex I to this Decision;
- (2) Annex X is replaced by the text set out in Annex II to this Decision.

Article 2

This Decision is addressed to the Member States.

Done at Brussels, 18 December 2017.

For the Commission
Corina CREȚU
Member of the Commission

ANNEX I

ANNEX III

YOUTH EMPLOYMENT INITIATIVE — ANNUAL BREAKDOWN OF THE SPECIFIC ALLOCATION

	EUR, 2011 prices							
	2014	2015	2016	2017	2018	2019	2020	Total
BE	22 464 896	17 179 038	—	7 569 546	3 463 191	3 395 285	3 328 711	57 400 667
BG	29 216 622	22 342 123	—	—	—	—	—	51 558 745
CZ	—	12 564 283	—	—	—	—	—	12 564 283
DK	—	—	—	—	—	—	—	—
DE	—	—	—	—	—	—	—	—
EE	—	—	—	—	—	—	—	—
IE	36 075 815	27 587 388	—	—	—	—	—	63 663 203
EL	90 800 184	69 435 434	—	29 193 451	13 356 481	13 094 589	12 837 832	228 717 971
ES	499 481 827	381 956 689	—	154 715 855	70 785 031	69 397 090	68 036 362	1 244 372 854
FR	164 197 762	125 562 994	—	59 683 863	27 306 342	26 770 924	26 246 004	429 767 889
HR	35 033 821	26 790 569	—	12 993 208	5 944 604	5 828 044	5 713 768	92 304 014
IT	300 437 373	229 746 226	—	126 913 692	58 065 088	56 926 557	55 810 350	827 899 286
CY	6 126 207	4 684 747	—	2 428 857	1 111 242	1 089 453	1 068 091	16 508 597
LV	15 358 075	11 744 410	—	—	—	—	—	27 102 485

EUR, 2011 prices

	2014	2015	2016	2017	2018	2019	2020	Total
LT	16 825 553	12 866 600	—	—	—	—	—	29 692 153
LU	—	—	—	—	—	—	—	—
HU	26 345 509	20 146 566	—	—	—	—	—	46 492 075
MT	—	—	—	—	—	—	—	—
NL	—	—	—	—	—	—	—	—
AT	—	—	—	—	—	—	—	—
PL	133 639 212	102 194 692	—	6 060 353	2 772 711	2 718 344	2 665 043	250 050 355
PT	85 111 913	65 085 581	—	23 156 678	10 594 559	10 386 822	10 183 159	204 518 712
RO	56 112 815	42 909 800	—	16 695 447	7 638 440	7 488 666	7 341 830	138 186 998
SI	4 876 537	3 729 117	—	—	—	—	—	8 605 654
SK	38 209 190	29 218 793	—	4 574 741	2 093 019	2 051 979	2 011 745	78 159 467
FI	—	—	—	—	—	—	—	—
SE	23 379 703	17 878 597	—	—	—	—	—	41 258 300
UK	24 516 103	166 367 414	—	—	—	—	—	190 883 517
EU 28	1 608 209 117	1 389 991 061	—	443 985 691	203 130 708	199 147 753	195 242 895	4 039 707 225

ANNEX IV

YOUTH EMPLOYMENT INITIATIVE — LIST OF ELIGIBLE REGIONS

LIST OF ELIGIBLE REGIONS BASED ON 2012 YOUTH UNEMPLOYMENT DATA

BE10 Région de Bruxelles-Capitale/Brussels Hoofdstedelijk Gewest

BE32 Prov. Hainaut

BE33 Prov. Liège

BG31 Severozapaden

BG32 Severen tsentralen

BG33 Severoiztochen

BG34 Yugoiztochen

BG42 Yuzhen tsentralen

CZ04 Severozápad

IE01 Border, Midland and Western

IE02 Southern and Eastern

EL11 Anatoliki Makedonia, Thraki

EL12 Kentriki Makedonia

EL13 Dytiki Makedonia

EL14 Thessalia

EL21 Ipeiros

EL23 Dytiki Ellada

EL24 Sterea Ellada

EL25 Peloponnisos

EL30 Attiki

EL41 Voreio Aigaio

EL42 Notio Aigaio

EL43 Kriti

ES11 Galicia

ES12 Principado de Asturias

ES13 Cantabria

ES21 País Vasco

ES22 Comunidad Foral de Navarra

ES23 La Rioja

ES24 Aragón

ES30 Comunidad de Madrid

ES41 Castilla y León

ES42 Castilla-La Mancha

ES43 Extremadura

ES51 Cataluña

ES52 Comunidad Valenciana

ES53 Illes Balears

ES61 Andalucía

ES62 Región de Murcia

ES63 Ciudad Autónoma de Ceuta

ES64 Ciudad Autónoma de Melilla
ES70 Canarias
FR61 Aquitaine
FR21 Champagne-Ardenne
FR22 Picardie
FR23 Haute-Normandie
FR24 Centre
FR30 Nord — Pas-de-Calais
FR72 Auvergne
FR81 Languedoc-Roussillon
FR91 Guadeloupe
FR92 Martinique
FR93 Guyane
FR94 Réunion
FR — Mayotte
HR03 Jadranska Hrvatska
HR04 Kontinentalna Hrvatska
ITC1 Piemonte
ITC2 Valle d'Aosta/Vallée d'Aoste
ITC3 Liguria
ITC4 Lombardia
ITF1 Abruzzo
ITF2 Molise
ITF3 Campania
ITF4 Puglia
ITF5 Basilicata
ITF6 Calabria
ITG1 Sicilia
ITG2 Sardegna
ITH5 Emilia-Romagna
ITH4 Friuli-Venezia Giulia
ITI1 Toscana
ITI2 Umbria
ITI3 Marche
ITI4 Lazio
CY00 Kýpros
LV00 Latvija
LT00 Lietuva
HU23 Dél-Dunántúl
HU31 Észak-Magyarország
HU32 Észak-Alföld
HU33 Dél-Alföld
PL11 Łódzkie
PL21 Małopolskie
PL31 Lubelskie

PL32 Podkarpackie
PL33 Świętokrzyskie
PL42 Zachodniopomorskie
PL43 Lubuskie
PL51 Dolnośląskie
PL61 Kujawsko-Pomorskie
PL62 Warmińsko-Mazurskie
PT11 Norte
PT15 Algarve
PT16 Centro (PT)
PT17 Lisboa
PT18 Alentejo
PT20 Região Autónoma dos Açores
PT30 Região Autónoma da Madeira
RO12 Centru
RO22 Sud-Est
RO31 Sud — Muntenia
SI01 Vzhodna Slovenija
SK02 Západné Slovensko
SK03 Stredné Slovensko
SK04 Východné Slovensko
SE22 Sydsverige
SE31 Norra Mellansverige
SE32 Mellersta Norrland
UKC1 Tees Valley and Durham
UKD7 Merseyside
UKG3 West Midlands
UKI1 Inner London
UKM3 South Western Scotland

LIST OF ELIGIBLE REGIONS BASED ON 2016 Youth UNEMPLOYMENT DATA

BE10 — Région de Bruxelles-Capitale/Brussels Hoofdstedelijk Gewest
BE32 — Prov. Hainaut
BE34 — Prov. Luxembourg (BE)
BE35 — Prov. Namur
EL51 — Anatoliki Makedonia, Thraki
EL52 — Kentriki Makedonia
EL53 — Dytiki Makedonia
EL54 — Ipeiros
EL61 — Thessalia
EL62 — Ionia Nisia
EL63 — Dytiki Ellada
EL64 — Sterea Ellada
EL65 — Peloponnisos

EL30 — Attiki
EL41 — Voreio Aigaio
EL42 — Notio Aigaio
EL43 — Kriti
ES11 — Galicia
ES12 — Principado de Asturias
ES13 — Cantabria
ES21 — País Vasco
ES22 — Comunidad Foral de Navarra
ES23 — La Rioja
ES24 — Aragón
ES30 — Comunidad de Madrid
ES41 — Castilla y León
ES42 — Castilla-la Mancha
ES43 — Extremadura
ES51 — Cataluña
ES52 — Comunidad Valenciana
ES53 — Illes Balears
ES61 — Andalucía
ES62 — Región de Murcia
ES63 — Ciudad Autónoma de Ceuta (ES)
ES64 — Ciudad Autónoma de Melilla (ES)
ES70 — Canarias (ES)
FR21 — Champagne-Ardenne
FR22 — Picardie
FR23 — Haute-Normandie
FR24 — Centre (FR)
FR26 — Bourgogne
FR30 — Nord — Pas-de-Calais
FR42 — Alsace
FR81 — Languedoc-Roussillon
FRA1 — Guadeloupe
FRA2 — Martinique
FRA3 — Guyane
FRA4 — La Réunion
FRA5 — Mayotte
HR03 — Jadranska Hrvatska
HR04 — Kontinentalna Hrvatska
ITC1 — Piemonte
ITC2 — Valle d'Aosta/Vallée d'Aoste
ITC3 — Liguria
ITC4 — Lombardia
ITF1 — Abruzzo
ITF2 — Molise
ITF3 — Campania

ITF4 — Puglia
ITF5 — Basilicata
ITF6 — Calabria
ITG1 — Sicilia
ITG2 — Sardegna
ITH4 — Friuli-Venezia Giulia
ITI1 — Toscana
ITI2 — Umbria
ITI3 — Marche
ITI4 — Lazio
CY00 — Kypros
PL32 — Podkarpackie
PT11 — Norte
PT16 — Centro (PT)
PT17 — Área Metropolitana de Lisboa
PT18 — Alentejo
PT20 — Região Autónoma dos Açores (PT)
PT30 — Região Autónoma da Madeira (PT)
RO22 — Sud-Est
RO31 — Sud — Muntenia
RO41 — Sud-Vest Oltenia
SK04 — Východné Slovensko'

ANNEX II

‘ANNEX X

YOUTH EMPLOYMENT INITIATIVE — SPECIFIC ALLOCATION

	EUR current prices							
	2014	2015	2016	2017	2018	2019	2020	Total
BE	23 839 927	18 595 143	—	8 524 538	3 978 118	3 978 118	3 978 118	62 893 962
BG	31 004 913	24 183 832	—	—	—	—	—	55 188 745
CZ	—	13 599 984	—	—	—	—	—	13 599 984
DK	—	—	—	—	—	—	—	—
DE	—	—	—	—	—	—	—	—
EE	—	—	—	—	—	—	—	—
IE	38 283 943	29 861 476	—	—	—	—	—	68 145 419
EL	96 357 882	75 159 147	—	32 876 567	15 342 398	15 342 398	15 342 398	250 420 790
ES	530 054 111	413 442 204	—	174 235 182	81 309 751	81 309 751	81 309 751	1 361 660 750
FR	174 247 979	135 913 423	—	67 213 724	31 366 404	31 366 404	31 366 404	471 474 338
HR	37 178 171	28 998 973	—	14 632 462	6 828 482	6 828 482	6 828 482	101 295 052
IT	318 826 544	248 684 704	—	142 925 430	66 698 534	66 698 534	66 698 534	910 532 280
CY	6 501 180	5 070 921	—	2 735 288	1 276 468	1 276 468	1 276 468	18 136 793
LV	16 298 112	12 712 527	—	—	—	—	—	29 010 639
LT	17 855 411	13 927 222	—	—	—	—	—	31 782 633
LU	—	—	—	—	—	—	—	—
HU	27 958 065	21 807 291	—	—	—	—	—	49 765 356
MT	—	—	—	—	—	—	—	—
NL	—	—	—	—	—	—	—	—

	2014	2015	2016	2017	2018	2019	2020	Total
AT	—	—	—	—	—	—	—	—
PL	141 819 001	110 618 821	—	6 824 942	3 184 973	3 184 973	3 184 973	268 817 683
PT	90 321 443	70 450 726	—	26 078 181	12 169 818	12 169 818	12 169 818	223 359 804
RO	59 547 368	46 446 947	—	18 801 785	8 774 166	8 774 166	8 774 166	151 118 598
SI	5 175 020	4 036 516	—	—	—	—	—	9 211 536
SK	40 547 898	31 627 361	—	5 151 901	2 404 221	2 404 221	2 404 221	84 539 823
FI	—	—	—	—	—	—	—	—
SE	24 810 728	19 352 368	—	—	—	—	—	44 163 096
UK	26 016 685	180 081 439	—	—	—	—	—	206 098 124
EU 28	1 706 644 381	1 504 571 025	—	500 000 000	233 333 333	233 333 333	233 333 333	4 411 215 405'

COMMISSION IMPLEMENTING DECISION (EU) 2017/2441**of 21 December 2017****on the equivalence of the legal and supervisory framework applicable to stock exchanges in Switzerland in accordance with Directive 2014/65/EU of the European Parliament and of the Council****(Text with EEA relevance)**

THE EUROPEAN COMMISSION,

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

Having regard to Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU ⁽¹⁾, and in particular Article 25(4)(a) thereof,

Whereas:

- (1) Article 23(1) of Regulation (EU) No 600/2014 of the European Parliament and of the Council ⁽²⁾ requires investment firms to ensure that the trades they undertake in shares admitted to trading on regulated markets, or traded on trading venues should take place on regulated markets, multilateral trading facilities (MTFs) or systematic internalisers, or third-country trading venues assessed by the Commission as equivalent in accordance with Article 25(4)(a) of Directive 2014/65/EU.
- (2) Article 23(1) of Regulation (EU) No 600/2014 only applies a trading obligation in respect of shares. The trading obligation does not comprise other equity instruments, such as depositary receipts, ETFs, certificates and other similar financial instruments.
- (3) The equivalence procedure for trading venues established in third countries set out in Article 25(4)(a) of Directive 2014/65/EU aims to allow investment firms to undertake trades in shares that are subject to the trading obligation in the Union, on third-country trading venues recognised as equivalent. The Commission should assess whether the legal and supervisory framework of a third country ensures that a trading venue authorised in that third country complies with legally binding requirements which are equivalent to the requirements resulting from Regulation (EU) No 596/2014 of the European Parliament and of the Council ⁽³⁾, from Title III of Directive 2014/65/EU, from Title II of Regulation (EU) No 600/2014 and from Directive 2004/109/EC of the European Parliament and of the Council ⁽⁴⁾, and which are subject to effective supervision and enforcement in that third country. This should be read in the light of the objectives pursued by that act, in particular its contribution to the establishment and functioning of the internal market, market integrity, investor protection and ultimately, but no less importantly, financial stability.
- (4) In accordance with the fourth subparagraph Article 25(4)(a) of Directive 2014/65/EU, a third-country legal and supervisory framework may be considered equivalent where that framework fulfils at least the conditions that (a) the markets are subject to authorisation and to effective supervision and enforcement on an ongoing basis, (b) have clear and transparent rules regarding the admission of securities to trading so that such securities are capable of being traded in a fair, orderly and efficient manner, and are freely negotiable, (c) security issuers should be subject to periodic and ongoing information requirements ensuring a high level of investor protection, and (d) market transparency and integrity should be ensured by the prevention of market abuse in the form of insider dealing and market manipulation.

⁽¹⁾ OJ L 173, 12.6.2014, p. 349.

⁽²⁾ Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (OJ L 173, 12.6.2014, p. 84).

⁽³⁾ Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (OJ L 173, 12.6.2014, p. 1).

⁽⁴⁾ Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (OJ L 390, 31.12.2004, p. 38).

- (5) The purpose of this equivalence assessment is to assess inter alia whether the legally binding requirements which are applicable in Switzerland to stock exchanges established and authorised therein under the supervision of the Swiss Financial Market Supervisory Authority ('FINMA') are equivalent to the requirements resulting from Regulation (EU) No 596/2014, from Title III of Directive 2014/65/EU, from Title II of Regulation (EU) No 600/2014 and from Directive 2004/109/EC, which are subject to effective supervision and enforcement in that third country.
- (6) As regards the conditions that the stock exchanges are subject to authorisation and to effective supervision and enforcement on an ongoing basis, Article 26(b) of the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading ('Financial Market Infrastructure Act', 'FMIA') defines a stock exchange as an institution for multilateral securities trading where securities are listed, whose purpose is the simultaneous exchange of bids between multiple participants and the conclusion of contracts based on non-discretionary rules. A stock exchange does not enjoy discretion over how it executes trades and is not allowed to trade on its own account or engage in matched principal trading. Furthermore, a stock exchange must provide participants with impartial and non-discriminatory access to its markets and services. To this effect, a stock exchange is required to have rules in place that prescribe the means by which a securities dealer or other parties supervised by FINMA as well as foreign participants authorised by FINMA may apply to become a participant. Pursuant to Article 27(4) FMIA in conjunction with Article 25(1) of the Ordinance on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading ('Financial Market Infrastructure Ordinance', 'FMIO'), FINMA reviews and approves regulations and their amendments on the admission, duties and exclusion of participants to a stock exchange. A stock exchange must deny membership to a participant that is not authorised by FINMA and may deny membership to any participant that is subject to a statutory disqualification.
- (7) The four conditions set out in the fourth subparagraph of Article 25(4)(a) of Directive 2014/65/EU must be fulfilled in order to determine that the legal and supervisory arrangements of a third country regarding the trading venues authorised therein are equivalent to those laid down in Directive 2014/65/EU.
- (8) According to the first condition, third-country trading venues must be subject to authorisation and to effective supervision and enforcement on an ongoing basis.
- (9) A stock exchange must be authorised by FINMA before it may begin operations. Pursuant to Articles 4 and 5 of the FMIA, FINMA grants authorisation if it finds that the applicable conditions and requirements with respect to the applicant are satisfied. The authorisation requirements are set out in the FMIA and the associated ordinances, which have force of law. The FMIA requires that a stock exchange has in place arrangements to address all of the types of conduct and activity that an applicant wishes to engage in. According to Article 27(1) of the FMIA, a stock exchange shall establish under FINMA's supervision its own regulatory and supervisory organisation which is appropriate for its activity. With FINMA's approval, the stock exchange's self-regulation becomes binding and enforceable regulation. According to Article 27 of the FMIA in conjunction with Article 24(1) of the FMIO an appropriate regulatory and supervisory organisation requires the establishment of a body that fulfils regulatory tasks, a trading supervisory body, a body responsible for the admission of securities to trading and an appeal body. These bodies must be independent of the stock exchange's business management, both organisationally and with respect to personnel. As part of the self-regulatory and supervisory organisation the respectively responsible body monitors and enforces compliance of the stock exchange's rules and regulations by the stock exchange's participants.
- (10) Furthermore, Article 18 of the FMIA requires stock exchanges to grant participants and market makers non-discriminatory and open access. FINMA ensures both during the authorisation process and on an ongoing basis that exchange rules comply with this requirement (see sections 3 to 5 of the SSX Rule Book in conjunction with the SSX Directive 1 and sections 3-5 of the BX Swiss Rule Book). Denial of access is only permissible on safety and efficiency grounds and subject to a stringent proportionality test (Art. 18 of the FMIA, 17 of the FMIO). Applicants who have been denied access may lodge an appeal with an independent appeal board (section 8 of the SSX Rule Book and section 15 of the BX Swiss Rule Book). Compliance of exchanges with Article 18 of the FMIA and Article 17 of the FMIO is subject to FINMA's supervision. The adoption of rules and amendments thereto require FINMA's ex ante approval, their implementation may be scrutinised by FINMA staff, audits, requests for information, or remedial action pursuant to Articles 24 ff. of the Federal Act on the Swiss Financial Market Supervisory Authority ('Financial Market Supervision Act', 'FINMASA').
- (11) As regards effective supervision, the FINMASA, the Federal Act on Stock Exchanges and Securities Trading ('Stock Exchange Act', 'SESTA') and the FMIA constitute the main pieces of the primary legislation which establishes

a legally enforceable regime for the trading of securities in Switzerland. The FINMASA, the SESTA and the FMIA empower FINMA with broad authority over all aspects of the securities industry, including the power to authorise and supervise securities dealers, central counterparties, central securities depositories, trade repositories and payment systems. The FMIA and the FMIO also identify and prohibit certain types of conduct in the markets and provide FINMA with disciplinary powers over regulated entities and persons associated with them. Article 29 of the FINMASA grants FINMA comprehensive access to all relevant information of any supervised person and entity, their audit firms and auditors. Under the Swiss framework, stock exchanges are primarily responsible for establishing the rules under which their participants conduct business and for monitoring the ways their participants conduct business. FINMA directly monitors stock exchange regulations to ensure they are in line with the legal framework. All regulations and any changes to them must be submitted to FINMA for approval (Article 27(4) of the FMIA). Investigations by FINMA are triggered either by reports of potential breaches of the law reported by stock exchanges to FINMA or on the basis of its own suspicion.

- (12) Once a stock exchange has been authorised, FINMA monitors on an ongoing basis whether it continues to comply with the conditions and duties associated with the authorisation (Article 83 of the FMIA). A stock exchange is legally required to notify FINMA of any changes to the circumstances on which its authorisation or approval was originally based. If the changes are material, the financial market infrastructure must obtain prior authorisation or approval from FINMA to pursue its activities (Article 7 of the FMIA). Key requirements are the compliance with organisational requirements; the existence and effectiveness of the internal control system; the appropriateness of IT systems; and proper business conduct. FINMA's supervision extends to all bodies of the stock exchange including its trading surveillance and sanctioning functions. Pursuant to Article 24, 24a of the FINMASA, FINMA may carry out audits directly, or indirectly through licensed audit companies, both on-site and off-site. Articles 27, 30 and 34 of the FMIA also require all authorised stock exchanges to be able to enforce compliance by their issuers, participants and persons associated with their participants with the provisions of the FMIA and FMIO, associated acts and regulations, and their own rules and regulations. As part of its duty to enforce compliance by their members, the stock exchange is responsible for investigating and disciplining any breaches of the applicable laws and rules.
- (13) As regards the effective enforcement, FINMA has a range of administrative mechanisms for enforcing its powers and authority. Where breaches of the law or irregularities are identified, FINMA takes the necessary corrective measures, which may involve administrative enforcement proceedings. With due regard to the principle of proportionality, FINMA imposes the measures it deems most appropriate to ensure compliance with the law. The measures available include reprimands, specific instructions to restore compliance with the law, prohibitions on individuals practising their profession, prohibitions on dealers conducting business, and the revocation of licenses. FINMA may also confiscate illegally generated profits or illegally avoided losses and may order publication of a final and binding ruling. To restore compliance of a stock exchange with applicable provisions, FINMA may use its administrative powers also for the removal of board members or staff whose irreproachable business conduct is in doubt. FINMA's own administrative mechanisms are backed up by provisions for criminal sanctions in relation to the offences described in Chapter 4 of FINMASA. Provisions for criminal sanctions are also included in Articles 147 ff. of the FMIA and Articles 42a and 43 of the SESTA. FINMA hands these cases on to the competent prosecution authorities. FINMA and the competent prosecuting authority coordinate their investigations, as far as this is practicable and necessary. In general, the Federal Department of Finance Legal Services both prosecutes and judges violations of the criminal provisions of FINMASA and of the financial markets acts. However, the Federal Attorney General's Office is competent for the prosecution of insider trading and price manipulation offences under FMIA.
- (14) It can therefore be concluded that Swiss stock exchanges are subject to authorisation and to effective supervision and enforcement on an ongoing basis.
- (15) According to the second condition, third-country trading venues must have clear and transparent rules regarding admission of securities to trading so that such securities are capable of being traded in a fair, orderly and efficient manner, and are freely negotiable.
- (16) Swiss law requires that stock exchanges issue regulations on the admission of securities to trading (Articles 35 and 36 of the FMIA). These regulations have to be approved by FINMA. The regulations shall take account of recognised international standards and in particular shall contain provisions on the tradability of securities; the publication of information on which investors rely for assessing the characteristics of securities and the quality of

the issuer; the duties of the issuer, its representatives and third parties for the entire duration of the listing or admission of securities to trading; the obligation, regarding the admission of equity securities, to comply with Articles 7 and 81 of the Federal Act of 16 December 2005 on the Licensing and Oversight of Auditors. The admission to trading of securities and the listing, a qualified form of an admission to trading, of securities on stock exchanges are governed primarily by Listing Rules and Additional Rules for Listing and Admission to Trading. The stock exchange reviews the application filed by the issuer for each security and verifies that all pertinent requirements are fulfilled. For each application, the stock exchange releases a written decision. The information on an admission decision is publicly available. With the listing of a security, the issuer is subject to maintenance obligations concerning periodic reporting obligations as, for example, financial reporting and corporate governance obligations, but also occurrence-based reporting obligations such as regular reporting obligations, disclosure of management transactions and ad hoc publicity. According to Article 35(3) of the FMIA, the stock exchange monitors the issuer's compliance with these rules and imposes the sanctions provided for contractually in the event of violations. According to Article 33(1) of the FMIO, a stock exchange shall guarantee that all securities admitted to trading and all listed securities can be traded in a fair, efficient and orderly manner. With regard to equity securities, the Listing Rules provide for free float requirements to ensure that such securities can be traded efficiently. The independent bodies of the stock exchange may temporarily suspend the trading of securities if unusual circumstances, and specifically the breach of important disclosure obligations by the issuer, indicate that such a suspension is advisable. They may cancel the listing of securities, if the solvency of the issuer is in serious doubt, or insolvency or liquidation proceedings have already commenced. FINMA may also compel a stock exchange to suspend trading in a given security by using its powers under Article 31 of the FINMASA with a view to restoring compliance with the provisions of the FMIA or responding to other irregularities.

- (17) The Swiss regulatory framework includes requirements for providing pre-trade information to market participants. Pre-trade transparency has its legal basis in Article 29(1) of the FMIA which stipulates that the stock exchange shall publish the five best bid and offer prices for each share and other security in real time, as well as the sizes of the trading positions at these prices. The same also applies for actionable indications of interest (Article 27(3) of the FMIO). Waivers are available for reference price systems, systems that exist only to formalise transactions already negotiated, orders held in an order management facility of the stock exchange pending disclosure and orders that are large in scale compared with normal market size. The Swiss regulatory framework also includes requirements for providing post-trade information. Post-trade transparency has its basis in Article 29(2) of the FMIA that stipulates that the stock exchange shall immediately publish information on the transactions carried out on- and off-exchange for all securities admitted to trading. In particular, the price, volume and time of the transactions must be published. The exemptions from post-trade transparency are the same as for pre-trade transparency. Information on certain atypical transactions will also be published with delay. The stock exchange pre- and post-trade data services are fully transparent and offered to all exchange participants on a non-discriminatory basis. Delayed data is available to all users free of charge.
- (18) It can therefore be concluded that Swiss stock exchanges have clear and transparent rules regarding the admission of securities to trading so that such securities are capable of being traded in a fair, orderly and efficient manner and are freely negotiable.
- (19) According to the third condition, security issuers must be subject to periodic and ongoing information requirements ensuring a high level of investor protection.
- (20) The stock exchange's regulations on the admission to trading must set out the information to be published to allow investors to assess the characteristics of the securities and the quality of the issuer to ensure a high level of investor protection. Issuers whose securities are admitted to trading on a Swiss stock exchange are required to publish annual and interim financial reports. The issuer must make its annual financial statements available on its website. Securities admitted to trading on a Swiss stock exchange may also be traded on another venue. The reporting obligation applicable to issuers applies regardless of the venue on which trading takes place. The disclosure of comprehensive and timely information about security issuers allows investors to assess the business performance of issuers and ensures appropriate transparency for investors through a regular flow of information.
- (21) It can therefore be concluded that issuers whose securities are admitted on Swiss stock exchanges are subject to periodic and ongoing information requirements ensuring a high level of investor protection.

- (22) According to the fourth condition, the third-country legal and supervisory framework must ensure market transparency and integrity by preventing market abuse in the form of insider dealing and market manipulation.
- (23) Articles 142 and 143 of the FMIA prohibit insider trading and market manipulation by any person. In addition, under the conditions of Articles 154 and 155 of the FMIA, the exploitation or the attempted exploitation of insider information and price manipulation constitute criminal offences. The stock exchange must issue regulations regarding the disclosure of inside information by issuers. Under the Listing Rules of a stock exchange, the issuer must inform the market of any price-sensitive facts which have arisen, or are about to arise, in its sphere of activity, as soon as it becomes aware of such information. Price-sensitive facts are facts which are capable of triggering a significant change in market prices. Disclosure must be made so as to ensure the equal treatment of all market participants. Further, under Article 31(1) of the FMIA, Swiss stock exchanges are required to monitor price formation and the transactions executed on the stock exchange with a view to detecting insider trading, price and market manipulation and other breaches of statutory and regulatory provisions. To this end, a stock exchange must also review transactions which are conducted outside of the trading venue and which are reported to it or brought to its attention in some other way (Article 31(1) of the FMIA). This supervisory task must be carried out by an independent body of the stock exchange. Issuers must be able to provide FINMA upon request with an insider list based on their duty to provide information, including all additional information and documents that FINMA requires to carry out its tasks (Article 29(1) of the FINMASA in conjunction with Article 145 of the FMIA). A stock exchange must notify FINMA of any suspected breaches of the law or other irregularities. If the breaches in question involve criminal offences, it must also inform the competent prosecuting authority without delay (Article 31(2) of the FMIA). FINMA investigates on information about violations of the law received from stock exchanges, as well as based on its own market monitoring with the aim of enforcing the provisions of supervisory law that prohibit market abuse.
- (24) It can therefore be concluded that the Swiss legal and supervisory framework ensures market transparency and integrity by preventing market abuse in the form of insider dealing and market manipulation.
- (25) It can therefore further be concluded that the legal and supervisory framework governing stock exchanges as set out in the Annex to this Decision and operated in Switzerland under the supervision of FINMA complies with the four conditions for legal and supervisory arrangements and hence should be considered to provide for an equivalent system to the requirements for trading venues laid down in Directive 2014/65/EU, Regulation (EU) No 600/2014, Regulation (EU) No 596/2014 and Directive 2004/109/EC.
- (26) Given that a significant number of shares that are issued and admitted to trading in Switzerland are also traded on trading venues in the EU, it is appropriate to ensure that all investment firms subject to the trading obligation as set out in Article 23(1) of Regulation (EU) No 600/2014 preserve the ability to undertake trades in shares admitted to trading on the Swiss exchanges where their primary liquidity resides. As the primary liquidity of shares admitted to trading on the Swiss exchanges resides in these exchanges, the recognition of the legal and supervisory framework of Switzerland would allow investment firms to trade shares admitted to trading in Switzerland on Swiss exchanges and to fulfil their best execution obligation towards their clients.
- (27) The decision is based on data that demonstrates that overall EU trading in a multitude of shares admitted on the Swiss exchanges is of such frequency that MiFID firms could not avail themselves of the exception set out in Article 23(1) (a) of Regulation (EU) No 600/2014. This implies that the trading obligation set out in Article 23(1) of Regulation (EU) No 600/2014 would apply to a significant number of shares admitted to trading in Switzerland.
- (28) The decision will also be complemented by cooperation arrangements to ensure the effective exchange of information and coordination of supervisory activities between the national competent authorities and FINMA.
- (29) This Decision is based on the legally binding requirements applicable to Swiss stock exchanges at the time of the adoption of this Decision. The Commission should continue monitoring on a regular basis the evolution of the legal and supervisory arrangements for Swiss stock exchanges and the fulfilment of the conditions on the basis of which this Decision has been taken.

- (30) This Decision also takes into account the Council conclusions of 28 February 2017 in accordance with which a precondition for further developing the sectoral approach with Switzerland is the establishment of a common institutional framework for existing and future agreements through which Switzerland participates in the Single Market of the Union. To ensure the integrity of financial markets in the Union, this Decision should expire on 31 December 2018, unless extended by the Commission before that date. When deciding on whether to extend the applicability of this decision, the Commission should in particular consider progress made towards the signature of an Agreement establishing that common institutional framework.
- (31) The Commission should conduct regular reviews of the legal and supervisory arrangements applicable to stock exchanges in Switzerland. Those reviews are without prejudice to the possibility of the Commission to undertake a specific review at any earlier time, where relevant developments make it necessary for the Commission to re-assess the equivalence granted by this Decision and, in particular, the progress made towards the establishment of a common institutional framework for existing and future agreements through which Switzerland participates in the Single Market of the Union. Any re-assessment could lead to the repeal of this Decision.
- (32) The measures provided for in this Decision are in accordance with the opinion of the European Securities Committee,
- (33) Considering that Regulation (EU) No 600/2014 and Directive 2014/65/EU apply from 3 January 2018, it is necessary that this decision enters into force on the day following the day of publication in the Official Journal of the European Union,

HAS ADOPTED THIS DECISION:

Article 1

For the purposes of Article 23(1) of Regulation (EU) No 600/2014 the legal and supervisory framework applicable to stock exchanges in Switzerland set out in the Annex to this Decision shall be considered to be equivalent to the requirements resulting from Directive 2014/65/EU, Regulation (EU) No 600/2014, Regulation (EU) No 596/2014 and Directive 2004/109/EC and to be subject to effective supervision and enforcement.

Article 2

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

It shall expire on 31 December 2018.

Done at Brussels, 21 December 2017.

For the Commission

The President

Jean-Claude JUNCKER

ANNEX

Stock exchanges in Switzerland considered equivalent to regulated markets as defined in Directive 2014/65/EU:

- (a) SIX Swiss Exchange AG
 - (b) BX Swiss AG
-

DECISION (EU) 2017/2442 OF THE EUROPEAN CENTRAL BANK**of 8 December 2017****amending Decision (EU) 2016/2164 on the approval of the volume of coin issuance in 2017
(ECB/2017/39)**

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 128(2) thereof,

Having regard to Decision (EU) 2015/2332 of the European Central Bank of 4 December 2015 on the procedural framework for the approval of the volume of euro coin issuance (ECB/2015/43) ⁽¹⁾, and in particular Article 2 thereof,

Whereas:

- (1) The European Central Bank (ECB) has the exclusive right since 1 January 1999 to approve the volume of coins issued by the Member States whose currency is the euro.
- (2) Based on the estimates of demand for euro coins in 2017 that the Member States whose currency is the euro submitted to the ECB, the ECB approved the total volume of euro coins intended for circulation and euro collector coins not intended for circulation in 2017 in Decision (EU) 2016/2164 of the European Central Bank (ECB/2016/43) ⁽²⁾.
- (3) On 19 October 2017, the Italian Ministry of Finance requested that the volume of euro coins that Italy may issue in 2017 be increased from EUR 96,0 million to EUR 141,0 million to be able to respond to an unexpected rise in the demand for coins. The ECB has approved this request for an increase in the volume of euro coins intended for circulation that Italy may issue in 2017.
- (4) Therefore, Decision (EU) 2016/2164 (ECB/2016/43) should be amended accordingly,

HAS ADOPTED THIS DECISION:

*Article 1***Amendment**

The table in Article 1 of Decision (EU) 2016/2164 (ECB/2016/43) is replaced by the following:

(EUR million)

	Volume of euro coins approved for issuance in 2017		
	Circulation coins	Collector coins (not intended for circulation)	Volume of coin issuance
Belgium	51,0	1,0	52,0
Germany	419,0	219,0	638,0
Estonia	9,7	0,3	10,0
Ireland	30,7	0,8	31,5
Greece	106,3	0,6	106,9
Spain	359,3	30,0	389,3
France	224,3	51,0	275,3
Italy	139,2	1,8	141,0

⁽¹⁾ OJ L 328, 12.12.2015, p. 123.⁽²⁾ Decision (EU) 2016/2164 of the European Central Bank of 30 November 2016 on the approval of the volume of coin issuance in 2017 (ECB/2016/43) (OJ L 333, 8.12.2016, p. 73).

(EUR million)

	Volume of euro coins approved for issuance in 2017		
	Circulation coins	Collector coins (not intended for circulation)	Volume of coin issuance
Cyprus	14,0	0,1	14,1
Latvia	16,3	0,3	16,6
Lithuania	30,0	0,3	30,3
Luxembourg	17,7	0,2	17,9
Malta	10,2	0,2	10,4
Netherlands	25,0	4,0	29,0
Austria	87,2	181,8	269,0
Portugal	62,0	3,0	65,0
Slovenia	24,0	2,0	26,0
Slovakia	15,6	1,4	17,0
Finland	35,0	10,0	45,0
Total	1 676,5	507,8	2 184,3'

*Article 2***Taking effect**

This Decision shall take effect on the day of its notification to the addressees.

*Article 3***Addressees**

This Decision is addressed to the Member States whose currency is the euro.

Done at Frankfurt am Main, 8 December 2017.

The President of the ECB
Mario DRAGHI

DECISION (EU) 2017/2443 OF THE EUROPEAN CENTRAL BANK
of 8 December 2017
on the approval of the volume of coin issuance in 2018 (ECB/2017/40)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 128(2) thereof,

Having regard to Decision (EU) 2015/2332 of the European Central Bank of 4 December 2015 on the procedural framework for the approval of the volume of euro coin issuance (ECB/2015/43) ⁽¹⁾, and in particular Article 2 thereof,

Whereas:

- (1) The European Central Bank (ECB) has the exclusive right since 1 January 1999 to approve the volume of coins issued by the Member States whose currency is the euro.
- (2) The 19 Member States whose currency is the euro have submitted to the ECB their requests for the approval of the volume of coins to be issued in 2018, supplemented by explanatory notes on the forecasting methodology. Certain of these Member States have also provided additional information regarding circulation coins, where such information is available and considered important by the Member States concerned to substantiate the approval request.
- (3) As the right of Member States to issue euro coins is subject to approval by the ECB of the volume of the issue, the volumes approved by the ECB may not be surpassed by the Member States without prior approval by the ECB,

HAS ADOPTED THIS DECISION:

Article 1

Approval of the volume of euro coins to be issued in 2018

The ECB hereby approves the volume of euro coins to be issued by the Member States whose currency is the euro in 2018 as set out in the following table:

(EUR million)

	Volume of euro coins approved for issuance in 2018		
	Circulation coins	Collector coins (not intended for circulation)	Volume of coin issuance
Belgium	48,8	1,0	49,8
Germany	421,0	218,5	639,5
Estonia	13,2	0,6	13,8
Ireland	18,5	0,5	19,0
Greece	101,8	0,7	102,5
Spain	321,1	30,0	351,1
France	262,5	51,0	313,5
Italy	203,9	2,1	206,0
Cyprus	12,0	0,1	12,1

⁽¹⁾ OJ L 328, 12.12.2015, p. 123.

(EUR million)

	Volume of euro coins approved for issuance in 2018		
	Circulation coins	Collector coins (not intended for circulation)	Volume of coin issuance
Latvia	10,0	0,4	10,4
Lithuania	22,0	0,5	22,5
Luxembourg	13,5	0,2	13,7
Malta	9,5	0,2	9,7
Netherlands	35,0	4,0	39,0
Austria	95,2	182,0	277,2
Portugal	52,0	3,0	55,0
Slovenia	24,0	2,0	26,0
Slovakia	17,0	1,5	18,5
Finland	25,0	10,0	35,0
Total	1 706,0	508,3	2 214,3

*Article 2***Taking effect**

This Decision shall take effect on the day of its notification to the addressees.

*Article 3***Addressees**

This Decision is addressed to the Member States whose currency is the euro.

Done at Frankfurt am Main, 8 December 2017.

The President of the ECB

Mario DRAGHI

DECISION (EU) 2017/2444 OF THE EUROPEAN CENTRAL BANK
of 8 December 2017
amending Decision (EU) 2015/2332 on the procedural framework for the approval of the volume
of euro coin issuance (ECB/2017/41)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 128(2) thereof,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank, and in particular Article 12.1 thereof,

Whereas:

- (1) Decision (EU) 2015/2332 of the European Central Bank (ECB/2015/43) ⁽¹⁾ establishes rules related to the procedural framework for the approval of the volume of coin issuance.
- (2) The Governing Council considers that the power to adopt decisions on annual and ad hoc approval requests for the volume of coin issuance submitted by Member States whose currency is the euro should be delegated to the Executive Board when no modification of the requested volume of coin issuance is required.
- (3) Where the Executive Board considers that the volume of coin issuance requested by one or more Member States whose currency is the euro needs to be modified, it should submit a reasoned proposal explaining the required modifications to the Governing Council, and the Governing Council should remain competent for the adoption of a decision.
- (4) Therefore, Decision (EU) 2015/2332 (ECB/2015/43) should be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

Amendments

Decision (EU) 2015/2332 (ECB/2015/43) is amended as follows:

1. Article 2 is amended as follows,

(a) paragraph 9 is replaced by the following:

‘9. Where the Executive Board determines that the annual approval requests do not require a modification of the annual volume of coin issuance requested by each euro area Member State, the Executive Board shall adopt a decision on the approval of the annual volume of coin issuance for the euro area before the end of the calendar year preceding the year for which the requests for approval are made.’; and

(b) the following paragraph 10 is added:

‘10. Where the Executive Board determines that the volume of coin issuance requested by one or more requesting euro area Member States requires modification, following consultation with the Member State concerned, it shall submit a reasoned proposal explaining the required modifications to the Governing Council. In such cases, the Governing Council shall adopt the decision on the approval of the annual volume of coin issuance for the euro area without undue delay.’;

2. Article 3 is amended as follows:

(a) paragraph 7 is replaced by the following:

‘7. Where the Executive Board determines that the additional volume of coin issuance requested by a euro area Member State pursuant to paragraph 5 does not require modification, the Executive Board shall adopt an individual decision on the ad hoc approval request without undue delay.’; and

⁽¹⁾ Decision (EU) 2015/2332 of the European Central Bank of 4 December 2015 on the procedural framework for the approval of the volume of euro coin issuance (ECB/2015/43) (OJ L 328, 12.12.2015, p. 123).

(b) the following paragraph 8 is added:

‘8. Where the Executive Board determines that the additional volume of coin issuance requested by a euro area Member State requires modification, it shall submit a reasoned proposal explaining the required modifications to the Governing Council. In such cases, the Governing Council shall adopt an individual decision on the ad hoc approval request without undue delay.’.

Article 2

Taking effect

This Decision shall take effect on the day of its notification to the addressees.

It shall apply from 1 January 2018.

Article 3

Addressees

This Decision is addressed to the euro area Member States.

Done at Frankfurt am Main, 8 December 2017.

For the Governing Council of the ECB
The President of the ECB
Mario DRAGHI

RECOMMENDATIONS

RECOMMENDATION No 1/2017 OF THE EU-GEORGIA ASSOCIATION COUNCIL
of 20 November 2017
on the EU-Georgia Association Agenda [2017/2445]

THE EU-GEORGIA ASSOCIATION COUNCIL,

Having regard to the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part,

Whereas:

- (1) The Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part ⁽¹⁾, ('the Agreement') was signed on 27 June 2014 and entered into force on 1 July 2016.
- (2) In accordance with Article 406(1) of the Agreement, the Association Council has the power to adopt recommendations for the purposes of attaining the objectives of the Agreement.
- (3) Pursuant to Article 420(1) of the Agreement, the Parties are to take any general or specific measures required to fulfil their obligations under the Agreement and are to ensure that the objectives set out in the Agreement are attained.
- (4) The review of the European Neighbourhood Policy proposed a new phase of engagement with partners, allowing a greater sense of ownership by both sides.
- (5) The Union and Georgia wish to consolidate their partnership by agreeing on a set of priorities for the period 2017-2020 with the aim of supporting and strengthening the resilience and stability of Georgia while seeking closer political association and deeper economic integration.
- (6) The Parties to the Agreement have therefore agreed on the text of the EU-Georgia Association Agenda, which will support the implementation of the Agreement, focusing cooperation on commonly identified shared interests,

HAS ADOPTED THE FOLLOWING RECOMMENDATION:

Article 1

The Association Council recommends that the Parties implement the EU-Georgia Association Agenda, as set out in the Annex.

Article 2

The EU-Georgia Association Agenda 2017-2020, as set out in the Annex, shall replace the EU-Georgia Association Agenda 2014-2016 which was adopted on 26 June 2014.

⁽¹⁾ OJ L 261, 30.8.2014, p. 4.

Article 3

This Recommendation shall take effect on the day of its adoption.

Done at Tbilisi, 20 November 2017.

For the Association Council

The Chair

Giorgi KVIRIKASHVILI

ANNEX

ASSOCIATION AGENDA BETWEEN THE EUROPEAN UNION AND GEORGIA 2017-2020

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Association Agenda between the European Union and Georgia 2017-2020

On 27 June 2014 the European Union, its Member States and Georgia ('the Parties') signed an ambitious and innovative Association Agreement (AA), including a Deep and Comprehensive Free Trade Area (DCFTA). The agreement contains binding, rule-based provisions and provides for an enhanced cooperation, going further than in traditional agreements and covering all areas of interest. Following completion of the ratification process the full application of the Association Agreement started on 1 July 2016.

On 26 June 2014, the EU and Georgia agreed an Association Agenda, to prepare and facilitate implementation of the Association Agreement. The Agenda provides a framework for identification of priorities for joint work in the period 2014-16 to achieve the objectives of political association and economic integration set by the Association Agreement.

The present document updates and refocuses the 2014-2016 Association Agenda and sets new priorities for joint work for the period 2017-2020. It distinguishes between short-term priorities (which should be achieved or on which significant progress should be made by end 2018) and medium-term priorities (which should be achieved or on which significant progress should be made by end 2020).

The fact that the Association Agenda focuses upon a limited number of priorities is without prejudice to the scope or the mandate of existing dialogue under other relevant Agreements or under the multilateral track of the Eastern Partnership. It also does not prejudge implementation of commitments made in the AA/DCFTA since its entry into force on 1 July 2016.

Furthermore, visa-free travel to the Schengen countries ⁽¹⁾ for Georgian citizens holding a biometric passport entered into force on 28 March 2017, aimed at a substantial enhancement of mobility and people-to-people contacts between the two sides, in a secure and well managed environment, is a fundamental element underpinning the political association and economic integration of Georgia with the European Union as foreseen in the Association Agreement. The EU acknowledges Georgia's achievement in fulfilling all the required benchmarks of the Visa Liberalisation Action Plan, which led to the adoption by the Commission of a fourth and last progress report on 18 December 2015. This updated Association Agenda also aims at keeping track of and further encouraging sustained results in all VLAP-related areas, thus ensuring continuous fulfilment of all benchmarks of the VLAP as required by the revised visa waiver suspension mechanism.

1. Principles, instruments and resources for implementing the Association Agenda

The following common principles will guide the implementation of the Association Agenda:

- Actions undertaken through the Association Agenda should be implemented in full compliance with the AA/DCFTA, including its preamble;
- The priorities of the Association Agenda complement the responsibilities of the EU and Georgia to implement in full the provisions of the EU-Georgia Association Agreement now that it has fully entered into force;
- The Association Agenda should be implemented in full respect of the principles of transparency, accountability and inclusiveness;
- The Association Agenda involves an engagement from both sides in its implementation;
- The Association Agenda aims to achieve tangible and defined results through the progressive implementation of practical measures;
- The Parties recognise the importance of supporting the agreed priorities through appropriate and sufficient political, technical and financial means; and
- The implementation of the Association Agenda will be subject to annual reporting, monitoring and assessment. Progress made will be reviewed including in the context of the institutional structures set forth by the Association Agreement. Civil society will also be encouraged to focus their monitoring activities on the Association Agenda;

⁽¹⁾ The EU Member States covered by the visa waiver are:

- the EU Member States which are part of the Schengen area: Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain and Sweden.
- the EU Member States who not yet fully apply the Schengen acquis (those who are not yet part of the Schengen area without internal borders): Bulgaria, Croatia, Cyprus and Romania.

- The European Union will support Georgia in implementing the objectives and priorities set out in the Association Agenda. It will do so through using all available sources of EU support, as well as expertise and advice, best practices and know-how, the sharing of information, support to capacity-building, institutional strengthening and developing new assistance instruments. It emphasizes that the EU assistance is bound to jointly agreed conditionalities related to the progress on reform. It will also encourage and seek coordination of support from other partners of Georgia. The relevant EU financial instruments will also be available to help in the implementation of the Association Agenda. Notwithstanding this, the latter is not in itself a financial programming document and does not substitute for the programming or formulation exercises undertaken by the Parties.

EU support will be provided in the context of the overall priorities for assistance in favour of Georgia, as outlined in the ENI Single Support Framework (SSF) and in the multi-country programming under the European Neighbourhood Instrument (ENI) as part of the overall funding available for Georgia and in full respect of the relevant implementation rules and procedures of EU external assistance, aiming at the same time to take into account the priorities under the Association Agenda.

The present Association Agenda will be applicable from the moment of its adoption until the end of 2020, for an initial period which may be extended by mutual agreement. It may be amended or updated at any time as necessary by agreement of the EU-Georgia Association Council.

2. Priorities of the Association Agenda

2.1 Key Priorities for Actions

The EU and Georgia consider the implementation of the Association Agreement and the Association Agenda as a key priority to consolidate and promote shared values and principles, as declared by the EU and Georgia.

Since the signature of the Association Agreement, Georgia, has taken substantial steps and carried out substantial reforms towards its effective implementation. The EU acknowledges the progress made by Georgia towards deeper political association and economic integration with the EU.

The EU reiterates its firm support for the sovereignty and territorial integrity of Georgia within its internationally recognised borders, including its policy of non-recognition and engagement in Georgia, as well as its firm commitment to peace, stability and conflict resolution in Georgia. Furthermore, recognising Georgia as an example of state and societal resilience and its leading role as a prosperous, peaceful and stable democracy in the region, the EU is ready to intensify cooperation with Georgia on security matters with the aim to implement its strategic priorities in the neighbourhood, as highlighted in the EU Global Strategy.

In this context, the following reform actions should be addressed as a matter of priority:

In the field of strengthening institutions and good governance

1/ Independence of the judiciary and law enforcement agencies

Continue reforming the justice sector, in particular to ensure the full independence of judges and strengthen the accountability, efficiency, impartiality, integrity and professionalism of the justice system, by implementing key judicial reforms addressing inter alia the High Council of Justice, the Prosecutor Office, transparent and merit-based recruitment, judicial accountability, training of judges, the institutional structure of courts, an effective electronic case management system, legal aid and services, commercial justice and alternative dispute resolution mechanisms. Continue to increase accountability and democratic oversight of law enforcement agencies free from any undue interference. Continue reforming the criminal code of Georgia with the objective of liberalization and modernization of the law and ensuring its full compliance with relevant international standards.

2/ Public Administration Reform and Improvement in Public Services and anti-corruption

Pursue public administration reform in line with the Principles of Public Administration and the newly adopted Law on Civil Service with emphasis on implementation monitoring and fostering an accountable, efficient, effective, transparent public administration system of selection, promotion and dismissal and on building a merit-based and professional civil service, specialised needs-based training for civil servants working in all public administration sectors, agencies as well as in state owned enterprises, on delivering quality public services and on improving management of public finances. Ensure effective implementation of the Anti-corruption National Strategy and Action plan to prevent, detect and address corruption, in particular complex corruption as well as implement the verification of the asset and income declarations of all relevant officials.

3/ Human rights and fundamental freedoms

Continue effective implementation of the anti-discrimination law, the Human Rights Strategy and the National Human Rights Action Plan and strengthen media pluralism, transparency and independence. Establish an independent investigative mechanism to investigate allegations of ill treatment by law enforcement bodies; enhance gender equality and ensure equal treatment in social, political and economic life; and focus on measures to protect children against all forms of violence. Continue reform efforts to ensure a high level protection of personal data.

In the field of foreign and security policy

4/ Peaceful conflict resolution

Maintain effective co-operation between the EU and Georgia towards a settlement of the conflict within agreed formats; intensify effective co-operation and coordination between the EU and Georgia on conflict resolution; maintain constructive participation in and ensure the support for the EU, UN, OSCE co-chaired Geneva International Discussions; use the good offices of EUMM Georgia to contribute to stability, normalisation, and confidence building; take appropriate steps to encourage trade, freedom of movement and economic ties across the administrative boundary lines, including reviewing of legislation; foster people-to-people contacts, confidence building and reconciliation.

5/ Intensified cooperation in the field of security and defence policy

Deepen bilateral dialogue on security and defence issues to address issues of common concern, including terrorism, international organised crime, etc., and steer further cooperation; facilitate Georgia's participation in EU crisis management operations and also in CSDP-related trainings and consultation activities; activate different EU tools to support resilience and capacity building in Georgia to counter hybrid threats.

In the field of economic development and market opportunities

6/ Improved business environment and investment management

Implement the SME strategy and corresponding action plan for 2016-2017 as well as subsequent action plans; continue to improve the regulatory framework, operational environment and support to SMEs; improve Public Private Dialogue to identify private sector priorities in need of structural economic reforms support. Support reforms of financial sector infrastructure; establishment of deposit insurance system, banking sector reform and legislation, improved credit/collateral registries, improved financial reporting and audit, measures enabling capital markets, such as development of micro-credit, leasing, factoring and insurance, establish alternative dispute resolution mechanisms for commercial disputes and contract enforcement.

7/ Agriculture and rural development

Implement the Rural Development Strategy of Georgia 2017-2020; support the development of efficient value chains, improve employment in rural areas and support SMEs to increase their competitiveness in selected sectors with high export value.

8/ Trade related reforms and sanitary and phytosanitary (SPS) measures

Implement the Technical Barriers to Trade Strategy (TBT); develop infrastructure related to administration of standards, technical regulations, metrology, market surveillance, accreditation, conformity assessment procedures; implement the Market Surveillance Strategy; further improve trade statistics; implement the strategic framework for customs cooperation; approximate legislation on customs enforcement of intellectual property rights and ensure respect of the standstill clause for applicable import duties.

Implement the Food Safety Strategy and Approximation Programme, in particular the Food Safety Code and ensure progressive adoption of the implementing horizontal legislation; ensure veterinary phytosanitary and food safety checks at the border inspection posts; support the early warning system for food and feed, animal health and plant health safety and increase laboratory capacity for SPS measures.

In the field of connectivity, energy efficiency, environment and climate action

9/ Energy security and energy efficiency

Support the timely implementation of the commitments stemming from Georgia's formal accession to the Energy Community, in particular through regulatory reforms and investment in energy security and energy efficiency, including strengthening the mandate, capacity and independence of the energy regulator; reinforcing energy infrastructure networks and interconnections, as well as improving the transparency and functioning of electricity and gas energy market.

10/ Transport

Develop economically important infrastructure, including through further implementation of projects for the development of the core TEN-T network.

11/ Environment and climate action

Enhance approximation with the EU environmental acquis in environmental governance by adopting and implementing new legislation on environmental impact assessment, strategic environmental assessment, on environmental liability; by ensuring public access to environmental information and public participation in decision-making, by involving all interested stakeholders, as well as by integrating environment into other policy areas and by improving environmental information sharing. Finalise a Low Emission Development Strategy. Start implementation of the new global agreement on climate change (the Paris Agreement).

In the field of mobility and people to people contacts

12/ Migration, asylum and border management

Ensure sustained respect of all benchmarks of the Visa Liberalisation action plan as required by the revised visa waiver suspension mechanism; effectively implement the EU-Georgia Mobility Partnership, Georgia's Migration Strategy 2016-2020 and Georgia's State Integrated Border Management Strategy 2014-2018 and the respective accompanying Action Plans.

13/ Education, employment, research innovation and youth

Improve overall education research performance through a comprehensive education research] reform; and develop a strategic approach to employment and vocational education and training (VET); develop a vision and strategy for supporting the development of Georgian STI system, including] of Georgian Innovation policy; implement core labour rights.

2.2 Democracy, Human Rights, Good Governance and Strengthening Institutions

Political dialogue and cooperation towards reforms in the framework of this Association Agenda seek to continue strengthening respect for democratic principles, such as political pluralism, inclusiveness in decision making and separation of powers and cooperation with the opposition, the rule of law and good governance, human rights and fundamental freedoms, including the rights of persons belonging to minorities as enshrined in the core UN and Council of Europe Conventions and related protocols and to contribute to consolidating domestic political reforms, in particular through approximating with the EU *acquis communautaire*.

The dialogue and cooperation will cover the following areas:

(i) Strengthening the stability, independence and effectiveness of institutions guaranteeing democracy, the rule of law and respect for human rights, and in particular by:

- Continue ensuring the democratic conduct of elections, also for the local elections of October 2017, by addressing within the new electoral cycle remaining shortcomings in the legislative framework and election administration as identified by the Inter-Agency Task Force on Free and Fair Elections (IATF) and Organisation for Security and Co-operation in Europe (OSCE) / Office for Democratic Institutions and Human Rights (ODIHR), in particular the recommendations of the ODIHR Election Observation Mission report after the 2016 parliamentary elections;

- Continue ensuring that legislative amendments affecting key components of the rule of law, such as the independence of the judiciary are subject to comprehensive consultation domestically and, as the case may be, with the Council of Europe's Venice Commission to ensure that they stand the test of time and meet European standards, particularly in the case of the planned amendments to the Georgian constitution, where cooperation between the Venice Commission and the Georgian Constitutional Commission is paramount;
 - Further improve the balance of power between different branches of government and capacities of parliament to perform its oversight and legislative functions.
- (ii) **Continue reforming the justice sector, in particular ensure the full independence of judges and strengthen the accountability, efficiency, impartiality and professionalism of the justice system, and of law enforcement agencies, free from any undue interference; continue the fight against corruption:**

Justice sector

Short-term priorities

- Develop and gradually implement the Judicial Strategy and its action plan, which among other issues will cover improvement of the policy and practice of the appointment, promotion and training of the judges, a particular focus on human rights and provide adequate resources to ensure proper judicial competencies; further promote independence of the High School of Justice, notably through enhanced capacities;
- In particular, improve effectiveness of the High Council of Justice inter alia by ensuring its independence as well as its accountability;
- Improve the system of judicial accountability by implementation of clear and exhaustive disciplinary rules which are effectively enforced as well as by guaranteeing professionalism and integrity of judges;
- Streamline institutional structure of general courts, including where necessary, by introducing specialized panels and chambers and reduce case backlogs in civil divisions of general courts;
- Develop electronic case allocation system and improve electronic case management program in order to raise trust towards the judiciary;
- Continue the reform of the Prosecutor's office aiming at further ensuring independence of prosecutorial work from any undue influence and greater transparency and accountability;
- Continue reforming the Criminal Code with the objective of liberalisation of sentences and modernisation of the law and ensuring its full compliance with relevant EU and international standards;
- Further improve legislative and institutional frameworks for providing high quality free legal aid as well as payable legal services;
- Continue ensuring fair trial, access to justice and procedural rights in criminal proceedings in accordance with Georgia's obligations under the European Convention of Human Rights, the case-law of the Court and other relevant Conventions of the Council of Europe by fully:
 - guaranteeing the procedural rights of accused persons in criminal proceedings;
 - guaranteeing the rights for victims of crime, including hate crime, for access to justice, protection, support and compensation
- Introduce fair and efficient, and more widely used, alternative means of dispute settlement;
- Implement rehabilitation and re-socialization approaches in the Penitentiary and Probation Systems and beyond in order to prevent re-offending and maintain a proper balance between ensuring public order and security and guaranteeing human rights protection.

Medium term priorities

- Modernize legislations in the commercial, civil and administrative areas in line with national strategies and EU acquis;
- Ensure inclusive access to justice by an adequately funded Legal Aid Service.

*Law enforcement*Short-term priorities

- Increase the accountability and democratic oversight of law enforcement agencies. Complaints against the police will require a professional, effective mechanism for credible response. Consider taking further measures to promote independent and effective investigation of complaints against law enforcement officials. Provide a comprehensive professional training of law enforcement officers on ethical standards and the human rights as guaranteed by the European Convention of Human Rights;
- Further expand application of alternatives to imprisonment, by introducing new non-custodial sentences and increasing the capacities of the probation service.

*Anti-corruption, public administrative reform and public service*Short-term priorities

- Continue combating corruption, and ensure effective implementation of relevant international legal instruments, such as the UN Convention Against Corruption, and the Criminal Law Convention on Corruption and its Additional Protocol, as well as of recommendations of the Council of Europe's Group of States against Corruption (GRECO) and the recommendations of the OECD-Anti-Corruption Network for Eastern Europe and Central Asia;
- Improve citizens' right to information as one of key measure to effectively prevent corruption;
- Continue strengthening capacity of existing oversight, audit and financial investigation bodies;
- Continue inclusive policy making with participation of citizens and dialogue between civil society and national and local authorities;
- Reinforce oversight capacities of the parliament by improving capacity of sectoral committees.
- Continue implementation of the Public Administration Reform Roadmap and strengthen coordination, monitoring and reporting on the Roadmap and underlying strategies both at political and administrative level;
- Implement the new civil service legal framework to ensure a more professional and merit-based civil service.

Medium-term priorities

- Continue ensuring effective implementation of the Anti-corruption National Strategy and the relevant Action plan to prevent, detect and address corruption, especially complex corruption;
- Continue ensuring an effective investigation of alleged cases of corruption and create an effective system for the prevention of the conflict of interest;
- Update the Public Administration Reform Roadmap and underlying strategies in line with the Principles of Public Administration;
- Foster an accountable, efficient, effective, transparent public administration and build merit-based and professional civil service;
- Strengthen governance and public administration reform at local level in line with European standards.

(iii) **Ensure respect for human rights and fundamental freedoms through comprehensive cooperation on the protection of human rights and fundamental freedoms, including as underlined in Thomas Hammarberg's report 'Georgia in transition'. This cooperation will notably include:**

Short-term priorities

- Actively implement the National Human Rights strategy and action plan including the specific recommendations of UN bodies, OSCE/ ODIHR, the Council of Europe / European Commission against Racism and Intolerance (ECRI) and international human rights organisations notably in implementing anti-discrimination policies, protecting minorities and private life and ensuring the freedom of religion;

- Continue effective implementation of the anti-discrimination law to ensure effective protection against discrimination;
- Take steps towards signature, ratification and transposition into national legislation of relevant Council of Europe instruments in the fight against discrimination, including the Council of Europe Convention on preventing and combating violence against women and domestic violence, the so-called Istanbul Convention and towards implementation of UN Convention of the Rights of Persons with Disabilities into national legislation;
- Strengthen access to reproductive and sexual health, information and prevention, and continue fight against harmful practices directed against women, including genital mutilation and other forms of degrading treatment, in particular in rural areas.

Medium-term priorities

- Maintain effective pre- and non-judicial mechanisms for both dispute settlement and the protection of human rights;
- Continue to promote and raise awareness on human rights and anti-discrimination in the judiciary, law enforcement, administration including by conducting respective trainings;
- Continue to strengthen media pluralism, transparency and independence in line with Council of Europe recommendations;
- Take the recommendations of the Public Defender's Office (PDO) into account in policy-making and provide adequate resources and strengthen the PDO office; Cooperate with the Public Defender on its recommendations related to discrimination cases and the effective functioning of the institutional mechanism foreseen in the anti-discrimination law also by amendments to the legislation;
- Continue building monitoring capacities of the Parliamentary Committee on Human Rights and Civil Integration as well as on legal issues linked to the implementation of the Human Rights Strategy and Action Plan;
- Cooperate with Civil Society Organisations (CSO) and the representative social partners (trade-unions and employers' organisations) as stakeholders and watchdogs in areas prioritised by the EU-Georgia Association Agreement (AA), including labour rights, privacy, rights of persons belonging to minorities and other vulnerable groups and media freedom;
- Ensure compliance with the standing provisions of the Council of Europe on the European Charter for Regional or Minority Languages.

Ill-treatment and torture

Short-term priorities

- Adopt the anti-torture Action Plan for 2017-2018 and continue taking further measures to combat ill-treatment and torture, and step up efforts in order to combat impunity;
- Ensure a thorough, transparent, independent investigation into any allegation of the use of torture and ill treatment in the penitentiary system, police, military and other closed facilities by establishing independent investigative mechanism to investigate allegations of ill treatment by law enforcement bodies;
- Continue to support and engage with the National Preventive Mechanism (NPM) under the Public Defender's Office to prevent abuse through ensuring its effective functioning;

Medium-term priorities

- Continue efforts to improve the penitentiary healthcare system and prisoners' access to health care including mental health care services. Build capacities and empower health care staff working in -or for- closed institutions in the denouncing and reporting of ill-treatment;
- Further strengthen effective internal and external monitoring of the penitentiary system, police, military and other closed facilities for the early detection and prevention of abuse and ill-treatment.

*Equal treatment*Short-term priorities

- Enhance gender equality and ensure equal treatment between women and men, as well as persons belonging to minorities, regardless of religion or belief, ethnic or national origins, race, sex, language, sexual orientation, gender identity, ability or other in social, political and economic life;
- Take further measures to strengthen the implementation of legislation against gender based violence, including awareness-raising of both the general population and of specific professional groups, such as the police, and in particular in rural and minority areas. Increase the access of victims to counselling services and shelters.

Medium-term priorities

- Approximate to European standards as regards health and safety rules, rules on the protection of maternity, rules on the reconciliation of parental and professional responsibilities as envisaged by the Association Agreement;
- Take active steps to promote increased women representation in political decision making fora.

*Children's rights*Short-term priorities

- Provide adequate resources and strengthen the role of the Public Defender's Office to undertake further ombudsman work for children, inter alia to carry out annual monitoring of the situation in relevant institutions, including in day centres;
- Focus on measures to protect children against all forms of violence.

Medium-term priorities

- Enhance measures to address most vulnerable children's needs (including children with disabilities and children in street situation), through improving and expanding social protection mechanisms, as well as supporting territorial access to habilitation/rehabilitation programmes for children with disabilities, and take steps towards elimination of child labour;
- Continue juvenile justice reform;
- Continue working towards deinstitutionalisation of children.

*Trade Union rights and core labour standards*Short-term priorities

- Adopt the legal framework defining the supervision functions of the Labour Inspection system in the Occupational Health and Safety area, and remove restrictions to the powers of inspectors in existing legislation in accordance with International Labour Organisation (ILO) standards.

Medium-term priorities

- Implement the Labour Code (adopted in June 2013) and bring it as well as other relevant legislation further in line with the ILO standards. Underpin the Labour Code with procedures for resolving labour disputes and developing a negotiation culture by approving a roster of mediators.
- Continue to work on establishing an effective Labour Inspection system with adequate competences and capacities for the inspections of all working conditions and labour relations according to ILO standards;
- Ensure the effective functioning of the Tripartite Social Partnership Commission and continue to improve social dialogue through cooperation with the ILO.

2.3 Foreign and Security Policy

Dialogue and cooperation in the field of the Common Foreign and Security Policy (CFSP) aim at gradual convergence, including on the Common Security and Defence Policy (CSDP), and will address in particular, conflict prevention and crisis management issues, regional stability, disarmament, non-proliferation, arms control and export control. Cooperation will be based on common values and mutual interests, and will aim at increasing policy convergence and effectiveness, making use of bilateral, international and regional fora.

Short-term priorities

- Continue to cooperate on increasing alignment of Georgia with the EU CFSP declarations;
- Continue to cooperate on alignment with EU autonomous sanctions measures;
- Continue cooperation on Strategic Communication about EU integration related issues;
- Enhance practical cooperation in conflict prevention and crisis management by facilitating the participation of Georgia in EU-led civilian and military crisis management operations, and consultation and training activities in the CSDP area on the basis the Framework Participation Agreement signed in November 2013 and in the multilateral framework of the Eastern Partnership Panel on CSDP;
- Promote and facilitate Georgia's participation in CSDP-related training and consultation activities (in the framework of the regular bilateral consultations and multilateral Eastern Partnership Panel on CSDP);
- Facilitate Georgia's cooperation with the EU agencies on CSDP related issues;
- Promote regional cooperation on security issues such as improved border management, migration management, protection of critical infrastructure, export control, emergency response, civil protection, countering smuggling and illicit trafficking (such as bio and nuclear materials) and the training and of appropriate personnel, including in particular through the Chemical Biological Radiological and Nuclear (CBRN) Centre of Excellence located in Georgia.

Medium-term priorities

- Jointly contribute to an environment conducive to pragmatic cooperation and developing political dialogue and cooperation on regional and international issues, including within the framework of the Council of Europe and the OSCE;
- Promote peaceful conflict resolution and international stability and security based on effective multilateralism;
- Enhance investment in the resilience and capacity to counter hybrid threats of the Georgian state and society by including Georgia in the Capacity Building for Security and Development Initiative (CBSD) through providing institutional support, training and equipment that will contribute to the effectiveness of the Global Strategy for Foreign and Security Policy;
- Facilitate Georgia's cooperation with the EU on effective Security Sector Reform in Georgia;
- Promote jointly respect for the principles of sovereignty and territorial integrity, inviolability of borders and independence, as established in the UN Charter and the OSCE Helsinki Final Act.

*Terrorism, non-proliferation of weapons of mass destruction and illegal arms exports*Short-term priorities

- Cooperate on, and contribute to, countering the proliferation of weapons of mass destruction and their means of delivery through full compliance with, and national implementation of, the Parties' existing obligations under international disarmament and non-proliferation treaties and agreements, and other relevant international obligations.

Medium-term priorities

- Cooperate so as to deepen international consensus on the human rights based fight against terrorism, including on the legal definition of terrorist acts, including by promoting agreement on the Comprehensive Convention on International Terrorism;
- Co-operate on risk-based customs control ensuring safety and security of goods imported, exported or in transit;
- Tackle the illicit trade in small arms and light weapons, including their ammunition, under existing international agreements and UN Security Council resolutions, and commitments under other international instruments applicable in this area;

- Continue to cooperate in the area of conventional arms export control, in the light of the EU Common Position on control of exports of military technology and equipment. Develop co-operation in the fight against trafficking of arms and the destruction of stockpiles;
- Continue contributing to the implementation of the Nuclear Non-Proliferation Treaty (NPT) on all its three pillars, in a balanced manner.

Peaceful conflict resolution

Short-term priorities

- Maintain effective co-operation between the EU and Georgia towards a settlement of the conflict within agreed formats, including consultations with a view to establishing ways for appropriate involvement of the Georgian regions of Abkhazia and Tskhinvali region/South Ossetia in the deepening of EU-Georgia relations;
- Intensify effective co-operation and coordination between the EU and Georgia on conflict resolution including through regular political dialogue;
- Maintain constructive participation in and ensure the support for the EU, UN, OSCE co-chaired Geneva International Discussions;
- Fully and effectively use the good offices of EU Monitoring Mission Georgia to contribute to stability, normalisation, including facilitating a safe and normal life for local communities living on both sides of the administrative boundary lines, and confidence building, inter alia through the Incident Prevention and Response Mechanisms and through any other appropriate mechanisms, measures or arrangements;
- Support peaceful conflict resolution efforts, including via undertaking contacts with the populations of the Georgian regions of Abkhazia and Tskhinvali region/South Ossetia in light of Georgia's reconciliation and engagement policy and EU's non-recognition and engagement policy on which EU and Georgia cooperate;
- Cooperate in sharing with the populations across the administrative boundary lines the benefits and opportunities stemming from the EU-Georgia political association and economic integration process, including the short-stay visa-free regime to the Schengen area;
- Take appropriate steps to encourage trade, freedom of movement and economic ties across the administrative boundary lines, including reviewing of legislation such as the Law on Occupied Territories. Cooperate in undertaking measures to foster people-to-people contacts, confidence-building and reconciliation efforts between communities divided by conflict;
- Take further steps to promote sustainable integration of IDPs across the Georgian society (property right, employment, targeted support).

Medium-term priorities

- Continue joint efforts aimed at ensuring the full implementation of the 12 August 2008 Six-Point Agreement and its subsequent implementing measures;
- Continue joint efforts and undertake steps towards meaningful international field involvement in Georgia, including the full implementation of the mandate of the European Union Monitoring Mission in Georgia (EUMM Georgia);
- Continue working towards enabling the safe, dignified and voluntary return of all IDPs and refugees to places of origin in line with principles of international law;
- Taking steps towards the sustainable solution to conflict and without prejudice to the existing formats for addressing the conflict-related issues, the peaceful conflict resolution will constitute one of the central subjects on the agenda of political dialogue between the Parties, as well as in the dialogue with other relevant international actors.

International Criminal Court (ICC)

- Continue to cooperate with the International Criminal Court by implementing the Rome Statute and its related instruments, giving due regard to preserving its integrity. Continue to cooperate with ICC with respect to August 2008 war investigations.

2.4 Justice, Freedom and Security

Georgia shall continuously fulfil the requirements set in the four Blocks of the Action Plan on Visa Liberalisation of 25 February 2013. The effective, continued and sustainable implementation of all the benchmarks contained in the Action Plan, including those in Block 3 (Public Order and Security), is essential for maintaining the visa-free regime with the EU. In line with the revised visa waiver suspension mechanism, visa-free travel can be suspended in cases where one or more of the specific requirements are no longer fulfilled ⁽¹⁾. In case of a justified concern on the fulfilment of concrete benchmarks of the Action Plan, Georgia will provide the European Union information, on request.

The Parties will cooperate in the following areas:

Protection of Personal Data

Short-term priorities

- Ensure a high level protection of personal data in accordance with European standards and take practical steps to guarantee the respect for the right to personal data protection, including in the criminal justice field; ensure the application of data protection standards in public and private sectors.

Medium-term priorities

- Continue strengthening the capacity of the data protection authority (Inspector Office) and follow up on the application of data protection standards;
- Continue implementing the legal framework on personal data protection in all sectors in order to ensure a high level of data protection in line with the European instruments and standards;
- Approximate Georgian data protection legislation and practice with the latest European data protection standards.

Migration and Asylum

Short-term priorities

- Ensure that the Unified Migration Analytical System and the Migration Risk Analysis are fully operational and report on consequent improvements in the analysis of migratory data and the assessment of risks;
- Develop mechanisms to fight against irregular migration and foster legal migration, including through continuous, targeted information campaigns on migrants' rights and obligations, rules regulating their access to the EU labour market and on liability for any abuse of rights under the visa-free regime;
- Report on progress in the phasing out of the use of Georgian non-biometric passports in accordance with the Visa Liberalisation Action Plan.

Medium-term priorities

- Effectively implement Georgia's Migration Strategy 2016-2020 and the accompanying Action Plan;
- Update on a regular basis (at least every two years) Georgia's Migration Profile;
- Continue effective implementation of the EU-Georgia Readmission Agreement and ensure a smooth transfer of the Mobility Centres and reintegration activities to Georgia's state programme on reintegration;
- Continue to develop practical cooperation in the framework of the EU-Georgia Mobility Partnership.

⁽¹⁾ Regulation (EU) 2017/371 of the European Parliament and of the Council of 1 March 2017 amending Council Regulation (EC) No 539/2001 of 15 March 2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement, OJ L 61, 8.3.2017, p. 1.

*Border Management*Medium-term priorities

- Effectively implement Georgia's State Integrated Border Management Strategy 2014-2018 and the accompanying Action Plan;
- Maintain a high quality of border checks and border surveillance with the help of the Border Migration Administering and Reporting System (BMARS) and the implementation of Border Operations Management System (BOMS) project;
- Progress in the demarcation of state borders with neighbouring countries.

*Fight against Organised Crime*Short-term priorities

- Efficiently implement the national Action Plan on the Fight against Trafficking in Human Beings for 2017-2018 and continue capacity development activities for the state authorities to proactively identify and efficiently investigate cases of trafficking in human beings;
- Monitor and report on the effectiveness of proactive identification and investigation of cases of trafficking in human beings.

Medium-term priorities

- Continue efforts in the area of prevention and fight against organised crime;
- For the purpose of effectively tackling organized crime further develop cooperation between EU Member States and Georgian law-enforcement agencies, implement the cooperation agreement with Europol and continue cooperating with CEPOL for law enforcement training purposes;
- Enhance cooperation in addressing cybercrime, and providing relevant law enforcement training to Georgian authorities.

*Tackling Illicit Drugs*Short-term priorities

- Implement the National Drug Strategy and Action Plan 2016-2018.

Medium-term priorities

- Continue ensuring a balanced and integrated approach towards drug issues in order to cope with the health and social consequences of drug abuse as well as ensuring more effective prevention and working towards reducing the supply of, trafficking in and the demand for illicit drugs;
- Continue the regular dialogue in the framework of Eastern Partnership (EaP) Drugs Dialogue;
- Develop further the cooperation and information exchange, including by making best use of the Memorandum of Understanding between the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) and the Ministry of Justice of Georgia.

*Money-laundering and terrorism financing*Short-term priorities

- Align the Georgian legislation with the fourth Anti-Money Laundering Directive;
- Monitor and report on the number of freezing and confiscation orders issued and on the estimated value of the property frozen and confiscated, in order to ensure the effective implementation of Georgia's legislation on confiscation of criminal assets.

Medium-term priorities

- Continue efforts in further developing the legal and institutional framework for preventing and fighting money laundering and financing of terrorism, including through approximation with the EU's legislation in these fields;

- Continue to implement standards in the Financial Action Task Force (FATF) recommendations on terrorist financing;
- Enhance operational cooperation on confiscation, asset recovery and asset management through effective communication and exchange of best practices between the Georgian authorities and the EU Asset Recovery Offices.

Cooperation in the fight against terrorism

Medium-term priorities

- Make full use of the operational agreement between Georgia and EUROPOL, signed on the 4th of April, in order to facilitate exchange of information on terrorist organisations, groups, their activities and their support networks;

Legal Cooperation

Short-term priorities

- Take effective and intensive measures to sign and promote implementation of the operational cooperation agreement with Eurojust.

Medium-term priorities

- Enhance judicial cooperation in civil and commercial matters by acceding to and implementing multilateral conventions on civil judicial cooperation, in particular the main Conventions of the Hague Conference on Private International Law in the field of judicial cooperation as well as the protection of children, such as the 1965 Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters, the Convention of 1970 on the Taking of Evidence Abroad in Civil or Commercial Matters, the 2005 Convention on Choice of Court Agreements and 2007 Hague Convention on Child Support and Other Forms of Family Maintenance, and its Protocol on the applicable law to maintenance obligations;
- Enhance the judicial cooperation in criminal matters by acceding to and implementing the relevant conventions, especially those of the CoE.

2.5 Trade and Trade-Related Matters

The Deep and Comprehensive Free Trade Area makes up an extensive part of the Association Agreement. It is therefore expected that implementation of this part, contained in Title IV TRADE AND TRADE-RELATED MATTERS, will be granted a level of priority commensurate with its importance in the overall context of the Association Agreement and in the frame of EU-Georgia relations.

Trade in Goods

The Parties will cooperate on the implementation of the provisions on market access for goods of the Association Agreement, in particular through joint consultations, with a view to:

Short-term priorities

- Further improvements in the area of trade statistics;
- Ensuring that no increase of currently applicable import duties in trade between the parties takes place following the entry into force of the Agreement (standstill clause);

Medium-term priorities

- Support Georgia to increase the diversification of Georgia's export structure, including export of new products to the EU market;
- Close cooperation with a view to applying effectively the anti-circumvention mechanism;
- Assisting Georgia in drafting and implementing legislation it may intend to prepare on market access or other related issues (i.e. trade remedies);
- Ensuring exchange of information on market access-related developments and policy on market access.

Technical Regulations, Standardisation and Related Infrastructure

The Parties will cooperate in the field of standards, technical regulations, metrology, market surveillance, accreditation and conformity assessment for achieving gradual approximation of these systems with EU relevant systems as provided for in the Association Agreement. The cooperation will include:

Medium-term priorities

- Developing legislation which Georgia committed to implement on the basis of the Association Agreement as provided in its Technical Barriers to Trade Strategy (TBT);
- Developing infrastructure related to administration of standards, technical regulations, metrology, market surveillance, accreditation, and conformity assessment procedures, including through EU support;
- Facilitating the preparation and adaptation of stakeholders, including economic operators, for the implementation of approximated legislation;
- Continuing the implementation of the Market Surveillance Strategy for industrial goods;
- In the Market Surveillance field, strengthening administrative capacities of relevant Georgian state institutions and market surveillance bodies;
- Further staff training for the administration of responsible government bodies and agencies;
- Exchanging information on all relevant aspects of the Georgian TBT and Market Surveillance Strategies, including timeframes as applicable.

Sanitary and Phytosanitary (SPS) Measures

The Parties will cooperate in preparing for the approximation of Georgia's sanitary and phytosanitary legislation for food and feed, plant health as well as animal health and welfare and practice to that of the EU, as set out in the relevant Annexes to the Association Agreement. The cooperation will include:

Short-term priorities

- Supporting the early warning system for the food and feed, animal health and plant health safety;
- Organising information campaigns with relevant agencies, businesses and NGOs on the requirements for accessing the EU market, as well as with civil society on the relevant consumer aspects of food and feed safety;
- Providing further EU technical advice and support to Georgia in drafting and implementing the legislation, including training the relevant staff, providing capacity-building to the competent authority and supporting the improvement of the laboratory capacity, in line with the EU requirements;
- Enhancing adaptation capacity of Georgian business for the implementation of approximated legislation.

Medium-term priorities

- Supporting Georgia to strengthen the risk analysis in the SPS field; ensuring veterinary phytosanitary and food safety checks at the border inspection posts;
- Facilitating the adaptation of Georgian businesses for the implementation of approximated legislation;
- Collaborating in the field of animal welfare and on the reduced use of antibiotics in animal production to combat antibiotics resistance.

Customs and Trade Facilitation

The Parties will cooperate in preparing for the approximation of Georgia's legislation to EU *acquis* and international standards listed in the relevant Annex to the Association Agreement. Approximation should be based on the Union Customs Code, which is implemented as of May 1st 2016. The relevant AA Annex shall reflect the substitution of the Community Customs Code with the Union Customs Code.

Short-term priorities

- Implementation of the Strategic Framework for customs cooperation;
- Approximating Georgia's legislation on customs enforcement of IPR to EU *acquis*, as envisaged by the Association Agreement.

Medium-term priorities

- Approximating Georgia's Authorised Economic Operator system to that of the EU;
- Continuing to modernise Georgian customs authorities;
- Continuing to simplify and modernise customs procedures;
- Assisting Georgia in its accession to the Convention on a common transit procedure;
- Co-operating on risk-based customs control and sharing of relevant information that contributes to improved risk management and security of the supply chains, facilitation of legitimate trade and safety and security of goods imported, exported or in transit;
- Strengthening dialogue on the fight against fraud to prevent illegal trade, including in excisable products, particularly through enhanced cooperation in the framework of the Protocol on Mutual Administrative Assistance in Customs Matters;
- Considering the prospect of mutual recognition of Authorised Economic Operator system as envisaged by the Association Agreement.

Rules of Origin

The parties will work together to implement rules of origin laid out in the relevant protocol to the Association Agreement and deriving from Georgia's accession to the regional Convention on Pan-Euro-Mediterranean preferential rules of origin. This cooperation will include work to:

Short- term priorities

- Discuss the current procedures applied by Georgian customs services in certifying and verifying the origin of goods.

Medium-term priorities

- Substituting the current protocol on rules of origin (Protocol 2 of the AA) by a reference to the Pan-Euro-Mediterranean Convention on rules of origin following Georgia's accession;
- Continue training on certification and verification of preferential origin to Georgia's customs service.

Establishment, Trade in Services and Electronic Commerce

The Parties will continue the dialogue on establishment, trade in services and electronic commerce according to the relevant provisions of the Association Agreement. Furthermore, the Parties will prepare for the implementation of the commitments in the services areas, as envisaged in the relevant Annexes to the Association Agreement. This will include providing training and building adequate administrative capacity to undertake planned legislative approximation, and ensure regular exchanges of information as regards envisaged and ongoing work in selected areas for approximation.

- Exchange information and experience on development interoperable eCommerce trading platforms;
- Exchange information and experience on raising awareness among stakeholders on implementing the key principles of the Postal Services Directive, in particular the universal postal obligation, as well as other postal sector policy.

Current Payments and Movement of Capital

The Parties will continue dialogue on capital movements and payments, in particular with a view to monitoring compliance with all existing commitments and preparing for implementation of the Association Agreement.

Public Procurement

The Parties will cooperate on Georgia's preparations for the implementation of the Procurement Chapter of the Association Agreement and the related reforms. The work will include:

Medium-term priorities

- Providing precise and timely information on planned legislative work affecting procurement policy and its implementation, both for the legal approximation and the set-up of institutions in the field of public procurement. A comprehensive roadmap has already been adopted by the Government of Georgia on 31 March 2016, covering five phases of actions to be implemented during the period from 2016 to 2022. The Parties will further discuss implementation of the roadmap, also in view of ensuring the approximation of the Georgian public procurement legislation with the EU public procurement acquis as foreseen in the Association Agreement.

Intellectual Property Rights (IPR)

The Parties will cooperate on Georgia's preparations for the approximation to the EU *acquis* and international standards on the protection of intellectual property rights, including Geographical Indications as provided for in the Association Agreement and will ensure the effective protection of all IPR, including geographical indications. Cooperation will include:

Medium-term priorities

- Ensuring rights holders from both Parties a high level of IPR protection and enforcement;
- Strengthening the enforcement capacity of relevant governmental bodies or executive agencies, as well as ensuring proper functioning of the judicial system to guarantee access to justice for rights holders and implementation of sanctions;
- Supporting functioning of the National Intellectual Property Centre of Georgia 'Sakpatenti' in order to ensure protection of industrial property rights and copyright]; extending cooperation with third country authorities and industry associations;
- Taking measures to increase public awareness in the field of intellectual and industrial property protection and ensuring effective dialogue with rights holders;
- Taking effective measures against counterfeiting and piracy, including production of statistical information on those activities to be shared between the Parties.

Competition

Medium-term priorities

The Parties will cooperate on implementation of the Competition Chapter of the Association Agreement and the related reforms. Cooperation will tackle Georgia's institutional framework and relevant administrative capacity to guarantee effective implementation of relevant legislation, as well as enhanced dialogue on legislative enforcement in the competition area and related legislations.

Transparency

Short-term priorities

The Parties will pay special attention to cooperation when preparing for the implementation of commitments on transparency in trade-related policy-making. The parties will discuss best practices and respective experience in transparent policy-making, exchange information and provide relevant training, including on communication mechanisms and stakeholder consultations, as well as conduct seminars and other events for the wider public, aimed at explaining the implementation of the Association Agreement and the approximation process.

*Trade and Sustainable Development*Medium-term priorities

The Parties will continue their dialogue on the issues covered by the Chapter on Trade and Sustainable Development of the Association Agreement, in particular exchanging information on the development of an appropriate labour inspection system for all international fundamental labour standards, implementation of the Labour Code, implementation of multilateral environmental agreements, which either side is party to, and implementation of their commitments related to sustainable development, as well as discuss and exchange best practices on the future implementation of the commitments under the Chapter with regard to stakeholder involvement and civil society dialogue.

2.6. Economic Development and Market Opportunities

The Parties will cooperate to support Georgia in establishing a fully functioning market economy and gradually approximating its policies to the policies of the EU in accordance with the guiding principles of macroeconomic stability, sound public finances, a robust financial system and sustainable balance of payments. To that end they will monitor macroeconomic developments, discuss key policy challenges and exchange information on best practices by strengthening the regular macroeconomic dialogue in order to improve the quality of economic policy making.

Furthermore the Parties agree to cooperate with a view to:

Medium-term priorities

- Strengthen the independence and regulatory powers of the National Bank of Georgia (NBG) and share EU experience, including from the ECB, on monetary and exchange rate policy as well as financial and banking sector regulation and supervision policies, to further develop Georgia's capabilities in these areas;
- Improve the sustainability and governance of public finances by implementing fiscal reforms;
- Develop a sustainable, comprehensive and well-targeted social safety net.

Agriculture and Rural Development

The Parties will cooperate on:

Short-term priorities

- Adoption of the Rural Development Strategy of Georgia 2017-2020 and its implementation.

Medium-term priorities

- Modernising and improving the efficiency of institutions responsible for agriculture development, including through participation of all relevant sector stakeholders in this process;
- Facilitating the gradual adoption of marketing standards for agriculture products to support a higher food safety and the implementation of quality schemes;
- Improving the competitiveness and sustainability of agricultural production, by fostering economies of scale via market-oriented agriculture cooperatives, by developing advisory and extension systems to increase production and augment exports; and by easing access to viable credit and financial resources for agriculture;
- Supporting the development of efficient value chains and supporting SMEs to increase their competitiveness in selected sectors with high export value;
- Moving towards the progressive convergence and implementation of effective agricultural and rural development policies, on the basis of proven EU models;

- Enhancing employment and living conditions in the rural areas through improved management of natural resources, improved services and infrastructure and diversification of the rural economy;
- Supporting the promotion of Georgian agricultural products.

Public Internal Financial Control and External Audit

The Parties will cooperate with the aim to ensure the development of public financial control and external audit by:

Short-term priorities

- Further develop the internal control system under decentralised managerial responsibility, including functionally independent internal audit in state authorities by ensuring harmonisation with generally-accepted international standards, frameworks and EU good practice;

Medium-term priorities

- Continue to improve the internal control and internal audit system in the public sector in line with a gap assessment between actual practice and generally accepted international standards, frameworks and EU good practice;
- Ensure further development of the external audit function of the Court of Accounts (State Audit Office of Georgia), in line with generally-accepted international standards (INTOSAI).

Taxation

The Parties will enhance and strengthen cooperation aimed at the improvement and development of Georgia's tax system and administration, based on EU and international standards, including preparation for gradual approximation to the EU *acquis* and international instruments as laid down in the relevant annex of the Association Agreement, in particular by:

- Improving and simplifying tax legislation;
- Improving international tax cooperation in order to enhance good governance in the tax area i.e. the principles of transparency, exchange of information and fair tax competition;
- Improving capacity of the tax administration, in particular by moving towards a more focused, risk based system for tax control and audits;
- Taking measures to harmonise policies in counteracting and fighting fraud and smuggling of excisable products;
- Developing cooperation with the tax administrations of EU Member States by exchanging new experiences and trends in the field of taxation.

Statistics

The Parties will cooperate on:

Medium-term priorities

- Address statistical discrepancies in measuring bilateral EU-Georgia trade data;
- Continue ensuring availability of statistics and data to researchers, journalists and the broader public;
- Preparing for approximation to the EU *acquis*, in particular by:
 - Introduction of quality reporting for most of the statistical surveys;
 - Completing the introduction of SNA 2008;
- Alignment of the Business Statistics Methodology with EU standards and business statistics oriented on the future data requirements as contained in the Framework Regulation for Integrated Business Statistics (FRIBS); promote sharing experience of the EU countries in implementing FRIBS is desirable for enhancing the alignment process.

Consumer Policy

In view of the preparation for the implementation of the EU *acquis* and international instruments mentioned in relevant Annexes to the Association Agreement, the Parties will cooperate in:

- Supporting Georgia to gradually approximate its legislation to the relevant EU legislation and international instruments within the stipulated timeframes in annex XXIX of the Association Agreement;
- Strengthening consumer protection in Georgia, notably through training of government officials and other consumer interest representatives on the approximation with EU legislation and its subsequent implementation.

Company Law, Accounting and Auditing and Corporate Governance

The Parties will cooperate in view of Georgia's preparation for the approximation implementation of the EU *acquis* and international instruments mentioned in the relevant Annex to the Association Agreement, and in particular on Georgia's efforts to make greater use of their regular dialogue to deepen cooperation and discuss steps which should be taken.

Short-term priorities

- Identify areas in which the EU could provide further training and capacity-building.

Medium-term priorities

- Development of administrative capacity of relevant state institutions;
- Develop company and other relevant laws with regard to EU *acquis*;
- Ensure the implementation of the rules set by the new Company law related to the compulsory disclosure of information;
- Introduce relevant international auditing standards at national level and promote their application by all listed companies at national level;
- Provide timely, relevant and precise information about the state of play and development of the existing legislation in Georgia and its conformity with the EU *acquis* and exchange in advance relevant information concerning necessary institution- and capacity building relevant to the approximation of the EU *acquis*; (NB In this context, the government adopted the Action Plan for Financial Reporting and Auditing Reform. One of the tangible outcomes is the law on Accounting, Reporting and Auditing enacted on 8 June 2016).

Financial Services

The cooperation will aim at preparing Georgia for the modernisation of its financial regulatory and supervisory framework, using EU legislation and international instruments referred to in the relevant annexes to the Association Agreement as a reference to develop a set of rules appropriate for Georgia. This cooperation shall include the following actions and contribute to achieving the following objectives:

Short-term priorities

- Identifying areas in which training and capacity-building should be provided.
- Establishing contacts and exchanging information with the EU financial supervisors in line with the Association Agreement;
- Providing timely, relevant and precise information about the state of play and development of the existing legislation in Georgia.

Medium-term priorities

- Create a new regulatory and supervisory framework in conformity with internationally agreed regulatory standards, including new supervisory approach, tools and instruments;

- Improving the administrative capacity of supervisory authorities;
- Continue cooperation with FATF, the Council of Europe, MONEYVAL, as well as relevant authorities in EU Member States and signing Memoranda of Understanding between financial intelligence authorities of Georgia and EU Member States.

Industrial and Enterprise Policy and Mining

The Parties will cooperate to improve the business and regulatory environment, in particular for SMEs, including microenterprises, in particular by:

Short-term priorities

- Implementation of the Georgian SME Strategy and the corresponding Action Plan for 2016-2017;

Medium-term priorities

- Implementation of the country-specific roadmap and the recommendations of the SBA (Small Business Act) Assessment to the extent possible;
- Linking SME development to the opportunities created by the DCFTA including through business (support) networks (such as the Enterprise Europe Network) and clusters;
- Strengthening the role of business and SME associations (including sectoral associations) in order to improve Public-Private Dialogue;
- Developing opportunities for Georgian start-ups to enter the EU and Georgian markets.

Through the dedicated Subcommittee the Parties will exchange information on mining and metals to achieve better understanding of Georgian and EU policies, including the implementation of the EU Raw Materials Initiative, the Horizon 2020 research programme and the European Innovation Partnership on Raw Materials.

Tourism

Through the dedicated Subcommittee the Parties will exchange information on development of tourism in Georgia and in the EU, including on relevant events and best practices and support Georgia in the implementation of Georgia Tourism Strategy adopted in 2015.

Employment, Social Policy and Equal Opportunities

The Parties will cooperate in order to:

Short-term priorities

- Prepare for the approximation and implementation of the EU *acquis* in the areas of health and safety at work, labour law and working conditions, and gender equality and anti-discrimination as mentioned in the relevant annexes to the Agreement, and in particular to establish an appropriate law enforcement and supervision system in line with EU approaches (starting with the Occupational Health and Safety area) and to build capacity of social partners (e.g. training on EU health and safety legislation and standards and EU legislation and standards regarding labour law);
- Monitor the ongoing implementation of the New Service Model for public employment services;
- Complement the legal framework necessary to establish an effective labour inspection system;
- Further improve capacities of social services and of the Ministry of Labour, Health and Social Affairs in order to strengthen the capacities of the administration in charge of developing and implementing employment and social policies respecting the equal opportunities principles.

Medium-term priorities

- Roll out the newly defined public employment services with adequate capacities and in line with requirements of the European public employment services;

- Continue establishing an effective labour inspection system in line with ILO standards in order to ensure administrative and enforcement capacities in the areas of health and safety at work and labour law, and strengthen relevant judiciary bodies;
- Develop a strategic approach to employment, aiming at more and better jobs with decent working conditions, better matching of skills and jobs in the labour market and promoting active labour market measures and efficient employment services, with a particular focus on youth;
- Ensure well-functioning social dialogue through the effective functioning of the Tripartite Social Partnership Commission and capacity-building of social partners.

Cooperation in the Field of Digital Economy and Society

The Parties will cooperate to prepare for implementation of EU *acquis* mentioned in relevant annexes of the Association Agreement and support Georgia on:

Medium-term priorities

- Efforts to approximate the legislation in the field of electronic communications with the EU *acquis*;
- Activities dedicated to strengthening the independence and administrative capacity of the national regulator in the field of communications, in order to ensure its ability to take appropriate regulatory measures and enforce its own decisions and all applicable regulations and to guarantee fair competition in the markets;
- Strengthening the sector by exchanging information and experience on the implementation of the Digital Single Market (DSM);
- Efforts to increase the cyber resilience of key critical infrastructure sectors and public sector organisations, drawing from relevant EU experiences and in line with EU norms.

Fisheries and Maritime Policy

The Parties will cooperate on:

Short-term priorities

- Fostering an integrated approach to maritime affairs, especially by contributing to the development of cross-sectoral initiatives in the maritime domain by establishing a working group on maritime affairs composed of the relevant ministries and services, and by identifying areas of common interest and actively cooperating with coastal States and maritime stakeholders in the Black Sea region, in the context of the EU Integrated Maritime Policy.

Medium-term priorities

- Improving and enhancing monitoring and control of fishing activities and of trade in fisheries products and their traceability, in order to effectively fight Illegal, Unreported and Unregulated fishing (IUU fishing);
- Taking necessary steps to achieve sustainable fisheries in the Black Sea, both in bilateral and multilateral frameworks on the basis of an ecosystem approach to fisheries management;
- Increasing scientific and technical co-operation with a view to ensure the capacity of monitoring fisheries based on sound and reliable data, and of evaluating the state of marine resources and of the marine environment.

Public Health

The Parties will cooperate on:

- Supporting Georgia prepare for the implementation of the EU health *acquis*, as mentioned in the relevant annexes of the Association Agreement, in particular in the area of blood safety, tobacco control, quality and safety of substances of human origin (blood tissues, organs, cells), and communicable diseases in line also with Georgia's international obligations under the Framework Convention on Tobacco Control and the International Health Regulations;

- Improve the coverage of the Universal Health Care Programme and reduce out-of-pocket expenditures to be paid by the patients. This issue is considered a main priority of the government and is reflected *inter alia* in an increase of public expenditure on health and comprehensive reforms to strengthen the health care sector;
- Enhance quality and accessibility of primary healthcare aiming at disease prevention and improvement of quality of life;
- Strengthen healthcare institutions – most of which are private-run – and their accountability through establishing quality indicators, value-based purchasing and other quality management processes including recognising accreditation of health care institutions by international accreditation bodies;
- Strengthening national multi-sectorial action to fight anti-microbial resistance *inter alia* by strengthening surveillance, prudent use of antimicrobials and infection control in healthcare settings.

2.7 Connectivity, Energy Efficiency, Environment, Climate Action and Civil Protection

Transport

The Parties will cooperate to enhance further implementation of the EU *acquis* in all transport modes mentioned in relevant annexes of the Association Agreement and to support Georgia in:

Medium-term priorities

- Pursuing the implementation of the EU aviation *acquis* in order to take full advantage of the EU-Georgia Common Aviation Area Agreement;
- Activities to improve safety across transport modes (aviation, road, maritime, railway);
- Developing infrastructure, in particular to start preparing and implementing further projects for the development of the extended core TEN-T network, as agreed at the 2016 Rotterdam TEN-T days' ministerial meeting.

Energy Cooperation

The Parties will cooperate with the aim to:

Short-term priorities

- Complete Georgia's formal accession to the Energy Community Treaty as a contracting Party in line with the Association Agreement;
- Implement relevant legislation in the fields of electricity, renewable energy, energy efficiency, oil, gas, energy statistics, energy-related environment, and prospection of hydrocarbons, in the line with the terms and conditions set out in the protocol of accession to the Energy Community Treaty and in the Association Agreement.

Medium-term priorities

- Take steps towards the integration of Georgia's energy market with that of the EU, and strengthening Georgia' energy security and regulatory convergence through the further implementation of relevant EU legislation, including related secondary legislation, applicable to Georgia, in line with the AA and Energy Community commitments and in accordance with the timeline agreed by Georgia in these frameworks;
- Cooperate on attracting international support for sustainable energy development including that from international climate funds and other financial instruments;
- Reinforce Georgia's energy infrastructure network and interconnections, in particular:
 - with regard to electricity, promoting cross-border trade and interconnections with neighbouring countries and reinforcing Georgia's transmission grid;

- with regard to natural gas, expansion of main gas pipelines, including facilitating the implementation of the expansion of the South Caucasus gas pipeline on the Georgian territory, as well as support/promotion of other gas and oil transit projects of regional importance to ensure the transportation of Caspian energy resources to western markets, as well as facilitating development of underground gas storage to enhance energy security in Georgia.

Environment

The Parties will cooperate with the aim to:

Short-term priorities

- Enhance environmental governance by adopting and implementing new legislation in Georgia on environmental impact assessment, strategic environmental assessment, new legislation on environmental liability, by ensuring public access to environmental information and public participation in decision-making, by involving all interested stakeholders, as well as by integrating environment into other policy areas and by improving environmental information sharing in line with the principles of the Shared Environmental Information System (SEIS);
- Adopt the 3rd National Environmental Action Programme of Georgia (2017-2021);
- Start implementation of the National Radioactive Waste Management Strategy.

Medium-term priorities

- Implement the 3rd National Environmental Action Programme of Georgia (2017-2021) according to the NEAP 3 timeframe;
- Implement the National waste management strategy and measures foreseen in the 2016-2020 action plan;
- Continue approximation of legislation of Georgia to EU acquis and implement the provisions of EU Directives and Regulations as envisaged in the relevant Annexes of the Association Agreement;
- Draw up a roadmap for the ratification and implementation of multilateral environmental agreements, including among others UNECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes, and UNECE Convention on the Transboundary Effects of Industrial Accidents. Advance preparations to become a party to Espoo Convention and its protocol on Strategic Environmental Assessment.

Climate Change

The Parties will cooperate with the aim to:

Short-term priorities

- Finalise and adopt a Low Emission Development Strategy of Georgia;
- Start implementation of the Paris Climate Agreement.

Medium-term priorities

- Approximate legislation of Georgia to EU acts and international instruments as envisaged by the Association Agreement in accordance with the relevant Annexes thereof;
- Elaborate the updated Nationally Determined Contribution (NDC) document;
- Mainstream climate action in sectoral policies and measures and strengthen the capacity of different authorities to implement climate action across sectors;
- Enhance Georgia's transparency framework for climate action, in particular through a robust national system for the monitoring and reporting of climate policies, measures and greenhouse gas emissions based upon the EU model;
- Develop Georgia's mid-century, long-term low greenhouse gas emission development strategy.

Civil Protection

The Parties will cooperate in order to reinforce disaster prevention, -preparedness and -response. To that end the Parties will i.a.:

Short-term priorities

- Explore ways to define the most appropriate elements of cooperation in relation to the risk profile, legislative and organisational framework of Georgia, e.g. through bilateral administrative arrangements or Letters of Intent;
- Achieve progress on the development of a country-wide disaster risk assessment and mapping and support as necessary the development of the Electronic Regional Risk Atlas (ERRA) and ensure its effective utilisation at national and regional level.

Medium-term priorities

- Ensure effective communication on a 24-hour basis including exchange of early warnings and information on large scale emergencies affecting the EU and Georgia, as well as third countries where the Parties are involved in disaster response;
- Facilitate mutual assistance in case of major emergencies, as appropriate and subject to the availability of sufficient resources;
- Promote the adoption and implementation of the EU guidelines on host nation support;
- Improve the knowledge base on disaster risks by enhancing cooperation on data accessibility and comparability;
- Progress with the development of a country-wide disaster risk assessment and mapping and to support as necessary the development of the Electronic Regional Risk Atlas (ERRA) and ensure its effective utilisation at national level;
- Initiate the extension of the Copernicus European Flood Awareness System (EFAS) to Georgia in cooperation with the Joint Research Centre of the European Commission;
- Improve prevention of and preparedness for industrial and NATECH (natural hazard triggered technological) disasters;
- Establish dialogue on the policy aspects of disaster prevention, preparedness and response through exchange of best practices, joint trainings, exercises, study visits, workshops and meetings on lessons learnt gained from real emergency situations or exercises.

2.8 Mobility and People to People

Cooperation in Research, Technological Development and Innovation

The Parties will cooperate on:

Short-term priorities

- Developing a vision and strategy for the Georgian STI system (as part of overall education and science sector strategy of Georgia) within the European Research Area involving policymakers, the academic and research community, business and civil society leaders;
- Supporting the development and implementation of Innovation policy, including regulatory framework and infrastructure for innovation.

Medium-term priorities

- Maximising the benefits to Georgia of its Association to the Horizon 2020 programme;
- Encouraging participation under the Research and Training Programme of Euratom, complementing Horizon 2020, particularly in the field of nuclear safety and radiation protection based on competitive calls;

- Reinforcing human, material and institutional resources in order to improve research and innovation capacities;

Education, Training and Youth

The Parties will cooperate on the overall modernisation and reform of Georgia's education, training and youth systems, in particular by:

Medium-term priorities

- Carrying out joint work and exchanges with a view to promoting Georgia's further integration into the European Higher Education Area in the context of its membership of the Bologna process, including through strengthening an independent and development-oriented quality assurance system, promoting active participation of stakeholders and civil society in the reform processes and strengthening the academia-labour market cooperation for a greater employability of graduates;
- Promoting academic cooperation, capacity building and student and staff mobility through the Erasmus+ programme as well as researchers' mobility, career development and training through the Marie Skłodowska-Curie actions;
- Encouraging a strategic approach to vocational education and training (VET) with a view to bringing Georgia's VET system in line with the modernisation of EU VET structures as pursued in the Copenhagen Process and through its instruments and respecting the equal opportunities principles;
- Strengthening a strategic approach to youth policy and enhancing exchanges and cooperation in the field of non-formal education for young people and youth workers, as a means to promote intercultural dialogue and support civil society, inter alia through the youth strand of Erasmus+;
- Ensuring right to education for all children and young individuals, including those with special educational needs and taking further steps to promote inclusive primary and secondary education.

Cooperation in the Cultural Field

The Parties will:

- Promote the implementation of the 2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions;
- Cooperate on the development of an inclusive cultural policy in Georgia and on the preservation and valorisation of cultural and natural heritage with a view to fostering socio-economic development;
- Promote the participation of Georgian cultural and audio-visual operators in cultural/audio-visual cooperation programmes, in particular Creative Europe;

Cooperation in Audio-visual and Media Field

The Parties will cooperate to prepare for implementation of EU *acquis* mentioned in relevant annexes of the Association Agreement and support Georgia in:

Medium-term priorities

- Work towards reinforcement of independence and professionalism of the media in compliance with relevant European standards and approximation of the audio-visual legislation with the EU *acquis* as envisaged by the Association Agreement, inter alia by exchanging of views on audio-visual policy, relevant international standards including co-operation in the fight against racism and xenophobia;
- The exchange of best practices and regarding freedom of the media, media pluralism, decriminalisation of defamation, protection of journalist sources and cultural diversity aspects of media through regular dialogue;
- Strengthening the capacity and independence of regulatory authorities/bodies for media.

Regional Development and Regional Level Cooperation

The Parties will cooperate in the framework of regional development policies and the EU Georgia Dialogue on Regional Policy, in view of Georgia's efforts to:

Short-term priorities

- Successfully complete implementation of its Regional Development Programme 2015-2017, including through establishment of effective inter-institutional coordination and multi-level governance mechanisms;
- Prepare a successor multiannual programme, including potential investments in areas such as innovation and SME's, with a view to building sustainable growth for all regions of Georgia.

Medium-term priorities

- Further support authorities for strengthening multi-level governance and capacity building efforts of sub-national administrations and other regional development instruments;
- Support integrated, multi-stakeholder actions for Georgia's territorial development such as in the area of spatial planning, water and waste management, roads, electricity and other basic infrastructure, diversification of the rural economy, tourism and business development;
- Develop further the thematic cooperation and information exchange, including by making best use of the Joint Declaration on a Regional Policy Dialogue between the European Commission and the Government of Georgia;

Participation in EU Agencies and Programmes

The parties will:

Medium-term priorities

- Review the implementation of the Protocol on Participation in EU Programmes on the basis of the actual participation of Georgia in specific EU Programmes.

Public outreach and visibility

The parties will cooperate to ensure a well-informed discussion, including with a broader public and Georgian citizenry about the opportunities and implications of Georgia's EU-approximation, including the Association Agenda and specifically the DCFTA.

