

Draft as of 27. 06. 2016

Draft Outline 26th COSAC Bi-Annual Report

Chapter 1: The Transatlantic Trade and Investment Partnership (TTIP) between the European Union and the United States: Parliamentary scrutiny of the negotiation process

International trade and investment are key drivers for the European economic recovery. They can directly impact economic growth, job creation and the social welfare of society. The EU is uniquely well-placed to ensure the opportunities of globalisation are made to work for the benefit of all Europeans, in a transparent and socially and environmentally responsible manner. That is why the EU has been negotiating a number of free trade agreements, e.g. with Canada, the United States and several Asian countries. An active trade policy can ensure that we connect to new emerging centres of global growth and are part of new digital and global value chains. This will provide openings for our businesses and create high-quality jobs without compromising on our European values or standards.

This chapter will provide an overview on the Transatlantic Trade and Investment Partnership between the European Union and the United States (TTIP) as well as its challenges, opportunities and risks. The EU's negotiations on free trade agreements with third countries, in particular the ongoing negotiations between the EU and the United States on TTIP, have generated an unprecedented level of interest within the EU and on the part of the national Parliaments lately.¹

The European Commission leads the TTIP negotiations, and is mandated to negotiating a fair and balanced deal with the US, with a new approach to investment protection. It is set to create a new standard not only for European bilateral free trade agreements, but also for global trade and regulatory rules. During the 13 rounds of negotiations much progress has been made. However, there still remain many controversial issues which are the subject of constructive criticism both from the public, and from representatives from national parliaments. These issues relate mainly **to the transparency in the negotiation process and the role of national parliaments within that process**, but also to the potential impact of the agreement on the European social and environmental model.

Since 2015, the Commission made a particular effort to make the negotiation process more transparent. Many documents, including positions papers, factsheets and EU negotiation texts themselves have been published. Special "reading rooms" have been set up in Member States, where designated experts and MPs have access to some of the consolidated texts. However, transparency remains an issue. **This chapter of the 26th Bi-Annual Report of COSAC will aim to present the extent to which Parliaments/Chambers have scrutinised the negotiation process of TTIP, their experience with the use of "reading rooms", level and form of communication between the Parliaments/Chambers and the European institutions with regard to the negotiation process.**

¹ The extent to which the Parliaments/Chambers have been engaged in the debate on the impact of EU free trade agreements over the last few years was addressed in the third Chapter of the 23rd Bi-Annual Report – EU Trade Policy and the Role of Parliaments under the Latvian Presidency of the Council of the European Union in 2015. This Chapter also addressed the issue of access to information for parliamentarians on ongoing EU trade negotiations.

Chapter 2: 2016: Energy Union's "year of delivery"

Energy Union is and has been at the centre of the European Commission's policy attention over past years and this has been reflected in the previous COSAC debates and Bi-annual Reports of COSAC². However, recent developments in this area together with a number of new documents published by the European Commission make this topic once again a pertinent point for discussions by Parliaments/Chambers. The Energy Union Strategy published in 2015 has set out the key actions needed to secure Europe's energy supply and reduce import dependency, to integrate national energy markets, to put energy efficiency first, to de-carbonise the economy and to promote research, innovation and competitiveness. The EU Member States continue to monitor the progress of the Energy Union Package as the Commission publishes the various elements outlined in the roadmap. One of these elements is the regular State of the Energy Union report which highlights the key issues and should steer the debate in this area. The first such Report released in November 2015 showed that much progress had already been made since the adoption of the Energy Union Framework Strategy and, according to the European Commission, that 2016 will be an important 'year of delivery'.

Following up on the Framework Strategy, the Energy Union Package in 2016 is composed of several initiatives³. On February 16 the Commission presented the so-called 'Winter package' on sustainable energy security with the aim of equipping the EU for global energy transition to address possible energy supply interruptions. Energy security is one of the cornerstones of the Energy Union strategy, thus **the first aim of this chapter will be to collect Parliaments/Chambers' latest views on energy security and on the energy security package in particular.**

Improved energy efficiency makes an essential contribution to all of the major objectives of the EU climate and energy policies: improved competitiveness, security of supply, sustainability and the transition to a low carbon economy. There is a broad political consensus about its importance. In the second half of this year (September 2016) a review of the Energy Efficiency Directive and the Energy Performance of Buildings Directive will be presented. Therefore, **this chapter will also be focusing on the exchange of information among the Parliaments/Chambers concerning measures to improve energy efficiency in Europe.**

Besides energy security and energy efficiency **this chapter will also seek to present the views on closer cooperation among the Parliaments on the latest developments and how to best address existing and future challenges across the five dimensions of the Energy Union designed to bring greater energy security, sustainability and competitiveness.**⁴

² 23rd Bi-annual Report (under the Latvian Presidency of the Council of the European Union 2015), 18th Bi-annual Report (under the Cyprus Presidency of the Council of the European Union 2012)

³ Legislative proposals on electricity market design and the regulatory framework, including the review of the Agency for the Cooperation of Energy Regulators (ACER), and the revision of the Regulation on security of electricity supply; the revision of the Regulation on security of gas supply and the revision of the Decision on inter-governmental agreements; the effort sharing decision and integration of the Land Use, Land-Use Change and Forestry sector (LULUCF) into the 2030 climate framework; a renewable energy package (REFIT), including sustainability criteria for biomass, and an energy efficiency package, including energy efficiency for buildings (REFIT)

⁴ 1. Energy security, solidarity and trust; 2. A fully integrated European energy market; 3. Energy efficiency contributing to moderation of demand; 4. Decarbonising the economy, and 5. Research, Innovation and Competitiveness



Chapter 3: Improving the role of national Parliaments in the EU and communicating the EU affairs at national level

The Juncker Commission has committed itself to "forging a new partnership with national Parliaments" by improving the communication and relations with national Parliaments. Consequently, **this chapter will focus on how these improvements work in practice and how they are perceived in the Parliaments/Chambers and in the European Parliament.** The information regarding the response time of the European Commission to the submitted reasoned opinions by the national Parliaments/Chambers, as well as the quality and consistency of the replies by the European Commission will be the important aspects to consider in this chapter.

Often the European Affairs and activities of both the national Parliaments and the EU institutions are difficult to explain to broader public. National Parliaments/Chambers play an important role in bringing the debate on European matters to the national level and to the attention of citizens. Therefore, this chapter will explore **how national Parliaments communicate their activities linked to the European Affairs** to their audience, both professional and general public. The communication channels, tools and activities will be looked into in order for the Parliaments to exchange their practices and possibly improve their performance in this field.