

**Date and Time:** Monday 30 September 2024 23:54:00 CEST

**Job Number:** 234828863

**Documents (100)**

1. [*Velocys PLC Final results for the year ended 31 -2-*](https://advance.lexis.com/api/document?id=urn:contentItem:5SD2-5J61-F0CC-S2WH-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

2. [*Government targets 20pc rise in agriculture output this year*](https://advance.lexis.com/api/document?id=urn:contentItem:5S2R-VM61-F17J-S08R-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

3. [*Anglo Asian Mining announces final audited results for year ended December 31, 2017*](https://advance.lexis.com/api/document?id=urn:contentItem:5SDC-B8W1-JC0X-H4JR-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

4. [*Register of Commission documents: European Maritime and Fisheries Fund Document date: 2017-06-15 EPRS\_BRI(2017)607254 Briefing*](https://advance.lexis.com/api/document?id=urn:contentItem:5P2N-7J01-JDG9-Y1B8-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

5. [*Washington: Coordinated Response to Hurricane Harvey Continues: Federal efforts continue to support survivors with recovery and rebuilding*](https://advance.lexis.com/api/document?id=urn:contentItem:5PDW-MHC1-F0YC-N1FY-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

6. [*Register of Commission documents:DRAFT OPINION on the role of cities in the institutional framework of the Union Document date: 2018-03-07 REGI\_PA(2018)619142 Draft opinions*](https://advance.lexis.com/api/document?id=urn:contentItem:5RXW-9PF1-JDG9-Y1VP-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

7. [*- Earth Alive Clean Technologies Provides Corporate Update*](https://advance.lexis.com/api/document?id=urn:contentItem:5RN7-X7G1-F0K1-N0B4-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

8. [*Register of Commission documents: Commission Work Programme 2018 Document date: 2017-06-30 P8\_B(2017)0450 Motions for resolutions/decisions*](https://advance.lexis.com/api/document?id=urn:contentItem:5P80-9SD1-JDG9-Y4SR-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

9. [*Top news from Polish politics, economy, business & financial markets - 16:30 BUSINESS & EQUITY MARKET NEWS*](https://advance.lexis.com/api/document?id=urn:contentItem:64R9-6WT1-JCG5-H3YK-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

10. [*Register of Commission documents:European Parliament resolution of 16 January 2018 on the implementation of EU macro-regional strategies (2017/2040(INI)) Document date: 2018-01-16 P8\_TA-PROV(2018)0002 Texts adopted (provisional edition*](https://advance.lexis.com/api/document?id=urn:contentItem:5RHK-RWR1-JDG9-Y4DB-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

11. [*WASHINGTON D.C. - Two Former D.C. Deputy Mayors Join to Fight the Food Insecurity Epidemic... Starting with Washington D.C. 's Wards 7 and 8 Using STEM Agriculture*](https://advance.lexis.com/api/document?id=urn:contentItem:5P10-2R21-F0K1-N32J-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

12. [*Lithium Supply Shortfall Caused by EV Boom Leads Suppliers and Buyers to Brace for Impact USA News Group News Commentary*](https://advance.lexis.com/api/document?id=urn:contentItem:5R11-NGJ1-DXP3-R527-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

13. [*Million-rouble idea won by agrobot robotic tractors*](https://advance.lexis.com/api/document?id=urn:contentItem:5TV7-T6G1-F03F-D3B7-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

14. [*Register of Commission documents: Commission staff working document Synopsis report Accompanying the document Communication from the Commission to the Council and the European Parliament A European One-Health Action Plan against Antimicrobial Resistance (AMR) Document date: 2017-06-29 COM\_SWD(2017)0240 SEC documents*](https://advance.lexis.com/api/document?id=urn:contentItem:5P86-3XR1-F0YC-N49R-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

15. [*Catalonia t=""o create food innovation hub for nutrition, safety and sustainability*](https://advance.lexis.com/api/document?id=urn:contentItem:5ST7-J2H1-JC6M-X2P2-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

16. [*Ireland to fund new food innovation hub*](https://advance.lexis.com/api/document?id=urn:contentItem:5PRF-RRV1-DYG0-71P2-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

17. [*Shanta Gold Limited Final Results -2-*](https://advance.lexis.com/api/document?id=urn:contentItem:5NSP-67H1-F0CC-S08F-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

18. [*Huaphan farmers move from opium cultivation to coffee growing*](https://advance.lexis.com/api/document?id=urn:contentItem:5S2R-VM61-F17J-S3YP-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

19. [*Top news from Polish politics, economy, business & financial markets - 16:30 BUSINESS & EQUITY MARKET NEWS*](https://advance.lexis.com/api/document?id=urn:contentItem:64R9-6WS1-JCG5-H310-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

20. [*DGAP-News: Ekosem-Agrar takes advantage of good environment in Russia to further boost its growth*](https://advance.lexis.com/api/document?id=urn:contentItem:5PYC-J0M1-F022-H28G-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

21. [*Washington: "The Economic Relationship Between the United States , Canada, and Mexico ": Earl Anthony Wayne Testifies before the U.S Senate Committee on Foreign Relations*](https://advance.lexis.com/api/document?id=urn:contentItem:5RJ6-PV21-JDG9-Y1CS-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

22. [*Register of Commission documents:European Parliament legislative resolution of 30 November 2017 on the joint text on the draft general budget of the European Union for the financial year 2018 approved by the Conciliation Committee under the budgetary procedure (14587/2017 – C8-0416/2017 – 2017/2044(BUD)) Document date: 2017-11-30 P8\_TA-PROV(2017)0458 Texts adopted (provisional edition*](https://advance.lexis.com/api/document?id=urn:contentItem:5R7G-CX11-JDG9-Y0TW-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

23. [*- ABcann Provides Business Update*](https://advance.lexis.com/api/document?id=urn:contentItem:5S94-9DG1-JD3Y-Y4XF-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

24. [*Active Energy Group PLC Support in Utah for Advanced Biomass Solutions*](https://advance.lexis.com/api/document?id=urn:contentItem:5R64-YVJ1-JCXB-20TD-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

25. [*- Bayer - Crop Science Division of Bayer well positioned to fulfill future customer, market and societal needs*](https://advance.lexis.com/api/document?id=urn:contentItem:5PHX-1JJ1-JD3Y-Y4FX-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

26. [*Industrialisation and diversification efforts in Ghana target value-added exports*](https://advance.lexis.com/api/document?id=urn:contentItem:5WS6-C4X1-DXYV-743B-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

27. [*Supporting data driven progress towards SDGs in Pacific Agriculture and Fisheries*](https://advance.lexis.com/api/document?id=urn:contentItem:5RYH-T7J1-F0YC-N06Y-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

28. [*DGAP-News: Ekosem-Agrar takes advantage of good environment in Russia to further boost its growth (english)*](https://advance.lexis.com/api/document?id=urn:contentItem:5PYF-HF81-DXCW-C358-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

29. [*- Bayer AG - Crop Science Division of Bayer well positioned to fulfill future customer, market and societal needs*](https://advance.lexis.com/api/document?id=urn:contentItem:5PHX-1JJ1-JD3Y-Y4C4-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

30. [*- Tyson Foods Boosts FY2017 EPS Guidance on Strong Beef Segment Performance Another record year projected for FY18 net cost savings targets announced*](https://advance.lexis.com/api/document?id=urn:contentItem:5PM6-R4G1-JD3Y-Y0WJ-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

31. [*Putin chairs meeting on defence industry problems - transcript*](https://advance.lexis.com/api/document?id=urn:contentItem:5RHK-SGC1-JC8S-C50K-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

32. [*- CF Industries Holdings To Redeem Senior Notes Due May 2018*](https://advance.lexis.com/api/document?id=urn:contentItem:5PVD-W2R1-F0K1-N161-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

33. [*Profit from being in the right place Kazakhstan ’s geostrategic bonus*](https://advance.lexis.com/api/document?id=urn:contentItem:5PKH-NBH1-F035-X1MY-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

34. [*Register of Commission documents:Proposal for a Council Decision concerning the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil Document date: 2017-06-26 COM\_COM(2017)0336 COM documents*](https://advance.lexis.com/api/document?id=urn:contentItem:5P8C-YRC1-JDG9-Y488-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

35. [*FEDERAL REGISTER: Semiannual Regulatory Agenda Pages 40368 - 40379 [FR DOC # 2017-17028]*](https://advance.lexis.com/api/document?id=urn:contentItem:5PBB-4221-JDG9-Y1TW-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

36. [*Register of Commission documents: the European Parliament’s priorities for the Commission Work Programme 2018 Document date: 2017-06-30 P8\_B(2017)0451 Motions for resolutions/decisions*](https://advance.lexis.com/api/document?id=urn:contentItem:5P80-9SD1-JDG9-Y4SP-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

37. [*Register of Commission documents:to the REFLECTION PAPER ON THE FUTURE OF EU FINANCES Document date: 2017-06-29 COM\_COM(2017)0358(PAR01) COM documents*](https://advance.lexis.com/api/document?id=urn:contentItem:5P8C-YRC1-JDG9-Y47P-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

38. [*Assessing the role of Local Economic Development Agencies in KwaZulu-Natal , South Africa*](https://advance.lexis.com/api/document?id=urn:contentItem:6BNK-C111-DY41-73VC-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

39. [*Nestlé Indonesia - Q1 2018*](https://advance.lexis.com/api/document?id=urn:contentItem:5RB6-81M1-F0J5-8501-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

40. [*Council of the European Union: Eighth meeting of the EU- Montenegro Stabilisation and Association Council (Luxembourg, 20 June 2017) ST 3604 2017 INIT*](https://advance.lexis.com/api/document?id=urn:contentItem:5P80-9YV1-F0YC-N1K6-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

41. [*Broader Market Shifts Send Lithium Demand Over the Top NetworkNewsWire Editorial Coverage*](https://advance.lexis.com/api/document?id=urn:contentItem:5RCX-5VJ1-JB72-12JK-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

42. [*Register of Commission documents: Challenges for EU cohesion policy: Issues in the forthcoming post-2020 reform Document date: 2018-02-16 EPRS\_BRI(2018)614703 Briefing*](https://advance.lexis.com/api/document?id=urn:contentItem:5RRR-NPX1-F0YC-N21P-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

43. [*- ALLIANCE GROWERS UPDATES FINANCING AND US MARKET AWARENESS PROGRAMS*](https://advance.lexis.com/api/document?id=urn:contentItem:5P5N-DH21-JD3Y-Y3YN-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

44. [*-Trimble to Acquire Viewpoint to Create the Industry's Most Complete Construction Management Solution*](https://advance.lexis.com/api/document?id=urn:contentItem:5S5R-S3G1-F0K1-N1B4-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

45. [*WASHINGTON D.C. - Two Former D.C. Deputy Mayors Join to Fight the Food Insecurity Epidemic... Starting with Washington D.C. 's Wards 7 and 8 Using STEM Agriculture*](https://advance.lexis.com/api/document?id=urn:contentItem:5P10-2R21-F0K1-N397-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

46. [*Council of the European Union :REFLECTION PAPER ON THE FUTURE OF EU FINANCES ST 11006 2017 INIT*](https://advance.lexis.com/api/document?id=urn:contentItem:5P8V-B9M1-JDG9-Y14W-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

47. [*#ENGIEHarmonyProject ENGIE's new communications programme to embody and accelerate its strategic repositioning*](https://advance.lexis.com/api/document?id=urn:contentItem:5S65-PH81-JD3Y-Y0HB-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

48. [*Register of Commission documents:Challenges for EU cohesion policy: Issues in the forthcoming post-2020 reform Document date: 2017-09-29 EPRS\_BRI(2017)608722 Briefing*](https://advance.lexis.com/api/document?id=urn:contentItem:5R13-MJ01-F0YC-N0M6-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

49. [*GCC member states look to strengthen global trade ties*](https://advance.lexis.com/api/document?id=urn:contentItem:5WS6-C4X1-DXYV-74BX-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

50. [*Council of the European Union: COMMISSION STAFF WORKING DOCUMENT Accompanying the document REPORT FROM THE COMMISSION ON THE WORKING OF COMMITTEES DURING 2016 ST 13714 2017 ADD 1*](https://advance.lexis.com/api/document?id=urn:contentItem:5R66-CY61-F0YC-N001-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

51. [*-ENGIEHarmonyProject ENGIE's new communications programme to embody and accelerate its strategic repositioning*](https://advance.lexis.com/api/document?id=urn:contentItem:5S7D-HYX1-F0K1-N15X-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

52. [*Register of Commission documents: from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the mid-term evaluation of the Connecting Europe Facility ( CEF ) Document date: 2018-02-13 COM \_ COM (2018)0066(COR01) COM docume*](https://advance.lexis.com/api/document?id=urn:contentItem:5RRR-NPW1-F0YC-N1F1-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

53. [*Australasia - Plans and promises.*](https://advance.lexis.com/api/document?id=urn:contentItem:5R5J-Y7D1-F0PT-M189-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

54. [*Register of Commission documents: the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the mid-term evaluation of the Connecting Europe Facility ( CEF ) Document date: 2018-02-13 COM \_ COM (2018)0066 COM documents*](https://advance.lexis.com/api/document?id=urn:contentItem:5RRR-NPW1-F0YC-N1F2-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

55. [*Washington: TRANSCRIPT: Telephonic Briefing on SOCAF-Sponsored Flintlock 2018 Joint Military Exercise in Niger*](https://advance.lexis.com/api/document?id=urn:contentItem:5S23-H861-F0YC-N52F-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

56. [*FEDERAL REGISTER: Semiannual Regulatory Agenda Pages 40368 - 40379 [FR DOC # 2017-17028]*](https://advance.lexis.com/api/document?id=urn:contentItem:5PBB-4221-JDG9-Y1WJ-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

57. [*Head of State holds a meeting on the activities of the National Modernization Commission*](https://advance.lexis.com/api/document?id=urn:contentItem:5PBS-H0T1-JDVR-04R4-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

58. [*Top news from Polish politics, economy, business & financial markets - 19:30 BUSINESS & EQUITY MARKET NEWS*](https://advance.lexis.com/api/document?id=urn:contentItem:64R9-6WT1-JCG5-H3YW-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

59. [*FEDERAL REGISTER: Semiannual Regulatory Agenda Pages 40368 - 40379 [FR DOC # 2017-17028]*](https://advance.lexis.com/api/document?id=urn:contentItem:5PBB-4221-JDG9-Y1XX-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

60. [*Market segmentation in container shipping services: a qualitative study*](https://advance.lexis.com/api/document?id=urn:contentItem:5YJX-P231-DY4C-F0YM-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

61. [*Washington: EXECUTIVE SESSION (Senate - May 23, 2018)*](https://advance.lexis.com/api/document?id=urn:contentItem:5SD9-W1K1-JDG9-Y4JR-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

62. [*Register of Commission documents: OPINION on the implementation of EU macro-regional strategies Document date: 2017-09-28 ENVI\_AD(2017)602971 Opinions*](https://advance.lexis.com/api/document?id=urn:contentItem:5R13-MJ01-F0YC-N2RP-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

63. [*-ENGIEgroup - ENGIEHarmonyProject ENGIE's new communications programme to embody and accelerate its strategic repositioning*](https://advance.lexis.com/api/document?id=urn:contentItem:5S7M-H7V1-F0K1-N4WD-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

64. [*- CF Industries Holdings to Exercise Right to Purchase All Publicly Traded Units of Terra Nitrogen Company*](https://advance.lexis.com/api/document?id=urn:contentItem:5RKR-47R1-F0K1-N056-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

65. [*Smart Money Flowing into Lithium Market*](https://advance.lexis.com/api/document?id=urn:contentItem:5S7B-TGW1-DXP3-R15F-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

66. [*-New winners of Bayer Early Excellence in Science Award: EUR 30,000 for international research scientists*](https://advance.lexis.com/api/document?id=urn:contentItem:5S06-HC01-F0K1-N0F8-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

67. [*P7\_TA(2014)0236 EU strategy for the Arctic European Parliament resolution of 12 March 2014 on the EU strategy for the Arctic (2013/2595(RSP))*](https://advance.lexis.com/api/document?id=urn:contentItem:5R13-MJ31-F0YC-N1PG-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

68. [*#ENGIEHarmonyProject ENGIE's new communications programme to embody and accelerate its strategic repositioning*](https://advance.lexis.com/api/document?id=urn:contentItem:5S65-PH81-JD3Y-Y0RF-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

69. [*GCC member states strengthen global trade ties*](https://advance.lexis.com/api/document?id=urn:contentItem:5WS6-C4X1-DXYV-740V-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

70. [*An overview of Indonesia 's tax environment*](https://advance.lexis.com/api/document?id=urn:contentItem:5WS6-C4X1-DXYV-73NH-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

71. [*Poland 's Top Business Headlines COAL/ PGG - State-owned coal group PGG is facing staff demands of gross PLN 2.1k (EUR 493) in one-off bonuses at the turn of November, which would cost the firm some PLN 100 mln (EUR 23.5 mln), the daily Parkiet reports. The management is reportedly reluctant to take on any more major expenditure this year and will try to extend talks with the trade unions until next year, according to Parkiet's findings. Wage decisions will depend on the situation of the company and the opinion of the monitoring team, PGG spokesperson Tomasz Glogowski said. PGG has only just pulled into the black, posting an PLN 8 mln (EUR 1.9 mln) net profit in H1 2017. Meanwhile, the tension between the management and staff as well as PGG's production problems are said to have temporarily threatened the position of CEO Tomasz Rogala, but he seems to have weathered the storm. (Parkiet)*](https://advance.lexis.com/api/document?id=urn:contentItem:64RF-TPR1-JCG5-H2B0-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

72. [*Canadian Cannabis Presents Opportunities in Cultivation and Retail*](https://advance.lexis.com/api/document?id=urn:contentItem:5S68-YMT1-JB72-143V-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

73. [*- Obtala Limited - Q4 2017 Quarterly Business Update*](https://advance.lexis.com/api/document?id=urn:contentItem:5RCJ-YNG1-F0K1-N4S2-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

74. [*Washington: DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2018*](https://advance.lexis.com/api/document?id=urn:contentItem:5P52-B081-JDG9-Y3WP-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

75. [*New products in the dairy aisle: May*](https://advance.lexis.com/api/document?id=urn:contentItem:5SFK-S8P1-DYNP-M36Y-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

76. [*Developing infrastructure and reducing transport costs top priorities for Colombia*](https://advance.lexis.com/api/document?id=urn:contentItem:5WS6-C4X1-DXYV-731X-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

77. [*Management control systems and corporate social responsibility: perspectives from a Japanese small company*](https://advance.lexis.com/api/document?id=urn:contentItem:5YJX-P231-DY4C-F08K-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

78. [*BRIEF NEWS BULLETIN NO. 10439*](https://advance.lexis.com/api/document?id=urn:contentItem:5SDB-5J11-F12K-R2W6-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

79. [*A case study of the co-production approach to the implementation of education for sustainable development in Thailand*](https://advance.lexis.com/api/document?id=urn:contentItem:6BNK-7DJ1-DY41-72YN-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

80. [*Poland Press - Top Business Headlines COAL/ PGG - State-owned coal group PGG is facing staff demands of gross PLN 2.1k in one-off bonuses at the turn of November, which would cost the firm some PLN 100 mln, the daily Parkiet reports. The management is reportedly reluctant to take on any more major expenditure this year and will try to extend talks with the trade unions until next year, according to Parkiet's findings. Wage decisions will depend on the situation of the company and the opinion of the monitoring team, PGG spokesperson Tomasz Glogowski said. PGG has only just pulled into the black, posting an PLN 8 mln net profit in H1 2017. Meanwhile, the tension between the management and staff as well as PGG's production problems are said to have temporarily threatened the position of CEO Tomasz Rogala, but he seems to have weathered the storm. (Parkiet)*](https://advance.lexis.com/api/document?id=urn:contentItem:64R9-6WT1-JCG5-H029-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

81. [*- Tyson Foods Boosts FY2017 EPS Guidance on Strong Beef Segment Performance Another record year projected for FY18 net cost savings targets announced*](https://advance.lexis.com/api/document?id=urn:contentItem:5PKJ-TG81-F0K1-N04G-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

82. [*Council of the European Union: COMMISSION STAFF WORKING DOCUMENT Synopsis report Accompanying the document Communication from the Commission to the Council and the European Parliament A European One-Health Action Plan against Antimicrobial Resistance (AMR) ST 11128 2017 ADD 1*](https://advance.lexis.com/api/document?id=urn:contentItem:5PDW-MHV1-JDG9-Y06F-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

83. [*New products in the dairy aisle: May*](https://advance.lexis.com/api/document?id=urn:contentItem:5SFN-30T1-DYNP-M4H3-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

84. [*-New winners of Bayer Early Excellence in Science Award - EUR 30,000 for international research scientists*](https://advance.lexis.com/api/document?id=urn:contentItem:5S06-HC01-F0K1-N0M4-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

85. [*Inclusive growth versus pro-poor growth: Implications for tourism development*](https://advance.lexis.com/api/document?id=urn:contentItem:6BM4-FYP1-JBMY-H00G-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

86. [*Register of Commission documents: Commission staff working document Empowering Development: Implementation of the new European Consensus on Development in energy cooperation Document date: 2017-12-15 COM\_SWD(2017)0482 SEC documents*](https://advance.lexis.com/api/document?id=urn:contentItem:5R96-RG01-JDG9-Y416-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

87. [*New products in the dairy aisle: May*](https://advance.lexis.com/api/document?id=urn:contentItem:5SFS-8381-DYNP-M0JH-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

88. [*Council of the European Union: JOINT STAFF WORKING DOCUMENT Report on EU-LEBANON relations in the framewo ST 10658 2017 INIT*](https://advance.lexis.com/api/document?id=urn:contentItem:5P6G-K7B1-JDG9-Y0S7-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

89. [*Do Poverty Reduction Programmes Foster Education Expenditure? New Evidence from Rwanda*](https://advance.lexis.com/api/document?id=urn:contentItem:6BH2-VXY1-JBMY-H3YB-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

90. [*FEDERAL REGISTER: Semiannual Regulatory Agenda Pages 1949 - 1961 [FR DOC # 2017-28242]*](https://advance.lexis.com/api/document?id=urn:contentItem:5RD5-RYN1-JDG9-Y2N0-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

91. [*-Ivanhoe Mines releases positive results of an independent definitive feasibility study for the planned first phase*](https://advance.lexis.com/api/document?id=urn:contentItem:5P51-HBR1-JD3Y-Y14M-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

92. [*FEDERAL REGISTER: Semiannual Regulatory Agenda Pages 1949 - 1961 [FR DOC # 2017-28242]*](https://advance.lexis.com/api/document?id=urn:contentItem:5RD5-RYN1-JDG9-Y2P3-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

93. [*FEDERAL REGISTER: Semiannual Regulatory Agenda Pages 1950 - 1961 [FR DOC # 2017-28242]*](https://advance.lexis.com/api/document?id=urn:contentItem:5RD5-RYN1-JDG9-Y2K9-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

94. [*Register of Commission documents: European Parliament resolution of 17 April 2018 on the implementation of the 7th Environment Action Programme (2017/2030(INI)) Document date: 2018-04-17 P8\_TA-PROV(2018)0100 Texts adopted (provisional edition*](https://advance.lexis.com/api/document?id=urn:contentItem:5S64-YDB1-F0YC-N1H1-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

95. [*New products in the dairy aisle: May*](https://advance.lexis.com/api/document?id=urn:contentItem:5SFM-82W1-DYNP-M3TV-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

96. [*Securitization, racial cleansing, and disaster capitalism: Neoliberal disaster governance in the US Gulf Coast and Haiti*](https://advance.lexis.com/api/document?id=urn:contentItem:6BGX-BK31-DY41-74BS-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

97. [*Washington: FEDERAL REGISTER PRINTING SAVINGS ACT OF 2017*](https://advance.lexis.com/api/document?id=urn:contentItem:5RG9-YJK1-F0YC-N017-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

98. [*Increased diversification makes agriculture sector in Côte d'Ivoire more resilient*](https://advance.lexis.com/api/document?id=urn:contentItem:5WS6-C4X1-DXYV-74KN-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

99. [*Washington: COUNTERING IRAN 'S DESTABILIZING ACTIVITIES ACT OF 2017*](https://advance.lexis.com/api/document?id=urn:contentItem:5P52-B0C1-F0YC-N1C3-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |

100. [*Washington: STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS*](https://advance.lexis.com/api/document?id=urn:contentItem:5P5V-MX51-JDG9-Y03Y-00000-00&idtype=PID&context=1516831)

**Client/Matter:** -None-

**Search Terms:** strategic and interventions or strategic and programs or strategic and plan or strategic and producer or interventions and programs or interventions and plan or interventions and producer or programs and plan or programs and producer or plan and producer

**Search Type:** Terms and Connectors

**Narrowed by:**

|  |  |
| --- | --- |
| **Content Type** | **Narrowed by** |
| News | Timeline: 01 jun 2017 tot 01 jun 2018; Locatie: International; Plaats van publicatie: Europe; Taal: English |



# [***Velocys PLC Final results for the year ended 31 -2-***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5SD2-5J61-F0CC-S2WH-00000-00&context=1516831)

London Stock Exchange Aggregated Regulatory News Service (ARNS)

May 23, 2018 Wednesday 7:01 AM GMT

Copyright 2018 London Stock Exchange All Rights Reserved



**Length:** 1622 words

**Body**

2017 was a challenging year for Velocys, but despite this, the Company has made significant progress towards developing what we expect will be the first of a number of repeatable biorefineries. Our strategy is for Velocys to be at the heart of building plants that convert forestry residues into renewable fuels for the US market. Considerable headway has been made on the interrelated work streams required to progress the US Department of ***Agriculture*** (USDA) loan guarantee ***programme***, including the delivery of the FEL-2 engineering study, and securing a 100-acre site in Natchez, Mississippi. The performance milestones the Velocys Fischer-Tropsch (FT) system reached at a commercial scale at ENVIA during 2017 and the first part of 2018 were crucial milestones on the way to delivering our future biorefineries.

None of this would be possible without the efforts of our talented, energetic team that has stepped up to the challenges we have faced with great determination, skill and prior experience. I particularly thank them for their professionalism during the internal restructuring process undertaken in the summer of 2017.

Strategy implementation

With the ENVIA biorefinery in operation, the Company has the required commercial and technology springboard from which it aims to deliver its bold, long term vision to place Velocys at the forefront of production of cellulosic renewable fuels. With a reorganisation of the senior team and the appointment of John Tunison as Interim CFO, we now have a strong Executive Committee to bring decisive leadership to deliver this goal.

The three pillars of the strategy we have adopted have been outlined previously. We are all focused on the delivery of the next phase on this journey. We are building a consortium of ***strategic*** and financial partners to deliver investment, scale and pace to market and are leveraging the Company's project management, commercial, engineering, operational and technology expertise to optimise future plant costs and timelines.

In the summer of 2017, after it had been demonstrated that the Velocys technology installed at ENVIA's Oklahoma City plant was performing as expected at a commercial scale, we concluded that the primary phase of our technology development ***programme*** had been successfully completed. In July 2017 we ceased certain R&D activities and total headcount was reduced from 76 at the end of 2016 to 42 at the end of 2017. The changes made allowed us to direct our resources towards those business-critical areas in which milestone-delivery is all important in the short and medium term. They will also reduce the ongoing operational costs of the business by nearly GBP2m per year.

The Company has maintained a corporate and commercial office in the UK, from where it will direct the implementation of its strategy and commercialisation of its considerable intellectual property portfolio. These UK-based capabilities are now located at the Harwell Science and Innovation Campus, and include the project management team supporting the UK waste-to-renewable jet fuel project. We will continue to expand and develop our capability to develop our US biorefineries from our operational base in Houston. In addition, we will further scale up resources to support the clients licensing our technology as well as to ensure protection of our intellectual property.

Our two fundraises in the last 12 months have provided us with a runway to implement our strategy, most notably to support the ***plan*** to achieve final investment decision (FID) for the Mississippi biorefinery project. As outlined in the Financial review further funding is required to reach this milestone. The Financial review (and note 7) also outlines the reasons behind a significant write down in value of certain assets, mostly goodwill and In-process technology made in these report and accounts.

Our biorefineries

ENVIA

In 2Q 2018 we announced the disappointing news that a leak has been detected at the Oklahoma City plant that is believed to have originated inside one of the plant's two FT reactors. Based on a preliminary investigation the Company believes the root cause of the issue originated with the design of an ancillary system and is not a result of a flaw in the core Velocys FT technology. The Company is working with ENVIA and third party consultants to verify the root cause of the leak. Velocys remains committed to the ENVIA plant and will work with ENVIA to assess the likely repair cost and consequent funding requirements.

Successive milestones were met at ENVIA over the course of 2017. Most recently (post-period end), we were pleased to report that the RINs ***produced*** at ENVIA were verified under the Quality Assurance ***Program*** approved by the US Environmental Protection Agency.

ENVIA has achieved significant milestones in the last 12 months, notwithstanding a number of other challenges. For example, in Q2 2017, the Engineering, Procurement and Construction (EPC) contractor entered bankruptcy proceedings; the plant was down or in reduced operation for several weeks in early 2018 (post-period end) while repairs were carried out after extreme cold weather; and, as part of normal plant commissioning, a series of improvements have been made to control systems and other equipment to minimise plant downtime and improve reliability.

After the experiences of the last 12 months, I have enormous confidence in Velocys' highly-skilled technical team that are called on by ENVIA to support the Oklahoma plant. While ENVIA remedies the present issue, ENVIA's aim will be to operate the plant using one reactor. ENVIA is working with Velocys, the licensor, to develop a solution that will return the plant to full operation with minimal loss of revenue, whilst always assuring safety and minimising the risk of adverse impact to the environment. Working through these obstacles at the Oklahoma plant has afforded a number of learning opportunities that Velocys will apply to future biorefineries, reducing technology risk and further optimising operations.

An impairment was made against Velocys' investment in ENVIA, predominantly driven by a less ambitious revenue forecast based on a revision of operational availability and product and RIN pricing.

Mississippi biorefinery

Throughout 2017 we made encouraging progress towards the development of our first biorefinery in the US using woody biomass as feedstock. We welcome the significant support for the plant at county and state levels. The local community has responded positively to the prospect of the quality jobs that the construction and operation of the plant would bring to the area.

Velocys and its partners are making progress towards completing all the required work packages to deliver a successful USDA loan guarantee application, secure project investment and deliver the FID. Velocys selected an engineering partner to carry out a scoping and optimisation study. Velocys and its engineering partner are working through the complex process of cost and value engineering, to optimise plant capital cost, operating cost, carbon intensity and the financial returns from the project. Reaching FID will be subject to securing further funding (see further details in the Financial review).

Our target is to secure a conditional commitment from the USDA in Q3 2018, and to reach FID in 2H 2019.

Although our focus is the delivery of the Mississippi biorefinery project, we are looking beyond this plant, as our ***strategic*** ***plan*** is to put in place ***strategic*** partnerships that will deliver multiple biorefineries. The site selection process for the Mississippi biorefinery ***produced*** a list of other highly suitable sites in a number of other states.

UK waste-to-renewable jet fuel

Consistent with our core strategy of delivering biorefineries ***producing*** renewable fuels , in Q3 2017 we entered into an industry partnership to develop a waste-to-jet fuel plant in the UK. Our approach to this opportunity leverages further our technology, integrated plant design and skills base.

Velocys intends to license its technology to the plant and provide project management, engineering, operations and technical service support to the project. The other project partners include British Airways, that intends to offtake the jet fuel ***produced***. Velocys has led the initial feasibility stage of the project, for which all members of the partnership provided funding.

Velocys believes that there is an opportunity to develop a series of waste-to-jet fuel plants in the UK and recognises that there is a larger non-UK market to be exploited. The changes to the Renewable Transport Fuels Obligation (RTFO), recently passed through Parliament, have provided the commercial platform for this opportunity; for the first time, jet fuel is to qualify for credits under the RTFO. These changes to the RTFO are designed to promote sustainable aviation and heavy goods transport and are expected to provide long term policy support for this market.

Biorefinery being developed by Red Rock Biofuels

In May 2018 (post-period end) Velocys' customer, Red Rock Biofuels (RRB), started constructing the biorefinery it is developing in Oregon, USA, which will incorporate Velocys' technology. The third party developer has issued a notice to proceed for the manufacture of Velocys' FT reactors and catalyst. RRB's Lakeview project is expected to deliver around $15 million revenues to Velocys during construction and early operations of the plant, and an additional $30 million or more over the life of the biorefinery. Over $6 million has already been invoiced and received from RRB.

The licensing of our technology to Red Rock Biofuels biorefinery is complementary to our strategy to develop our own biorefineries.

Outlook

**Load-Date:** May 23, 2018

**End of Document**



[***Washington: EXECUTIVE SESSION (Senate - May 23, 2018)***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5SD9-W1K1-JDG9-Y4JR-00000-00&context=1516831)

Impact News Service

May 24, 2018 Thursday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 26748 words

**Body**

Washington: The Library of Congress, The Government  of USA has issued the following house proceeding:

 The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the following nomination, which the clerk will report. The legislative clerk read the nomination of Brian D. Montgomery, of Texas, to be an Assistant Secretary of Housing and Urban Development. The PRESIDING OFFICER. Under the previous order, the time until 3:15 p.m will be equally divided in the usual form.

The majority whip. China Mr. CORNYN. Mr. President, yesterday the Senate Banking Committee passed a very important piece of legislation out of the committee by a unanimous vote. I am very pleased that this legislation, which I will describe in a moment, received that sort of broad bipartisan support. This is a bill I originally introduced with the senior Senator from California, Mrs. Feinstein, to strengthen the review process of the Committee on Foreign Investment in the United States, which plays a critical role in protecting our national security. The jurisdiction of this Committee on Foreign Investment in the United States hasn't been updated in more than 40 years, and bad actors like China continue to exploit gaps in the process to acquire sensitive national security know-how, as well as military and dual-use technology from U.S companies. I want to be quick to say that this is not about labeling foreign investment in the United States as bad. That is not true. Foreign investment is by and large a very good thing. But when our laws are being exploited to target cutting-edge, dual-use technology that has national security applications, that is a matter of national security. This is not about banning or labeling foreign investment as being bad. I appreciate Chairman Crapo and the Banking Committee's bipartisan work in advancing this narrowly tailored legislation to close the gaps that I just mentioned and safeguard our national security because I believe it is past time for us to do so. Every day we fail to pass this set of reforms is a day we are putting our future in jeopardy. We need to maintain a sense of urgency and realize that when we are talking about CFIUS, or the Committee on Foreign Investment in the United States, there is a much bigger issue at stake, and that is the issue of competing global visions. China makes no secret about the fact that Karl Marx is, in many ways, its national hero. In fact, there was a weeklong celebration in China earlier this month which included a mandatory study session, led by President Xi, of Marx's famous work the Communist Manifesto. Events like these in some ways show that China is a wolf in sheep's clothing. When it tries to present itself as westernizing its economy and becoming a friend to the global community of nations, China conveniently ignores certain facts about its alternative development model and state-controlled economy. It also tends to disguise and downplay its overall geopolitical aims, to rewrite the rules of our world order and recreate them in China's own Communist image. Whether it is China's increasing belligerence in places like the South China Sea, its crushing of internal political dissent, its flagrant human rights violations, or its population controls, such as the one-child policy, China has repeatedly shown itself as a power- hungry authoritarian, willing and able to violate the rights of its own people, and dismissive and contemptuous of international norms. I am not being hyperbolic. I am not exaggerating. This is just the truth--the hard truth--in front of us, if we will look. So let's not deceive ourselves otherwise. When China tries to just ``blend in'' internationally, let us be wary that its rosy rhetoric and misleading narrative of cooperation are often camouflage for its true and more troubling aims. As we all know, right now, there are high-level negotiations ongoing between the U.S executive branch and Chinese Government officials on the very important issue of international trade, but it is important to remember that in the West, belief in free trade is almost axiomatic. In democracies like ours, free trade is based on open markets, the free flow of capital and information, as well as the rule of law. China, on the other hand, honors none of those things. It doesn't believe in open markets, it doesn't believe in the free flow of capital of information, and it be doesn't believe in the rule of law. That reality is why we need to approach these trade negotiations delicately. We need to remain steely-eyed and make sure China isn't playing us for fools. Of course, we are well aware of the need to tread lightly when it comes to trade. After decades of globalization, any overly broad limits on Chinese investment in the United States could harm American companies that need capital and customers to survive and grow. We need to resist that temptation. China is not just any old trading partner. Its enterprises are state- [[Page S2847]] backed, and there is no clear dividing line between the Communist Party and what might otherwise be described as the private sector. There is no distinction. This makes a real difference when it comes to Chinese investments in U.S companies that are at the cutting edge of developing military dual-use technologies. It means there is a real potential of industrial espionage because you can't separate private, profit-making motives from the government's secret-stealing capacities and proclivities, and this means that our national security is vulnerable. In its Made in China 2025 ***plan***, the Chinese Government made clear its intent to dominate technologies that will be essential down the road in maintaining our economic and military prowess globally. I have a chart here that I would like to display. It is an unclassified slide from one of our intelligence agencies. They provided us an unclassified version so that we could talk about it in public. Many of us on the Armed Services Committee or the Intelligence Committee are privy to classified briefings, but I believe it is important--and I am glad they do too--that we talk about what we can in an open, transparent way so that people can be alerted to what is at risk and what is actually going on. These are China's ***strategic*** goals. Comprehensive national power--they see themselves as a rival to the United States, and they would ultimately like to surpass us when it comes to national power. We know that they believe their economic growth model must be innovation- driven; hence, their vacuuming up and relentless search for new, cutting-edge technology, including their activities in places like Silicon Valley, where they gobble up startup companies that have long- term potential to advance their economic and national power goals. Obviously, they are also modernizing their military and becoming increasingly belligerent in places like the South China Sea in the process. How does China achieve these ***strategic*** goals? Well, it has an elaborate and sophisticated ***plan***. The truth is, they are really not being clandestine or secretive about this. They are pretty much telling us what they are doing, and they are doing it quite well. So their ***strategic*** goals include, obviously, their security services, their intelligence community, their talent recruitment ***programs*** at American academic institutions, where they hire talent back to China to help them in this process. They create front companies that claim to be non-Chinese related in order to transact business so that they don't raise suspicion. They engage in an active ***program*** of mergers and acquisitions of companies in the United States. They make significant investments in science and technology, including some of the most cutting-edge technologies, like quantum computing and artificial intelligence. They are probably the worst offender in the world when it comes to stealing through the cyber domain--cyber theft. They are very creative in engaging in research partnerships. Joint ventures, one of the gaps that the CFIUS legislation intends to plug, where they realize that this is a gap in our current review process for foreign investment and national security implications--they have done so through joint ventures that aren't currently subject to that review, where they can get access not only to the intellectual property but also to the know- how. In other words, they could steal blueprints and other intellectual property, but they don't necessarily know how to make it all work-- where the secret sauce is--until they can get access to the know-how through these joint ventures. Then there are their nontraditional collectors. In other words, civilians are used by their intelligence services to get information to vacuum up data--scientific data, our data--that they may think are important to their pursuit of national power, innovation, and economic growth model, so they use a wide variety of nontraditional collectors as well. Of course, in the legal and regulatory environment, an American company can't do business in China without basically turning over the keys to the government. Again, there is no delineation between the government and the private sector in China. All businesses have to cooperate with the Chinese Government, and the Chinese Government intermingles that information not only in pursuit of their economic goals but also in pursuit of their military goals. As I said, these technologies that they are acquiring and seeking to acquire include artificial intelligence, robotics, quantum computing, and 3D printing. The Chinese Government is spending $300 billion in subsidies to supplant foreign technology suppliers like ours with homegrown alternatives, and a core part of this 2025 ***plan*** is acquiring intellectual property from the United States. China is not even trying to hide it. They are advertising it, and they are doing it in plain sight. Those and related concerns are what prompted a bipartisan group of 27 Senators recently to write a letter to Secretary Mnuchin, Secretary Ross, as well as Ambassador Lighthizer--the U.S trade Representative. They are all involved in the ongoing trade negotiations with China. In that letter, we expressed concerns regarding China's targeting of our technology. As a report issued by the Pentagon recently pointed out, if left unchecked, this targeting could degrade core technological advantages of the U.S military. Clearly, the Chinese Communist Party regards these sensitive technologies as essential for China's military modernization and is accelerating its efforts to acquire them by any means necessary--stealing them, engaging in ***strategic*** investments, any way they can do it--whether it is cyber theft, civil-military integration policies, coercion through joint ventures with foreign companies, targeted investment, or Chinese nationals exploiting access to such technologies here in the United States. The main point of our letter was not to criticize but to alert our colleagues in the executive branch that there is no question that China is actively seeking to surpass the United States both economically and militarily and become the world's foremost superpower. It is pretty obvious. It is imperative, though, that neither the Federal Government nor private U.S companies aid or abet that effort either advertently or inadvertently. Let me conclude by saying that we should all support a peaceful, balanced, and constructive relationship with China, but it has to be realistic when it comes to China's aims and intentions, and it needs to be informed, as well, by China's record of deception in the past. When it comes to China, national security isn't just a pretext for economic protectionism. I think ``national security'' is an abuse of that label if it is used just as a pretext for protectionism. Like many of our colleagues, I believe strongly in free trade, as I started out saying in these remarks, but when national security and economic concerns overlap--which they do--there should be no question but that our national security comes first. For those of us who serve on committees of jurisdiction involving intelligence or national security, I assure you that the Chinese threat is real, and certain dangers are already taking effect. We need to make sure that not just the committees of jurisdiction understand this and that we are working together with the executive branch when it comes to maintaining this distinction--economic and military--and understand that it is not just about trade; it is about our national security as well. We need to be smart, well informed, and clear-eyed when it comes to engaging with an aggressive China. Our inaction has had many negative consequences, and we must aim to prevent any future ones. The PRESIDING OFFICER (Mrs. Ernst). The Senator from Delaware. Russia Investigation Mr. CARPER. Madam President, good morning. I looked down, and the Presiding Officers have changed. It is nice to be here with you this morning. Our Presiding Officer is tied to the military--Army colonel, highly distinguished. She comes from Iowa and travels home every weekend. She covers every county in Iowa. In a year, I cover every county in Delaware, sometimes in a day. We only have 3; she has probably 100 or so. But we have the opportunity to go home frequently to our respective States and to be with our families and the folks we work for. I love doing it, and I know our Presiding Officer does as well. People come up to me--I go back and forth on the train just about every [[Page S2848]] night and will do that tonight, as I did last night. I feel very fortunate to be able to be that close to my constituents. I serve in the Senate with my colleagues and actually live in my home State. It is a blessing. I think I am approachable. I know our Presiding Officer is. Senator Cornyn is approachable. People come up and talk to us all the time, which is good--which is good. Sometimes I just want to say hello. Sometimes I will ask them how they are doing. More often than not, lately, people say: I wouldn't want your job for anything. You have the worst job in the world. I say: No, no. I feel really lucky. Throughout the 200-and-some years we have been a country, only about 1,800 people have been privileged to serve in this body, and we are fortunate that we are able to serve here today, especially during these challenging times. Since the 2016 election, however, a broad number of Delawareans and American citizens have approached me, whether in the Rite Supermarket or on the Amtrak train, to share with me their sense of uncertainty and their fears regarding the trajectory of our country. Specifically, they have expressed their uncertainty about the future of the special counsel's investigation and their fears that the President may put his own personal interests above the interests of all Americans and the Constitution of our country. As we pass the 1-year mark following Deputy Attorney General Rob Rosenstein's appointment of former FBI Director Bob Mueller to become special counsel, I think it is worth remembering why the investigation began, what it has uncovered, where it is headed, and how we can uphold the rule of law and protect the investigation from political interference as we seek to ascertain the truth. During the 2016 Presidential campaign, our democracy was attacked by a foreign adversary. No shots were fired. No bombs were dropped. But let me be as clear as I can be. Russia attacked the United States of America. Using sophisticated cyber warfare, Russia interfered in our electoral process. As they have in other Western democracies, Russia borrowed from their tried-and-true playbook. Russian internet trolls posed as American citizens on Facebook and on Twitter. Russian shell companies funded political propaganda online, all with the intent of pitting us against one another and spreading this information among the American electorate. We also know that our Nation's election infrastructure was targeted by the Kremlin and that Russian cyber attacks penetrated voting machines in some of our States--not all of our States but a number of them. Thomas Jefferson often wrote about the truth, including a famous description of a few truths that we still consider self-evident; namely, that all men--I would add all women--are created equal and entitled to life, liberty, and the pursuit of happiness. Later in life, Jefferson remarked that ``we are not afraid to follow truth wherever it may lead, nor to tolerate any error so long as reason is left free to combat it.'' Those words really ring true today, don't they? Jefferson also used to say something to this effect, and I am paraphrasing: The people--that is, the people of the United States-- know the truth. We won't make a mistake. If people know the truth, they won't make a mistake. Since the attack by Russia on our democracy, many patriotic Americans within Federal law enforcement and our intelligence agencies have been heeding Jefferson's advice and seeking to follow the truth. Here is what we have learned. In a declassified report released in January of 2017, our own intelligence agencies told us that ``Russian President Vladimir Putin ordered an influence campaign in 2016 aimed at . . . undermin[ing] public faith in the U.S democratic process.'' Further, our own intelligence agencies told us that ``Russian efforts to influence the 2016 U.S presidential election represent the most recent expression of Moscow's longstanding desire to undermine the U.S -led liberal democratic order.'' Those same agencies, our own intelligence agencies--I think there are 17 in all that combined to provide this report--told us that it will happen again: ``Moscow will apply lessons learned from its Putin- ordered campaign aimed at the U.S presidential election to future influence efforts worldwide, including against U.S allies and their election processes.'' During recent testimony before the Senate Intelligence Committee, the Director of National Intelligence and our former Senate colleague Dan Coats--a good friend of many of us from Indiana--said these words: ``There should be no doubt that Russia perceives that its past efforts have been successful and views the 2018 midterm U.S elections as a potential target for Russian influence operations.'' I will read those words again. Our colleague Dan Coats, who sat over there and served with us for many years--he and I served together in the House before that, and he was an Ambassador to Germany, but now he is the Director of our National Intelligence--said: ``There should be no doubt that Russia perceives that its past efforts have been successful and views the 2018 midterm U.S elections as a potential target for Russian influence operations.'' Then he added: ``Frankly, the United States is under attack.'' I approve that message. I don't welcome that message, but we need to hear that message, and we need to take it to heart. In response, we have a responsibility--not to any political party but to our Constitution and to the American people--to band together as we would following any attack on our country. We have a responsibility to fight back, to protect and safeguard our democracy, and to ensure that it never happens again. We also have a responsibility--again one that rises above political party--to determine whether the Trump campaign may have had inappropriate contact with Russia during that campaign. This responsibility is shared between Congress and the executive branch, including the different committees in the House and Senate, as well as the Department of Justice, the FBI, and our intelligence agencies. Unfortunately, our President has rejected this responsibility from the start. Let's not forget that President Trump fired former FBI Director James Comey and publicly stated it was because of the Russia investigation. President Trump told NBC News: ``When I decided to [fire Comey] I said to myself, I said, `You know, this Russia thing with Trump and Russia is a made-up story, it's an excuse by the Democrats for having lost an election that they should've won.' '' Those are President Trump's words to NBC News. Because Attorney General Sessions has recused himself from matters involving Russia and the 2016 election, Deputy Attorney General Rod Rosenstein, a lifelong Republican appointed by President Trump to his current position, made the decision to appoint a special counsel to continue the Russia investigation. Let me take a moment to remind the American people about the background and the character of this special counsel. Bob Mueller has spent his life serving our country with distinction. Our Presiding Officer: Army, highly decorated. Yours truly: Navy, 23 years, all in Active Duty and Reserve. Here is what Bob Mueller received in some of his decorations as an officer in the Marine Corps during the Vietnam war--a war in which I served as well. He received the Bronze Star, and he earned two Navy Commendation Medals and the Purple Heart--all as an officer in the Marine Corps during the Vietnam war. After a career in Federal law enforcement and private law practice, President George W. Bush nominated him to serve as our FBI Director, and Bob Mueller guided the FBI in the aftermath of the September 11 terrorist attacks. A steady hand during uncertain times, Director Mueller gained the respect and the admiration of the men and women of the FBI, as well as those of us here on Capitol Hill. During my tenure as chairman and ranking member of the Senate Homeland Security and Governmental Affairs Committee, I had the opportunity to meet with Director Mueller on a range of issues, including protecting our Nation from cyber security threats. Let me just say that I think that maybe in the 17 years I have been here, the best briefing I have ever received on cyber security was from Bob [[Page S2849]] Mueller. The very best briefing I ever received was from Bob Mueller. I also got to know him personally. I know his wife. My wife and I know his wife. We believe that he is guided by very strong core values: Figure out the right thing to do, and just do it--not when it is easy, not when it is expedient, but when it is right. Treat other people the way we want to be treated. Focus on excellence in everything we do. If it isn't perfect, make it better. And when you know you are right, be sure you are right. Never give up. Those are his values. I suspect those are the values of many of us who serve here. Bob Mueller is a man of unimpeachable integrity. There may be no person better suited to this task of special counsel. I have every confidence that he will follow the truth wherever it may lead him and those he leads. But don't just take my word for it. When the Deputy Attorney General appointed him to the position of special counsel a little more than a year ago, his selection drew a particularly resounding endorsement from those of us who serve here in the Senate-- not just on this side but, in particular, on the other side of the aisle. Here is what John McCain said about Bob Mueller: ``Robert Mueller is a great choice for special counsel.'' John went on to add that he is ``confident that Mr. Mueller will fully investigate all aspects of Russia's interference in our election.'' Senator Burr said: ``By having someone like Bob Mueller head [the] investigation assures the American people that there's no undue influence, be it here or be it at the other end of Pennsylvania Avenue or within the Justice Department or FBI.'' Those are the words of Senator Richard Burr of North Carolina, a Republican. Even former House Speaker Newt Gingrich, with whom I served in the House, said this about Bob Mueller: ``Robert Mueller is a superb choice to be special counsel. His reputation is impeccable for honesty and integrity.'' I have not known Robert Mueller for as long as some who serve here, but I have known him for a while. I have had a chance to work with him on some important issues and matters for our country and for the security of our country. He is as fine as any public servant I have ever known and served with. Unfortunately, President Trump has not been as praiseworthy of our special counsel as the Senators I just quoted and the former House Speaker I just quoted. President Trump has repeatedly used his Twitter account to call Special Counsel Mueller's investigation a ``witch hunt.'' A witch hunt? In February, 13 Russian individuals and 3 Russian companies were charged with breaking U.S law and interfering in the 2016 election--13. The indictment details an elaborate, coordinated scheme to disrupt our election. Moreover, three Trump campaign officials have pled guilty to crimes that include lying to the FBI about contacts with Russia during the campaign and a conspiracy to defraud the United States, and the former Trump campaign manager is currently facing similar charges. Despite the progress of the investigation, we know from news reports that President Trump repeatedly has considered firing Director Mueller and Deputy Attorney General Rosenstein. That would be a grave mistake. That would be a very grave mistake. Instead of exercising Presidential leadership and holding Russia accountable and safeguarding our upcoming election, President Trump continues to use dangerous rhetoric directed toward the special counsel's investigation, as well as at the people who work for us, who serve at the FBI and the Department of Justice, and who deserve our thanks, not our scorn. Instead of exercising Presidential leadership and holding Russia accountable and safeguarding our upcoming election, President Trump is now demanding a counterinvestigation. Instead of exercising Presidential leadership and holding Russia accountable in safeguarding our elections, President Trump is now undermining the special counsel's investigation while risking the identity of American intelligence sources. Despite this failure of Presidential leadership, the special counsel's investigation must go on. A Methodist minister in Seaford, in Southern Delaware, Pastor Reynolds--a wonderful man, now deceased--gave me advice during my career, particularly when I was Governor. One day, he said: Governor, the main thing is to keep the main thing the main thing. I said: Would you say that again, Pastor? He said: The main thing is to keep the main thing the main thing. In this case, I think the main thing is for us to find out and ascertain the truth. Special Counsel Mueller must be allowed to follow the truth, no matter where it leads, no matter how uncomfortable that makes President Trump or other people, no matter how uncomfortable that makes Vladimir Putin. We must continue to ensure Special Counsel Mueller has the time and resources he needs to follow the truth and bring this investigation to a conclusion. We must also protect the special counsel from undue political influence, and send a strong signal to President Trump that firing Robert Mueller or Rod Rosenstein, without clear legal justification, would pose a grave threat to our constitutional system of checks and balances. To be clear, we can't pass a bill to end President Trump's erratic threats on Twitter, though I know there are a few people--some here-- who would support such a proposal. However, here is what we can do: We can pass a bipartisan bill, introduced by Senators Coons, Tillis, Booker, and Graham, to protect the special counsel's investigation. The legislation, called the Special Counsel Independence and Integrity Act, would ensure that the special counsel can only be fired for good cause by a senior Justice Department official, and the reason must be provided in writing. It will ensure that in the event of his firing, the special counsel can seek expedited judicial review of his removal, and it will also preserve all the documents and materials related to this investigation. I thank our four colleagues--two Democrats, two Republicans--for introducing this bipartisan bill. I support it and urge its swift passage. Passing this bill will demonstrate to the American people that despite the uncertainties and maybe the fears at this moment, we still have a system of checks and balances which still works, as it has been working for 240 years. There are more constitutions in this world modeled after the U.S Constitution than any other constitution ever. Ours is the most emulated and longest living Constitution on the face of the Earth. It has an intricate system of checks and balances. Our Founding Fathers-- who convened in Philadelphia 240 years ago--developed the Constitution we know of today and sent it out to the Thirteen Colonies to debate and consider whether they wanted to ratify it. The first State to ratify the Constitution was the State of Delaware, and the Constitution is something we especially revere in the First State, but if we allow the system of checks and balances as called for in the Constitution to work, it will eventually lead us to the truth--which is what we should all seek, not just in this Senate, not just in the Congress, not just in one party or the other, not just any one State or the other but all of us. If the unthinkable were to happen and the special counsel were fired on a whim, I believe the legislation I just talked about would help us preserve the Russia investigation and the rule of law. Like Special Counsel Mueller, Congress must not be afraid to follow the truth. We must not be distracted by the President's tweets and other attempts to undermine this important investigation. We must keep the main thing the main thing. Special Counsel Mueller and his team must be allowed to finish this investigation, and Congress--especially our Republican colleagues--must do our part to protect the investigation and insist the President stop the political interference and gamesmanship. Taken together, I believe these actions will allow us to emerge from this especially challenging moment in our country, as we often have following other crises throughout our history. We will emerge stronger and more resilient, and we will emerge deeply proud that we upheld our responsibility to the Constitution and to the American people. [[Page S2850]] In closing, I want to mention that a lot of times people come up to me--maybe not every day but several times a week. Some are Democrat, some are Republican, some are Independent, some are probably not even registered to vote. They say: I fear for the future of our country. I don't think it has ever been this bad before. We have never seen it this bad before. I remind them of the words from Harry Truman, who once served in this body as a Senator from Missouri, later as Vice President, and then as President of our country. Harry Truman used to say: ``The only thing new in the world is the history you do not know.'' Think about that, the only thing new in the world is the history we forgot or never learned. My sister and I grew up in the town of Danville, VA, right on the North Carolina border, the last capital of the confederacy. A lot of people think the last capital of the confederacy was Richmond, VA, but it wasn't. Jefferson Davis and those closest to him got out of Richmond, headed south, and ended up in Danville. That is where my sister and I grew up, and we saw prejudice and discrimination as little kids up close and personal. I will never forget it. There are some people in Danville still fighting the Civil War 150 years afterwards, at least in their minds. During the Civil War, 800,000 men were killed on both sides, and hundreds of thousands of men, women, and children were wounded, crippled. When the war was over, what happened? When the war was over, our President was assassinated. His successor, Andrew Johnson, the Senator from Tennessee, who also served here, was impeached. Somehow, we got through the Civil War, with the assassination of a President and the impeachment of a President, and we made it to the 20th century--just in time to fight not one but two World Wars. We won them, led the world and our allies to victory in the Cold War, and led the world out of the Great Depression. Then, when the Sun came up on the 21st century, on January 1, 2001, here is where America was as a nation: We had the strongest economy on Earth, and we had the most productive workforce on Earth. For the first time since 1968, we actually had a balanced budget--not just one, not two, not three but four balanced budgets--the last 4 years of the Clinton Presidency. While we had a Democratic President and administration, we had a Republican Congress. If I am not mistaken, the chairman of the House Budget Committee was very much involved in the balanced budgets, a Republican from Ohio, our friend John Kasich, former Congressman, now Governor of Ohio. So we had the strongest economy and the most productive workforce, four balanced budgets in a row, and, on January 1, 2001, we were the most admired Nation on Earth, and we had the strongest force for justice on Earth. That is where we were, after all the bad stuff and all those challenges of 150 years, beginning with and following the Civil War. If we can get through all that, we can get through this. In the words of Jefferson, if the American people know the truth, we will not make a mistake. That is what Bob Mueller and his folks are trying to get to, and it is important that they succeed. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The bill clerk proceeded to call the roll. Mr. RUBIO. Madam President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered. China Mr. RUBIO. Madam President, there has been a lot of coverage over the last couple of months and years really--but certainly in the last few days--about the topic of China, ZTE, and trade. I have had a lot of questions about it, both in the hallways from the press and constituents back home and even from family and friends who have inquired what all the ruckus is about. I thought this was a good opportunity to lay out for my constituents and broadly for the American people what is at stake. The first thing I would encourage everyone to do is to separate the two issues, the issue of trade with China and the issue of a specific company called ZTE, which is a phone company--a telecommunications company in the cell industry based in China. They were the fourth largest cell phone company in America, up until very recently when they struggled to stay in business. We will talk about that in a moment, but let's talk about those two things separately. They are not necessarily interrelated. On the broader topic of trade and China, the United States has an enormous imbalance in trade--as we do with other countries but none like we do in China. A trade imbalance, by the way, in and of itself, is not problematic. It really depends on what has caused it, but the trade imbalance with China is problematic because of how it has happened. China was basically poor, underdeveloped, under a Communist dictatorship, and decided it wanted to open up to the world and become more economically prosperous many years ago. The deal the world made with China is, we are going to help you develop economically. You are going to open up. We are going to help you invest. We are going to help you create opportunity. We are going to let your companies invest in our economies. There are rules in the world for trade. There are things that are allowed and things that are not allowed. For example, you are not allowed to steal another company's secrets. If another company has figured out how to make something, that is proprietary. They own it, they developed it, they spent money creating it, and you are not allowed to go there and steal that from them and start making it yourself. You can't have rules that say your companies cannot sell in my country, but our country can do whatever we want in your country. There are rules. China has never played by those rules, and everybody knew it. Nobody disputed it. Administrations from both parties, the consensus politically in America was go ahead. Let's let China cheat. Let them keep stealing things because once China becomes richer and more prosperous, they will stop doing that stuff. As soon as China's economy grows big enough, not only will they stop doing all that, but they will become a democracy. Everyone who said that was wrong. That is not what has happened. They are less Democratic, less open today than they used to be, and they are no longer just stealing little secrets to be in the same ballpark. They are stealing $600 billion a year of intellectual property. Six hundred billion dollars a year is equivalent to what we spend on the U.S military. They are stealing the equivalent of that every single year. How do they do it? First of all, just straight-out espionage. Time and again, they hack computers, they hack emails. They have spies embedded inside companies. They straight-out steal it through espionage. The second thing they do to protect their industries and grow at our expense is, they don't allow many of our companies to do business in China--huge market. Their companies get to do business here, but they don't allow our companies to do business there--some companies. They do allow other companies to do business in China, but here is the deal. If you do business in China, it has to be a joint venture with a Chinese company--51 percent Chinese, 49 percent American company. On top of that, there is another catch. If you want to do business in China with a Chinese company, you have to transfer your technology to them. If you want to build turbines, we will let you build turbines in China, but you have to transfer to us the technology of how you do it. Do you know why they do that? Because once they figure out how to do it themselves, they don't need their American partner anymore. They kick you out, and now they are your competitor and may even put you out of business. That has happened many times. If they don't achieve it by forcing you to transfer, then they straight-out steal it from you. They also buy up small companies. We have a law here that is called CFIUS process. When a foreign company, especially from a country like China, is buying in a key industry, it undergoes this review to make sure it is not a deal where they could be taking secrets that are tied to national security. [[Page S2851]] They figured it out. They are just buying small American companies, a bunch of them, in many cases, that are under the level that we look at, these subcontractors, and finding their way in that way. Suffice it to say that we have a very serious imbalance with China, but the imbalance is not the dollars. The imbalance is in the structure of trade between China and the United States. That is why we don't need a short-term trade deal. This is not about saying: All right. Go ahead and buy more of our ***agriculture***. You guys go buy more of the stuff you were going to buy more of anyway because you need to. In exchange, you get to keep doing what you are doing now, and there will not be any tariffs. That is a short-term deal. It might be a good headline. You can claim that you won, but in the end, it doesn't do anything to change it. In fact, it leaves us worse off. You might as well have not even gotten into this in the first place. You have actually strengthened them even more. Let me tell you how they win this fight. They go to all those American multinational corporations, many of whom are just interested in how their stock is performing from quarter to quarter, and say to them: Lobby your Congressman, lobby your Senator, lobby the White House, and convince them to drop all of this. They do it because what these companies want is to have access to the 1.3 billion people. They don't care if they are only 49 percent of the company in China. They don't care if they are stealing their intellectual property. By the time that matters, the CEO and the people making that decision will be long ago retired, with a huge golden parachute bonus because they delivered a bunch of quarters of earnings. That is so shortsighted. They may not care about it, but those of us who work here have to because we do not want to live in a world where China dominates industry, not because they outinnovated us or worked harder, but because they stole it from us. By the way, the Chinese have figured all of this out. They have figured out exactly how to get things done in American politics. They don't lobby the government. They lobby the business sector. Then, all these large corporations go marching onto Capitol Hill and into the White House and scream and plead to drop all this. Of course they do because they are going to make a lot of money in China over the next 5 or 6 years. A lot of these companies are one day going to be out of business. It is short-term thinking. Their obligations are to their shareholders. Their shareholders are not all Americans. Our obligations are to the American people and America's future. This is disastrous. We need a structural rebalance, not just a dollar rebalance. China is not a developing country. It is the second largest economy in the world. It will soon be the largest economy in the world. Yet we continue to let them cheat and steal. That is the trade issue. ZTE is something completely different--related but completely different. Let me tell you about ZTE. ZTE broke the law. ZTE sold goods and services to Iran and to North Korea. They violated sanctions. They tried to cover it up, and they got caught. When they got caught, they got hit with a fine and were told they need to fire the people who tried to cover it up and the people who did this. They paid the fine, but they did not fire the people who did this. Do you know what they did instead? They gave them bonuses, and they tried to cover that up. The Commerce Department said: Fine. We caught you. We made a deal with you. You broke that deal. Now the penalty is, you cannot buy American semiconductors. That was the penalty. We are not going to sell you any more semiconductors for 7 years. ZTE says it is going to put them out of business because they do depend on us for semiconductors. Now we are reading there is a new deal in place, potentially. The new deal is not official, but I have read it, and it has been reported. The new deal is this. We are going to let you stay in business. Pay a fine, $1 billion or this morning I heard $1.3 billion, and $1.3 billion is nothing for a company backed by the Government of China. The Chinese Government will pay it for them. Are you kidding me? Only $1.3 billion to continue to stay in business and one day replace America in telecommunications? That is nothing. The other sanction--guess what it is. We are going to force you to buy more things from America. That is not a punishment. That is a reward. That is exactly what they want. That was the sanction. The sanction was they couldn't buy more from us because they can't stay in business unless they buy from us. The punishment is going to be, instead of punishing you by denying you semiconductors, we are going to really punish you by forcing you to buy more semiconductors from America. They were going to do that anyway. That is a reward, not a punishment. That is a terrible deal. Some people say that is a deal that is tied into the broader trade deal, another terrible deal. If I were China, I would give us anything we want on ZTE in exchange for being able to continue to undermine the American economy, but it goes deeper than that. Here is the other problem with ZTE. If it is just one company, it is one thing. China intends to dominate the world in the key technologies of the 21st century--aerospace, biotech, quantum computing, artificial intelligence, 5G, and telecommunications. They are going to dominate the world. Do you know why I know that? It isn't because I read some fancy article. It isn't because I am on the Intel Committee. It isn't because of a hearing. It isn't because of a meeting. Do you know how I know that? Because China says it. They have a ***plan*** called China 2025, Made in China 2025. Here is what the ***plan*** basically means. By the year 2025, China will be the dominant country in the world in these 10 to 12 industries, which happen to be the 10 to 12 industries that are going to determine the fate of the 21st century. Biotech basically means genetic medicine, the ability to cure diseases like Alzheimer's disease and others that are going to be a plague on the world in the years to come. Aerospace means technology for space. It also means aircraft and the like. They don't intend to be competitive in those fields. They intend to dominate those fields. You may say: Well, what is wrong with that? Countries can want to dominate fields. It is fine. If you are going to become the dominant power in the world in these key technologies, you have every right to do so but not by breaking the rules. That is how they are doing it. What is China doing in order to dominate the world in 2025? To their credit, they invest a lot of money in research and development. They also invest a lot of money in stealing whatever we have already done. Think about it. America invests taxpayer money. We innovate something. We innovate it. After we spend all of your money innovating these things, they take it from us and steal it. It costs them nothing to start out exactly where we are after years and years of work. Think about that for a moment. That is an enormous competitive advantage. They have free research funding by the American taxpayer. They steal it. What else do they do? They do other things. How do they steal it, you may ask. One of the ways they steal it is through telecommunications. They are trying to embed themselves in our telecommunications system. Here is how. They know, for example, the U.S Government or a defense contractor are not going to buy a ZTE phone, but they have a solution for that. The solution is, they sell the ZTE phone, the exact same phone with the exact same components inside of it--the things they can turn on and off to listen to us or take emails or documents or whatever they need, and they sell the exact same phone to an American telecommunications provider. The American telecommunications provider puts their sticker on it so you think you are buying not a ZTE phone but a phone that belongs to an American company, and they sell it--it is called white labeling--or a router. Huawei has a router. The Department of Defense or the government is not going to put a Huawei router in a sensitive place. That is fine. They will sell it to an American company. That company will take off Huawei and put on their sticker, and [[Page S2852]] you have a router controlled by a Chinese company that is beholden to Chinese intelligence. Even if they wanted to not cooperate, they don't have a choice. When they tell them, we want you to go into that router and get the secrets of this company or the secrets of the U.S Government, not only do they have to do it, they will do it, especially if it is in telecommunications. That is happening right now. They embed themselves in our telecommunications system that way through white labeling. The other thing they do is they use their American subcontracting unit. Again, they know no one is going to hire them to build a military base and put the wire in it. You hire an American company. That is the prime contractor. They come in as a subcontractor to the prime contractor, and they are the ones doing the work. We think we hired an American company, but the work is being done by a subcontractor controlled by ZTE or Huawei or any of these other companies. That is another way they do it. I am telling you, we are going to wake up one day and realize that in our own country, embedded in our telecommunications system--in our cable, in our routers, in our internet--are a bunch of component pieces that not only leave vulnerable our Department of Defense but our business community. To what? To stealing corporate secrets and commercial secrets that allow them to take the research America has done and use it as their starting point free of cost. This is not fantastic. This is why people are so fired up about ZTE. This is not a game. Somebody just sent me an article a few minutes ago. I don't know which one of the publications it was. It was talking about me and taking on the President on ZTE. This is not a political game. It has nothing to do with that. This is not about politics. Do we not understand where we are headed? You have a country that is actively saying we are going to displace you. We are going to be the most powerful country in the world, and we are going to do that at your expense. We are here talking about all kinds of other crazy things or political reporters cover this through a political lens. This is not a game. Do you know why China wins these negotiations? Because they don't play these games. They know what this is about. They have a 10-year ***plan***, a 20-year ***plan***, a 50-year ***plan***. We can't even think 48 hours ahead. Everything here is about a political issue. It is not a game. Whether you want to believe it or not, every single one of us was elected. We participated in politics. I think most of us, if not all of us, do not want to live in a world in 10, 15, 20 years on our watch, where some other country now dominates the world at our expense, where we now work for them, we now are beholden to them for everything from medicines to technologies, and we were here when it happened and didn't do anything about it because we were loyal to our party or because we were too busy focused on--well, just turn on the news when we have a massive threat before us. By the way, this is the stuff historians write about. A hundred years from now, we will all look like fools because, if you are just watching this on an hour-by-hour basis, it is not a big story. Yet, 100 years from now, when someone writes the history of the 21st century and we have let this happen, they are going to write about us. They are going to say that we were fiddling while Rome was burning, that we were allowing the Chinese to take over the world at our expense and displace us because we were too busy doing all kinds of other things. By the way, this is not just about business. When you turn on some of the networks that cover the stock market, they cover this like a casino. Oh, the trade thing is doing better today, so the stocks are up or the stocks are down. Forget about that for a moment. You can make all of the profits you want over the next 3 to 6 months. I promise you, if this continues, in 10 or 15 years, you will not be watching the U.S stock market; you will be watching the Chinese market, and it will be determining whether our companies survive. It will be we on the outside, looking in. Then Americans are going to wonder: Why do we no longer invent great things? Why do we now have to do whatever China wants in the world in order to get the medicines we need to cure my mom or my dad's Alzheimer's? The answer will be, when they were displacing us, your policymakers were too busy arguing with each other and playing dumb, ridiculous games on a regular basis. Meanwhile, China was focused like a laser on a ***plan***, and it executed it. This is not a game. I can think of no more significant issue from the perspective of history than what is happening now. Do not misunderstand me. I do not come here to say that I want to be unnecessarily aggressive with China or that I want there to be a confrontation. China is going to be a rich and a powerful country, and we have no problem with that--we can't have any problem with that--but there has to be a balance. It cannot be a China that is rich and powerful and an America that is weak and not prosperous. Those imbalances are what create wars. Those imbalances are what create misery. Those imbalances are what destabilize the planet. That can't be. We need to recalibrate this relationship. It needs to be rebalanced on the trade side. It needs to be protective on our national security side. It needs to be equalized. If it is, China can still be very successful. It is going to invent things. It is going to create jobs. It is going to become more prosperous. That is fine. We have been doing that for 100 years. Every person who is sitting in the Gallery, every person here in the well of the Senate and on the Senate floor--everyone you know--has a product on him--a phone, a belt--that has been made in another country. The issue is not that other countries make things and that we don't. The issue is not about our dominating everything. It is about balance, and this is not balanced. This is headed for a dramatic imbalance. The imbalance used to be that they made cheap things and sent them back to us so we had lower prices. That is what has happened for the last 30 years. They have made cheaper T-shirts; they have assembled the phones more cheaply; and they have shipped them back to the United States, which has led to lower prices. That is not the imbalance I am talking about. The imbalance we are headed for is that they will control state-of- the-art artificial intelligence, that they will control state-of-the- art quantum computing, which will mean that nothing will be encrypted anymore, which will mean that there will be no such thing as secure cars left. One day, the President of the United States will not be able to talk to his national security officials anywhere in the world without the Chinese hearing it. No matter what encryption you will put in, they will break it with a quantum computer. That is the imbalance I am talking about. The imbalance I am talking about is when, one day, we will have a dispute with China on something--on national security somewhere in the world--and it will threaten to cut off our supply of biomedicines. In essence, it will threaten the lives of Americans in their not getting medicine unless we cave to China's desires. That is the imbalance I am talking about. The imbalance I am talking about is one where it dominates aerospace, where it is the nation that controls satellites and satellite communication, where it is the nation that controls 5G. We are headed toward autonomous vehicles. Autonomous vehicles will depend on 5G technology. China will dominate the world in 5G, and we will depend on it. So we are going to build a fleet of autonomous trucks and autonomous cars, and none of them will work if the Chinese decided to shut it down because they will dominate that field. That is the imbalance I am talking about. If this all sounds fantastic or apocalyptic, look it up. Research it. I promise you that you will not find a single person who is versed on this topic who will disagree with what I am saying. This is the threat that we face, and we are not facing it squarely. I would advise those who cover this issue to stop covering it as a political issue. There are some things that are so important to this country that I don't care what the politics are, and most of my colleagues don't either. These are definitional things that will define the 21st century. [[Page S2853]] I would advise us not to cover this as a purely economic issue because there is a way to grow the trade gap in the short term. We can sell China a lot more of the things it is willing to buy anyway. It doesn't intend to lead the world in those things in exchange for its dominating us in the long run. Get rid of the short-term thinking, and start thinking our competitor has a 50-, a 100-, a 20-, and a 5-year ***plan***, and we don't even know what we are going to be talking about next week. It is time to wake up to this threat because we have two ways forward. There can be a balanced relationship between two great powers that leads to a world that is stable and secure and prosperous or we can have an imbalanced world in which the rising power of China is at the direct expense of a falling status quo power in the United States. That instability will lead to conflict and a way of life for Americans that we will find unacceptable. Then it will be too late. Then we will have to explain, maybe, to our children and, most certainly, to our grandchildren why the America we grew up in--that led the world in all of the great innovations and in all of the great ideas, that provided prosperity to millions of people here and around the world--and the America they get to grow up in is a second-tiered power while China dominates everything that matters. If you think that is not a big deal, one of the reasons democracy has spread across the planet is that the world's most powerful country has been a democracy. If the world's most powerful and dominant nation on Earth is a dictatorship--a country that has no respect for privacy, a country that has no respect for free speech, a country that has no respect for religious liberty of its open people, a country that has no regard for human rights anywhere in the world--what do you think the world is going to look like in 20 or 30 years? It is not going to be a better place. Democracy is morally superior to autocratic regimes. We should not be afraid to say that. If for no other reason--if you want to put aside economics for a moment and confront it from that angle--we cannot allow an autocratic dictatorship to dominate the global economy and global technology by stealing from us at the expense of the democratic order in the world. Democracies are morally superior to dictatorships. If we allow China to cheat and steal its way into dominance, there will be more dictatorships and fewer democracies on this planet, and we will all pay a price for that. I urge everyone to take this issue seriously. I urge the President to listen carefully to those in his own administration who understand this threat for what it is holistically, and I urge them to move in a direction that recalibrates the structure of our relationship with China economically and that does not allow not just ZTE but numerous other telecom companies to continue to grow and spy at our expense. That is what I encourage them to do, and that is the right thing to do for the future of this country, not some short-term deal that makes us feel good and potentially gets a positive headline in the short term but what historians will condemn as the beginning of the end of America's place in the world as its most influential Nation. I yield the floor. I suggest the absence of a quorum. The PRESIDING OFFICER (Mr. Johnson). The clerk will call the roll. The senior assistant legislative clerk proceeded to call the roll. Mr. BROWN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered. Mr. BROWN. Mr. President, first, I want to add my comments to those by my friend from Florida, Senator Rubio, about China. I remember years ago, when I was helping to lead the opposition to China's admission into the World Trade Organization, when American CEOs came to this body and said one after another to Members of Congress that they wanted access to billions of Chinese consumers when what they really wanted was access to hundreds of millions of Chinese workers. U.S companies, as part of a business ***plan***, consistently shut down production, whether it was in the Florida Panhandle or whether it was in Northeast Ohio, and moved those productions overseas. They enriched that Communist government and gave China the wherewithal that Senator Rubio talks about now. That is the importance of the CFIUS legislation we did yesterday in the Banking Committee that Senator Crapo, Senator Van Hollen, and I worked on. It is the importance of many of the issues that Senator Rubio raised, so I thank my colleague from Florida. Mr. President, I rise to oppose the nomination of Brian Montgomery. He has been nominated by the President to serve in the U.S Department of Housing and Urban Development as an Assistant Secretary of Housing and as the Federal Housing Commissioner. If confirmed, Mr. Montgomery would oversee the Federal Housing Administration, the FHA, which insures loans for homeowners, multifamily rental buildings, and healthcare facilities originated by HUD-approved mortgage lenders; oversees HUD's Housing Counseling ***Program***; and provides rental assistance for over 1.2 million low-income seniors, individuals with disabilities, and families. We are considering this nomination at a time when the Nation faces all kinds of housing challenges. Thanks to a deep shortage of affordable rental housing--think about this--a quarter of all renters, of all households, are paying more than half of their incomes for housing. That means, if anything goes bad in their lives--if their cars break down on the way to work or if their children are sick, and they have to decide to send their children to school anyway or to stay home and lose a day's pay and get behind on their rent--then everything will go bad for them. Far too many creditworthy borrowers still struggle to access sustainable credit in the mortgage market, particularly in communities of color. In February, the Center for Investigative Reporting released data showing that people of color were far more likely--in some cases, more than five times as likely--to be denied conventional mortgages. They found this data in 61 metropolitan areas around the country. It is not limited to only a few places. Mr. Montgomery, in his having served previously in the position for which he has been nominated, would bring both valuable experience and an appreciation for the importance of the ***programs*** he would lead if he is confirmed. He has spoken about the value of the FHA as both a responsible engine of homeownership and a countercyclical tool to ensure that mortgage credit remains available. He has also supported the Office of Housing's affordable housing ***program***. That is the good news. The bad news is that I am concerned that Mr. Montgomery, in the interest of making the FHA a better partner to the mortgage industry after having served in the industry as a board member or adviser, will lose sight of the interests that FHA and consumers have. Following his previous tenure at HUD, Mr. Montgomery cofounded a consulting firm that provided a range of services to financial services companies, services that included helping FHA participants minimize penalties from HUD enforcement actions. He also sits on the boards of companies whose businesses could be affected by FHA and Federal housing policies. Perhaps more troubling is that Mr. Montgomery has stated concerns about ``excessive'' Federal enforcement efforts against mortgage lenders in the years following the mortgage crisis, including pursuing claims under the False Claims Act. In late last year, the Trump administration's Department of Justice noted ``the False Claims Act serves as the government's primary civil remedy to redress false claims for government funds and property'' and further noted that recoveries under the act are ``a message to those who do business with the government that fraud and dishonesty will not be tolerated.'' The False Claims Act was cited in several post-crisis Federal enforcement actions, including a $1.2 billion settlement with Wells Fargo in 2016 and in a 2014 settlement with JPMorgan Chase for ``knowingly originating and underwriting noncompliant mortgage loans submitted for insurance coverage and guarantees'' at the FHA. Obviously, fraud has no place in FHA ***programs***. However, without a strong [[Page S2854]] signal that fraud and dishonesty will not be tolerated, some lenders who don't play by the rules will, once again, push the envelope with damaging effects to families and taxpayers. I hope that Mr. Montgomery proves me wrong and that under his leadership, HUD will emerge as a strong advocate for consumers and affordable housing and assisted families. It is hard for me to believe that, though, when you look down the street at the White House, and the White House, frankly, looks like a retreat for Wall Street executives and those connected to those financial interests. Consumers and families need an advocate at HUD. So far, the administration's response to our rental housing shortage, unbelievably enough, has been to propose the slashing of billions from housing ***programs*** and the raising of rent on low-income, HUD-assisted families, seniors, and people with disabilities. After all, as the HUD Secretary said--after giving this tax cut where 80 percent of the tax cut, of the $1-plus trillion, went to the richest 1 percent of people in this country--they had to make cuts to the cleanup of Lake Erie, which Senator Klobuchar and I care so much about; they had to make cuts in Head Start; and they had to propose raising the eligibility age for Social Security and Medicare. They had to make these cuts. That was part of the deal of a tax cut for the rich. So it is just a little hard for us to buy in to some of their reasoning. The administration has been dismantling consumer protections and eroding fair housing enforcement at HUD and the CFPB. Just yesterday, Congress passed legislation making it harder to detect and protect against violations of fair housing laws, particularly reverse redlining, as if we didn't deal with that issue decades ago. We all should come to agreement that redlining is wrong. It devastated borrowers and communities during the crisis, and it hasn't gotten a whole lot better. I hope Mr. Montgomery, when he is confirmed, will use his office to advocate for housing solutions that work for our families and our communities. These matters are far too important for too many Americans to do otherwise. I oppose his nomination. I hope I am wrong. I hope he actually does the things that someone in that position at HUD should do. I yield the floor. The PRESIDING OFFICER (Mrs. Hyde-Smith). The Senator from Minnesota. Antitrust Enforcement Ms. KLOBUCHAR. Madam President, I come to the Senate floor today to discuss what I consider an often overlooked issue that is of central importance to the well-being of American consumers and our Nation's economic strength, and that is antitrust enforcement. Before I was a Senator, I was a prosecutor for 8 years, and before that, I was a lawyer in private practice. Early in my legal career, my main client when I was a brandnew lawyer was MCI. At the time, MCI was a young, innovative telecom company that was determined to disrupt the telecom industry by competing with first long-distance carriers and then local monopoly carriers. It was exciting for me to represent a company like that. They had a lot of scrappy lawyers who viewed themselves as fighting for consumers to give them some alternatives and lower prices. I remember that at one of my regulatory hearings, I actually quoted the first words Alexander Graham Bell said over the telephone: ``Come here, Watson, I need you.'' But in the Wild West world of MCI, when they were getting ready to relay the first-ever communication between St. Louis and Chicago--which seems odd to the younger pages here--at the time, Bell companies dominated all telecoms, and we only had those old-style telephones and only one company in an area that offered service. So MCI came in to compete by building their own line between St. Louis and Chicago. One of their investors, Irwin Hirsh, memorialized this great moment, and instead of saying ``Come here, Watson, I need you,'' he said, ``I'll be damned. It actually works.'' But make no mistake--without antitrust law, MCI would never have worked. We would have had no competitors. We would have been stuck in the old Bell operating company world. MCI took on Bell operating company and AT&T and ultimately broke up that monopoly. This breakup lowered long-distance prices for consumers across the country and ushered in an era of amazing innovation and revolutionized the telecom industry and, yes, brought down those long-distance prices. Antitrust may not always make front-page headlines these days, but antitrust enforcement is as important now as it has ever been. It remains vital to the welfare of our country, and we ignore it at our own peril. People often ask me, what does antitrust law have to do with our economy? The answer I always give is, everything. Let me repeat that. Antitrust has everything to do with our broader economy. That is becoming clearer to the American public. People intuitively understand that there is too much industry consolidation in this country. They understand that is not necessarily good for them whether they are a Democrat or a Republican or an Independent. They understand that the benefits of big corporate mergers go largely to the merged companies and their investors and not to the public. This highlights the fact that antitrust is not just a subject for competition policy circles or law school classroom discussion or the business section of the newspaper; antitrust policy touches people across our country, and they are beginning to see how important it is to their lives. Two-thirds of Americans have come to believe that the economy unfairly favors powerful interests. Even as our economy stabilizes and grows stronger, it is easy to see why people feel that way. Every year, I go to all 87 counties in my State. Everywhere I go, people tell me that while the job situation has improved since the downturn over the last decade--and, in fact, we need workers for a lot of the jobs that are open in our economy--they are still struggling with the cost of living. In my State, we are fortunate to have a strong economy, but the cost of living is by no means low, and that is true all over the United States. For some, it is rent payments. For others, it is mortgages. For others, it is prescription drugs--and that is actually for almost everyone--and mobile phone service. To many people who dream of starting their own business, that is hard to do when those costs are so high. Anticompetitive mergers and excessive concentration can increase these cost burdens. They may lead these cost burdens, whether it is in the ***agriculture*** industry or the cable industry or certainly the pharmaceutical industry, where we see monopoly power over certain kinds of drugs, where we see pharmaceuticals basically, in the words of the President of the United States while he was campaigning, ``able to get away with murder.'' Yet, what are we doing about it? Well, the people would like us to do something about it. They are increasingly realizing that antitrust has everything to do with the prices they pay for goods and services and with the health of our global economy. These are not novel ideas. Think back to trust-busting. Think back to Teddy Roosevelt. Think back to this American entrepreneurial spirit of small companies and individuals being able to compete against each other. That is what our economy is all about in America. When companies are allowed to compete and people are allowed to get into a business, businesses can offer higher quality goods for the lowest possible price. The point I want to emphasize is this: Talking about antitrust in a narrow way is outdated and oversimplified. Antitrust enforcement affects more than price and output. We now have evidence that competition fosters small business growth, reduces inequality, and increases innovation. In short, tackling concentrations of power is a linchpin to a healthy economy and a civil society. With respect to business growth, evidence suggests that it is nearly impossible for new firms to penetrate highly concentrated markets, so ensuring competitive markets is one clear way to help entrepreneurs and small businesses succeed. We all know how important small business growth is to our economy. [[Page S2855]] Research also suggests that concentration increases income inequality. Firms with market power raise prices, which takes money from consumers and puts it in the pockets of the few. Concentration also blunts incentives to innovate. Why would someone innovate if they know they can just keep the product they have, not invest in R&D, not invest in innovation, because they have the only product on the market because no one is competing with them for something better? When there are 8 or 10 competitors, they will try everything to get a leg up on their competition by lowering prices and finding new products that people want. When there are only one or two firms, there is little incentive to make product improvements, develop new products, or certainly bring down those prices. We have to recognize the broader benefits of antitrust enforcement-- especially today, when we are living in a wave of consolidation across industries. Since 2008, American firms have engaged in more than $10 trillion in acquisitions. The last few years have seen a steady increase in mergers reviewed by the Federal Trade Commission and the Justice Department's Antitrust Division. But it is not just the number of deals. I recall former Assistant Attorney General for Antitrust Bill Baer, a lifelong antitrust lawyer, saying that his agency was reviewing deals that raised such serious antitrust concerns that they should have never made it out of the boardroom. As former chair and ranking member of the Antitrust Subcommittee, I have raised concerns about several megamerger proposals over the last few years. Look at the Comcast-Time Warner merger proposal. As I pointed out at a hearing in the Judiciary Committee, if the merger had been approved, the combined company would have controlled 60 percent of the country's high-speed and broadband customers. Look at the failed merger between Norfolk Southern Railway and Canadian Pacific--something I took on immediately after it was announced. Even without the merger, 90 percent of freight traffic is still handled by only four railroads. As I pointed out then, this is the same number of railroads on the Monopoly board. Four is what we are down to after having literally 63 of these major railroads years and years ago, then going down to 9, and now we are at only 4. When a State has a lot of rural areas like mine has--we are fifth in the country for ag, and I think of the Presiding Officer's State-- customers or farmers or small businesses that are at the very end of that freight rail line are called captive customers because they are only served in reality by one railroad. They see their rates go up, and they have no other choices. The more numbers are reduced, the more difficult it becomes for people to get good rates so they are able to get their goods to market. It is easier when you are in a highly concentrated market, but it is very hard when you are not. These examples are part of a larger pattern of horizontal consolidation and vertical integration. Those are words you hear only in law school classes or maybe see in the business section of the paper, but that is what is happening. We all know about AT&T's bid to buy Time Warner and the Justice Department lawsuit to block the deal, but that is not all. Sinclair Broadcast Group is trying to buy Tribune Media. Bayer is trying to buy Monsanto. CVS is trying to acquire Aetna. Most recently, T-Mobile signed an agreement to buy Sprint, which would combine two of only four major cell phone carriers in the United States. Again, I note that number of four--the number on the Monopoly board--which would go down further to three. In fact, T-Mobile has been playing a major disrupting role--I mean disruption that is good in terms of bringing down prices. We have all seen the ads with what they are offering. This merger would merge two of those phone companies, and we would be down to only three. More than three-quarters of American adults now own smartphones, including many who depend on these devices for their primary connection to the internet. Many of them don't even have local phone service. Now we will bring their choices for major carriers down to three if this deal goes through. Last October, in anticipation of this transaction, and weeks ago, after it was announced, I sent letters with a number of my colleagues raising antitrust concerns and urging the Justice Department and the Federal Communications Commission to investigate this potential transaction. Today, Senator Lee and I are announcing that we are going to hold a hearing to look at these issues very carefully and very seriously in a bipartisan way in the Antitrust Subcommittee next month. Often, in connection with large mergers, the merging parties and the investment community promise millions, sometimes billions of dollars in efficiencies and cost savings. But after closing, do consumers actually see the promised lower prices or the improved quality? I think the American people deserve an answer to that question. To address these issues, we need aggressive antitrust enforcement. Let's talk about that. Unfortunately, current levels of Federal antitrust enforcement activity are not where they need to be. I take my responsibilities on the Antitrust Subcommittee seriously, and Chairman Lee and I have done a lot of important work together on the subcommittee over the past few years. Also, we are both committed to the professionalism and the independence of the Federal Trade Commission and the Antitrust Division. Antitrust and competition are not Republican or Democratic issues; they are consumer issues. We can all agree that robust competition is essential to our free market economy. In light of this consensus, the enormous economic consequences of lax antitrust enforcement, and the current merger wave, these issues require our urgent attention. Let me explain. Our economy, in terms of nominal GDP, has increased by 30 percent between 2010 and 2017, and annual merger filings have almost doubled during that time. At the same time, our antitrust agencies' budgets have been held flat. As a result, agencies are only able to litigate cases involving the most highly concentrated markets. This limits the attention they pay to closer or more difficult cases. Despite these constraints, agencies are doing what they can, but we need to do more. Giving agencies the resources to pursue the harder cases will pay real dividends to our economy. When I say resources, I also mean the legal tools necessary to protect competition. When it comes to mergers, the protections in the Clayton Act--that is the antitrust law--have slowly been eroded. Over time, we have seen a systemic underenforcement of our competition laws. The result has been even larger mergers and more concentrated industries, and American consumers are taking notice. We need to give our agencies the legal tools to push back. That is why I have introduced two major antitrust bills over the last year. The first will give our antitrust agencies the resources they need to protect competition. Now, this is not coming off the backs of taxpayers because, as I have already explained, they are already having to foot the bill for a lot of these mergers in terms of higher prices. This bill would, in fact, update merger filing fees for the first time since 2001. Think of how many years that is and how the competitive landscape and the merger landscape have changed during those 17 years. This bill would lower the burden on small and medium-sized businesses for their filing fees and ensure that larger deals, where we are seeing all of these activities--these billion-dollar deals where they hire so many lawyers that there are more lawyers on those deals than there are Senators' desks in this room--have fees on businesses that would raise enough revenues so taxpayers could foot less of the bill for merger review. I am not talking about an across-the-board business tax. I am talking about higher fees on those businesses--major businesses, huge businesses--that are seeking to merge and reap the benefits. If their lawyers can get all kinds of bonuses for getting the deals through, at least the taxpayers should be getting the bonus of being able to know that someone is looking out for them in reviewing these deals. Effective enforcement also depends on feedback. As the size of mergers have grown, so have the complexities [[Page S2856]] of merger settlements. A question for modern enforcement is whether some proposed mergers are simply too big to fix. Agencies can make better enforcement decisions if they understand what has worked in the past. So my bill gives the agencies the tools to assess whether merger consent decrees have in fact been successful. Have all those promises we hear at the hearings or we see in writing or we read about in the business pages really come to fruition? In addition, we need a better understanding of the effects of market consolidation on our economy. That is why we need to study the effects of mergers on wages, employment, innovation, and new business formation. We also must give our antitrust agencies and courts the legal tools necessary to protect competition. That is why my second bill, the Consolidation Prevention and Competition Promotion Act, would restore the Clayton Act's original purpose of promoting competition by updating our legal standards so our legal standards are as sophisticated as the companies that are proposing these mergers and the kinds of mergers they are proposing. My bill clarifies that we can prevent mergers that reduce choice, foreclose competition through vertical consolidation, stifle innovation, or create monopsony. OK, that is a great word you would hear in law school classrooms, but what does it mean? Well, it means where a buyer has the power to reduce wages or prices. It also creates a more stringent legal standard to stop harmful consolidation and shifts the burden for megamergers so the parties involved in the deal have to prove the merger does not harm competition. So what we are talking about here is when a big company buys another and then has that power to make it so that the other competitors aren't really going to be able to compete with the company that they bought, because this huge company might have the ability to bring down prices or do things temporarily to the point that they get other people out of the market or they hurt the others to the extent that you then don't have real competition, and that is what they are doing. Let me be clear. Big by itself is not necessarily bad, and large mergers do not always harm consumers. My home State of Minnesota now has 19 Fortune 500 companies, and we all benefit from the fact that the largest and most successful companies in the world are American companies. If we want the success to continue, our new businesses must have the same opportunities to grow as the businesses that came before them. Target, one of my favorite companies based in my State, started as a dry goods store in a small pedestrian mall that is now a big one in Minnesota, way, way back. That is a true story. And 3M, a big company out of my State, started as a sandpaper company. OK, so we have to make sure these small companies continue to grow and are able to compete, but that is not going to happen if we shove them out. Our new businesses must have those same opportunities. Promoting competition and preventing excessive industry consolidation is the way we encourage this country's next big idea. Take Trader Joe's, JetBlue, and Starbucks. These companies started small, but they were able to get a foothold in the market and succeed because our antitrust laws prevented large, established competitors from limiting their growth. As a result, the American people get better products and services. These bills will simply ensure that the next American business success story is possible. They will allow entrepreneurs and innovators to succeed in open, competitive markets. We can do this, and we should do this. It doesn't take a miracle. It just takes people acknowledging what has made our economy strong in America. Antitrust law and policy are not always front and center in our debates, but they should be. The proposals in these bills will improve the lives of businesses and people across the country. Protecting competition speaks to the basic principles of opportunity and fairness. It speaks to the simple notion that companies with the best ideas and the most innovative products will have a chance to rise to the top based on their own merits, and the reality is that these principles are at risk. We are currently experiencing a dramatic increase in both the number and size of mergers. As our markets and technologies evolve, our agencies and courts are less able to address this increased concentration and the really big guys like it that way. That is why we have to stand up in this Chamber for the American people. We cannot wait any longer. We need vigorous antitrust enforcement. We need to improve the tools and the resources that those who are trying, at least, to put a modicum of enforcement in place are able to exercise. Our economy depends on it. Madam President, I yield the floor. The PRESIDING OFFICER. The Senator from Florida. Secure Elections Mr. NELSON. Madam President, the right to vote is one of the most precious rights we have here in America. How we protect it is so cherished, and it is also cherished by peoples all over the world who don't get a chance to exercise that right. Our constitutional foundation is built on a process of free, fair, and unfettered elections. Well, what happened in this country 2 years ago put a crack in that foundation, and it started to sow the seeds of doubt that, if gone unchecked, could undermine our entire democracy. After painstaking analyses by the intelligence community, which are in complete agreement--unanimous in the IC--we know that Russia interfered in our 2016 election. We know that Russia continues to meddle in the elections of not only our country now but in other countries around the world. We saw that in the elections in Europe last year. Fortunately, what they tried in France backfired on them, and they didn't get their candidate to win. We also know that if we don't act now, they are likely going to continue this interference in the elections here in this country that are coming up in just a few months. The threat that we face today from Russia's meddling in our elections and attempting to undermine our democracy is really one of the greatest threats we face. Congress recognizes this threat, and we have taken action to protect that vote. But none of it matters if respective States will not work with us and take this threat seriously. So last March we passed a bill that authorized $380 million to help State elections officials strengthen their elections security and update their elections equipment. Now, of the total of $380 million for the country, $19 million of it was set aside for my State, the State of Florida. While at least a dozen other States have applied for and received funding to help them protect their systems from Russian intrusion, my State of Florida hasn't even applied for one single dollar of the $19 million set aside for Florida--not one. In fact, the government of Florida through Florida's secretary of State said recently that it is not ***planning*** to apply for any funding to improve security during the upcoming November election. Obviously, when you consider the risk and what Russia did, which the intelligence community all agree was done to us in the last election, why in the world would the State of Florida not apply for any of the $19 million set aside for our State? We know that Russia had intruded into the election mechanism and records of 21 States, and the State of Florida was one of those States. Although we don't know what kind of interference the Russians are going to try in the upcoming November elections, we do know that Russian President Vladimir Putin--having interfered in 2016 and causing so much chaos and, therefore, attacking the very foundation of our constitutional democracy--is likely to do it again. So why wouldn't the government of the State of Florida apply for $19 million of funds set aside for Florida to upgrade and protect our election system? We know we are not the only country that has been attacked and, according to the U.S intelligence community, he obviously is going to continue this type of behavior. So we better get ready. That is why we have such a heavy responsibility to defend America from these types of attacks and to defend our process of free, fair, and unfettered elections. We need to rebuild trust in our elections, and at the same time we [[Page S2857]] need to ensure that every citizen who wishes to exercise their right to vote is able to do so. It also can be counted, and it can be counted as they intended it to count. Remember this goes back to 1965. Congress passed the Voting Rights Act of 1965 to protect the right of every citizen to vote. But in a 5- to-4 Supreme Court decision, it declared that part of that law was outdated, and it removed much needed voter protections that we have come to rely on for minorities, and we have come to rely on them for the last half century. Part of this Supreme Court decision struck down part of the law as it applied to protecting minorities in certain counties in the State of Florida. The Justices voted to strike down that important part of the Voting Rights Act on a 5-to-4 decision. They said that it was outdated because we no longer have the blatant voter suppression tactics we once did years and decades ago. I disagree. We have seen a lot of voter suppression. Since the 2010 election, we have seen a number of States, including my State of Florida, approve voting restrictions targeted directly at reducing turnout among young, low-income, and minority voters. Why? Because they traditionally support one particular party. In 2011, for example, the Florida legislature, State officials, and the Governor of Florida reduced the number of early voting days in Florida, including canceling the Sunday before the Tuesday election as an early-voting date. It is not a coincidence that there was use of early-voting days, particularly on weekends--particularly on that Sunday before the Tuesday election, where people become sensitive and recognize that there is about to be an election day. We have found that particularly minority voters in Florida--African Americans, as well as Hispanics--would take advantage of voting when they did not have to go to work. You have heard the term ``Souls to the Polls.'' So often, after church on Sunday, many church members would go to the polls. They made voting more difficult for people who had moved to a different county. It became more difficult, even though we have a very mobile population moving within a State. They also made it more difficult for young people, particularly college students, who changed their address because they had moved and wanted to vote in the town where the university was, but their identification often was their driver's license, which showed their parents' residence. Again, this made it more difficult instead of making it easier to vote. The State of Florida subjected voter registration groups like the League of Women Voters, which had been registering voters for three- quarters of a century--suddenly, they were subjected to penalties and fines if they didn't return the signatures in a short period of time, which was impossible if they got the signatures over a weekend. And they would nitpick with penalties and fines on some small mistake when they were trying to help someone register to vote. Happily, the League of Women Voters went to Federal court, and the Federal judge threw that law out as unconstitutional. But that decision was right before the election, and lo and behold, the League of Women Voters had lost a year and a half of voter registration. You won't believe this. In 2014, an elections official in Miami- Dade--which was, coincidentally, one of the more Democratic counties in the State--closed restrooms to voters who were waiting in line at the polling sites. As a matter of fact, there was so much chaos in one previous election--the election of 2012--that lines were upward of 7 hours long. I will never forget the woman who was a century old--100 years. Everybody kept bringing her a chair and bringing her water. Well, some of those waiting in lines didn't have the opportunity to go to the restroom, despite waiting to vote for hours and hours. In that same election cycle, 2014, the State's top elections official told a local election supervisor not to allow voters to submit absentee ballots at remote drop-off sites, ordering that elections official that there could be only one site. That supervisor of elections, by the way, told the State of Florida to go take a hike--that they had a way of securing the ballots by dropping them in several different sites that were formerly approved. Then the State of Florida denied a request from the city of Gainesville to use a University of Florida campus building for early voting, a move seen by some as a direct assault on student voting. Can you believe that? The State of Florida government, through the Secretary of the State, is going to order the University of Florida not to allow the student center on campus to be a place of convenience for students to cast an early vote. That order has stood. It has stood, and instead of making it easier for people to vote, it has made it harder. All too often, we have let these things go. This Senator is not letting it go because the League of Women Voters in Florida has now taken the government of the State of Florida to Federal court on behalf of students at the University of Florida, as well as Florida State, saying: You are arbitrarily saying that we cannot vote in a convenient place on campus, in a government-owned public building on campus. You cannot order that we cannot use that in anticipation of elections this coming November. Too often we find ourselves divided on these issues of party politics, but that shouldn't be the case. There should be no disagreement when it comes to protecting the right to vote and making it easier, not harder, for people to vote. Why? Because we ought to be Americans first, not partisans first. We should be Americans first, and the State of Florida should get its act in order to let the people vote. I yield the floor. The PRESIDING OFFICER. The Senator from Georgia. VA MISSION BILL Mr. ISAKSON. Madam President, I am delighted to stand today, shoulder to shoulder with all my colleagues on the Veterans' Affairs Committees in the House and the Senate, to thank the Senate for a very strong vote on cloture yesterday to take us to a point today where we will pass the VA MISSION Act, which is this legislative body fulfilling a promise to those who fought and sacrificed for each of us to be here today--our families and loved ones as well. For years, there have been problems in the VA in terms of healthcare. You read the headlines. I read them, too, and our constituents read them. In Arizona, we had veterans who died waiting to get a routine appointment. We had scheduling errors. People were getting bonuses for scheduling things they had falsified. We had a lot of things that were disappointing to all of us. We worked hard in the Veterans Affairs Committee in the House and Senate to address these tough issues head-on and fix them so that the VA would be the best functioning health delivery system it could possibly be for the people who were willing to risk their lives for each of us when they joined the military. I think it is appropriate that we are doing this the week before Memorial Day. Next Monday, we will celebrate all of those who, in all the wars that preceded the fight we have today, represented our country, volunteered unselfishly, fought, and in some cases died for America's peace, freedom, liberty, and the perpetuation of our democracy. One promise we made to them was that they would have good quality healthcare, and it would be successful. Four years ago, with the leadership of John McCain, we started the movement toward Veterans Choice. We passed a good bill with a 40-mile rule and a 30-day rule. The 40-mile rule said that if you live within 40 miles of a VA clinic or service, you can go to a closer clinic in the private sector, as long as it is approved by the VA. The 30-day rule said that if you couldn't get an appointment for a routine medical service in 30 days, you could get an appointment in the private sector, and the VA would approve it. But the labyrinth of the approval process for that 30-day appointment or that 40-mile access made it almost impossible for the veteran, in many cases, to get access that is as timely as we would like it to be. It was a good start. It was an improvement in our process. It addressed the problem--but not well enough. We learned enough as a test bed to know that veterans liked Choice, as long as it was not so cumbersome that they couldn't use it. The VA liked Choice, as [[Page S2858]] long as they were a partner with a veteran who made the choices, so we lost no continuity in healthcare. With the passage of the MISSION Act, we are repealing both the 30-day rule and the 40-mile rule. Instead, we are saying the following: If you are an eligible veteran for VA healthcare services, you can choose a private sector doctor if you want to, as long as the conditions and circumstances, in concert with your VA primary care doctor, fit. In other words, the VA needs to know about it and work with you in making that decision and work with you in finding that private doctor. We are not going to have mountains of paperwork and third-party administrators breaking the rules and regulations and slowing things down. Instead, the VA will be motivated to see you, the veteran, get fast, timely service and quality healthcare, whether it is private or the VA. There have been some who have talked about this being privatization. It is not privatization; it is mobilization. We are mobilizing healthcare for the veterans to see to it that they have access in a timely fashion. The VA is an instrumental service for our veterans who come home. Many of them come home with injuries and sicknesses and illnesses and diseases that, quite frankly, nobody ever contemplated people surviving. Who heard of PTSD and TBI 20 years ago? Who saw veterans lose arms and legs--in some cases, all of their arms and legs--and survive a battlefield wound? How many of you have seen people wear an eye prosthesis, where they had an eye replaced? The VA has specialists who can do all of those things, the best in the world. They can deliver high-quality healthcare and high-quality rehabilitation to veterans with the most serious injuries in the history of warfare. We will always continue to do that, but we also have to understand that when healthcare in the private sector can be utilized for the convenience of the veteran--not as a competitor to the VA--we can use it as a force multiplier to lower the number of people we have to hire and, in addition, lower the number of hospitals we have to build and instead provide that money for services to our veterans. It is a win-win proposition for the VA and for all of us. It is no secret why every former VA Secretary who has served this country has endorsed the VA MISSION bill. All of them have endorsed it, every one of them, whether a Republican appointment or appointment by a Democratic President. They all know this is something we needed to do for a long time. It is no secret why we got a vote of 91 to 4 yesterday on the floor of the U.S Senate to invoke cloture and go to a vote today on the VA MISSION Act. It is past time we made sure our laws for healthcare available to our veterans are as high quality as our veterans are when they go to fight wars for us. Secondly, I want to focus on another feature which is very important to me because I was in the service. I was not in Vietnam. I am a Vietnam-era veteran. I was in the Georgia Air National Guard during the Vietnam War. I lost buddies in that war. I know a lot of our soldiers sacrificed in that war and made it home with terrible injuries, but because of our healthcare delivery system in the battlefield and at other hospitals around the world, we were able to save veterans and rehabilitate them, but the need for ongoing medical healthcare for the basic essentials of life is sometimes one of the byproducts for some of the injuries and for some of those who survived those wounds. There are veterans who have difficulty feeding themselves. There are veterans who can't dress themselves. There are veterans who need assistance in the five basic essentials of life, and then from time to time, they have to call in a caregiver. There are spouses, moms, in some cases, dads, brothers, and sisters who come and deliver those services to their brother or sister or son or daughter. If they are a veteran of almost any area except Vietnam, they get caregiver benefits from the VA or a stipend benefit provided to that volunteer to help that veteran. It helps the veteran pay for their service, and it helps the VA not have to go out to find someone to do it because there is someone offering to be their caregiver. We are expanding the caregiver services in the VA to all veterans, so finally the Vietnam-era veterans and their families will be as eligible as anybody else who is entitled to VA benefits. Patty Murray of Washington, Susan Collins of Maine, and a lot of Members of this Chamber today deserve credit for that. We fought for caregivers for a long time. It is a big step forward, and it is going to be a lifesaver and a life extender for many and remove just one of the major burdens that some have to care for a spouse or a loved one injured in battle or who has fought for us. I can go on and on and on about detail after detail after detail in this bill, but I don't want to bore everyone. I want everybody to realize, when they go home this weekend, how important it is to tell them what we have finally done. We have finally dealt with the accessibility of healthcare to our veterans. There will be no more headlines of veterans dying because they can't get an appointment because they are going to be able to get an appointment. They are going to be able to make the choice with the VA at that appointment. It is not the case anymore where a veteran is going to die because they can't get a basic service to stay alive at their home, that if they don't have the money to pay for a caregiver, they therefore languish, unable to feed themselves or clothe themselves or live in a sanitary condition. That is the very least we owe to our veterans. Today, when you cast your vote for the VA MISSION Act, you will do just that. I want to address some individuals, if I can, and thank them. One, I thank John McCain, whose idea this was originally. He is a great hero to all of us, a friend to all of us, one we love and pray for today as he recovers from cancer. John is the one who started the movement toward Choice, and he deserves the credit for it. I thank all of those Secretaries who have worked with us over the past 3 or 4 years to get to the point where we are able to pass the VA MISSION Act today. I will tell you whom I really want to thank. I want to thank all those veterans who sacrificed and died for us in the wars before now. The reason we enjoy our freedom and you, Madam President, can preside freely without fear of retribution, I can say what I think without fear of retribution, I can say to our constituents who gather in the Gallery and listen to what we have to say, and protest if they wish, is we have a Constitution and 10 basic amendments, the first 10 being our Bill of Rights. It gives us everything, but the ones who protected that gift are our veterans. It is not a stretch to remember that had it been a different outcome in World War II, I might be speaking Japanese or German today, not English, but because of our veterans and because of our soldiers who fought in the Battle of the Bulge, who fought in the Pacific--my father-in-law flew reconnaissance in the Pacific. My brother-in-law was in the Air Force in Vietnam. If those vets had not risked their lives and really offered their lives in exchange for our liberty and freedom, we wouldn't be enjoying this today. So we owe no less than the MISSION Act to our veterans. I am proud to be part of it, and I am proud of my committee and my committee members who are doing so much to help us. Let me just say thank you to my colleagues for your vote yesterday. I urge you to vote today for passage of the VA MISSION Act. It is an honor to serve our country as a Member of the U.S Senate. It is an honor to be an American. May God bless our country. I yield the floor. The PRESIDING OFFICER. The Senator from North Dakota. Mr. HOEVEN. Madam President, I rise to speak in support of the VA MISSION Act. I want to begin by thanking the chairman of the Veterans' Affairs Committee who has shown incredible leadership on behalf of our veterans for many years, and this bill fits right in that mold. This is a very important bill for a number of reasons. Obviously, it is an important bill because it supports our veterans, but it really has important provisions in it that will make a difference for our veterans. I want to thank the chairman of the VA Committee. I want to thank him not only for the quality of the work in this bill but for building the bipartisan coalition necessary to pass it because it really does make a difference for our veterans, to whom we owe so much. [[Page S2859]] I would like to go through not all but some of the provisions that I think are really important, some I worked on and some I think really do make a difference for our great veterans. As I said, I speak in support of the VA MISSION Act. It is bipartisan legislation that will help ensure veterans receive the care they so very much deserve. This piece of legislation not only strengthens the VA's ability to care for our veterans, but when the VA is unable to provide that care, it gives our veterans a choice to seek care in their home communities and to do it on a basis that is convenient, that works for them, and then to make sure those healthcare facilities will provide that service to our veterans because they know they will be compensated for it by the VA. That is a huge issue because it is not just about making sure there is care out there for our veterans but making sure it is quality care and that it is available to them. We owe our veterans more than we can ever repay for their incredibly dedicated service. Expanding veterans' access to healthcare options closer to home is just one of the ways we can show our deep appreciation for their service to our country. Providing this kind of care has proven to be particularly challenging for our veterans residing in rural areas. I live in a rural State, and to get that access to quality service in these rural areas is a challenge. It is a challenge we have to address and a challenge we address directly in this legislation, which is why I am so deeply appreciative that we are working to pass this legislation. In 2014, the Veterans Choice ***Program*** was enacted to alleviate unacceptable waiting times for care at the VA. However, the Veterans Choice ***Program*** has been in need of improvement. In 2016, I worked to secure and implement the Veterans Care Coordination Initiative at our Fargo VA health center. The Fargo VA health center serves all of North Dakota, and it serves half or more of Minnesota as well. The initiative we worked to put in place at the Fargo VA--and the Fargo VA does a tremendous job. We have some VA health centers around the country that obviously need improvement, but the Fargo VA health center does a top-quality job. This initiative is an initiative we put together as part of the Veterans Choice ***Program***. It has allowed veterans seeking community care to coordinate all of their healthcare through the Fargo VA health center rather than the third-party contractors that were set up under Veterans Choice, and obviously we had some challenges with those contractors. So this allowed the VA health center to provide that service directly, both if the veteran came into VA for institutional care at the healthcare center or at one of its CBOCs or if they wanted to get Veterans Choice care from a private provider in their local community. The initiative has been very successful and has significantly reduced wait times for community care appointments. The VA MISSION Act builds on that very effort. It builds on that effort by requiring the VA to schedule medical appointments in a timely manner. When the veterans need healthcare, they have to be able to get in and get that care in a timely way. The MISSION Act improves community care initiatives at the VA, including the Veterans Choice ***Program***, by streamlining it into a single veterans community care ***program*** that will be able to provide better care for our veterans. That is the bottom line--better care for our veterans. Today I want to highlight three priorities we worked to include in the MISSION Act to provide veterans in North Dakota and across the country with better care closer to home. First, the long-term care piece. When we are talking about care, it is not just medical care; it is long-term care. It is in-home care. It is nursing home care. It is that whole continuum of care that is so important. The VA MISSION Act includes key pieces of legislation I introduced as a stand-alone act. That bill was the Veterans Access to Long Term Care and Health Services Act, and it focused on that long- term care piece, making sure veterans could get the VA to reimburse nursing homes and that nursing homes would take that VA reimbursement and take veterans. That is why I introduced the legislation, along with some of my other colleagues, to increase veterans' access to long-term care options in their communities. For example, currently, in our State, only about 20 percent of the nursing homes contract with the VA due to difficult regulations and reporting requirements. That is not dissimilar from across the country. That is what we are seeing across the country, only a percentage-- ultimately, a small percentage--of nursing homes that will take that VA reimbursement because of the redtape and difficulty contracting with the VA in order to get that reimbursement. A veteran should not have to relocate across the State because they can't go into a nursing home in their community because of that reimbursement issue. That is what this legislation addresses. Think how important that is. You want your veteran to be able to go in and get long-term care in their community, close to their home, close to their family, right? That is what this is all about. Our legislation will allow non-VA long-term care providers, including nursing homes, to enter into provider agreements with the VA. These agreements will cut through the bureaucratic redtape at the VA that has prevented our veterans from receiving long-term care services closer to home. This means veterans can access nursing homes and other long-term care in their communities closer to home and closer to their loved ones. The MISSION Act also expands caregiver benefits to veteran caregivers of all eras. Again, this is a very important provision. The VA's ***program*** of comprehensive assistance for family caregivers includes a monthly tax-free stipend, healthcare coverage under the VA Civilian Health and Medical ***Program***--if the caregiver is not eligible for coverage under another health ***plan***--counseling and mental health services, up to 30 days of respite care services, reimbursement for travel-related expenses required for an eligible veteran's examination, treatment, or episode of care, and travel for caregiver training is also reimbursed. Currently, these benefits are only available to caregivers of post-9/ 11 veterans. The inclusion of this provision will help support pre-9/11 veterans and the family and the friends who take care of them. The other provision I want to mention again is really important for our rural areas and for our veterans in the rural areas. This is a very important provision. This priority, this provision, removes the Veterans Choice ***Program***'s 30-day, 40-mile eligibility requirement. So it removes that 30-day wait, that 40-mile eligibility requirement. Instead, the bill allows veterans to receive care in their local community when services are not available through the VA or if the veteran and his VA medical team determine that receiving community care would be in the best interest of the veteran--again, what is best for our veterans. This is a priority we have been working on for veterans in my home State and really States across the country, particularly our rural States. As I mentioned, for example, North Dakota's only health center is in Fargo. We have CBOCs around the State, but the only health center, the full-scope health center, is in Fargo. As I said, it covers all of North Dakota and, frankly, most of Minnesota. We have these community- based clinics out there. While they provide some services, they aren't always equipped to provide the care necessary for our veterans. So what does that mean? That means the veteran has to travel in some cases a long distance. Under the Veterans Choice ***Program***'s 30-day, 40-mile eligibility requirement, a veteran living within 40 miles of a CBOC meant they either had to go to that CBOC or travel a long distance to a VA health center. So they weren't eligible for that community care, as I say, forcing many veterans to travel long distances, often in inclement weather, in order to receive VA reimbursed care. This legislation, the MISSION Act, removes that requirement. So now, when a VA medical center or CBOC can't provide the service a veteran needs, then those veterans will be able to access healthcare services in their local community. [[Page S2860]] So we have veterans traveling hundreds of miles now, round trip, inconvenienced, making it very difficult for them and their families. No more. Under this legislation, that 40-mile requirement and the 30- day limit is taken away. If it is most convenient for a veteran to access care from a private provider in their community, they can do it. That is a huge step in making the Choice ***Program*** work for our veterans. Just a few days from now, our Nation will set aside a day to honor those who made the ultimate sacrifice. It is because of their sacrifice that we can experience the freedoms we enjoy as Americans. Sending this legislation to the President's desk is one way we can show our gratitude for their actions. I wish to congratulate again the great Senator from the State of Georgia and thank the Senate VA Committee staff for their leadership, perseverance, and hard work to get to this point. I am pleased that both sides of the aisle have come together to support this legislation and to support our veterans. I am proud to support the VA MISSION Act. Again, I urge my colleagues to support its passage. With that, I yield the floor for the Senator from the State of Missouri. The PRESIDING OFFICER (Mr. Cotton). The Senator from Missouri. Mr. BLUNT. Mr. President, I join my colleague from Georgia. I also join Senator Hoeven in mentioning the incredible leadership that Senator Isakson has shown for veterans and the way we deal with veterans' concerns. We honor their service. The Senator from North Dakota just mentioned that Monday, of course, is Memorial Day. On Memorial Day in 1983, President Reagan said: I don't have to tell you how fragile this precious gift of freedom is. Every time we hear, watch, or read the news, we are reminded that liberty is a rare commodity in this world. President Reagan's words from 35 years ago are every bit as significant today as they were then. The willingness to pay the price for freedom has been paid by every soldier, sailor, airman, and marine, and every person in the Coast Guard, the National Guard, and the Reserves. So on Memorial Day, we honor their willingness to do that. This is a good time also for us to discuss the things Congress has been doing to try to honor that service as we continue to look at the challenges that veterans face. I have spoken before about the HIRE Vets Act, which was signed into law last year. The bill established the HIRE Vets ***Program*** within the Department of Labor to provide tiered recognition of what employers do based on their contributions for veteran employment. Some of the criteria were things like these: What percentage of the new hires are veterans or what percentage of the overall workforce is veterans? What types of training and leadership development opportunities are made available that veterans have unique opportunities to take advantage of? What recognition is given to skills that veterans learn while serving? What other benefits and resources are offered to veterans--things like tuition assistance? Creating a national standard will help vets narrow down their employment options and focus on their job search efforts. The HIRE Vets ***Program*** is up and running. This year, over 300 employers have signed up to participate in the pilot ***program***, and we will see how that pilot works. I hope it works as well as those of us who sponsored and voted for the legislation thought it would--as a way to begin to give the recognition to employers that they deserve when they go beyond saying: Of course, we like to hire vets. HIRE Vets shows just exactly how much you like to hire vets and what difference it makes when you hire those vets. The second ***program*** that is getting started this year is the Military Family Stability Act. It was signed into law last November. We have the most powerful military in the world, the most well-trained military in the world, and a military that we have invested money, training, and energy in like none other. But the real strength of the military, according to military leader after military leader, is military families. In the Military Family Stability Act, we have created a new opportunity for families, because of education reasons or work reasons, to leave earlier than the spouse who is serving has been assigned for or to stay a little later if school is going to start before you otherwise were going to get there or school is going to be out a couple of weeks or a couple of months after the serving spouse had to leave. We have given families that option for the first time, where the family residential support money stays, and I think lots of families are going to take advantage of that. Families in the past could do that if everybody up and down the chain of command agreed. Now families get to do that because they think it works for their families. Secretary Mattis and Chairman McCain are very supportive of this ***program***, as was the Chairman of the Joint Chiefs of Staff, General Dunford, and we are looking forward to seeing how families are able this year, for the first time, to look at that next assignment and decide when it is the right time for the family to move to that assignment. I have talked to lots of families, many of whom saw that moment as the moment they decided to leave the military or the moment they looked back and saw it as their most challenging time, when a spouse's job had to needlessly suffer or that last month of school couldn't be completed just because they didn't have that flexibility. Now, President Trump has just nominated Acting Secretary Robert Wilkie to head the VA. We look forward to his leadership there. The President and the acting head of the VA just signed a contract with Cerner, a Kansas City company that will modernize the VA's healthcare IT records, the records that healthcare providers in the whole system can access. Cerner was already in the process of coming up with a system that worked for the active Defense Department. So it only made sense for them to be the company that also makes that transition into the even bigger VA health system--a system that works. Almost 2 million veterans have used the Veterans Choice ***Program***. Senator Isakson has talked about how the bill we will be voting on improves that ***program***. The Senator from North Dakota just spoke about some of the obstacles that, frankly, the VA system had put in the way of veterans who wanted to take advantage of the ***program***. I have had people from Missouri in our office lately who are looking at VA health. We had a great discussion with the hospital administrators in our State about how it not only helps them but particularly helps small community hospitals, if they can identify something that a community hospital does better than they do and they are able to assign that work to be done there. The bill expands, as Senator Hoeven just mentioned, the caregivers ***program*** and makes the eligibility for caregivers greater than it has been before. Senator Blumenthal and I had a bill that was incorporated into the ***program***, the Veteran PEER Act, which just simply turns to peer group veterans and lets them become part of the emotional and mental support team for veterans who are being challenged. I am glad to see that legislation in the MISSION act that has gone through the process. Certainly, Senator Isakson and Senator Boozman and others on the Veterans Committee--the people who have served on that committee in many cases in the House and Senate--realize what needs to be done here. Nearly 40 veterans service organizations, like the VFW and the American Legion, support this legislation. Together with the VA MISSION Act, the electronic health records system contract that is now being performed by Cerner, the HIRE Vets Act, and the Military Family Stability Act, I think what we see here is that when we think we have done everything we need to do to honor our veterans and, then, we look more closely, we find that there are still things that we can do, that we will do, that we clearly are willing to do. We owe veterans that. We recognize veterans in many ways over the next few days, but the Veterans' Administration has a job to recognize veterans every day and fulfill our obligation to veterans every day. I look forward to seeing the implementation of this well-thought-out addition to the veterans health system. I see my friend from Arkansas, Senator Boozman, is here, and he is next on our list. [[Page S2861]] The PRESIDING OFFICER. The Senator from Arkansas. Mr. BOOZMAN. Mr. President, I thank the Senator from Missouri very much. Our Nation's veterans were promised access to healthcare for their service and their sacrifice. This week we continue our work to uphold that pledge. The bill before us, the VA MISSION Act, aims to transform the Department of Veterans Affairs delivery of community healthcare. That is a welcome job. Specifically, the VA MISSION Act consolidates and improves VA community care ***programs*** so veterans have access to healthcare and services in their own communities. This is important because veterans should have access to the best healthcare and services in a timely manner, regardless of where they live. Under this legislation, a veteran and his or her doctor will decide where that veteran will receive care, taking into consideration the veteran's healthcare needs and the availability and the quality of both VA and community care. For largely rural States, like Arkansas, this makes all the sense in the world. We have two VA medical centers in the Natural State, in Little Rock and in Fayetteville, as well as facilities in neighboring States that often serve Arkansas veterans. The healthcare providers and staff at those facilities that are community-based outpatient clinics in Arkansas truly do an excellent job in caring for our veterans. But the VA medical centers are in populated areas, which, in cases where veterans need more advanced care than the CBOC can provide, it means a full-day trip for many veterans. It is unnecessary when a veteran could receive similar quality care outside the VA system in their communities. The service options provided in this bill will give veterans who live far from the VA facility and need frequent followup care easier access to local providers and walk-in clinics. As noted in a letter signed by over 30 VSOs supporting the VA MISSION Act, the legislation is an effort to ``supplement, not supplant, VA healthcare.'' That is very important to note. Much like the Choice ***Program*** that preceded it, the new system that will be established by the VA MISSION Act is not meant to replace VA healthcare. Rather, it builds on the foundation laid out by the Choice ***Program***, which addressed many shortcomings within the VA system that led to the wait- time process. Last year, I launched a listening tour to hear from Arkansas veterans about their experiences within the Choice ***Program***, so we can better meet their needs. I heard from Arkansas veterans who have been able to get quality care from private providers in their own community when the VA system could not meet their needs. That is a good thing, but as the veterans with whom I met noted, the Choice ***Program*** had its share of problems, its share of troubles. I heard repeated stories of difficulties navigating the complex and confusing bureaucratic process. This legislation aims to alleviate those problems. While VA implements the new system, we cannot afford to let care slip for our veterans. That is why we made sure the VA MISSION Act authorizes funding to continue the current Choice ***Program*** for more than a year. In addition to the improvements to healthcare delivery, the bill will enable us to conduct better and more consistent oversight into how the VA spends money on veterans' healthcare. This is a priority for me as the chairman of the Appropriations Subcommittee on Military Construction and Veterans Affairs. We must ensure that the VA is efficiently and effectively providing veterans with quality healthcare, whether at a VA facility or a private facility in the community. The VA MISSION Act will also improve the VA's ability to hire quality healthcare professionals, strengthen opioid prescription guidelines for non-VA providers, and create a process to evaluate and reform VA facilities so they can best serve veterans. I wish to quickly highlight two other important provisions of the bill. One is the expansion of the VA caregiver benefits to veterans of all generations. This is a long-overdue reform that will correct an injustice that left family caregivers and veterans injured before September 11, 2001, without critical care. Caregivers and veterans of World War II, the Korean war, the Vietnam war, and the Gulf war will now have access to the same benefits as the post-9/11 veterans. The second revision is based off a bill I cosponsored that would authorize VA healthcare professionals to provide treatment to patients via telemedicine regardless of where the covered healthcare professional or patient is located. The Arkansas VA medical centers are leaders in telehealth, which holds great promise, especially for largely rural States like Arkansas. It is important that the VA continue to encourage its growth without unnecessary bureaucratic redtape. This bill is a great example of what we can accomplish through bipartisan, bicameral compromise, working together for our veterans. I thank the majority leader for swiftly bringing up this bill for consideration after the House overwhelmingly passed it. I commend Chairman Isakson's hard work and leadership. I appreciate the great job he has done and also Ranking Member Tester, who took the advice of all VA Committee members into consideration while working on this major piece of legislation. I look forward to supporting the VA MISSION Act on the Senate floor so our veterans have access to the quality care they deserve. Mr. President, I yield the floor. The PRESIDING OFFICER. The Senator from Oklahoma. Mr. LANKFORD. Mr. President, I ask unanimous consent to enter into a colloquy with Senator Isakson. The PRESIDING OFFICER. Without objection, it is so ordered. Mr. LANKFORD. Mr. President, I thank Chairman Isakson for the work he has done on this important issue. It has been a long road to work through reforming the VA. The VA is exceptionally complicated. There are a lot of interests engaged with this. He has heard a lot of voices from all over the country and all over this town in order to help resolve some of the issues and bring them together. This is exceptionally important, though, for our veterans--especially for our veterans who live in rural areas that are very far from healthcare. Section 101 of this bill requires the VA to give access to community care when a veteran's referring clinician agrees that furnishing care or services in the community would be in the best interest of the veteran after considering certain criteria--and this is very important--things such as the distance they have to travel; the nature of the care that is required; the frequency of the care, so they don't have to travel back and forth, often for long distances; the timeliness of available appointments; whether the covered veteran faces an unusual or excessive burden. It includes the family and the veteran. So in the conversation that is happening, it is not just a clinician making a decision; the veterans are at the table, and their family is brought into consideration. This is important not just for so many veterans who have to travel long distances; it is important for veterans who live close. The chairman and I have spoken on this briefly before. I have a veteran in my State who was at the Muskogee facility and who was getting great care. I stopped by to visit veterans in the Muskogee facility and went room to room visiting with people, checking on them and their care. I asked how he was doing, and he said he had great nurses and great doctors and has really done well. My next question: Is this the first time you have been in this facility? He said: Well, no--kind of. I had cancer treatment a couple of years ago. But they couldn't do it here in my town; they sent me to Seattle to get my cancer treatments. I said: Did your family get to go? He said: No, sir. They couldn't go. So that was the best facility. He said: I got good care there, but I went a long way and spent months and months away from my family getting chemo, radiation, surgery, and then followup. He would have loved to have done that at any number of cancer facilities in Oklahoma. In fact, in Oklahoma City, there is a National Cancer Institute--one of top 2 percent of all the cancer hospitals in the country is right down the road. The question is, Once this bill passes, in future situations where veterans are [[Page S2862]] facing great need for specialties--like cancer and other issues--will this be a situation where veterans will continue to be sent across the country, away from their families, for care because that is easiest on the VA, or will their family members and the frequency of visits be brought to bear in that so they will be able to make the decision that maybe they can get that great care locally? Mr. ISAKSON. I thank the distinguished Senator from Oklahoma. I will tell him that the story of his veteran from Muskogee led us to the way we wrote a lot of the provisions in section 101. Comfort, ease, and accessibility for the veteran are equally important to every other consideration that will go in. The veteran who was sent to Seattle before would now be able to get treatment in Oklahoma City or in Muskogee or wherever else closer to home that is more convenient as long as it is in the best interest of that patient. Specifically, it says that a veteran and the veteran's referring clinician agree that the care or services in the community would be in the best medical interest of the veteran after considering criteria, including--and then all those criteria. So every personal criterion, as well as medical criterion, is considered. So that should never happen again because of the VA MISSION Act. I appreciate the Senator bringing it to our attention, and I hope it never happens again in Oklahoma or anywhere in the United States. Mr. LANKFORD. Anywhere else. I thank the chairman for that clarification. We look forward to doing what is in the best interest of the veteran and the veteran's care--not necessarily what is the simplest thing for the VA but what is in the best interest of that veteran and their family. I appreciate all the great folks at the VA who serve our veterans so faithfully every day and will continue to be able to give them what they need to do that but also help our veterans know that they are going to be taken care of in the best possible way. Mr. President, I yield the floor. The PRESIDING OFFICER. The Senator from Wyoming. Mr. ENZI. Mr. President, as we approach Memorial Day weekend, we will soon pause to honor and remember the members of our Armed Forces who have paid the ultimate price in service to our country. As Americans, we honor all our veterans who have sacrificially fought for our freedoms--certainly those who have paid with their lives but also those who have returned home, determined that we not forget their fallen brothers- and sisters-in-arms. Among the most meaningful ways Congress can honor our veterans is to uphold the promises that have been made to them. One such promise and responsibility is to ensure that America's veterans have access to the quality medical care they earned through their service. I thank Chairman Isakson and his staff for all the effort they have put into the bill before us. His tireless work on behalf of America's veterans has ***produced*** the compromise legislation now pending that aims to reform the VA's broken community care ***programs***. I particularly appreciate Chairman Isakson for sending his staff to Wyoming to understand the problems our veterans and providers have had with VA Choice. Since the VA Choice ***Program*** was enacted in 2014, I have received hundreds of letters and calls from people across Wyoming who were so frustrated with the ***program*** that they felt they had no other choice but to call their Senator. I have been contacted by veterans who could not access timely followup care or critical screenings because of unpaid claims, leading to providers dropping patients. Some veterans are even facing collections from the Choice ***Program***'s failure to pay the providers' claims. Similarly, many providers have not been paid for medical services they have provided. That has led some of Wyoming's physicians to stop participating in VA Choice. We are the least populated State in the Nation, but earlier this month, we had 3,130 pending claims in Wyoming, with 1,025 of them being over 30 days old. To get those numbers to even that level has required multiple meetings with the Department of Veterans Affairs and the administrator of the VA Choice ***Program*** for Wyoming. At the end of March, there were 5,319 pending claims and 3,214 more that were more than 30 days old. A number of my colleagues have participated in those meetings, and I appreciate their shared interest in improving care for our veterans in rural States. Despite those meetings, I still hear reports about how difficult it is to get simple questions answered. Whether dealing with the VA directly or with contractors who are supposed to administer the ***program***, the process of receiving and paying for healthcare services is broken. I believe the problems faced by Wyoming's veterans and doctors will be improved by this bill. I thank the Senator from Georgia for including provisions related to healthcare providers, veteran education, prompt payment to providers, tools for the VA to resolve payment issues, and VA flexibility to enter into agreements between VA facilities and healthcare providers. However, I do have one disappointment. I do have one concern with the bill. It is not paid for. I believe we must acknowledge that borrowing more money to pay for this ***program*** isn't an ideal way to honor our veterans. CBO estimates that Federal outlays will total more than $56.6 trillion over the next 10 years--that is $56,600 billion--and yet nowhere in that budget can we find $4.5 billion to offset the cost of this ***program***? I believe we should care for our veterans in a fiscally responsible manner. In fact, I believe this is the best way to ensure their care long term, as well as the care for veterans of the next generation. I ask for support of the bill. I thank the Presiding Officer. I yield the floor. Ms. MURKOWSKI. Mr. President, I ask unanimous consent to engage in a colloquy with my friend and colleague, the distinguished chairman of the Senate Veterans' Affairs Committee, Senator Isakson. The PRESIDING OFFICER. Without objection, it is so ordered. Ms. MURKOWSKI. Mr. President, I would like to confirm my understanding that the term Indian Health Service as it appears in section 101 of the MISSION Act of 2018 includes Tribal health providers that are funded by the Indian Health Service and step into the shoes of the Indian Health Service pursuant to the Indian Self-Determination and Education Assistance Act to provide healthcare. Mr. ISAKSON. Mr. President, the Senator is correct. The term Indian Health Service includes Indian Tribes and Tribal organizations that operate healthcare facilities in lieu of the Indian Health Service pursuant to a contract or self-governance compact with the Federal Government. Mr. ENZI. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The senior assistant legislative clerk proceeded to call the roll. Mr. BARRASSO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered. America's Water Infrastructure Act Mr. BARRASSO. Mr. President, over the past 50 years, our country has gone from being a construction society to a consumption society. As a result, our bridges, our roads, our dams, and our waterways have suffered. President Trump has said that rebuilding America's infrastructure is a priority for his administration. He said that we will build ``with American heart, American hands, and American grit.'' That is what President Trump said in the State of the Union this year. Yesterday the Committee on Environment and Public Works took a big step toward meeting that goal. We voted to approve the America's Water Infrastructure Act. There are a lot of people in Wyoming and around the Rocky Mountain West, as well, who say that--well, it was originally attributed to Mark Twain, and it goes like this: ``Whiskey is for drinking; water is for fighting over.'' Surprisingly, in this case, we actually didn't fight over the water of the United States. This legislation was written by Republicans and Democrats, and it passed with unanimous, bipartisan support of 21 to 0. Both parties [[Page S2863]] agreed that there is a lot we can do to improve America's water infrastructure. Basically, the bill comes down to three big things. It grows the economy and creates jobs, it cuts redtape by getting more control out of Washington, and it keeps communities safe. The first way this legislation supports America's economy is by increasing water storage. That is a big concern in my home State of Wyoming and across the West. We have had a serious problem over the years where sediment builds up behind dams in the lakes where water is stored. That sediment limits the amount of water the lakes can hold. We are telling the Army Corps of Engineers and other agencies to develop ***plans*** to deal with this sediment at Federal reservoirs. That is a simple thing that Washington can do, and now it is going to get done. We are also expanding water storage capacity by making it easier to get permits for additional reservoirs. We have a facility in Lincoln County, WY, that is called the Fontenelle Reservoir. We have been trying to expand the water storage at that reservoir for years. This legislation makes sure the expansion will finally occur. Farmers, ranchers, and communities nearby will get a new, reliable supply of the water they need. Of course, the water doesn't do much good if people can't get it where they need it. So we fix the failing irrigation systems that are so important in rural areas. We are also improving America's inland waterways, which people rely on to move products to market. On the coasts, we deepen some of the most vital ports, and we can ship goods from there around the world. The pro-growth policies, like the tax cuts we passed last year, have helped America's economy take off. Now we need to make sure that we have the water infrastructure in place to keep it growing, to keep people working, and to keep American raw materials and American-made products moving. The second thing this legislation does is to cut some of the burdensome and unnecessary redtape that does nothing but get in the way of economic progress that we need. We are going to make sure that these water projects reflect the priorities of the American people, not the priorities of Washington bureaucrats. That means more local control over which projects get built. Local leaders know what they need, and they know which projects will make the biggest difference. Once we identify the best projects, then we need to make sure that they actually get built. Today, the permitting process can drag on for years, while people get more and more desperate for projects to be finished. The America's Water Infrastructure Act will push the Army Corps of Engineers to complete all feasibility studies for new projects within less than 2 years. We also eliminate the need for multiple benefit- cost-ratio assessments for a single project. These are expensive, and they take lot of time. Often, the Army Corps of Engineers will require new assessments several times for a single project. This legislation gets rid of these redundant studies. It is going to make a big difference in getting things built on time and on budget. The third big thing that this legislation does is to help keep American communities safe. We are going to repair some of the old drinking water and wastewater systems across the country. We provide help for places that need to clean up pollution in their water and to keep the pollution from getting into the water in the first place. As a doctor, I can tell you that this is extremely important for the health of our families and for our communities. That is why it is a priority in this legislation. We also take some important steps to reduce floods in rural areas. In my home State of Wyoming and in other parts of the West, this is a continual threat for many people. Every spring they have to worry about floods caused by snow and ice melting. We have dams and levees where maintenance has been put off for so long that people are anxious every time the water starts to rise. We are addressing the backlog of maintenance as well. We are looking for ways to permanently fix some of these areas where ice backs up along the rivers and cause serious damage. Most people don't give a lot of thought to the water that comes into their home. They turn on the faucet, water comes out, comes into the house, and water goes out of the house. This legislation makes sure that people don't have to worry about that changing. Their water will be safe, reliable, and abundant so they will not have to worry about it. For most of us in the West, water is always on our minds. It is vital to our way of life. We rely on irrigation and water storage for our livestock and our crops. We rely on water to transport our products to markets far away. We rely on dams and levees to protect us from floods. This legislation makes sure that people in rural communities can still count on the water being there when we need it. That is good for all of us. Republicans and Democrats agree. We know there is a lot of work to be done to address America's water infrastructure needs. We know we need to get the job done right. We need to get it done faster, better, cheaper, and smarter. The America's Water Infrastructure Act does just that. This cooperative piece of legislation passed the committee 21 to 0. Now it is time for the entire Senate to act. I yield the floor. The PRESIDING OFFICER. The Senator from Ohio. Mr. PORTMAN. Mr. President, I wish to start by congratulating my colleague from Wyoming on reporting out this legislation on water infrastructure and, particularly, for the help he has given us with regard to the Great Lakes. What the Senator has done to help us to maintain and to protect the Great Lakes is very much appreciated. It is the No. 1 tourist destination in Ohio, and there is a $6 billion fishing industry in the Great Lakes, with Lake Erie being the No. 1 lake for fishing. The Great Lakes Restoration Initiative the Senator supported is incredibly important, as well as keeping the dredge material out of the lake and helping us with the Army Corps. We thank the Senator. We also hope to keep invasive species out of the lake, including bighead carp, which would ruin that $6 billion fishing industry. We thank the Senator for his support. We look forward to getting that bill to the floor soon for a vote. Memorial Day Mr. President, today I wish to talk, as other colleagues have, about the men and women of our Armed Forces--the brave men and women in uniform who protect us every day and some of whom have made the ultimate sacrifice for all of us. This coming Monday, of course, is Memorial Day. This holiday weekend is a time for all of us to kick back a little bit, spend some time with our families, relax, and be with friends. But let's not forget what Memorial Day stands for. It is first and foremost an opportunity to reflect on the service and sacrifice of those who gave their lives defending the freedoms we enjoy and sometimes take for granted as Americans. I will be spending part of the day at a Memorial Day parade that I try to attend every year and have for many years in Blue Ash, OH, which is north of Cincinnati. It is an event that I think is as patriotic as any I have seen in my State. It is a wonderful parade. There are many veterans in the parade but also veterans who come to watch. It ends at a beautiful memorial for our veterans. It was constructed over time in Blue Ash, paying tribute to patriots from every single conflict we have been involved in as a country since our founding. Across the country on Memorial Day, we will give humble thanks to those brave men and women in uniform who, during their lives, fought for the principles we hold dearest and who, in their deaths, sacrificed themselves in defense of those Americans ideals. Freedom is bought at a price, sometimes a very high price--the price of lives, of limbs, of some of the veterans who gave the prime years of their lives for all of us. Part of the cost is the scars of war. Some of those scars are very visible, of course. Others are more invisible-- those who are coming back with PTSD or traumatic brain injuries. Those scars can't be seen, but they are certainly felt. Servicemembers brave those risks because of their sense of duty and their sense of patriotism. I am proud to be the son and the grandson of two Army infantry lieutenants. One is a World War I veteran, and [[Page S2864]] one is a World War II veteran. They instilled in me this importance of duty, hard work, the virtue of service, and the merits of servant leadership. They believed in these values and embodied them in their lives, as so many veterans do. This weekend, as we pay thanks to the many men and women who were laid to rest under the flag they died defending, we should all take a moment to remember and thank all veterans as well--past and present-- whose service also has made our way of life possible. The men and women of our United States military represent the best in all of us, and they deserve the best from all of us. VA MISSION BILL Today, Mr. President, the Senate will vote on what is called the VA MISSION Act, which is a bipartisan bill that will reform the Veterans Choice ***Program***. I have heard my colleagues speak about this legislation on the floor this morning and this afternoon, and I agree with them that this is a positive step forward. It will expand private care options and provide veterans in Ohio and around the country with more choices and fewer barriers to ensure they will have the best healthcare possible. By the way, the bill has passed the House of Representatives already. It passed last week, and it received more than 370 votes. That is unusual around this place. That was out of 435, so it was a strong majority. I look forward to its passing the Senate with a sweeping bipartisan majority as well so it can be signed into law as soon as possible and begin to help the veterans I represent in Ohio and around the country. We had another positive development for veterans last week when the Senate's Energy and Natural Resources Committee passed a bipartisan bill I introduced with Senator Brown that would designate the spectacular new Veterans Memorial and Museum, in Columbus, OH, which is scheduled to open later this year in the fall, as the National Veterans Memorial and Museum. It will be a spectacular structure. More importantly, it will have terrific exhibits on the inside to allow for future generations to know about the selfless sacrifices that have been made by so many men and women of the Armed Forces. The National Veterans Memorial and Museum in Columbus will be one important way we will commemorate not only brave Ohioans but all American veterans. This legislation will have been voted on by both Houses and will be signed into law by the President, I hope, very soon. In fact, I would love to get this bill through this body before Memorial Day as a way to pay tribute to our veterans again. It is not something we are asking the taxpayers to support. This National Veterans Memorial and Museum is being supported by $75 million that has been raised in the private sector. There is a philanthropist in the Columbus area named Les Wexner, who has taken the lead on this issue, but it has involved a lot of the businesses in the Greater Columbus area as well as individuals from all around the country who have stepped forward to say we need to have a National Veterans Memorial and Museum and that Columbus, OH, is the right place for it. I urge my colleagues to support this legislation as we hotline it in the U.S Senate and try to get it done even before Memorial Day. On this Memorial Day, as we remember those who have sacrificed their lives for our country, let us also remember why they offered to lay down their lives. Why? It is that this Nation under God is worth fighting for. We are eternally grateful for their sacrifices and for the service of all military members--those in the past, those in the present, and those who will step forward to protect us and serve our great country. I yield the floor. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The senior assistant legislative clerk proceeded to call the roll. Mr. CRAPO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER (Mr. Toomey). Without objection, it is so ordered. Mr. CRAPO. Mr. President, I rise to urge my colleagues to confirm Brian Montgomery as Federal Housing Commissioner. The Federal Housing Administration or FHA plays an important role in today's housing finance market, promoting homeownership and ensuring access to affordable mortgage credit for millions of Americans. When FHA operates in a safe, viable manner, it can help many deserving people gain a foothold in our housing market who otherwise would not have been able to do so. FHA also plays a countercyclical role in the mortgage marketplace, providing market liquidity in times when traditional sources of home financing dry up, as they did a decade ago. Since 1934, the FHA has insured mortgages for more than 40 million families. Today, the FHA is the largest mortgage insurer in the world. It is also the primary facilitator of reverse mortgages and supports a nationwide network of housing counseling agencies. Yet for nearly 4 years it has not had a Senate-confirmed leader. Fortunately, the time has finally come to fill this vacancy. I know Brian Montgomery will do a terrific job. Brian Montgomery is an ideal candidate to take up the mantle because he has done it before. Mr. Montgomery provided steadfast leadership at the helm of FHA between 2005 and 2009, under Presidents Bush and Obama, during one of the most trying times the housing markets had ever seen. His nearly unanimous support from housing stakeholders speaks to this strong track record of experience and expertise. Once confirmed, Mr. Montgomery can hit the ground running, moving FHA forward in pursuit of its continuing mission. I look forward to continued conversations with him on opportunities to improve America's housing finance system, which continues to be urgently needed. I also look forward to working with him on how we can make HUD ***programs*** more effective and more efficient, with better stewardship of taxpayer dollars. Thirteen years ago, this body confirmed Mr. Montgomery on a voice vote to serve as FHA Commissioner. I ask my colleagues to once again confirm him to this critical role. Thank you. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The senior assistant legislative clerk proceeded to call the roll. Mr. ISAKSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered. VA MISSION Bill Mr. ISAKSON. Mr. President, I come briefly to the floor to encourage all Members of the Senate to vote for the VA MISSION bill. It is long overdue, a lot of hard work went into it, and it had a great vote on cloture of 91 to 4. I am sure we will have an outstanding vote today because it is a vote for our veterans, for the promises we made to them for better quality healthcare and a better VA. It would not have happened if it were not for a lot of people, but one of the most key persons in making sure this bipartisan bill passes with the overwhelming margin it deserves is Jon Tester, my ranking member on the committee. We worked together hand in hand for about 3 years. We had enough pitfalls to want to quit many times but never did because we knew the ultimate goal was to meet our veterans' needs. Today, when we adopt this bill, and later on this month when it is signed, it will be because of the hard work of a lot of people but none more important than Jon Tester from Montana. I thank my ranking member for encouraging everyone to vote for the bill, and I thank the Presiding Officer at this time. I yield to the ranking member. The PRESIDING OFFICER. The Senator from Montana. Mr. TESTER. Mr. President, I thank the chairman of the Veterans' Affairs Committee, Senator Isakson, for the leadership he has shown from the get-go. From the moment he took the gavel in the Senate Veterans' Affairs Committee, he has been wanting to work together in a bipartisan way, put aside our differences, and get things done. This VA MISSION Act had a great vote yesterday, and people might say: [[Page S2865]] Well, gee, this is just another one of those slam-dunk bills. It is not. We would not be here today if it wasn't for Chairman Isakson and the great work he has done on this bill. I also thank the entire Senate Veterans' Affairs Committee. I thank the leadership of the House Veterans' Affairs Committee. I thank the 38 veterans service organizations that offered their support for this bill. I said many times during the hearings, we will take our cues from the veterans. This is exactly what the entire Senate, hopefully, will do in a minute or two with this bill, is take our cues from the people who serve this country in the military. This is a big win for them. They are also going to put a lot of pressure on the VA to deliver for them, but, nonetheless, this is one of those rare times when the Senate and House have done their job and done it in a bipartisan way, worked together, and worked for the benefit of the veterans of this country. I also thank my staff, Tony McClain, Dahlia Melendrez, and Jon Coen for their great work. In a brief review, what this bill does is scrap the Choice ***Program*** and all the community care ***programs*** and puts them into one ***program*** where the veteran and the doctor control where to seek care, whether it is within the VA or the private sector. It strengthens the VA and helps build capacity in the VA in two ways, with a loan repayment ***program*** for our employees, and it incentivizes medical residencies within the VA. It also improves rural healthcare in States where I come from in Montana by deploying mobile health teams and by expanding telehealth. Finally, this bill expands the caregiver ***program*** to veterans of all eras--something Senator Murray has worked on for years and years. I was there when Senator Murray came up to the chairman of the committee on a previous bill and said to Chairman Isakson: We really need this caregiver bill in. Chairman Isakson said: We are not going to forget about you, Patty. We are going to make sure this is taken care of. He lived up to his promise to her, and he lived up to those veterans who have a family member who takes care of them at home, where people don't even know what is going on. They don't even know what is happening. Sometimes these folks have to quit their job to take care of a veteran at home who needs help. So the caregiver ***program*** is a very important part of this bill. It happened because we worked together. When I go home to Montana people ask: How come you guys can't work together? We kind of broke the mold a little bit, and we worked together in a bipartisan way. We put aside politics, and we did what was right for our country and our veterans. Hopefully, we will get a strong vote out of this bill when it is brought up for passage, and we can get it to the President for his signature. I yield the floor. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The senior assistant legislative clerk proceeded to call the roll. Mr. CRAPO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered. The question is, Will the Senate advise and consent to the Montgomery nomination? Mr. CRAPO. Mr. President, I ask for the yeas and nays. The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second. The clerk will call the roll. The assistant bill clerk called the roll. Mr. CORNYN. The following Senators are necessarily absent: the Senator from Arizona (Mr. Flake) and the Senator from Arizona (Mr. McCain). Mr. DURBIN. I announce that the Senator from Illinois (Ms. Duckworth) is necessarily absent. The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote? The result was announced--yeas 74, nays 23, as follows: [Rollcall Vote No. 105 Ex.] YEAS--74 Alexander Baldwin Barrasso Bennet Blunt Booker Boozman Burr Capito Cardin Carper Cassidy Collins Coons Corker Cornyn Cotton Crapo Cruz Daines Donnelly Enzi Ernst Fischer Gardner Graham Grassley Hassan Hatch Heitkamp Heller Hoeven Hyde-Smith Inhofe Isakson Johnson Jones Kaine Kennedy King Klobuchar Lankford Leahy Lee Manchin McCaskill McConnell Menendez Moran Murkowski Murphy Nelson Paul Perdue Peters Portman Risch Roberts Rounds Rubio Sasse Schatz Scott Shelby Smith Sullivan Tester Thune Tillis Toomey Van Hollen Warner Wicker Young NAYS--23 Blumenthal Brown Cantwell Casey Cortez Masto Durbin Feinstein Gillibrand Harris Heinrich Hirono Markey Merkley Murray Reed Sanders Schumer Shaheen Stabenow Udall Warren Whitehouse Wyden NOT VOTING--3 Duckworth Flake McCain The nomination was confirmed. The PRESIDING OFFICER. Under the previous order, the motion to reconsider is considered made and laid upon the table and the President will be immediately notified of the Senate's action.

**Load-Date:** May 25, 2018

**End of Document**



[***Putin chairs meeting on defence industry problems - transcript***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RHK-SGC1-JC8S-C50K-00000-00&context=1516831)

BBC Monitoring Former Soviet Union - Political

Supplied by BBC Worldwide Monitoring

January 29, 2018 Monday

Copyright 2018 British Broadcasting Corporation All Rights Reserved



**Length:** 5359 words

**Body**

Text of "Meeting on diversifying the production of civilian products by defence industry enterprises" published in English by Russian presidential website on 26 January

January 24, 2018, Ufa

Vladimir Putin held a meeting on diversifying the production of high-tech civilian products by defence industry organisations at the Ufa Engine Industrial Association.

President of Russia Vladimir Putin: Good afternoon, colleagues,

As you may recall, during our meeting in Tula in September 2016 where we considered ways to diversify the defence industry, we also discussed ways to maximise its potential for ***producing*** high-tech civilian products.

I toured the production shops, saw how the production process was organised, saw the new equipment and how people used it in their work. Frankly, and I think you will agree, it is sometimes hard to believe that we are doing this, that we were able to organise production at this level and class.

However, the production lines must not stay idle in the future when the volume of state defence orders inevitably declines once we are past the peak of the Defence Ministry's orders. We need to transition to manufacturing civilian products while generally ensuring quality and competitiveness.

Today, we will continue to discuss this subject in order to identify key areas and the most effective mechanisms for diversifying our defence enterprises and for ensuring balanced development.

I would like to emphasise once again: this is, of course, a goal of prime importance. Its successful resolution will allow us to expand the technical and production resources of the enterprises and strengthen the work teams which include hundreds of thousands of highly skilled engineers, designers, and workers. I briefly talked with these people in the shops, and they also asked this question: what's next, how will we work? This is a natural question.

Of course, the production of civilian products should fully, to the maximum, use the existing capacities of these enterprises and ensure their financial stability, especially after 2020, when, as I said, the peak of orders within the framework of the state defence order will have been reached.

Notably, a lot of preparatory work has been carried out since the meeting in Tula. The information analysis systems on monitoring the procurement of civilian product made by our country's defence industry have become operational. The Konversiya (Conversion) enterprise was created, which will promote these products on the markets, both in our country and abroad.

In addition, Vnesheconombank and the Industrial Development Fund will provide easy-term financial instruments to support the diversification of the defence industry.

Notably, a number of companies have already joined this effort. Thus, the Moscow Institute of Thermal Technology ***produces*** water treatment equipment. Schwabe has established the production of medical equipment, and Kalashnikov is manufacturing civilian speedboats, motorcycles and unmanned aerial vehicles.

However, diversifying the production of defence companies should not be limited to isolated and successful projects. It is important to make this diversification consistent. Senior executives and all the employees of these companies should approach the release of civilian products as responsibly as they do with state defence order.

This is the only way for us to resolve the ***strategic*** task of increasing the share of civilian products to 30 percent of the total output of defence products by 2025, and to 50 percent by 2030.

I would like to point out some priorities.

First, we are carrying out many large-scale ***programmes***, including upgrades in the power industry, developing the digital economy, introducing the best available technology, equipping medical institutions, enhancing the environment, and creating an industry for waste processing and disposal. Defence industry enterprises should be more active in joining these ***programmes*** and projects.

I want to emphasise that the products offered should be of high quality and competitively priced. It would be impossible, inappropriate and probably harmful to create artificial, "greenhouse" conditions.

Second, it is necessary to thoroughly analyse what barriers - primarily legal ones - impede the diversification of defence enterprises, for example during state procurements that make it impossible to sign so-called lifecycle contracts and so on. We need to work to remove these barriers as early as the spring parliamentary session.

Third, it is necessary to create starting orders that will help businesses have more confidence during the initial steps of diversification. Naturally, companies with public ownership have to play a special role in this respect: instead of foreign products they should orient themselves towards the purchase of existing or potential domestic products.

I can predict the criticism in advance: "We need to buy the best the world has, not just domestic products." Naturally, this is true, but we must make domestic products the best in the world. I would like to ask the Import Substitution Government Commission to deal with this issue.

Fourth, it is necessary to find a balanced formula that will make it possible to divide economic risks and expenses between the state and enterprises. This is primarily important for R&D, certification, service support development and post-sale support. Naturally, in implementing diversification projects it is essential to use more special investment contract mechanisms.

Today, I would like to hear your opinion on the above issues, but if you think we should discuss something else, go ahead please.

Now I will give the floor to Mr Manturov.

Minister of Industry and Trade Denis Manturov: Thank you very much.

Mr President, colleagues,

When, at the meeting in Tula, we received an instruction from you to increase the share of civilian production in the defence industry, the goal was to ensure a 17 percent increase by 2020. Mr President, the share of civilian production by defence industry enterprises reached 17 percent as of the end of last year. Therefore, we are confident that over the next two years we will add at least two more percent. This certainty is based on our timely efforts to build the infrastructure required for diversification.

In this project, we focused on increasing the demand primarily for the civilian products that are already in the pipeline, as well as on creating conditions for the development and release of new items. We regularly update the electronic catalogue of civilian products you mentioned, to inform the market about what is available. Right now the catalogue includes more than 2,500 items. To encourage even more demand, by the end of the month we will develop a list of products, the purchase of which will be regulated by the Government Import Substitution Commission.

We propose expanding involvement in the government ***programmes*** - particularly, those you have already mentioned, and also Arctic exploration, while transitioning to the best available technology, and energy supply agreements. The Konversiya enterprise, established upon your instruction, will be responsible for selecting the defence industry's civilian products to be covered by these projects. Additionally, Konversiya will coordinate civilian manufacturing skills training for workers of defence industry enterprises. Rostec and some other companies are already initiating their corporate ***programmes***. We can provide money for co-funding without any extra burden on the budget.

As part of efforts to promote goods manufactured by defence industry enterprises, we suggest using a tried-and-tested approach: purchases by state corporations and companies - natural monopolies - of goods from small and medium-size enterprises. For that, we deem it necessary to oblige them to buy civilian goods from defence industry enterprises in fixed amounts.

We also hope to link supply and demand through adapting the special investment contract mechanism to diversification needs and reducing minimal cost requirements to investment contracts as stipulated by Federal Law No. 44.

In order to help defence industry companies establish direct ties with potential consumers, we encourage them to participate in major international industrial technology exhibitions in Russia and abroad. At least 20 such events are ***planned*** for the current year. A government subsidy to the Russian Export Centre enables us to reimburse defence industry enterprises for up to half of exhibition participation costs.

In addition to this, a wide range of the Russian Export Centre's tools has been envisaged to meet the task of stepping up exports. Last year, with these tools in place, we managed to export more than 45 billion rubles worth of civilian goods ***produced*** by defence industry enterprises.

Virtually all support tools in our sectoral state ***programmes*** are aimed at helping defence industry enterprises create new high-tech goods for the civilian segment and prepare the necessary industrial capacities. For example, last year, we provided 1.8 billion rubles in subsidies to defence industry enterprises for 23 projects for the production of civilian goods.

Mr President, you mentioned the Industrial Development Fund. Over a short period of time, it funded 25 diversification projects to a total of 4.5 billion rubles at a five-percent annual interest rate. To strengthen emphasis on this track, the fund created a special ***programme*** called Conversion with a one-percent annual interest rate during the first three years of the project's implementation.

The state ***programme*** for the development of the defence industry for the current year envisages special funds intended to subsidise interest rates on loans from Vnesheconombank or, perhaps, other commercial banks, for conversion projects. We hope that this will make it possible to start pilot projects as early as this year.

In order to increase the motivation of defence industry enterprise CEOs, we believe it is necessary to encourage the achievement of target parameters for the production of high-tech civilian goods by introducing special annual bonuses. This will stimulate the management staff to pay equal attention to the fulfilment of both the state defence order and diversification tasks.

Mr President, this is the end of the report. We ask you to back our proposals.

Vladimir Putin: Mr Chemezov, please.

Rostec State Corporation CEO Sergei Chemezov: Mr President, colleagues,

As it has been said here today, you instructed the defence industry companies to increase the share of their civilian output to 50 percent by 2030. Rostec has an even more ambitious goal - to attain the goal of 50 percent, which is the average for the corporation, by 2025.

Vladimir Putin: What is the current figure?

Sergei Chemezov: It was 25 percent in 2016. We do not yet have the figure for 2017, but considering the overall volume, which is 460 billion rubles (compared to 374 billion in 2016), it is around 30 percent.

Vladimir Putin: In other words, you are moving forward?

Sergei Chemezov: Yes, of course.

The creation of high-tech products is the main commercial goal at Rostec. But before creating such products, we need to develop a ***strategic*** approach and a clear view of the markets and competitors. You cannot create a high-tech product without this. To see if a product will be competitive, we must have marketing tools, access to markets and services, postsale service, as well as industrial design, something to which we paid little attention in the past.

We intend to attain the revenue target by concentrating our resources on the rapidly growing global markets of smart products, like electronics, information technology, automation, control systems, medical equipment, novel materials, energy, the urban environment, and transport.

In order to clearly formulate the diversification tasks, the corporation's strategy has been cascaded to the level of clusters and on to the corporation's holding companies. As a result, we have formulated our civilian targets by year and added them to the KPI of every company head.

We have done this to avoid repeating past mistakes, when companies did not have clear goals or detailed ***plans*** for the creation and manufacture of high-tech civilian products. As a result, they had a poor understanding of market niches and the specifications their products should have, which weakened their positions in this highly competitive environment compared to the other private players, who had a clear view of the market and clients.

Over the last year, three of our holdings - Kalashnikov, Tecmash and Shvabe - demonstrated substantial growth in civilian manufacturing. They were able to achieve high results through the timely adoption of strategies to develop civilian manufacturing and the creation of incentives for their executives.

For example, Shvabe devised a strategy for manufacturing medical equipment back in 2011, and is now viewed by many other companies as a model in terms of fostering growth. In 2016, the company's revenue from civilian production exceeded 12 billion rubles, and increased by more than 30 percent in 2017 to reach 16.6 billion rubles. Most importantly, this was high-technology equipment for neonatology, emergency medicine, oncology, cardiology, ophthalmology, endoprosthesis replacement, orthopaedics, as well as diagnostics and laboratory testing. For example, I can say that 70 percent of the equipment for perinatal centres that are being built in Russia is made by Shvabe.

In 2017, Tecmash increased its output of civilian products by 15 percent by ***producing*** drilling, refrigerating and ***agricultural*** equipment that was brought to the market over the past years.

The Kalashnikov Group is also a leader when it comes to the transition to civilian manufacturing. Since the introduction of sanctions against this concern, the revenue share from civilian products increased substantially. Specifically, in 2017 it grew by almost 56 percent on the back of new small-weapon models, primarily hunting and sports rifles, as well as the riverboats that you have mentioned, unmanned aircraft and small arms for civilian use, as I have already pointed out.

Unfortunately, some holdings still live with the illusion that state defence procurement will always remain at the current level. Of course, this is not exactly the case. We now know this all too well. Defence procurement orders follow a cyclical pattern, which is common for many countries. For example, in the United States, the upward and downward fluctuations in defence procurement exceed 30 percent.

Russian companies have to adapt and be resilient to any fluctuations in defence orders. For that, they need to diversify their product portfolios. Of course, I am not speaking about defence manufacturers making pans or pots, as was the case back in the 1990s. I am referring to the manufacturing of cutting-edge, high-technology ***produce*** in order to make full use of the technology and manufacturing capability our ***producers*** have.

Investment in the civil sector carries greater risk, of course, than dealing with state defence orders, because there is a specific market and significant competition. Defence orders have stricter rules in deliveries and production. Nevertheless, we cannot get around promoting the risk involved in investing in civil production facilities. At the same time, it is necessary to increase liability for failing to reach the targets and key performance indicators (KPIs) in civil production.

Mr Manturov already spoke about it, and we have introduced that too - each of the leader's KPIs states that if they do not have growth in civil production, they will receive a smaller bonus regardless of their state defence order results. As for defence procurement, it is even simpler: they could even face criminal liability; therefore, directors of production facilities pay more attention to it, and that is how it should be. Now, increasing the share of civil production is the next priority.

I would like to note that as the main stage of the army rearmament nears completion and due to the decrease in state defence orders after 2018 and in accordance with your instructions, Mr President, Rostec and Vnesheconombank have established a new company, Konversiya, which we have spoken about. It will be the main coordinating centre to assist our defence facilities in searching for products in demand.

The key area of its activity, as I said, is marketing and the development of complex ***programmes*** for promoting high-tech civil production, particularly through the involvement of effective financing of projects to diversify defence industry enterprises.

As part of the development of a digital economy, we intend to implement the Smart Cities ecosystem project. We ***plan*** to implement such projects in 25 Russian cities; one is underway in Yaroslavl.

Today, we are facing an important challenge - to change the structure of human capital and implement new market competencies. As we work on achieving these goals, we must not only attract new people with the required profile from the open market, but we must also ensure competitive salaries and training for our workers. For this reason, it is important that we develop specialised training ***programmes*** to improve competencies that would enable people currently employed within the defence industry to create new, high-technology civilian products.

A mechanism for government co-financing of training costs could provide an additional impetus for companies to invest in the field of education. I propose launching such an educational project in 2018 for people employed in the defence industry. A ***programme*** of this kind already exists in Skolkovo, as far as I know. I think we can launch this ***programme*** by working together with the Industry and Trade Ministry.

Colleagues, Rostec is committed to developing high-technology civilian products. These efforts are primarily designed to facilitate industrial development in Russia and foster economic growth. In addition to this, efforts to expand civilian manufacturing would enable us to operate at a scale comparable to that of the leading global corporations. Rostec has identified tools for achieving this objective and implemented them. These efforts are already yielding results.

On the other hand, setting specific goals, ***strategic*** marketing, smart incentives and human resources development help companies reach new markets and development heights. This also helps them compete on an equal footing with global ***producers*** in defence as well as civilian manufacturing. Thank you.

Vladimir Putin: Mr Chemezov, is there a department in your corporation responsible for this area?

Sergei Chemezov: Do you mean developing civilian products?

Vladimir Putin. Yes. Is there a task group, perhaps a deputy of yours or someone else who is dealing with this on a regular basis?

Sergei Chemezov: Rostec and Vnesheconombank have established the Konversiya non-governmental organisation, which is responsible exactly for that.

Vladimir Putin: What is its status?

Sergei Chemezov: It is our joint subsidiary with Vnesheconombank.

Vladimir Putin: So they are dealing with this, and what is your relation to Konversiya? You created it. Are they isolated from your company, from you as the big boss? What is it like?

Sergei Chemezov: No. In fact, it is the target of every manager in the holding and every manager of the enterprise to increase the share of civilian production. It is in their interest as their KPIs, their salaries and bonuses are directly bound to this increased share. Therefore, it is in their interest to find a product that would be competitive and in great demand in the market.

Presidential Aide Andrei Belousov: I think Mr Chemezov's special deputy Vasily Brovko is in charge of Konversiya.

Sergei Chemezov: He is not my deputy but Director for Special Commissions. It is his direct responsibility.

Vladimir Putin: It is important that there is a person dealing with this on a regular basis. You know, it is not enough to just set a task and include it in the KPIs. It is important to make sure that they analyse the enterprises' capabilities, obtain proposals from these enterprises and then a deputy of yours reviews what is being done, and not just what is being done but also what can be done to help certain companies.

Andrei Belousov: Let me tell you briefly how the system works, very briefly. It was developed based on your directives given in Tula.

There is an information system for all defence industry enterprises to submit information about their civilian production capacities. This system is already in use. At the same time, the system processes requests from the Government based on a pre-approved classification. The list includes medical equipment, energy generating equipment and so on. The list can be extended.

Konversiya (which was launched about six months ago) has access to the database and, proceeding from demand, will communicate tasks to companies, "You ***produce*** this and you ***produce*** that. We know what your capacities are, as you reported them to the database."

We worked with Vnesheconombank to create financial leverage. Mr Zolotaryov, who is the deputy of Vnesheconombank's head, Sergei Gorkov, is in charge of Konversiya operations. They have been allocated funding. So far, the ties between VEB and Konversiya have not been very effective (the criticism goes to Mr Zolotaryov), but I think that we can resolve these matters.

These are the questions on today's agenda. Can I say a few words? We are currently seeing certain restricting factors. We have had meetings with our colleagues on several occasions to discuss them.

The first restricting factor (as both Mr Manturov and Mr Chemezov have said) is that the executives currently have no real incentives or are not sufficiently interested in turning out civilian products. In fact, failure to deliver on a defence procurement order may lead to criminal charges, while when a conversion project fails managers lose only 20 percent of their bonuses. For this reason, simply setting KPIs will not help. The penalty for failing to reach these indicators should be the entire bonus.

The workforce should also have an incentive to take part in these ***programmes***. For this, all or part of the profit should go toward additional bonuses for the workers, and people should know about it. This way, workers will urge managers to be more diligent in their efforts. This is the first factor.

The second factor has to do with demand. Despite all our discussions, major companies continue to buy Western products, even though similar products can be bought locally. Helicopters that Russian oil companies, Gazprom and others buy are a case in point.

We have good experience in setting strict requirements on state-owned companies awarding contracts to SMEs. At the time, this initiative was also subject to intense criticism, by the way. Nothing prevents us from doing the same for the defence industry. Of course, instead of requiring a specific share of procurement contracts to be awarded to Russian companies, say, a 10 percent share, we must take into account the inventories. To put it in crude terms, if you want to buy 20 helicopters, of this total 15 have to be purchased from Russian defence manufacturers: in Arsenievo, Ulan-Ude or anywhere else, of course subject to availability and so on. For that, we have the import substitution commission. These indicators could be factored into the requirements, and they should work. At least, it will be easy to monitor compliance.

Furthermore, there is yet another problem. From the point of view of cooperation and organising production between military output and high-tech civilian goods, there is no major difference - it is the same cooperation. Building a cooperation system for military products is regulated by law 275, and everything is normal there, moreover, it allows the Federal Anti-Monopoly Service (FAS) to impose punitive sanctions for shirking from participation in the state defence order, whereas civil products, for example, medical equipment, fall under law 223, and it is just the other way round: a tender is required. As a result, our colleagues, and I think that they will speak about this, face the fact that building cooperation is not so easy.

Therefore, exemptions are needed, of course, from federal law 223 in terms of cooperation with regard to high-tech civilian goods ***produced*** at defence industry enterprises. It should all be just the same - creating a line, a cooperation system, just as in the previous case.

What was said here is very important; this is, in fact, an educational ***programme***, as today defence industry management cannot find a common language with investors, with a few rare exceptions. Kalashnikov is certainly worth mentioning as an example, and yet, as a rule, discrepancies emerge. Such ***programmes*** have already been developed and they definitely need to be launched.

Finally, one more thing. I would like to say that we need to significantly increase state funds for research and development. When it comes to high-tech products, being able to reach international levels or just keeping up with the trend, so to say, being present on the market, requires R&D expenses of around 10 percent of net revenue. It is easy to calculate the required amount of R&D expenses from 400 billion roubles. If we have 1.8 billion roubles in co-funding from the Ministry of Industry and Trade, then, clearly, this is almost nothing, so, in fact, there is virtually no reserve. Creating a scientific reserve in the form of experimental design and research is the most important task, and here, unfortunately, we simply must increase budget spending. Thank you.

Denis Manturov: 1.8 billion roubles, this sum is only for subsidies, this is only the interest rate, while in real terms it is around 200 billion in borrowed funds.

Vladimir Putin: All right.

What is the situation like in Tula Region? Mr Dyumin, please.

Tula Region Governor Alexei Dyumin: Thank you very much, Mr President.

Colleagues, Tula Region's defence sector unites 25 enterprises. Implementing the state defence order, as well as diversifying production, are two ***strategic*** tasks that are constantly monitored both by local enterprises and the regional leadership.

The latest developments were presented at the defence industry for medicine exhibition, held in 2016 with your direct participation, Mr President. It featured the Angel diagnostic system, which makes it possible to carry out complex examinations in the format of telemedicine - at regional outpatient clinics, midwife stations, and in the mobile mode to reach remote, hard to access areas such as the Arctic and the Far East. Tactile endo-surgical and laser equipment was also presented that makes it possible to perform minimally invasive high-precision examinations and surgery.

The Tula defence industry continues to expand the range of civilian products. Based on the Angel system, Moscow State University together with the company Splav has developed an up-to-date intensive-care system, which is currently undergoing testing.

The region's government, together with leading designers and heads of defence industry enterprises, has established a permanent working group to expand the range of civilian products. As part of its activities, the list of civilian production to be manufactured has been systematised. In addition to medical equipment, the list includes diesel generator sets, diesel pump systems for the Emergencies Ministry and other ministries and departments, pulse combustion boilers, small and multifunctional modules with hinged cleaning units for the housing and utilities sector, radar stations for ***agriculture***, gas purifiers for metallurgy, meteorological systems and other products.

We are supporting the development of civilian production facilities. Tulamashzavod has received from the regional budget subsidised interest rates for investment loans to set up the production of hard-alloy metal-cutting tools, lathes and motor cultivators. We also supported the provision of a loan from the federal Industry Development Fund to the Oktava production facility for civilian production. Individual - I want to emphasise this word - work has begun at each facility and with each project, with the use of federal and regional support mechanisms.

Mr President, the most difficult aspect is the transition from small batches to serial production. At this stage, the most effective state support measure would be the signing of a long-term contract. On the international market - you spoke about it - we will face the toughest competition, so before entering it we need to create sustainable domestic demand, using first of all state procurement by agencies and state corporations. We have begun this work: we have executed regional agreements with Rostec, Rosneft and are negotiating with Gazprom.

As part of the working group, we are looking for an opportunity for defence enterprises to manufacture products that are in demand among state companies. This may seem unimportant and even funny, but several such enterprises are already manufacturing workwear, electric drives, rubber rings and other accessory components for Rosneft.

The hardest part is organising state procurement at the federal level. Serial deliveries of the Angel cutting-edge diagnostics system to clinics are possible only after medical service standards are changed. The situation is similar with purchasing mobile firefighting units by the Emergencies Ministry from Tulamashzavod, which are in demand in hard-to-reach areas and in rural towns.

Today, it is important to organise interdepartmental interaction, which would allow us to quickly make decisions regarding placement of long-term state orders for civilian products. The long-term order for a period of three to five years will allow us to launch mass production, to draw bank loans and, of course, to bring aboard the specialists to fill the staff needs of a particular production facility. I am talking about this based on our experience of working with defence industry enterprises on state defence orders.

I would be remiss not to mention such an issue as direct accounting of spending on civilian products. The new production will never become effective and will never meet the standards and targets that are set for it, if overhead costs of the core weapons production are attributed to it.

Tula Region took part in a pilot project to introduce a system of separate cost accounting at enterprises. Deputy Minister Shevchenko and I reported to you about this at a meeting that you chaired, and you approved this pilot project. Of course, this needs to be applied to calculations of the civilian products' production costs as part of placing the state order for their production.

Thus, already at the initial stage of diversifying the defence industry, we propose concluding long-term state contracts for supplying civilian products, including, if necessary, its service support, and the mandatory organisation of accounting for costs separately for civilian and defence production.

Diversifying defence industry output in the civilian sphere is a complex task, which may be resolved only on the basis of effective interaction at the federal, regional and, of course (we already discussed it) corporate levels. The Tula Region Government and defence enterprises are ready and will work to achieve the goals set for them by way of introducing combined best practices.

Mr President, in closing, I would like to support Mr Chemezov's initiative regarding the organisation of an educational pilot project on the platform of the Higher Technical School at the Oktava Creative Cluster. This cluster is a joint project of Rostec State Corporation, the Tula Region Government and a private investor. The Higher Technical School will open soon and will, in turn, allow us to develop competencies in the sphere of the defence industry diversification and digital economy. Our region has everything it needs to do so.

Thank you for your attention.

Vladimir Putin: Thank you very much.

Source: President of the Russian Federation website in English 1400 gmt 26 Jan 18

**Load-Date:** January 29, 2018

**End of Document**



[***Council of the European Union:REFLECTION PAPER ON THE FUTURE OF EU FINANCES ST 11006 2017 INIT***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P8V-B9M1-JDG9-Y14W-00000-00&context=1516831)

Impact News Service

August 18, 2017 Friday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 14081 words

**Body**

Brussels: Council of the European Union has issued the following document:

11006/17 ACF/cd DPG EN Council of the European Union Brussels, 4 July 2017 (OR. en) 11006/17 CADREFIN 84 POLGEN 106 FIN 456 INST 301 FSTR 52 REGIO 77 SOC 529 AGRISTR 60 PECHE 281 TRANS 310 COVER NOTE From: Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director date of receipt: 29 June 2017 To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union No. Cion doc.: COM(2017) 358 final Subject: REFLECTION PAPER ON THE FUTURE OF EU FINANCES Delegations will find attached document COM(2017) 358 final. Encl.: COM(2017) 358 final EN EN EUROPEAN COMMISSION Brussels, 28.6.2017 COM(2017) 358 final REFLECTION PAPER ON THE FUTURE OF EU FINANCES 2 Reflection Paper on the Future of EU finances 1. FINANCING EUROPEAN INTEGRATION: THE EVOLUTION OF EU FINANCES The EU budget helps to deliver on the things that matter for Europeans. By pooling resources at European level, Member States can achieve more than they could by acting alone. Together with national budgets and a wide array of legislative and regulatory instruments, the EU budget supports shared objectives and helps to tackle common challenges. From the first major common policy – ***agriculture*** – in the 1960s until today, the EU budget has changed progressively and in parallel with the building of the European Union.

In the 1980s and 1990s, Member States and the European Parliament broadened the scope of EU competences through changes in the Union's founding Treaties. Recognising the need to support the new Single Market, they increased the resources available under the structural funds to support economic, social and territorial cohesion. In parallel, the EU enhanced its role in areas such as transport, space, health, education and culture, consumer protection, environment, research, justice cooperation and foreign policy. Areas financed by the EU budget (2014-2020) In billion Euro 3 Note: Commitments; adjusted for 2018 Source: European Commission Since 2000, the EU budget has been shaped by the arrival of 13 new Member States with diverse socioeconomic situations and by successive EU strategies to support jobs and growth. It has also accompanied the growing role of the Union in the international arena, as a leader in the fight against climate change and as the largest donor of humanitarian and development aid in the world. Nevertheless, the EU budget has remained a small part of total public expenditure in the EU, accounting for less than 1% of EU income and only around 2% of EU public expenditure. This share has declined over time. The EU budget compared to overall EU income and public spending Source: European Commission The size of the EU budget as percentage of gross national income Source: European Commission This decline has put increased pressure on the EU budget to be more efficient, to focus on the areas where its impact is greatest and to ensure that burdensome rules and procedures do not get in the way of results. Over time, the composition of the EU budget has evolved. While the share of ***agricultural*** and cohesion spending has declined over time, combined it remains above 70% of the total. Spending has increasingly focused on areas such as research, Trans-European networks, and external action, and on ***programmes*** directly managed at European level. 4 Evolution of main policy areas in the EU budget Source: European Commission During the economic and financial crisis, the EU budget proved to be a powerful instrument to support investment. With national budgets in many Member States under severe strain, the EU budget and cohesion policy in particular emerged since 2008 as a major source of stable growthsupporting investment. In some Member States they even proved to be the main such source. The European Fund for ***Strategic*** Investments has also played a major role in catalysing private investments throughout Europe. This has shown how the EU budget can rapidly respond to emerging challenges and create substantial leverage1. 1 In September 2016, the Commission proposed a reinforcement and extension of the European Fund for ***Strategic*** Investments until 2020. 5 Share of European Structural and Investment Funds in public investment 2015-2017 In % Source: European Commission The EU budget has also underpinned the European response to the refugee crisis and to the threat of organised crime and terrorism. The funding devoted to security and migration was doubled to support for example the new European Border and Coast Guard and to help Member States receiving a significant inflow of refugees. Responding to these crises has tested the flexibility of the budget to the limit. Looking ahead, the challenges to the Union are multiplying at the same time as the pressure on European and national budgets increases. Sluggish productivity and investment, demographic change and other long-term challenges such as migration, climate change, defence, cybersecurity and terrorism, are all areas where the EU budget is called upon to play a prominent role. It is also time to look at the way in which the EU budget is financed. Just as the spending side of the budget has evolved, so too has the way in which the EU budget is financed. Unlike national budgets the Union is not able to borrow. Instead it relies on financing through 'own resources'. There are three main types of own resources today: contributions from Member States based on their income level measured by Gross National Income (GNI), contributions based on Value Added Tax (VAT), and customs duties collected at the external borders of the Union. About 80% of the EU budget is financed from national contributions based on GNI and VAT. GNI contributions are generally considered as fair, because they are a good reflection of Member States’ relative 'ability to pay'. Custom revenues are considered to be genuine own resources as they are derived from the common trade policy whose revenue accrue to the EU budget. 6 The sources of financing of the EU budget Source: European Commission However, a number of adjustments and 'rebates' have been introduced over time because some Member States considered their contributions to the EU budget to be excessive compared to what they get back from it. This has made the EU’s current financing system increasingly complex and opaque. This system, mostly based on contributions from Member States, has also reinforced a false perception that the value of the EU budget to a Member State can be measured by the net balance of contributions made and funds received. This ignores the essence of a modernised EU budget: the value added that results from pooling resources and delivering results that uncoordinated national spending cannot. These broader economic gains are all too often ignored, as is the wider value of belonging to the largest economic area and trading power in the world. If we want to improve the effectiveness of the EU budget, we should also look at how the revenues can contribute to EU priorities. The departure of the United Kingdom and the elimination of the associated rebates would already remove some obstacles to reform on the revenue side of the EU budget. Finally, in order to respond to the different needs, the EU budget has been complemented by a number of new tools, institutions and instruments. Some of them are outside the EU budget and are not governed by the same rules. Additional funding is provided by the European Investment Bank or other bodies based on inter-governmental agreements, like the European Development Fund linked to the special partnership with Africa Caribbean Pacific countries. More recently, European Union Trust Funds and other facilities have been created to pool money from the EU budget, Member States and other donors to address external crises. This extended financial architecture has allowed the Union to mobilise additional funding but it has added to the complexity of EU finances. The chart below provides a broad illustration of all elements of EU financing beyond the EU budget itself. It also shows which elements fall under the democratic control of the European Parliament as well as the scrutiny of the European Court of Auditors. 7 EU finances: the whole picture purely illustrative, the size of the circles does not correspond to actual volumes Source: European Commission Box 1: The EU budget in a nutshell – for the period 2014-20  represents around 1% of EU GNI, and 2% of total public spending;  is framed by Multiannual Financial Frameworks (MFF) of at least 5 years. The current framework (2014- 2020) provides EUR 1087 billion;  is mostly funded by contributions from each Member State based on their relative income, together with customs duties collected at the external borders and a small part based on value added tax. There is no EU tax. The revenue system is agreed by all Member States and ratified by national Parliaments;  mobilises via cohesion policy EU-wide more than EUR 480 billion in investments, which should result, for example, in over 1 million enterprises receiving support, 42 million citizens having access to improved health services, 25 million will benefit from flood and fire prevention, nearly 17 million additional EU citizens connected to waste water facilities, 15 million additional households with broadband access, and more than 420,000 new jobs. Also 5 million Europeans will benefit from training and life-long learning ***programmes***, and 6.6 million children will have access to new, modern schools and childcare.  is expected to trigger investments worth at least EUR 500 billion via the extended “Juncker ***Plan***” (European Fund for ***Strategic*** Investments);  provides more than EUR 74 billion for the Horizon 2020 research and innovation ***programme*** that led – so far – in the past to 6 Nobel prizes, 4 Fields medals and discoveries with global impact (e.g Ebola vaccine research, ground-breaking research on cancer and Alzheimer; aircraft with lower CO2 and noise emmisions);  provides over EUR 30 billion to support trans-European networks in the fields of transport, energy and communication via the Connecting Europe Facility;  supports a dynamic ***agricultural*** sector with around EUR 400 billion, supporting 7 million farmers; supports the modernisation of 380,000 farms with EUR 8.7 billion; rural development finances investments targeting biodiversity, improved energy efficiency, the setting up of businesses and the modernisation of production facilities; 8  finances the Galileo navigation system, which has to date launched 15 fully operational EU satellites into orbit; and Copernicus, Europe's earth observation ***programme***;  mobilised more than EUR 17 billion between 2015 and 2017 to address the refugee crisis within and outside the EU;  finances the Erasmus ***programme*** promoting mobility of over 9 million people, especially students and youth across countries over the last 30 years;  provides more than EUR 8 billion to tackle youth unemployment via the Youth Employment Initiative and to date has supported 1.6 million young people;  aims at devoting 20% of total expenditure to actions against climate change;  provides around EUR 8 billion of humanitarian aid, making the EU a leadingdonor of humanitarian aid in the world. 9 2. THE VALUE ADDED OF EUROPEAN FINANCES The aim of the European Union is to promote peace, its values and the well-being of its peoples. The EU budget supports this, working together with national budgets and complementing other efforts at European and national level. Any reflection about the future of the EU budget should therefore start with the most basic question of all – what should the EU budget be for? European value added must be at the core of that discussion. On the one hand, European value added is about achieving the objectives set out in the Treaty; on the other it is about a budget that provides for public goods of a European dimension or helps uphold our basic freedoms, the Single Market or the Economic and Monetary Union. EU value added and funding from the EU budget Source: European Commission EU value added also fits with the principle of subsidiarity and proportionality. The EU should not take action unless it is more effective than action taken at national, regional or local level. EU action has to be additional or complementary to national or regional efforts, but should not fill in gaps left by shortcomings of national policies. Added value may also be in the form of avoided costs and indirect benefits. The concerns and expectations of European citizens should be a major factor in shaping the new EU budget. In recent years, there have been increasing expectations on the Union to tackle challenges for which it has neither the powers, nor the financial resources. This expectation gap is central to this debate and is directly linked both to the size and the flexibility of the new budget. 10 European taxpayers expect a transparent EU budget that is easy to understand and gets the most back from every euro spent. The results achieved must be visible and measurable. Each policy and ***programme*** funded by the EU budget should spell out clearly what it intends to achieve, how it intends to go about it and report what the actual results have been. This would increase accountability and allow for an informed public discussion on how the EU budget is used. While some progress in this direction has already been made in the current financial framework, notably under cohesion policy, further steps are necessary across all instruments. There is also a clear value added when action at European level goes further than national efforts could. This includes, for example:  Cross-border ***programmes*** have transformed border areas helping to remove sources of conflict and create new economic opportunities.  Similarly, transnational infrastructure, such as energy interconnectors (e.g between Malta and Italy), digital networks, research infrastructure or tunnels (e.g the Brenner Base railway tunnel in the Alps between Austria and Italy) benefit citizens and companies across the EU.  Investments made under cohesion policy in one region or Member State contribute to macroeconomic stability and increases the growth potential of the Union as a whole.  Similarly, control of the Southern or Eastern external borders clearly serves to protect the rest of Europe.  Aid and investment in partner countries allows building more resilient societies.  Open competition at EU level to fund science and innovation has increased excellence compared to national funding (eg. higher impact scientific publications, number and quality of patents) and attracted global talent.  Other big projects and and key enabling technologies, such as Galileo, Copernicus, ITER2 or high performance computing can only be financed by pooling resources at EU level because of their very high financing needs. European finances can also provide value added in upholding common European values, such as democracy, freedom, the rule of law, fundamental rights, equality, solidarity, sustainability and peace. For instance, the Erasmus ***programme*** and the European Solidarity Corps promote mobility and allow students and workers to discover European cultures, learn new languages and skills and gain work experience abroad, and build bonds across Europe. The EU’s active role in its neighbourhood and beyond and in providing a perspective of EU membership have supported peace and projected stability. The cost of non-action in this area would be catastrophic if 2 Galileo is the European global navigation satellite system, providing a range of positioning, navigation and timing services to users worldwide. Copernicus is the EU ***programme*** for earth observation and monitoring for the purposes of e.g ***agriculture***, climate analysis, civil protection and emergency management. International Thermonuclear Experimental Reactor (ITER) is the world’s largest scientific partnership that aims to demonstrate fusion is a viable and sustainable source of energy, with the EU being the biggest contributor in partnership also with Japan, China, India, South Korea, Russia and the United States. 11 instability and war were to return to the region. Some achievements are more tangible and material than others, but all are equally important. Finally, the value added of the EU budget also depends on its internal, ***strategic*** coherence. Duplications must be removed and instruments should complement each other and be consistent from a policy perspective. 12 3. TRENDS AND CHALLENGES The White Paper on the Future of Europe and the previous recent reflection papers have shown that the EU at 27 will face a wide range of challenges in the period leading up to 2025 and beyond. Among them are current trends that will remain relevant for decades to come, such as the digital revolution and globalisation, demographic change and social cohesion, economic convergence and climate change. At the same time, Europe's citizens are looking to the Union and national governments to deliver prosperity, stability and security in a fast-changing and uncertain world3. In a more volatile global environment, further unexpected challenges might emerge in the future. If security, economic strength, sustainability, and solidarity should be the focal points of EU action in the face of these new challenges and ongoing trends, is the current EU budget equipped to respond? How does EU spending match up with these priorities? And what scope for improvement do we have? 3.1 Security and safety for the citizens of the Union The instability of Europe's neighbourhood and new forms of terrorism pose significant challenges inside and outside our borders. The security of one Member State has become the security of all the EU. While many of the tools enhancing security of all citizens lie in the hands of the Member States, the EU also has a crucial role to play, whether by improving the control of external borders, strenghtening robust information networks, reinforcing the support provided by the agencies, or tackling the increased instability in our neighbourhood. Security and safety threats concern also other areas, such as the protection of resilient food chains and mechanisms to respond to risks to public health (e.g the mad cow disease or swine fever, water pollution and chemicals). Another example is the joint effort to combat global diseases (such as for example Ebola) that can have devastating effects on both third countries and European citizens. Another area is the response to natural or man-made disasters. We must decide what role the EU budget could play supporting the EU´s action building the area of Freedom, Security and Justice and which role it could also play, inter alia, in implementing the Global Strategy4 and developing a common defence policy to deal with new and existing threats, both physical and in cyberspace. 3.2 Economic strength, sustainability and solidarity The EU budget should continue to make the European economy stronger and more resilient by promoting long-term competitiveness, sustainability and solidarity. Sustainable development has long been at the heart of the European project. European societies today face many sustainability challenges from youth unemployment to ageing populations, climate change, pollution, sustainable energy and migration. The 2030 United Nations Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) (see chart below) is an anchor of EU policy both internally and externally. 3 See the Special Eurobarometer 461, Designing Europe’s Future, published 28 June 2017. 4 The Global Strategy for the EU Foreign and Security Policy, presented by the High Representative and Vice-President of the European Commission Federica Mogherini to the European Council in June 2016. 13 Sustainable Development Goals at the heart of the EU’s sustainability policy Source: United Nations The economic, social and environmental dimensions at the heart of the SDGs have largely been incorporated into the EU budget and spending ***programmes***. They have been mainstreamed into the Europe 2020 strategy to build around education and innovation ('smart'), low carbon emissions, climate resilience and environmental protection ('sustainable'), job creation and poverty reduction ('inclusive'). There is also a political commitment of devoting at least 20% of the EU budget 2014-2020 to climate action and to achieving 0.7% of GNI as Official Development Assistance within the framework of the 2030 agenda. Nurturing competitiveness and averting a widening social divide is an important challenge for the Union and for the Euro area in particular. The aim must be to reduce economic and social divergences between and within Member States and to empower people to play their full role in society. EU expenditure on social matters, from labour market to poverty reduction, from social inclusion to education, currently represents only 0.3 % of total public social expenditure in the EU. While this share might be re-assessed in the future, there can be no mistaking that social support will remain primarily in the hands of Member States. The Reflection Paper on the social dimension of Europe has outlined areas where EU finances could make a stronger contribution in the future, depending on the path chosen for the EU's future social policy. The benefits of globalisation are unequally distributed both between people and territories, notably between large metropolitan areas and declining industrial and rural areas. The Reflection Paper on Harnessing Globalisation indicates that it is necessary to accompany the economic transformation brought about by globalisation and technological change so that every citizen and every region can contribute to and benefit from the internal market and become more competitive and more resilient. How does the current EU budget respond to these challenges? The three basic functions of any public budget are investment in public goods, re-distribution and macro-economic stabilisation. The EU budget performs these functions albeit to differing degrees. For instance, it finances public goods through ***programmes*** managed directly at the European level, such as Horizon 2020 for research or instruments like the Connecting Europe Facility for infrastructure investment, and together with Member States and regions through the investment co-financed under cohesion policy. It achieves a re-distribution (coupled with the financing and provision of public goods) through cohesion policy, which promotes economic convergence as well as social and territorial 14 cohesion; and, through support for rural development and via the support to the income of farmers under the Common ***Agricultural*** Policy (CAP). The stabilisation function is only covered indirectly. The EU budget has some stabilising effects for some Member States, notably due to its stability over seven years, which provides a constant level of investment independent of the economic cycle. At the same time, a Member State’s contributions are linked to economic performance, so that contributions to the budget will go down in a recession. However, the EU budget was not conceived to provide for macro-economic shock absorption. An important question suggested by the Reflection Paper on deepening Economic and Monetary Union is whether establishing such a stabilisation function and means to further convergence should be considered, and further explored by the Commission. Finally, the impact of investment depends on the environment in which it operates. This is why the discussion on the link between structural reforms and the EU budget has become so prominent recently. While this link has been already established for cohesion policy, it is worth reflecting on whether this is sufficient and whether the incentives could be improved. 3.2.1 Investment in public goods directly managed at the European level In the 2014-2020 multiannual financial framework around 13% of the EU budget is supporting key priorities for sustainable growth through ***programmes*** or projects directly or indirectly managed at the European level. The largest of these ***programmes*** is the European Fund for ***Strategic*** Investments, which was set up by President Juncker in November 2014 following the financial and economic crisis of 2008-2009 and the subsequent collapse in investment. It is well on the way to trigger the intended target of EUR 315 billion in investments. With the proposed extension it should trigger total investments of at least EUR 500 billion. Horizon 2020, the main instrument for financing top-level research and innovation across the European Union (EUR 74.8 billion) attracts collaboration from 131 countries worldwide and finances 13,000 high-quality projects since 2014. The Connecting Europe Facility (EUR 30.4 billion) is another example of EU investment in major infrastructure in transport, energy and communication technology in Europe. Projects include for example the improvement of the safety of the central rail line in Poland, while increasing its speed up to 200 km/h, thus improving overall European freight and passenger transport along the central Baltic-Adriatic transport corridor. Erasmus+ (EUR 14.8 billion) is the European ***programme*** for education, training and youth and sport with over 2 million participants by 2016. The COSME5 ***programme*** (EUR 2.3 billion) targets small and medium-sized enterprises by facilitating access to loan and equity financing as well as market access, providing loan financing of over 5.5 billion EUR to more than 140,000 companies. It addresses the specificities of the European venture capital market by investing in SMEs in their growth and expansion stage, reaching nearly half a billion EUR of equity investment in 2016. The EU also finances a number of large scale projects and infrastructure that are too big to complete without public investment. A notable example is the EU's global Navigation Satellite 5 The EU ***programme*** for the Competitiveness of Enterprises and Small and Medium-sized Enterprises 15 System - Galileo, which provides services thanks to 15 fully operational EU satellites now in orbit and the EU's earth observation system, Copernicus, which is set to become one of the most important global providers of big data. Many of these ***programmes*** have become EU trademarks, making the EU visible and recognisable in the daily lives of its citizens. Nevertheless, there are margins for improvements to further strengthen their performance and increase their impact, in particular by avoiding overlaps, combing instruments, and ensuring complementarity and simplification. Should the budgetary allocation for these ***programmes*** be reinforced? How can we ensure they are mutually reinforcing? How can overlaps between ***programmes*** intervening in the same areas be avoided, whether for large infrastructure or support to SMEs? Avenues to improve the use of financial instruments in this area, to simplify the relevant rules and to enhance flexibility are set out in section 4.2 3.2.2 Economic, social, and territorial cohesion While the benefits of globalisation are widely spread, the costs are often localised. Recent evidence suggests that many regions across Europe are much more likely than others to be exposed to sudden shocks due to their economic specialisation, labour costs, or education level of their workforce. At the same time, unemployment rates, particularly among the younger generations, remain too high; participation in the labour market is low in many parts of Europe; and the number of people at risk of poverty is unacceptably high. These differences of economic and social perspectives may create socio-political tensions and require an appropriate EU response so that no person and no region are left behind. Fostering lasting economic convergence and resilience is the main objective of EU cohesion policy, which together with national co-financing, will mobilise more than EUR 480 billion in the period 2014-2020. The current generation of ***programmes*** have incorporated important reforms. They focus more funding on key European priorities, such as employment, social inclusion, skills, research and innovation, energy and resource efficiency. ***Programme*** objectives are set upfront. The overall economic, legal and institutional framework for investment has improved. Similarly, the policy has established a close link between the investment co-financed and the broader economic governance agenda and structural reforms. 16 Globalisation: is Europe prepared? Source: European Commission What does cohesion policy finance? In billion EUR Box 2 – Examples of results under cohesion policy 2007-13  Expenditure for social objectives: 9.4 million people secured employment, while 8.7 million citizens obtained qualifications  All Member States and regions have developed smart specialisation strategies to better target their research and innovation efforts. The support has led to around 95 000 Research &Innovation projects and 42 000 new research positions created; 17  Around 400 000 SMEs received support under cohesion policy and more than 1 million new jobs are being created as a result.  A large part of the EU expenditure for climate change and environment protection is being spent through cohesion policy. For example, around 6 million people gained access to better water supply and 7 million to improved waste water treatment;  Member States built or renovated 2600 km of railway lines and 2400 km of roads belonging to the Trans European Network, in addition to the secondary networks connecting remote areas to the rest of Europe. While the overall results of cohesion policy are globally positive, there are a number of areas where reform is needed. First, in recent years, cohesion policy has effectively compensated for declining national and regional investments as a result of the crisis. This has helped to prevent major disruptions, but the resulting higher co-financing rates by the EU budget have reduced the overall investment effort. Second, while cohesion policy responded to the crisis by increasing the co-financing level and amending its ***programmes*** to better fit changing socio-economic needs, there is also a need to review how cohesion policy can better prepare and react to unexpected developments, crisis and societal changes. Third, the link with the economic governance and the European Semester may need to be strengthened to ensure that the system is simpler, transparent, and provides positive incentives to implement concrete reforms to foster convergence. Finally, the policy has become increasingly complex to manage, hampering implementation on the ground and creating delays. The layers of controls and bureaucratic complexity make it difficult for beneficiaries to access these funds and deliver projects quickly. Therefore, a much more radical approach to simplifying implementation and allowing for more agile and flexible ***programming*** is needed for the future. 3.2.3 Sustainable ***agriculture*** Farmers provide a stable and high-quality food supply ***produced*** in a sustainable way at affordable prices for more than 500 million Europeans while respecting the requirements for animal health and welfare, environmental protection and food safety. Ensuring the economic, social and environmental sustainability of ***agricultural*** and rural communities is the core objective of the Common ***Agricultural*** Policy (CAP). In the current framework 2014-2020 the CAP will mobilise around EUR 400 billion to finance market measures and direct payments for farmers and rural development ***programmes*** and to promote sustainable ***agriculture*** and healthy rural economies. Of this amount direct payments represent around 70%. This income support partially fills the gap between ***agricultural*** income and comparable income for other economic sectors. The most recent reform of this policy introduced major changes to the system of direct payments, targeted to address the particular needs of young farmers and smaller farms, specific sectors or regions in difficulties, and the environment. Thanks to this policy, European citizens have access to safe, affordable and high quality food. Successive reforms of the common ***agricultural*** policy have made the European farm sector globally competitive, operating close to world market prices and showing a strong and improvi

ng export performance. Still, there are huge disparities in the development of the farming sector. In some rural areas there are no credible alternative sources of employment and income outside farming. However, some farmers now have access to other forms of non-farm income, e.g from tourism and leisure activities, wind power, bio gas and solar power. 18 ***Agriculture*** covers nearly half of the surface of the EU. This makes farmers key for preserving natural resources (water, air, soil and biodiversity), implementing climate action and in shaping treasured landscapes. The CAP sets the necessary rules and incentives to ensure that ***agriculture*** and forestry contribute to solving the globally pressing environmental and climate problems and provide the public goods that citizens expect. Among these key tools are the agri-environment-climate measures of the CAP, which provides incentives farmers to adopt and adapt management policies and practices and undertake actions enhancing and preserving water bodies, soil, biodiversity and landscape amenities as well as mitigating and adapting to climate change. Still, there are growing demands to orient the Common ***Agricultural*** Policy further towards the provision of public goods related to the protection of the environment and climate action. This would require more targeted and regionally adapted support measures. ***Agricultural*** trade balance shows a competitive sector In million Euro Source: European Commission There is no consensus on the level of income support necessary when taking into account competitiveness within the sector. In some cases, these payments do not contribute to the structural development of the sector but tend to increase land prices that may hinder the entry of young farmers into the market. Direct payments are still largely determined by historic entitlements and concentrated on large farms and land owners in richer Member States. On average, 20% of beneficiaries receive around 80% of the payments. However, that general picture masks huge differences from Member State to Member State. For instance, 92% of farmers in Romania and 97% in Malta operate small farms, while in Germany less than 9% of farms are small. 19 Who benefits from Common ***Agricultural*** Policy support? Source: European Commission The majority of CAP payments are financed fully by the EU budget and thus providing a direct link between beneficiaries and the Union. The policy reaches farmers and citizens even in the most marginal areas of Europe, thereby providing significant knock-on effects for economic and social development, not to mention resilience in those areas. Apart from the rural development measures financed under the second pillar of the CAP, this is the only policy area managed together with the Member States without national co-financing. Developments over recent years showed that the EU budget has had to provide recurrently adhoc emergency support to react to specific developments such as the fall in dairy prices or the Russian ban on imports of certain ***agricultural*** products. There is hence a need to explore the right balance of instruments in the future common ***agricultural*** policy between policy measures and financial envelopes, grants and financial instruments, risk-management tools and other market arrangements to cope with risk and unexpected adverse events in the ***agricultural*** sector. Box 3 – Examples of results under the Common ***Agricultural*** Policy  70 % of EU ***agricultural*** land is covered by greening measures, supported by EUR 60 billion  Around 47 million hectares or roughly 25% of European ***agricultural*** area was under management contract for agri-environment friendly practices targeting water, soil and biodiversity  Creation and development of more than 200 000 rural businesses (145 000 young farmers receive support to set up business and 62000 micro enterprises)  Support for more than 25 000 environmental infrastructure projects such as sewage system and improved waste management in remote and rural areas  2400 Local Action Groups received support to develop and implement development strategies for their local areas 3.3 Managing Migration The EU’s external borders have increasingly been the scene of human tragedies to which the EU, together with its Member States, must take immediate action. At the same time, migration needs to be better managed in all its aspects; the EU should aim at providing its Member States with tools to do so in the medium as well as long term. Migration management is a shared responsibility, not only among EU Member States, but also vis-à-vis non-EU countries of transit and origin of migrants. By combining both internal and external policies, the EU and the Member States are developing a comprehensive approach grounded in mutual trust and solidarity among EU Member States and institutions. 20 When it comes to managing migration flows, the current EU budget already supports Member States in in developing adequate reception and protection frameworks, addressing the root causes of migration and safeguarding the Schengen area. More than EUR 17 billion – 3.7% of the total EU budget – is allocated to these challenges over 2015-2017. For example, the EU budget was used to create 'hotspots' in Greece and Italy reaching a total capacity of over 9000 places. In 2016, shelter was provided for over 35,000 people in Greece, from tents in the initial stage to containers fit for winter conditions and 417 safe spaces for unaccompanied minors. The newly established European Border and Coast Guard Agency helped to rescue 174,500 people in the Mediterranean in 2016. 3.4 External Challenges, Security, Humanitarian Aid and Development In recent years, Europe has faced new external challenges linked to instability and fragility in its immediate neighbourhood and beyond. EU citizens are concerned about migration, terrorism and external security threats in general and want these issues to be tackled at the European level, including defence. They expect Europe to play a leading role in the world, to manage the effects of globalisation, to defend a rules-based order, good governance as well as democracy, the rule of law and human rights, and sustainable economic development and to project stability and security in particular in Europe’s immediate neighbourhood. Almost 9 in 10 Europeans think that it is important to support developing countries. 82% of Europeans consider that helping others is a win-win option that is clearly in the European interest. Europeans also see the clear value added of taking action at a European level in external affairs. At the moment, EUR 96.5 billion support the EU’s external action, including the extra-budgetary 11th European Development Fund (EUR 30.5 billion) for EU's African, Pacific and Caribbean partners. The EU Budget then dedicates around 6% of the present MFF to external action, the largest financial envelopes being the Development Cooperation Instrument (EUR 19.7 billion), the European Neighbourhood Instrument (EUR 15.4 billion) and the Instrument for Pre-accession Assistance (EUR 11.7 billion). EUR 8 billion are ***programmed*** for Humanitarian Aid. This budget has been constantly mobilised and reinforced in the past years exhausting all available margins to tackle the multiplication of humanitarian and other emergencies around Europe, increasing the numbers of displaced people, the unprecedented humanitarian needs and the complexity of crises, which are set to continue. The EU’s external action takes place in partner countries outside the Union but also protects citizens' interests and safety. As the world's largest development and humanitarian aid donor, including through its collective commitment to devote 0.7% of GNI to Official Development Assistance (ODA), the EU and its Member States play a key role in supporting others across the world. EU external action promotes stability around the EU borders and beyond, supports the eradication of poverty in developing countries and fosters co-operation on areas of EU interest. It also tackles the root causes of irregular migration and violent extremism. EU financing usually provides a core around which development financing from Member States gathers to increase the EU critical mass and the impact in partner countries through joint ***programming*** and joint implementation. The new challenges for the EU’s external action as defined in the Global Strategy for the EU Foreign and Security Policy point to a need to examine the alignment of EU finances with these new priorities and the effectiveness of the various instruments in this area, including EU Delegations. This is particularly true regarding defence, and also EU external investment where there may be a need for the possibility to leverage significant private funds and reach substantial impacts with bearings on peace, stability and strong economic ties. The experience of recent years also suggests a stronger co-ordination between external and internal policies is needed, including the implementation of the Sustainable Development Goals (SDG) of the United 21 Nations' 2030 Agenda and the Paris Climate Agreement, as well as the implementation of the Partnership Framework with third countries on migration. 22 4. OPTIONS FOR THE FUTURE OF EU FINANCES The design of the future EU budget must be underpinned by a clear vision of Europe’s priorities and a determination to invest in the areas that will secure economic strength, sustainability, solidarity and security for the future. The gap in EU finances arising from the United Kingdom’s withdrawal and from the financing needs of new priorities need to be clearly acknowledged. The new priorities have been accommodated under the current financial framework mainly by stretching the existing flexibilities to their limits. In the future, migration management, internal and external security, external border control, the fight against terrorism and defence will need to be budgeted within a longer-term perspective alongside continuing investment to support stability and sustainable development in our partner countries. The size, structure and content of the future EU budget will have to correspond to the political ambition that the European Union sets itself for the future. Will the EU just carry on, do less, act at different speeds, pursue a radical re-design or do much more together? Hard choices will need to be made. Can Europe deliver on its existing policies and new priorities with a shrinking budget? If not, where should cuts be made and ambitions scaled back? Or should the gap be bridged, either via increasing contributions from the 27 Member States, alternative sources of revenue, or a combination of the two, so that the EU 27 can do more together? Whatever the outcome, the level of political ambition must be aligned with the means to act. An EU budget enabled to deal with domestic and global challenges Source: European Commission 23 4.1 What should the future EU budget focus on 4.1.1 Responding to current trends and new challenges The EU budget should continue dealing with current trends that will shape the EU in the coming years. There are also a number of new challenges in which the EU budget will need to do more than today. These include management of irregular migration and refugees, including integration, control of external borders, security, cybersecurity, fight against terrorism and common defence. First, reducing economic and social divergences between and within Member States is crucial for a Union that aims for a highly competitive social market economy aiming at full employment and social progress. It is of vital importance for the Euro area, where divergences put at stake the sustainable development of Economic and Monetary Union in the medium term. The Reflection Papers on the Social Dimension of Europe and on Harnessing Globalisation have put forward a number of ideas for consideration. The overarching priority would be to invest in in people, from education and training, to health, equality and social inclusion. Also—building on the example of the Youth Guarantee—a Child Guarantee supported by EU funds would be an option. It is important for a social spending to reach those that most need it, in particular in regions with high social inequalities. Existing criteria for such targeting may need to be revisited with that aim in mind. Second, while the bulk of financial resources for Europe’s defence will continue to come from national budgets, there is consensus on the need to move forward jointly, for example on research and development, on the competitiveness of Europe's industrial base and procurement where the EU budget should finance a European Defence Fund to improve value for money. It should also be able to increase its present assistance to partner countries in capacity building as well as its military/defence component, where more solidarity would be needed in the financing of operational activities, including for Common Security and Defence Policy military missions. All in all, reflecting this new ambition in defence will entail a steady effort after 2020 from different sources. The EUR 1.5 billion per year of the EU budget contribution to the European Defence Fund, together with Member States' contributions to finance joint development projects, the Fund could generate a total investment in defence research and capability development of EUR 5.5 billion per year after 2020. Third, the Commission in its reflection paper on deepening Economic and Monetary Union has highlighted the idea of providing incentives to support structural reform. Such incentives, which could take the form of financial rewards, would recognise the economic, financial or political cost of structural reform in the short term and help facilitate their successful implementation. They could either be reinforced under cohesion policy or established under a new, stand-alone fund open to all Member States. They should support European policies and actions in line with country-specific recommendations within the European Semester. Technical support for these efforts could also be financed from the EU budget. The Commission will assess these options carefully before considering concrete initiatives. Upholding EU core values when developing and implementing EU policies is key6. There have been new suggestions in the public debate to link the disbursement of EU budget funds to the state of the rule of law in Member States. Respect for the rule of law is important for European citizens, but also for business initiative, innovation and investment, which will flourish most where the legal and institutional framework adheres fully to the common values of the Union. 6 The EU Justice Scoreboard monitors a number of factors related to the quality, independence and efficiency of national justice systems, such as the independence of judges. 24 There is hence a clear relationship between the rule of law and an efficient implementation of the private and public investments supported by the EU budget. Fourth, an important issue is whether the next EU budget should incorporate some form of stabilisation function. The Reflection Paper on the deepening of the Economic and Monetary Union suggested introducing a macroeconomic stabilisation function as soon as the next Multiannual Financial Framework. Its objective would be to protect against large shocks that hit different countries differently (so-called “asymmetric” shocks). It could take the form of a protection scheme for investments, a re-insurance for national unemployment schemes or a “rainy day” fund. There would be clear conditions to access such a function. Such options could be financed from existing instruments or from a new instrument. It is debated as to whether such a stabilisation function should be linked with a new fiscal capacity focusing exclusively on the euro area or whether this function could be performed by the EU budget, given that, even at this point in time, the euro area represents already 85% of EU GDP. The reflection paper on deepening the EMU suggests, as one option, that the stabilisation function 'should be developed in the EU framework and could be open to all Member States'. Introducing a Euro area fiscal stabilisation capacity would bring something qualitatively new to EU finances. For the longer term, the paper also opened a debate about a fully-fledged Euro area budget with much broader objectives, significantly higher resources and an own revenue stream. Fifth, it is necessary to shift towards new, sustainable growth models that combine economic, social and environmental considerations in a holistic and integrated way. For the transition to happen successfully the investment needs are vast – the largest share of which will be for low-carbon energy infrastructure, both for generation, transmission and distribution. For instance, the share of renewable energy sources in electricity generation needs to almost double by 2030 in order for the EU to meet its energy and climate targets. The EU budget can have a catalysing effect to stimulate the necessary additional private or public investment. Sixth, all existing instruments will need to be looked at. Though this paper looks in particular at the reform of the two biggest spending policies (***agriculture*** and cohesion) no ***programme*** or instrument supported by the EU budget should be exempt from the EU value added test. We must consider whether all existing instruments are indispensable or whether there is scope for merging or closing ***programmes***. Even more important is the need to ensure policy coherence among EU instruments to ensure that they all support EU objectives and facilitate reforms in Member States. For instance, in the area of SME financing the same beneficiaries may be eligible to receive support through several instruments covered under different ***programmes*** (COSME, Horizon 2020 and EFSI) or implemented by Member States through cohesion policy. This overlapping product offer has caused some confusion for financial intermediaries as to which scheme to apply. Rules and conditions applying in the same policy area should be aligned. There is also evidence of competition and crowding out effects between EU ***programmes*** - for example in the case of infrastructure, where even if the loans and guarantees provided by the EFSI are intended to complement the CEF Debt Instrument, implementation suggests that the introduction of EFSI has slowed down the deployment of the CEF instrument and of cohesion policy funds. Seventh, with a view to improving delivery of results, it may be necessary that for external policies, the number of instruments is reduced, but their flexibility increased. This could also facilitate internal re-allocation between regional or thematic priorities in case of the need to react to a crisis in the short term. 25 The incorporation of the European Development Fund (EDF) in the EU budget and the MFF has often been discussed also as an option to enhance the unity of the budget and its accountability. Such an option may also have drawbacks, as some of the present activities may not be supported by EU budget rules, for instance the African Peace Facility. Where Member States move spending from national to EU budgets, this should not be viewed as a net increase in spending levels, but rather as a way of transferring existing spending from national budgets and the EU budget, where it should in principle achieve a higher value added. This means, for instance, that if the EDF were to be incorporated into the EU budget and MFF, the overall volume of the MFF would have to increase by the size of the fund. Finally, the sound implementation of EU policies relies on a strong and efficient European civil service. Since 2013, the EU institutions are fulfilling their commitment to reduce their staffing level. This happened despite the addition of new responsibilities, for example in handling the refugee crisis or dealing with security threats, or in the EU Delegations abroad. The future EU budget should therefore make provision for a strong European civil service, attractive to talented young people from across the Union, and capable of delivering on the priorities that result from this reflection process. Decisions on future policies and instruments should take account of the impact on human resources. A further reduction in staff levels could jeopardise the good functioning of the EU institutions. Similarly, previous reforms have reduced salaries, increased working time and pension age. There is clearly a declining interest of young people from Member States with relatively high per capita income to join the EU institutions. While working conditions may only be one factor in such decisions, the trend is clear. 4.1.2 Reforming the common ***agricultural*** policy The common ***agricultural*** policy provides an important value added for Europeans and fulfils the objectives set by the Treaty. It was the EU’s first common policy and has evolved greatly over time through a number of reforms. In the current debate, different options for further reform are being considered to enhance its efficiency and fairness while achieving its unchanged objectives to ensure safe and healthy food, a competitive sector, a fair standard of living for the ***agricultural*** community and protection of our natural resources, our landscapes, the environment and for climate action. The impact of the policy goes beyond the stabilisation of farmer's income. However, many rural areas feel left behind. There is a growing call for the policy to focus further on the provision of public goods, such as safe and healthy food, nutrient management, response to climate change, protection of the environment and its contribution to the circular economy. Work is ongoing as regards the modernisation and simplification of the CAP. Among the debated options is the suggestion to target direct payments more effectively to ensure income to all farmers across the EU, particularly for marginal areas and the poorest farms. Such an option could reduce direct payments for large farms. One option to explore is the introduction of a degree of national co-financing for direct payments in order to sustain the overall levels of current support. Risk-management tools could be envisaged for dealing with crises. Any changes would need to preserve one of the key assets of the policy: the protection of a well-functioning internal market ensuring a level playing field for all ***producers*** across the EU. Viable rural communities are necessary to ensure the sustainability of the vast majority of EU territory. In this context, there is margin for improvement and for enhancing synergies with other funds. Here a suggestion is to rationalise the action of the various structural funds in rural areas and eliminate overlaps. 26 There is room to further improve the performance of the policy by putting more emphasis on incentivising farmers to deliver environment and climate public goods and services. Farmers should be encouraged to invest in new technologies and environmental protection within the rural development policy through positive incentives on the basis of contracts. This would lighten the current administrative burden for all farmers. 4.1.3 Reforming cohesion policy A number of different options could make cohesion policy more effective and maximise the impact of its investment. First, cohesion policy could be made more flexible to face new challenges, for example through an unallocated capacity. Similarly, a more flexible Globalisation Adjustment Fund able to cover a wider range of economic and social measures could be made more efficient via a closer link with cohesion policy. It would also contribute to the overall flexibility of the EU budget. Second, faster implementation of cohesion policy and a smoother transition between ***programming*** periods is required. A number of measures could be envisaged, such as stricter de-commitment rules, shorter procedures for closing ***programmes***, and quicker and more flexible processes for appointing the management authorities and for ***programming***. Third, shortcomings in administrative capacity and poor institutional quality hamper competitiveness, limit effectiveness of investments and create a serious obstacle to growth. The EU budget should strengthen its administrative capacity building linked to the most important investment areas supported by EU funding. New approaches to building administrative capacities could be explored, for example through better coordination of available instruments and a closer involvement of the Commission. The lagging regions initiative under cohesion policy was an important pilot exercise and its successful elements may be further deployed. Fourth, the levels of national co-financing for cohesion policy should be increased, in order to better calibrate them for different countries and regions and increase ownership and responsibility. The question should also be asked as to whether cohesion policy funding should be available to the more developed countries and regions. Fifth, a single investment fund, or a single set of rules for existing funds, would ensure more coherent investment and simplify the life of beneficiaries. Coherence can also be improved via a single rule book for cohesion policy and other funding instruments with ***programmes*** or projects of the same type. This would ensure stronger complementarity, for example between cohesion policy and Horizon 2020 or the Connecting Europe Facility. Sixth, the current system of allocation of the funds could be revised. New criteria could be added, for instance linked to the challenges Europe faces, from demographics, unemployment to social inclusion and migration, from innovation to climate change. 4.2 How should the future EU budget operate After having decided what the budget should do, there are a number of factors which need to be taken into account in its design. Box 4 - Principles for reform The design of the future EU budget should be driven by these key principles:  EU value added: funding should be concentrated on the areas of highest value added, taking into account the different dimensions indicated in section 2 such as focus on results. 27  Accountability: the debate on the future EU budget will follow a democratic and transparent process. The use of additional instruments outside the EU budget should be kept to a minimum, as they blur the understanding of the budget and put at risk democratic control, transparency and good management.  More flexibility within a stable framework: The multiannual structure of the EU budget is an asset. Certainty and predictability are a prerequisite for long-term investment. However, experience has shown that more flexibility is essential to respond to crises and unforeseen events. This should be reflected in a more flexible structure and a larger share of the budget should be left unallocated.  Simplified rules: citizens should not be discouraged from applying for EU funding as a result of excessive bureaucracy. Efforts to cut red-tape and further simplify the rules of implementation should therefore continue. Moving towards a single set of rules would help achieve this. 4.2.1 Stability and flexibility There is a need to strike the right balance between the stability and the flexibility of financing. One factor in this balance is the duration of the financial framework. Previous MFFs have almost always extended over 7 years; five years are today the minimum prescribed by the Treaty. Most Member States, regions and stakeholders are therefore accustomed to operating within this cycle. Reducing the current 7-year duration to 5 years would reduce the predictability of financing. This could be a problem in particular for investments that require more time. It would also imply that preparation for the next MFF would have to start at the very beginning of the previous one, further reducing the possibility to draw lessons for the future. Institutions may end up in a permanent 'negotiating' mode. However, on the positive side, a shorter duration would also bring more flexibility and make it easier to adjust to unforeseen developments. In addition, a 5-year timeframe would align with the mandates of the European Parliament and the Commission. This would strengthen the democratic debate on the EU’s spending priorities and put the EU budget more clearly at the centre of European politics. Another option is an MFF of 5+5 years with an obligatory mid-term revision to adjust the framework to new priorities. However, such an option would require setting the MFF ceilings and legal bases for the full duration of up to 10 years in the first place. This may create a strong disincentive to agree on any wider changes at mid-term compared to the actual negotiation of a new MFF. There are other ways to address the need for flexibility. The experience of recent years has demonstrated how the current structure is limited in how it can adapt to unexpected needs. One factor is that spending takes place strictly within certain categories and that a re-deployment of funds between budget headings is not easy. Another reason is the large number of different ***programmes*** and budget lines that have been created over time. The result has been a significant number of different instruments, often overlapping with each other. The flexibility of EU finances is also constrained by the fact that around 80% of the MFF is pre-allocated to specific policy areas, Member States or spending envelopes for third countries. Existing mechanisms to shift funding quickly to new priorities or between years have allowed for some adaptability. However, the existing flexibility would not be enough to deal with known challenges and unexpected future developments of a similar order of magnitude in a volatile environment. One option could be to put aside a share, often called a non-***programmed*** reserve, 28 within each spending ***programme*** that remains unallocated and reserved for unexpected developments. Moreover, a Crisis Reserve funded by unused money from previous years could provide additional firepower for exceptional circumstances and a improved Globalisation Adjustment Fund could also enhance flexibility. It could allow the Union to enhance support for structural change of areas hit by the impact of globalisation and technological change. 4.2.2 Financial instruments and the extended EU financial architecture An important source of flexibility of EU finances comes from institutions and instruments that complement the EU budget, such as the European Investment Bank, the European Development Fund, European Union Trust Funds and other facilities. Financial instruments such as guarantees, loans and equity can play an important role to allow the EU to 'do more with less' and leverage the EU budget, particularly at a time of budgetary constraints. One important recent example is the European Fund for ***Strategic*** Investments. Their successful use depends on a clear strategy and on a set of criteria to determine which tools are most appropriate for market needs, beneficiaries and desired objectives. Financial instruments are only appropriate for revenue-generating projects. Grants and subsidies will therefore continue to be needed for projects that do not generate revenues, for example for basic research, for some types of infrastructure ***programmes***, or for people-based investments, such as Erasmus or Marie-Curie grants. The number of EU-level financial instruments and rules applying to them is an obstacle to their efficient use. One option to address this could be their integration within a single Fund which would provide loans, guarantees and risk sharing instruments—blending with EU grants where appropriate—depending on the project and windows for the different policies (such as research, innovation, environment, SME support, infrastructure, including for energy efficiency) to cater for different objectives. Europe can do more to provide conditions for companies to scale up. Financing mid-cap companies and SMEs beyond the start-up phase remains difficult and many entrepreneurs leave Europe in search for appropriate capital investment. To this end, a pan-European Venture Capital Fund-of-Funds of EUR 1.6 billion has been launched by the Commission in 2016 and will be operational during 2017. This approach could be expanded to provide stable funding in the scale up stage of development of projects or firms. These new EU-level financial instruments and the loan, guarantee, and equity instruments managed by Member States under cohesion policy should be complementary. This complementarity between the different instruments should be ensured, through upstream coordination, same rules and clearer demarcation of ***interventions***. 4.2.3 Simplification, focus on performance and efficient management of the EU budget Well-designed rules are essential to ensure that EU funds are spent properly and taxpayer money is protected. Excessive bureaucracy can get in the way of results and discourage citizens and companies from taking full advantage of the EU budget. Major steps have already been taken to simplify the EU budget but there is significant scope to go further by reducing the complexity of the rules. This is desirable in many areas of spending, in particular where the difficulty to comply with reporting and monitoring requirements leads to significant delays in project execution. The complexity of the rules leads to more errors and costs 29 for final recipients and increases the risks of non-compliance. There is a clear need to merge ***programmes*** that pursue similar objectives, for instance across the areas of energy efficiency or of citizenship. Likewise, in the area of external policies, it could be appropriate to reduce the number of instruments and at the same time increase their flexibility, removing any artificial barriers between regional or thematic priorities. One way forward may be a 'single rule book' governing all processes and instruments or application of the same rules and conditions for the same type of project. This may help ensure radical simplification and cutting of red tape with higher visibility and promotion of better coherence across different EU investments. It may reduce the administrative burden for beneficiaries – they may not need to comply with different rules for the same types of investments depending on the source of funding. What genuinely matters for those being supported is the simplicity of rules and not the funding source. Along this line, implementation of the budget should focus on maximising the performance of every euro spent in terms of economic growth and value added. Whereas significant progress has been made on this front, the current performance framework built by a multitude of different legal texts is complicated, making it more difficult to assess and communicate progress and achievements. Moreover, there is a need to restore trust between the different institutions, moving towards proportionate controls that depend on volumes but also on the reliability of institutions and the efficiency of management and control systems. A clear move in this direction would also allow Member States (and the Commission too) to rationalise management systems and corresponding institutional arrangements – the multiplication of institutional systems specific to each fund is a luxury which may not be affordable. In Member States, in particular, substantial institutional efficiency gains and a reduction of administrative costs for ***programme*** management could be achieved. Making full use of the European Public Prosecutor's Office can contribute to the simplication and the efficiency of the protection of the EU budget. 4.3 Revenues to support EU policies There is a close link between decisions about what the EU budget is used for and choices about how the EU budget is funded. The reflection on the reform of the expenditure side of the EU budget should therefore be accompanied by a critical assessment of how the budget is financed—the own resources system—and how this system can be reformed to be more efficient and provide stronger support for policies. The current approach to financing is over-complicated, opaque and riddled with complex correction mechanisms. In the future, the system should be simple, fair and transparent. The long-standing debate about the revenues financing the EU budget has centred on linking own resources more visibly to key EU policies, in particular the Single Market and sustainable growth, and on simplifying the system. In an ideal world, the EU’s own resources would, at the same time, arise from a key EU policy with a visible EU value added, be seen as equitable and finance a stable and significant share of the EU budget. The traditional own resource of customs duties can be seen as such a good example. There are many possible sources of revenue which can be used to finance the EU budget (Chart 15 lists the ones most frequently referred to), although none could by itself fit all the criteria identified as necessary for an own resource: Some can bring in stable and significant revenues and lead to real reshaping of the revenue side. Others would bring in more modest revenues, but could be more politically relevant or acceptable, in particular when they would accompany priority policy objectives such as the decarbonisation of the European economy, the deepening of the single market and of Economic and Monetary Union or the financing of new priorities. 30 Ultimately, the best choice will depend on the main objectives of the future reform, and if there is a targeted volume of the EU budget which should be financed from new own resources. Revenue sources — a range of options Contrary to what is often stated, new own resources would not necessarily increase the size of the EU budget. Decisions related to the expenditure level are made in the context of the multiannual financial framework, and the decision on whether or not to increase current spending levels will have to be taken depending on the outcome of the present reflection process. At unchanged spending levels, new own resources would automatically reduce the share of the GNI-based own resource, which acts as a residual and makes up any gap to cover EU expenditure, depending on the evolution of other own resources. The recent report by the high-level group on own resources jointly set up by the European Parliament, the Council and the Commission and chaired by Mario Monti7 has provided a comprehensive analysis of these issues and assessed a number of possible sources of revenue in relation with the most relevant criteria (e.g equity, efficiency, stability, transparency, focus on European value added, democratic accountability). Progress in tax coordination, particularly in the area of corporate taxation and the taxation of financial transactions would facilitate some forms of own resources. Based on the ongoing debate, a number of avenues of reform of the current system could be considered. Box 5 – Options for an 'own resources' system - The current VAT-based own resource could be reformed and simplified. An extreme option would be to abolish it altogether. - With the departure of the United Kingdom, the rebate that was introduced as a concession to that country in the past will become obsolete. The same is true for the rebates on the UK rebate. The other rebates will expire at the end of 2020. The elimination of rebates would open the door to substantial simplification of the revenue system. Ideally, in-depth reform of EU policies focusing on the highest value added should make any rebate unnecessary - Any new own resource should be conceived not only to finance part of the EU budget, but also to accompany its core policies. As an example, common energy or environmental taxes could be applied to ensure a level playing field between companies and contribute to the global fight against climate change. - In a similar manner, a percentage of the common corporate tax base or the financial transaction tax could be designed to reinforce the single market, mirror the benefits of the internal market for the largest companies and strengthen the fight against tax fraud and tax evasion. 7 [*http://ec.europa.eu/budget/mff/hlgor/library/reports-communication/hlgor-report\_20170104.pdf*](http://ec.europa.eu/budget/mff/hlgor/library/reports-communication/hlgor-report_20170104.pdf) 31 - With the future deepening of Economic and Monetary Union, revenues from seignorage – the revenues arising from issuing currency – could in the longer term become the basis for an EU own resource. - Money generated directly by EU policies and competences could be considered as revenues for the EU budget, such as, in the long term, revenues from auctions under the Emissions Trading System, emission premia for cars, also in the longer term the future European Travel Information and Authorisation System to be paid by persons entering the EU border, or any similar fees. - In introducing own resources, attention should be paid to their transparency, simplicity, stability, their consistency with Union policy objectives, their impact on competitiveness and sustainable growth and their equitable breakdown among Member States. Source: European Commission 4.4 The way forward The options for the future EU finances that have been set out in this section are both varied and of different nature. They concern what the EU budget should be spent on; how the budget should be financed; how some key policies should be reformed; and how the budget itself should be structured and organised. All of these interlocking aspects need to be considered together when looking at the possible scenarios for the future EU budget. This is set out in the next section. 32 5. POSSIBLE SCENARIOS FOR THE EU 27 The White Paper presents five illustrative scenarios with different implications for the EU finances in terms of budget size, structure and degree of change/modernisation. Combinations are possible and different design elements are compatible, as the options and scenarios are neither completely distinct nor mutually exclusive. Some horizontal issues are valid for all scenarios: The first one is ensuring that EU money is spent in the most efficient way: expenditure should focus on ***programmes*** with proven EU value added designed to deliver results with the minimum costs. Performance should be at the centre of the next generation of ***programmes***. Secondly, in order to respond to the unanimous call from Member States and beneficiaries of EU funding, simplification is the other common driver for modernising the EU budget in all scenarios. Overall coherence and complementarity between the different ***programmes*** and instruments should be ensured and overlaps should be prevented already at the design stage. To simplify implementation, the same rules should apply for the same type of ***interventions*** to the extent possible with a view to moving towards a single rule book. The ongoing processes to modernise existing ***programmes*** and policies would continue, for instance, for the common ***agricultural*** policy, cohesion policy, the research ***programme*** and others. Weaker-performing ***programmes*** could be discontinued or integrated elsewhere. Third, all scenarios require factoring in flexibility to respond to major unexpected developments and unforeseen needs. Special instruments in the EU budget proved crucial for dealing with the migration and security challenges in the current MFF. They may need to be streamlined and strengthened to provide more inbuilt flexibility within spending ***programmes***. Finally, rebates on contributions of Member States should be abolished in all scenarios. Likewise reporting on net balances would be dropped or the methodology significantly improved to better reflect reality and national treatment of contributions to the EU budget would be aligned. In this logic, there are five basic options for the future of the EU finances:  Carrying on: the EU27 continues on delivering its positive reform agenda;  Doing less together: the EU27 is doing less together in all policy areas;  Some do more: the EU27 allows groups of Member States to do more in specific areas;  Radical redesign: the EU27 do more in some areas, while doing less elsewhere.  Doing much more together: the EU27 decide to do more together across all policy areas. 33 1Carrying on Scenario General trend and volume • Broadly stable • Reflects current reform agenda of EU 27 • Lower relative shares of Cohesion and ***Agriculture*** to finance new priorities • Higher use of financial instruments and guarantees Expenditure • Common ***agricultural*** policy • Better targeted support for farmers under special constraints (e.g small farms, mountainous areas and sparsely populated regions) and risk management tools for all farms • Investment in rural development (particularly agri-environmental measures) • Economic, social and territorial cohesion • Investment for all regions at a lower level • Higher levels of national co-financing and use of financial instruments • Stronger focus on social inclusion, employment, skills, innovation, climate change, energy and environmental transition • New priorities • Internal/external security, migration and border control; defence (Research & Development, capabilities); • Structural reforms linked to the European Semester • Positive incentives either through cohesion policy or through a dedicated fund Revenue • Current system without rebates • Other sources of revenue or fees finance the EU budget 34 General trend and volume • Significantly reduced • Focus on internal market functioning • Amounts for Cohesion and ***Agriculture*** significantly reduced • Much higher use of financial instruments and guarantees Expenditure • Common ***agricultural*** policy • Support only for farmers under special constraints (e.g small farms, mountainous areas and sparsely populated regions) • Risk management tools for all farms • Economic, social and territorial cohesion • Support only to cohesion countries and cross-border co-operation • Focus exclusively on social inclusion, employment, skills, innovation, climate change, energy and environmental transition • Single market ***programmes*** maintained (Trans-European networks, customs, consumer protection, agencies) • No financing for new priorities (security, border control, migration,defence) • Discontinue other ***programmes*** (Erasmus, research and innovation, aid to the most deprived, health, culture, citizenship…) Revenue • Current system without rebates 2Doing less together Scenario 35 3Some do more Scenario General trend and volume • Broadly stable with a potential increase to cover the areas of joint action • Higher use of financial instruments and guarantees Expenditure • As in Scenario 1 Additional budgets and innovative financing • Enhanced cooperation expenditure included in the EU budget (like European Public Prosecutor's Office) • Pooling of funding beyond the EU budget • trust funds • assigned revenues • channeled through the EU budget but not subject to the constraints of the Multi-annual Financial Framework • Eurozone • Euro-zone macro-economic stabilisation (investment protection/unemployment re-insurance/rainy day fund) Revenue • As in Scenario 1 + new policies financed only by participating Member States, either through current system or • A new own resource (e.g Financial Transaction Tax) • A new stream of revenue outside the current financing system • or ad-hoc financial contributions 36 General trend and volume • Lower • Share of Cohesion and Common ***Agricultural*** Policy reduced • Focus on priorities with very high EU value added • Much higher use of financial instruments and guarantees Expenditure • Common ***agricultural*** policy • Reduced direct payments • Focus on farmers under special constraints (e.g small farms, mountainous areas and sparsely populated regions) • Agri-environment-climate actions and risk management tools for all farms • Economic, social and territorial cohesion • Support only to poorer regions and cross border co-operation • Focus exclusively on social inclusion, employment, skills, innovation, climate change, energy and environmental transition • New priorities • Security and defence (joint financing of key capabilities, joint procurement) • Counter terrorism agency and migration management with border control and coast guard with joint equipment • Reinforcement of existing priorities • Smart transport and energy grids, high-performance computing, world-class Research & Development, e-transport • External policies • Structural reforms linked to the European Semester • Positive incentives either through cohesion policy or through a dedicated fund Revenue • Simplification of current system: abolish all rebates, reform or abolish Value Added Tax-based own resource • New Own Resources finance a share of the EU budget and contribute to achieving policy objectives (e.g green tax, Financial Transaction Tax, Common Consolidated Corporate Tax Base) • Other sources of revenue or fees finance the EU budget 4Radical redesign Scenario 37 5Doing much more together Scenario General trend and volume • Significantly increased • Significant additional financing of new priorities and external action • Higher use of financial instruments and guarantees • Increase of own resources ceiling Expenditure • Common ***agricultural*** policy—higher amount • Economic, social and territorial cohesion as in scenario 1 plus: • Reinforced social dimension (e.g Child Guarantee) • Reinforced territorial cooperation dimension • Reinforced urban dimension • New priorities and high value added priorities as in scenario 4 • Structural reforms linked to the European Semester • Positive incentives either through cohesion policy or through a dedicated fund • Common Security & Defence, common financing & procurement, EU budget complemented by an extra-budgetary fund • Venture Capital Fund facility • Fully-fledged Euro area budget and European Monetary Fund • Reinforced external action; European Development Fund in the budget Revenue • In-depth reform beyond scenario 4 • New own resources finance a large share of the EU budget and contribute to achieving policy objectives • Other sources of revenue or fees finance the EU budget 38 6. CONCLUSIONS: FINANCING THE EU'S FUTURE The EU budget, and indeed the European Union as a whole, will change after 2020. This is certain – the status quo is not an option for our Union. The EU budget will need to be simpler, more flexible, more streamlined and must enable more efficient spending. How the budget changes – and what it is used for – depends on what future we want for our Union and on the level of ambition we chose to work together to shape that future. This reflection paper has set out a series of options and scenarios regarding the future direction of the budget and how it could be used. It is intended to stimulate further debate about where the Union is going and what we want to achieve together. This is the last of the 5 reflection papers following the White Paper on the Future of Europe. Taken together, the 6 documents have set out a range of ideas, concepts and possibilities for the future of the EU27. The breadth and depth of debate and discussion that the White Paper and the reflection papers have stimulated so far show how important these issues are. This discussion should continue in the second half of 2017 with as broad a debate as possible to ensure that Europe as a whole reflects carefully on its future. President Juncker will take these ideas forward and give his personal views in his State of the Union speech in September. When it comes to the future Multi-Annual Financial Framework, the Commission will examine all reactions and responses to the White Paper and the reflection papers. This will enable the Commission to present its proposals for the next multi-annual financial framework around the middle of 2018.

**Load-Date:** August 19, 2017

**End of Document**



[***Register of Commission documents:Proposal for a Council Decision concerning the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil Document date: 2017-06-26 COM\_COM(2017)0336 COM documents***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P8C-YRC1-JDG9-Y488-00000-00&context=1516831)

Impact News Service

August 16, 2017 Wednesday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 5048 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

EN EN EUROPEAN COMMISSION Brussels, 22.6.2017 COM(2017) 336 final 2017/0139 (NLE) Proposal for a COUNCIL DECISION concerning the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil EN 2 EN EXPLANATORY MEMORANDUM 1. CONTEXT OF THE PROPOSAL • Reasons for and objectives of the proposal The Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil1 (‘the Agreement’) entered into force on 7 August 2007. Article XII(2) of the Agreement provides that it ‘shall initially be valid for a period of five years and may be renewed by agreement between the Parties after evaluation during the penultimate year of each subsequent renewal period’. The Agreement was last renewed in 2012 and remains in force until 7 August 2017, unless the Parties renew it for the next five-year period. Since the Agreement was last renewed (Decision 2012/646/EU2), Brazil has made significant advances in its science, technology and innovation (STI) policy, which has contributed to the institutional strengthening of the STI system. This included an improvement in the number and qualifications of human resources and in R&D infrastructure. Brazil remains at the forefront of research in the field of ***agriculture***, as well as in tropical and infectious diseases.

It is also a world-class player in the fields of information and communication technologies, nanotechnologies and energy and it hosts some of Latin America’s top universities. These research areas are of interest to the European Union. The links between Brazil and the EU in science, technology and innovation have been growing through intense cooperation at EU and Member State level. The evaluation carried out by the Commission clearly demonstrates that the Agreement provides an important framework for facilitating cooperation between the EU and Brazil in common S&T priority areas leading to mutual benefits. As Brazil’s potential as a research and innovation partner continues to grow, it should be seen as a ***strategic*** partner for the EU in Latin America. The main instruments for cooperation are the EU framework ***programmes*** for research and innovation. Among non-Associated third countries, Brazil was the 6th most active country in FP 7 (2007-2013) and the 5th in Horizon 2020 so far. Cooperation between the EU and the Brazilian research community led, among other results, to the development of a new drug for Chagas disease (already registered with Food and Drug Administration to start clinical testing) and to the development of a new biomass pre-treatment process for advanced bioethanol (allowing the set-up of the first commercial advanced bioethanol plant in Europe). It is, therefore, in the EU’s interest to renew the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil for a new period of five years. Both Parties confirmed their wish to renew the Agreement by exchange of letters, dated 14 November 2016 and 5 January 2017. The substance of the renewed Agreement will be identical to that of the current Agreement, as discussed and agreed with the Brazilian counterpart. 1 OJ L 295, 11.11.2005, p. 38. 2 Council Decision 2012/646/EU of 10 October 2012 concerning the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil (OJ L 287, 18.10.2012, p. 4). EN 3 EN • Consistency with existing policy provisions in the policy area This initiative is fully in line with the EU’s international cooperation strategy for research & innovation3. The EU’s strategy clearly states the importance of science & technology agreements as vehicles for defining and implementing multiannual roadmaps for cooperation with non-EU countries. The Agreement is also means of implementing the EU’s international cooperation strategy for research and innovation, which calls for more internationalisation and openness in the EU’s research & innovation landscape. • Consistency with other Union policies The EU’s global strategy for the EU’s foreign and security policy confirms that research cooperation is an important aspect of EU foreign policy and sees research cooperation as an essential element of stronger socioeconomic ties, notably with Latin American countries. 2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY • Legal basis The EU’s power to act internationally in research and technological development is based on Article 186 TFEU. The procedural legal basis for the proposal is point (v) of Article 218(6)(a) TFEU. 3. RESULTS OF EX POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS • Regulatory fitness and simplification This initiative is not part of the REFIT agenda. 4. BUDGETARY IMPLICATIONS Only human and administrative resources are required; these are set out in the legislative financial statement. In the light of the above considerations, the Commission requests that the Council: - approves, on behalf of the Union, and with the consent of the European Parliament, the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil which will apply, following the expiry of the five years, for an additional period of five years (i.e , from 08.08.2017 until 07.08.2022) - authorise the President of the Council to designate the person(s) empowered to notify the Government of the Federative Republic of Brazil that the Union has completed the internal procedures necessary for the entry into force of this renewed Agreement 3 Enhancing and focusing EU international cooperation in research and innovation: a ***strategic*** approach, COM(2012) 497. EN 4 EN 2017/0139 (NLE) Proposal for a COUNCIL DECISION concerning the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil THE COUNCIL OF THE EUROPEAN UNION, Having regard to the Treaty on the Functioning of the European Union, and in particular Article 186, in conjunction with point (v) of Article 218(6)(a) thereof, Having regard to the proposal from the European Commission, Having regard to the consent of the European Parliament, Whereas: (1) By Decision 2005/781/EC4, the Council approved the conclusion of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil (the ‘Agreement’). (2) The Agreement, in accordance with Article XII, enters into force on the date on which both Parties have notified each other in writing that their respective internal procedures necessary for the Agreement to enter into force have been completed. The Agreement is initially valid for a period of five years and may be renewed by agreement between the Parties after evaluation during the penultimate year of each subsequent renewal period. (3) By Decision 2012/646/EU5, the Council approved the renewal of the Agreement for an additional period of five years. (4) The exchange of letters between the Parties, dated 14 November 2016 and 5 January 2017, confirmed their interest in renewing the Agreement for another five years. (5) As a consequence of the entry into force of the Treaty of Lisbon on 1 December 2009, the European Union has replaced and succeeded the European Community. (6) The renewal of the Agreement should be approved on behalf of the Union, 4 Council Decision 2005/781/EC of 6 June 2005 on the conclusion of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil (OJ L 295, 11.11.2005, p. 37). 5 Council Decision 2012/646/EU of 10 October 2012 concerning the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil (OJ L 287, 18.10.2012, p. 4). EN 5 EN HAS ADOPTED THIS DECISION: Article 1 The renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil, for an additional period of five years, is hereby approved on behalf of the European Union. Article 2 The President of the Council shall designate the person(s) empowered to notify the Government of the Federative Republic of Brazil, on behalf of the Union and in accordance with Article XII(2) of the Agreement, that the Union has completed the internal procedures necessary for the entry into force of this renewed Agreement and make the following notification to Brazil: 'As a consequence of the entry into force of the Treaty of Lisbon on 1 December 2009, the European Union has replaced and succeeded the European Community and from that date exercises all rights and assumes all obligations of the European Community. Therefore, references to 'the European Community' in the text of the Agreement are, where appropriate to be read as 'the European Union'.'. Article 3 This Decision shall enter into force on the day of its adoption. Done at Brussels, For the Council The President EN 6 EN LEGISLATIVE FINANCIAL STATEMENT 1. FRAMEWORK OF THE PROPOSAL/INITIATIVE 1.1 Title of the proposal/initiative 1.2 Policy area(s) concerned in the ABM/ABB structure 1.3 Nature of the proposal/initiative 1.4 Objective(s) 1.5 Grounds for the proposal/initiative 1.6 Duration and financial impact 1.7 Management mode(s) ***planned*** 2. MANAGEMENT MEASURES 2.1 Monitoring and reporting rules 2.2 Management and control system 2.3 Measures to prevent fraud and irregularities 3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE 3.1 Heading(s) of the multiannual financial framework and expenditure budget line(s) affected 3.2 Estimated impact on expenditure 3.2.1 Summary of estimated impact on expenditure 3.2.2 Estimated impact on operational appropriations 3.2.3 Estimated impact on appropriations of an administrative nature 3.2.4 Compatibility with the current multiannual financial framework 3.2.5 Third-party contributions 3.3 Estimated impact on revenue EN 7 EN LEGISLATIVE FINANCIAL STATEMENT 1. FRAMEWORK OF THE PROPOSAL/INITIATIVE 1.1 Title of the proposal/initiative Proposal for a Council Decision concerning the renewal of the Agreement for scientific and technological cooperation between the European Community and the Federative Republic of Brazil 1.2 Policy area(s) concerned in the ABM/ABB structure6 Policy strategy and coordination of, in particular, the Directorates-General RTD, AGRI, CLIMA, JRC, EAC, ENER, GROW, CNECT and MOVE. 1.3 Nature of the proposal/initiative  The proposal/initiative relates to a new action  The proposal/initiative relates to a new action following a pilot project/preparatory action7  The proposal/initiative relates to the extension of an existing action  The proposal/initiative relates to an action redirected towards a new action 1.4 Objective(s) 1.4.1 The Commission’s multiannual ***strategic*** objective(s) targeted by the proposal/initiative The present initiative will allow both Parties to improve and intensify their cooperation in scientific and technological areas of common interest. 1.4.2 Specific objective(s) and ABM/ABB activity(ies) concerned Specific objective No This decision should allow both Parties to enhance the cooperation and develop a more ***strategic*** partnership by increasing the scale and scope of existing cooperation, addressing key societal challenges in common and promoting reciprocal access to ***programmes*** and funding. It will also allow regional cooperation to increase where appropriate. ABM/ABB activity(ies) concerned 6 ABM: activity-based management; ABB: activity-based budgeting. 7 As referred to in Article 54(2)(a) or (b) of the Financial Regulation. EN 8 EN 1.4.3 Expected result(s) and impact Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted. This decision will allow both Brazil and the European Union to derive mutual benefit from the scientific and technical progress achieved through research in their respective research ***programmes*** and ongoing cooperation activities. It will allow for exchange of specific knowledge and transfer of know-how to the benefit of the scientific community, industry and citizens of both Parties. 1.4.4 Indicators of results and impact Specify the indicators for monitoring implementation of the proposal/initiative. The Commission will regularly monitor all actions carried out under the Agreement, including of cooperation activities. This evaluation will cover the following points, among others: (a) cooperation indicators — analysis of the number and type of participation of Brazilian entities in EU funded ***programmes*** (e.g number of proposals, number of signed grant agreements, main collaboration links, main thematic; generated output) and vice-versa (whenever the data is available); (b) performance indicators — success rate of Brazilian entities participating in the EU framework ***programmes*** compared to other non-EU countries and to Member States/Associated countries to a Research Framework ***Programme***; analysis of the quality of the participation (e.g number of best ranked universities taking part on the ***programme***, number of patents and publications coming from collaborative projects); (c) data collection regarding cooperation activities and links beyond the respective research funding ***programmes*** and assessment of the impact of these activities, like participation in multilateral initiatives and working groups. 1.5 Grounds for the proposal/initiative 1.5.1 Requirement(s) to be met in the short or long term This decision will allow the two Parties to continue to improve and intensify their cooperation in scientific and technological areas for mutual benefit. 1.5.2 Added value of EU involvement Cooperation in research & innovation between Brazil and the EU and its Member States has been growing steadily in the past years. The involvement of the EU allows activities with larger scale and scope for the benefit of all Member States. The renewal of this Agreement will allow the EU to have easier access to scientific knowledge ***produced*** in Brazil and to engage in more cooperation activities leading to additional exchange of knowledge and technologies. It will also provide easier access to the Brazilian market for European companies. EN 9 EN 1.5.3 Lessons learned from similar experiences in the past Based on the experience so far in scientific and technological cooperation, it is considered mutually beneficial to continue research cooperation with Brazil, as a ***strategic*** partner of the Union in research and innovation. 1.5.4 Compatibility and possible synergy with other appropriate instruments The renewal of the Agreement with Brazil is considered to be fully consistent with the overall policy framework on international cooperation in research and innovation (COM(2012)497). EN 10 EN 1.6 Duration and financial impact  Proposal/initiative of limited duration –  Proposal/initiative in effect from 08/08/2017 to 07/08/2022 –  Financial impact from YYYY to YYYY  Proposal/initiative of unlimited duration – implementation with a start-up period from YYYY to YYYY, – followed by full-scale operation. 1.7 Management mode(s) planned8  Direct management by the Commission –  by its departments, including by its staff in the Union delegations; –  by the executive agencies  Shared management with the Member States  Indirect management by entrusting budget implementation tasks to: –  third countries or the bodies they have designated; –  international organisations and their agencies (to be specified); – the EIB and the European Investment Fund; –  bodies referred to in Articles 208 and 209 of the Financial Regulation; –  public law bodies; –  bodies governed by private law with a public service mission to the extent that they provide adequate financial guarantees; –  bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that provide adequate financial guarantees; –  persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act. – If more than one management mode is indicated, please provide details in the ‘Comments’ section. Comments […] 8 Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: [*http://www.cc.cec/budg/man/budgmanag/budgmanag\_en.html*](http://www.cc.cec/budg/man/budgmanag/budgmanag_en.html) EN 11 EN 2. MANAGEMENT MEASURES 2.1 Monitoring and reporting rules Specify frequency and conditions. Brazil’s participation in the framework ***programme*** is monitored on a regular basis through meetings of the Joint Steering Committee established under Article VI of the Agreement. 2.2 Management and control system 2.2.1 Risk(s) identified Meetings and bilateral contacts take place on a regular basis allowing for the systematic sharing of information and control. No risks have been identified in the control system. 2.2.2 Information concerning the internal control system set up 2.2.3 Estimate of the costs and benefits of the controls and assessment of the expected level of risk of error 2.3 Measures to prevent fraud and irregularities Specify existing or envisaged prevention and protection measures. When the implementation of the framework ***programme*** calls for the use of external contractors or entails granting financial contributions to third parties, the Commission will carry out, where appropriate, financial audits, in particular if it has reason to doubt the realistic nature of work performed or described in the activity reports. The Union’s financial audits will be carried out either by its own staff or by accounting experts approved according to the law of the audited party. The Union will choose the latter freely, while avoiding any risks of conflicts of interest which might be indicated to it by the party subject to the audit. In addition, the Commission will make sure, in carrying out the research activities, that the financial interests of the Union are protected by effective checks and, where irregularities are detected, by deterrent and proportionate measures and penalties. In order to achieve this aim, rules on checks, measures and penalties, with reference to Regulations No 2988/95, No 2185/96 and No 1073/99 will be incorporated in all contracts used in the implementation of the framework ***programme***. In particular, the following points will have to be provided for in the contracts: - the insertion of specific clauses in the contracts to protect the financial interests of the EU in carrying out checks and controls in relation to the work performed; EN 12 EN - the carrying out of administrative checks as part of anti-fraud measures, in accordance with Regulations No 2185/96, No 1073/1999 and No 1074/1999; - the application of administrative penalties for all intentional or negligent irregularities in the implementation of the contracts, in accordance with the Framework Regulation No 2988/95, including a blacklisting mechanism; - the fact that any recovery orders in the event of irregularities and fraud must be enforceable according to Article 299 of the Treaty on the Functioning of the European Union. In addition and as a routine measure, a ***programme*** of checks on scientific and budgetary aspects of cooperation will be carried out by the staff responsible in the Directorate-General (DG) for Research and Innovation. An internal audit will be carried out by the Internal Audit unit of DG Research and Innovation, and local inspections will be carried out by the European Court of Auditors. EN 13 EN 3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE 3.1 Heading(s) of the multiannual financial framework and expenditure budget line(s) affected  Existing budget lines In order of multiannual financial framework headings and budget lines. Heading of multiannual financial framework Budget line Type of expenditure Contribution Number [Heading………………………...…………] Diff./Non-diff9. from EFTA countries10 from candidate countries11 from third countries within the meaning of Article 21(2)(b) of the Financial Regulation 1a 08.01.05 Non-diff. YES YES NO NO  New budget lines requested In order of multiannual financial framework headings and budget lines. Heading of multiannual financial framework Budget line Type of expenditure Contribution Number [Heading………………………………………] Diff./Non-diff. from EFTA countries from candidate countries from third countries within the meaning of Article 21(2)(b) of the Financial Regulation [XX.YY.YY.YY] YES/NO YES/NO YES/NO YES/NO 9 Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations. 10 EFTA: European Free Trade Association. 11 Candidate countries and, where applicable, potential candidate countries from the Western Balkans. EN 14 EN 3.2 Estimated impact on expenditure [This section should be filled in using the spreadsheet on budget data of an administrative nature (second document in annex to this financial statement) and uploaded to CISNET for interservice consultation purposes.] 3.2.1 Summary of estimated impact on expenditure EUR million (to three decimal places) Heading of multiannual financial framework Number [Heading……………...……………………………………………………………….] DG: <RTD> Year 201712 Year 2018 Year 2019 Year 2020 Year 2021 Year 2022 TOTAL  Operational appropriations Number of budget line Commitments (1) Payments (2) Number of budget line Commitments (1a) Payments (2a) Appropriations of an administrative nature financed from the envelope of specific programmes13 Number of budget line 08.01.05 (3) TOTAL appropriations for DG Commitments =1+1a +3 0.024 0.061 0.061 0.061 0.061 0.037 0.305 Payments =2+2a +3 0.024 0.061 0.061 0.061 0.061 0.037 0.305 12 Year 2017 is the year in which implementation of the proposal/initiative starts. 13 Technical and/or administrative assistance and expenditure in support of the implementation of EU ***programmes*** and/or actions (former ‘BA’ lines), indirect research, direct research. EN 15 EN  TOTAL operational appropriations Commitments (4) Payments (5)  TOTAL appropriations of an administrative nature financed from the envelope for specific ***programmes*** (6) 0.024 0.061 0.061 0.061 0.061 0.061 0.037 0.305 TOTAL appropriations under HEADING <….> of the multiannual financial framework Commitments =4+ 6 0.024 0.061 0.061 0.061 0.061 0.061 0.037 0.305 Payments =5+ 6 0.024 0.061 0.061 0.061 0.061 0.061 0.037 0.305 If more than one heading is affected by the proposal / initiative:  TOTAL operational appropriations Commitments (4) Payments (5)  TOTAL appropriations of an administrative nature financed from the envelope for specific ***programmes*** (6) TOTAL appropriations under HEADINGS 1 to 4 of the multiannual financial framework (Reference amount) Commitments =4+ 6 Payments =5+ 6 EN 16 EN Heading of multiannual financial framework 5 ‘Administrative expenditure’ EUR million (to three decimal places) Year 201714 Year 20181 Year 2019 Year 2020 Year 2021 Year 2022 TOTAL DG: <…….>  Human resources  Other administrative expenditure 0.003 0.008 0.008 0.008 0.008 0.005 0.04 TOTAL DG <…….> Appropriations 0.003 0.008 0.008 0.008 0.008 0.005 0.04 TOTAL appropriations under HEADING 5 of the multiannual financial framework (Total commitments = Total payments) 0.003 0.008 0.008 0.008 0.008 0.005 0.04 EUR million (to three decimal places) Year 201715 Year 2018 Year 2019 Year 2020 Year 2021 Year 2022 TOTAL TOTAL appropriations under HEADINGS 1 to 5 of the multiannual financial framework Commitments 0.027 0.069 0.069 0.069 0.069 0.042 0.345 Payments 0.027 0.069 0.069 0.069 0.069 0.042 0.345 14 Year 2017 is the year in which implementation of the proposal/initiative starts. 15 Year 2017 is the year in which implementation of the proposal/initiative starts. EN 17 EN 3.2.2 Estimated impact on operational appropriations –  The proposal/initiative does not require the use of operational appropriations –  The proposal/initiative requires the use of operational appropriations, as explained below: Commitment appropriations in EUR million (to three decimal places) Indicate objectives and outputs  Year N Year N+1 Year N+2 Year N+3 Enter as many years as necessary to show the duration of the impact (see point 1.6) TOTAL OUTPUTS Type16 Average cost No Cost No Cost No Cost No Cost No Cost No Cost No Cost Total No Total cost SPECIFIC OBJECTIVE No 117… - Output - Output - Output Subtotal for specific objective No 1 SPECIFIC OBJECTIVE No 2 ... - Output Subtotal for specific objective No 2 TOTAL COST 16 Outputs are products and services to be supplied (e.g number of student exchanges financed, number of km of roads built, etc.). 17 As described in point 1.4.2 ‘Specific objective(s)…’. EN 18 EN 3.2.3 Estimated impact on appropriations of an administrative nature 3.2.3.1 Summary –  The proposal/initiative does not require the use of appropriations of an administrative nature –  The proposal/initiative requires the use of appropriations of an administrative nature, as explained below: EUR million (to three decimal places) Year 2017 18 Year 2018 Year 2019 Year 2020 Year 2021 Year 2022 TOTAL HEADING 5 of the multiannual financial framework Human resources Other administrative expenditure 0.003 0.008 0.008 0.008 0.008 0.005 0.04 Subtotal HEADING 5 of the multiannual financial framework 0.003 0.008 0.008 0.008 0.008 0.005 0.04 Outside HEADING 519 of the multiannual financial framework Human resources 0.024 0.061 0.061 0.061 0.061 0.037 0.305 Other expenditure of an administrative nature Subtotal outside HEADING 5 of the multiannual financial framework TOTAL 0.027 0.069 0.069 0.069 0.069 0.042 0.345 The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints. 18 Year 2017 is the year in which implementation of the proposal/initiative starts. 19 Technical and/or administrative assistance and expenditure in support of the implementation of EU ***programmes*** and/or actions (former ‘BA’ lines), indirect research, direct research. EN 19 EN 3.2.3.2 Estimated requirements of human resources –  The proposal/initiative does not require the use of human resources. –  The proposal/initiative requires the use of human resources, as explained below: Estimate to be expressed in full time equivalent units Year 2017 Year 2018 Year 2019 Year 2020 Year 2021 Year 2022  Establishment ***plan*** posts (officials and temporary staff) XX 01 01 01 (Headquarters and Commission’s Representation Offices) XX 01 01 02 (Delegations) 08 01 05 01 (Indirect research) 0.2 0.5 0.5 0.5 0.5 0.3 10 01 05 01 (Direct research)  External staff (in Full Time Equivalent unit: FTE)20 XX 01 02 01 (AC, END, INT from the ‘global envelope’) XX 01 02 02 (AC, AL, END, INT and JED in the delegations) XX 01 04 yy 21 - at Headquarters - in Delegations XX 01 05 02 (AC, END, INT — Indirect research) 10 01 05 02 (AC, END, INT — Direct research) Other budget lines (specify) TOTAL 0.2 0.5 0.5 0.5 0.5 0.3 XX is the policy area or budget title concerned. The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints. Description of tasks to be carried out: Officials and temporary staff Preparation and management of Joint Committee Meetings as provided for in Article VI of the Agreement, as well as follow-up of functioning and implementation of the Agreement. Calculations are done proportionally considering the duration of the Agreement. External staff 20 AC= Contract Staff; AL = Local Staff; END= Seconded National Expert; INT = agency staff; JED= Junior Experts in Delegations. 21 Sub-ceiling for external staff covered by operational appropriations (former ‘BA’ lines). EN 20 EN 3.2.4 Compatibility with the current multiannual financial framework –  The proposal/initiative is compatible the current multiannual financial framework. –  The proposal/initiative will entail reprogramming of the relevant heading in the multiannual financial framework. Explain what reprogramming is required, specifying the budget lines concerned and the corresponding amounts. –  The proposal/initiative requires application of the flexibility instrument or revision of the multiannual financial framework. Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts. 3.2.5 Third-party contributions –  The proposal/initiative does not provide for co-financing by third parties. – The proposal/initiative provides for the co-financing estimated below: Appropriations in EUR million (to three decimal places) Year N Year N+1 Year N+2 Year N+3 Enter as many years as necessary to show the duration of the impact (see point 1.6) Total Specify the co-financing body TOTAL appropriations co-financed EN 21 EN 3.3 Estimated impact on revenue –  The proposal/initiative has no financial impact on revenue. –  The proposal/initiative has the following financial impact: –  on own resources –  on miscellaneous revenue EUR million (to three decimal places) Budget revenue line: Appropriations available for the current financial year Impact of the proposal/initiative22 Year N Year N+1 Year N+2 Year N+3 Enter as many years as necessary to show the duration of the impact (see point 1.6) Article …………. For miscellaneous ‘assigned’ revenue, specify the budget expenditure line(s) affected. Specify the method for calculating the impact on revenue. 22 As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e gross amounts after deduction of 25% for collection costs.

**Load-Date:** August 17, 2017

**End of Document**



[***Register of Commission documents: European Maritime and Fisheries Fund Document date: 2017-06-15 EPRS\_BRI(2017)607254 Briefing***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P2N-7J01-JDG9-Y1B8-00000-00&context=1516831)

Impact News Service

July 10, 2017 Monday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 5200 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

Briefing How the EU budget is spent June 2017 EPRS | European Parliamentary Research Service Authors: Magdalena Sapała and Jean Weissenberger Members' Research Service PE 607.254 EN European Maritime and Fisheries Fund In a nutshell The €6 396.6 million European Maritime and Fisheries Fund (EMFF) is the smallest of the European Structural and Investment Funds for the 2014-2020 period, but it is the major financial tool supporting the EU common fisheries policy (CFP). Slightly less than half of the Fund is dedicated to promoting sustainable fisheries and to fostering sustainable aquaculture. Another significant share contributes to proper implementation of the CFP, particularly for data collection and science-based needs, and control and enforcement of rules. A small part of the EMFF is also aimed at supporting an integrated maritime policy (IMP) for the EU. EU Multiannual Financial Framework (MFF) heading and policy area Heading 2 – Sustainable Growth: Natural resources 2014-20 financial envelope (in current prices and as % of total MFF)1 Commitments: €6 396.6 million (0.59 %) 2016 budget (in current prices and as % of total EU budget)2 Commitments: €891.36 million (0.57 %) Payments: €431.85 million (0.32 %) 2017 budget (in current prices and as % of total EU budget) Commitments: €911.74 million (0.58 %) Payments: €577.38 million (0.43 %) Methods of implementation Shared management (European Commission and Member States): €5 749 million Direct management (European Commission): €648 million In this briefing:  EU role in fisheries and maritime affairs: legal basis  EMFF objectives and financing priorities  Financial allocation  Assessment of the EMFF  Other EU ***programmes*** and action in the same field EPRS European Maritime and Fisheries Fund Members' Research Service Page 2 of 10 EU role in fisheries and maritime affairs: legal basis The Treaties provide that the Union must define and implement a common ***agriculture*** and fisheries policy.

***Agriculture*** and fisheries are dealt with therein under the same heading and objectives (Title III TFEU). Fisheries products are included as part of the definition of ***agriculture*** products and references to ***agriculture*** shall be understood as also referring to fisheries, having regard to the specific characteristics of this sector. The Treaties provide the Union with exclusive competence concerning 'the conservation of marine biological resources under the common fisheries policy (CFP)', while other fisheries areas fall under shared competence (Articles 3 and 4 TFEU). The first Community rules on a common market organisation (CMO) in the fisheries sector, as well as a structural policy for fisheries, appeared in the 1970's. The CFP not only covers fishing activities at sea, but also aquaculture (the farming of fish, shellfish and other aquatic animals, and the cultivation of algae and aquatic plants), and the processing and marketing of fishery and aquaculture products. The CFP was the object of a fundamental review by the European Parliament and the Council a few years ago, to address some major long-lasting deficiencies, notably over-fishing. The CFP is now subject to the general framework established under a new CFP 'Basic Regulation' (No 1380/2013). Its general objective is to ensure that fishing and aquaculture activities are environmentally sustainable and managed in a way that is consistent with the objectives of achieving economic, social and employment benefits, and of contributing to the availability of food supplies. Regarding management of fishing activities, the reformed CFP must notably be based on the precautionary approach and the ecosystembased approach, and it aims at restoring and maintaining populations of harvested species above levels which can ***produce*** the maximum sustainable yield (MSY).3 Another significant shift in fisheries management, decided in this CFP reform, is to gradually eliminate discards and ensure that all catches are actually landed. This new 'CFP Basic Regulation' was adopted in parallel to a new legislative framework on the common organisation of the markets in fishery and aquaculture products (Regulation 1379/2013), and followed by the adoption of a dedicated financial instrument: the European Maritime and Fisheries Fund (EMFF). Governed under Regulation 508/2014, (the EMFF Regulation), this Fund aims at providing the EU and the Member States with the financial means to underpin the objectives of this new CFP. In this regard, this Fund continues the succession of specific EU financial instruments aimed at supporting the EU fisheries sector, the first of which was created in 1994. In 1994-2006, the fund was known as the Financial Instrument for Fisheries Guidance (FIFG). In the 2007-2013 period it was renamed the European Fisheries Fund (EFF), before being entitled the European Maritime and Fisheries Fund (EMFF) under the current 2014-2020 Multiannual Financial Framework. Beyond providing a financial instrument mainly dedicated to supporting the CFP objectives, this EMFF was also set up as a tool to sustain funding for the implementation and development of an integrated maritime policy (IMP) for the EU. The objective of the IMP is to support the sustainable use of seas and oceans and to develop coordinated, coherent and transparent decision-making in relation to the policies affecting the oceans, seas, islands, coastal and outermost regions and maritime sectors. Initiated a decade ago (see Commission communication COM(2007) 574), the IMP for the EU does not develop as such relying on one specific legal base of the Treaties, but touches upon numerous EU policies such as transport, industry competitiveness, research and technological EPRS European Maritime and Fisheries Fund Members' Research Service Page 3 of 10 development, environment, energy and tourism, with impact in terms of economic, social, and territorial cohesion. In the 2014-2020 Multiannual Financial Framework (MFF), the EMFF is one of five European Structural and Investment Funds (ESI Funds), which make up the Union's financial support for the strengthening of its economic, social, and territorial cohesion (Article 174 TFEU) (figure 1). Therefore, the financial management and implementation of the EMFF is not only based on the provisions established in the specific EMFF Regulation (EU) No 508/2014, but is also governed by Regulation (EU) No 1303/2013 laying down common provisions on the ESI Funds, known as the Common Provisions Regulation (CPR). Integration of the EMFF into the legal framework of the ESI Funds aims at improving their coordination and synergies and, thereby, at enhancing their impact on the development of the EU regions. As far as the financial implementation of the EMFF is concerned, part of the Fund is subject to shared management (implementation by the European Commission with Member States), the other part is subject to direct management (implementation by the Commission alone). The CPR, notably Part Four thereof (which provides rules on management and control, financial management, accounts and financial corrections), applies however only to the EMFF budget that is spent under shared management (see box 1). Box 1 – Shared and direct management of the EMFF. About 90 % (€5 749 million) of the EMFF is spent under the shared management (Article 58b and 59 of the Financial Regulation 966/2012), which involves both the European Commission and Member States. The measures financed from this part of the EMFF budget are subject to the provisions of the CPR (the ESI Funds) and the EMFF Regulation. As in the case of the other ESI Funds, the co-financed actions are specified in the operational ***programmes*** prepared by the Member States and approved by the European Commission. Roughly 10 % (€648 million) of the total EMFF budget in 2014-2020 is spent under direct management (Article 58a of the Financial Regulation 966/2012), i.e by the European Commission or, on its behalf, by the Executive Agency for Small and Medium-sized Enterprises (EASME). The measures financed from this part of the EMFF budget are outlined in the EMFF Regulation and specified in the Commission's annual work ***programme***. The implementation of the 2017 work ***programme*** is supported with €75.6 million from the EU budget.4 EMFF objectives and financing priorities A financial tool supporting the aims of the CFP, the EMFF must also contribute to the thematic objectives of the ESI Funds and more generally to the Europe 2020 ***strategic*** goals.5 The EMFF Regulation provides that this Fund aims at contributing to the achievement of the following objectives: Figure 1 – The European Structural and Investment Funds EPRS European Maritime and Fisheries Fund Members' Research Service Page 4 of 10  Promoting competitive, environmentally sustainable, economically viable and socially responsible fisheries and aquaculture;  Fostering the implementation of the CFP;  Promoting a balanced and inclusive territorial development of fisheries and aquaculture areas;  Fostering the development and implementation of the Union's IMP in a manner complementary to cohesion policy and to the CFP. Measures financed under shared management The part of the Fund under shared management covers six main Union priorities, each of these being divided into several specific objectives: (1) Promoting sustainable fisheries (e.g through ensuring a balance between fishing capacity and available fishing opportunities,6 reduction of the environmental impact of fisheries, notably unwanted catches, and improvement of safety and working conditions); (2) Fostering sustainable aquaculture (e.g through innovation and technological development, professional training and promotion of resource-efficiency, environmental protection, animal health and welfare, and public health and safety in aquaculture); (3) Fostering the implementation of the CFP (notably through improving the science base and support to control and enforcement); (4) Increasing employment and territorial cohesion (e.g through the promotion of job creation, and support for employability and labour mobility, including diversification of activities); (5) Fostering marketing and processing of fishery and aquaculture products (by improving market organisation and encouragement of investment in these sectors); (6) Fostering the implementation of the IMP. The Fund also provides for additional compensations in outermost regions. The EMFF can support numerous types of measures. Depending on the type of measure, the financial support is destined to some categories of beneficiaries, being it private operators (in fishing, aquatic farming, processing and marketing); public bodies; or different types of stakeholder organisations, such as professional or ***producer*** organisations (POs), NGOs, and advisory councils (ACs). A community-led local development (CLLD) approach (as set out in Article 32 of the CPR) is also promoted, with specific support for fisheries local action groups (FLAGs) and their networking activities (FARNET). Table 1 below provides a general overview of the main categories of eligible measures under shared management. While some measures are fishing-specific by nature, other types of measures – notably to promote sustainable aquaculture or territorial cohesion in fisheries and aquaculture areas – to some extent mirror measures benefiting from EU funding under the common ***agriculture*** policy (pillar I and pillar II). EPRS European Maritime and Fisheries Fund Members' Research Service Page 5 of 10 Table 1 – Main measures supported by EMFF under shared management7 Priorities and main types of EMFF eligible measures (shared management) Possible beneficiaries Sustainable development of fisheries (see EMFF Regulation: Title V, Chapter I) Operators (vessel owners, fishermen...) Public bodies (incl. scientists) Others (POs, NGOs, FLAGs...) Innovation projects (products, equipment, processes, techniques organisation systems...) ● ● Advisory services, feasibility studies and advice (for sustainability or competitiveness) ● ● Scientists-fishermen partnership (creation of networks and joint activities) ● ● ● Promotion of human capital, job creation, social dialogue (training, best practices exchanges...) ● Diversification and new forms of income (investments), best practices exchanges...) ● Start up support for young fishermen ● Health and safety (investments on board and equipment) ● Cessation of fishing activities under conditions - Temporarily (e.g under emergency closures, non-renewal of a fisheries agreement). - Permanently (scrapping of vessel when part of a ***plan*** to reduce fishing capacity) ● Mutual funds compensating losses due to climatic events and environmental incidents ● Support for systems of allocation of fishing opportunities ● ● Support for the design and implementation of conservation measures and regional cooperation ● ● ● Limitation of environmental impact of fishing (equipment, e.g for better selectivity) ● ● Innovation related to conservation of marine resources ● ● Environment protection and compensation regimes (e.g waste collection, Natura 2000 measures) ● ● ● Energy efficiency and climate change mitigation (e.g investment equipment, audits, studies) ● Added value, product quality and use of unwanted catches (investments, e.g for direct sale) ● Fishing ports, landing site auction halls, shelters (improvement of infrastructures) ● ● Inland fishing (investments for operators) and protection of aquatic fauna and flora (Natura 2000) ● ● Sustainable development of aquaculture (see EMFF Regulation: Title V, Chapter II) Operators (aquaculture enterprises...) Public bodies (incl. scientists) Others (POs, NGOs, FLAGs...) Innovation (for more sustainable production, new farmed species, innovative products ...) ● ● Productive investments ● Management, relief and advisory services (for sustainability or competitiveness) ● ● ● Promotion of human capital and networking (training, working conditions, best practices...) ● ● Increasing aquaculture sites potential (e.g spatial ***planning***, control of predators and diseases) ● ● New aquaculture farmers (setting up of micro and small enterprises ) ● Conversion to eco-management and audit schemes (EMAS) and organic aquaculture (compensation for costs and conversion losses) ● Aquaculture providing environmental services (compensation for costs or income foregone) ● Public health measures (compensation to harvest suspension imposed on mollusc farmers) ● Animal health and welfare (e.g disease control, best practices, health protection groups...) ● ● ● Aquaculture stock insurance (natural disasters, climatic events, sudden water quality changes...) ● Sustainable development of fisheries and aquaculture areas Follows a community-led local development (CLLD) approach (see EMFF Regulation: Title V, Chapter III) Operators Public bodies Others (FLAGs) Support for CLLD (preparatory support, implementation of CLLD strategies, cooperation activities, running costs and animation) ● Marketing and processing related measures concerning fishery and aquaculture products (see EMFF Regulation: Title V, chapter IV) Operators Public bodies Others (primarily POs) Production and marketing ***plans*** (preparation and implementation expenditure) ● Storage aid (for fishery products only) ● Marketing measures (e.g creation of POs, traceability measures, promotional campaigns) ● Processing (investments; e.g energy saving, hygiene improvement, new products, organic goods) ● Compensation for additional costs in outermost regions concerning fishery and aquaculture products (see EMM Regulation: Title V, Chapter V) Operators (in fishing, farming, fish processing, marketing) Public bodies Others Compensation of additional costs (resulting from the specific handicap of the region concerned or other type of public ***intervention*** affecting the level of additional costs) ● EPRS European Maritime and Fisheries Fund Members' Research Service Page 6 of 10 Accompanying measures for the CFP (also applicable to operations outside EU territory) (see EMM Regulation: Title V, Chapter VI) Operators Public bodies Others Support for control and enforcement (electronic detection and transmission systems, data exchanges between Member States, control means, including patrol vessels and aircrafts, training...) ● ● ● Support for data collection (for scientific analysis and CFP implementation, including at-sea monitoring and data management systems) ● IMP measures (see EMM Regulation: Title V, Chapter VIII) Operators Public bodies Others Support for operations contributing to integrated maritime surveillance IMS (notably the common information sharing environment CISE) and promoting the protection of marine environment (notably under the Nature Directives and the Marine Strategy Framework Directive ● Notwithstanding some possible specific conditions associated with the above-listed types of measures, certain operations are not eligible under the EMFF (especially in consideration of their possible effects on conservation of aquatic resources). Ineligibility particularly concerns those operations that could lead to an increase in fishing capacity, to construction of new fishing vessels or to transfer of ownership of a business. Similarly, exploratory fishing or direct restocking in general cannot benefit from EMFF support. The EMFF may also support some measures of technical assistance for Member States (see Article 59 of the CPR) and the establishment of national networks between FLAGs. Measures financed under direct management Part of the EMFF is available to the European Commission for direct management. It must contribute to developing the Union's IMP and to facilitating the implementation of the CFP and the IMP (table 2). Table 2 – Main measures supported by the EMFF under direct management Priorities for EMFF budget under direct management (see EMFF Regulation: Title VI and Annex III) Indicative distribution of fund Enhancing the development and implementation of the IMP (45 %) Objectives Eligible operations - Development and implementation of integrated governance of maritime affairs and coastal affairs - Studies and projects - Information and communication, best practice sharing, dissemination activities, conferences, seminars, workshops - Coordination activities - Development and operation of IT systems and networks - Training projects 5 % - Development of cross-sectorial initiatives 33 % - Support for sustainable economic growth, employment, innovation and new technologies 2 % - Promotion of the protection of the marine environment 5 % Accompanying measures for the CFP and IMP (55 %) Objectives Eligible operations - Collection, management and dissemination of scientific advice under the CFP - Studies, provision of scientific advice, expert meetings, atsea surveys, support services, cooperation activities... 11 % - Specific control and enforcement measures under the CFP - Joint purchase or chartering of controls means (patrol vessel, aircraft...), new technologies and exchanges of data, expenditure related to control and evaluation... 19 % - Voluntary contributions to international organisations - Contribution to organisations (or preparation of new organisations) active in the field of the law of the sea and to their work 10 % - Advisory Councils (ACs) and communication activities under the CFP and IMP - Operating costs of the ACs (established by Article 43 of the CFP basic Regulation) - Information and communication actions, stakeholders and experts travel costs when invited to commission meetings... 9 % - Market intelligence, including the establishment of electronic markets - Development and dissemination of market intelligence for fishery and aquaculture products by the Commission 6 % The EMFF may also support some measures of technical assistance at the initiative of the European Commission (see Article 58 of the CPR), as well as some of the costs concerning the external dimension of the CFP (i.e preparation and monitoring of sustainable EPRS European Maritime and Fisheries Fund Members' Research Service Page 7 of 10 fisheries partnership agreements and Union participation in regional fisheries management organisations), and the establishment of a European network of FLAGs. Financial allocation The EMFF allocation represents only about 0.6 % of the total 2014-2020 MFF. It is part of heading 2 'Sustainable growth: natural resources’', which also covers the common ***agricultural*** policy, rural development, and environment and climate action (LIFE), as well as EU fisheries expenditure not included in the EMFF, such as payments for international fisheries agreements and obligatory contributions to Regional Fisheries Management Organisations (RFMOs). Out of the total €6 396.6 million allocated to the EMFF in 2014-2020, €647.3 million is managed directly by the Commission. Some €5 749.3 million is spent in the framework of the ESI Funds, managed by the Commission and the Member States together. The distribution of the Fund between the Member States was set according to the following criteria:8  the level of employment in the fisheries and marine and fresh water aquaculture sectors, including employment in related processing;  the level of production in the fisheries and marine and fresh water aquaculture sectors, including related processing; and  the share of small-scale coastal fishing fleet in the overall fishing fleet. In the 2014-2020 MFF, all Member States except Luxembourg are eligible for EMFF support. In order to receive support from the Fund, each Member State has to fulfil ex-ante requirements, also known as 'ex-ante conditionalities' (Annex IV of the EMFF Regulation). Member States must have fulfilled their obligations under the CFP Basic Regulation to establish a national ***strategic*** ***plan*** on aquaculture and to report, each year, on the balance between the fishing capacity of their fleets and their fishing opportunities. Moreover, they must have the administrative capacity to implement specific aspects of the fisheries policy (data collection, control and enforcement). In accordance with the principle of additionality, the EU contribution from the EMFF has to be matched with additional expenditure by the Member State. Taking into account the EMFF and the Member States' contributions, the total support for the objectives and measures defined under EMFF in 2014-2020 amounts to €7 989.46 million.9 The biggest beneficiary of the Fund is Spain, followed by France, Italy and Poland (figure 2). As with the other ESI Funds, the Member States have to draw up an operational ***programme*** including the strategy and arrangements for spending their allocation and actions to be co-financed by the EMFF. The ***programmes*** have to be tailored to the priorities of the EU common ***strategic*** framework and in line with the national partnership agreements (agreed with the European Commission and describing how an individual Member State is going to use the ESI Funds). Once the Commission approves the EMFF operational ***programme***, the national authorities can begin the implementation phase. The process is managed in the Member States by a special Managing Authority, which also serves as a central contact point for the bodies interested in the funding.10 EPRS European Maritime and Fisheries Fund Members' Research Service Page 8 of 10 Figure 2 – EMFF allocation per Member State and additional national contributions (€ million, MFF 2014-2020). Data source: European Commission, DG Regio, Cohesion Data, [accessed on 3 April 2017]. Based on the approved operational ***programmes***, almost 48 % of the Fund in the Member States is dedicated to two out of the six main Union priorities, namely the promotion of sustainable fisheries and the fostering of sustainable aquaculture (figure 3). About €1.1 billion supports the implementation of the CFP, notably to improve the scientific basis and to support control and enforcement of rules.11 Figure 3 – EMFF contribution to the Union priorities (shared management) Data source: European Commission Facts and figures on the common fisheries policy, Basic statistical data, 2016 edition. Implementation progress in 2014-2020 Due to the late adoption of the 2014-2020 MFF and the late agreement on the EMFF regulatory framework, the implementation of the Fund has been delayed. According to the Commission's Open Data Platform, in February 2017 only 2.1 % of the total (EU and the Member States) 2014-2020 allocation was decided, i.e distributed among the selected projects, and 0.3 % was reported as spent. The best progress was noted in Denmark (24.8 % of the allocation was decided), Finland (17 %) and Ireland (12.7 %). EPRS European Maritime and Fisheries Fund Members' Research Service Page 9 of 10 In order to address the frequent data gaps that appeared when the previous EU funds in support of the CFP were assessed,12 a new approach to indicators and evaluation was introduced for the EMFF 2014-2020. Based on a common monitoring and evaluation system, the approach includes a set of common indicators, evaluation ***plan*** and bi-annual reporting obligations.13 The Commission must present a first, comprehensive, mid-term review of the implementation of the EMFF to the European Parliament and the Council before 30 June 2017. Other EU ***programmes*** and action in the same field The EMFF contains specific provisions adapted to the objectives and particularities of the CFP and the IMP sectors. However, it also aims at complementing the ESI Funds under the CPR in supporting cohesion policy and maximising synergies between EU financial instruments,14 while avoiding double funding. Member States' operational ***programmes*** for the EMFF must include information on complementarity and coordination with ESI Funds and other relevant Union and national funding instruments. Moreover, separately to the EMFF, the EU budget supports EU action in fisheries and maritime matters, particularly in support of the external dimension of the CFP. Therefore, €138.4 million under the 2017 budget is dedicated to the EU's participation and contributions to international bodies responsible for the conservation and the management of living resources in certain seas and oceans around the world (Regional Fisheries Management Organisations – RFMOs) and to the Sustainable Fisheries Partnership Agreements (SFPAs) between the EU and some third countries. Endnotes 1 All MFF figures are based on data on the 2014-2020 MFF as established by Council Regulation No 1311/2013 (excluding adjustments) published by the Commission ([*http://ec.europa.eu/budget/mff/figures/index\_en.cfm*](http://ec.europa.eu/budget/mff/figures/index_en.cfm) [accessed on 10 April 2017]). 2 The 2016 and 2017 annual figures, based on data from Annex 3 in: A. D'Alfonso, A. Delivorias, M. Sapala, A. Stuchlik, Economic and budgetary outlook for the EU 2017, EPRS, European Parliament, January 2017. 3 The Maximum Sustainable Yield (MSY) concept on which the new CFP builds is defined as 'the highest theoretical equilibrium yield that can be continuously taken on average from a stock under existing average environmental conditions without significantly affecting the reproduction process'. MSY roughly corresponds to the largest catch of a fish stock that can be taken over an indefinite period without harming it and if other, notably environmental, conditions remain constant. 4 The 2017 allocation is divided between six budget lines: integrated maritime policy (€38.43 million), scientific advice (€8.7 million), control and enforcement (€8.72 million), voluntary contributions to international organisations (€7.97 million), governance and communication (€7.42 million), and market intelligence (€4.37 million). See the Commission implementing decision of 15 December 2016, C(2016) 8422 final. 5 See notably Article 39 TFEU, Article 2 of the CFP Basic Regulation, Article 9 of the CPR Regulation, and the communication 'EUROPE 2020 A strategy for smart, sustainable and inclusive growth' 6 In this regard, the EMFF Regulation also establishes a general condition on the use of the Fund, by providing that the pursuit of its objectives cannot result in an increase in fishing capacity. 7 This table is provided for illustrative purposes only and cannot be considered comprehensive nor accurately reflect all provisions established in the EMFF and for its implementation. 8 See Article 16(a) of the EMFF Regulation: the criteria apply to all measures except those related to control, inspection and the enforcement system, as well as data collection (as specified in Articles 76 and 77 of the EMFF Regulation). The specific criteria for financial distribution of these measures are listed in Article 16(b). 9 European Commission,   [*www.cohesiondata.ec.europa.eu*](http://www.cohesiondata.ec.europa.eu) [accessed on 30 March 2017]. 10 The list of Managing Authorities for each Member State is available at   [*https://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/national\_authorities.pdf*](https://ec.europa.eu/fisheries/sites/fisheries/files/docs/body/national_authorities.pdf) . 11 It needs to be recalled in this regard that the support for scientific advice and for control and enforcement measures under the CFP also benefits from a further indicative share of 30 % of the around €650 million allocated from the EMFF under direct management by the European Commission. EPRS European Maritime and Fisheries Fund Members' Research Service Page 10 of 10 12 In the 2007-2013 ***programming*** period the EFF had a budget of €4.3 billion. The interim, national evaluations and the Commission’s annual reports on the implementation of the EFF were the basis for the debate on the post-2013 fisheries fund and for the proposal of the EMFF 2014-2020. In November 2016, the Commission presented an ex-post evaluation of the EFF. It analyses the results of the Fund’s ***interventions*** for different spending categories (fisheries, aquaculture, processing, common interest, community development and technical assistance). Notwithstanding the Commission’s evaluations, the European Court of Auditors assessed the effectiveness of EFF support for aquaculture. In its special report published in 2014, the Court stated that overall, the EFF did not offer effective support for the sustainable development of aquaculture. 13 Commission staff working document, 2016 Synthesis of Evaluation Results and ***Plans*** under the ESIF ***Programmes*** 2014-2020, SWD(2016) 447 final, Brussels, 20 December 2016. 14 See, for example, the Commission services' guidance document on how to explore for synergies and combine EMFF with other funds. Disclaimer and Copyright The content of this document is the sole responsibility of the author and any opinions expressed therein do not necessarily represent the official position of the European Parliament. It is addressed to the Members and staff of the EP for their parliamentary work. Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy. © European Union, 2017. Photo credits: © lucadp / Fotolia. [*eprs@ep.europa.eu*](mailto:eprs@ep.europa.eu)   [*http://www.eprs.ep.parl.union.eu*](http://www.eprs.ep.parl.union.eu) (intranet)   [*http://www.europarl.europa.eu/thinktank*](http://www.europarl.europa.eu/thinktank) (internet)   [*http://epthinktank.eu*](http://epthinktank.eu) (blog)

**Load-Date:** August 1, 2017

**End of Document**



[***Washington: Coordinated Response to Hurricane Harvey Continues: Federal efforts continue to support survivors with recovery and rebuilding***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PDW-MHC1-F0YC-N1FY-00000-00&context=1516831)

Impact News Service

September 6, 2017 Wednesday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 3823 words

**Body**

Washington: Federal Emergency Management Agency has issued the following news release:

The U.S Department of Homeland Security’s Federal Emergency Management Agency (FEMA) and its federal partners continue a coordinated federal response to Hurricane Harvey, as we move toward helping communities rebuild and recover.

Although there are still some areas in need of response efforts, including some areas in Houston, many survivors across southeast Texas and Louisiana are now returning home. In these areas, FEMA, along with federal, state, local, and tribal partners, is working to support recovery work that includes massive clean-up efforts by communities and individuals.

President Donald J. Trump has made additional disaster assistance available to the state of Texas, specifically authorizing an increase in the level of federal funding for debris removal and emergency protective measures as a result of Hurricane Harvey. The President increased cost sharing to 90 percent federal funding for debris removal, including direct federal assistance, and a 100 percent federal funding for emergency protective measures, including direct federal assistance, for 30 days from the start of the incident period, and then a 90 percent federal cost share thereafter.

FEMA continues to urge survivors to register online [*www.DisasterAssistance.gov*](http://www.DisasterAssistance.gov) as this is the quickest way to register for FEMA assistance.

As survivors return home, many may find their homes are uninhabitable or still inaccessible.  Short-term housing assistance and other immediate funding is available to eligible survivors who register and may include short-term lodging at eligible hotels and up to two months of expedited rental assistance. When survivors register, they will also receive information on other resources in their area, including available services from other federal agencies.

To help provide accurate information to survivors, FEMA Disaster Recovery Centers (DRCs) are now open in Houston, Columbus, La Grange, and Edna, Texas, to support disaster survivors with information and resources. DRCs will continue to open in other locations identified by the state of Texas. Survivors can visit the DRC Locator to find the closest location.

There are also Disaster Survivor Assistance Teams (DSATs) out in the field in key locations, such as shelters, helping survivors who may not be near a DRC. Disaster Survivor Assistance teams are able to register survivors for disaster assistance, update their information, make referrals to community partners, and help address both immediate and emerging needs.

Information and resources are also available in other formats and languages to help all those affected by this disaster, including people with disabilities and others with access and functional needs, find federal resources. Information is also available in the following languages: Arabic, Chinese, Korean, Spanish, Tagalog, Urdu, and Vietnamese.

As of September 4, 2017 –

    FEMA has received more than 573,000 registrations for assistance.     More than 180,000 survivors have already been approved for more than $148 million in assistance from FEMA.     Of that amount, $55 million is approved for housing assistance, i.e rental assistance, and nearly $93 million is approved for other needs assistance.     More than 53,600 survivors checked in to hotels and motels through the Transitional Sheltering Assistance ***program***.

FEMA has provided the following commodities to Texas and Louisiana –

    Texas:         More than 5,220,000 meals         More than 4,532,000 liters of water         More than 13,900 blankets         More than 13,400 cots     Louisiana:         More than 416,000 meals         More than 414,000 liters of water

    More than 73,000 National Flood Insurance ***Program*** (NFIP) claims have been submitted, and more than $13.2 million advance payments have been issued to insured survivors.

    More than 6,470 disaster loan applications, primarily for homes, have been received by the U.S Small Business Administration (SBA). The SBA has fielded more than 15,000 calls, and completed more than 2,600 property damage inspections.

Other Ongoing Federal Efforts:

The American Red Cross (ARC): Sheltering remains the focus of Red Cross operations; overnight 284 Red Cross and partner shelters were open with more than 33,000 people sheltering in Texas. In Louisiana, the Red Cross is assisting the Louisiana state government with emergency shelters,  which hosted nearly 1,300 people last night. The ARC still has shelter supplies for more than 85,000 on hand, and fed over 74,000 meals from mobile kitchens yesterday while feeding capacity increases daily. Nearly 3,400 Red Cross responders on the ground with another 460 en route.

The Consumer Product Safety Commission (CPSC) is issuing safety alerts and has issued a statement from CPSC Acting Chairman Ann Marie Buerkle regarding Hurricane Harvey.

The Corporation for National and Community Service (CNCS) has deployed nearly 450 AmeriCorps members, including FEMA Corps, from across the nation to Texas, and has placed local Senior Corps members with additional members of the AmeriCorps Disaster Response Team on standby. AmeriCorps members are supporting American Red Cross efforts with shelter and mass care operations, and are providing assistance to FEMA’s logistics and disaster survivor assistance teams. AmeriCorps Disaster Response Teams, in coordination with FEMA and the Texas Division of Emergency Management, are organizing the volunteer and donations management process and operations, a critical need based on demand. On the coast, AmeriCorps members have begun the volunteer coordination process to muck and gut homes, registering nearly 700 volunteers in just four days. In addition, CNCS is leveraging its vast network of nonprofits and community organizations to communicate the correct channels for donations and volunteering as well as calling upon the more than one million AmeriCorps alumni – to fill the urgent need for trained shelter managers.

The U.S Department of ***Agriculture*** (USDA) is providing assistance through their Supplemental Nutrition Assistance ***Program*** (SNAP) and waiving some regulations to make food more accessible to SNAP recipients, school children, seniors, and people who have fled Texas for other states because of Harvey.  USDA’s Food and Nutrition Service has been working actively with Texas authorities to provide flexibility and access to SNAP benefits.  Examples are here, here, and here.  Veterinarians from USDA’s Animal and Plant Health Inspection Service (APHIS) are working alongside other organizations, conducting on-site assessments with ***producers***, while APHIS has already helped make 25 tons of pet food available.  Nearly 270 USDA U.S Forest Service staff are in Texas, assisting with disaster response operations.

The Department of Defense (DoD) has stood up three additional Incident Support Bases (ISB) at Fort Hood, Joint Base San Antonio, and Naval Air Station Joint Reserve Base Fort-Worth, to support forward distribution of supplies and equipment to the affected areas.

    Defense Logistics Agency (DLA) is providing more than 645,000 gallons of fuel in several locations.     USNORTHCOM deployed 73 helicopters, three C-130s, and eight para-rescue teams for search and rescue and evacuation. Approximately 6,300 active-duty military personnel are deployed to the affected area. DoD active-duty military personnel have rescued/assisted more than 1,200 people to date.     The National Guard Bureau (NGB) As of yesterday morning there are more than 19,000 Army and Air National Guardsmen from approximately 40 states supporting both Texas and Louisiana.     The U.S Army Corps of Engineers currently has more than 150 personnel engaged and operating in coordination with county, state, and FEMA partners.  USACE has received and is supporting FEMA Mission Assignments for temporary power, regional activation, subject matter experts, debris removal and technical assistance, and temporary housing technical monitoring. In addition, they are also focused on flood mitigation and reservoir operations.

The U.S Department of Education (ED) has activated its emergency response contact center in response to the devastating impacts of Hurricane Harvey.  The Department’s K-12 and Higher Education stakeholders who are seeking informational resources should contact the Department toll free at 1-844-348-4082 or by email at [*HarveyRelief@ed.gov*](mailto:HarveyRelief@ed.gov)

The Department of Energy’s (DOE) Secretary of Energy has authorized the ***Strategic*** Petroleum Reserve (SPR) to negotiate and execute two emergency exchange agreements with the Phillips 66 Lake Charles Refinery. This decision will authorize a total of 400,000 barrels of sweet crude oil and 600,000 barrels of sour crude oil to be drawn down from SPR’s West Hackberry site and delivered via pipeline to the Phillips 66 refinery. DOE continues to provide situation reports on its website, and has added a page to report gas price gouging.

The U.S Department of Health and Human Services (HHS)

    The Centers for Disease Control (CDC) worked yesterday to clarify information on the risk of tetanus. People who waded through flood waters with open sores or wounds, or who were cut, scraped, or punctured by objects in the water should ask their doctor if they need a tetanus shot.     National Disaster Medical System (NDMS) National Disaster Medical System personnel and U.S Public Health Service Commissioned Corps officers have provided medical care to more than 3,000 people affected by Hurricane Harvey. The medical teams are operating a Federal Medical Station at the George R. Brown Convention Center in Houston and are providing care at other temporary care sites in the Houston area. More than 1,300 personnel from HHS currently are on the ground helping those affected by the storm. HHS Secretary Tom Price, M.D , declared public health emergencies for Texas and Louisiana to help residents receive unimpeded care from local providers and healthcare facilities. Additionally, the Disaster Distress Helpline, a toll-free call center, continues to be available at 1-800-985-5990 to aid people in coping with the behavioral health effects of the storm and help people in impacted areas connect with local behavioral health professionals. Since August 26, more than 1,100 people in Texas have called the helpline for assistance in coping with the behavioral health effects of the storm and to connect with local behavioral health professionals.     The U.S Food and Drug Administration (FDA) is advising people that food, medicine, and medical devices should be thrown out if they have come in contact with flood water or were stored improperly during a power outage. The FDA is also identifying regulated facilities affected by the storm to assess any risk.     The U.S Social Security Administration is coordinating with the U.S Postal Service for 46 alternative pickup points in the impacted areas around Houston where individuals can go to pick up benefit checks. A press release identifies the pick-up points by zip code of where individuals can go. For beneficiaries with Direct Express cards, Comerica will be waiving fees for all cardholders impacted by Harvey, even if they have been evacuated to another area, out of danger.

The U.S Department of Homeland Security (DHS) activated the Surge Capacity Force (SCF) on August 28, to supplement federal personnel supporting states as they respond to the catastrophic impacts from Hurricane Harvey.

    The DHS National Protection and ***Programs*** Directorate (NPPD) is helping facilitate access to communications and other critical infrastructure as recovery efforts begin. Of note, NPPD is supporting critical emergency communications through multiple avenues: Emergency responders placed 1,599 Government Emergency Telecommunication Service (GETS) calls on Tuesday, August 29, 2017. NPPD has posted a US-CERT alert on Potential Hurricane Harvey Phishing Scams attempting to take advantage of efforts to provide humanitarian assistance to hurricane survivors. Deployed NPPD workers are helping to maintain or establish coordination with owners and operators of priority facilities to determine their facility status.     The DHS Office of Civil Rights and Civil Liberties (CRCL) and FEMA have developed guidance for impacted states, localities, and other federal recipients on how to effectively communicate with the whole community and carry out their disaster-related activities in a non-discriminatory manner.     The U.S Citizenship and Immigration Services (USCIS) will reach out to stakeholders this week about how to replace lost USCIS-issued documents due to Hurricane Harvey and how natural catastrophes may affect various immigration situations to include applications, petitions, and Immigration status.     The U.S Coast Guard (USCG) is working with federal, state and local responders on active search and rescue in flood-impacted areas of Texas and Louisiana. To date, the Coast Guard has saved 10,618 lives and 1,429 pets. Working with port partners to facilitate recovery efforts, the Coast Guard has reopened the Port of Brownsville to full operations, and an additional 17 ports with operational restrictions. The service has deployed an additional 1,050 active duty, reserve and civilian personnel along with 22 cutters, 37 helicopters, 6 airplanes, and 102 shallow water vessels to assist in response efforts, and to augment the 4,300 Coast Guard personnel stationed within the impacted area.     U.S Customs and Border Protection deployed more than 600 agents and officers with over 25 aircraft and more than 50 boats, and rescued more than 1360 people and over 30 pets.     U.S Immigration and Customs Enforcement (ICE) has deployed approximately 200 law enforcement personnel from Rapid Response Teams (RRTs) and Special Response Teams (SRTs) around the country to provide security for search and rescue teams and to assist with search and rescue operations.

The Department of Housing and Urban Development (HUD) has deployed housing specialists to Texas and is deploying up to 100 additional personnel. HUD teams are currently evaluating damaged subsidized housing in the affected areas and they are developing comprehensive vacancy lists that will assist with relocating some shelter residents. HUD has also released a list of its ***programs*** that help following a disaster and is beginning a social media Q&A push specifically targeting homeowners affected by the flood.

The U.S Department of the Interior has more than 226 employees now deployed to support Texas and local and federal officials through multiple FEMA mission assignments, including mobilizing six 25-member Quick Response Teams (a total of 150 personnel); one is operational in Galveston, another in Houston, and four others are en route to NRG Stadium Houston.

    U.S Geological Survey (USGS) has deployed 17 crews to measure and repair damaged gages and take high-water measurements, often under dangerous conditions.        DOI’s Office of Law Enforcement and Security has assembled or deployed 7 Quick Response Teams.     The National Park Service, U.S Fish and Wildlife Service, and USGS are supporting FEMA Task Forces by locating and providing dozens of shallow water boats for search and rescue.     Unmanned Aircraft Systems (UAS) pilots are guiding Interior drones to locate people in need of help.     Bureau of Safety and Environmental Enforcement continues to monitor Gulf of Mexico oil and gas activities and inspect platforms.     Bureau of Indian Affairs is guiding responses in support of the Tribes impacted by Harvey.

The Department of Justice (DOJ) has over 2,000 federal law enforcement personnel deployed to support public safety and security efforts in Southeast Texas consisting of 59 Quick Reaction Teams and 18 Mobile Command Vehicles. 700 Federal Law Enforcement Officers have been approved to support Houston Police Department. In addition, ATF has 225 SRT agents supporting the Houston Fire Department and Houston Police Department.

The U.S Department of Labor (DOL) issued a summary news release, which can be found here: [*https://www.dol.gov/newsroom/releases/opa/opa20170831*](https://www.dol.gov/newsroom/releases/opa/opa20170831). The U.S Department of Labor also created a disaster assistance web page:   [*https://www.dol.gov/general/hurricane-recovery*](https://www.dol.gov/general/hurricane-recovery).  A total of $30 million in Dislocated Worker Grants have been awarded to the Texas Workforce Commission . A grant for $10 million was awarded on Monday, August 28, 2017, and an additional grant for $20 million was awarded on Thursday, August 31, 2017. The DOL Employment and Training Administration is assisting Texas in administering Disaster Unemployment Assistance.

The Federal Aviation Administration (FAA) has issued more than 100 unmanned aircraft system authorizations to drone operators supporting the response and recovery for Hurricane Harvey or covering it as part of the media. The authorizations cover a broad range of activities by local, state and federal officials who are conducting damage assessments of critical infrastructure, homes and businesses to help target, prioritize and expedite recovery activities.  Houston Hobby and George Bush Intercontinental are fully operational and back to normal schedules.

The Department of the Treasury has suspended certain tax filing and payment deadlines, as well as certain fuel excise taxes, for those affected.  Loans and hardship distributions from employer-sponsored retirement ***plans*** have also been authorized, and facilities and personnel have been provided to assist with FEMA’s response efforts. They are encouraging national banks and federal savings associations to work with their customers affected by the storm by reassessing various fees and debt obligations, and we are working to ensure that all federal benefit payments reach those in the affected areas.

    The Financial and Banking Information Infrastructure Committee (FBIIC), has been coordinating federal and state banking agencies’ responses to the storm’s impact on the financial sector in Texas. The Bureau of Engraving and Printing stands ready to process all requests for redemption of mutilated currency.     Internal Revenue Service (IRS) is providing special tax relief and assistance to taxpayers in the Presidential Disaster Areas and is monitoring the situation closely to resolve potential tax administration issues as they are identified. The IRS frequently updates its information on disaster relief efforts related to Hurricane Harvey.

The Environmental Protection Agency (EPA) Environmental Protection Agency (EPA) has 143 personnel supporting the response efforts for Hurricane Harvey. Working together, the U.S Environmental Protection Agency and the Texas Commission on Environmental Quality  continue to coordinate with local, state and federal officials to address the human health and environmental impacts of Hurricane Harvey and its aftermath, especially the water systems in the affected areas.

The Federal Communications Commission (FCC) has been monitoring the status of communications networks and coordinating with providers and government partners on communications restoration in the areas affected by Hurricane Harvey. In addition, the FCC has been releasing daily communications status reports for the impacted areas. On September 2, 2017, the FCC, in coordination with DHS NCC and FEMA, reduced the geographic area for this reporting to thirteen counties. These reports and other FCC resources, including tips for communicating during an emergency, are available on the FCC's Harvey webpage.

The Federal Trade Commission (FTC) has information for people who want to help Hurricane Harvey survivors, and those who are dealing with, and recovering from, the storm’s long-term effects.  The FTC warns consumers to be cautious of charity scams, and to do research to ensure that your donation will go to a reputable organization that will use the donation as promised. For survivors, the FTC provides a few points to consider in a personal disaster recovery ***plan***.

The General Services Administration’s (GSA) top priority is protecting the life and safety of those in impacted areas. Several federal facilities are temporarily closed but GSA remains fully operational. Information on the status of federal buildings can be found here.

Nuclear Regulatory Commission (NRC) plants in Texas, Mississippi, and Louisiana continue to be unaffected by the storm. The NRC has two inspectors onsite at South Texas Project nuclear plant in Bay City, and is closely monitoring the status of radiological materials licensed by the agency located in the three affected states. The agency is using Facebook and Twitter to communicate status updates.

The Office of Personnel Management (OPM) is supporting federal agencies with guidance and tools regarding human resources issues for federal employees adversely affected by the storm. This includes guidance on Human Resources Flexibilities for Hurricane Harvey and its aftermath, the authorization of a special solicitation to allow federal employees and military personnel to assist with cash or check donations outside the normal Combined Federal Campaign, and the establishment of an Emergency Leave Transfer ***Program*** (ELTP) for federal employees adversely affected by the storm.

The U.S Small Business Administration (SBA) announced that as of Aug. 31, the SBA will offer an automatic 12-month deferment of principal and interest payments for SBA-serviced business loan and disaster loans that are in “regular servicing” status for residents and businesses in the declared counties.

The U.S Postal Service (USPS) has resumed mail delivery in the Houston area in all locations that are accessible. All major processing infrastructure is up and running so the mail is moving. The USPS Service Alerts Page continues to advise our residential and business customers where they can pick up mail, including mail containing prescription medications, in the event they cannot get to their residence. The Postal Service is at the major shelter locations and visiting all the other shelter locations, assisting with change of address and other services.

USA.gov and GobiernoUSA.gov continues to support federal agency messaging efforts on their home pages and they’re compiling federal agency updates and messaging on rapidly growing Hurricane Harvey pages found at [*https://www.usa.gov/hurricane-harvey*](https://www.usa.gov/hurricane-harvey) and   [*https://gobierno.usa.gov/huracan-harvey*](https://gobierno.usa.gov/huracan-harvey).

The Department of Veterans Affairs (VA) has information for veterans on the Veterans Benefits Administration Loan Guaranty, rapid prosthetic replacement, re-issuance of special adaptive grants (home and vehicle) if destroyed in the disaster, continuation of education benefits and re-routing of pension checks. The VA has deployed four Mobile Vet Centers and three Mobile Medical Units to Houston, offering medical care and counseling services to veterans in the community affected by Hurricane Harvey.

**Load-Date:** September 7, 2017

**End of Document**



[***Register of Commission documents:DRAFT OPINION on the role of cities in the institutional framework of the Union Document date: 2018-03-07 REGI\_PA(2018)619142 Draft opinions***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RXW-9PF1-JDG9-Y1VP-00000-00&context=1516831)

Impact News Service

March 22, 2018 Thursday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 4225 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

PR\1147890EN.docx PE619.126v02-00 EN United in diversity EN European Parliament 2014-2019 Committee on Regional Development 2017/2211(INI) 7.3.2018 DRAFT REPORT on cohesion policy and the circular economy (2017/2211(INI)) Committee on Regional Development Rapporteur: Davor Škrlec PE619.126v02-00 2/11 PR\1147890EN.docx EN PR\_INI\_ImplReport CONTENTS Page EXPLANATORY STATEMENT - SUMMARY OF FACTS AND FINDINGS ..................... 3 MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION ............................................ 6 PR\1147890EN.docx 3/11 PE619.126v02-00 EN EXPLANATORY STATEMENT - SUMMARY OF FACTS AND FINDINGS Circular Economy is a new European policy concept that envisions structural reform of our economy from “take, make, dispose” model into cyclical model that is more in line with the living system. Thus, in order to make the shift and redesign our future, European Commission published in December 2015 the Circular Economy Action ***Plan***, a broad EU public policy framework with aim to redefine our societal approach to production and consumption of goods and services. As one of the core European policies, Cohesion policy is perceived as one of the main sources of investment. Moreover, with the respect to the principles of the proportionality and subsidiarity, cohesion policy also provides the best implementation tools for the circular economy.

Multilevel governance, as the backbone of the cohesion policy, operates under the same principle. Therefore, these two public policies are driven by the same logic, and should complement each other whilst achieving their policy goals. We need to recognize and strengthen existing policy tools within both polices in order to fully exploit the mentioned potential. Role of Cohesion policy in promoting circular economy During the preparation of the ***programming*** period 2014-2020, circular economy was not recognized as a policy priority area in the European Union. Therefore, after the adoption of Circular Economy Action ***Plan*** efforts were made to recognize relevant and available investment potential within the ESI Funds that could be furthermore streamlined towards implementation of circular economy. For improved waste management and focus on waste prevention, reuse and recycling, which are the preferred waste treatment options in the European Union, there is an investment potential of 5.5 billion EUR. Furthermore, there are 2.3 billion EUR in environmentally-friendly production processes and resource efficiency in SMEs. Cohesion Policy can support water reuse with 15 billion EUR allocated for investment in the water sector during the 2014-2020 period. Important research and innovation funding opportunities are also available and the circular economy is a priority in the Smart Specialisation Strategies that steer these investments. Circular Economy as a driver for sustainable and regional development All the towns and municipalities in European Union will be the engine of circular economy measures. Local and regional authorities are the closest to the citizens and local challenges, thus they have better insight into local challenges and opportunities. Therefore, it is of utmost importance to secure adequate functional and financial autonomy for local and regional authorities, especially with regards to their right to prepare and implement own development strategies Community-Led Local Development (CLLD) and Integrated Territorial Investment (ITI) to help local stakeholders combine funding streams and ***plan*** local initiatives targeted at circular economy. Thinking in systems is one of the basic principles of the circular economy, since the shift from a linear model of our economy into circular can only be achieved through cooperation and connection of business and production models. The report also emphasizes the role of SMEs which know the local markets better and can raise awareness about positive practices through cooperation with the communities, create local value and sustainable local jobs. Through innovation and development, SMEs provide the market and society with new solutions and PE619.126v02-00 4/11 PR\1147890EN.docx EN circular business models. In this process, they rely on Cohesion policy, especially on the smart specialisation and synergies with the Horizon 2020, the European Structural and Investment Funds, as well as on investments triggered through European Investment Bank (EIB) and European Bank for Reconstruction and Development (EBRD) etc. We should support these efforts and tailor both policies in this direction, with the objective to achieve that present innovations become tomorrow’s realities. Unfortunately, there is still lack of demand for circular products and services, often because they are more expensive than linear ones, while the negative externalities of the latter are not accounted for. Green public procurement in combination with circular procurement presents formidable tool for public authorities to incentives circular economy markets. Additionally, the macro-regional approach is the key to achieving regional cooperation and coordination, as well as an opportunity for the establishment of regional markets, in particular for secondary raw materials. Thus, we must streamline the creation of joint capacities, as for instance with respect to regeneration of waste oils and other recycling capacities. Cross-border and transnational cooperation ***programmes*** are crucial to foster interregional cooperation on circular economy activities, promote industrial symbiosis, awareness-raising and the exchange of knowledge and best practices. All of this effort is there to make our regions and local communities more resilient and competitive in the global markets. Circular Economy provides local jobs and business models that are based in the heart of European Union, in its regions and local municipalities. One of the main pre-conditions for achieving a fully functioning Circular Economy model is an increase in sustainable and local energy production, while on the same side increasing the resource efficiency and flow of recovered materials. Renewable energy sources are one of the essential supporting pillars of circular economy, thus RES represent one of the most important indirect investments into circular economy with substantial potential for boosting local green employment. Bioeconomy as an established European public policy area consists of crucial policy actions that can significantly contribute to the implementation of circular economy. The shift to biological raw materials and biological processing methods could save up to 2.5 billion tons of CO2 equivalents per year by 2030, while at the same time reduce fossil fuel dependence which presents a crucial long-term challenge of the European Union. Bio-based, biodegradable and compostable materials, as well as permanent materials, are important for achieving better resource efficiency and retention of valuable materials in circular loops. The future innovation potential lies in achieving more efficient management of bio-feed stocks, as well as phasing out of toxic substances from all materials. One of the first legislative steps towards implementation of the Circular Economy Package was the Waste Package that defined many necessary provisions for proper handling of the waste, which is the main challenge for local municipalities and regions. The attainment of the targets set out in the Waste Package shall be unavoidably financially supported by the cohesion policy. Having in mind recycling rates set-out on the European level and the envisioned implementation timeframe, it is necessary to focus investments on the higher levels of waste hierarchy to be able to attain targets and avoid long-term technological lock-ins. Member States should use national circular economy strategies and national waste management ***plans*** as the long-term policy tools that can provide clear guidelines to all stakeholders and signal to the European Commission that they are on the right path PR\1147890EN.docx 5/11 PE619.126v02-00 EN for achieving circular economy. Food waste is recognized globally as a major economical and ethical problem that needs to be tackled in each stage of food value chains. The European Union is currently wastes around 173 kilograms of food per person each year, which represents 20% of annual food production in Europe. Local action is proven to be very effective in tackling this overreaching challenge, as there are some successful stories and implemented projects across the Europe. Therefore, there should be an increase in funding opportunities that address this important policy area. Littering is proving to be also one of the burning global challenges that usually has the biggest impact on the local communities and their quality of life. Certain estimates are showing that clean-ups are costing each European taxpayer around 25 EUR per year, while in some Member States the cost can go as high as 54 EUR annually. Tackling the litter needs to be better promoted and funded through ESI Funds since it has both environmental and social benefits. The poorest layers of the society are the most impacted by inaction. Moreover, solving the problem of marine litter needs to start with prevention of land littering. Circular Economy in post-2020 cohesion policy Cohesion policy and circular economy are not only about infrastructure policies but also about social cohesion and solidarity. They provide answers to the challenges faced by local and regional communities on how to tackle most important climate-related issues. Therefore, this report considers introduction of a new ex-ante conditionality provision to achieve circular economy within the cohesion policy framework, in order to allow new operational ***programmes*** to better reflect CE principles. The report demands the implementation of a relevant tracking methodology for an accurate monitoring of the cohesion policy contribution in achieving circular economy, and calls for significant increase in circular economy and climate-related spending in post-2020 cohesion policy. PE619.126v02-00 6/11 PR\1147890EN.docx EN MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION on cohesion policy and the circular economy (2017/2211(INI)) The European Parliament, – having regard to the Treaty on European Union (TEU), in particular Article 3, and the Treaty on the Functioning of the European Union (TFEU), in particular Articles 4, 11, 174 to 178, 191 and 349 thereof, – having regard to the Paris Agreement, Decision 1/CP.21 and the 21st Conference of the Parties (COP21) to the UNFCCC, and the 11th Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP11) held in Paris, France, from 30 November to 11 December 2015, – having regard to Articles 7(2) and 11(2) of the Paris Agreement, which recognise the local, subnational and regional dimensions of climate change and climate action, – having regard to the new UN Sustainable Development Goals, and in particular goal 7: to ‘ensure access to affordable, reliable, sustainable and modern energy for all’ and goal 11: to ‘make cities inclusive, safe, resilient and sustainable’, – 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 (hereinafter ‘the Common Provisions Regulation’)1, – having regard to Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/20062, – having regard to 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 1081/20063, – having regard to Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal4, – having regard to Regulation (EU) No 1302/2013 of the European Parliament and of the 1 OJ L 347, 20.12.2013, p. 320. 2 OJ L 347, 20.12.2013, p. 289. 3 OJ L 347, 20.12.2013, p. 470. 4 OJ L 347, 20.12.2013, p. 259. PR\1147890EN.docx 7/11 PE619.126v02-00 EN Council of 17 December 2013 amending Regulation (EC) No 1082/2006 on a European grouping of territorial cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and functioning of such groupings5, – having regard to Regulation (EU) No 1300/2013 of the European Parliament and of the Council of 17 December 2013 on the Cohesion Fund and repealing Council Regulation (EC) No 1084/20066, – having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/20027, – having regard to the Commission communication of 26 January 2017 entitled ‘The role of waste-to-energy in the circular economy’ (COM(2017)0034), – having regard to the Commission communication of 26 January 2017 entitled ‘Report on the implementation of the Circular Economy Action ***Plan***’ (COM(2017)0033), – having regard to the Commission communication of 14 December 2015 entitled ‘Investing in jobs and growth – maximising the contribution of European Structural and Investment Funds’ (COM(2015)0639), – having regard to the Commission communication of 2 December 2015 entitled ‘Closing the loop – An EU action ***plan*** for the Circular Economy’ (COM(2015)0614), – having regard to the Commission communication of 2 July 2014 entitled ‘Towards a circular economy: A zero waste ***programme*** for Europe’ (COM(2014)0398), – having regard to the Commission communication of 2 July 2014 entitled ‘Green Action ***Plan*** for SMEs: Enabling SMEs to turn environmental challenges into business opportunities’ (COM(2014)0440), – having regard to the Commission communication of 3 March 2010 entitled ‘Europe 2020 – A strategy for smart, sustainable and inclusive growth’ (COM(2010)2020), – having regard to the Commission communication of 13 February 2012 entitled ‘Innovating for Sustainable Growth: A Bioeconomy for Europe’ (COM(2012)0060), – having regard to the Commission communication of 10 July 2012 on ‘Smart Cities and Communities – European Innovation Partnership’ (COM(2012)4701), – having regard to the study commissioned by the Commission of December 2017 entitled ‘Integration of environmental concerns in Cohesion Policy Funds (ERDF, ESF, CF) – Results, evolution and trends through three ***programming*** periods (2000-2006, 2007-2013, 2014-2020)’, – having regard to its resolution of 16 February 2017 on investing in jobs and growth – 5 OJ L 347, 20.12.2013, p. 303. 6 OJ L 347, 20.12.2013, p. 281. 7 OJ L 298, 26.10.2012, p. 1. PE619.126v02-00 8/11 PR\1147890EN.docx EN maximising the contribution of European Structural and Investment Funds: an evaluation of the report under Article 16(3) of the Common Provisions Regulation8, – having regard to its resolution of 13 September 2016 on European Territorial Cooperation – best practices and innovative measures9, – having regard to its resolution of 6 July 2016 on synergies for innovation: the European Structural and Investment Funds, Horizon 2020 and other European innovation funds and EU programmes10, – having regard to its resolution of 9 July 2015 on resource efficiency: moving towards a circular economy11, – having regard to its resolution of 19 May 2015 on green growth opportunities for SMEs12, – having regard to the Smart Islands Declaration of 28 March 2017, – having regard to Rule 52 of its Rules of Procedure, as well as Article 1(1)(e) of, and Annex 3 to, the decision of the Conference of Presidents of 12 December 2002 on the procedure for granting authorisation to draw up own-initiative reports, – having regard to the report of the Committee on Regional Development and the opinion of the Committee on the Environment, Public Health and Food Safety (A8-0000/2018), A. whereas local and regional authorities are at the forefront of the transition to a circular economy and whereas their contribution is key to the achievement of this shift; B. whereas the transition to a stronger, more circular economy is a challenge for all European regions, but also represents key opportunities for those regions; C. whereas achieving the Paris Agreement targets implies a shift to a more circular economy; D. whereas cohesion policy offers not only investment opportunities to respond to local needs through the European Structural and Investment Funds (ESI Funds), but also an integrated policy framework to help the European regions address the multiple challenges to their development, including through support for resource efficiency and sustainable development, as well as territorial cooperation and capacity building; E. whereas the current legislative framework for cohesion policy does not mention the transition to a circular economy as an objective, and whereas sustainable development is a horizontal principle for the use of the ESI Funds, as defined in Article 8 as well as in the Common ***Strategic*** Framework (Annex I) of the Common Provisions Regulation; 8 Texts adopted, P8\_TA(2017)0053. 9 Texts adopted, P8\_TA(2016)0321. 10 Texts adopted, P8\_TA(2016)0311. 11 OJ C 265, 11.8.2017, p. 65.. 12 OJ C 353, 27.9.2016, p. 27.. PR\1147890EN.docx 9/11 PE619.126v02-00 EN F. whereas many of the thematic objectives set for the ESI Funds to comply with the Europe 2020 strategy for smart, sustainable and inclusive growth, as well as the related ex ante conditionalities, are relevant to the objectives of a circular economy; G. whereas Article 6 of the Common Provisions Regulation makes it mandatory for operations supported by the ESI Funds to comply with applicable Union law and national law relating to the application of Union law, including environmental law; Role of cohesion policy in promoting the circular economy 1. Notes that, according to the Commission report on the implementation of the Circular Economy Action ***Plan***, EU support for the 2014-2020 period for innovation, SMEs, the low-carbon economy and environmental protection amounts to EUR 150 billion and many of these areas are contributing to the achievement of a circular economy; 2. Regrets, however, that, as underlined in a study commissioned by the Commission, the current policy framework does not allow the full contribution of cohesion policy to the circular economy to be captured; notes, in this respect, that the definition of the existing ‘***Intervention*** Field’ categories used for financial allocations does not cover the circular economy as such; 3. Notes that several regions have used their smart specialisation strategies to set priorities related to the circular economy and guide their investments in research and innovation through cohesion policy towards this objective; 4. Welcomes the creation of a European Resource Efficiency Excellence Centre for SMEs; 5. Reiterates its view that the circular economy goes beyond waste management and includes areas such as green jobs, renewable energy, resource efficiency, the bioeconomy, water management, energy efficiency, food waste, marine litter, research and development and innovation in related fields; acknowledges, however, that waste infrastructure is a crucial element for reducing linear patterns of production and consumption; 6. Highlights the existence and importance of an ex ante conditionality on ESI Funds related to ‘promoting economically and environmentally sustainable investments in the waste sector’; regrets, however, the negligence of waste hierarchy and lack of sound environmental assessment of long-term outcomes in a substantial number of cases co-financed by ESI Funds; 7. Emphasises the importance of applying waste hierarchy as a prerequisite for achieving a circular economy; furthermore recognises a negative trend of investment of ESI Funds into lower levels of the waste hierarchy, in particular mechanical biological treatment (MBT) facilities and incineration, which can lead to overcapacities and long-term technological lock-in, thus jeopardising the achievement of EU recycling targets; The circular economy as a driver for sustainable and regional development 8. Stresses the importance of the partnership principle and the important role of stakeholders during the drawing up of partnership agreements and operational PE619.126v02-00 10/11 PR\1147890EN.docx EN ***programmes***; calls for a genuine involvement of partners in policy processes, and for circular economy-related objectives to be adequately incorporated into ***programming*** documents; 9. Notes that projects related to the circular economy which have received cohesion policy support have brought greater benefits to more developed regions; therefore encourages less developed regions to increase their efforts to achieve technological leapfrogging by implementing more projects that meet circular economy principles; 10. Underlines the potential of the bioeconomy for the regional development ; calls for greater use of ESI Funds to be made for the implementation of existing innovations, while further fostering innovation in the development of bio-based, biodegradable and compostable materials ***produced*** from sustainably managed biofeed stocks; 11. Calls for better access to finance for local authorities to enable investments in green jobs and in local energy transition, including energy efficiency, decentralised distribution of energy and the circular economy; 12. Points out that, out of a sample of 32 operational ***programmes*** reviewed for a study on the integration of environmental concerns in cohesion policy funds, nine address the circular economy and six green jobs; welcomes the existing efforts made by national and regional authorities but at the same time calls on Member States to better integrate the circular economy in their operational ***programmes*** and partnership agreements; 13. Believes that the future ***planning*** of ESI Funds should be better integrated with the national energy and climate ***plans*** for 2030; 14. Calls on Member States to foster cross-border cooperation, in particular through European Territorial Cooperation (ETC), to implement circular economy projects; 15. Emphasises the potential of macro-regional strategies to help achieve a circular economy, not only in the Member States but also in third countries located in the same geographical area; stresses that those strategies could support the creation of a market for secondary raw materials for the Union; 16. Reiterates its views on the importance of adequate capacity building and maintenance in local, regional and national public authorities, which is also highly relevant for the transition to a circular economy; points to the important role technical assistance might play in this field; 17. Stresses the importance of Green Public Procurement as a driver of the circular economy, with a potential market of an estimated EUR 1.8 trillion annually delivering public works, goods and services13; 18. Encourages regional and local authorities to further invest in education and awareness raising about the benefits and advantages of all actions with the aim of implementing the circular economy through cohesion policy projects, thus increasing citizen 13 ‘Buying green! - A handbook on green public procurement’, 3rd Edition, European Commission, 2016. PR\1147890EN.docx 11/11 PE619.126v02-00 EN participation and influencing consumer behaviour; The circular economy in post-2020 cohesion policy 19. Calls on the Commission, for the next ***programming*** period, to implement a relevant tracking methodology to allow accurate monitoring of the contribution of cohesion policy to the achievement of a circular economy; 20. Calls on the Commission to design, in the future cohesion policy framework, a new ex ante conditionality provision related to the achievement of a circular economy, for instance through the development of circular economy strategies; 21. Stresses the importance of stepping up cohesion policy support for sustainable urban development, and calls for a more prominent role to be given to circular economy-related objectives in this context; calls for innovative urban actions in this field to be continued and calls on the Commission to make maximum use of lessons learnt in the 2014-2020 period when preparing proposals for the future; 22. Emphasises the interdependence of the circular economy and climate mitigation, and thus calls for a significant increase in circular economy- and climate-related spending in post-2020 cohesion policy; ° ° ° 23. Instructs its President to forward this resolution to the Council and the Commission.

**Load-Date:** March 23, 2018

**End of Document**



[***Million-rouble idea won by agrobot robotic tractors***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5TV7-T6G1-F03F-D3B7-00000-00&context=1516831)

SKRIN Market & Corporate News

January 9, 2018 Tuesday 4:26 PM GMT

Copyright 2018 SKRIN All Rights Reserved

**Length:** 1337 words

**Body**

The makers of driverless farm tractors, powerchair drive systems and functional prosthetics have won Vnesheconombank’s mln-Rouble Idea, a game show aired on NTV for two weeks. The prizes were presented by Maxim Oreshkin, Minister of Economic Development of the Russian Federation. The winning project, AgroBot, received 25 mln roubles for further business development; the runner-up prize of 20 mln roubles went to Una Wheel; the third-place prize of 15 mln roubles was given to Motorika.

The final episode was traditionally judged by government officials, representatives of development institutions, business leaders and celebrities. Apart from Economic Development Minister Maxim Oreshkin, the projects submitted for the show were evaluated by Vnesheconombank’s Chairman Sergey Gorkov, General Director of the Agency for ***Strategic*** Initiatives Svetlana Chupsheva, Managing Director of Altera Capital Kirill Androsov and actor Ivan Okhlobystin.

More than 500 applications were submitted for participation in the contest; 35 high-technology start-ups were longlisted for the prizes. The winners of seven episodes went through to the final of the show, and the other teams were eliminated. The best three contestants in the mln-Rouble Idea final shared a total of 60 mln roubles in prize money.

According to the winning team, their project AgroBot is not limited to their ***plans*** to mass-***produce*** robotic tractors. They have a dream of building an ecosystem designed to manage a fleet of vehicles and handle big data, ultimately becoming a smart ***agricultural*** ***producer*** using systems with minimal human interference.

According to Vnesheconombank’s Chairman Sergey Gorkov, the first start-up game show was so successful that dozens of other Russian innovators were enabled to fulfil their "mln-rouble ideas".

"It seemed unrealistic until quite recently to have such a show aired nationwide. Together with NTV, we did the unthinkable: the destinies of the innovation start-ups captured the attention of viewers. To build a digital economy, it is necessary to revolutionise the public perception. I hope that the project will continue in the second and third seasons," Sergey Gorkov said.

According to one of the judges, Russian actor Ivan Okhlobystin, the television project gives young businesspersons and inventors a unique chance to win through. "mln-Rouble Idea is a generous ***programme***. It is necessary to help everyone involved in science without seeking to benefit from it. Thank God someone is interested in new technologies, and it is possible to find financing. Now the guys can fulfil their potential and carry out their creative ***plans***-this is wonderful," Ivan Okhlobystin said.

"Throughout the season, it was really exciting to talk to renowned business leaders from among the judges-those who deal in big money-and to those whose entrepreneurial talents are about to change the world. The ideas discussed in the final really belong in the future, and the future is coming before our very eyes!" game show host Sergey Malozyomov said.

Leonid Kazinets, Chairman of the Management Board of Barkli, also spoke about the project’s educational function. "Having your own business is no picnic. First, the mln-Rouble Idea project supports start-ups; second, it makes people want to build up their businesses, invent and promote ideas, look for investors and partners," Leonid Kazinets said.

Big business also showed great interest in the start-up projects. Dmitry Konov, Chairman of the Management Board of SIBUR, is confident that the majors can use these innovations.

"Each project had its own creative features. Sometimes it is interesting to look at new ideas through the eyes of a man involved in big business and working at large companies. At first some of the new solutions seem impractical, but when you begin to analyse them and talk to the teams, you understand that many things they do or see from their own perspective can be used more widely," Dmitry Konov said.

The mln-Rouble Idea runner-up, Una Wheel, designs powerchair drive systems. They will allow people with disabilities to lead an active life. Significantly, they will be several times cheaper than their existing equivalents. The project team expects to expand the range of its products in the future, including creating devices that will help to carry more weight.

The third-place prize winner, Motorika, designs and creates prostheses for children and adults. Superhero-style functional prosthetics help children with disabilities to participate in all activities at school and in life. Sophisticated bionic prosthetics are intended to assist adults at work.

In addition to prize money for business development, the winning start-ups will be provided with the opportunity to pitch to Russian and foreign investors at the Roscongress Foundation’s forums and the field sessions of the St. Petersburg International Economic Forum.

The innovators also received substantial financial support from viewers, who could pay by bank card, by SMS or by digital wallet. More than 1,550 sponsors used the Boomstarter crowdfunding platform to pay over 2.8 mln roubles. Financial assistance for some of the projects was 400-600% more than initially asked for.

The Roscongress Foundation will enable the winning start-ups to pitch to Russian and foreign investors at the country’s key economic forums, including the field sessions of the St. Petersburg International Economic Forum in Russia and abroad. The seven finalists of the show will all be able to take part in Roscongress events under the agreement signed by Vnesheconombank and the Roscongress Foundation during the Russian Investment Forum in Sochi.

The media sponsors of the project were Rambler News Service, Russia’s leading high-technology and innovation media outlet Hightech and the Argumenty i Fakty newspaper.

The mln-Rouble Idea website contains all eight episodes.

State Corporation "Bank for Development and Foreign Economic Affairs (Vnesheconombank)" is a national development bank and one of Russia’s largest financial institutions. Established in 1924, the Bank has operated under the special Federal Law "On Bank for Development" since 2007. In accordance with the Development Strategy until 2021, Vnesheconombank will focus its activities on financing for high-technology industrial projects, infrastructure development, support for non-resource exports, support for innovations and projects of the National Technology Initiative.

NTV is Russia’s largest private television channel with a nationwide broadcasting network. Founded in 1993, the television network operates six NTV-branded channels: NTV, a major nationwide television channel; three subscription-based thematic channels (NTV Serial, NTV Stil and NTV Pravo); international ***programming*** (NTV-Mir and NTV-America). NTV broadcasts in all Russian regions, has an audience share of 98.6% and traditionally ranks among Russia’s top three television networks.

The Roscongress Foundation is the largest organiser of conventions and exhibitions.

The Roscongress Foundation was founded in 2007 with the aim of facilitating the development of Russia’s economic potential and strengthening the country’s image by organising conventions, exhibitions and public events. The Foundation develops substantive content for such events, providing companies and organisations with advice, information and expert guidance, and offering comprehensive evaluation, analysis, and coverage of the Russian and global economic agendas. It offers administrative services and promotional support for business projects and helps to attract investment, including in the form of public-private partnerships.

Today, its annual ***programme*** includes events held from Montevideo to Vladivostok, offering an opportunity to bring together global business leaders, experts, the media and government officials in one place, creating favourable conditions for dialogue and the promotion of new ideas and projects, and assisting in the creation of social enterprise and charity projects. / VEB

**Load-Date:** November 28, 2018

**End of Document**



[***Register of Commission documents: European Parliament resolution of 17 April 2018 on the implementation of the 7th Environment Action Programme (2017/2030(INI)) Document date: 2018-04-17 P8\_TA-PROV(2018)0100 Texts adopted (provisional edition***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S64-YDB1-F0YC-N1H1-00000-00&context=1516831)

Impact News Service

April 25, 2018 Wednesday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 5664 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

European Parliament 2014-2019 TEXTS ADOPTED Provisional edition P8\_TA-PROV(2018)0100 Implementation of the 7th Environment Action ***Programme*** European Parliament resolution of 17 April 2018 on the implementation of the 7th Environment Action ***Programme*** (2017/2030(INI)) The European Parliament, – having regard to Decision No 1386/2013/EU of the European Parliament and of the Council of 20 November 2013 on a General Union Environment Action ***Programme*** to 2020 ‘Living well, within the limits of our planet’1 (the ‘7th EAP’), – having regard to Articles 191 and 192 of the Treaty on the Functioning of the European Union, relating to preserving, protecting and improving the quality of human health and the environment, – having regard to the Paris Agreement, Decision 1/CP.21 and the 21st Conference of the Parties (COP 21) to the UNFCCC, held in Paris from 30 November to 11 December 2015, – having regard to the UN Sustainable Development Goals (SDGs) and their interconnected and integrated nature, – having regard to the European Environment Agency’s report of December 2016 entitled ‘Environmental indicator report 2016 – In support to the monitoring of the 7th Environment Action ***Programme***’, – having regard to the European Environment Agency’s report of November 2017 entitled ‘Environmental Indicator Report 2017 – In support to the monitoring of the 7th Environment Action ***Programme***’, – having regard to the Commission communication of 3 February 2017 entitled ‘The EU Environmental Implementation Review: Common challenges and how to combine efforts to deliver better results’ (COM(2017)0063), and the 28 accompanying country reports, – having regard to the Commission communication of 27 May 2016 entitled ‘Delivering the benefits of EU environmental policies through a regular Environmental 1 OJ L 354, 28.12.2013, p. 171. Implementation Review’ (COM(2016)0316), – having regard to its resolution of 16 November 2017 on the EU Environmental Implementation Review (EIR)1, – having regard to its resolution of 9 July 2015 on resource efficiency: moving towards a circular economy2, – having regard to its resolution of 2 February 2016 on the mid-term review of the EU’s Biodiversity Strategy3, – having regard to its resolution of 15 November 2017 on an Action ***Plan*** for nature, people and the economy4, – having regard to its recommendation of 4 April 2017 to the Council and the Commission following the inquiry into emission measurements in the automotive sector5, – having regard to the European Environment Agency’s report entitled ‘SOER 2015 – The European environment – state and outlook 2015’, – having regard to the European Environment Agency’s report of 19 May 2015 entitled ‘State of Nature in the EU’, – having regard to the European Implementation Assessment study of November 2017 on the ‘Mid-term review of the implementation of the 7th Environment Action ***Programme*** (2014-2020)’ carried out by the European Parliamentary Research Service, including its annexed study, – having regard to its resolution of 20 April 2012 on the review of the 6th Environment Action ***Programme*** and the setting of priorities for the 7th Environment Action ***Programme*** – A better environment for a better life6, – having regard to the Commission communication of 22 November 2016 entitled ‘Next steps for a sustainable European future’ (COM(2016)0739), – having regard to the Convention on Biological Diversity (CBD), – having regard to the Commission communication of 20 September 2011 entitled ‘Roadmap to a Resource Efficient Europe’ (COM(2011)0571), – having regard to the Commission communication of 29 November 2017 entitled ‘The Future of Food and Farming’ (COM(2017)0713), – having regard to Rule 52 of its Rules of Procedure, as well as Article 1(1)(e) of, and 1 Texts adopted, P8\_TA(2017)0450. 2 OJ C 265, 11.8.2017, p. 65. 3 OJ C 35, 31.1.2018, p. 2. 4 Texts adopted, P8\_TA(2017)0441. 5 Texts adopted, P8\_TA(2017)0100. 6 OJ C 258 E, 7.9.2013, p. 115. Annex 3 to, the decision of the Conference of Presidents of 12 December 2002 on the procedure for granting authorisation to draw up own-initiative reports, – having regard to the report of the Committee on the Environment, Public Health and Food Safety (A8-0059/2018), A. whereas the 7th EAP sets legally binding objectives in the fields of environment and climate change to be achieved by 2020; whereas it also sets out a long-term vision for 2050; B. whereas the 7th EAP does not contain a mid-term review clause; whereas the report of the Committee on the Environment, Public Health and Food Safety on the implementation of the 7th EAP is an opportunity to assess this EAP’s progress and to make evidence-based recommendations for the further implementation of the current EAP and any future EAPs; whereas this report should go beyond restating well-known problems, and should focus on proposing solutions for achieving the goals laid down in the 7th EAP; C. whereas the Commission is working on an evaluation report, the focus of which will be on the structure and ***strategic*** role played by the 7th EAP; whereas that report is intended, in particular, to check whether the agreed framework is helping to deliver the nine priority objectives in a smart manner; D. whereas the EU has strong environmental legislation, the weak and ineffective implementation thereof is a long-standing problem; whereas these implementation gaps threaten sustainable development, have adverse trans-boundary impacts on the environment and human health and entail important socio-economic costs; whereas, moreover, the implementation gaps undermine the EU’s credibility; E. whereas progress towards the 2020 objectives has so far been mixed: it is unlikely that objective 1 (protecting natural capital) will be met, but likely that some of the sub-objectives under objective 2 (low carbon economy and resource efficiency) will be met; it is uncertain whether objective 3 (reducing environmental pressures and risks to human health) will be met; F. whereas the continuing failure to implement legislation and integrate specialised knowledge into policy-making in areas such as air quality, environmental noise and exposure to chemicals poses severe health threats and reduces quality and length of life for EU citizens; G. whereas the most recent data published by the European Environment Agency confirms the general trends described above for each thematic objective but also reports a slowing of progress in some areas; whereas, in some cases, such as greenhouse gas emissions and energy efficiency, the outlook for achieving the sub-objectives remains unchanged by these new trends; H. whereas it is now uncertain whether the target for ammonia emissions will be met and unlikely that the land take target will be met; I. whereas much uncertainty exists with regard to implementation owing to a lack of indicators and the limitations of existing indicators; whereas knowledge gaps continue to hinder progress on three levels: understanding of risk; formation of appropriate policy to manage and reduce risk; and monitoring of the effectiveness of policies; J. whereas knowledge often exists but is not used in policy-making or transferred to the parties responsible for implementation; whereas this is often due to a lack of political will and competing interests which are not perceived to be consistent with the EAP or environmental policy goals in general; whereas continued economic growth is also dependent on a clean environment; K. whereas synergy between the high-level instruments of Union policy and the EAP needs to be improved in order to achieve the objectives of the ***programme***; L. whereas there is inadequate funding at some levels for the proper implementation of the 7th EAP; whereas funding at EU level has sometimes failed to deliver the expected results and this has, in multiple cases, been the result of poorly administered financing rather than a lack of money; M. whereas the scope of the 7th EAP is relevant to current needs in the field of environmental policy, although many stakeholders recommend the addition of new sub-objectives to increase the ***programme***’s relevance in the future; N. whereas stakeholders also express a preference for a less complex, more focused EAP; O. whereas there is general support for an 8th EAP; Main conclusions 1. Considers that the 7th EAP has added value and a positive influence on environmental policies at EU and Member State level, with benefits for citizens, nature and economic stakeholders; 2. Reiterates that the 7th EAP has a clear long-term vision for 2050 in order to provide a stable environment for sustainable investment and growth, within the planet’s ecological limits; 3. Welcomes the positive past trends in regard to numerous sub-objectives of the 7th EAP and the encouraging outlook for some of the 2020 objectives; 4. Stresses, however, that there is still great potential for improvement and calls on the Commission and the competent authorities in the Member States for increased political will at the highest level to implement the 7th EAP; 5. Regrets that the priority objective to protect, conserve and enhance the Union’s natural capital are unlikely to be met; notes with concern, furthermore, that the targets of the EU’s 2020 Biodiversity Strategy and the Convention on Biological Diversity will not be met without immediate, substantial and additional efforts; 6. Notes that there has been some progress in certain areas for priority objective 2, in particular for climate and energy related targets; notes, however, that more must be done on resource efficiency; reiterates the potential of the Ecodesign Directive1 and the Ecolabel Regulation2 to improve the environmental performance and resource efficiency of products throughout their lifecycle, by addressing, inter alia, product durability, reparability, re-usability, recyclability, recycled content and product lifespan; 7. Regrets that the sub-objective of achieving good quality status of surface water bodies by 2020 will not be achieved owing to the pressure exerted by pollution, ***interventions*** in the morphology of watercourses and excessive consumption due to the large amounts of water drawn off for the generation of hydroelectric power; 8. Underlines that the objectives of the 7th EAP are minimum targets, and that considerable additional efforts are needed to achieve the aims of the Paris Agreement and the Sustainable Development Goals (SDGs); 9. Recalls that the EU and its Member States are all signatories to the Paris Agreement, and therefore committed to its objectives, and that they have submitted a Nationally Determined Contribution delivering 40 % economy-wide greenhouse gas emission reductions in the Union by 2030; underlines the need to fully integrate the 2030 target and the long-term net-zero emissions goal into all Union policies and funding ***programmes***; calls on the Commission to keep the climate and energy framework targets under review, in the context of the 2018 Facilitative Dialogue and the five-yearly global stocktakes, and to prepare a mid-century zero emissions strategy for the EU, providing a cost-efficient pathway towards reaching the net-zero emissions goal adopted in the Paris Agreement; 10. Notes that there is considerable uncertainty regarding the progress towards objectives for human health and well-being; underlines that knowledge gaps and limited indicators hinder policy development and monitoring; 11. Welcomes existing initiatives which contribute to reducing knowledge gaps, including: the ‘Driving Force – Pressure – State – Exposure – Effects – Action’ (DPSEEA) model for understanding the drivers which disrupt ecosystem services; ‘human biomonitoring’ (HBM) for estimating exposure of human populations to contaminants and the possible health effects thereof; and the ‘Information Platform for Chemical Monitoring’ (IPCheM); 12. Is concerned that specialised knowledge and scientific evidence are not always appropriately considered in policy-making or transferred to the parties responsible for implementation; highlights the examples of bioenergy, palm oil, plant protection products, endocrine disrupters, food production and consumption, GMOs, urban ***planning*** and design, air and noise pollution, and urban food waste as areas where scientific evidence of risks to human health and the environment has been sidelined in public and political debates; believes that broad scientific knowledge, as well as adherence to the precautionary principle in the absence of sufficient scientific data, should guide responsible political decision making; recalls the importance of the 1 Directive 2009/125/EC of the European Parliament and of the Council of 21 October 2009 establishing a framework for the setting of ecodesign requirements for energy-related products (OJ L 285, 31.10.2009, p. 10). 2 Regulation (EC) No 66/2010 of the European Parliament and of the Council of 25 November 2009 on the EU Ecolabel (OJ L 27, 30.1.2010, p. 1). scientific advice of EU agencies in that context; underlines that other guiding principles in EU environmental law and policy include the polluter-pays principle, preventative action, and tackling environmental damage at source; 13. Condemns the Commission’s failure to meet deadlines set out by law for drafting harmonised hazard-based criteria for the identification of endocrine disruptors and for reviewing Regulation (EC) No 1223/20091 (‘Cosmetics Regulation’) with regard to endocrine disruptors; calls on the Commission to immediately review the Cosmetics Regulation with regard to endocrine disruptors without any further delays; regrets that the failure to make sufficient progress on endocrine disruptors poses health risks to citizens and hinders the achievement of priority objective 3 of the 7th EAP; 14. Regrets the lack of progress on developing a Union strategy for a non-toxic environment, the promotion of non-toxic material cycles and reducing exposure to harmful substances including chemicals in products; highlights the fact that further efforts are needed to ensure that, by 2020, all relevant substances of very high concern, including substances with endocrine-disrupting properties, are placed on the REACH candidate list, as laid down in the 7th EAP; calls on the Commission and the Member States to ensure that the combination effects of chemicals are effectively addressed in all relevant Union legislation as soon as possible, with a special emphasis on risks to children arising from exposure to hazardous substances; welcomes the Commission strategy on plastics and calls for its swift implementation; reiterates, in this context, that the promotion of non-toxic material cycles is essential for the sound development of a functioning secondary raw materials market; 15. Underlines that the lack of integration of environmental concerns into other policy areas is one of the root causes of implementation gaps in environmental legislation and policy; considers that synergies between other high-level EU policy instruments (such as the common ***agricultural*** policy (CAP), the common fisheries policy (CFP), the structural funds and the cohesion policy) and improved coherence between high level political priorities remain fundamental to achieving the objectives of the 7th EAP; calls for the Commission and Council, in all their formations, to improve the policy coordination and integration of the objectives of the 7th EAP; underlines, furthermore, the need to integrate all outstanding aspects of the 7th EAP into high level instruments, including the European Semester; 16. Underlines that the potential for establishing new financial mechanisms for biodiversity conservation with a view to reaching the 2020 targets is limited due to the timeframe of the current multiannual financial framework (MFF); calls, in this connection, for the maximum use of resources within the current MFF, including LIFE, CAP and Structural Funds and calls on the inclusion of new financial mechanisms for biodiversity conservation in the next MFF; 17. Welcomes the improvements in the CFP and cohesion policy, which have increased coherence with the 7th EAP; regrets, however, that despite improvements to the regulatory framework the CFP continues to suffer from poor implementation; recalls the importance of healthy fish stocks; 1 Regulation (EC) No 1223/2009 of the European Parliament and of the Council of 30 November 2009 on cosmetic products (OJ L 342, 22.12.2009, p. 59). 18. Recognises that the CAP has progressively integrated environmental concerns but still presents challenges to the achievement of the EAP’s objectives, particularly as regards resource-intensive production and biodiversity; recalls that the CAP has the challenging task of preventing environmental degradation caused by inappropriate ***agricultural*** practices (such as unsustainable biofuels), unsustainable ***agricultural*** intensification and land abandonment, while providing better quality and increased quantities of food and ***agricultural*** raw materials to the ever-growing world population; stresses that further initiatives and support for environmentally sustainable farming methods, including crop rotation and nitrogen fixing plants, are essential and need to consider ***agriculture*** and farmers as part of the solution; 19. Underlines that protecting and enhancing food security in the long term by preventing environmental damage and moving towards a sustainable food system which provides food at reasonable prices for consumers should be key priorities of a reformed CAP; highlights that these objectives can only be achieved by sustainable management of natural resources and policy ***intervention*** which ensures the protection of ecosystems; 20. Recalls that, in the context of climate change and a growing world population, the rising demand for diets rich in animal protein is exerting significant environmental pressures on ***agricultural*** land and increasingly fragile ecosystems; underlines also that diets with excessive amounts of animal fat are increasingly linked to the non-communicable disease burden; 21. Recalls the Commission’s 2016 commitment to mainstream the SDGs into EU policies and initiatives; acknowledges that this commitment lacks a clear strategy and concrete proposals for institutional structures and a governance framework to ensure the mainstreaming of the SDGs into EU policies, legislative proposals, implementation and enforcement; considers it important for the EU to be fully committed, as a pioneer, to attaining the objectives of the 2030 Agenda and sustainable development; underlines, furthermore, that the 7th EAP is a key instrument for the implementation of the SDGs; 22. Notes the high quality of drinking water in the EU; expects the revision of Directive 98/83/EC1 (‘Drinking Water Directive’) to provide the necessary updates to this legal framework; encourages the Commission and the Member States to further integrate the EU’s water objectives into other sectoral policies under the EAP, in particular the CAP; 23. Welcomes the improvements brought by some EU-funded projects, but regrets the missed opportunities to deliver better results as highlighted by the European Court of Auditors (ECA); underlines that the post-2020 MFF must be oriented towards sustainable development and mainstreaming of environmental policy in all funding mechanisms and budgetary lines; emphasises the need to increase green investment, innovation and sustainable growth using new financing tools, both public and private, and different approaches to current investment policy such as the phasing out of environmentally harmful subsidies in order to achieve the long-term vision of the 7th EAP; considers that clearly defined sustainability criteria and performance-based objectives should apply to all EU structural and investment funds; calls for a more efficient and targeted use of the current MFF and the funds under the cohesion and 1 Council Directive 98/83/EC of 3 November 1998 on the quality of water intended for human consumption (OJ L 330, 5.12.1998, p. 32). regional development policies, and for the aforementioned problems referred to by the ECA to be urgently addressed; calls for the Commission and the Member States to support the continuation of and a possible increase in the earmarking of EU budget resources for environment- and climate change-related action; 24. Regrets the persistent shortcomings in the treatment of urban waste water in various regions of Europe; underlines the potential of wastewater treatment and reuse to alleviate water stress situations, reduce direct water withdrawals, ***produce*** biogas and guarantee better management of water resources particularly through irrigation for ***agriculture***; looks forward to the legislative proposal on the reuse of waste water, which will be presented by the Commission in early 2018; 25. Notes that the biggest environmental threats to health are most evident in urban areas but also affect peripheral areas and suburban agglomerations, and that by 2020, 80 % of the population is expected to be living in urban and suburban areas; highlights the fact that emissions of atmospheric pollutants, combined with inadequate ***planning*** and infrastructure, have dramatic economic, social, public health and environmental consequences; notes that air pollution already causes more than 400 000 premature deaths in the EU1 and that health-related external costs range from EUR 330 billion to EUR 940 billion; 26. Notes that at least 10 000 premature deaths in the EU are caused by noise-related illnesses and that in 2012 approximately a quarter of the population of the EU was exposed to levels of noise in excess of the limit values; calls on the Member States to prioritise the monitoring of noise levels in line with Directive 2002/49/EC2, so as to ensure that the applicable limit values for indoor and outdoor environments are respected; 27. Acknowledges the progress on reducing certain atmospheric pollutants, particularly in urban areas, but regrets the persistent problems with air quality, to which emissions from road transport and ***agriculture*** are a significant contributory factor; acknowledges the ‘mobility package’ presented by the Commission in November 2017 and the European Strategy for Low Emission Mobility presented in 2016, which could pave the way for low-emission mobility within the Union; 28. Welcomes the progress made on the circular economy package legislation; urges all parties to strive to reach an agreement with ambitious targets; Recommendations 29. Calls on the Member States to assess their progress towards the objectives of the 7th EAP and to reorient their actions where necessary; urges the Member States to make the results publicly available; 30. Calls on the Commission to ensure that any new legislative proposals fully implement the objectives and measures of the 7th EAP; 1 EEA Report No 13/2017 of 11 October 2017 on ‘Air quality in Europe 2017’. 2 Directive 2002/49/EC of the European Parliament and of the Council of 25 June 2002 relating to the assessment and management of environmental noise (OJ L 189, 18.7.2002, p. 12). 31. Calls on the Commission to ensure the active inclusion of civil society organisations in the assessment of the implementation of EU environmental legislation; 32. Requests that the relevant EU institutions and agencies prioritise research and close knowledge gaps in the following areas: environmental thresholds (tipping points), the circular economy paradigm, the combined effects of chemicals, nanomaterials, hazard identification methods, the impacts of microplastics, the interaction between systemic risks and other health determinants, soil and land use and invasive alien species; 33. Welcomes the Environmental Implementation Review (EIR) as a positive mechanism to improve implementation of EU environmental legislation and policy, which can contribute to the monitoring of the implementation of the 7th EAP, as already stressed in its resolution of 16 November 2017 on the EU Environmental Review; considers that the EIR should fully involve all the relevant stakeholders, including civil society, and should cover the full scope of the EAP’s thematic priority objectives; 34. Calls for the Union and the Member States quickly and definitively to abandon environmentally harmful subsidies; 35. Calls on the Commission and the Member States to increase and coordinate efforts to promote the development and validation of alternative methods to animal testing so that they contribute to the achievement of priority objective No 5 of the 7th EAP; 36. Urges the Commission and the Member States to do more to improve the cognitive and scientific bases of the EU’s environmental policies, increasing the accessibility of data for citizens and fostering public involvement in scientific research; 37. Calls for the EU institutions, as well as national and regional governments where appropriate, to make full use of available specialist knowledge about risks to the environment and human health when making and monitoring policies; 38. Calls for an improved pesticide authorisation system in the EU, based on peer reviewed scientific studies and full transparency on the degree of human and environmental exposure and health risks; calls for improved standards for the monitoring of pesticides and targets for reducing their use; takes note of the Commission communication of 12 December 2017 on the European Citizens’ Initiative ‘Ban glyphosate and protect people and the environment from toxic pesticides’ (C(2017)8414); 39. Calls for sufficient material and human resources to be provided so that EU agencies can conduct their missions and provide the best scientific data, analysis and evidence; 40. Calls on the Commission to ensure that long-term actions with a view to reaching the objective of a non-toxic environment are identified by 2020; 41. Asks the relevant EU agencies and the Commission to increase the quantity and quality of indicators used to monitor progress; calls on the Commission and the Member States to cooperate in the production and collection of new data to create new indicators and improve existing ones; 42. Calls for the issue of implementation to feature as a recurring item in trio-Presidency priorities and ***programmes***, that it be discussed at the Environment Council at least once a year, perhaps through a dedicated Implementation Council, and that this be complemented by another forum in which Parliament and the Committee of the Regions would also be involved; calls for joint Council meetings to address the implementation of cross-sectoral, horizontal issues and common challenges, as well as emerging issues with possible cross-border impacts; 43. Calls for the full implementation of the EU Biodiversity Strategy to be stepped up without delay; 44. Calls for infrastructure projects, particularly those related to TEN-T, to fully consider environmental impacts at regional and project level; notes that coherence between different environmental policies is also relevant; stresses the importance of taking the environment and biodiversity into account in infrastructure projects for renewable hydroelectric and marine power generation; 45. Urges the Member States to make greater efforts to preserve the use and integrity of fresh water reserves, given the uncertainty surrounding the possibility of achieving the sub-objective set out in this regard in the 7th EAP; calls on the Member States to remedy as a matter of priority the poor state of surface waters as the objectives in this area are unlikely to be met by 2020; calls on the competent authorities in the Member States to tackle the pressures on water bodies, by eliminating the causes of water pollution at source, establishing areas where it is forbidden to draw off water for hydroelectric purposes and ensuring the maintenance of ecological flows along rivers; calls on the Commission not to delay in drawing up the conformity assessment for the second cycle of river basin management ***plans*** adopted by the Member States under the Water Framework Directive; 46. Urges further reform of the CAP to align sustainable food production and environmental policy targets, including biodiversity targets, in order to safeguard food security now and in the future; underlines the need for a smart ***agricultural*** policy with strong commitment to deliver public goods and ecosystem services related to soil, water, biodiversity, air quality, climate action and the provision of landscape amenities; calls for an integrated policy with a more targeted and ambitious yet flexible approach, where the granting of support to the ***agricultural*** sector is linked to both food security and the delivery of environmental outcomes; calls on the Member States to recognise agroforestry as ecological focus area in accordance with Article 46 of Regulation (EU) No 1307/20131; calls on the Commission to ensure that environmentally beneficial farming practices are afforded appropriate support in any future revision of the CAP; 47. Calls on the Member States and the Commission to increase the uptake of solutions to environmental challenges, especially where technical solutions exist but are not yet fully deployed, such as reduction of ammonia in ***agriculture***; 48. Calls on the Commission to significantly improve the volume, use and administration of EU funds for the EAP’s objectives; calls for better monitoring, transparency and accountability; calls for the mainstreaming of climate and other environmental issues in 1 Regulation (EU) No 1307/2013 of the European Parliament and of the Council of 17 December 2013 establishing rules for direct payments to farmers under support schemes within the framework of the common ***agricultural*** policy and repealing Council Regulation (EC) No 637/2008 and Council Regulation (EC) No 73/2009 (OJ L 347 of 20.12.2013, p. 608). the EU budget; 49. Calls on the Commission to develop, without delay, a comprehensive, overarching framework strategy on the implementation of the SDGs in the EU, addressing all policy areas and including a review mechanism to assess progress of implementation; requests the Commission to establish an SDG check of all new policies and legislation and to ensure full policy coherence in the implementation of SDGs; 50. Calls on the Commission to guarantee the enforcement of existing EU law and ensure Member States’ full compliance with the objectives of 7th EAP by utilising all tools at its disposal, e.g infringement procedures; 51. Welcomes the existing special reports and performance audits of the ECA and invites the ECA to further analyse other areas relevant to the EAP which have not been included in the work ***programme*** thus far; 52. Calls on the Commission and the competent authorities in the Member States to provide appropriate guidance so that EU funds are more accessible, including for local projects, particularly as regards green infrastructure, biodiversity, and the Birds and Habitats Directives; 53. Calls on the Member States to ensure full implementation of the air quality legislation; calls on regional authorities to provide a supporting framework, particularly with regard to urban ***planning*** and local policy-making, in order to improve health outcomes in all areas, and in particular the worst-affected ones; 54. Urges the competent national and regional authorities to adopt ***plans*** comprising credible measures to put an end to the problem of exceeding the daily and annual limit values set by EU legislation on fine and ultra-fine particles in agglomerations where air quality is poor; highlights the fact that this is essential to achieve priority objectives Nos 2, 3 and 8 of the 7th EAP; 55. Proposes the following actions to improve air quality in urban areas: establishment of low-emission zones; promotion of car-sharing and ride-sharing facilities and services; phasing-out of preferential tax treatment for highly polluting vehicles; introduction of ‘mobility budgets’ for employees as an alternative to company cars; application of parking policies which reduce traffic volumes in congested areas; improvement of infrastructure to encourage cycling and increase multi-modal connections and to improve cycling safety; establishment of pedestrian zones; 56. Calls for enhanced urban ***planning*** and development at the appropriate governance levels to adapt infrastructure for electric and clean vehicles as soon as possible, e.g by installing charging infrastructure, and to deliver environmental and health benefits such as reducing the heat island effect and increasing physical activity, e.g by increasing green infrastructure and recovering abandoned or degraded industrial areas; recognises that these measures would improve air quality, combat diseases and premature mortality caused by pollution, and enable progress to be made towards zero-emission mobility; 57. Calls on the Commission and the Member States to ensure fair intermodal competition and a shift to sustainable transport modes; 58. Calls on the Commission to come forward, by 2019 at the latest, with an overarching Union Environmental Action ***Programme*** for the period after 2020, as required by Article 192(3) of the TFEU; highlights the importance of transparency and democratic accountability when monitoring EU policy; stresses, therefore, that the next EAP should include measurable, results-based midway milestones; 59. Calls on the next Commission to dedicate a priority area of the next legislative term to sustainable development, environmental and climate protection in general and the objectives of the 7th EAP and a forthcoming 8th EAP in particular; º º º 60. Instructs its President to forward this resolution to the Council, the Commission, the European Court of Auditors, the European Environment Agency, and the governments and parliaments of the Member States.

**Load-Date:** April 26, 2018

**End of Document**



[***Council of the European Union: COMMISSION STAFF WORKING DOCUMENT Synopsis report Accompanying the document Communication from the Commission to the Council and the European Parliament A European One-Health Action Plan against Antimicrobial Resistance (AMR) ST 11128 2017 ADD 1***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PDW-MHV1-JDG9-Y06F-00000-00&context=1516831)

Impact News Service

August 31, 2017 Thursday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 4476 words

**Body**

Brussels: Council of the European Union has issued the following document:

11128/17 ADD 1 LES/pm DGB 2C EN Council of the European Union Brussels, 7 July 2017 (OR. en) 11128/17 ADD 1 SAN 293 AGRI 383 VETER 56 COVER NOTE From: Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director date of receipt: 29 June 2017 To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union No. Cion doc.: SWD(2017) 240 final Subject: COMMISSION STAFF WORKING DOCUMENT Synopsis report Accompanying the document Communication from the Commission to the Council and the European Parliament A European One-Health Action ***Plan*** against Antimicrobial Resistance (AMR) Delegations will find attached document SWD(2017) 240 final. Encl.: SWD(2017) 240 final EN EN EUROPEAN COMMISSION Brussels, 29.6.2017 SWD(2017) 240 final COMMISSION STAFF WORKING DOCUMENT Synopsis report Accompanying the document Communication from the Commission to the Council and the European Parliament A European One-Health Action ***Plan*** against Antimicrobial Resistance (AMR) {COM(2017) 339 final} 2 SYNOPSIS REPORT 1. INTRODUCTION This report covers feedback and input from citizens and from administrations, associations and other organisations (hereinafter ‘stakeholders’) as regards a Commission Communication on a One Health action ***plan*** to support Member States in the fight against antimicrobial resistance (AMR) (hereinafter ‘the new One Health action ***plan***’). Stakeholders had the opportunity to provide their feedback on a Commission roadmap on a One Health action ***plan*** against AMR1 from 24 October 2016 to 28 March 2017. In addition, an open public consultation (OPC)2, targeting citizens and stakeholders, on the content for a new One Health action ***plan*** against AMR was open from 27 January to 28 April 20173. 22 stakeholders submitted their feedback on the Commission roadmap. The OPC received replies from 584 participants: 421 citizens and 163 stakeholders.

16 of the 163 stakeholders had also provided comments on the Commission roadmap. The stakeholders represented a great variety of sectors. Over a fifth of the respondents were public or private administrations, followed by non-governmental organisations (NGOs), pharmaceutical industry stakeholders and human healthcare providers. More than half of the respondents (52%) were umbrella organisations or associations representing the interests of stakeholders. As for the citizens, 406 came from 22 Member States while 15 came from non-EU countries. The vast majority of the respondents were highly educated (87% had tertiary education), were employed in the human (39%) or animal (12%) healthcare sectors and admitted to being very well or well informed about AMR and its consequences (48% and 40% respectively), making the sample highly qualified to respond to the OPC. The contributions received confirmed the strong support from citizens and stakeholders for a new One Health action ***plan***, and the importance of a comprehensive approach. Contributions have been taken into account in defining concrete actions under the three main pillars of the new One Health action ***plan***. Most of the contributions taken into account presented policy options which had a clear EU added value for Member States, which were relevant in terms of tackling AMR research and development (R&D) related challenges, or which would help ensure that the EU has a strong voice on AMR at international level. Contributions which went beyond the scope of EU competences were not taken into account. A more detailed factual report on feedback received in the OPC will be published in parallel2. It will offer a more comprehensive overview of the contributions received. 1 [*http://ec.europa.eu/dgs/health\_food-safety/amr/docs/communication\_amr\_2011\_748\_en.pdf*](http://ec.europa.eu/dgs/health_food-safety/amr/docs/communication_amr_2011_748_en.pdf) 2   [*http://ec.europa.eu/dgs/health\_food-safety/amr/consultations/consultation\_20170123\_amr-new-action-*](http://ec.europa.eu/dgs/health_food-safety/amr/consultations/consultation_20170123_amr-new-action-) ***plan***\_en.htm 3 The cut-off date is 28 April 2017. Contributions received by the European Commission after that date could not be taken into account in preparing this report. 3 2. MAKING THE EU A BEST PRACTICE REGION Almost half of the citizens (46%) attributed equal importance to conducting actions against AMR in the human health, animal health and environmental sectors and more than a quarter (27%) were in favour of actions in both the human health and animal health sectors. The views expressed by the stakeholders also corresponded to a One Health approach addressing actions in all three sectors (human health, animal health, and environmental sectors). 2.1 Better evidence and awareness of the challenges of AMR Stakeholders familiar with the EU surveillance systems considered that more improvements are needed on data collection in the animal health side than in the human health side. They pointed to the following possibilities to improve surveillance in the EU, which will be further explored in the implementation phase of the new One Health action ***plan***: • Moving towards a standardised system of data collection in order to reduce disparities in the quality of national data; • For antimicrobial consumption data: o In the human health sector, more granularity in the collection of data (e.g collection at regional, sub-regional, or even local level; stratified by healthcare sector; age/gender specific); o In the animal health sector, consumption data by species; by target population (e.g fattening pigs or breeding sows and boars rather than all pigs); by farming system (e.g intensive farming) and to start collecting data on antimicrobial use in companion animals (e.g cats and dogs); o In both sectors, collecting data on the diagnoses or reasons for prescription; • For antimicrobial resistance data, stakeholders called for broadening the scope of the surveillance systems to cover more pathogens in the human health sector. In both sectors they advocated for a database of resistance genes and for the use of genetic methods to improve data quality. In order to strengthen the evidence base, another stakeholders’ proposal that was put into concrete action in the Communication on the new One Health action ***plan***, is helping Member States in assessing the economic and health burden of AMR. Other stakeholders’ proposals require further consideration and were not translated into concrete actions in the new One Health action ***plan***. These include assessing the economic and health impact of vaccines against major infectious diseases in humans and the effectiveness of vaccination schemes, infection control measures, farming systems and nutrition practices in animals. In terms of awareness, stakeholders were very positive about the Commission complementing Member States’ AMR awareness-raising activities. Almost four times as many (79%) rated the Commission’s efforts as helpful or very helpful compared to those who found these to be less helpful (21%). Stakeholders mainly called for initiatives driven by Member States which would be country-specific, tailor-made and as targeted as possible to citizens and consumers, but also to pharmacists, doctors, dentists, patients, veterinarians, and farmers. These national campaigns are outside of the scope of the new One Health action ***plan***. 4 2.2 Better coordination and implementation of EU rules to tackle AMR To improve coordination of Member States’ action on AMR, stakeholders considered important holding regular discussions within a One Health dedicated network on AMR, gathering experts from the human health, animal health and environmental sectors. They also called on the Commission to coordinate and facilitate the sharing of best practices and exchange of information on Member States’ national action ***plans*** (NAPs) against AMR. The Commission addressed positively this request in the new One Health action ***plan***. 87% of the stakeholders considered that it would be either very helpful or helpful for Member States to define measurable goals to reduce infections in humans and animals, the use of antimicrobials in the human health and animal health sectors and AMR in all three sectors. Concrete actions to support Member States in implementing their NAPs against AMR were included in the new One Health action ***plan***. 2.3 Better prevention and control of AMR To reduce antimicrobial use and prevent the spread of AMR, stakeholders favoured new Commission initiatives in humans, followed by new Commission initiatives in animals and ***agriculture***. Stakeholders strongly called for EU initiatives on infection prevention and control and on prudent use of antimicrobials. The following proposals were translated into concrete actions in the new One Health action ***plan***: • Supporting activities in the human health sector, e.g including training and policies on healthcare-associated infection (HAI) control for all healthcare professionals; • Promoting antimicrobial stewardship teams in hospitals and healthcare facilities and enhancing antimicrobial stewardship policies for all clinicians in primary healthcare and hospitals; • Supporting Member States in ***producing*** treatment guidelines and decision-support tools; • Promoting initiatives in the animal health sector aiming to improve animal husbandry practices for infection prevention and control; • Promoting feeding and animal nutrition strategies developed by national authorities in collaboration with feed industry experts. Stakeholders also suggested proposals concerning actions under Member State competences. The Commission did not include them in the new One Health action ***plan***. These included: • Member States to develop clear national vaccination ***programmes*** in the human health sector with vaccination goals, which acknowledge the role of vaccines in the fight against AMR and to identify and address key barriers to the introduction and roll-out of national vaccination schedules; • Member States to establish national vaccination ***programmes*** in the animal health sector that reflect the diversity in livestock species and husbandry conditions; • Member States to include vaccination schedules in their NAPs against AMR; • Member States to encourage prescribers’ access to rapid diagnostics in order to help them in their decision-making and to set up measures targeting human and animal health providers to promote the use of rapid diagnostics; • Member States to include the use of rapid diagnostics in educational, training and antimicrobial stewardship ***programmes***. 5 Finally, some stakeholders in the homeopathic and alternative medicine sectors called for the promotion of homeopathic and alternative medicinal products (traditional, complementary and alternative medicine) in the fight against AMR. These proposals were not addressed by the Commission in the new One Health action ***plan*** due to the lack of clear evidence. 2.4 Better addressing the role of the environment Stakeholders expressed strong support for initiatives aiming to monitor antimicrobials and resistant microorganisms in the environment. A few stakeholders pointed out that health and economic impact studies should be conducted before defining limitations on antimicrobial discharges to the environment. Stakeholders familiar with antimicrobial discharge pathways to the environment had the opinion that action should be taken to limit antimicrobial discharges from the pharmaceutical manufacturing process. Several stakeholders urged the Commission to adopt an EU ***strategic*** approach to pharmaceuticals in the environment. This action was included in the new One Health action ***plan***, and will be followed, where appropriate, by proposals for measures. A range of options could be considered in the ***strategic*** approach, e.g in relation to manufacturing effluents and collection of unused antimicrobials. As outlined in its Communication, the Commission intends to maximise the use of data from existing monitoring systems to improve knowledge of the occurrence of AMR and the spread of antimicrobials in the environment and thus better inform policy measures. 2.5 A stronger partnership against AMR and better availability of antimicrobials Success against AMR depends on efforts from all levels of governance and multitude of societal actors. Stakeholders considered that the promotion of dialogue between all relevant stakeholders is crucial in order to discuss human and animal antimicrobial development challenges, the regulatory framework for alternatives to the use of antimicrobials, and to accelerate vaccine development for multidrug-resistant pathogenic bacteria. To optimise development ***plans***, pharmaceutical industry stakeholders strongly advocated for early and continuous dialogue with all relevant stakeholders throughout the entire product development cycle. They particularly called for dialogue on a regulatory framework that prioritises the development of antimicrobial medicines, vaccines and diagnostic tests; further enables efficient pathways for medicinal product development; and accelerates review pathways for antimicrobial medicinal products targeting serious and life-threatening infections. Stakeholders in the animal health sector asked for dialogue to properly differentiate in the development phase which new antimicrobials are intended for human use and for use in animals. In line with these comments and suggestions, and as indicated in its Communication on the new One Health action ***plan***, the Commission included initiatives to promote regular dialogues among stakeholders and to encourage them to develop and share their strategies against AMR. Stakeholders had multiple constructive suggestions on how to guarantee the availability of effective antimicrobials (e.g safeguarding of Internet sales and improving and reformulating older antimicrobials in order to be kept longer on the market). The Commission carefully considered these suggestions and addressed them in the new One Health action ***plan***. 6 3. BOOSTING RESEARCH, DEVELOPMENT AND INNOVATION ON AMR Research, development and innovation are essential ***strategic*** pieces in the fight against AMR. Stakeholders familiar with medicinal product development indicated as the main obstacles to bringing new antimicrobials to patients in Europe the lack of funding in R&D on AMR, followed by the lack of economic models incentivising R&D on AMR and a challenging regulatory environment. 3.1 Improve knowledge on detection, effective infection control and surveillance Stakeholders involved in R&D called for funding of basic research, but also for research on communication, behavioural sciences and methods to promote a change in how antimicrobials are used. As indicated in its Communication on the new One Health action ***plan***, the Commission remains committed to supporting research to better understand epidemiology, resistance mechanisms or AMR-related challenges and to improve early detection of disease outbreaks. 3.2 Develop new therapeutics and alternatives In view of prioritising research, 76% of the stakeholders agreed that the EU should develop a list of R&D priorities for resistant pathogens, i.e a priority pathogens list. This option will be further explored in the implementation phase of the new One Health action ***plan***. In addition, views and proposals from stakeholders called for supporting scientific communities to easily access, share resources and use existing data to convert into new knowledge and for supporting scientific research on novel alternatives to antimicrobials (e.g medicinal product repurposing). This input will be translated into policy options to facilitate efforts in the development of new antimicrobials and novel alternatives and to address scientific challenges. 3.3 Develop new preventive vaccines In order to select the appropriate pathogens for the development of new vaccines against AMR pathogens and HAIs, stakeholders considered that it would be beneficial to clearly define priorities and to establish the necessary tools to support this development. In the new One Health action ***plan***, the Commission indicated its commitment to supporting the development of new effective preventive vaccines. 3.4 Develop novel diagnostics Stakeholders considered rapid diagnostic tests essential to inform prescribing and therefore to use antimicrobials appropriately in the human and animal health sectors. They also called for supporting and funding targeted research for innovative, rapid and more mobile technologies in order to facilitate and accelerate the detection and identification of pathogens. Other options addressed by stakeholders fall under Member State competences and include promoting alternative reimbursement systems for rapid diagnostics and encouraging the uptake of rapid diagnostics in the human and animal health sectors. 3.5 Develop new economic models and incentives Stakeholders widely supported the development of new funding and business models for improved access to innovative technological solutions to prevent and control AMR and HAIs. In terms of incentives, stakeholders familiar with funding instruments expressed considerable enthusiasm for funding possibilities under the European Framework ***Programme*** Horizon 2020 (95% considered it very important or important), followed by funding provided by the 7 Innovative Medicines Initiative (IMI) public-private partnership (92% considered it very important or important). But whereas these push mechanisms were very well regarded, pharmaceutical industry stakeholders advocated for complementing them with pull mechanisms rewarding innovation earlier in the product life cycle and reducing the proportion of manufacturer revenue derived from antimicrobial sales volume in order to align with stewardship principles. These options will be explored in the implementation phase of the new One Health action ***plan***. 3.6 Close knowledge gaps on AMR in the environment and how to prevent transmission Stakeholders agreed that a clear understanding of the transmission dynamics between AMR in the environment and humans, animals, and food is lacking. In their contributions stakeholders consistently pointed to funding research on the impact of antimicrobial discharges into the environment and the mitigation of the risk that this may pose. 4. SHAPING THE GLOBAL AGENDA The challenges of AMR are globally shared and due to travel and trade, the spread of AMR can be further facilitated. Citizens expressed strong support for both EU-centred and worldwide action on AMR, which is in line with the actions presented in sections 2 and 4 of this report. Stakeholders considered global coordinated action crucial and expressed a preference for EU efforts in the non-EU European region, followed by the South Asian region and the North African region. These preferences were reflected in the new One Health action ***plan***, with capacity building activities foreseen in EU candidate and potential candidate countries and neighbouring countries (including those where the European Neighbourhood Policy applies), which applies to certain non-EU European and North African countries. Further, activities with the South Asian region are also foreseen under the Better Training for Safer Food (BTSF) initiative. 4.1 A stronger EU global presence Stakeholders expressed clear support for reinforcing cooperation with normative international organisations (e.g WHO, OIE, FAO4, and Codex Alimentarius) to tackle AMR. Stakeholders additionally pointed to international actions including that imports to the EU (e.g food) should meet EU standards and that the Commission should support the establishment of international databases on the monitoring of antimicrobial use and occurrence of resistances. Stakeholder suggestions relating to advocating EU standards and measures on AMR and reinforcing technical cooperation in areas covered by the WHO Global Action ***Plan*** on AMR were reflected in the new One Health action ***plan***. A few stakeholders also urged for action to address discharges to the environment from the pharmaceutical industry by enforcing on-site inspections and amending rules under the Good Manufacturing Practices to include environmental and waste management criteria. In its Communication, the Commission underlined its support for efforts to manage pharmaceutical manufacturing effluents effectively. Enforcing on-site inspections on environmental matters in countries outside of the EU would be beyond the mandate of the Commission. 4 WHO: World Health Organisation, OIE: World Organisation for Animal Health, FAO: Food and ***Agriculture*** Organisation of the United Nations. 8 4.2 Stronger bilateral partnerships for stronger corporation Stakeholders perceived positively fostering bilateral partnerships with key EU trading partners and major regional and global players (e.g USA, Canada, Brazil, China, India, and South-Africa). The Commission is committed to working with ***strategic*** partners in the new One Health action ***plan***. Capacity building, trade and partnership agreements, as well as non-binding cooperation were endorsed by stakeholders. Several stakeholders called for stronger action with countries that export large volumes of antimicrobials to Europe, yet proposals that encroached on national sovereignty were disregarded. 4.3 Cooperating with developing countries In their comments, stakeholders asked for international actions including raising awareness of AMR globally and assisting countries that most require support through surveillance and stewardship capacity building. While the EU can raise political awareness in international forums (e.g United Nations), public awareness-raising activities in third countries are beyond the capacity of the Commission, hence any proposals for activities relating to the Commission directly launching public awareness-raising campaigns in third countries were dismissed. 4.4 Developing a global research agenda Stakeholders expressed favourable opinions on research coordination. In terms of international action, they advocated for improving mapping and coordination of global R&D efforts, and globally supporting R&D efforts, particularly regarding the WHO list of R&D priorities on AMR and addressing multidrug-resistant tuberculosis. 5. CONCLUSION Overall, citizens and stakeholders expressed through their replies very strong support for a new Commission Communication on a One Health action ***plan*** to support Member States in the fight against antimicrobial resistance (AMR). They believed that AMR is a major public health issue in which the EU can bring real added value and propose concrete measures. The feedback provided on the Commission roadmap was used to inform policy-making in the area of AMR and to define the action areas under the three main pillars of the new One Health action ***plan***. The open public consultation results confirmed the input received on the roadmap and provided additional insights. The contributions mentioned in this report have to a great extent been translated into concrete actions in the new One Health action ***plan*** or are being further analysed to be put into possible actions during the implementation phase. In order to make the EU a best practice region, stakeholders acknowledged the importance of developing sound monitoring and surveillance systems at EU level in order to inform policies. Although stakeholders rated positively the information collected by current EU surveillance systems on AMR and antimicrobial consumption, they particularly called for the collection of antimicrobial consumption data amongst individual species in the animal health sector. To strengthen the evidence base they also advocated for generating evidence through health economics and evaluation studies which show the value of policies or ***interventions***. Stakeholders were also very vocal on the relevance of slowing down the emergence of AMR by developing infection prevention and control measures, antimicrobial stewardship ***programmes*** and prudent use policies. Stakeholders in the human health sector called for priority actions on infection prevention and patient safety in hospital environments. They also called for the promotion of vaccination, in particular at Member State level, as an effective public health measure to prevent infections and consequently reduce the need for using antimicrobials. In turn, stakeholders in the animal health sector asked for new initiatives on 9 infection prevention, animal husbandry practices and best practice feeding regimes, and expressed their concern over the reduced availability of existing antimicrobials and the poor availability of vaccines in certain markets. Stakeholders strongly supported initiatives aiming to monitor antimicrobials and AMR in the environment, provided these are backed by a sound science-driven evidence base. They urged the Commission to adopt an EU ***strategic*** approach to pharmaceuticals in the environment. In terms of research, development (R&D) and innovation on AMR, stakeholders were largely in favour of developing a list of priority pathogens at EU level to prioritise R&D and direct pharmaceutical industry R&D investment to the greatest threats. Pharmaceutical industry stakeholders strongly advocated for early and continuous dialogue with all relevant stakeholders throughout the entire product development cycle, and for a regulatory framework that prioritises the development of new antimicrobials, alternatives, vaccines and diagnostic tests. Stakeholders involved in R&D also asked for increased sharing of resources and better use of existing data. As regards the development of new diagnostics, stakeholders asked for targeted funding for innovative, rapid technologies but most prominently for actions to encourage their uptake and include them in antimicrobial stewardship ***programmes***. Stakeholders expressed support towards the development of new funding and business models to encourage the development of new antimicrobials, alternatives, vaccines and rapid diagnostics in order to prevent and control resistant infections and in particular HAIs. They conveyed great importance to push mechanisms such as the European Framework ***Programme*** 2020 and the Innovative Medicines Initiatives, but pharmaceutical industry stakeholders also advocated for pull mechanisms rewarding innovation earlier in the product life cycle. At international level, stakeholders were largely in favour of reinforcing cooperation with international organisations to tackle AMR and fostering bilateral partnerships with key EU trading partners and major regional and global players. Stakeholders indicated preference for capacity building and cooperation in the non-EU European region, but also called for stronger partnerships with China and India, given their role in antimicrobial manufacturing and as major exporters of food products to the EU. Finally, stakeholders called for more capacity development and cooperation activities in low- and middle-income countries.

**Load-Date:** September 7, 2017

**End of Document**



[***Register of Commission documents: from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the mid-term evaluation of the Connecting Europe Facility (CEF) Document date: 2018-02-13 COM\_COM(2018)0066(COR01) COM docume***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RRR-NPW1-F0YC-N1F1-00000-00&context=1516831)

Impact News Service

February 22, 2018 Thursday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 7538 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

EN EN EUROPEAN COMMISSION Brussels, 13.2.2018 COM(2018) 66 final/2 CORRIGENDUM Corrects the date of the document on the cover page. Concerns all languages. REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS on the mid-term evaluation of the Connecting Europe Facility (CEF) {SWD(2018) 44 final/2} 2 INTRODUCTION Europe’s sustainable growth and competitiveness depend on efficient connectivity, both within and to the rest of the world. Achieving well-interconnected, interoperable and efficiently managed transport, energy and digital infrastructures in Europe requires the ability to ***plan*** and invest in a coordinated long-term approach at EU level. The Connecting Europe Facility1 (CEF) is a common, centrally-managed funding ***programme*** for transport, energy and telecommunications infrastructures, with an available budget of EUR 30.4 billion for the years 2014 to 2020. It was established as part of the Europe 2020 strategy for smart, sustainable and inclusive growth and the EU’s ‘20-20-20’ objectives in the area of energy and climate policy.

Based on the respective sectoral guidelines2, CEF supports the development of trans-European networks (TEN)3, with the objective of improving cohesion in the internal market and the EU’s competitiveness in the global market. The general objective of CEF is to foster implementation of projects contributing to the completion of the TEN. This is reflected in the priorities laid down in the guidelines for the three sectors of transport, energy and telecommunications. CEF addresses market failures, focuses on projects of high European added value and helps leverage further investment from the private sector. As outlined in the Communication on the budget for Europe 20204, the Commission considered that 'while the market can and should deliver the bulk of the necessary investments, there is a need to address market failure – to fill persistent gaps, remove bottlenecks and ensure adequate cross-border connections. However, experience shows that national budgets will never give sufficiently high priority to multi-country, cross-border investments to equip the Single Market with the infrastructure it needs. This is one more example of the added value of the EU budget. It can secure funding for the pan-European projects that connect the centre and the periphery to the benefit of all. Therefore, the Commission has decided to propose the creation of a Connecting Europe Facility to accelerate the infrastructure development that the EU needs.” Investment needs in all three sectors were estimated to be around EUR 970 billion when CEF was proposed in 2011. It was expected that the bulk of this investment would be delivered by the private sector, by public support at national level or fostered by regulatory measures. However, the impact assessment5 also identified ‘a need to address market failure — to fill persistent gaps, remove bottlenecks and ensure adequate cross-border connections’. 1 Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013. 2 Regulation (EU) No 1315/2013 of the European Parliament and of the Council of 11 December 2013 on Union guidelines for the development of the trans-European transport network, Regulation (EU) No 347/2013 of the European Parliament and of the Council of 17 April 2013 on guidelines for trans-European energy infrastructure, and Regulation(EU) No 283/2014 of the European Parliament and of the Council of 11 March 2014 on guidelines for trans-European networks in the area of telecommunications infrastructure. 3 Articles 170-174 of the Treaty on the Functioning of the European Union (TFEU). 4 Communication from the Commission to the European Parliament, the Council, the European economic and social Committee and the Committee of the regions: A Budget for Europe 2020, European Commission, 29 June 2011. 5 Commission Staff Working Document (COM(2011) 665 final) accompanying the Regulation establishing the Connecting Europe Facility - Impact Assessment 3 Under the CEF Regulation6, the Commission, in cooperation with the Member States and the beneficiaries concerned, is required to present a report on the mid-term evaluation of the CEF to the European Parliament and the Council no later than 31 December 20177. The evaluation assesses the ***programme***’s overall performance in light of its general and sectoral objectives, as well as compared to what has been achieved as a result of national or EU action. The detailed evaluation is presented in the Commission staff working document (SWD) accompanying this Communication. In line with the Commission’s Better Regulation Guidelines, the evaluation was carried out according to five criteria: effectiveness, efficiency, relevance, coherence and EU added value. The detailed assessment according to these criteria can be found in the SWD, while this Communication highlights the main findings from the process. 1 THE CONNECTING EUROPE FACILITY IS SUPPORTING PROJECTS WHERE THE EU MAKES A DIFFERENCE 1.1 Developing infrastructures that unite The EU’s infrastructure policy has three main dimensions: - common long-term ***planning*** of infrastructure development as regards both its geographical scope and technical characteristics (with different approaches adapted to each sector); - a set of regulatory measures to facilitate investment; - a specific funding instrument, the Connecting Europe Facility. The experience to date with CEF shows a strong positive interaction between these three dimensions. Long-term ***planning*** means that a project pipeline can be prepared in Member States, while, the possibility to receive support for investments with a clear European dimension allows for the development of more integrated networks. As an example, in transport the possibility to support key cross-border sections of infrastructure facilitates the development of a corridor approach among Member States, leading to the coherent ***planning*** of national sections. In energy, the dynamic process of establishing every 2 years a list of projects of common interest (PCIs) located in priority corridors and thematic areas ensures both long-term ***planning*** and adaptation to future needs. In telecommunications, the CEF telecom guidelines list the building blocks and sector-specific digital service infrastructures (DSIs) eligible for funding. Three and a half years after its launch, the type of projects co-financed by CEF strictly matches the EU’s ambition to: (i) increase connectivity at European scale for the three sectors and; (ii) concentrate the support on public goods of a European dimension. CEF contributes to the Commission’s priorities on jobs, growth and investment, the internal market, Energy Union and climate and the Digital Single Market, strengthening the global competitiveness of the EU. Furthermore, CEF provides a substantial share of EU funding for transport and energy projects with a strong contribution to decarbonising the European economy, thus 6 Article 27 of Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013. 7 This report also serves the purpose of reporting to the European Parliament and the Council on progress in the implementation of Regulation (EU) No 283/2014 (Telecommunications guidelines), and in particular on the aspects required under Articles 8(7) and (8). 4 contributing to meeting the EU’s emission reduction targets under the Paris Climate Agreement. In transport, priority has been given to projects to create or improve cross-border connections, complete missing links and eliminate bottlenecks. These can be projects affecting physical sections of the network or EU-level ***programmes*** to develop efficient, interoperable and safer traffic management systems for the different modes of transport. The ‘CEF Transport’ funding objective on cross-border transport infrastructure represents 86 % of the funds currently allocated for transport (EUR 18.35 billion). Examples include the Fehmarn Belt (a multimodal tunnel between Denmark and Germany), the Rail Baltica project, which improves east-west connections between Poland, Lithuania, Latvia and Estonia, and the deployment of SESAR (Single European Sky ATM (Air Traffic Management) Research). Ultimately, CEF is making a concrete contribution to the ambition of achieving a single European transport area. In energy, CEF has addressed obstacles to a better integrated EU energy market through strengthening cross-border connections. The specific aims are to end energy isolation and eliminate bottlenecks. In line with its objectives, ‘CEF Energy’ supports projects carrying significant externalities. It has contributed to increasing security of supply in Member States where this issue is most pressing. Examples include the Gas Interconnector Poland-Lithuania, the first gas interconnector between the eastern Baltic Sea region and continental Europe, and Balticconnector, the first gas interconnector between Finland and Estonia. Sustainability has been addressed by support to innovative electricity projects by co-funding important studies and works: a 600 km subsea link between Ireland and France, compressed air energy storage in Northern Ireland and a smart grids project between Slovenia and Croatia. In telecommunications, priority has been given to deploying trans-European digital services with mature technical and organisational solutions, as listed in the telecom guidelines. These cover areas as diverse as electronic identification- that addresses the challenge of cross-border recognition of nationally issued electronic identification mechanisms (eIdentification or eID), enabling Europeans to access online public services across Europe seamlessly-, and interoperable health services- that facilitate continuity of care and patient safety for citizens seeking cross-border healthcare, allowing health data to be exchanged across national borders-. Since these cross-border services help improve the daily lives of Europeans through digital inclusion and connectivity, they are essential to achieving the digital single market. However, the evaluation found that the telecommunications guidelines limit the ability of the ***programme*** to take full advantage of the latest technological developments and address the new priorities in the political agenda that have subsequently emerged. For broadband, given resource limitations, support has so far been focused on: (i) technical assistance activities that can help projects with a difficult business case to materialise; and (ii) financial instruments with significant leverage potential. 5 1.2 Focusing on EU added value Investments needed to meet connectivity goals are very high in all three sectors covered by the ***programme***. For transport, recent estimations by the Commission8 confirmed in the work ***plans*** of the Core Network Corridor Coordinators reveal that investment needs in the TEN-T core network amount to EUR 750 billion by 2030 alone, and about three times this amount including the comprehensive network and other transport investments such as urban transport, digitalization and maintenance9. In energy, the investment needs for projects that can be classified as PCIs amount to EUR 179 billion over the 2021-2030 period10, the largest share by far being in the electricity sector. In telecommunications, approximately EUR 500 billion worth of investments are estimated to be required to meet ***strategic*** objectives on gigabit connectivity up to 2025, or EUR 155 billion in excess of what can be expected based on current investment trends11. However, these estimates do not include further investments needed to complete deployment of cross-border DSIs. In addition, market failures persist for projects aiming at achieving TEN policy objectives. For example, failures can happen when the costs occur at national/local level whereas the benefits are realised on a European scale, or when the costs and benefits of projects involving several Member States are distributed asymmetrically among them. This is typically the case for cross-border projects and the deployment of EU-wide technological systems, where appropriate financing is usually not provided through the market or the national budget alone. In energy, projects that lack commercial viability fall into this category, as they deliver on externalities like regional security of supply or highly innovative solutions. Since its launch, CEF has focused on providing EU added value12 to the development of connectivity in transport, energy and telecommunications, not only because of the type of public goods with a European dimension it covers, but also because of its focus on projects at national, regional or local level that would not be realised without EU support. More specifically, the EU added value of CEF resides in its capacity to: - steer public and private finance towards EU policy objectives; - enable key investments where the costs are borne at national/local level whereas the benefits are tangible on a European scale; - accelerate the shift to a low-emission and digital society. In transport, CEF has brought a clear added value, in particular for the completion of the TEN-T core network by 2030 and for the low-emission mobility ambition. Some railway and inland waterways infrastructure projects, which are long-term investments (with a lifecycle of 30 to 50 years), could not have been kicked off without the European public grant funding available under CEF. This is the case for the Brenner Base tunnel project, which will remove a key rail bottleneck in the EU between Austria and Italy. The CEF commitment provides 8 The data stems from the Core Network Corridor studies which have been undertaken by external contractors supporting the CNC Coordinators. 9 At the scale of the core network corridors, investments are expected to generate some € 4,500 billion of cumulated GDP and correspond to around 13.000.000 job-years and a reduction of about 7 million tons of CO2 emissions between 2015 and 2030. 10 Based on the study 'Investment needs in trans-European energy infrastructure up to 2030 and beyond', Ecofys, July 2017 11 Communication from the Commission to the European Parliament, the council, the European Economic and Social Committee and the Committee of the Regions. Connectivity for a Competitive Digital Single Market — Towards a European Gigabit Society, COM(2016) 587 final, p. 8. 12 Criteria for assessing the value-added of European Finance were set out in the Reflection Paper on the Future of EU Finances (COM(2017) 358 of 28 June 2017). 6 assurances and sometimes also secures additional sources of financing, notably from the banking sector and private investors. In addition, European flagship ***programmes*** such as the European Rail Traffic Management System (ERTMS) required coordinated implementation of investments across countries and stakeholders to bring the benefits of performance, interoperability and safety. The CEF support through both grant funding and ***programme*** support actions such as capacity building in Member States’ administrations created the conditions for such coordination to happen. In energy, CEF is a key instrument supporting transnational cooperation and generating economies of scale. It is also playing a key role in supporting cross-border energy infrastructure, as PCIs have to deliver benefits to at least two Member States. CEF is a strong catalyst in bringing together project promoters, National Regulatory Authorities and government representatives to solve issues so that cross-border infrastructure projects can be realised. Its grants component is making the difference in promoting cooperation between countries to develop energy interconnection PCIs that otherwise would not happen. This is especially the case for cross-border projects located in countries with smaller population sizes or in a more remote location, where tariffs would need to be increased substantially to cover the investment needs. The Gas Interconnector Poland-Lithuania is a key example of a project that could not have been funded in a purely national context. In telecommunications, CEF has facilitated coordination among Member States on developing standards and enabling interconnected cross-border services. Although Member States have developed solutions that make public services available online, their benefits are confined by national borders. CEF has played a key role in helping these solutions achieve better outcomes by making them interoperable, for the benefit of citizens, businesses and public administration across Europe. Moreover, in some cases like the Electronic Exchange of Social Security Information, as Member States have a legal obligation to ensure cross-border communication between the national social security institutions, CEF has played an important role in strengthening the protection of mobile citizens’ social security rights and helping Member States speed up compliance. In other areas like cybersecurity — where cross-border interoperability is not subject to a legal obligation — CEF has made it possible to put in place a voluntary cooperation platform that strengthens preparedness and response to cyberattacks by providing an EU-wide solution to threats that do not respect national borders. According to stakeholder consultation results, without CEF, the deployment of some DSI would have been significantly delayed or even abandoned. Moreover, basic solutions supported by CEF funding (the so-called building blocks) are creating economies of scale by being extensively reused in more complex digital services, including beyond the remit of CEF, in areas such as ***agriculture***, environment and education13. Finally, EU-level action (including regulatory cooperation) is enabling CEF to overcome shortcomings in information and cooperation among Member States, which can hamper such complex but crucial projects. 13 Information available from the CEF Telecommunications dashboard: [*https://ec.europa.eu/cefdigital/wiki/display/CEFDIGITAL/Reuse+by+domains*](https://ec.europa.eu/cefdigital/wiki/display/CEFDIGITAL/Reuse+by+domains) 7 2. THE CONNECTING EUROPE FACILITY PROVIDES EU SUPPORT IN AN EFFICIENT AND COHERENT MANNER 2.1 Using grants in the most efficient manner Most of the funding provided by CEF is in the form of grants (90 %). Such an approach is appropriate as a large majority of CEF funding relates to projects with wider regional and EU benefits but insufficient national funding or market-based financing. For transport, this is the case for most of the cross-border projects on the trans-European network and for the ‘horizontal’ priorities, particularly traffic management systems such as ERTMS for rail, SESAR for aviation and intelligent transport systems (ITS) for road, as well as alternative fuels. It is also the case for projects where the benefits cannot yet be internalised. In this sector, very high oversubscription rates14 following calls for proposals show a very high demand for EU grants, with the available budget constantly falling short of the sector’s needs. In energy, bottlenecks still exist and further interconnections are still needed to fully integrate the market, ensure security of supply and enable the EU to make optimal use of its renewable resources and thus avoid curtailment. Grants are considered the most appropriate instrument for supporting projects delivering significant positive externalities that go beyond the nationally set tariffs, such as security of supply, technological innovation and solidarity between Member States. In telecommunications, all DSIs have a double layer: the core service platform (CSP) conceived as a central hub that enables the interoperability, and the generic services (GS) as gateways that connect the nationally developed solutions to the CSP. Grants are used to support the deployment of the generic services, whereas procurement is used for the development and operation of the core service platforms. This is justified by the need to address underinvestment at Member State level in interoperable solutions for Pan-European service integration. The Commission proposal for CEF in 2011 contained a total budget of EUR 50 billion (31.7 billion for transport, 9.1 billion for energy and 9.2 billion for telecoms). The cuts that followed during both the negotiation phase and the later negotiations on the European Fund for ***Strategic*** Investments (EFSI) reduced the total funding to EUR 30.44 billion. The telecom sector experienced the most severe reduction (EUR 8 billion, with final allocated funding of EUR 1.04 billion). Completing the TEN set out in the EU policy priorities still requires enormous investments, part of which will depend on continued EU support. The size of CEF currently makes it possible to address only some of the identified market failures (e.g bridging the funding gap with EU support) in all three sectors. Therefore, potential exists for unlocking further public and private investment if additional EU budget was made available to address more market failures. The CEF selection process ensures that the grant funding is modulated per sector and category of investment, taking into account the financing gap for individual projects. For transport, 14 Total requested funding of the eligible proposals compared to the indicative budget of the call. 8 support ranged from 85 % co-funding rates for the cohesion envelope, to maximum co-funding rates ranging between 10 % and 50 % depending on the priority and the nature of the action. For energy, funding rates may be modulated up to 50 %, and — in exceptional cases — increased to a maximum of 75 %. However, this is only possible if proposed actions provide a high degree of regional or EU-wide security of supply, strengthen solidarity or comprise highly innovative solutions. For telecommunications, core service platforms have generally been financed through procurement, while the generic services have been supported through grants applying a co-funding rate of up to 75 % of eligible costs. The competitive nature of the calls and the evaluation and selection mechanism in place mean that projects unable to demonstrate the need for financial assistance in the form of grants can be discarded. Such projects may still consider using existing possibilities under EFSI or the CEF Financial Instruments as appropriate. For a policy-driven instrument with specific sectoral objectives and considering that CEF addresses complex projects with a cross-border or EU-wide interoperability dimension, direct management has been efficient in ensuring a fast allocation of funds and very sound budgetary execution. During their implementation, projects are closely followed by the Innovation and Networks Executive Agency (INEA) to ensure that EU funds are appropriately spent. The CEF budget is optimised thanks to the capacity of INEA to quickly adapt to manage redirected money unspent by certain actions, using it instead for financing new actions. For instance, approximately EUR 600 million was re-injected in a transport call in 2016, while an investment of EUR 120 million was proposed in 2016 to finance a new flagship project, WIFI4EU, in the digital sector. 2.2 Pioneering the use of financial instruments and blending For revenue-generating projects, CEF support can take place in the form of financial instruments. The CEF financial instruments budget can be used to provide a variety of products such as guarantees or senior debt backed by EU capital. They thus help to optimise the use of public funds. Such projects include, for example, capacity extensions in ports, railway links to airports and the development of alternative fuel infrastructure in the transport sector, as well as sub-ordinated loans or guarantees for ring-fenced transmission projects in the energy sector. However, in all three sectors, financial instruments have not been used to the expected extent. The CEF Debt Instrument (CEF DI), building on the experience gained with the Loan Guarantee Instrument for Trans-European Transport (LGTT) and the pilot phase of the Project Bond Initiative (PBI), pioneered the use of financial instruments, but there has been a substitution effect when EFSI was created. The use of the CEF financial instruments is expected to take up during the second half of the programme15 when complementarity between the CEF-specific financial instruments and EFSI will have been ensured following the call for specific guidance by the CEF DI Steering Committee to ensure effective complementarity between the two initiatives. 15 For example, by means of the CEBF (investment from CEF of EUR 100 million). 9 In the energy sector, a number of factors have contributed to CEF DI not being used. One of these is the short pipeline of bankable CEF-eligible projects available at the time the CEF DI went into operation. There is also a competitive range of debt and equity options already available to project promoters due to their sound Regulated Asset Base model for project finance. Nevertheless, joint project monitoring by the European Investment Bank and the Commission has led to a number of PCIs having obtained financing via the former. In addition, an equity instrument is currently being developed. In telecommunications, the landscape of broadband deployment projects is highly diverse and requires a variety of instruments that address location-specific challenges. Whereas debt instruments can cater to commercially-driven deployments with a clear business case that are undertaken by larger players, equity instruments are needed to bridge existing financing gaps by supporting projects with a risker, longer-term business case. The Connecting Europe Broadband Fund (CEBF), due to become operational in the first half of 2018, is expected to play this role. In February 2017, a 'blending call' was launched for CEF Transport. The call, which blends CEF grants with market-based finance, in particular financial instruments available under EFSI, is intended to strengthen complementarity between the two support schemes while at the same time, leveraging other sources of finance notably EFSI, private investors or national promotional banks .Such an approach had previously been successfully applied under CEF on an ad hoc basis in a few cases, such as for the Port of Dublin and the Port of Calais in the transport sector. With EUR 2.2 billion funding requested for a call with an indicative budget of EUR 1 billion, the first experience of this has been very positive. 2.3 Enhancing synergies and coherence, simplifying access Synergies For the first time, CEF has brought the transport, energy and telecommunications sectors under a common funding framework, centrally managed by the Commission. At ***programme*** level, this approach allows for economies of scale by the delegation of the grant management to a single executive agency (INEA) and by the establishment of common procedures across the three sectors (coordinated implementation by the Agency, common Work ***Programmes*** for CEF Financial Instruments, a common CEF coordination Committee comprised of all Member States, grant agreements following a common model). At project level, CEF has so far not fully succeeded in bringing about synergies between the three sectors despite the expectations mentioned in the recitals of the Regulation. This is particularly due to the inherent differences in the sectoral policy objectives and the rigidity of the legal/budgetary framework as regards the eligibility of projects and the eligibility of costs. A EUR 40 million multi-sectoral (transport and energy) pilot call for proposals for studies launched in 2016, therefore fell short of expectations in terms of the number of projects selected (7) and the budget allocation (EUR 24 million). Nevertheless, keeping the three sectors together seems appropriate in light of their common goals and challenges. According to stakeholders consulted during the evaluation, these challenges include the complexity of the infrastructure networks arising from different 10 national systems, their interconnection needs as well as the need to ensure interoperability while constantly adapting to market and technology changes. The number of examples of synergies involving the three sectors covered by CEF is increasing, fostered by recent innovation developments and the fact that synergies are naturally present in each of the sectors or relate to an overarching priority like cybersecurity. Examples include connected cooperative and automated mobility, alternative fuel infrastructure for cars, buses and ships, smartening of the grid, and deployment of 5G along the transport network. Creating the conditions for such projects to continue to materialise will yield further efficiency gains. Complementarity CEF has proven to be complementary to Horizon 2020, the European Structural Investment Funds (ESIF) and to EFSI. Horizon 2020 finances the early stages of the innovation chain, while CEF enables the technological deployment throughout the infrastructure. Both CEF and ESIF contribute to achieving the TEN objectives. While ESIF focuses financial support on the less-developed regions and the 15 Member States which are eligible for Cohesion Fund support, CEF focuses on EU integration through cross-border connections and interconnections, bottleneck removal and interoperability projects. In transport, there is a partial overlap between CEF and ESIF regarding rail projects located on the core TEN-T network, while ESIF also finances projects not eligible to the CEF (for instance road projects, and projects on the comprehensive network). In energy, ESIF focuses on smart distribution grids at local/regional level, while CEF supports transmission infrastructure. In telecommunications sector, ESIF is directed at developing national digital services, while CEF enables the cross-border interoperability of some specific and nationally developed digital services. For the first time, a share of the cohesion budget (EUR 11.3 billion — transport) has been executed under direct management within the CEF framework. This has proved very successful with 100% of the envelope was allocated during the first half of the ***programme*** period, almost exclusively on sustainable transport modes. Targeted technical assistance, lower administrative costs for Member States and clear funding priorities contributed to this success. Regarding EFSI, CEF worked as a catalyst for EFSI as several projects initiated in the context of the CEF DI feeding into the EFSI project pipeline. This was the case for the Grand Contournement Ouest de Strasbourg (A355), the A6 Wiesloch autobahn project, the Transgaz 'BRUA' (Bulgaria-Romania-Hungary-Austria) gas interconnection project, and the Italy-France electricity interconnector. Moreover, projects prepared with CEF support or supported in part with CEF grants for works have started to benefit from EFSI. However, as discussed previously, there has been a substitution effect on the CEF FIs on the part of EFSI. While it was anticipated that CEF would enlarge the possibilities for debt financing of broadband projects, EFSI now makes ample funding available in this respect. It is thus envisaged to focus on equity and quasi-equity support for broadband projects. As indicated above, the CEBF is expected to complement existing instruments (i.e debt-based EFSI 11 support to commercially-driven deployments with a clear business case and ESIF grants to mainly public-driven deployments). The CEF contribution of risk-absorbing capital for equity-type support will be complemented by a lower risk tranche from EFSI as well as a market tranche composed of National Promotional Bank and private-sector shares (multi-layer fund structure). An additional gap is becoming increasingly apparent but has not been addressed by either EFSI, the CEBF or ESIF, in particular for projects on the borderline of commercial viability (even in the long term). In the area of broadband, this gap could be addressed through a structured blending instrument combining both public grants and financing support with private investment. Simplification Improvements in the application process have resulted in simpler and time-saving procedures for beneficiaries and the Commission. Examples of such improvements include the introduction of electronic tools for exchanges with the beneficiaries and

the replacement of grant decisions adopted by the Commission by grant agreements whose signature was delegated to the Director of INEA. For beneficiaries, the administrative costs have been deemed to be overall proportionate to the financial support provided. The evaluation results indicate, however, that legal and administrative requirements for approving and implementing actions may impose disproportionate costs on smaller actions, for which simplified forms of support could be better adapted. This was particularly true for telecommunications, where the average grant size was just EUR 1 million. Furthermore, also for telecommunications sector, the adoption of annual work ***programmes*** does not enable the ***planning*** of long-term financing for the actions and creates administrative burden as regards the management of the ***programme***. 3 THE CONNECTING EUROPE FACILITY IS ON TRACK TO DELIVER RESULTS 3.1 Contributing to the sectoral policy objectives The CEF is focused on the following long-term EU policy objectives:  Transport: by 2030, completion of the TEN-T Core Network, including the deployment of SESAR and ERTMS, and transition towards clean, competitive and connected mobility, including an EU backbone of alternative fuels charging infrastructure by 2025; progress towards the completion of the TEN-T comprehensive network by 2050.  Energy: by 2030, completion of the TEN-E priority corridors and thematic areas aligned with “Clean Energy for all Europeans' and long-term decarbonisation objectives, namely to smarten and digitalise the grids, to reach the 2030 interconnection targets (including for peripheral Member States), to develop meshed off-shore grids and to ensure security of supply, also through synchronisation.  Digital: by 2030, maximising the benefits of the digital single market for all citizens and businesses with the achievement of a fully cyber-secure gigabit society by 2025, preparing for terabit connectivity by 2030 and the roll-out of EU-wide data and digital service infrastructure supporting the digital transformation of key areas of public interest, from healthcare to mobility and public administrations. 12 As the ***programme*** is in the early stages of implementation, only limited data on actual outputs and results is available. It was therefore often not possible to measure progress towards sectoral policy objectives during the evaluation. However, almost all stakeholders who responded to the technical survey believe CEF will effectively achieve the development of modern and high-performing trans-European networks in transport, energy and telecommunications, at least to some extent (99%, 97% and 96%, with 33%, 38% and 21% agreeing fully). Most of the CEF transport envelope was awarded for the completion of missing links and removal of bottlenecks on projects along the TEN-T Core Network (either through the creation of new infrastructure or the substantial upgrading and rehabilitating of existing infrastructure). In energy, CEF grants effectively contribute to enhancing security of supply, ending energy isolation, eliminating energy bottlenecks, completing the internal energy market and to enhancing the integration of renewable energy into the grid. Examples of key CEF energy projects include Balticconnector, the first interconnector between Finland and Estonia, and the Gas Interconnector Poland-Lithuania, , which will enable these Member States to diversify their gas sources and routes, safeguarding them against possible future supply disruptions. In telecommunications, there is evidence that CEF support for the deployment of DSIs is enabling public administrations, citizens and businesses to benefit from more comprehensive and efficient cross-border online services, thereby contributing to enhance the competitiveness of private and public actors alike. Examples notably include the establishment of cooperation mechanisms and increase of capabilities to respond to cyber threats, easier access for companies to national procurement procedures in other EU Member States, streamlined invoicing procedures and cross-border recognition and validation of eIdentification and eSignature. CEF also helps remove the bottlenecks which hinder the completion of the Digital Single Market, although the limited budget has so far only allowed to partially address the sector's needs. In the three sectors it covers, CEF is instrumental in: (i) the deployment of EU-wide new systems in traffic management and safety (e.g SESAR for aviation, ERTMS for railways, ITS for roads); (ii) the deployment of high-performance electricity lines and cross-border smart grids in energy; and (iii) the roll-out of interconnected Digital Services (such as eHealth, Cyber Security, eProcurement, eIdentification and eSignature). 3.2 Contributing to smart, sustainable and inclusive growth CEF supports investments in modern and high-performing networks throughout the EU, which are essential for creating the conditions for a competitive economy. Since 2014, it has invested EUR 25 billion, resulting in approximately EUR 50 billion of overall infrastructure investment in the EU. 13 CEF spending in transport and energy is a major contributor to the EU’s target of at least 20 % of the total EU budget to be dedicated to climate action-related spending16. Well integrated networks in energy and transport and the promotion of low-carbon transport modes help keep the cost of decarbonisation in check. While the contribution of CEF-supported action to the specific targets cannot be measured fully at this mid-term evaluation stage, an analysis of its contribution was performed under the mid-term review of the 2014-2020 multiannual financial framework. That analysis showed that CEF effectively and significantly contributed to the EU target, with a share of commitment appropriations estimated at an average of more than 5 % of total climate change finance in the EU budget for 2014-2016. This average rose to 35 % when considering the CEF’s contribution to the ‘Competitiveness for Growth and Jobs’ heading of the EU budget. In transport, the CEF contributes to the EU target with 81 % of the total amount of funding awarded to lower emission transport modes, in particular rail and inland waterways, thereby enabling a modal shift. In addition, the ***programme*** funds new technologies aimed at decarbonising transport, in particular alternative fuels, and their deployment along the transport infrastructure. For example, the LNG Motion project aims to increase Liquefied Natural Gas (LNG) availability along the TEN-T Core Network covering France, Belgium, the Netherlands, Germany, Poland, Spain, Italy, Hungary and Romania, mainly for road transport. This project receives an EU grant contribution of EUR 27.8 million out of a total cost of EUR 55.5 million (50% co-funding rate). In energy, 40 % of CEF allocations are assumed to contribute to mainstreaming of climate action at ***programme*** level. Electricity projects contribute to reducing CO2 emissions by increasing grid capacity to integrate power ***produced*** from renewable sources. CONCLUSIONS The evaluation has illustrated that after the first 3 and a half years of CEF implementation, the ***programme*** is on track, although it is much too early to measure results given that the ***programme*** is at the early stage of implementation. Moreover, the performance framework provided in Regulation is lacking well defined or robust indicators. With this reservation in mind, the evaluation has shown that:  CEF is an effective and targeted instrument for investment in trans-European infrastructure (TEN) in transport, energy and the digital sector. Since 2014, it has invested EUR 25 billion, which has resulted in approximately EUR 50 billion of overall infrastructure investment in the EU. CEF contributes to the Commission’s priorities on jobs, growth and investment, the internal market, Energy Union and climate, and the Digital Single Market'. In so doing it is strengthening the competitiveness of the EU economy.  CEF brings high European added value for all Member States by supporting connectivity projects with a cross-border dimension. Most funding is awarded to projects bridging 16 On telecommunications, significant contributions to reducing CO2 emissions can be expected from projects implementing digital solutions. However, no methodology is currently applied in the context of CEF to estimate such reductions. 14 missing links and removing bottlenecks, with the aim of ensuring the proper functioning of the EU internal market and territorial cohesion among Member States in the transport, energy and digital sectors. Projects in energy also provide security of supply and are key for the cost-effective decarbonisation of the economy. CEF is also instrumental in the deployment of EU-wide new systems in traffic management and safety (e.g SESAR for aviation, ERTMS for railways), high-performance electricity lines and smart grids essential for the rapid intake of renewable non-carbon energy sources, and in the roll-out of broadband and interconnected Digital Services (such as Open Data, e-Health, e-Procurement, eIdentification and eSignature).  The direct management of CEF grants has proved very efficient, with a strong project pipeline and a competitive selection process, a focus on EU policy objectives, coordinated implementation and the full involvement of Member States. The INEA executive agency has a very good track record on the financial management of the CEF and on optimising the budget, particularly thanks to its flexibility in quickly re-directing money unspent by certain actions to financing new ones.  For the first time, a share of the cohesion budget (EUR 11.3 billion for transport) was executed under direct management within the CEF framework. 100 % of the envelope was allocated during the first half of the ***programme*** period, almost exclusively on sustainable transport modes. Targeted technical assistance, lower administrative costs for Member States, clear funding priorities and a solid project pipeline stemming from the continuity of projects and studies formerly supported by the TEN-T ***Programme*** or by the Cohesion Policy instruments contributed to the fast allocation of funds.  CEF has continued to use and develop innovative financial instruments. However, their deployment has been limited due to the new possibilities offered by EFSI. The use of the CEF financial instruments is expected to take up during the second half of the ***programme*** when complementarity between the CEF specific financial instruments and EFSI will have been ensured.  Moreover, a very positive first experience of blending grants with financial instruments was carried out in 2017 in transport, with EUR 2.2 billion funding requested for a call with an indicative budget of EUR 1 billion, enabling the use of grants to maximise the leverage of private or public funds.  CEF spending in transport and energy is a major contributor to the EU’s target of at least 20 % of the total EU budget to be dedicated to climate action-related spending.  In the Telecom sector, the dual focus of CEF on digital cross border services of public interest and communication and computing infrastructure has shown that the ***programme*** has an important impact on achieving the EU digital single market goals, enabling citizens and businesses to access high quality digital services across Europe. It has helped develop and implement common policies to address societal challenges including the digital transformation of healthcare, cybersecurity and digitisation of governments. However, as the proposed funding for the CEF Telecom was significantly cut, the ***programme*** funding could only support the very first steps towards a full cross border digital infrastructure in areas of public interest. 15  CEF has also tested cross-sectoral synergies, but has been limited by constraints in the current legal/budgetary framework. The sectoral policy guidelines and the CEF instrument would need to be made more flexible to facilitate synergies and be more responsive to new technological developments and priorities such as digitalisation, while accelerating decarbonisation and addressing common societal challenges such as cybersecurity.  The completion of the TEN defined in the EU policy priorities will still require massive investments, part of which will depend on continued EU support. The size of CEF currently makes it possible to address only some of the identified market failures in all three sectors. Therefore, potential exists for unlocking further public and private investment if additional EU budget was made available to address market failures.

**Load-Date:** February 27, 2018

**End of Document**



[***Register of Commission documents:European Parliament legislative resolution of 30 November 2017 on the joint text on the draft general budget of the European Union for the financial year 2018 approved by the Conciliation Committee under the budgetary procedure (14587/2017 – C8-0416/2017 – 2017/2044(BUD)) Document date: 2017-11-30 P8\_TA-PROV(2017)0458 Texts adopted (provisional edition***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5R7G-CX11-JDG9-Y0TW-00000-00&context=1516831)

Impact News Service

December 21, 2017 Thursday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 6364 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

European Parliament 2014-2019 TEXTS ADOPTED Provisional edition P8\_TA-PROV(2017)0458 2018 budgetary procedure European Parliament legislative resolution of 30 November 2017 on the joint text on the draft general budget of the European Union for the financial year 2018 approved by the Conciliation Committee under the budgetary procedure (14587/2017 – C8-0416/2017 – 2017/2044(BUD)) The European Parliament, – having regard to the joint text approved by the Conciliation Committee and the relevant Parliament, Council and Commission statements (14587/2017 – C8-0416/2017), – having regard to the draft general budget of the European Union for the financial year 2018, which the Commission adopted on 29 June 2017 (COM(2017)0400), – having regard to the position on the draft general budget of the European Union for the financial year 2018, which the Council adopted on 4 September 2017 and forwarded to Parliament on 13 September 2017 (11815/2017 – C8-0313/2017), – having regard to Letter of amendment No 1/2018 to the draft general budget of the European Union for the financial year 2018, which the Commission presented on 16 October 2017, – having regard to its resolution of 25 October 2017 on the Council position on the draft general budget of the European Union for the financial year 20181 and to the budget amendments contained therein, – having regard to Article 314 of the Treaty on the Functioning of the European Union, – having regard to Article 106a of the Treaty establishing the European Atomic Energy Community, – having regard to Council Decision 2014/335/EU, Euratom of 26 May 2014 on the system of own resources of the European Union2, – having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general 1 Texts adopted of that date, P8\_TA(2017)0408. 2 OJ L 168, 7.6.2014, p. 105. budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/20021, – having regard to Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-20202, – having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management3, – having regard to Rule 90 and Rule 91 of its Rules of Procedure, – having regard to the report of its delegation to the Conciliation Committee (A8-0359/2017), 1. Approves the joint text agreed by the Conciliation Committee, which consists of the following documents taken together: - list of budget lines not modified, compared to the draft budget or the Council's position; - summary figures by financial framework headings; - line by line figures on all budget items; - a consolidated document showing the figures and final text of all lines modified during the conciliation; 2. Confirms the joint statements by Parliament, the Council and the Commission annexed to this resolution; 3. Takes note of the unilateral statements by the Commission and by the Council annexed to this resolution; 4. Instructs its President to declare that the general budget of the European Union for the financial year 2018 has been definitively adopted and to arrange for its publication in the Official Journal of the European Union; 5. Instructs its President to forward this legislative resolution to the Council, the Commission, the other institutions and bodies concerned and the national parliaments.

1 OJ L 298, 26.10.2012, p. 1. 2 OJ L 347, 20.12.2013, p. 884. 3 OJ C 373, 20.12.2013, p. 1. ANNEX 18.11.2017 FINAL Budget 2018 – Elements for joint conclusions These joint conclusions cover the following sections: 1. Budget 2018 2. Budget 2017 – Draft Amending Budget 6/2017 3. Statements Summary overview A. Budget 2018 According to the elements for joint conclusions: - The overall level of commitment appropriations in the 2018 budget is set at EUR 160 113,5 million. Overall, this leaves a margin below the MFF ceilings for 2018 of EUR 1 600,3 million in commitment appropriations. - The overall level of payment appropriations in the 2018 budget is set at EUR 144 681,0 million. - The Flexibility Instrument for 2018 is mobilised in commitment appropriations for an amount of EUR 837,2 million for heading 3 Security and Citizenship. - The Global margin for commitments is used at a level of EUR 1 113,7 million for heading 1a Competitiveness for Growth and Jobs and heading 1b Economic, Social and Territorial Cohesion. - The decision EU 2017/344 of the European Parliament and of the Council of 14 December 2016 on the mobilisation of the Contingency margin in 20171 will be amended to adjust the offsetting profile to decrease the amount offset in heading 5 Administration in 2018 from EUR 570 million to EUR 318 million and correspondingly introduce offsetting of EUR 252 million for the same heading in 2020. - The 2018 payment appropriations related to the mobilisation of the Flexibility Instrument in 2014, 2016, 2017 and 2018 are estimated by the Commission at EUR 678,3 million. B. Budget 2017 According to the elements for joint conclusions, Draft Amending Budget 6/2017 is accepted as proposed by the Commission. 1 OJ L 50, 28.2.2017, p. 57. 1. Budget 2018 1.1 'Closed' lines Unless stated otherwise below in these conclusions, all budget lines not amended by either Council or Parliament, and those for which Parliament accepted Council's amendments during their respective reading, are confirmed. For the other budget lines, the Conciliation Committee has agreed on the conclusions included in sections 1.2 to 1.7 below. 1.2 Horizontal issues Decentralised agencies The EU contribution (in commitment and payment appropriations and the number of posts) for all decentralised agencies are set at the level proposed by the Commission in the Draft Budget, as amended by Amending Letter 1/2018 with the exception of: Under heading 3: o The European Police Office (EUROPOL, budget article 18 02 04) for which 10 additional posts are allocated and commitment and payment appropriations increased by EUR 3 690 000. o The European Asylum Office (EASO, budget article 18 03 02) for which the commitment and payment appropriations are increased by EUR 5 000 000. o The European Body for the Enhancement of Judicial Cooperation (EUROJUST, budget article 33 03 04) for which 5 additional posts are allocated and commitment and payment appropriations increased by EUR 1 845 000. Under heading 1a: o The European GNSS Agency (GSA, budget article 02 05 11) for which 5 additional posts are allocated and commitment and payment appropriations increased by EUR 345 000. o The European Securities and Markets Authority (ESMA, budget article 12 02 06) for which the level of commitment and payment appropriations and the number of posts are reduced at the level of the Draft Budget. Executive agencies The EU contribution (in commitment and payment appropriations and the number of posts) for executive agencies are set at the level proposed by the Commission in the Draft Budget 2018, as amended by Amending Letter 1/2018. Pilot Projects/Preparatory Actions A comprehensive package of 87 pilot projects/preparatory actions (PP/PA), for a total amount of EUR 100,0 million in commitment appropriations is agreed as proposed by the Parliament in addition to the preparatory action proposed by the Commission in the Draft budget 2018. When a pilot project or a preparatory action appears to be covered by an existing legal basis, the Commission may propose the transfer of appropriations to the corresponding legal basis in order to facilitate the implementation of the action. This package fully respects the ceilings for pilot projects and preparatory actions set in the Financial Regulation. 1.3 Expenditure headings of the financial framework - commitment appropriations After taking into account the above conclusions on 'closed' budget lines, agencies and pilot projects and preparatory actions, the Conciliation Committee has agreed on the following: Heading 1a – Competitiveness for Growth and Jobs Commitment appropriations are set at the level proposed by the Commission in the Draft Budget, as amended by Amending Letter 1/2018 but with the adjustments, agreed by the Conciliation Committee, detailed in the following table: In EUR Budget line / ***Programme*** Name DB 2018 (incl. AL1) Budget 2018 Difference 1.1.11 European satellite navigation systems (EGNOS and Galileo) -4 090 000 02 05 01 Developing and providing global satellite-based radio navigation infrastructures and services (Galileo) by 2020 623 949 000 621 709 000 -2 240 000 02 05 02 Providing satellite-based services improving the performance of GPS to gradually cover the whole European Civil Aviation Conference (ECAC) region by 2020 (EGNOS) 185 000 000 183 150 000 -1 850 000 1.1.13 European Earth Observation ***Programme*** (Copernicus) -10 370 000 02 06 01 Delivering operational services relying on space-borne observations and in-situ data (Copernicus) 130 664 000 129 364 000 -1 300 000 02 06 02 Building an autonomous Union’s Earth observation capacity (Copernicus) 507 297 000 498 227 000 -9 070 000 1.1.14 European Solidarity Corps (ESC) -30 000 000 15 05 01 European Solidarity Corps 68 235 652 38 235 652 -30 000 000 1.1.31 Horizon 2020 110 000 000 02 04 02 01 Leadership in space 173 389 945 184 528 490 11 138 545 02 04 02 03 Increasing innovation in small and medium-sized enterprises (SMEs) 36 937 021 43 178 448 6 241 427 06 03 03 01 Achieving a resource-efficient, environmentally-friendly, safe and seamless European transport system 53 986 199 56 835 072 2 848 873 08 02 01 01 Strengthening frontier research in the European Research Council 1 827 122 604 1 842 122 604 15 000 000 08 02 02 01 Leadership in nanotechnologies, advanced materials, laser technology, biotechnology and advanced manufacturing and processing 518 395 125 524 204 453 5 809 328 08 02 03 03 Making the transition to a reliable, sustainable and competitive energy system 330 244 971 336 486 398 6 241 427 08 02 03 04 Achieving a European transport system that is resource-efficient, environmentally friendly, safe and seamless 230 777 055 239 323 675 8 546 620 08 02 03 05 Achieving a resource-efficient and climate change resilient economy and a sustainable supply of raw materials 297 738 618 303 307 891 5 569 273 08 02 08 SME instrument 471 209 870 481 209 870 10 000 000 09 04 02 01 Leadership in information and communications technology 722 055 754 725 189 515 3 133 761 In EUR Budget line / ***Programme*** Name DB 2018 (incl. AL1) Budget 2018 Difference 15 03 01 01 Marie Skłodowska-Curie actions — generating, developing and transferring new skills, knowledge and innovation 870 013 019 885 710 765 15 697 746 32 04 03 01 Making the transition to a reliable, sustainable and competitive energy system 300 984 111 320 757 111 19 773 000 1.1.4 Competitiveness of enterprises and small and medium-sized enterprises (COSME) 15 000 000 02 02 02 Improving access to finance for small and medium-sized enterprises (SMEs) in the form of equity and debt 199 554 000 214 554 000 15 000 000 1.1.5 Education, Training and Sport (Erasmus+) 54 000 000 15 02 01 01 Promoting excellence and cooperation in the European education and training area and its relevance to the labour market 1 955 123 300 1 979 123 300 24 000 000 15 02 01 02 Promoting excellence and cooperation in the European youth area and the participation of young people in European democratic life 182 672 916 212 672 916 30 000 000 1.1.7 Customs, Fiscalis and Anti-Fraud -1 365 232 14 02 01 Supporting the functioning and modernisation of the customs union 80 071 000 78 860 555 -1 210 445 14 03 01 Improving the proper functioning of the taxation systems 32 043 000 31 888 213 -154 787 1.1.81 Connecting Europe Facility (CEF) - Energy -19 773 000 32 02 01 04 Union contribution to Financial Instruments for creating an environment more conducive to private investment for energy projects 19 773 000 0 -19 773 000 1.1.DAG Decentralised agencies -3 965 555 02 05 11 European GNSS Agency 30 993 525 31 338 525 345 000 12 02 06 European Securities and Markets Authority (ESMA) 15 947 170 11 636 615 -4 310 555 1.1.OTH Other actions and ***programmes*** -2 346 000 02 03 02 01 Support to standardisation activities performed by CEN, Cenelec and ETSI 18 908 000 18 562 000 -346 000 26 02 01 Procedures for awarding and advertising public supply, works and service contracts 8 500 000 7 500 000 -1 000 000 29 02 01 Providing quality statistical information, implementing new methods of production of European statistics and strengthening the partnership within the European Statistical System 59 475 000 58 475 000 -1 000 000 1.1.PPPA Pilot projects and preparatory actions 51 650 000 1.1.SPEC Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission -2 900 000 01 02 01 Coordination and surveillance of, and communication on, the economic and monetary union, including the euro 12 000 000 11 500 000 -500 000 04 03 01 08 Industrial relations and social dialogue 16 438 000 15 038 000 -1 400 000 In EUR Budget line / ***Programme*** Name DB 2018 (incl. AL1) Budget 2018 Difference 06 02 05 Support activities to the European transport policy and passenger rights including communication activities 11 821 000 10 821 000 -1 000 000 Total 155 840 213 As a consequence, the agreed level of commitment appropriations is set at EUR 22 001,5 million, with no margin left under the expenditure ceiling of heading 1a of EUR 21 239 million, and the use of the Global Margin for Commitments for an amount of EUR 762,5 million. Heading 1b – Economic, social and territorial Cohesion Commitment appropriations are set at the level proposed by the Commission in the Draft Budget, as amended by Amending Letter 1/2018 but with the adjustment, agreed by the Conciliation Committee, detailed in the following table: In EUR Budget line / ***Programme*** Name DB 2018 (incl. AL1) Budget 2018 Difference 1.2.5 Youth Employment initiative (specific top-up allocation) 116 666 667 04 02 64 Youth Employment Initiative 233 333 333 350 000 000 116 666 667 1.2.PPPA Pilot projects and preparatory actions 7 700 000 Total 124 366 667 As a consequence, the agreed level of commitment appropriations is set at EUR 55 532,2 million, with no margin left under the expenditure ceiling of heading 1b of EUR 55 181 million, and the use of the Global Margin for Commitments for an amount of EUR 351,2 million. Heading 2 – Sustainable Growth: Natural Resources Commitment appropriations are set at the level proposed by the Commission in the Draft Budget, as amended by Amending Letter 1/2018 but with the adjustments, agreed by the Conciliation Committee, detailed in the following table: In EUR Budget line / ***Programme*** Name DB 2018 (incl. AL1) Budget 2018 Difference 2.0.10 European ***Agricultural*** Guarantee Fund (EAGF) — Market related expenditure and direct payments -229 900 000 05 03 01 10 Basic payment scheme (BPS) 16 556 000 000 16 326 100 000 -229 900 000 2.0.PPPA Pilot projects and preparatory actions 15 600 000 Total -214 300 000 The decrease of commitment appropriations is fully attributed to higher assigned revenue available arising from the EAGF surplus of 31 October 2017 which will cover the full needs of the sector as updated in Amending Letter 1/2018. Among these updated needs, Amending Letter 1/2018 increases the payments for : Young farmers by EUR 34 million (budget item 05 03 01 13), ***Agricultural*** practices beneficial for the climate and environment by EUR 95 million (budget item 05 03 01 11), Other measures for pigmeat, poultry, eggs, bee-keeping and other animal products by EUR 60 million (budget item 05 02 15 99) National support ***programmes*** for the wine sector by EUR 7 million (budget item 05 02 09 08), and Storage measures for skimmed-milk powder by EUR 2 million (budget item 05 02 12 02). As a consequence, the agreed level of commitment appropriations is set at EUR 59 285,3 million, leaving a margin of EUR 981,7 million under the expenditure ceiling of heading 2. Heading 3 – Security and Citizenship Commitment appropriations are set at the level proposed by the Commission in the Draft Budget, as amended by Amending Letter 1/2018 but with the adjustments, agreed by the Conciliation Committee, detailed in the following table: In EUR Budget line / ***Programme*** Name DB 2018 (incl. AL1) Budget 2018 Difference 3.0.11 Creative Europe 3 500 000 15 04 01 Strengthening the financial capacity of SMEs and small and very small organisations in the European cultural and creative sectors, and fostering policy development and new business models 34 528 000 35 528 000 1 000 000 15 04 02 Culture sub-***programme*** — Supporting cross-border actions and promoting transnational circulation and mobility 68 606 000 71 106 000 2 500 000 3.0.8 Food and feed -6 500 000 17 04 01 Ensuring a higher animal health status and high level of protection of animals in the Union 161 500 000 160 000 000 -1 500 000 17 04 02 Ensuring timely detection of harmful organisms for plants and their eradication 25 000 000 22 000 000 -3 000 000 17 04 03 Ensuring effective, efficient and reliable controls 57 483 000 55 483 000 -2 000 000 3.0.DAG Decentralised agencies 10 535 000 18 02 04 European Union Agency for Law Enforcement Cooperation (Europol) 116 687 271 120 377 271 3 690 000 18 03 02 European Asylum Support Office (EASO) 85 837 067 90 837 067 5 000 000 33 03 04 The European Union’s Judicial Cooperation Unit (Eurojust) 36 506 468 38 351 468 1 845 000 3.0.PPPA Pilot projects and preparatory actions 12 650 000 Total 20 185 000 As a consequence, the agreed level of commitment appropriations is set at EUR 3 493,2 million, with no margin left under the expenditure ceiling of heading 3, and the mobilisation of EUR 837,2 million through the Flexibility Instrument. Heading 4 – Global Europe Commitment appropriations are set at the level proposed by the Commission in the Draft Budget, as amended by Amending Letter 1/2018, but with the adjustments, agreed by the Conciliation Committee, detailed in the following table: In EUR Budget line / ***Programme*** Name DB 2018 (incl. AL1) Budget 2018 Difference 4.0.1 Instrument for Pre-accession assistance (IPA II) -95 000 000 05 05 04 02 Support to Turkey — Economic, social and territorial development and related progressive alignment with the Union acquis 148 000 000 131 000 000 -17 000 000 22 02 01 01 Support to Albania, Bosnia and Herzegovina, Kosovo1, Montenegro, Serbia and the former Yugoslav Republic of Macedonia — Political reforms and related progressive alignment with the Union acquis 189 267 000 199 267 000 10 000 000 22 02 03 01 Support to Turkey — Political reforms and related progressive alignment with the Union acquis 217 400 000 167 400 000 -50 000 000 22 02 03 02 Support to Turkey - Economic, social and territorial development and related progressive alignment with the Union acquis 274 384 000 236 384 000 -38 000 000 4.0.2 European Neighbourhood Instrument (ENI) 50 000 000 22 04 01 03 Mediterranean countries — Confidence building, security and the prevention and settlement of conflicts 262 072 675 296 072 675 34 000 000 22 04 01 04 Support to the peace process and financial assistance to Palestine and to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) 293 379 163 299 379 163 6 000 000 22 04 02 02 Eastern Partnership — Poverty reduction and sustainable development 351 556 726 361 556 726 10 000 000 4.0.3 Development Cooperation Instrument (DCI) 20 000 000 21 02 07 03 Human development 193 374 058 205 874 058 12 500 000 21 02 20 Erasmus+ — Contribution from the development cooperation instrument (DCI) 94 928 673 102 428 673 7 500 000 4.0.4 Partnership instrument for cooperation with third countries (PI) -3 000 000 19 05 01 Cooperation with third countries to advance and promote Union and mutual interests 126 263 000 123 263 000 -3 000 000 4.0.OTH Other actions and ***programmes*** -1 083 000 13 07 01 Financial support for encouraging the economic development of the Turkish Cypriot community 32 473 000 34 473 000 2 000 000 21 02 40 Commodities agreements 5 583 000 2 500 000 -3 083 000 4.0.PPPA Pilot projects and preparatory actions 8 900 000 4.0.SPEC Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission 1 000 000 19 06 01 Information outreach on the Union’s external relations 12 000 000 15 000 000 3 000 000 1 This designation is without prejudice to positions on status, and is in line with the United Nations Security Council Resolution 1244(1999) and the International Court of Justice opinion on Kosovo’s declaration of independence. In EUR Budget line / ***Programme*** Name DB 2018 (incl. AL1) Budget 2018 Difference 21 08 01 Evaluation of the results of Union aid and follow-up and audit measures 30 676 000 29 176 000 -1 500 000 21 08 02 Coordination and promotion of awareness on development issues 13 036 000 12 536 000 -500 000 Total -19 183 000 As a consequence, the agreed level of commitment appropriations is set at EUR 9 568,8 million, leaving a margin of EUR 256,2 million under the expenditure ceiling of heading 4. Heading 5 – Administration The number of posts in the establishment ***plans*** of the Institutions and the appropriations proposed by the Commission in the Draft Budget, as amended by Amending Letter 1/2018 are agreed by the Conciliation Committee with the following exceptions: The section of the Parliament for which its reading is approved; The section of the Council for which its reading is approved; The European External Action Service for which EUR 800 000 are allocated to a newly created budget item 2 2 1 4 ***Strategic*** Communication Capacity. This is aimed at properly equipping the European External Action Service to cover ***strategic*** communication tools, contracting ***strategic*** communication expertise, supporting language plurality of ***strategic*** communication products and engaging and maintaining a network of counter-disinformation specialists in Member States and neighbouring countries. The budget item 3 0 0 4 Other administrative expenditure is reduced by EUR 800 000 to ensure budget neutrality. Moreover, the impact in the Budget 2018 of the automatic salary update to be applied from 1 July 2017 is integrated in all sections of the Institutions as follows: in EUR Parliament -2 796 000 Council -948 000 Commission (including pensions) -13 179 600 Court of Justice -868 800 Court of Auditors -357 000 European Economic & Social Committee -193 000 Committee of the Regions -146 000 Ombudsman -24 600 European Data Protection Supervisor -13 459 European External Action Service -878 400 Total -19 404 859 Finally, additional reductions of EUR 5 million were identified across all Institutions for expenditure related to buildings, as follows: in EUR Council -378 623 Commission (including pensions) -3 637 499 Court of Justice -270 611 Court of Auditors -96 409 European Economic & Social Committee -89 461 Committee of the Regions -63 393 Ombudsman -7 016 European Data Protection Supervisor -9 526 European External Action Service -447 462 Total -5 000 000 As a consequence, and after taking into account pilot projects and preparatory actions (EUR 3,5 million) proposed under section 1.2 above, the agreed level of commitment appropriations is set at EUR 9 665,5 million, leaving a margin of EUR 362,5 million under the expenditure ceiling of heading 5, after the use of EUR 318,0 million of the margin to offset the mobilisation of the Contingency margin in 2017. Special instruments: EGF, EAR and EUSF Commitment appropriations for the European Globalisation Adjustment Fund (EGF) and for the Emergency Aid Reserve (EAR) are set at the level proposed by the Commission in the Draft Budget, as amended by Amending Letter 1/2018. The reserve for the European Union Solidarity Fund (EUSF) is suppressed (budget article 40 02 44). 1.4 Payment appropriations The overall level of payment appropriations in the 2018 Budget is set at the level of the Draft Budget, as amended by Amending Letter 1/2018 with the following adjustments agreed by the Conciliation Committee: 1. First, account is taken of the agreed level of commitment appropriations for non-differentiated expenditure, for which the level of payment appropriations is equal to the level of commitment appropriations. This includes the additional reduction of ***agricultural*** expenditure by -EUR 229,9 million. The combined effect is a decrease of -EUR 255,3 million; 2. The payment appropriations for all new pilot projects and preparatory actions proposed by the Parliament are set at 50 % of the corresponding commitment appropriations, or at the level proposed by Parliament if lower. In the case of extension of existing pilot projects and preparatory actions the level of payment appropriations is the one defined in the Draft Budget plus 50 % of the corresponding new commitment appropriations, or at the level proposed by Parliament if lower. The combined effect is an increase of EUR 50,0 million; 3. The adjustments on the following budget lines are agreed as a result of the evolution in commitment appropriations for differentiated expenditure: In EUR Budget line / ***Programme*** Name DB 2018 (incl. AL1) Budget 2018 Difference 1.1.14 European Solidarity Corps (ESC) -22 501 000 15 05 01 European Solidarity Corps 51 177 000 28 676 000 -22 501 000 1.1.5 Education, Training and Sport (Erasmus+) 12 000 000 15 02 01 01 Promoting excellence and cooperation in the European education and training area and its relevance to the labour market 1 845 127 000 1 857 127 000 12 000 000 1.1.DAG Decentralised agencies -3 965 555 02 05 11 European GNSS Agency 30 993 525 31 338 525 345 000 12 02 06 European Securities and Markets Authority (ESMA) 15 947 170 11 636 615 -4 310 555 1.1.OTH Other actions and ***programmes*** -900 000 26 02 01 Procedures for awarding and advertising public supply, works and service contracts 8 200 000 7 300 000 -900 000 3.0.DAG Decentralised agencies 10 535 000 18 02 04 European Union Agency for Law Enforcement Cooperation (Europol) 116 687 271 120 377 271 3 690 000 18 03 02 European Asylum Support Office (EASO) 85 837 067 90 837 067 5 000 000 33 03 04 The European Union’s Judicial Cooperation Unit (Eurojust) 36 506 468 38 351 468 1 845 000 4.0.1 Instrument for Pre-accession assistance (IPA II) -76 300 000 In EUR Budget line / ***Programme*** Name DB 2018 (incl. AL1) Budget 2018 Difference 05 05 04 02 Support to Turkey — Economic, social and territorial development and related progressive alignment with the Union acquis 120 000 000 107 200 000 -12 800 000 22 02 01 01 Support to Albania, Bosnia and Herzegovina, Kosovo1, Montenegro, Serbia and the former Yugoslav Republic of Macedonia — Political reforms and related progressive alignment with the Union acquis 219 000 000 221 500 000 2 500 000 22 02 03 01 Support to Turkey — Political reforms and related progressive alignment with the Union acquis 86 000 000 48 500 000 -37 500 000 22 02 03 02 Support to Turkey - Economic, social and territorial development and related progressive alignment with the Union acquis 291 000 000 262 500 000 -28 500 000 4.0.2 European Neighbourhood Instrument (ENI) 12 500 000 22 04 01 03 Mediterranean countries — Confidence building, security and the prevention and settlement of conflicts 125 000 000 133 500 000 8 500 000 22 04 01 04 Support to the peace process and financial assistance to Palestine and to the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) 260 000 000 261 500 000 1 500 000 22 04 02 02 Eastern Partnership — Poverty reduction and sustainable development 320 000 000 322 500 000 2 500 000 4.0.3 Development Cooperation Instrument (DCI) 16 900 000 21 02 07 03 Human development 170 000 000 179 400 000 9 400 000 21 02 20 Erasmus+ — Contribution from the development cooperation instrument (DCI) 95 995 100 103 495 100 7 500 000 4.0.OTH Other actions and ***programmes*** 1 000 000 13 07 01 Financial support for encouraging the economic development of the Turkish Cypriot community 25 000 000 26 000 000 1 000 000 4.0.SPEC Actions financed under the prerogatives of the Commission and specific competences conferred to the Commission 1 500 000 19 06 01 Information outreach on the Union’s external relations 13 700 000 15 200 000 1 500 000 Total -49 231 555 4. Additional reductions in payment appropriations are made on the following budget lines: In EUR Budget line / ***Programme*** Name DB 2018 (incl. AL1) Budget 2018 Difference 1.2.12 Transition regions -55 000 000 1 This designation is without prejudice to positions on status, and is in line with the United Nations Security Council Resolution 1244(1999) and the International Court of Justice opinion on Kosovo’s declaration of independence. In EUR Budget line / ***Programme*** Name DB 2018 (incl. AL1) Budget 2018 Difference 04 02 61 European Social Fund — Transition regions — Investment for growth and jobs goal 1 345 000 000 1 305 000 000 -40 000 000 13 03 61 European Regional Development Fund (ERDF) — Transition regions — Investment for growth and jobs goal 2 750 463 362 2 735 463 362 -15 000 000 1.2.13 Competitiveness (More developed regions) -90 000 000 04 02 62 European Social Fund — More developed regions — Investment for growth and jobs goal 2 882 000 000 2 847 000 000 -35 000 000 13 03 62 European Regional Development Fund (ERDF) — More developed regions — Investment for growth and jobs goal 3 497 060 077 3 442 060 077 -55 000 000 1.2.2 European territorial cooperation -90 500 000 13 03 64 01 European Regional Development Fund (ERDF) — European territorial cooperation 1 004 701 248 914 201 248 -90 500 000 1.2.31 Technical assistance -4 500 000 13 03 65 01 European Regional Development Fund (ERDF) — Operational technical assistance 72 000 000 69 000 000 -3 000 000 13 03 66 European Regional Development Fund (ERDF) — Innovative actions in the field of sustainable urban development 43 321 859 41 821 859 -1 500 000 Total -240 000 000 1. The reserve for the European Union Solidarity Fund (budget article 40 02 44) is suppressed (-EUR 88,0 million). These actions will provide a level of payment appropriations of EUR 144 681,0 million, a reduction of –EUR 582,5 million in comparison with the Draft Budget, as amended by Amending Letter 1/2018. 1.5 Reserve There are no reserves in addition to those of the Draft Budget, as amended by Amending Letter 1/2018, except for budget item 22 02 03 01 Support to Turkey — Political reforms and related progressive alignment with the Union acquis for which EUR 70 000 000 in commitment appropriations and EUR 35 000 000 in payment appropriations are placed in reserve pending the fulfilment of the following condition: 'Amount to be released when Turkey makes measurable sufficient improvements in the fields of rule of law, democracy, human rights and press freedom, according to the annual report of the Commission.' The budget remark of budget item 22 02 03 01 is modified accordingly. 1.6 Budget remarks Unless otherwise specifically addressed in previous paragraphs, amendments introduced by the European Parliament or the Council to the text of budget remarks are agreed, with the exception of those on budget lines listed in the two following tables: Budget lines for which the amendments introduced by the European Parliament are approved with the modification proposed by the Commission in its Executability Letter. Budget line Name 06 02 01 01 Removing bottlenecks, enhancing rail interoperability, bridging missing links and improving cross-border sections Budget line Name 09 05 01 MEDIA Sub-***program***

me — Operating transnationally and internationally and promoting transnational circulation and mobility 18 04 01 01 Europe for citizens — Strengthening remembrance and enhancing capacity for civic participation at the Union level 21 02 07 03 Human development 22 02 03 02 Support for economic, social and territorial development and related progressive alignment with the Union acquis Budget lines for which the respective budget remark as proposed in the Draft Budget, as amended by Amending Letter 1/2018 and the EAGF update, are approved. Budget line Name 02 02 01 Promoting entrepreneurship and improving the competitiveness and access to markets of Union enterprises 02 03 04 Internal market governance tools 05 02 08 03 Operational funds for ***producer*** organisations 05 03 01 01 Single payment scheme (SPS) 05 03 01 10 Basic payment scheme (BPS) 05 04 60 01 Promoting sustainable rural development, a more territorially and environmentally balanced, climate-friendly and innovative Union ***agricultural*** sector 08 02 02 02 Enhancing access to risk finance for investing in research and innovation 09 05 05 Multimedia actions 13 03 61 European Regional Development Fund (ERDF) — Transition regions — Investment for growth and jobs goal 13 03 62 European Regional Development Fund (ERDF) — More developed regions — Investment for growth and jobs goal 13 06 01 Assistance to Member States in the event of a major natural disaster with serious repercussions on living conditions, the natural environment or the economy 18 02 01 02 Prevention and fight against cross-border organised crime and better management of security- related risks and crisis 18 03 01 01 Strengthening and developing the common European asylum system and enhancing solidarity and responsibility-sharing between the Member States 21 04 01 Enhancing the respect for and observance of human rights and fundamental freedoms and supporting democratic reforms 23 02 01 Delivery of rapid, effective and needs-based humanitarian aid and food assistance 33 02 07 European Institute for Gender Equality (EIGE) This is with the understanding that amendments introduced by the European Parliament or the Council cannot modify or extend the scope of an existing legal base, or impinge on the administrative autonomy of institutions, and that the action can be covered by available resources. 1.7 New budget lines The budget nomenclature proposed by the Commission in the Draft Budget, as amended by Amending Letter 1/2018, is agreed with the inclusion of: the new pilot projects and preparatory actions, proposed under section 1.2 above; and the new budget item 2 2 1 4 within the section of the European External Action Service, proposed under 1.3 above. 2. Budget 2017 Draft Amending Budget (DAB) 6/2017 is approved as proposed by the Commission. 3. Statements 3.1 Joint statement by the European Parliament, Council and Commission on the payment appropriations The European Parliament and the Council recall the need to ensure, in the light of implementation, an orderly progression of payments in relation to the appropriations for commitments so as to avoid any abnormal level of unpaid invoices at year-end. The European Parliament and the Council calls on the Commission to continue monitoring closely and actively the implementation of the 2014-2020 ***programmes***. To that end, they invite the Commission to present in a timely manner, updated figures concerning the state of implementation and estimates regarding payment appropriations requirements in 2018. The Council and the European Parliament will take any necessary decisions in due time for duly justified needs to prevent the accumulation of an excessive amount of unpaid bills and to ensure that payment claims are duly reimbursed. 3.2 Joint statement by the European Parliament, Council1 and Commission on the Youth Employment Initiative The Parliament, the Council and the Commission recall that reducing unemployment and, in particular, youth unemployment, remains a high and shared political priority, and to this end they reaffirm their determination to make the best possible use of budgetary resources available to tackle it, and in particular through the Youth Employment Initiative. Therefore, they welcome the increase of the amount allocated to this initiative in 2018. However, it is not only essential to provide for an adequate financing in the EU budget, but also to put in place, at the same time, the right procedures to implement them effectively. In this regard, an effective cooperation between the Parliament, the Council and the Commission is needed to ensure the highest possible impact of the measures adopted. Therefore, the Council and the European Parliament undertake to consider as a matter of priority the modification in the Common Provisions Regulation required by the adoption of the 2018 budget. The Commission shall facilitate the swift approval of the changes in the ***programmes*** to implement the YEI. 3.3 Unilateral statement by the Commission on the Youth Employment Initiative Reducing youth unemployment remains a high political priority. The Commission undertakes to monitor closely the implementation trend of the Youth Employment Initiative (YEI). Should the trend of this initiative accelerate and should the absorption capacity allow for an increase, the Commission will propose an increase of the YEI funding through an amending budget to be financed by the Global margin for commitments in accordance with Article 14 of the MFF Regulation. In that case, the Commission expects the Council and the European Parliament to process rapidly any such draft amending budget. 3.4 Unilateral statement by the Council on the 5 % staff reduction The Council recalls that the target year for the full implementation of the 5 % reduction of staff was 2017. However, as not all institutions, bodies and agencies have met the reduction target, the Council urges continued efforts in 2018 in order to fulfil the agreement. 1 The United Kingdom does not support this statement It is essential that the 5 % staff reduction target is implemented by all institutions, bodies and agencies, and monitored until it is fully achieved. With that in mind, the Council invites the Commission to continue to assess the outcome of the exercise in order to draw lessons for the future.

**Load-Date:** December 22, 2017

**End of Document**



[***Washington: "The Economic Relationship Between the United States, Canada, and Mexico": Earl Anthony Wayne Testifies before the U.S Senate Committee on Foreign Relations***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RJ6-PV21-JDG9-Y1CS-00000-00&context=1516831)

Impact News Service

January 31, 2018 Wednesday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 4431 words

**Body**

Washington: U.S Woodrow Wilson International Center for Scholars has issued the following news release:

Economic relations across North America have prospered and deepened since the United States, Canada, and Mexico negotiated the North American Free Trade Agreement (NAFTA) twenty five years ago.  North America has become a ***strategic*** foundation from which all three nations are building their prosperity and security.

The U.S is very fortunate to have two neighbors committed to market principles and democratic values, with which it can work to compete more effectively against global trading powers and to counter threats from terrorism and transnational organized crime.

Since 9/11, and especially in the last decade, homeland security cooperation has greatly expanded in North America, while at the same time the private sector has expanded continental co-production and trading networks.

North America’s geopolitical landscape has changed for the better with NAFTA.  In particular, Mexico’s relationship with its northern neighbors has been transformed.

We have the opportunity to improve North America’s economic relationships with the negotiations to update the NAFTA treaty, and the doors are open to deepen security cooperation with our neighbors.  We could also harm the U.S greatly, however, if we mishandle the NAFTA negotiations.  Pulling out of NAFTA, as the administration has threatened, could cost hundreds of thousands of US jobs, raise consumer prices, harm economic growth, create stock market turbulence, and help our major global trade competitors.

Particularly with Mexico, such a U.S blow to our economic relationship would also undermine vital cooperation in fighting transnational organized crime and joint efforts to improve border security and to inhibit third country immigration.  We could well also put a long-term chill into our bilateral relationship. NAFTA’s Value Added

Trade within NAFTA has grown almost four times since 1993.  U.S -Mexico trade has grown by six times.  NAFTA trade totals some $1.24 trillion a year. That is about $2.4 million a minute.  This is more than U.S trade with the European Union (EU) and 1.9 times what the U.S trades with China.

NAFTA’s trade and investment supports up to 14 million U.S jobs.  9 million of those jobs are linked to trade with Canada.  4.9 million U.S jobs are linked to trade with Mexico,  which is seven times greater than the number of jobs (700,000) believed tied to US-Mexico trade in 1993.

Canada and Mexico are America’s top two export markets.  A large majority of U.S states have Canada or Mexico as a first or second trade partner.  This trade is very important for U.S farmers.  In 1993, they exported $8.9 billion in products to our two neighbors.  Those sales were $43 billion last year.

Essentially, America’s private sector has taken the opportunity of NAFTA to build a complex network of co-production, investment, and trade in which many products cross the border multiple times during the process of production.  Production has become more efficient and thus less costly for American consumers, and NAFTA has helped the U.S compete successfully with Asian production centers.

NAFTA also attracts investment from around the world.  These investors do not just ***produce*** for the U.S market, but they also ***produce*** for export outside of North America.  It is important to recognize that just as the U.S has built production networks with its neighbors, so have Germany, Japan and China.

A study done for the 2Oth anniversary of NAFTA found that the NAFTA partners are richer each year because of “extra” trade growth.  This extra trade growth was estimated to be $127 billion for the U.S , $170 billion for Mexico, and $ 50 billion for Canada. Where did the Manufacturing Jobs go?

NAFTA has been criticized for shipping U.S jobs to Mexico.  Certainly, U.S jobs have moved to Mexico.  NAFTA critics argue that, at a minimum, steps should be taken to ensure better labor practices and higher wages in Mexico, and others argue for ending NAFTA.

It is important to recognize, however, that, according to serious economic studies, the vast majority of manufacturing jobs lost in this U.S this century have been due to improvements in productivity  and competition from China.   Many U.S companies that moved jobs to Mexico also created jobs in the U.S , but those jobs often required higher skills than the ones eliminated.   These economic studies did not find that NAFTA was a big contributor to the overall job losses, and NAFTA also seems to have ***produced*** new jobs as commerce expanded.  But, that does not help those who lost jobs and could not find new ones during these years.

A big culprit here, I believe, is the absence of effective U.S public policies and workforce development ***programs*** to help workers who lose jobs because of productivity/technology changes or trade.  The U.S needed and still needs strong workforce development and related ***programs*** that facilitate training, retraining, placement and new investments, when economic disruption eliminates jobs.  The need for such ***programs*** is only going to grow as technology continues to revolutionize the way we ***produce*** and work.  Workforce development should become a priority action item in North America’s agenda. Energy

Energy trade and production has also flourished under NAFTA.  Private sector trade, innovation and investment have created a North American market that is highly interdependent and multidirectional.  Energy security is within our grasp, if the three countries continue to develop cross-continental production, connectivity and policy coordination.   Since Mexico’s 2014 energy reforms, U.S investments there have boomed, and the U.S now sells more energy products to Mexico than it imports.  Experts say that North America’s energy trade is taking us toward liquid fuels self-sufficiency as early as 2020.  They argue that this trend would be endangered if NAFTA and its investment protections were to end.    The December 2017 U.S National Security Strategy talks about the importance of “energy dominance.”  Working with our two energy rich neighbors is a good path toward achieving that goal. Modernizing NAFTA: a major opportunity

NAFTA has not been trouble free.  The countries have disagreed over a range of issues from sugar, meat, fresh fruit and dairy trade to trucking, temporary work permits, labor rights and tariffs on low value items.  There is widespread agreement that NAFTA can be improved and modernized to take account of all that has evolved in the trade arena since 1993, when it was signed.

With this modernization, we have the opportunity to forge a gold standard agreement.  This is more important because the United States is participating in only two of the 30 plus trade negotiations underway in the world: the renegotiation of NAFTA and of the U.S -South Korea FTA.

Others are moving ahead with trade accords.  The eleven other members of the TPP negotiation ***plan*** to sign an agreement in March. The European Union reached an agreement with Japan in July.  It is renegotiating its accord with Mexico, has a relatively new agreement with Canada, and is actively pursuing agreements with others.    China is building new trade and investment relationships across Asia with its Belt and Road ***program*** and with regional and bilateral trade initiatives.

U.S goods and services may well be disadvantaged in these markets by higher tariffs and new norms, standards and rules negotiated without the U.S at the table.  This adds additional importance to forging a high-standard agreement with our neighbors, sending a clear signal about the rules and norms expected for trade and investment in the North American marketplace.  More broadly, the U.S needs a trade policy that deepens and expands markets, as well as acting boldly with defensive measures against unfair trade practices by others.  NAFTA is part of the U.S ’s trade offense, allowing the U.S to confirm and secure its two largest export markets and make all three economies more competitive by using continental supply and production chains.

While there are dozens of issues under active negotiation in the NAFTA talks, several important work-areas standout:

Technological advances: NAFTA needs to incorporate the technological advances in commerce since 1993.  Cross-border data flows, e-commerce, and exports of digital products need to be incorporated into the agreement, for example.

Customs processes, requirements and points of entry:  Inefficient customs and border processes and facilities cost North American businesses billions of dollars.  These should be modernized and simplified by taking advantage of online platforms, modern scanning and processing, and better risk-mitigation ***programs*** for “trusted” goods and persons that improve security and efficiency.  The NAFTA modernization will not solve all these issues, but it can significantly improve current practices and facilitate further improvements.  Advances here can also open the doors wider for more participation by small and medium sized companies.

Rules of Origin:  Building from industry data and feedback, negotiators should identify ways to increase North American content in manufactured goods and define more efficient ways to track that content.

Labor and the Environment: These issues should be integrated into the new treaty and updated to include provisions from more recent FTAs, including the draft TPP accord.  The goal in the labor area is better protection of worker’s rights, with additional clout behind enforcement if rights are not respected.   U.S labor unions have targeted poor Mexican practices.    Canada has called for improved U.S labor protections.

Professional Services:  The U.S is a major exporter of services.  It has surpluses with Mexico and Canada, but there is great potential for more U.S exports.  The agreement should include provisions to make it easier to provide services across borders, for example, with improved licensing and registration procedures.

Anti-corruption and transparency:  The agreement should embody stronger commitments to counter public corruption, promote ethical standards and have more transparency in government practices.  The press reports progress on these topics during the latest round of NAFTA talks.

Good regulatory practices: The agreement should deepen and expand the existing bilateral and trilateral dialogues among the three countries, establishing “best in class” practices for regulatory cooperation. Controversial U.S Positions and Proposals

There are normally difficult issues to negotiate in every trade agreement process.  But, the U.S has taken some particularly aggressive stances regarding NAFTA.  The U.S has repeatedly threatened to pull out of the agreement and offered positions that have been sharply criticized not only by Canada and Mexico,  but also by U.S business  and farm groups.   The negotiators reported that they made some progress over the last week in Montreal, but there is still much work to do.

Trade Deficits:  Unlike with China, the U.S is not accusing Canada and Mexico of wide-ranging unfair trade practices.  Rather, U.S statements indicate that the fact that Mexico has a trade surplus with the U.S is a sign that the agreement is unfair.

First, many economists argue that focusing on reducing deficits via trade agreements is not a path to success, as national deficits are much more closely linked to overall national savings and spending rates than to individual trade agreements.

Second, in free trade agreements the basic concept is that the rules are fair and that buyers and sellers then freely choose: it is not about managing the trade to assure balanced trade.   The U.S had an overall trade surplus with the countries with which it has a Free Trade Agreement (FTO) in 2015, for example, but it had a deficit with some and a surplus with others.   That did not of itself make some of the agreements fair and others unfair.

Third, manufactured goods from Canada and Mexico have the highest content of U.S goods of any U.S trading partners – 25% and 40% respectively according to a 2010 study.   A Honda CRV in assembled in Jalisco, Mexico has 70% Canadian and U.S content, for example.   Motor vehicles exported from Mexico to the U.S in 2014 had an estimated 38% in U.S content .  When one takes account of American content in Mexican manufactured exports to the U.S , analyses have found that the real U.S deficit is significantly reduced  or eliminated.

Rules of Origin: The U.S put forward a proposal to increase the required amount of “North American” content in motor vehicles to 85% from the current 62.5% and proposed a requirement that 50% of that content be from the U.S     Secretary of Commerce Ross argued in an op-ed that the current situation is gutting U.S manufacturing.

The North American auto industries and analysts counter argue that the U.S proposal would endanger thousands of U.S jobs and harm the auto industry.   They assert that North American content in vehicles ***produced*** in Mexico and Canada has, in fact, generally increased since 2011, that the U.S auto sector is outperforming other U.S industrial sectors, and that U.S auto sector employment has increased nearly 6% annually since 2008, more than the employment increase in overall manufacturing.  These analysts argue that the U.S proposal would impair the global competitiveness of the auto industry.   There are, however no doubt, other ways to improve NAFTA rules of origin, as the negotiators are reportedly now exploring.  In Montreal last week, according to press reports the Canadians offered some ideas in this area, which the U.S did not find as helpful.

Sunset clause:  The U.S has requested that a clause be included, which would automatically kill the treaty after five years unless all three governments agree to extend it.   U.S businesses say that would wreak havoc with ***planning*** and investment and aid foreign competition.   Mexico and Canada are open to regular reviews of the treaty, but oppose an automatic opt-out.

Government procurement: The U.S proposes to limit the amount of U.S government procurement Mexican or Canadian firms can win to be equivalent to what U.S companies win in their markets.  Canada, Mexico and some U.S companies have expressed opposition to this proposal.

Dispute settlement:  The U.S has proposed watering down NAFTA’s provisions for settling disputes (Chapters 11 and 20) and eliminating chapter 19 in the current agreement.  Mexico and Canada want to keep the mechanisms,  but are open to improvements.  Canada is particularly firm on keeping chapter 19, which addresses anti-dumping and countervailing duty cases.   U.S energy firms are outspoken in support of keeping strong investor protections.

***Agriculture***:  There are several contentious ***agriculture*** issues, including U.S efforts to open Canada’s dairy market and a U.S proposal to protect some U.S growers against Mexican fresh ***produce*** exports. The Economic Costs of Leaving NAFTA

Whether a negotiating tactic or not, the Administration’s threats to pull out of NAFTA are a bit like playing with fire: the costs of leaving NAFTA would be very high for all parties.  A number of serious studies are now available estimating the economic costs of a U.S withdrawal from NAFTA.   One of the studies, by Trade Partnership Worldwide LLC, provides a state-by-state breakdown of potential losses for each U.S state output, exports and employment.   (Slides summarizing some of the findings are attached.)

Job Losses:  These studies foresee U.S employment losses ranging from 180,000 to 3.6 million in the first 3-5 years, depending on various post-NAFTA scenarios.  The Trade Partnership Worldwide study also forecasts 200,000 to 700,000 fewer US jobs over the longer term.   The most affected sectors would be autos and ***agriculture***/food, with textiles, services and other manufacturing also harmed.  The impact in Canada is predicted as a loss of 125,000 to 1.2 million jobs.  For Mexico, the job losses predicted range from 950,000 to 10.3 million.

GDP Impact:  The studies all predict a decline in GDP.  For the U.S the decline could range from 0.09% or $16 billion up to a decline of 1.2% or $231 billon, depending on the scenario and assumptions made.  One study estimates that U.S consumers would face an added $7 billion a year in higher prices.

Trade:  The studies predict a drop in trade across the region and fewer U.S exports and imports.  The Trade Partnership Worldwide study predicts a drop of U.S exports to the world of 2.5% to 5% and a drop of U.S imports ranging between 3.6% and 7.5% in the first five years.  That study finds the negative trade effect continuing in the longer term.

Trade Deficit:  A study by Oxford Economics predicts that the trade deficit would not be improved by withdrawing from NAFTA.

States hit hardest:  The U.S Chamber of Commerce argues that an end to NAFTA would severely harm: Michigan, Wisconsin, North Dakota, Texas, Missouri, Ohio, Iowa, Indiana, Arizona, Nebraska, Pennsylvania, and North Carolina.

China and other competitors aided:  The Trade Partnership Worldwide study predicts that an end to NAFTA would add 1.7 to 2 million new jobs in China, about 150,000 new jobs in Korea, some 290,000-790,000 jobs in Japan, and 120,000 to 308,000 new jobs in Germany, plus GDP gains for each of those countries. Negative Messages to our Neighbors and the World

In Canada and Mexico, positive views of the U.S already plummeted in 2017.

According to Pew polling, in Canada favorable views of the U.S dropped 22% from 65% favorable during the last U.S administration to only 43% favorable in the spring of 2017.   This is reportedly the lowest score recorded at least since the early 1980s.

The change for the worse is much greater in Mexico, reflecting the stream of critical U.S remarks about Mexico, the border wall, and Mexico’s NAFTA role.  Favorable views of the U.S fell 36 points from 66 % favorable in the previous Pew poll.  Only 30% of Mexicans polled in the spring of 2017 held a favorable view of the U.S   65% of Mexicans polled held unfavorable views their northern neighbor.   Subsequent, polling confirmed the negative Mexican public views of bilateral U.S -Mexico relations.  Pollsters report that these are the worst numbers in perception of the United States since at least 1991 and perhaps since the 1950s.

These opinions indicate the U.S could face long-term damage in bilateral relations, especially with Mexico.   Mexico and the U.S were labeled “Distant Neighbors” in the 1980s because of their strained relationship.   Mexico has a long history of mistrust of the United States, which gradually had been overcome since the creation of NAFTA and with growing bilateral cooperation over the last 25 years.

Mexico is holding Presidential and Congressional elections in July.  A U.S decision to pull out of NAFTA or other moves viewed as humiliating and unfair toward Mexico could easily play into that election negatively for the U.S and impact the policies and attitudes of the new Mexican President and Congress.  The leading Mexican presidential candidate, Andres Manuel Lopez Obrador has already called for delaying the negotiations,  and some fear that he would take a more nationalist stance on NAFTA if elected.

It is also important to remember that the world is watching how we treat our neighbors and closest trading partners in this negotiation.  If the U.S is perceived to continue with a “take it or leave it” approach and not to recognize the “win-win-win” nature that should be built into lasting commercial relationships, how many other nations will be eager to engage in trade negotiations with the U.S ? Vital Security Partners

Mexico and Canada are vital partners for enhancing U.S homeland security, as well as its prosperity.  Both are willing partners to work against terrorism and transnational organized crime.  Border, law enforcement, homeland security and intelligence cooperation have expanded dramatically.  Both countries are working with the U.S identify potentially dangerous travelers before they get to U.S borders.  This collaboration is in line with priorities of the new U.S National Security Strategy , but could well be damaged if the U.S withdraws from NAFTA.

Defense and intelligence cooperation with Canada are rooted in common NATO membership, but cooperation related to homeland security issues has expanded dramatically in recent years.  This is exemplified in the 2011 “Beyond the Border initiative”,  which has a broad agenda to enhance security against a range of threats while facilitating the legitimate flow of people goods and services.  The basic idea is to extend homeland security work as far beyond the actual borders as possible.

A U.S withdrawal from NAFTA could negatively affect this cooperation.  As former Canadian Ambassador to the US, Michael Kergin put it January 26 at the Wilson Center “The real concern is if NAFTA goes badly and there is no interest in negotiating, would there be enough political backlash that would incline Canada to step back from security cooperation?”

Regarding Mexico, security cooperation began to deepen with the launch of the Merida Initiative in 2008.    The Merida ***program*** is aimed at supporting Mexico in the fight against transnational criminal organizations and associated violence, as well as helping to strengthen its justice and law enforcement institutions and practices.  That effort was expanded to include the Twenty First Century Border Initiative in 2010, which like the effort with Canada, is aimed at enhancing border security while supporting legitimate commerce.

Under Merida, the United States has spent some $1.6 billion to help strengthen Mexican law enforcement and justice institutions, to improve Mexican capacities at its borders and to help strengthen communities beset by criminal cartels and gangs.  American assistance has ***produced*** good results.  At present, the U.S is working hard with Merida funds, for example, to strengthen the forensic skills of Mexican officials in order that more criminals can be convicted successfully under Mexico’s new justice system.

The Mexican government has spent at least ten times what the U.S has provided to strengthen its own law enforcement, intelligence and justice agencies.  Along with Merida assistance, U.S and Mexican law enforcement and homeland security agencies have built more effective operational cooperation against criminal groups and activity.  DHS and Mexican counterparts have, for example, signed a series of agreements, which, among other things, allow much better cooperation along the border on customs screening, provide for collaboration to assure the smooth repatriation of criminals, and facilitate the sharing information on criminal history and biometric information to help identify possible terrorists and criminals.

Today, the depth of U.S cooperation with Mexico to strengthen border security, control migration, and dismantle transnational criminal networks is unprecedented.  Mexican officials have stepped up efforts to identify potentially dangerous third country travelers and immigrants in coordination with American counterparts.   Mexican immigration officials have turned around hundreds of thousands of Central American immigrants headed to the US in recent years, despite criticism inside Mexico.

Cooperation against drug trafficking by criminal organizations further deepened in 2017 with a ***strategic*** action ***plan*** agreed between government ministers to attack the entire chain of illegal drugs from production to sales to financing and illicit money flows.  This deeper cooperation is spurred on and made more important by the opioid addiction crisis in the U.S and increasing violence in Mexico.   Unprecedented progress has also been achieved in military-to-military cooperation.

U.S - Mexico bilateral cooperation against transnational organized crime and terrorism makes more sense than ever, but that cooperation is built on maintaining and deepening trust.  Mexican officials worry in private that they will have neither the political space nor the support of their teams to deepen cooperation, if the United States ends NAFTA or is perceived as unfairly bullying Mexico.  These officials say they want to deepen cooperation against criminal groups because it is good for Mexico, but with the Mexican presidential and congressional elections coming up in July 2018 and the sour Mexican public attitudes toward the United States, they are very concerned.  As former Mexican Ambassador to the US Arturo Sarukhan put it at the Wilson Center on January 26: “If NAFTA collapses, all bets are off.  It will have a profound, long standing effect … future generations will ask ‘who lost Mexico?’” Conclusion

The United States has a great opportunity to conclude a “state of the art” trade agreement with its neighbors and largest clients.  A modernized NAFTA can improve the existing agreement and increase jobs, trade, energy security, and prosperity, while making the U.S more competitive in the world.  To succeed, however, each of the parties needs to be able to convince their publics that the new agreement is good for them: that it is “win-win-win.”  This is a very big challenge given the breadth of subject areas under negotiation, the controversial proposals on the table, and the negative public atmosphere.

A new agreement is achievable, however, and worth the hard work.  A good agreement would help reinforce the collaboration with both Mexico and Canada on important security issues, and it would tell the world that the U.S is indeed open for business and trade.

The alternative path would cost the U.S dearly in jobs, trade, competitiveness and security.  It would harm our neighbors economically and further sour their views of the United States.  It would make ensuring U.S homeland security harder.  Particularly with Mexico, we could see a return to the “distant” relationship that existed before NAFTA.  Other potential international partners would become more hesitant about negotiating with the U.S , and our international competitors would benefit.

A much better outcome for the United States and for North America is to forge a renewed North American trade agreement and to continue to deepen security cooperation.

Earl Anthony Wayne is a Public Policy Fellow at the Woodrow Wilson Center and Career Ambassador (ret) from the U.S Diplomatic Service where he served as U.S Ambassador to Mexico as well as Assistant Secretary of State for Economic and Business Affairs, among other positions.

**Load-Date:** February 1, 2018

**End of Document**



[***Register of Commission documents:to the REFLECTION PAPER ON THE FUTURE OF EU FINANCES Document date: 2017-06-29 COM\_COM(2017)0358(PAR01) COM documents***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P8C-YRC1-JDG9-Y47P-00000-00&context=1516831)

Impact News Service

August 16, 2017 Wednesday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 13983 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

EN EN EUROPEAN COMMISSION Brussels, 28.6.2017 COM(2017) 358 final REFLECTION PAPER ON THE FUTURE OF EU FINANCES 2 Reflection Paper on the Future of EU finances 1. FINANCING EUROPEAN INTEGRATION: THE EVOLUTION OF EU FINANCES The EU budget helps to deliver on the things that matter for Europeans. By pooling resources at European level, Member States can achieve more than they could by acting alone. Together with national budgets and a wide array of legislative and regulatory instruments, the EU budget supports shared objectives and helps to tackle common challenges. From the first major common policy – ***agriculture*** – in the 1960s until today, the EU budget has changed progressively and in parallel with the building of the European Union. In the 1980s and 1990s, Member States and the European Parliament broadened the scope of EU competences through changes in the Union's founding Treaties.

Recognising the need to support the new Single Market, they increased the resources available under the structural funds to support economic, social and territorial cohesion. In parallel, the EU enhanced its role in areas such as transport, space, health, education and culture, consumer protection, environment, research, justice cooperation and foreign policy. Areas financed by the EU budget (2014-2020) In billion Euro 3 Note: Commitments; adjusted for 2018 Source: European Commission Since 2000, the EU budget has been shaped by the arrival of 13 new Member States with diverse socioeconomic situations and by successive EU strategies to support jobs and growth. It has also accompanied the growing role of the Union in the international arena, as a leader in the fight against climate change and as the largest donor of humanitarian and development aid in the world. Nevertheless, the EU budget has remained a small part of total public expenditure in the EU, accounting for less than 1% of EU income and only around 2% of EU public expenditure. This share has declined over time. The EU budget compared to overall EU income and public spending Source: European Commission The size of the EU budget as percentage of gross national income Source: European Commission This decline has put increased pressure on the EU budget to be more efficient, to focus on the areas where its impact is greatest and to ensure that burdensome rules and procedures do not get in the way of results. Over time, the composition of the EU budget has evolved. While the share of ***agricultural*** and cohesion spending has declined over time, combined it remains above 70% of the total. Spending has increasingly focused on areas such as research, Trans-European networks, and external action, and on ***programmes*** directly managed at European level. 4 Evolution of main policy areas in the EU budget Source: European Commission During the economic and financial crisis, the EU budget proved to be a powerful instrument to support investment. With national budgets in many Member States under severe strain, the EU budget and cohesion policy in particular emerged since 2008 as a major source of stable growth-supporting investment. In some Member States they even proved to be the main such source. The European Fund for ***Strategic*** Investments has also played a major role in catalysing private investments throughout Europe. This has shown how the EU budget can rapidly respond to emerging challenges and create substantial leverage1. 1 In September 2016, the Commission proposed a reinforcement and extension of the European Fund for ***Strategic*** Investments until 2020. 5 Share of European Structural and Investment Funds in public investment 2015-2017 In % Source: European Commission The EU budget has also underpinned the European response to the refugee crisis and to the threat of organised crime and terrorism. The funding devoted to security and migration was doubled to support for example the new European Border and Coast Guard and to help Member States receiving a significant inflow of refugees. Responding to these crises has tested the flexibility of the budget to the limit. Looking ahead, the challenges to the Union are multiplying at the same time as the pressure on European and national budgets increases. Sluggish productivity and investment, demographic change and other long-term challenges such as migration, climate change, defence, cybersecurity and terrorism, are all areas where the EU budget is called upon to play a prominent role. It is also time to look at the way in which the EU budget is financed. Just as the spending side of the budget has evolved, so too has the way in which the EU budget is financed. Unlike national budgets the Union is not able to borrow. Instead it relies on financing through 'own resources'. There are three main types of own resources today: contributions from Member States based on their income level measured by Gross National Income (GNI), contributions based on Value Added Tax (VAT), and customs duties collected at the external borders of the Union. About 80% of the EU budget is financed from national contributions based on GNI and VAT. GNI contributions are generally considered as fair, because they are a good reflection of Member States’ relative 'ability to pay'. Custom revenues are considered to be genuine own resources as they are derived from the common trade policy whose revenue accrue to the EU budget. 6 The sources of financing of the EU budget Source: European Commission However, a number of adjustments and 'rebates' have been introduced over time because some Member States considered their contributions to the EU budget to be excessive compared to what they get back from it. This has made the EU’s current financing system increasingly complex and opaque. This system, mostly based on contributions from Member States, has also reinforced a false perception that the value of the EU budget to a Member State can be measured by the net balance of contributions made and funds received. This ignores the essence of a modernised EU budget: the value added that results from pooling resources and delivering results that uncoordinated national spending cannot. These broader economic gains are all too often ignored, as is the wider value of belonging to the largest economic area and trading power in the world. If we want to improve the effectiveness of the EU budget, we should also look at how the revenues can contribute to EU priorities. The departure of the United Kingdom and the elimination of the associated rebates would already remove some obstacles to reform on the revenue side of the EU budget. Finally, in order to respond to the different needs, the EU budget has been complemented by a number of new tools, institutions and instruments. Some of them are outside the EU budget and are not governed by the same rules. Additional funding is provided by the European Investment Bank or other bodies based on inter-governmental agreements, like the European Development Fund linked to the special partnership with Africa Caribbean Pacific countries. More recently, European Union Trust Funds and other facilities have been created to pool money from the EU budget, Member States and other donors to address external crises. This extended financial architecture has allowed the Union to mobilise additional funding but it has added to the complexity of EU finances. The chart below provides a broad illustration of all elements of EU financing beyond the EU budget itself. It also shows which elements fall under the democratic control of the European Parliament as well as the scrutiny of the European Court of Auditors. 7 EU finances: the whole picture purely illustrative, the size of the circles does not correspond to actual volumes Source: European Commission Box 1: The EU budget in a nutshell – for the period 2014-20  represents around 1% of EU GNI, and 2% of total public spending;  is framed by Multiannual Financial Frameworks (MFF) of at least 5 years. The current framework (2014-2020) provides EUR 1087 billion;  is mostly funded by contributions from each Member State based on their relative income, together with customs duties collected at the external borders and a small part based on value added tax. There is no EU tax. The revenue system is agreed by all Member States and ratified by national Parliaments;  mobilises via cohesion policy EU-wide more than EUR 480 billion in investments, which should result, for example, in over 1 million enterprises receiving support, 42 million citizens having access to improved health services, 25 million will benefit from flood and fire prevention, nearly 17 million additional EU citizens connected to waste water facilities, 15 million additional households with broadband access, and more than 420,000 new jobs. Also 5 million Europeans will benefit from training and life-long learning ***programmes***, and 6.6 million children will have access to new, modern schools and childcare.  is expected to trigger investments worth at least EUR 500 billion via the extended “Juncker ***Plan***” (European Fund for ***Strategic*** Investments);  provides more than EUR 74 billion for the Horizon 2020 research and innovation ***programme*** that led – so far – in the past to 6 Nobel prizes, 4 Fields medals and discoveries with global impact (e.g Ebola vaccine research, ground-breaking research on cancer and Alzheimer; aircraft with lower CO2 and noise emmisions);  provides over EUR 30 billion to support trans-European networks in the fields of transport, energy and communication via the Connecting Europe Facility;  supports a dynamic ***agricultural*** sector with around EUR 400 billion, supporting 7 million farmers; supports the modernisation of 380,000 farms with EUR 8.7 billion; rural development finances investments targeting biodiversity, improved energy efficiency, the setting up of businesses and the modernisation of production facilities; 8  finances the Galileo navigation system, which has to date launched 15 fully operational EU satellites into orbit; and Copernicus, Europe's earth observation ***programme***;  mobilised more than EUR 17 billion between 2015 and 2017 to address the refugee crisis within and outside the EU;  finances the Erasmus ***programme*** promoting mobility of over 9 million people, especially students and youth across countries over the last 30 years;  provides more than EUR 8 billion to tackle youth unemployment via the Youth Employment Initiative and to date has supported 1.6 million young people;  aims at devoting 20% of total expenditure to actions against climate change;  provides around EUR 8 billion of humanitarian aid, making the EU a leadingdonor of humanitarian aid in the world. 9 2. THE VALUE ADDED OF EUROPEAN FINANCES The aim of the European Union is to promote peace, its values and the well-being of its peoples. The EU budget supports this, working together with national budgets and complementing other efforts at European and national level. Any reflection about the future of the EU budget should therefore start with the most basic question of all – what should the EU budget be for? European value added must be at the core of that discussion. On the one hand, European value added is about achieving the objectives set out in the Treaty; on the other it is about a budget that provides for public goods of a European dimension or helps uphold our basic freedoms, the Single Market or the Economic and Monetary Union. EU value added and funding from the EU budget Source: European Commission EU value added also fits with the principle of subsidiarity and proportionality. The EU should not take action unless it is more effective than action taken at national, regional or local level. EU action has to be additional or complementary to national or regional efforts, but should not fill in gaps left by shortcomings of national policies. Added value may also be in the form of avoided costs and indirect benefits. The concerns and expectations of European citizens should be a major factor in shaping the new EU budget. In recent years, there have been increasing expectations on the Union to tackle challenges for which it has neither the powers, nor the financial resources. This expectation gap is central to this debate and is directly linked both to the size and the flexibility of the new budget. European taxpayers expect a transparent EU budget that is easy to understand and gets the most back from every euro spent. The results achieved must be visible and measurable. Each policy 10 and ***programme*** funded by the EU budget should spell out clearly what it intends to achieve, how it intends to go about it and report what the actual results have been. This would increase accountability and allow for an informed public discussion on how the EU budget is used. While some progress in this direction has already been made in the current financial framework, notably under cohesion policy, further steps are necessary across all instruments. There is also a clear value added when action at European level goes further than national efforts could. This includes, for example:  Cross-border ***programmes*** have transformed border areas helping to remove sources of conflict and create new economic opportunities.  Similarly, transnational infrastructure, such as energy interconnectors (e.g between Malta and Italy), digital networks, research infrastructure or tunnels (e.g the Brenner Base railway tunnel in the Alps between Austria and Italy) benefit citizens and companies across the EU.  Investments made under cohesion policy in one region or Member State contribute to macroeconomic stability and increases the growth potential of the Union as a whole.  Similarly, control of the Southern or Eastern external borders clearly serves to protect the rest of Europe.  Aid and investment in partner countries allows building more resilient societies.  Open competition at EU level to fund science and innovation has increased excellence compared to national funding (eg. higher impact scientific publications, number and quality of patents) and attracted global talent.  Other big projects and and key enabling technologies, such as Galileo, Copernicus, ITER2 or high performance computing can only be financed by pooling resources at EU level because of their very high financing needs. European finances can also provide value added in upholding common European values, such as democracy, freedom, the rule of law, fundamental rights, equality, solidarity, sustainability and peace. For instance, the Erasmus ***programme*** and the European Solidarity Corps promote mobility and allow students and workers to discover European cultures, learn new languages and skills and gain work experience abroad, and build bonds across Europe. The EU’s active role in its neighbourhood and beyond and in providing a perspective of EU membership have supported peace and projected stability. The cost of non-action in this area would be catastrophic if instability and war were to return to the region. Some achievements are more tangible and material than others, but all are equally important. Finally, the value added of the EU budget also depends on its internal, ***strategic*** coherence. Duplications must be removed and instruments should complement each other and be consistent from a policy perspective. 2 Galileo is the European global navigation satellite system, providing a range of positioning, navigation and timing services to users worldwide. Copernicus is the EU ***programme*** for earth observation and monitoring for the purposes of e.g ***agriculture***, climate analysis, civil protection and emergency management. International Thermonuclear Experimental Reactor (ITER) is the world’s largest scientific partnership that aims to demonstrate fusion is a viable and sustainable source of energy, with the EU being the biggest contributor in partnership also with Japan, China, India, South Korea, Russia and the United States. 11 3. TRENDS AND CHALLENGES The White Paper on the Future of Europe and the previous recent reflection papers have shown that the EU at 27 will face a wide range of challenges in the period leading up to 2025 and beyond. Among them are current trends that will remain relevant for decades to come, such as the digital revolution and globalisation, demographic change and social cohesion, economic convergence and climate change. At the same time, Europe's citizens are looking to the Union and national governments to deliver prosperity, stability and security in a fast-changing and uncertain world3. In a more volatile global environment, further unexpected challenges might emerge in the future. If security, economic strength, sustainability, and solidarity should be the focal points of EU action in the face of these new challenges and ongoing trends, is the current EU budget equipped to respond? How does EU spending match up with these priorities? And what scope for improvement do we have? 3.1 Security and safety for the citizens of the Union The instability of Europe's neighbourhood and new forms of terrorism pose significant challenges inside and outside our borders. The security of one Member State has become the security of all the EU. While many of the tools enhancing security of all citizens lie in the hands of the Member States, the EU also has a crucial role to play, whether by improving the control of external borders, strenghtening robust information networks, reinforcing the support provided by the agencies, or tackling the increased instability in our neighbourhood. Security and safety threats concern also other areas, such as the protection of resilient food chains and mechanisms to respond to risks to public health (e.g the mad cow disease or swine fever, water pollution and chemicals). Another example is the joint effort to combat global diseases (such as for example Ebola) that can have devastating effects on both third countries and European citizens. Another area is the response to natural or man-made disasters. We must decide what role the EU budget could play supporting the EU´s action building the area of Freedom, Security and Justice and which role it could also play, inter alia, in implementing the Global Strategy4 and developing a common defence policy to deal with new and existing threats, both physical and in cyberspace. 3.2 Economic strength, sustainability and solidarity The EU budget should continue to make the European economy stronger and more resilient by promoting long-term competitiveness, sustainability and solidarity. Sustainable development has long been at the heart of the European project. European societies today face many sustainability challenges from youth unemployment to ageing populations, climate change, pollution, sustainable energy and migration. The 2030 United Nations Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) (see chart below) is an anchor of EU policy both internally and externally. 3 See the Special Eurobarometer 461, Designing Europe’s Future, published 28 June 2017. 4 The Global Strategy for the EU Foreign and Security Policy, presented by the High Representative and Vice-President of the European Commission Federica Mogherini to the European Council in June 2016. 12 Sustainable Development Goals at the heart of the EU’s sustainability policy Source: United Nations The economic, social and environmental dimensions at the heart of the SDGs have largely been incorporated into the EU budget and spending ***programmes***. They have been mainstreamed into the Europe 2020 strategy to build around education and innovation ('smart'), low carbon emissions, climate resilience and environmental protection ('sustainable'), job creation and poverty reduction ('inclusive'). There is also a political commitment of devoting at least 20% of the EU budget 2014-2020 to climate action and to achieving 0.7% of GNI as Official Development Assistance within the framework of the 2030 agenda. Nurturing competitiveness and averting a widening social divide is an important challenge for the Union and for the Euro area in particular. The aim must be to reduce economic and social divergences between and within Member States and to empower people to play their full role in society. EU expenditure on social matters, from labour market to poverty reduction, from social inclusion to education, currently represents only 0.3 % of total public social expenditure in the EU. While this share might be re-assessed in the future, there can be no mistaking that social support will remain primarily in the hands of Member States. The Reflection Paper on the social dimension of Europe has outlined areas where EU finances could make a stronger contribution in the future, depending on the path chosen for the EU's future social policy. The benefits of globalisation are unequally distributed both between people and territories, notably between large metropolitan areas and declining industrial and rural areas. The Reflection Paper on Harnessing Globalisation indicates that it is necessary to accompany the economic transformation brought about by globalisation and technological change so that every citizen and every region can contribute to and benefit from the internal market and become more competitive and more resilient. How does the current EU budget respond to these challenges? The three basic functions of any public budget are investment in public goods, re-distribution and macro-economic stabilisation. The EU budget performs these functions albeit to differing degrees. For instance, it finances public goods through ***programmes*** managed directly at the European level, such as Horizon 2020 for research or instruments like the Connecting Europe Facility for infrastructure investment, and together with Member States and regions through the investment co-financed under cohesion policy. It achieves a re-distribution (coupled with the financing and provision of public goods) through cohesion policy, which promotes economic convergence as well as social and territorial 13 cohesion; and, through support for rural development and via the support to the income of farmers under the Common ***Agricultural*** Policy (CAP). The stabilisation function is only covered indirectly. The EU budget has some stabilising effects for some Member States, notably due to its stability over seven years, which provides a constant level of investment independent of the economic cycle. At the same time, a Member State’s contributions are linked to economic performance, so that contributions to the budget will go down in a recession. However, the EU budget was not conceived to provide for macro-economic shock absorption. An important question suggested by the Reflection Paper on deepening Economic and Monetary Union is whether establishing such a stabilisation function and means to further convergence should be considered, and further explored by the Commission. Finally, the impact of investment depends on the environment in which it operates. This is why the discussion on the link between structural reforms and the EU budget has become so prominent recently. While this link has been already established for cohesion policy, it is worth reflecting on whether this is sufficient and whether the incentives could be improved. 3.2.1 Investment in public goods directly managed at the European level In the 2014-2020 multiannual financial framework around 13% of the EU budget is supporting key priorities for sustainable growth through ***programmes*** or projects directly or indirectly managed at the European level. The largest of these ***programmes*** is the European Fund for ***Strategic*** Investments, which was set up by President Juncker in November 2014 following the financial and economic crisis of 2008-2009 and the subsequent collapse in investment. It is well on the way to trigger the intended target of EUR 315 billion in investments. With the proposed extension it should trigger total investments of at least EUR 500 billion. Horizon 2020, the main instrument for financing top-level research and innovation across the European Union (EUR 74.8 billion) attracts collaboration from 131 countries worldwide and finances 13,000 high-quality projects since 2014. The Connecting Europe Facility (EUR 30.4 billion) is another example of EU investment in major infrastructure in transport, energy and communication technology in Europe. Projects include for example the improvement of the safety of the central rail line in Poland, while increasing its speed up to 200 km/h, thus improving overall European freight and passenger transport along the central Baltic-Adriatic transport corridor. Erasmus+ (EUR 14.8 billion) is the European ***programme*** for education, training and youth and sport with over 2 million participants by 2016. The COSME5 ***programme*** (EUR 2.3 billion) targets small and medium-sized enterprises by facilitating access to loan and equity financing as well as market access, providing loan financing of over 5.5 billion EUR to more than 140,000 companies. It addresses the specificities of the European venture capital market by investing in SMEs in their growth and expansion stage, reaching nearly half a billion EUR of equity investment in 2016. The EU also finances a number of large scale projects and infrastructure that are too big to complete without public investment. A notable example is the EU's global Navigation Satellite 5 The EU ***programme*** for the Competitiveness of Enterprises and Small and Medium-sized Enterprises 14 System - Galileo, which provides services thanks to 15 fully operational EU satellites now in orbit and the EU's earth observation system, Copernicus, which is set to become one of the most important global providers of big data. Many of these ***programmes*** have become EU trademarks, making the EU visible and recognisable in the daily lives of its citizens. Nevertheless, there are margins for improvements to further strengthen their performance and increase their impact, in particular by avoiding overlaps, combing instruments, and ensuring complementarity and simplification. Should the budgetary allocation for these ***programmes*** be reinforced? How can we ensure they are mutually reinforcing? How can overlaps between ***programmes*** intervening in the same areas be avoided, whether for large infrastructure or support to SMEs? Avenues to improve the use of financial instruments in this area, to simplify the relevant rules and to enhance flexibility are set out in section 4.2 3.2.2 Economic, social, and territorial cohesion While the benefits of globalisation are widely spread, the costs are often localised. Recent evidence suggests that many regions across Europe are much more likely than others to be exposed to sudden shocks due to their economic specialisation, labour costs, or education level of their workforce. At the same time, unemployment rates, particularly among the younger generations, remain too high; participation in the labour market is low in many parts of Europe; and the number of people at risk of poverty is unacceptably high. These differences of economic and social perspectives may create socio-political tensions and require an appropriate EU response so that no person and no region are left behind. Fostering lasting economic convergence and resilience is the main objective of EU cohesion policy, which together with national co-financing, will mobilise more than EUR 480 billion in the period 2014-2020. The current generation of ***programmes*** have incorporated important reforms. They focus more funding on key European priorities, such as employment, social inclusion, skills, research and innovation, energy and resource efficiency. ***Programme*** objectives are set upfront. The overall economic, legal and institutional framework for investment has improved. Similarly, the policy has established a close link between the investment co-financed and the broader economic governance agenda and structural reforms. 15 Globalisation: is Europe prepared? Source: European Commission What does cohesion policy finance? In billion EUR Box 2 – Examples of results under cohesion policy 2007-13  Expenditure for social objectives: 9.4 million people secured employment, while 8.7 million citizens obtained qualifications  All Member States and regions have developed smart specialisation strategies to better target their research and innovation efforts. The support has led to around 95 000 Research &Innovation projects and 42 000 new research positions created; 16  Around 400 000 SMEs received support under cohesion policy and more than 1 million new jobs are being created as a result.  A large part of the EU expenditure for climate change and environment protection is being spent through cohesion policy. For example, around 6 million people gained access to better water supply and 7 million to improved waste water treatment;  Member States built or renovated 2600 km of railway lines and 2400 km of roads belonging to the Trans European Network, in addition to the secondary networks connecting remote areas to the rest of Europe. While the overall results of cohesion policy are globally positive, there are a number of areas where reform is needed. First, in recent years, cohesion policy has effectively compensated for declining national and regional investments as a result of the crisis. This has helped to prevent major disruptions, but the resulting higher co-financing rates by the EU budget have reduced the overall investment effort. Second, while cohesion policy responded to the crisis by increasing the co-financing level and amending its ***programmes*** to better fit changing socio-economic needs, there is also a need to review how cohesion policy can better prepare and react to unexpected developments, crisis and societal changes. Third, the link with the economic governance and the European Semester may need to be strengthened to ensure that the system is simpler, transparent, and provides positive incentives to implement concrete reforms to foster convergence. Finally, the policy has become increasingly complex to manage, hampering implementation on the ground and creating delays. The layers of controls and bureaucratic complexity make it difficult for beneficiaries to access these funds and deliver projects quickly. Therefore, a much more radical approach to simplifying implementation and allowing for more agile and flexible ***programming*** is needed for the future. 3.2.3 Sustainable ***agriculture*** Farmers provide a stable and high-quality food supply ***produced*** in a sustainable way at affordable prices for more than 500 million Europeans while respecting the requirements for animal health and welfare, environmental protection and food safety. Ensuring the economic, social and environmental sustainability of ***agricultural*** and rural communities is the core objective of the Common ***Agricultural*** Policy (CAP). In the current framework 2014-2020 the CAP will mobilise around EUR 400 billion to finance market measures and direct payments for farmers and rural development ***programmes*** and to promote sustainable ***agriculture*** and healthy rural economies. Of this amount direct payments represent around 70%. This income support partially fills the gap between ***agricultural*** income and comparable income for other economic sectors. The most recent reform of this policy introduced major changes to the system of direct payments, targeted to address the particular needs of young farmers and smaller farms, specific sectors or regions in difficulties, and the environment. Thanks to this policy, European citizens have access to safe, affordable and high quality food. Successive reforms of the common ***agricultural*** policy have made the European farm sector globally competitive, operating close to world market prices and showing a strong and improving export performance. Still, there are huge disparities in the development of the farming sector. In some rural areas there are no credible alternative sources of employment and income outside farming. However, some farmers now have access to other forms of non-farm income, e.g from tourism and leisure activities, wind power, bio gas and solar power. ***Agriculture*** covers nearly half of the surface of the EU. This makes farmers key for preserving natural resources (water, air, soil and biodiversity), implementing climate action and in shaping 17 treasured landscapes. The CAP sets the necessary rules and incentives to ensure that ***agriculture*** and forestry contrib

ute to solving the globally pressing environmental and climate problems and provide the public goods that citizens expect. Among these key tools are the agri-environment-climate measures of the CAP, which provides incentives farmers to adopt and adapt management policies and practices and undertake actions enhancing and preserving water bodies, soil, biodiversity and landscape amenities as well as mitigating and adapting to climate change. Still, there are growing demands to orient the Common ***Agricultural*** Policy further towards the provision of public goods related to the protection of the environment and climate action. This would require more targeted and regionally adapted support measures. ***Agricultural*** trade balance shows a competitive sector In million Euro Source: European Commission There is no consensus on the level of income support necessary when taking into account competitiveness within the sector. In some cases, these payments do not contribute to the structural development of the sector but tend to increase land prices that may hinder the entry of young farmers into the market. Direct payments are still largely determined by historic entitlements and concentrated on large farms and land owners in richer Member States. On average, 20% of beneficiaries receive around 80% of the payments. However, that general picture masks huge differences from Member State to Member State. For instance, 92% of farmers in Romania and 97% in Malta operate small farms, while in Germany less than 9% of farms are small. Who benefits from Common ***Agricultural*** Policy support? Source: European Commission 18 The majority of CAP payments are financed fully by the EU budget and thus providing a direct link between beneficiaries and the Union. The policy reaches farmers and citizens even in the most marginal areas of Europe, thereby providing significant knock-on effects for economic and social development, not to mention resilience in those areas. Apart from the rural development measures financed under the second pillar of the CAP, this is the only policy area managed together with the Member States without national co-financing. Developments over recent years showed that the EU budget has had to provide recurrently ad-hoc emergency support to react to specific developments such as the fall in dairy prices or the Russian ban on imports of certain ***agricultural*** products. There is hence a need to explore the right balance of instruments in the future common ***agricultural*** policy between policy measures and financial envelopes, grants and financial instruments, risk-management tools and other market arrangements to cope with risk and unexpected adverse events in the ***agricultural*** sector. Box 3 – Examples of results under the Common ***Agricultural*** Policy  70 % of EU ***agricultural*** land is covered by greening measures, supported by EUR 60 billion  Around 47 million hectares or roughly 25% of European ***agricultural*** area was under management contract for agri-environment friendly practices targeting water, soil and biodiversity  Creation and development of more than 200 000 rural businesses (145 000 young farmers receive support to set up business and 62000 micro enterprises)  Support for more than 25 000 environmental infrastructure projects such as sewage system and improved waste management in remote and rural areas  2400 Local Action Groups received support to develop and implement development strategies for their local areas 3.3 Managing Migration The EU’s external borders have increasingly been the scene of human tragedies to which the EU, together with its Member States, must take immediate action. At the same time, migration needs to be better managed in all its aspects; the EU should aim at providing its Member States with tools to do so in the medium as well as long term. Migration management is a shared responsibility, not only among EU Member States, but also vis-à-vis non-EU countries of transit and origin of migrants. By combining both internal and external policies, the EU and the Member States are developing a comprehensive approach grounded in mutual trust and solidarity among EU Member States and institutions. When it comes to managing migration flows, the current EU budget already supports Member States in in developing adequate reception and protection frameworks, addressing the root causes of migration and safeguarding the Schengen area. More than EUR 17 billion – 3.7% of the total EU budget – is allocated to these challenges over 2015-2017. For example, the EU budget was used to create 'hotspots' in Greece and Italy reaching a total capacity of over 9000 places. In 2016, shelter was provided for over 35,000 people in Greece, from tents in the initial stage to containers fit for winter conditions and 417 safe spaces for unaccompanied minors. The newly established European Border and Coast Guard Agency helped to rescue 174,500 people in the Mediterranean in 2016. 3.4 External Challenges, Security, Humanitarian Aid and Development In recent years, Europe has faced new external challenges linked to instability and fragility in its immediate neighbourhood and beyond. EU citizens are concerned about migration, terrorism and external security threats in general and want these issues to be tackled at the European level, 19 including defence. They expect Europe to play a leading role in the world, to manage the effects of globalisation, to defend a rules-based order, good governance as well as democracy, the rule of law and human rights, and sustainable economic development and to project stability and security in particular in Europe’s immediate neighbourhood. Almost 9 in 10 Europeans think that it is important to support developing countries. 82% of Europeans consider that helping others is a win-win option that is clearly in the European interest. Europeans also see the clear value added of taking action at a European level in external affairs. At the moment, EUR 96.5 billion support the EU’s external action, including the extra-budgetary 11th European Development Fund (EUR 30.5 billion) for EU's African, Pacific and Caribbean partners. The EU Budget then dedicates around 6% of the present MFF to external action, the largest financial envelopes being the Development Cooperation Instrument (EUR 19.7 billion), the European Neighbourhood Instrument (EUR 15.4 billion) and the Instrument for Pre-accession Assistance (EUR 11.7 billion). EUR 8 billion are ***programmed*** for Humanitarian Aid. This budget has been constantly mobilised and reinforced in the past years exhausting all available margins to tackle the multiplication of humanitarian and other emergencies around Europe, increasing the numbers of displaced people, the unprecedented humanitarian needs and the complexity of crises, which are set to continue. The EU’s external action takes place in partner countries outside the Union but also protects citizens' interests and safety. As the world's largest development and humanitarian aid donor, including through its collective commitment to devote 0.7% of GNI to Official Development Assistance (ODA), the EU and its Member States play a key role in supporting others across the world. EU external action promotes stability around the EU borders and beyond, supports the eradication of poverty in developing countries and fosters co-operation on areas of EU interest. It also tackles the root causes of irregular migration and violent extremism. EU financing usually provides a core around which development financing from Member States gathers to increase the EU critical mass and the impact in partner countries through joint ***programming*** and joint implementation. The new challenges for the EU’s external action as defined in the Global Strategy for the EU Foreign and Security Policy point to a need to examine the alignment of EU finances with these new priorities and the effectiveness of the various instruments in this area, including EU Delegations. This is particularly true regarding defence, and also EU external investment where there may be a need for the possibility to leverage significant private funds and reach substantial impacts with bearings on peace, stability and strong economic ties. The experience of recent years also suggests a stronger co-ordination between external and internal policies is needed, including the implementation of the Sustainable Development Goals (SDG) of the United Nations' 2030 Agenda and the Paris Climate Agreement, as well as the implementation of the Partnership Framework with third countries on migration. 20 4. OPTIONS FOR THE FUTURE OF EU FINANCES The design of the future EU budget must be underpinned by a clear vision of Europe’s priorities and a determination to invest in the areas that will secure economic strength, sustainability, solidarity and security for the future. The gap in EU finances arising from the United Kingdom’s withdrawal and from the financing needs of new priorities need to be clearly acknowledged. The new priorities have been accommodated under the current financial framework mainly by stretching the existing flexibilities to their limits. In the future, migration management, internal and external security, external border control, the fight against terrorism and defence will need to be budgeted within a longer-term perspective alongside continuing investment to support stability and sustainable development in our partner countries. The size, structure and content of the future EU budget will have to correspond to the political ambition that the European Union sets itself for the future. Will the EU just carry on, do less, act at different speeds, pursue a radical re-design or do much more together? Hard choices will need to be made. Can Europe deliver on its existing policies and new priorities with a shrinking budget? If not, where should cuts be made and ambitions scaled back? Or should the gap be bridged, either via increasing contributions from the 27 Member States, alternative sources of revenue, or a combination of the two, so that the EU 27 can do more together? Whatever the outcome, the level of political ambition must be aligned with the means to act. An EU budget enabled to deal with domestic and global challenges Source: European Commission 21 4.1 What should the future EU budget focus on 4.1.1 Responding to current trends and new challenges The EU budget should continue dealing with current trends that will shape the EU in the coming years. There are also a number of new challenges in which the EU budget will need to do more than today. These include management of irregular migration and refugees, including integration, control of external borders, security, cybersecurity, fight against terrorism and common defence. First, reducing economic and social divergences between and within Member States is crucial for a Union that aims for a highly competitive social market economy aiming at full employment and social progress. It is of vital importance for the Euro area, where divergences put at stake the sustainable development of Economic and Monetary Union in the medium term. The Reflection Papers on the Social Dimension of Europe and on Harnessing Globalisation have put forward a number of ideas for consideration. The overarching priority would be to invest in in people, from education and training, to health, equality and social inclusion. Also—building on the example of the Youth Guarantee—a Child Guarantee supported by EU funds would be an option. It is important for a social spending to reach those that most need it, in particular in regions with high social inequalities. Existing criteria for such targeting may need to be revisited with that aim in mind. Second, while the bulk of financial resources for Europe’s defence will continue to come from national budgets, there is consensus on the need to move forward jointly, for example on research and development, on the competitiveness of Europe's industrial base and procurement where the EU budget should finance a European Defence Fund to improve value for money. It should also be able to increase its present assistance to partner countries in capacity building as well as its military/defence component, where more solidarity would be needed in the financing of operational activities, including for Common Security and Defence Policy military missions. All in all, reflecting this new ambition in defence will entail a steady effort after 2020 from different sources. The EUR 1.5 billion per year of the EU budget contribution to the European Defence Fund, together with Member States' contributions to finance joint development projects, the Fund could generate a total investment in defence research and capability development of EUR 5.5 billion per year after 2020. Third, the Commission in its reflection paper on deepening Economic and Monetary Union has highlighted the idea of providing incentives to support structural reform. Such incentives, which could take the form of financial rewards, would recognise the economic, financial or political cost of structural reform in the short term and help facilitate their successful implementation. They could either be reinforced under cohesion policy or established under a new, stand-alone fund open to all Member States. They should support European policies and actions in line with country-specific recommendations within the European Semester. Technical support for these efforts could also be financed from the EU budget. The Commission will assess these options carefully before considering concrete initiatives. Upholding EU core values when developing and implementing EU policies is key6. There have been new suggestions in the public debate to link the disbursement of EU budget funds to the state of the rule of law in Member States. Respect for the rule of law is important for European citizens, but also for business initiative, innovation and investment, which will flourish most where the legal and institutional framework adheres fully to the common values of the Union. 6 The EU Justice Scoreboard monitors a number of factors related to the quality, independence and efficiency of national justice systems, such as the independence of judges. 22 There is hence a clear relationship between the rule of law and an efficient implementation of the private and public investments supported by the EU budget. Fourth, an important issue is whether the next EU budget should incorporate some form of stabilisation function. The Reflection Paper on the deepening of the Economic and Monetary Union suggested introducing a macroeconomic stabilisation function as soon as the next Multiannual Financial Framework. Its objective would be to protect against large shocks that hit different countries differently (so-called “asymmetric” shocks). It could take the form of a protection scheme for investments, a re-insurance for national unemployment schemes or a “rainy day” fund. There would be clear conditions to access such a function. Such options could be financed from existing instruments or from a new instrument. It is debated as to whether such a stabilisation function should be linked with a new fiscal capacity focusing exclusively on the euro area or whether this function could be performed by the EU budget, given that, even at this point in time, the euro area represents already 85% of EU GDP. The reflection paper on deepening the EMU suggests, as one option, that the stabilisation function 'should be developed in the EU framework and could be open to all Member States'. Introducing a Euro area fiscal stabilisation capacity would bring something qualitatively new to EU finances. For the longer term, the paper also opened a debate about a fully-fledged Euro area budget with much broader objectives, significantly higher resources and an own revenue stream. Fifth, it is necessary to shift towards new, sustainable growth models that combine economic, social and environmental considerations in a holistic and integrated way. For the transition to happen successfully the investment needs are vast – the largest share of which will be for low-carbon energy infrastructure, both for generation, transmission and distribution. For instance, the share of renewable energy sources in electricity generation needs to almost double by 2030 in order for the EU to meet its energy and climate targets. The EU budget can have a catalysing effect to stimulate the necessary additional private or public investment. Sixth, all existing instruments will need to be looked at. Though this paper looks in particular at the reform of the two biggest spending policies (***agriculture*** and cohesion) no ***programme*** or instrument supported by the EU budget should be exempt from the EU value added test. We must consider whether all existing instruments are indispensable or whether there is scope for merging or closing ***programmes***. Even more important is the need to ensure policy coherence among EU instruments to ensure that they all support EU objectives and facilitate reforms in Member States. For instance, in the area of SME financing the same beneficiaries may be eligible to receive support through several instruments covered under different ***programmes*** (COSME, Horizon 2020 and EFSI) or implemented by Member States through cohesion policy. This overlapping product offer has caused some confusion for financial intermediaries as to which scheme to apply. Rules and conditions applying in the same policy area should be aligned. There is also evidence of competition and crowding out effects between EU ***programmes*** - for example in the case of infrastructure, where even if the loans and guarantees provided by the EFSI are intended to complement the CEF Debt Instrument, implementation suggests that the introduction of EFSI has slowed down the deployment of the CEF instrument and of cohesion policy funds. Seventh, with a view to improving delivery of results, it may be necessary that for external policies, the number of instruments is reduced, but their flexibility increased. This could also facilitate internal re-allocation between regional or thematic priorities in case of the need to react to a crisis in the short term. 23 The incorporation of the European Development Fund (EDF) in the EU budget and the MFF has often been discussed also as an option to enhance the unity of the budget and its accountability. Such an option may also have drawbacks, as some of the present activities may not be supported by EU budget rules, for instance the African Peace Facility. Where Member States move spending from national to EU budgets, this should not be viewed as a net increase in spending levels, but rather as a way of transferring existing spending from national budgets and the EU budget, where it should in principle achieve a higher value added. This means, for instance, that if the EDF were to be incorporated into the EU budget and MFF, the overall volume of the MFF would have to increase by the size of the fund. Finally, the sound implementation of EU policies relies on a strong and efficient European civil service. Since 2013, the EU institutions are fulfilling their commitment to reduce their staffing level. This happened despite the addition of new responsibilities, for example in handling the refugee crisis or dealing with security threats, or in the EU Delegations abroad. The future EU budget should therefore make provision for a strong European civil service, attractive to talented young people from across the Union, and capable of delivering on the priorities that result from this reflection process. Decisions on future policies and instruments should take account of the impact on human resources. A further reduction in staff levels could jeopardise the good functioning of the EU institutions. Similarly, previous reforms have reduced salaries, increased working time and pension age. There is clearly a declining interest of young people from Member States with relatively high per capita income to join the EU institutions. While working conditions may only be one factor in such decisions, the trend is clear. 4.1.2 Reforming the common ***agricultural*** policy The common ***agricultural*** policy provides an important value added for Europeans and fulfils the objectives set by the Treaty. It was the EU’s first common policy and has evolved greatly over time through a number of reforms. In the current debate, different options for further reform are being considered to enhance its efficiency and fairness while achieving its unchanged objectives to ensure safe and healthy food, a competitive sector, a fair standard of living for the ***agricultural*** community and protection of our natural resources, our landscapes, the environment and for climate action. The impact of the policy goes beyond the stabilisation of farmer's income. However, many rural areas feel left behind. There is a growing call for the policy to focus further on the provision of public goods, such as safe and healthy food, nutrient management, response to climate change, protection of the environment and its contribution to the circular economy. Work is ongoing as regards the modernisation and simplification of the CAP. Among the debated options is the suggestion to target direct payments more effectively to ensure income to all farmers across the EU, particularly for marginal areas and the poorest farms. Such an option could reduce direct payments for large farms. One option to explore is the introduction of a degree of national co-financing for direct payments in order to sustain the overall levels of current support. Risk-management tools could be envisaged for dealing with crises. Any changes would need to preserve one of the key assets of the policy: the protection of a well-functioning internal market ensuring a level playing field for all ***producers*** across the EU. Viable rural communities are necessary to ensure the sustainability of the vast majority of EU territory. In this context, there is margin for improvement and for enhancing synergies with other funds. Here a suggestion is to rationalise the action of the various structural funds in rural areas and eliminate overlaps. 24 There is room to further improve the performance of the policy by putting more emphasis on incentivising farmers to deliver environment and climate public goods and services. Farmers should be encouraged to invest in new technologies and environmental protection within the rural development policy through positive incentives on the basis of contracts. This would lighten the current administrative burden for all farmers. 4.1.3 Reforming cohesion policy A number of different options could make cohesion policy more effective and maximise the impact of its investment. First, cohesion policy could be made more flexible to face new challenges, for example through an unallocated capacity. Similarly, a more flexible Globalisation Adjustment Fund able to cover a wider range of economic and social measures could be made more efficient via a closer link with cohesion policy. It would also contribute to the overall flexibility of the EU budget. Second, faster implementation of cohesion policy and a smoother transition between ***programming*** periods is required. A number of measures could be envisaged, such as stricter de-commitment rules, shorter procedures for closing ***programmes***, and quicker and more flexible processes for appointing the management authorities and for ***programming***. Third, shortcomings in administrative capacity and poor institutional quality hamper competitiveness, limit effectiveness of investments and create a serious obstacle to growth. The EU budget should strengthen its administrative capacity building linked to the most important investment areas supported by EU funding. New approaches to building administrative capacities could be explored, for example through better coordination of available instruments and a closer involvement of the Commission. The lagging regions initiative under cohesion policy was an important pilot exercise and its successful elements may be further deployed. Fourth, the levels of national co-financing for cohesion policy should be increased, in order to better calibrate them for different countries and regions and increase ownership and responsibility. The question should also be asked as to whether cohesion policy funding should be available to the more developed countries and regions. Fifth, a single investment fund, or a single set of rules for existing funds, would ensure more coherent investment and simplify the life of beneficiaries. Coherence can also be improved via a single rule book for cohesion policy and other funding instruments with ***programmes*** or projects of the same type. This would ensure stronger complementarity, for example between cohesion policy and Horizon 2020 or the Connecting Europe Facility. Sixth, the current system of allocation of the funds could be revised. New criteria could be added, for instance linked to the challenges Europe faces, from demographics, unemployment to social inclusion and migration, from innovation to climate change. 4.2 How should the future EU budget operate After having decided what the budget should do, there are a number of factors which need to be taken into account in its design. Box 4 - Principles for reform The design of the future EU budget should be driven by these key principles:  EU value added: funding should be concentrated on the areas of highest value added, taking into account the different dimensions indicated in section 2 such as focus on results. 25  Accountability: the debate on the future EU budget will follow a democratic and transparent process. The use of additional instruments outside the EU budget should be kept to a minimum, as they blur the understanding of the budget and put at risk democratic control, transparency and good management.  More flexibility within a stable framework: The multiannual structure of the EU budget is an asset. Certainty and predictability are a prerequisite for long-term investment. However, experience has shown that more flexibility is essential to respond to crises and unforeseen events. This should be reflected in a more flexible structure and a larger share of the budget should be left unallocated.  Simplified rules: citizens should not be discouraged from applying for EU funding as a result of excessive bureaucracy. Efforts to cut red-tape and further simplify the rules of implementation should therefore continue. Moving towards a single set of rules would help achieve this. 4.2.1 Stability and flexibility There is a need to strike the right balance between the stability and the flexibility of financing. One factor in this balance is the duration of the financial framework. Previous MFFs have almost always extended over 7 years; five years are today the minimum prescribed by the Treaty. Most Member States, regions and stakeholders are therefore accustomed to operating within this cycle. Reducing the current 7-year duration to 5 years would reduce the predictability of financing. This could be a problem in particular for investments that require more time. It would also imply that preparation for the next MFF would have to start at the very beginning of the previous one, further reducing the possibility to draw lessons for the future. Institutions may end up in a permanent 'negotiating' mode. However, on the positive side, a shorter duration would also bring more flexibility and make it easier to adjust to unforeseen developments. In addition, a 5-year timeframe would align with the mandates of the European Parliament and the Commission. This would strengthen the democratic debate on the EU’s spending priorities and put the EU budget more clearly at the centre of European politics. Another option is an MFF of 5+5 years with an obligatory mid-term revision to adjust the framework to new priorities. However, such an option would require setting the MFF ceilings and legal bases for the full duration of up to 10 years in the first place. This may create a strong disincentive to agree on any wider changes at mid-term compared to the actual negotiation of a new MFF. There are other ways to address the need for flexibility. The experience of recent years has demonstrated how the current structure is limited in how it can adapt to unexpected needs. One factor is that spending takes place strictly within certain categories and that a re-deployment of funds between budget headings is not easy. Another reason is the large number of different ***programmes*** and budget lines that have been created over time. The result has been a significant number of different instruments, often overlapping with each other. The flexibility of EU finances is also constrained by the fact that around 80% of the MFF is pre-allocated to specific policy areas, Member States or spending envelopes for third countries. Existing mechanisms to shift funding quickly to new priorities or between years have allowed for some adaptability. However, the existing flexibility would not be enough to deal with known challenges and unexpected future developments of a similar order of magnitude in a volatile environment. One option could be to put aside a share, often called a non-***programmed*** reserve, 26 within each spending ***programme*** that remains unallocated and reserved for unexpected developments. Moreover, a Crisis Reserve funded by unused money from previous years could provide additional firepower for exceptional circumstances and a improved Globalisation Adjustment Fund could also enhance flexibility. It could allow the Union to enhance support for structural change of areas hit by the impact of globalisation and technological change. 4.2.2 Financial instruments and the extended EU financial architecture An important source of flexibility of EU finances comes from institutions and instruments that complement the EU budget, such as the European Investment Bank, the European Development Fund, European Union Trust Funds and other facilities. Financial instruments such as guarantees, loans and equity can play an important role to allow the EU to 'do more with less' and leverage the EU budget, particularly at a time of budgetary constraints. One important recent example is the European Fund for ***Strategic*** Investments. Their successful use depends on a clear strategy and on a set of criteria to determine which tools are most appropriate for market needs, beneficiaries and desired objectives. Financial instruments are only appropriate for revenue-generating projects. Grants and subsidies will therefore continue to be needed for projects that do not generate revenues, for example for basic research, for some types of infrastructure ***programmes***, or for people-based investments, such as Erasmus or Marie-Curie grants. The number of EU-level financial instruments and rules applying to them is an obstacle to their efficient use. One option to address this could be their integration within a single Fund which would provide loans, guarantees and risk sharing instruments—blending with EU grants where appropriate—depending on the project and windows for the different policies (such as research, innovation, environment, SME support, infrastructure, including for energy efficiency) to cater for different objectives. Europe can do more to provide conditions for companies to scale up. Financing mid-cap companies and SMEs beyond the start-up phase remains difficult and many entrepreneurs leave Europe in search for appropriate capital investment. To this end, a pan-European Venture Capital Fund-of-Funds of EUR 1.6 billion has been launched by the Commission in 2016 and will be operational during 2017. This approach could be expanded to provide stable funding in the scale up stage of development of projects or firms. These new EU-level financial instruments and the loan, guarantee, and equity instruments managed by Member States under cohesion policy should be complementary. This complementarity between the different instruments should be ensured, through upstream coordination, same rules and clearer demarcation of ***interventions***. 4.2.3 Simplification, focus on performance and efficient management of the EU budget Well-designed rules are essential to ensure that EU funds are spent properly and taxpayer money is protected. Excessive bureaucracy can get in the way of results and discourage citizens and companies from taking full advantage of the EU budget. Major steps have already been taken to simplify the EU budget but there is significant scope to go further by reducing the complexity of the rules. This is desirable in many areas of spending, in particular where the difficulty to comply with reporting and monitoring requirements leads to significant delays in project execution. The complexity of the rules leads to more errors and costs for final recipients and increases the risks of non-compliance. There is a clear need to merge ***programmes*** that pursue similar objectives, for instance across the areas of energy efficiency or 27 of citizenship. Likewise, in the area of external policies, it could be appropriate to reduce the number of instruments and at the same time increase their flexibility, removing any artificial barriers between regional or thematic priorities. One way forward may be a 'single rule book' governing all processes and instruments or application of the same rules and conditions for the same type of project. This may help ensure radical simplification and cutting of red tape with higher visibility and promotion of better coherence across different EU investments. It may reduce the administrative burden for beneficiaries – they may not need to comply with different rules for the same types of investments depending on the source of funding. What genuinely matters for those being supported is the simplicity of rules and not the funding source. Along this line, implementation of the budget should focus on maximising the performance of every euro spent in terms of economic growth and value added. Whereas significant progress has been made on this front, the current performance framework built by a multitude of different legal texts is complicated, making it more difficult to assess and communicate progress and achievements. Moreover, there is a need to restore trust between the different institutions, moving towards proportionate controls that depend on volumes but also on the reliability of institutions and the efficiency of management and control systems. A clear move in this direction would also allow Member States (and the Commission too) to rationalise management systems and corresponding institutional arrangements – the multiplication of institutional systems specific to each fund is a luxury which may not be affordable. In Member States, in particular, substantial institutional efficiency gains and a reduction of administrative costs for ***programme*** management could be achieved. Making full use of the European Public Prosecutor's Office can contribute to the simplication and the efficiency of the protection of the EU budget. 4.3 Revenues to support EU policies There is a close link between decisions about what the EU budget is used for and choices about how the EU budget is funded. The reflection on the reform of the expenditure side of the EU budget should therefore be accompanied by a critical assessment of how the budget is financed—the own resources system—and how this system can be reformed to be more efficient and provide stronger support for policies. The current approach to financing is over-complicated, opaque and riddled with complex correction mechanisms. In the future, the system should be simple, fair and transparent. The long-standing debate about the revenues financing the EU budget has centred on linking own resources more visibly to key EU policies, in particular the Single Market and sustainable growth, and on simplifying the system. In an ideal world, the EU’s own resources would, at the same time, arise from a key EU policy with a visible EU value added, be seen as equitable and finance a stable and significant share of the EU budget. The traditional own resource of customs duties can be seen as such a good example. There are many possible sources of revenue which can be used to finance the EU budget (Chart 15 lists the ones most frequently referred to), although none could by itself fit all the criteria identified as necessary for an own resource: Some can bring in stable and significant revenues and lead to real reshaping of the revenue side. Others would bring in more modest revenues, but could be more politically relevant or acceptable, in particular when they would accompany priority policy objectives such as the decarbonisation of the European economy, the deepening of the single market and of Economic and Monetary Union or the financing of new priorities. 28 Ultimately, the best choice will depend on the main objectives of the future reform, and if there is a targeted volume of the EU budget which should be financed from new own resources. Revenue sources — a range of options Contrary to what is often stated, new own resources would not necessarily increase the size of the EU budget. Decisions related to the expenditure level are made in the context of the multiannual financial framework, and the decision on whether or not to increase current spending levels will have to be taken depending on the outcome of the present reflection process. At unchanged spending levels, new own resources would automatically reduce the share of the GNI-based own resource, which acts as a residual and makes up any gap to cover EU expenditure, depending on the evolution of other own resources. The recent report by the high-level group on own resources jointly set up by the European Parliament, the Council and the Commission and chaired by Mario Monti7 has provided a comprehensive analysis of these issues and assessed a number of possible sources of revenue in relation with the most relevant criteria (e.g equity, efficiency, stability, transparency, focus on European value added, democratic accountability). Progress in tax co-ordination, particularly in the area of corporate taxation and the taxation of financial transactions would facilitate some forms of own resources. Based on the ongoing debate, a number of avenues of reform of the current system could be considered. Box 5 – Options for an 'own resources' system - The current VAT-based own resource could be reformed and simplified. An extreme option would be to abolish it altogether. - With the departure of the United Kingdom, the rebate that was introduced as a concession to that country in the past will become obsolete. The same is true for the rebates on the UK rebate. The other rebates will expire at the end of 2020. The elimination of rebates would open the door to substantial simplification of the revenue system. Ideally, in-depth reform of EU policies focusing on the highest value added should make any rebate unnecessary - Any new own resource should be conceived not only to finance part of the EU budget, but also to accompany its core policies. As an example, common energy or environmental taxes could be applied to ensure a level playing field between companies and contribute to the global fight against climate change. - In a similar manner, a percentage of the common corporate tax base or the financial transaction tax could be designed to reinforce the single market, mirror the benefits of the internal market for the largest companies and strengthen the fight against tax fraud and tax evasion. 7 [*http://ec.europa.eu/budget/mff/hlgor/library/reports-communication/hlgor-report\_20170104.pdf*](http://ec.europa.eu/budget/mff/hlgor/library/reports-communication/hlgor-report_20170104.pdf) 29 - With the future deepening of Economic and Monetary Union, revenues from seignorage – the revenues arising from issuing currency – could in the longer term become the basis for an EU own resource. - Money generated directly by EU policies and competences could be considered as revenues for the EU budget, such as, in the long term, revenues from auctions under the Emissions Trading System, emission premia for cars, also in the longer term the future European Travel Information and Authorisation System to be paid by persons entering the EU border, or any similar fees. - In introducing own resources, attention should be paid to their transparency, simplicity, stability, their consistency with Union policy objectives, their impact on competitiveness and sustainable growth and their equitable breakdown among Member States. Source: European Commission 4.4 The way forward The options for the future EU finances that have been set out in this section are both varied and of different nature. They concern what the EU budget should be spent on; how the budget should be financed; how some key policies should be reformed; and how the budget itself should be structured and organised. All of these interlocking aspects need to be considered together when looking at the possible scenarios for the future EU budget. This is set out in the next section. 30 5. POSSIBLE SCENARIOS FOR THE EU 27 The White Paper presents five illustrative scenarios with different implications for the EU finances in terms of budget size, structure and degree of change/modernisation. Combinations are possible and different design elements are compatible, as the options and scenarios are neither completely distinct nor mutually exclusive. Some horizontal issues are valid for all scenarios: The first one is ensuring that EU money is spent in the most efficient way: expenditure should focus on ***programmes*** with proven EU value added designed to deliver results with the minimum costs. Performance should be at the centre of the next generation of ***programmes***. Secondly, in order to respond to the unanimous call from Member States and beneficiaries of EU funding, simplification is the other common driver for modernising the EU budget in all scenarios. Overall coherence and complementarity between the different ***programmes*** and instruments should be ensured and overlaps should be prevented already at the design stage. To simplify implementation, the same rules should apply for the same type of ***interventions*** to the extent possible with a view to moving towards a single rule book. The ongoing processes to modernise existing ***programmes*** and policies would continue, for instance, for the common ***agricultural*** policy, cohesion policy, the research ***programme*** and others. Weaker-performing ***programmes*** could be discontinued or integrated elsewhere. Third, all scenarios require factoring in flexibility to respond to major unexpected developments and unforeseen needs. Special instruments in the EU budget proved crucial for dealing with the migration and security challenges in the current MFF. They may need to be streamlined and strengthened to provide more inbuilt flexibility within spending ***programmes***. Finally, rebates on contributions of Member States should be abolished in all scenarios. Likewise reporting on net balances would be dropped or the methodology significantly improved to better reflect reality and national treatment of contributions to the EU budget would be aligned. In this logic, there are five basic options for the future of the EU finances:  Carrying on: the EU27 continues on delivering its positive reform agenda;  Doing less together: the EU27 is doing less together in all policy areas;  Some do more: the EU27 allows groups of Member States to do more in specific areas;  Radical redesign: the EU27 do more in some areas, while doing less elsewhere.  Doing much more together: the EU27 decide to do more together across all policy areas. 31 1Carrying on Scenario General trend and volume • Broadly stable • Reflects current reform agenda of EU 27 • Lower relative shares of Cohesion and ***Agriculture*** to finance new priorities • Higher use of financial instruments and guarantees Expenditure • Common ***agricultural*** policy • Better targeted support for farmers under special constraints (e.g small farms, mountainous areas and sparsely populated regions) and risk management tools for all farms • Investment in rural development (particularly agri-environmental measures) • Economic, social and territorial cohesion • Investment for all regions at a lower level • Higher levels of national co-financing and use of financial instruments • Stronger focus on social inclusion, employment, skills, innovation, climate change, energy and environmental transition • New priorities • Internal/external security, migration and border control; defence (Research & Development, capabilities); • Structural reforms linked to the European Semester • Positive incentives either through cohesion policy or through a dedicated fund Revenue • Current system without rebates • Other sources of revenue or fees finance the EU budget 32 General trend and volume • Significantly reduced • Focus on internal market functioning • Amounts for Cohesion and ***Agriculture*** significantly reduced • Much higher use of financial instruments and guarantees Expenditure • Common ***agricultural*** policy • Support only for farmers under special constraints (e.g small farms, mountainous areas and sparsely populated regions) • Risk management tools for all farms • Economic, social and territorial cohesion • Support only to cohesion countries and cross-border co-operation • Focus exclusively on social inclusion, employment, skills, innovation, climate change, energy and environmental transition • Single market ***programmes*** maintained (Trans-European networks, customs, consumer protection, agencies) • No financing for new priorities (security, border control, migration,defence) • Discontinue other ***programmes*** (Erasmus, research and innovation, aid to the most deprived, health, culture, citizenship…) Revenue • Current system without rebates 2Doing less together Scenario 33 3Some do more Scenario General trend and volume • Broadly stable with a potential increase to cover the areas of joint action • Higher use of financial instruments and guarantees Expenditure • As in Scenario 1 Additional budgets and innovative financing • Enhanced cooperation expenditure included in the EU budget (like European Public Prosecutor's Office) • Pooling of funding beyond the EU budget • trust funds • assigned revenues • channeled through the EU budget but not subject to the constraints of the Multi-annual Financial Framework • Eurozone • Euro-zone macro-economic stabilisation (investment protection/unemployment re-insurance/rainy day fund) Revenue • As in Scenario 1 + new policies financed only by participating Member States, either through current system or • A new own resource (e.g Financial Transaction Tax) • A new stream of revenue outside the current financing system • or ad-hoc financial contributions 34 General trend and volume • Lower • Share of Cohesion and Common ***Agricultural*** Policy reduced • Focus on priorities with very high EU value added • Much higher use of financial instruments and guarantees Expenditure • Common ***agricultural*** policy • Reduced direct payments • Focus on farmers under special constraints (e.g small farms, mountainous areas and sparsely populated regions) • Agri-environment-climate actions and risk management tools for all farms • Economic, social and territorial cohesion • Support only to poorer regions and cross border co-operation • Focus exclusively on social inclusion, employment, skills, innovation, climate change, energy and environmental transition • New priorities • Security and defence (joint financing of key capabilities, joint procurement) • Counter terrorism agency and migration management with border control and coast guard with joint equipment • Reinforcement of existing priorities • Smart transport and energy grids, high-performance computing, world-class Research & Development, e-transport • External policies • Structural reforms linked to the European Semester • Positive incentives either through cohesion policy or through a dedicated fund Revenue • Simplification of current system: abolish all rebates, reform or abolish Value Added Tax-based own resource • New Own Resources finance a share of the EU budget and contribute to achieving policy objectives (e.g green tax, Financial Transaction Tax, Common Consolidated Corporate Tax Base) • Other sources of revenue or fees finance the EU budget 4Radical redesign Scenario 35 5Doing much more together Scenario General trend and volume • Significantly increased • Significant additional financing of new priorities and external action • Higher use of financial instruments and guarantees • Increase of own resources ceiling Expenditure • Common ***agricultural*** policy—higher amount • Economic, social and territorial cohesion as in scenario 1 plus: • Reinforced social dimension (e.g Child Guarantee) • Reinforced territorial cooperation dimension • Reinforced urban dimension • New priorities and high value added priorities as in scenario 4 • Structural reforms linked to the European Semester • Positive incentives either through cohesion policy or through a dedicated fund • Common Security & Defence, common financing & procurement, EU budget complemented by an extra-budgetary fund • Venture Capital Fund facility • Fully-fledged Euro area budget and European Monetary Fund • Reinforced external action; European Development Fund in the budget Revenue • In-depth reform beyond scenario 4 • New own resources finance a large share of the EU budget and contribute to achieving policy objectives • Other sources of revenue or fees finance the EU budget 36 6. CONCLUSIONS: FINANCING THE EU'S FUTURE The EU budget, and indeed the European Union as a whole, will change after 2020. This is certain – the status quo is not an option for our Union. The EU budget will need to be simpler, more flexible, more streamlined and must enable more efficient spending. How the budget changes – and what it is used for – depends on what future we want for our Union and on the level of ambition we chose to work together to shape that future. This reflection paper has set out a series of options and scenarios regarding the future direction of the budget and how it could be used. It is intended to stimulate further debate about where the Union is going and what we want to achieve together. This is the last of the 5 reflection papers following the White Paper on the Future of Europe. Taken together, the 6 documents have set out a range of ideas, concepts and possibilities for the future of the EU27. The breadth and depth of debate and discussion that the White Paper and the reflection papers have stimulated so far show how important these issues are. This discussion should continue in the second half of 2017 with as broad a debate as possible to ensure that Europe as a whole reflects carefully on its future. President Juncker will take these ideas forward and give his personal views in his State of the Union speech in September. When it comes to the future Multi-Annual Financial Framework, the Commission will examine all reactions and responses to the White Paper and the reflection papers. This will enable the Commission to present its proposals for the next multi-annual financial framework around the middle of 2018.

**Load-Date:** August 17, 2017

**End of Document**



[***Register of Commission documents: Commission staff working document Synopsis report Accompanying the document Communication from the Commission to the Council and the European Parliament A European One-Health Action Plan against Antimicrobial Resistance (AMR) Document date: 2017-06-29 COM\_SWD(2017)0240 SEC documents***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P86-3XR1-F0YC-N49R-00000-00&context=1516831)

Impact News Service

August 15, 2017 Tuesday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 4358 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

EN EN EUROPEAN COMMISSION Brussels, 29.6.2017 SWD(2017) 240 final COMMISSION STAFF WORKING DOCUMENT Synopsis report Accompanying the document Communication from the Commission to the Council and the European Parliament A European One-Health Action ***Plan*** against Antimicrobial Resistance (AMR) {COM(2017) 339 final} 2 SYNOPSIS REPORT 1. INTRODUCTION This report covers feedback and input from citizens and from administrations, associations and other organisations (hereinafter ‘stakeholders’) as regards a Commission Communication on a One Health action ***plan*** to support Member States in the fight against antimicrobial resistance (AMR) (hereinafter ‘the new One Health action ***plan***’). Stakeholders had the opportunity to provide their feedback on a Commission roadmap on a One Health action ***plan*** against AMR1 from 24 October 2016 to 28 March 2017. In addition, an open public consultation (OPC)2, targeting citizens and stakeholders, on the content for a new One Health action ***plan*** against AMR was open from 27 January to 28 April 20173. 22 stakeholders submitted their feedback on the Commission roadmap. The OPC received replies from 584 participants: 421 citizens and 163 stakeholders. 16 of the 163 stakeholders had also provided comments on the Commission roadmap. The stakeholders represented a great variety of sectors. Over a fifth of the respondents were public or private administrations, followed by non-governmental organisations (NGOs), pharmaceutical industry stakeholders and human healthcare providers.

More than half of the respondents (52%) were umbrella organisations or associations representing the interests of stakeholders. As for the citizens, 406 came from 22 Member States while 15 came from non-EU countries. The vast majority of the respondents were highly educated (87% had tertiary education), were employed in the human (39%) or animal (12%) healthcare sectors and admitted to being very well or well informed about AMR and its consequences (48% and 40% respectively), making the sample highly qualified to respond to the OPC. The contributions received confirmed the strong support from citizens and stakeholders for a new One Health action ***plan***, and the importance of a comprehensive approach. Contributions have been taken into account in defining concrete actions under the three main pillars of the new One Health action ***plan***. Most of the contributions taken into account presented policy options which had a clear EU added value for Member States, which were relevant in terms of tackling AMR research and development (R&D) related challenges, or which would help ensure that the EU has a strong voice on AMR at international level. Contributions which went beyond the scope of EU competences were not taken into account. A more detailed factual report on feedback received in the OPC will be published in parallel2. It will offer a more comprehensive overview of the contributions received. 1 [*http://ec.europa.eu/dgs/health\_food-safety/amr/docs/communication\_amr\_2011\_748\_en.pdf*](http://ec.europa.eu/dgs/health_food-safety/amr/docs/communication_amr_2011_748_en.pdf) 2   [*http://ec.europa.eu/dgs/health\_food-safety/amr/consultations/consultation\_20170123\_amr-new-action-*](http://ec.europa.eu/dgs/health_food-safety/amr/consultations/consultation_20170123_amr-new-action-) ***plan***\_en.htm 3 The cut-off date is 28 April 2017. Contributions received by the European Commission after that date could not be taken into account in preparing this report. 3 2. MAKING THE EU A BEST PRACTICE REGION Almost half of the citizens (46%) attributed equal importance to conducting actions against AMR in the human health, animal health and environmental sectors and more than a quarter (27%) were in favour of actions in both the human health and animal health sectors. The views expressed by the stakeholders also corresponded to a One Health approach addressing actions in all three sectors (human health, animal health, and environmental sectors). 2.1 Better evidence and awareness of the challenges of AMR Stakeholders familiar with the EU surveillance systems considered that more improvements are needed on data collection in the animal health side than in the human health side. They pointed to the following possibilities to improve surveillance in the EU, which will be further explored in the implementation phase of the new One Health action ***plan***:  Moving towards a standardised system of data collection in order to reduce disparities in the quality of national data;  For antimicrobial consumption data: o In the human health sector, more granularity in the collection of data (e.g collection at regional, sub-regional, or even local level; stratified by healthcare sector; age/gender specific); o In the animal health sector, consumption data by species; by target population (e.g fattening pigs or breeding sows and boars rather than all pigs); by farming system (e.g intensive farming) and to start collecting data on antimicrobial use in companion animals (e.g cats and dogs); o In both sectors, collecting data on the diagnoses or reasons for prescription;  For antimicrobial resistance data, stakeholders called for broadening the scope of the surveillance systems to cover more pathogens in the human health sector. In both sectors they advocated for a database of resistance genes and for the use of genetic methods to improve data quality. In order to strengthen the evidence base, another stakeholders’ proposal that was put into concrete action in the Communication on the new One Health action ***plan***, is helping Member States in assessing the economic and health burden of AMR. Other stakeholders’ proposals require further consideration and were not translated into concrete actions in the new One Health action ***plan***. These include assessing the economic and health impact of vaccines against major infectious diseases in humans and the effectiveness of vaccination schemes, infection control measures, farming systems and nutrition practices in animals. In terms of awareness, stakeholders were very positive about the Commission complementing Member States’ AMR awareness-raising activities. Almost four times as many (79%) rated the Commission’s efforts as helpful or very helpful compared to those who found these to be less helpful (21%). Stakeholders mainly called for initiatives driven by Member States which would be country-specific, tailor-made and as targeted as possible to citizens and consumers, but also to pharmacists, doctors, dentists, patients, veterinarians, and farmers. These national campaigns are outside of the scope of the new One Health action ***plan***. 4 2.2 Better coordination and implementation of EU rules to tackle AMR To improve coordination of Member States’ action on AMR, stakeholders considered important holding regular discussions within a One Health dedicated network on AMR, gathering experts from the human health, animal health and environmental sectors. They also called on the Commission to coordinate and facilitate the sharing of best practices and exchange of information on Member States’ national action ***plans*** (NAPs) against AMR. The Commission addressed positively this request in the new One Health action ***plan***. 87% of the stakeholders considered that it would be either very helpful or helpful for Member States to define measurable goals to reduce infections in humans and animals, the use of antimicrobials in the human health and animal health sectors and AMR in all three sectors. Concrete actions to support Member States in implementing their NAPs against AMR were included in the new One Health action ***plan***. 2.3 Better prevention and control of AMR To reduce antimicrobial use and prevent the spread of AMR, stakeholders favoured new Commission initiatives in humans, followed by new Commission initiatives in animals and ***agriculture***. Stakeholders strongly called for EU initiatives on infection prevention and control and on prudent use of antimicrobials. The following proposals were translated into concrete actions in the new One Health action ***plan***:  Supporting activities in the human health sector, e.g including training and policies on healthcare-associated infection (HAI) control for all healthcare professionals;  Promoting antimicrobial stewardship teams in hospitals and healthcare facilities and enhancing antimicrobial stewardship policies for all clinicians in primary healthcare and hospitals;  Supporting Member States in ***producing*** treatment guidelines and decision-support tools;  Promoting initiatives in the animal health sector aiming to improve animal husbandry practices for infection prevention and control;  Promoting feeding and animal nutrition strategies developed by national authorities in collaboration with feed industry experts. Stakeholders also suggested proposals concerning actions under Member State competences. The Commission did not include them in the new One Health action ***plan***. These included:  Member States to develop clear national vaccination ***programmes*** in the human health sector with vaccination goals, which acknowledge the role of vaccines in the fight against AMR and to identify and address key barriers to the introduction and roll-out of national vaccination schedules;  Member States to establish national vaccination ***programmes*** in the animal health sector that reflect the diversity in livestock species and husbandry conditions;  Member States to include vaccination schedules in their NAPs against AMR;  Member States to encourage prescribers’ access to rapid diagnostics in order to help them in their decision-making and to set up measures targeting human and animal health providers to promote the use of rapid diagnostics;  Member States to include the use of rapid diagnostics in educational, training and antimicrobial stewardship ***programmes***. 5 Finally, some stakeholders in the homeopathic and alternative medicine sectors called for the promotion of homeopathic and alternative medicinal products (traditional, complementary and alternative medicine) in the fight against AMR. These proposals were not addressed by the Commission in the new One Health action ***plan*** due to the lack of clear evidence. 2.4 Better addressing the role of the environment Stakeholders expressed strong support for initiatives aiming to monitor antimicrobials and resistant microorganisms in the environment. A few stakeholders pointed out that health and economic impact studies should be conducted before defining limitations on antimicrobial discharges to the environment. Stakeholders familiar with antimicrobial discharge pathways to the environment had the opinion that action should be taken to limit antimicrobial discharges from the pharmaceutical manufacturing process. Several stakeholders urged the Commission to adopt an EU ***strategic*** approach to pharmaceuticals in the environment. This action was included in the new One Health action ***plan***, and will be followed, where appropriate, by proposals for measures. A range of options could be considered in the ***strategic*** approach, e.g in relation to manufacturing effluents and collection of unused antimicrobials. As outlined in its Communication, the Commission intends to maximise the use of data from existing monitoring systems to improve knowledge of the occurrence of AMR and the spread of antimicrobials in the environment and thus better inform policy measures. 2.5 A stronger partnership against AMR and better availability of antimicrobials Success against AMR depends on efforts from all levels of governance and multitude of societal actors. Stakeholders considered that the promotion of dialogue between all relevant stakeholders is crucial in order to discuss human and animal antimicrobial development challenges, the regulatory framework for alternatives to the use of antimicrobials, and to accelerate vaccine development for multidrug-resistant pathogenic bacteria. To optimise development ***plans***, pharmaceutical industry stakeholders strongly advocated for early and continuous dialogue with all relevant stakeholders throughout the entire product development cycle. They particularly called for dialogue on a regulatory framework that prioritises the development of antimicrobial medicines, vaccines and diagnostic tests; further enables efficient pathways for medicinal product development; and accelerates review pathways for antimicrobial medicinal products targeting serious and life-threatening infections. Stakeholders in the animal health sector asked for dialogue to properly differentiate in the development phase which new antimicrobials are intended for human use and for use in animals. In line with these comments and suggestions, and as indicated in its Communication on the new One Health action ***plan***, the Commission included initiatives to promote regular dialogues among stakeholders and to encourage them to develop and share their strategies against AMR. Stakeholders had multiple constructive suggestions on how to guarantee the availability of effective antimicrobials (e.g safeguarding of Internet sales and improving and reformulating older antimicrobials in order to be kept longer on the market). The Commission carefully considered these suggestions and addressed them in the new One Health action ***plan***. 6 3. BOOSTING RESEARCH, DEVELOPMENT AND INNOVATION ON AMR Research, development and innovation are essential ***strategic*** pieces in the fight against AMR. Stakeholders familiar with medicinal product development indicated as the main obstacles to bringing new antimicrobials to patients in Europe the lack of funding in R&D on AMR, followed by the lack of economic models incentivising R&D on AMR and a challenging regulatory environment. 3.1 Improve knowledge on detection, effective infection control and surveillance Stakeholders involved in R&D called for funding of basic research, but also for research on communication, behavioural sciences and methods to promote a change in how antimicrobials are used. As indicated in its Communication on the new One Health action ***plan***, the Commission remains committed to supporting research to better understand epidemiology, resistance mechanisms or AMR-related challenges and to improve early detection of disease outbreaks. 3.2 Develop new therapeutics and alternatives In view of prioritising research, 76% of the stakeholders agreed that the EU should develop a list of R&D priorities for resistant pathogens, i.e a priority pathogens list. This option will be further explored in the implementation phase of the new One Health action ***plan***. In addition, views and proposals from stakeholders called for supporting scientific communities to easily access, share resources and use existing data to convert into new knowledge and for supporting scientific research on novel alternatives to antimicrobials (e.g medicinal product repurposing). This input will be translated into policy options to facilitate efforts in the development of new antimicrobials and novel alternatives and to address scientific challenges. 3.3 Develop new preventive vaccines In order to select the appropriate pathogens for the development of new vaccines against AMR pathogens and HAIs, stakeholders considered that it would be beneficial to clearly define priorities and to establish the necessary tools to support this development. In the new One Health action ***plan***, the Commission indicated its commitment to supporting the development of new effective preventive vaccines. 3.4 Develop novel diagnostics Stakeholders considered rapid diagnostic tests essential to inform prescribing and therefore to use antimicrobials appropriately in the human and animal health sectors. They also called for supporting and funding targeted research for innovative, rapid and more mobile technologies in order to facilitate and accelerate the detection and identification of pathogens. Other options addressed by stakeholders fall under Member State competences and include promoting alternative reimbursement systems for rapid diagnostics and encouraging the uptake of rapid diagnostics in the human and animal health sectors. 3.5 Develop new economic models and incentives Stakeholders widely supported the development of new funding and business models for improved access to innovative technological solutions to prevent and control AMR and HAIs. In terms of incentives, stakeholders familiar with funding instruments expressed considerable enthusiasm for funding possibilities under the European Framework ***Programme*** Horizon 2020 (95% considered it very important or important), followed by funding provided by the 7 Innovative Medicines Initiative (IMI) public-private partnership (92% considered it very important or important). But whereas these push mechanisms were very well regarded, pharmaceutical industry stakeholders advocated for complementing them with pull mechanisms rewarding innovation earlier in the product life cycle and reducing the proportion of manufacturer revenue derived from antimicrobial sales volume in order to align with stewardship principles. These options will be explored in the implementation phase of the new One Health action ***plan***. 3.6 Close knowledge gaps on AMR in the environment and how to prevent transmission Stakeholders agreed that a clear understanding of the transmission dynamics between AMR in the environment and humans, animals, and food is lacking. In their contributions stakeholders consistently pointed to funding research on the impact of antimicrobial discharges into the environment and the mitigation of the risk that this may pose. 4. SHAPING THE GLOBAL AGENDA The challenges of AMR are globally shared and due to travel and trade, the spread of AMR can be further facilitated. Citizens expressed strong support for both EU-centred and worldwide action on AMR, which is in line with the actions presented in sections 2 and 4 of this report. Stakeholders considered global coordinated action crucial and expressed a preference for EU efforts in the non-EU European region, followed by the South Asian region and the North African region. These preferences were reflected in the new One Health action ***plan***, with capacity building activities foreseen in EU candidate and potential candidate countries and neighbouring countries (including those where the European Neighbourhood Policy applies), which applies to certain non-EU European and North African countries. Further, activities with the South Asian region are also foreseen under the Better Training for Safer Food (BTSF) initiative. 4.1 A stronger EU global presence Stakeholders expressed clear support for reinforcing cooperation with normative international organisations (e.g WHO, OIE, FAO4, and Codex Alimentarius) to tackle AMR. Stakeholders additionally pointed to international actions including that imports to the EU (e.g food) should meet EU standards and that the Commission should support the establishment of international databases on the monitoring of antimicrobial use and occurrence of resistances. Stakeholder suggestions relating to advocating EU standards and measures on AMR and reinforcing technical cooperation in areas covered by the WHO Global Action ***Plan*** on AMR were reflected in the new One Health action ***plan***. A few stakeholders also urged for action to address discharges to the environment from the pharmaceutical industry by enforcing on-site inspections and amending rules under the Good Manufacturing Practices to include environmental and waste management criteria. In its Communication, the Commission underlined its support for efforts to manage pharmaceutical manufacturing effluents effectively. Enforcing on-site inspections on environmental matters in countries outside of the EU would be beyond the mandate of the Commission. 4 WHO: World Health Organisation, OIE: World Organisation for Animal Health, FAO: Food and ***Agriculture*** Organisation of the United Nations. 8 4.2 Stronger bilateral partnerships for stronger corporation Stakeholders perceived positively fostering bilateral partnerships with key EU trading partners and major regional and global players (e.g USA, Canada, Brazil, China, India, and South-Africa). The Commission is committed to working with ***strategic*** partners in the new One Health action ***plan***. Capacity building, trade and partnership agreements, as well as non-binding cooperation were endorsed by stakeholders. Several stakeholders called for stronger action with countries that export large volumes of antimicrobials to Europe, yet proposals that encroached on national sovereignty were disregarded. 4.3 Cooperating with developing countries In their comments, stakeholders asked for international actions including raising awareness of AMR globally and assisting countries that most require support through surveillance and stewardship capacity building. While the EU can raise political awareness in international forums (e.g United Nations), public awareness-raising activities in third countries are beyond the capacity of the Commission, hence any proposals for activities relating to the Commission directly launching public awareness-raising campaigns in third countries were dismissed. 4.4 Developing a global research agenda Stakeholders expressed favourable opinions on research coordination. In terms of international action, they advocated for improving mapping and coordination of global R&D efforts, and globally supporting R&D efforts, particularly regarding the WHO list of R&D priorities on AMR and addressing multidrug-resistant tuberculosis. 5. CONCLUSION Overall, citizens and stakeholders expressed through their replies very strong support for a new Commission Communication on a One Health action ***plan*** to support Member States in the fight against antimicrobial resistance (AMR). They believed that AMR is a major public health issue in which the EU can bring real added value and propose concrete measures. The feedback provided on the Commission roadmap was used to inform policy-making in the area of AMR and to define the action areas under the three main pillars of the new One Health action ***plan***. The open public consultation results confirmed the input received on the roadmap and provided additional insights. The contributions mentioned in this report have to a great extent been translated into concrete actions in the new One Health action ***plan*** or are being further analysed to be put into possible actions during the implementation phase. In order to make the EU a best practice region, stakeholders acknowledged the importance of developing sound monitoring and surveillance systems at EU level in order to inform policies. Although stakeholders rated positively the information collected by current EU surveillance systems on AMR and antimicrobial consumption, they particularly called for the collection of antimicrobial consumption data amongst individual species in the animal health sector. To strengthen the evidence base they also advocated for generating evidence through health economics and evaluation studies which show the value of policies or ***interventions***. Stakeholders were also very vocal on the relevance of slowing down the emergence of AMR by developing infection prevention and control measures, antimicrobial stewardship ***programmes*** and prudent use policies. Stakeholders in the human health sector called for priority actions on infection prevention and patient safety in hospital environments. They also called for the promotion of vaccination, in particular at Member State level, as an effective public health measure to prevent infections and consequently reduce the need for using antimicrobials. In turn, stakeholders in the animal health sector asked for new initiatives on 9 infection prevention, animal husbandry practices and best practice feeding regimes, and expressed their concern over the reduced availability of existing antimicrobials and the poor availability of vaccines in certain markets. Stakeholders strongly supported initiatives aiming to monitor antimicrobials and AMR in the environment, provided these are backed by a sound science-driven evidence base. They urged the Commission to adopt an EU ***strategic*** approach to pharmaceuticals in the environment. In terms of research, development (R&D) and innovation on AMR, stakeholders were largely in favour of developing a list of priority pathogens at EU level to prioritise R&D and direct pharmaceutical industry R&D investment to the greatest threats. Pharmaceutical industry stakeholders strongly advocated for early and continuous dialogue with all relevant stakeholders throughout the entire product development cycle, and for a regulatory framework that prioritises the development of new antimicrobials, alternatives, vaccines and diagnostic tests. Stakeholders involved in R&D also asked for increased sharing of resources and better use of existing data. As regards the development of new diagnostics, stakeholders asked for targeted funding for innovative, rapid technologies but most prominently for actions to encourage their uptake and include them in antimicrobial stewardship ***programmes***. Stakeholders expressed support towards the development of new funding and business models to encourage the development of new antimicrobials, alternatives, vaccines and rapid diagnostics in order to prevent and control resistant infections and in particular HAIs. They conveyed great importance to push mechanisms such as the European Framework ***Programme*** 2020 and the Innovative Medicines Initiatives, but pharmaceutical industry stakeholders also advocated for pull mechanisms rewarding innovation earlier in the product life cycle. At international level, stakeholders were largely in favour of reinforcing cooperation with international organisations to tackle AMR and fostering bilateral partnerships with key EU trading partners and major regional and global players. Stakeholders indicated preference for capacity building and cooperation in the non-EU European region, but also called for stronger partnerships with China and India, given their role in antimicrobial manufacturing and as major exporters of food products to the EU. Finally, stakeholders called for more capacity development and cooperation activities in low- and middle-income countries.

**Load-Date:** August 16, 2017

**End of Document**



[***Register of Commission documents: the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the mid-term evaluation of the Connecting Europe Facility (CEF) Document date: 2018-02-13 COM\_COM(2018)0066 COM documents***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RRR-NPW1-F0YC-N1F2-00000-00&context=1516831)

Impact News Service

February 22, 2018 Thursday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 7538 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

EN EN EUROPEAN COMMISSION Brussels, 13.2.2018 COM(2018) 66 final/2 CORRIGENDUM Corrects the date of the document on the cover page. Concerns all languages. REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS on the mid-term evaluation of the Connecting Europe Facility (CEF) {SWD(2018) 44 final/2} 2 INTRODUCTION Europe’s sustainable growth and competitiveness depend on efficient connectivity, both within and to the rest of the world. Achieving well-interconnected, interoperable and efficiently managed transport, energy and digital infrastructures in Europe requires the ability to ***plan*** and invest in a coordinated long-term approach at EU level. The Connecting Europe Facility1 (CEF) is a common, centrally-managed funding ***programme*** for transport, energy and telecommunications infrastructures, with an available budget of EUR 30.4 billion for the years 2014 to 2020. It was established as part of the Europe 2020 strategy for smart, sustainable and inclusive growth and the EU’s ‘20-20-20’ objectives in the area of energy and climate policy.

Based on the respective sectoral guidelines2, CEF supports the development of trans-European networks (TEN)3, with the objective of improving cohesion in the internal market and the EU’s competitiveness in the global market. The general objective of CEF is to foster implementation of projects contributing to the completion of the TEN. This is reflected in the priorities laid down in the guidelines for the three sectors of transport, energy and telecommunications. CEF addresses market failures, focuses on projects of high European added value and helps leverage further investment from the private sector. As outlined in the Communication on the budget for Europe 20204, the Commission considered that 'while the market can and should deliver the bulk of the necessary investments, there is a need to address market failure – to fill persistent gaps, remove bottlenecks and ensure adequate cross-border connections. However, experience shows that national budgets will never give sufficiently high priority to multi-country, cross-border investments to equip the Single Market with the infrastructure it needs. This is one more example of the added value of the EU budget. It can secure funding for the pan-European projects that connect the centre and the periphery to the benefit of all. Therefore, the Commission has decided to propose the creation of a Connecting Europe Facility to accelerate the infrastructure development that the EU needs.” Investment needs in all three sectors were estimated to be around EUR 970 billion when CEF was proposed in 2011. It was expected that the bulk of this investment would be delivered by the private sector, by public support at national level or fostered by regulatory measures. However, the impact assessment5 also identified ‘a need to address market failure — to fill persistent gaps, remove bottlenecks and ensure adequate cross-border connections’. 1 Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013. 2 Regulation (EU) No 1315/2013 of the European Parliament and of the Council of 11 December 2013 on Union guidelines for the development of the trans-European transport network, Regulation (EU) No 347/2013 of the European Parliament and of the Council of 17 April 2013 on guidelines for trans-European energy infrastructure, and Regulation(EU) No 283/2014 of the European Parliament and of the Council of 11 March 2014 on guidelines for trans-European networks in the area of telecommunications infrastructure. 3 Articles 170-174 of the Treaty on the Functioning of the European Union (TFEU). 4 Communication from the Commission to the European Parliament, the Council, the European economic and social Committee and the Committee of the regions: A Budget for Europe 2020, European Commission, 29 June 2011. 5 Commission Staff Working Document (COM(2011) 665 final) accompanying the Regulation establishing the Connecting Europe Facility - Impact Assessment 3 Under the CEF Regulation6, the Commission, in cooperation with the Member States and the beneficiaries concerned, is required to present a report on the mid-term evaluation of the CEF to the European Parliament and the Council no later than 31 December 20177. The evaluation assesses the ***programme***’s overall performance in light of its general and sectoral objectives, as well as compared to what has been achieved as a result of national or EU action. The detailed evaluation is presented in the Commission staff working document (SWD) accompanying this Communication. In line with the Commission’s Better Regulation Guidelines, the evaluation was carried out according to five criteria: effectiveness, efficiency, relevance, coherence and EU added value. The detailed assessment according to these criteria can be found in the SWD, while this Communication highlights the main findings from the process. 1 THE CONNECTING EUROPE FACILITY IS SUPPORTING PROJECTS WHERE THE EU MAKES A DIFFERENCE 1.1 Developing infrastructures that unite The EU’s infrastructure policy has three main dimensions: - common long-term ***planning*** of infrastructure development as regards both its geographical scope and technical characteristics (with different approaches adapted to each sector); - a set of regulatory measures to facilitate investment; - a specific funding instrument, the Connecting Europe Facility. The experience to date with CEF shows a strong positive interaction between these three dimensions. Long-term ***planning*** means that a project pipeline can be prepared in Member States, while, the possibility to receive support for investments with a clear European dimension allows for the development of more integrated networks. As an example, in transport the possibility to support key cross-border sections of infrastructure facilitates the development of a corridor approach among Member States, leading to the coherent ***planning*** of national sections. In energy, the dynamic process of establishing every 2 years a list of projects of common interest (PCIs) located in priority corridors and thematic areas ensures both long-term ***planning*** and adaptation to future needs. In telecommunications, the CEF telecom guidelines list the building blocks and sector-specific digital service infrastructures (DSIs) eligible for funding. Three and a half years after its launch, the type of projects co-financed by CEF strictly matches the EU’s ambition to: (i) increase connectivity at European scale for the three sectors and; (ii) concentrate the support on public goods of a European dimension. CEF contributes to the Commission’s priorities on jobs, growth and investment, the internal market, Energy Union and climate and the Digital Single Market, strengthening the global competitiveness of the EU. Furthermore, CEF provides a substantial share of EU funding for transport and energy projects with a strong contribution to decarbonising the European economy, thus 6 Article 27 of Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013. 7 This report also serves the purpose of reporting to the European Parliament and the Council on progress in the implementation of Regulation (EU) No 283/2014 (Telecommunications guidelines), and in particular on the aspects required under Articles 8(7) and (8). 4 contributing to meeting the EU’s emission reduction targets under the Paris Climate Agreement. In transport, priority has been given to projects to create or improve cross-border connections, complete missing links and eliminate bottlenecks. These can be projects affecting physical sections of the network or EU-level ***programmes*** to develop efficient, interoperable and safer traffic management systems for the different modes of transport. The ‘CEF Transport’ funding objective on cross-border transport infrastructure represents 86 % of the funds currently allocated for transport (EUR 18.35 billion). Examples include the Fehmarn Belt (a multimodal tunnel between Denmark and Germany), the Rail Baltica project, which improves east-west connections between Poland, Lithuania, Latvia and Estonia, and the deployment of SESAR (Single European Sky ATM (Air Traffic Management) Research). Ultimately, CEF is making a concrete contribution to the ambition of achieving a single European transport area. In energy, CEF has addressed obstacles to a better integrated EU energy market through strengthening cross-border connections. The specific aims are to end energy isolation and eliminate bottlenecks. In line with its objectives, ‘CEF Energy’ supports projects carrying significant externalities. It has contributed to increasing security of supply in Member States where this issue is most pressing. Examples include the Gas Interconnector Poland-Lithuania, the first gas interconnector between the eastern Baltic Sea region and continental Europe, and Balticconnector, the first gas interconnector between Finland and Estonia. Sustainability has been addressed by support to innovative electricity projects by co-funding important studies and works: a 600 km subsea link between Ireland and France, compressed air energy storage in Northern Ireland and a smart grids project between Slovenia and Croatia. In telecommunications, priority has been given to deploying trans-European digital services with mature technical and organisational solutions, as listed in the telecom guidelines. These cover areas as diverse as electronic identification- that addresses the challenge of cross-border recognition of nationally issued electronic identification mechanisms (eIdentification or eID), enabling Europeans to access online public services across Europe seamlessly-, and interoperable health services- that facilitate continuity of care and patient safety for citizens seeking cross-border healthcare, allowing health data to be exchanged across national borders-. Since these cross-border services help improve the daily lives of Europeans through digital inclusion and connectivity, they are essential to achieving the digital single market. However, the evaluation found that the telecommunications guidelines limit the ability of the ***programme*** to take full advantage of the latest technological developments and address the new priorities in the political agenda that have subsequently emerged. For broadband, given resource limitations, support has so far been focused on: (i) technical assistance activities that can help projects with a difficult business case to materialise; and (ii) financial instruments with significant leverage potential. 5 1.2 Focusing on EU added value Investments needed to meet connectivity goals are very high in all three sectors covered by the ***programme***. For transport, recent estimations by the Commission8 confirmed in the work ***plans*** of the Core Network Corridor Coordinators reveal that investment needs in the TEN-T core network amount to EUR 750 billion by 2030 alone, and about three times this amount including the comprehensive network and other transport investments such as urban transport, digitalization and maintenance9. In energy, the investment needs for projects that can be classified as PCIs amount to EUR 179 billion over the 2021-2030 period10, the largest share by far being in the electricity sector. In telecommunications, approximately EUR 500 billion worth of investments are estimated to be required to meet ***strategic*** objectives on gigabit connectivity up to 2025, or EUR 155 billion in excess of what can be expected based on current investment trends11. However, these estimates do not include further investments needed to complete deployment of cross-border DSIs. In addition, market failures persist for projects aiming at achieving TEN policy objectives. For example, failures can happen when the costs occur at national/local level whereas the benefits are realised on a European scale, or when the costs and benefits of projects involving several Member States are distributed asymmetrically among them. This is typically the case for cross-border projects and the deployment of EU-wide technological systems, where appropriate financing is usually not provided through the market or the national budget alone. In energy, projects that lack commercial viability fall into this category, as they deliver on externalities like regional security of supply or highly innovative solutions. Since its launch, CEF has focused on providing EU added value12 to the development of connectivity in transport, energy and telecommunications, not only because of the type of public goods with a European dimension it covers, but also because of its focus on projects at national, regional or local level that would not be realised without EU support. More specifically, the EU added value of CEF resides in its capacity to: - steer public and private finance towards EU policy objectives; - enable key investments where the costs are borne at national/local level whereas the benefits are tangible on a European scale; - accelerate the shift to a low-emission and digital society. In transport, CEF has brought a clear added value, in particular for the completion of the TEN-T core network by 2030 and for the low-emission mobility ambition. Some railway and inland waterways infrastructure projects, which are long-term investments (with a lifecycle of 30 to 50 years), could not have been kicked off without the European public grant funding available under CEF. This is the case for the Brenner Base tunnel project, which will remove a key rail bottleneck in the EU between Austria and Italy. The CEF commitment provides 8 The data stems from the Core Network Corridor studies which have been undertaken by external contractors supporting the CNC Coordinators. 9 At the scale of the core network corridors, investments are expected to generate some € 4,500 billion of cumulated GDP and correspond to around 13.000.000 job-years and a reduction of about 7 million tons of CO2 emissions between 2015 and 2030. 10 Based on the study 'Investment needs in trans-European energy infrastructure up to 2030 and beyond', Ecofys, July 2017 11 Communication from the Commission to the European Parliament, the council, the European Economic and Social Committee and the Committee of the Regions. Connectivity for a Competitive Digital Single Market — Towards a European Gigabit Society, COM(2016) 587 final, p. 8. 12 Criteria for assessing the value-added of European Finance were set out in the Reflection Paper on the Future of EU Finances (COM(2017) 358 of 28 June 2017). 6 assurances and sometimes also secures additional sources of financing, notably from the banking sector and private investors. In addition, European flagship ***programmes*** such as the European Rail Traffic Management System (ERTMS) required coordinated implementation of investments across countries and stakeholders to bring the benefits of performance, interoperability and safety. The CEF support through both grant funding and ***programme*** support actions such as capacity building in Member States’ administrations created the conditions for such coordination to happen. In energy, CEF is a key instrument supporting transnational cooperation and generating economies of scale. It is also playing a key role in supporting cross-border energy infrastructure, as PCIs have to deliver benefits to at least two Member States. CEF is a strong catalyst in bringing together project promoters, National Regulatory Authorities and government representatives to solve issues so that cross-border infrastructure projects can be realised. Its grants component is making the difference in promoting cooperation between countries to develop energy interconnection PCIs that otherwise would not happen. This is especially the case for cross-border projects located in countries with smaller population sizes or in a more remote location, where tariffs would need to be increased substantially to cover the investment needs. The Gas Interconnector Poland-Lithuania is a key example of a project that could not have been funded in a purely national context. In telecommunications, CEF has facilitated coordination among Member States on developing standards and enabling interconnected cross-border services. Although Member States have developed solutions that make public services available online, their benefits are confined by national borders. CEF has played a key role in helping these solutions achieve better outcomes by making them interoperable, for the benefit of citizens, businesses and public administration across Europe. Moreover, in some cases like the Electronic Exchange of Social Security Information, as Member States have a legal obligation to ensure cross-border communication between the national social security institutions, CEF has played an important role in strengthening the protection of mobile citizens’ social security rights and helping Member States speed up compliance. In other areas like cybersecurity — where cross-border interoperability is not subject to a legal obligation — CEF has made it possible to put in place a voluntary cooperation platform that strengthens preparedness and response to cyberattacks by providing an EU-wide solution to threats that do not respect national borders. According to stakeholder consultation results, without CEF, the deployment of some DSI would have been significantly delayed or even abandoned. Moreover, basic solutions supported by CEF funding (the so-called building blocks) are creating economies of scale by being extensively reused in more complex digital services, including beyond the remit of CEF, in areas such as ***agriculture***, environment and education13. Finally, EU-level action (including regulatory cooperation) is enabling CEF to overcome shortcomings in information and cooperation among Member States, which can hamper such complex but crucial projects. 13 Information available from the CEF Telecommunications dashboard: [*https://ec.europa.eu/cefdigital/wiki/display/CEFDIGITAL/Reuse+by+domains*](https://ec.europa.eu/cefdigital/wiki/display/CEFDIGITAL/Reuse+by+domains) 7 2. THE CONNECTING EUROPE FACILITY PROVIDES EU SUPPORT IN AN EFFICIENT AND COHERENT MANNER 2.1 Using grants in the most efficient manner Most of the funding provided by CEF is in the form of grants (90 %). Such an approach is appropriate as a large majority of CEF funding relates to projects with wider regional and EU benefits but insufficient national funding or market-based financing. For transport, this is the case for most of the cross-border projects on the trans-European network and for the ‘horizontal’ priorities, particularly traffic management systems such as ERTMS for rail, SESAR for aviation and intelligent transport systems (ITS) for road, as well as alternative fuels. It is also the case for projects where the benefits cannot yet be internalised. In this sector, very high oversubscription rates14 following calls for proposals show a very high demand for EU grants, with the available budget constantly falling short of the sector’s needs. In energy, bottlenecks still exist and further interconnections are still needed to fully integrate the market, ensure security of supply and enable the EU to make optimal use of its renewable resources and thus avoid curtailment. Grants are considered the most appropriate instrument for supporting projects delivering significant positive externalities that go beyond the nationally set tariffs, such as security of supply, technological innovation and solidarity between Member States. In telecommunications, all DSIs have a double layer: the core service platform (CSP) conceived as a central hub that enables the interoperability, and the generic services (GS) as gateways that connect the nationally developed solutions to the CSP. Grants are used to support the deployment of the generic services, whereas procurement is used for the development and operation of the core service platforms. This is justified by the need to address underinvestment at Member State level in interoperable solutions for Pan-European service integration. The Commission proposal for CEF in 2011 contained a total budget of EUR 50 billion (31.7 billion for transport, 9.1 billion for energy and 9.2 billion for telecoms). The cuts that followed during both the negotiation phase and the later negotiations on the European Fund for ***Strategic*** Investments (EFSI) reduced the total funding to EUR 30.44 billion. The telecom sector experienced the most severe reduction (EUR 8 billion, with final allocated funding of EUR 1.04 billion). Completing the TEN set out in the EU policy priorities still requires enormous investments, part of which will depend on continued EU support. The size of CEF currently makes it possible to address only some of the identified market failures (e.g bridging the funding gap with EU support) in all three sectors. Therefore, potential exists for unlocking further public and private investment if additional EU budget was made available to address more market failures. The CEF selection process ensures that the grant funding is modulated per sector and category of investment, taking into account the financing gap for individual projects. For transport, 14 Total requested funding of the eligible proposals compared to the indicative budget of the call. 8 support ranged from 85 % co-funding rates for the cohesion envelope, to maximum co-funding rates ranging between 10 % and 50 % depending on the priority and the nature of the action. For energy, funding rates may be modulated up to 50 %, and — in exceptional cases — increased to a maximum of 75 %. However, this is only possible if proposed actions provide a high degree of regional or EU-wide security of supply, strengthen solidarity or comprise highly innovative solutions. For telecommunications, core service platforms have generally been financed through procurement, while the generic services have been supported through grants applying a co-funding rate of up to 75 % of eligible costs. The competitive nature of the calls and the evaluation and selection mechanism in place mean that projects unable to demonstrate the need for financial assistance in the form of grants can be discarded. Such projects may still consider using existing possibilities under EFSI or the CEF Financial Instruments as appropriate. For a policy-driven instrument with specific sectoral objectives and considering that CEF addresses complex projects with a cross-border or EU-wide interoperability dimension, direct management has been efficient in ensuring a fast allocation of funds and very sound budgetary execution. During their implementation, projects are closely followed by the Innovation and Networks Executive Agency (INEA) to ensure that EU funds are appropriately spent. The CEF budget is optimised thanks to the capacity of INEA to quickly adapt to manage redirected money unspent by certain actions, using it instead for financing new actions. For instance, approximately EUR 600 million was re-injected in a transport call in 2016, while an investment of EUR 120 million was proposed in 2016 to finance a new flagship project, WIFI4EU, in the digital sector. 2.2 Pioneering the use of financial instruments and blending For revenue-generating projects, CEF support can take place in the form of financial instruments. The CEF financial instruments budget can be used to provide a variety of products such as guarantees or senior debt backed by EU capital. They thus help to optimise the use of public funds. Such projects include, for example, capacity extensions in ports, railway links to airports and the development of alternative fuel infrastructure in the transport sector, as well as sub-ordinated loans or guarantees for ring-fenced transmission projects in the energy sector. However, in all three sectors, financial instruments have not been used to the expected extent. The CEF Debt Instrument (CEF DI), building on the experience gained with the Loan Guarantee Instrument for Trans-European Transport (LGTT) and the pilot phase of the Project Bond Initiative (PBI), pioneered the use of financial instruments, but there has been a substitution effect when EFSI was created. The use of the CEF financial instruments is expected to take up during the second half of the programme15 when complementarity between the CEF-specific financial instruments and EFSI will have been ensured following the call for specific guidance by the CEF DI Steering Committee to ensure effective complementarity between the two initiatives. 15 For example, by means of the CEBF (investment from CEF of EUR 100 million). 9 In the energy sector, a number of factors have contributed to CEF DI not being used. One of these is the short pipeline of bankable CEF-eligible projects available at the time the CEF DI went into operation. There is also a competitive range of debt and equity options already available to project promoters due to their sound Regulated Asset Base model for project finance. Nevertheless, joint project monitoring by the European Investment Bank and the Commission has led to a number of PCIs having obtained financing via the former. In addition, an equity instrument is currently being developed. In telecommunications, the landscape of broadband deployment projects is highly diverse and requires a variety of instruments that address location-specific challenges. Whereas debt instruments can cater to commercially-driven deployments with a clear business case that are undertaken by larger players, equity instruments are needed to bridge existing financing gaps by supporting projects with a risker, longer-term business case. The Connecting Europe Broadband Fund (CEBF), due to become operational in the first half of 2018, is expected to play this role. In February 2017, a 'blending call' was launched for CEF Transport. The call, which blends CEF grants with market-based finance, in particular financial instruments available under EFSI, is intended to strengthen complementarity between the two support schemes while at the same time, leveraging other sources of finance notably EFSI, private investors or national promotional banks .Such an approach had previously been successfully applied under CEF on an ad hoc basis in a few cases, such as for the Port of Dublin and the Port of Calais in the transport sector. With EUR 2.2 billion funding requested for a call with an indicative budget of EUR 1 billion, the first experience of this has been very positive. 2.3 Enhancing synergies and coherence, simplifying access Synergies For the first time, CEF has brought the transport, energy and telecommunications sectors under a common funding framework, centrally managed by the Commission. At ***programme*** level, this approach allows for economies of scale by the delegation of the grant management to a single executive agency (INEA) and by the establishment of common procedures across the three sectors (coordinated implementation by the Agency, common Work ***Programmes*** for CEF Financial Instruments, a common CEF coordination Committee comprised of all Member States, grant agreements following a common model). At project level, CEF has so far not fully succeeded in bringing about synergies between the three sectors despite the expectations mentioned in the recitals of the Regulation. This is particularly due to the inherent differences in the sectoral policy objectives and the rigidity of the legal/budgetary framework as regards the eligibility of projects and the eligibility of costs. A EUR 40 million multi-sectoral (transport and energy) pilot call for proposals for studies launched in 2016, therefore fell short of expectations in terms of the number of projects selected (7) and the budget allocation (EUR 24 million). Nevertheless, keeping the three sectors together seems appropriate in light of their common goals and challenges. According to stakeholders consulted during the evaluation, these challenges include the complexity of the infrastructure networks arising from different 10 national systems, their interconnection needs as well as the need to ensure interoperability while constantly adapting to market and technology changes. The number of examples of synergies involving the three sectors covered by CEF is increasing, fostered by recent innovation developments and the fact that synergies are naturally present in each of the sectors or relate to an overarching priority like cybersecurity. Examples include connected cooperative and automated mobility, alternative fuel infrastructure for cars, buses and ships, smartening of the grid, and deployment of 5G along the transport network. Creating the conditions for such projects to continue to materialise will yield further efficiency gains. Complementarity CEF has proven to be complementary to Horizon 2020, the European Structural Investment Funds (ESIF) and to EFSI. Horizon 2020 finances the early stages of the innovation chain, while CEF enables the technological deployment throughout the infrastructure. Both CEF and ESIF contribute to achieving the TEN objectives. While ESIF focuses financial support on the less-developed regions and the 15 Member States which are eligible for Cohesion Fund support, CEF focuses on EU integration through cross-border connections and interconnections, bottleneck removal and interoperability projects. In transport, there is a partial overlap between CEF and ESIF regarding rail projects located on the core TEN-T network, while ESIF also finances projects not eligible to the CEF (for instance road projects, and projects on the comprehensive network). In energy, ESIF focuses on smart distribution grids at local/regional level, while CEF supports transmission infrastructure. In telecommunications sector, ESIF is directed at developing national digital services, while CEF enables the cross-border interoperability of some specific and nationally developed digital services. For the first time, a share of the cohesion budget (EUR 11.3 billion — transport) has been executed under direct management within the CEF framework. This has proved very successful with 100% of the envelope was allocated during the first half of the ***programme*** period, almost exclusively on sustainable transport modes. Targeted technical assistance, lower administrative costs for Member States and clear funding priorities contributed to this success. Regarding EFSI, CEF worked as a catalyst for EFSI as several projects initiated in the context of the CEF DI feeding into the EFSI project pipeline. This was the case for the Grand Contournement Ouest de Strasbourg (A355), the A6 Wiesloch autobahn project, the Transgaz 'BRUA' (Bulgaria-Romania-Hungary-Austria) gas interconnection project, and the Italy-France electricity interconnector. Moreover, projects prepared with CEF support or supported in part with CEF grants for works have started to benefit from EFSI. However, as discussed previously, there has been a substitution effect on the CEF FIs on the part of EFSI. While it was anticipated that CEF would enlarge the possibilities for debt financing of broadband projects, EFSI now makes ample funding available in this respect. It is thus envisaged to focus on equity and quasi-equity support for broadband projects. As indicated above, the CEBF is expected to complement existing instruments (i.e debt-based EFSI 11 support to commercially-driven deployments with a clear business case and ESIF grants to mainly public-driven deployments). The CEF contribution of risk-absorbing capital for equity-type support will be complemented by a lower risk tranche from EFSI as well as a market tranche composed of National Promotional Bank and private-sector shares (multi-layer fund structure). An additional gap is becoming increasingly apparent but has not been addressed by either EFSI, the CEBF or ESIF, in particular for projects on the borderline of commercial viability (even in the long term). In the area of broadband, this gap could be addressed through a structured blending instrument combining both public grants and financing support with private investment. Simplification Improvements in the application process have resulted in simpler and time-saving procedures for beneficiaries and the Commission. Examples of such improvements include the introduction of electronic tools for exchanges with the beneficiaries and

the replacement of grant decisions adopted by the Commission by grant agreements whose signature was delegated to the Director of INEA. For beneficiaries, the administrative costs have been deemed to be overall proportionate to the financial support provided. The evaluation results indicate, however, that legal and administrative requirements for approving and implementing actions may impose disproportionate costs on smaller actions, for which simplified forms of support could be better adapted. This was particularly true for telecommunications, where the average grant size was just EUR 1 million. Furthermore, also for telecommunications sector, the adoption of annual work ***programmes*** does not enable the ***planning*** of long-term financing for the actions and creates administrative burden as regards the management of the ***programme***. 3 THE CONNECTING EUROPE FACILITY IS ON TRACK TO DELIVER RESULTS 3.1 Contributing to the sectoral policy objectives The CEF is focused on the following long-term EU policy objectives:  Transport: by 2030, completion of the TEN-T Core Network, including the deployment of SESAR and ERTMS, and transition towards clean, competitive and connected mobility, including an EU backbone of alternative fuels charging infrastructure by 2025; progress towards the completion of the TEN-T comprehensive network by 2050.  Energy: by 2030, completion of the TEN-E priority corridors and thematic areas aligned with “Clean Energy for all Europeans' and long-term decarbonisation objectives, namely to smarten and digitalise the grids, to reach the 2030 interconnection targets (including for peripheral Member States), to develop meshed off-shore grids and to ensure security of supply, also through synchronisation.  Digital: by 2030, maximising the benefits of the digital single market for all citizens and businesses with the achievement of a fully cyber-secure gigabit society by 2025, preparing for terabit connectivity by 2030 and the roll-out of EU-wide data and digital service infrastructure supporting the digital transformation of key areas of public interest, from healthcare to mobility and public administrations. 12 As the ***programme*** is in the early stages of implementation, only limited data on actual outputs and results is available. It was therefore often not possible to measure progress towards sectoral policy objectives during the evaluation. However, almost all stakeholders who responded to the technical survey believe CEF will effectively achieve the development of modern and high-performing trans-European networks in transport, energy and telecommunications, at least to some extent (99%, 97% and 96%, with 33%, 38% and 21% agreeing fully). Most of the CEF transport envelope was awarded for the completion of missing links and removal of bottlenecks on projects along the TEN-T Core Network (either through the creation of new infrastructure or the substantial upgrading and rehabilitating of existing infrastructure). In energy, CEF grants effectively contribute to enhancing security of supply, ending energy isolation, eliminating energy bottlenecks, completing the internal energy market and to enhancing the integration of renewable energy into the grid. Examples of key CEF energy projects include Balticconnector, the first interconnector between Finland and Estonia, and the Gas Interconnector Poland-Lithuania, , which will enable these Member States to diversify their gas sources and routes, safeguarding them against possible future supply disruptions. In telecommunications, there is evidence that CEF support for the deployment of DSIs is enabling public administrations, citizens and businesses to benefit from more comprehensive and efficient cross-border online services, thereby contributing to enhance the competitiveness of private and public actors alike. Examples notably include the establishment of cooperation mechanisms and increase of capabilities to respond to cyber threats, easier access for companies to national procurement procedures in other EU Member States, streamlined invoicing procedures and cross-border recognition and validation of eIdentification and eSignature. CEF also helps remove the bottlenecks which hinder the completion of the Digital Single Market, although the limited budget has so far only allowed to partially address the sector's needs. In the three sectors it covers, CEF is instrumental in: (i) the deployment of EU-wide new systems in traffic management and safety (e.g SESAR for aviation, ERTMS for railways, ITS for roads); (ii) the deployment of high-performance electricity lines and cross-border smart grids in energy; and (iii) the roll-out of interconnected Digital Services (such as eHealth, Cyber Security, eProcurement, eIdentification and eSignature). 3.2 Contributing to smart, sustainable and inclusive growth CEF supports investments in modern and high-performing networks throughout the EU, which are essential for creating the conditions for a competitive economy. Since 2014, it has invested EUR 25 billion, resulting in approximately EUR 50 billion of overall infrastructure investment in the EU. 13 CEF spending in transport and energy is a major contributor to the EU’s target of at least 20 % of the total EU budget to be dedicated to climate action-related spending16. Well integrated networks in energy and transport and the promotion of low-carbon transport modes help keep the cost of decarbonisation in check. While the contribution of CEF-supported action to the specific targets cannot be measured fully at this mid-term evaluation stage, an analysis of its contribution was performed under the mid-term review of the 2014-2020 multiannual financial framework. That analysis showed that CEF effectively and significantly contributed to the EU target, with a share of commitment appropriations estimated at an average of more than 5 % of total climate change finance in the EU budget for 2014-2016. This average rose to 35 % when considering the CEF’s contribution to the ‘Competitiveness for Growth and Jobs’ heading of the EU budget. In transport, the CEF contributes to the EU target with 81 % of the total amount of funding awarded to lower emission transport modes, in particular rail and inland waterways, thereby enabling a modal shift. In addition, the ***programme*** funds new technologies aimed at decarbonising transport, in particular alternative fuels, and their deployment along the transport infrastructure. For example, the LNG Motion project aims to increase Liquefied Natural Gas (LNG) availability along the TEN-T Core Network covering France, Belgium, the Netherlands, Germany, Poland, Spain, Italy, Hungary and Romania, mainly for road transport. This project receives an EU grant contribution of EUR 27.8 million out of a total cost of EUR 55.5 million (50% co-funding rate). In energy, 40 % of CEF allocations are assumed to contribute to mainstreaming of climate action at ***programme*** level. Electricity projects contribute to reducing CO2 emissions by increasing grid capacity to integrate power ***produced*** from renewable sources. CONCLUSIONS The evaluation has illustrated that after the first 3 and a half years of CEF implementation, the ***programme*** is on track, although it is much too early to measure results given that the ***programme*** is at the early stage of implementation. Moreover, the performance framework provided in Regulation is lacking well defined or robust indicators. With this reservation in mind, the evaluation has shown that:  CEF is an effective and targeted instrument for investment in trans-European infrastructure (TEN) in transport, energy and the digital sector. Since 2014, it has invested EUR 25 billion, which has resulted in approximately EUR 50 billion of overall infrastructure investment in the EU. CEF contributes to the Commission’s priorities on jobs, growth and investment, the internal market, Energy Union and climate, and the Digital Single Market'. In so doing it is strengthening the competitiveness of the EU economy.  CEF brings high European added value for all Member States by supporting connectivity projects with a cross-border dimension. Most funding is awarded to projects bridging 16 On telecommunications, significant contributions to reducing CO2 emissions can be expected from projects implementing digital solutions. However, no methodology is currently applied in the context of CEF to estimate such reductions. 14 missing links and removing bottlenecks, with the aim of ensuring the proper functioning of the EU internal market and territorial cohesion among Member States in the transport, energy and digital sectors. Projects in energy also provide security of supply and are key for the cost-effective decarbonisation of the economy. CEF is also instrumental in the deployment of EU-wide new systems in traffic management and safety (e.g SESAR for aviation, ERTMS for railways), high-performance electricity lines and smart grids essential for the rapid intake of renewable non-carbon energy sources, and in the roll-out of broadband and interconnected Digital Services (such as Open Data, e-Health, e-Procurement, eIdentification and eSignature).  The direct management of CEF grants has proved very efficient, with a strong project pipeline and a competitive selection process, a focus on EU policy objectives, coordinated implementation and the full involvement of Member States. The INEA executive agency has a very good track record on the financial management of the CEF and on optimising the budget, particularly thanks to its flexibility in quickly re-directing money unspent by certain actions to financing new ones.  For the first time, a share of the cohesion budget (EUR 11.3 billion for transport) was executed under direct management within the CEF framework. 100 % of the envelope was allocated during the first half of the ***programme*** period, almost exclusively on sustainable transport modes. Targeted technical assistance, lower administrative costs for Member States, clear funding priorities and a solid project pipeline stemming from the continuity of projects and studies formerly supported by the TEN-T ***Programme*** or by the Cohesion Policy instruments contributed to the fast allocation of funds.  CEF has continued to use and develop innovative financial instruments. However, their deployment has been limited due to the new possibilities offered by EFSI. The use of the CEF financial instruments is expected to take up during the second half of the ***programme*** when complementarity between the CEF specific financial instruments and EFSI will have been ensured.  Moreover, a very positive first experience of blending grants with financial instruments was carried out in 2017 in transport, with EUR 2.2 billion funding requested for a call with an indicative budget of EUR 1 billion, enabling the use of grants to maximise the leverage of private or public funds.  CEF spending in transport and energy is a major contributor to the EU’s target of at least 20 % of the total EU budget to be dedicated to climate action-related spending.  In the Telecom sector, the dual focus of CEF on digital cross border services of public interest and communication and computing infrastructure has shown that the ***programme*** has an important impact on achieving the EU digital single market goals, enabling citizens and businesses to access high quality digital services across Europe. It has helped develop and implement common policies to address societal challenges including the digital transformation of healthcare, cybersecurity and digitisation of governments. However, as the proposed funding for the CEF Telecom was significantly cut, the ***programme*** funding could only support the very first steps towards a full cross border digital infrastructure in areas of public interest. 15  CEF has also tested cross-sectoral synergies, but has been limited by constraints in the current legal/budgetary framework. The sectoral policy guidelines and the CEF instrument would need to be made more flexible to facilitate synergies and be more responsive to new technological developments and priorities such as digitalisation, while accelerating decarbonisation and addressing common societal challenges such as cybersecurity.  The completion of the TEN defined in the EU policy priorities will still require massive investments, part of which will depend on continued EU support. The size of CEF currently makes it possible to address only some of the identified market failures in all three sectors. Therefore, potential exists for unlocking further public and private investment if additional EU budget was made available to address market failures.

**Load-Date:** February 27, 2018

**End of Document**



[***Register of Commission documents:Challenges for EU cohesion policy: Issues in the forthcoming post-2020 reform Document date: 2017-09-29 EPRS\_BRI(2017)608722 Briefing***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5R13-MJ01-F0YC-N0M6-00000-00&context=1516831)

Impact News Service

November 15, 2017 Wednesday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 7265 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

Briefing September 2017 EPRS | European Parliamentary Research Service Author: Vasilis Margaras Members' Research Service PE 608.722 EN Challenges for EU cohesion policy Issues in the forthcoming post-2020 reform SUMMARY The debate on the shape of the post-2020 cohesion policy is well under way. Stakeholders have identified a number of principal issues or questions in this regard, relating to the operation of the policy itself as well as its impact and relationship with other EU polices and with the wider goals and objectives of the Union. One issue debated is how cohesion policy can best contribute to the twin objectives of competitiveness and cohesion. Finding the most efficient form of support is another important point of discussion: should it be grants, repayable assistance, financial instruments, or possibly a mix of all of these along with further thematic concentration? In addition, the way that cohesion policy addresses new or growing challenges such as migration has been raised.

Simplification of the policy for beneficiaries, flexibility, the importance of achieving better governance, and the contribution of cohesion policy to the EU's economic governance are all widely debated. Other specific matters raised relate to the urban dimension in cohesion policy and the impact that the policy can have upon growth, jobs and innovation in sparsely populated areas, regions lagging behind and regions with special geographical characteristics. The departure of the United Kingdom from the EU will have a significant impact on the EU budget and consequently on the financial envelope for cohesion policy. Finally, the European Commission (EC) has published a number of white papers on the future of the EU that provide further ideas for reflection on the overall functioning and priorities of the Union. These reflections also have repercussions for cohesion policy. This briefing is an update of an earlier edition, published in February 2017. In this briefing:  Introduction to cohesion policy  The post 2020 multiannual financial framework and possible impact of Brexit  Economic governance and reform  Flexibility: focus on new policy challenges  Performance and simplification  Financial instruments and the European Fund for ***Strategic*** Investment  The urban agenda for the EU – regions lagging behind and areas with special geographic characteristics  Alternative indicators to gross domestic product  The view of the European Parliament  The view of the Committee of the Regions  Outlook EPRS Challenges for EU cohesion policy Members' Research Service Page 2 of 12 Introduction to cohesion policy Article 174 of the Treaty on the Functioning of the European Union (TFEU) (introduced by the 2009 Lisbon Treaty) states that: 'in order to promote its overall harmonious development, the Union shall develop and pursue its actions leading to the strengthening of its economic, social and territorial cohesion. In particular, the Union shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions'. Cohesion policy covers funds such as the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund. Along with the European ***Agricultural*** Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF), they constitute the European Structural and Investment Funds (ESI funds). Funding for regional and cohesion policy in the 2014-2020 period amounts to €351.8 billion and constitutes 32.5 % of the EU budget. It provides support for all European regions. The current ***programming*** period ends in 2020 and discussions have already begun about the future of post-2020 cohesion policy. Some of the most prominent policy questions regarding the future of cohesion policy will be analysed below. The post-2020 multiannual financial framework and possible impact of Brexit As the Article 50 procedure has been triggered by the United Kingdom (UK), the budgetary relations between the EU and the UK will need to be settled. The various scenarios evoked range from an exit bill covering outstanding liabilities under the common budget with no further participation in EU activities, to continued participation in a number of activities and associated contributions. Various academic studies provide accounts of the problems raised with the departure of the UK, and sketch out different budgetary scenarios for such a departure.1 Depending on the final scenario implemented, some outcomes from the Brexit process would have a serious impact on the EU budget whereas others would have a more manageable one. Following the logic of the White Paper on the future of Europe, the reflection paper on the future of EU finances sets out five scenarios on the EU budget that are related to the state of European integration. Those focusing either on the EU 'carrying on as usual', some countries 'doing more' or on a 'radical redesign' are expected to allocate a lower share of spending to economic, social and territorial cohesion. The 'doing less together' scenario would cut back EU activities severely and would be expected to lead to a lower budget for these policies too. The only positive scenario in terms of financial allocations is the one that may follow after a boost in the EU's authority ('doing much more together') which will lead to a higher budget for economic, social and territorial cohesion. Therefore, the majority of the provisions set out in the paper point to reduced allocations for cohesion policy. Economic governance and structural reform Since its inception, cohesion policy has been aimed at closing the gap between poor and rich European regions. However, it may be suggested that the focus of discourse on competitiveness – and the policy instruments that this brings – tend to favour already dynamic regions and metropolitan poles of growth.2 In contrast, a discourse on cohesion may take into account various structural problems that regions face, such as high unemployment, social inequalities, geographical location-related handicaps (experienced for instance by mountainous and insular regions) and remoteness from major cities, as EPRS Challenges for EU cohesion policy Members' Research Service Page 3 of 12 well as the difficulty small and medium-sized enterprises (SMEs) experience in accessing funding. Although cohesion still remains an important element in the regional policy of the EU, the 2014-2020 legislative framework has strengthened links with issues related to economic governance. Cohesion policy has been linked more closely with the priorities of the European Semester. The European Semester determines the goals to be pursued in the upcoming year for the whole of the EU, and also delivers a set of country-specific recommendations that address key socioeconomic challenges in each Member State. The reflection paper on the future of EU finances also claims that the link with economic governance and the European Semester may need to be strengthened even further. A further linkage with the economic priorities of the EU is provided by Article 23 of the Common Provisions Regulation (CPR), which covers macroeconomic conditionality. It mentions that sanctions such as the suspension of cohesion funds can be used in order to reinforce compliance with excessive debt or budget inconsistencies by the Member States. Suspension of payments can be decided by the Council on the basis of a proposal from the Commission in the event that the Member State concerned fails to take effective action. For instance, in 2016, the Commission proposed to take measures against Spain and Portugal due to the countries' failure to address the excessive government deficit. However, no sanctions were levied and the proposal was shelved in November 2016. The issue of macroeconomic conditionality has proved to be a divisive one as it has brought to the fore tensions between net contributor and net recipient Member States. Poorer Member States suggest that it is essential that the EU not lose sight of the original role and objectives of cohesion policy and its importance as an instrument for maintaining investment in Europe's regions, particularly in times of economic crisis and instability. Nevertheless, structural reforms may also be read more widely as reforms in the governance of cohesion policy. For instance, a debate may also arise on whether the management of the cohesion funds should be further centralised, with the Commission receiving additional control, or whether Member States should receive more powers in managing funds and projects. Other ideas on the table suggest a differentiation for each EU country that would take into account their own needs and specificities. In this respect, questions regarding the subsidiarity of the ESI funds may emerge. In theory, local and regional actors have seen their role enhanced through the legislation on the partnership agreements. These agreements are negotiated between the Commission and the national authorities, following consultations with various levels of governance, representatives from interest groups, civil society and local and regional representatives. However, various Member States are still not keen to explore this instrument fully. Flexibility: focus on new policy challenges A number of new policy challenges such as immigration may weigh heavily on the future priorities of cohesion policy. The White Paper on the future of Europe claims that digital revolution, globalisation, demographic change, social cohesion, economic convergence and climate change to remain high on the EU agenda. However, a key question is whether any specific amounts will be clearly earmarked for all the above-mentioned challenges in the post-2020 cohesion policy. As happens with any re-allocation of resources, the justification for their scope is not an easy task as it can only be drafted after reaching broad political consensus. EPRS Challenges for EU cohesion policy Members' Research Service Page 4 of 12 Promoting resilient economies in a globalised era through digitalisation and innovation is another EU priority. In 2015, the Commission presented the Digital Single Market strategy, which aims to open up digital opportunities for people and businesses. According to this strategy, regions and cities can explore various ICT initiatives and become active in ***planning*** and pursuing their own digital strategies. However, there are still considerable differences in digital performance amongst EU Member States and regions, with many eastern and southern regions scoring low on the EU's Digital Agenda Scoreboard, which measures connectivity, human capital, use of internet, integration of digital technology and digital public spaces. Related to digital innovation is also smart specialisation, which provides a path for innovation-driven differentiation and economic transformation, building on local assets and comparative strengths. However, although having in place a research and innovation strategy for smart specialisation (RIS3) has become a prerequisite for receiving ERDF funding, not all EU regions have managed to explore smart specialisation opportunities successfully. The EU Regional Innovation Scoreboard suggests that innovation excellence continues to remain concentrated in only a small number of regions. Globalisation has various positive and negative aspects. On the positive side, economic opportunities may emerge. Exports may blossom, companies may find new global customers and trade may flourish thus stimulating economic growth. However, globalisation may also have disadvantages which have to be addressed. For instance, various industries (e.g coal, steel, iron, shipbuilding, automotive and textile industry) have been affected by global competition and had to downsize their activities in Europe. Cheap imports of non-EU manufacturing goods have led to the decline of various sectors of EU industries, relocations, closures and redundancies. In addition, globalisation has an environmental, demographic, technological and cultural dimension. The impact of globalisation therefore affects the development of regional and local entities within the EU. In order to address the all these issues, the European Commission has presented its reflection paper on harnessing globalisation, which attributes a key role to local and regional authorities. Harnessing globalisation requires a holistic approach that cross-cuts various sectors of the public sphere and interaction with different levels of public administration. Serious thought will have to be given to ways to empower local and regional authorities to address these challenges successfully. In terms of funding, the European Globalisation Adjustment Fund is the only one that is clearly destined to tackle the negative impact of globalisation directly. According to a study prepared for the European Parliament, the reconversion of old-industrialised areas has slipped down the list of EU policy priorities. The same study also suggests that focus on regional investments has gradually shifted from industrial regions to other areas that may offer more stable growth prospects. Nevertheless, the ESI funds can be also used to encourage long-term sustainable economic growth. When it comes to demography there is no concrete EU fund that addresses issues of demographic importance, although the EU's sparsely populated areas may benefit from a special status. Territorial areas that are affected by demographic issues will have to find ways of maintaining their populations and enhancing their opportunities in life. Childcare provisions are important in order to maintain the participation of women in the labour market. Teleworking, promoting work-life balance and enhancing job opportunities for people with reduced mobility may also help to encourage sections of the population to remain professionally active. In addition, maintaining the younger more vibrant elements of their population may prove challenging unless they offer them new opportunities. In EPRS Challenges for EU cohesion policy Members' Research Service Page 5 of 12 this respect, synergies with the private sector and the adoption of new technologies may help. The integration of migrants in society may be another solution to the problem of demographic ageing and depopulation. Issues of immigration and depopulation may also be of importance to cross-border areas that could explore opportunities for cross-border cooperation with other neighbouring territories. While competencies regarding immigration lie primarily with the Member States, the EU can also support Member States, local authorities and civil society organisations in dealing with such issues. Various EU border and peripheral regions have been severely affected by immigration trends. Therefore, cohesion policy may be an important source of financial support for the effective integration of immigrants, as shown by the implementation of various schemes covering education, employment, housing and non-discrimination activities. The ESF and the ERDF can also provide support. Furthermore, financial support for emergency measures, such as setting up reception centres and mobile hospitals or providing tents and containers, primarily falls under the scope of the Asylum, Migration and Integration Fund (AMIF) ***programmes***. Coordination mechanisms between funding sources such as the AMIF, the Internal Security Fund (ISF) and the ESI funds can be established in order to reinforce synergies. Social cohesion and economic convergence are very much interlinked with cohesion policy. The 2017 European Commission reflection paper on the future of EU finances offers various scenarios for the post-2020 EU budget and refers to cohesion policy. It recognises that the current generation of ***programmes*** have incorporated important reforms. It claims that the overall economic, legal and institutional framework for investment has improved. It also recognises that the policy has established a close link between the investment co-financed and the broader economic governance agenda and structural reforms. Nevertheless, it claims that the resulting higher EU budget cofinancing rates have reduced the overall investment effort. It also states that there is a need to review how cohesion policy can better prepare and react to unexpected developments, crises and societal changes. When it comes to the environment, the reflection paper on harnessing globalisation emphasises the need: 'to further strengthen the European transition towards a digital, decarbonised and more circular European economy'. The global deterioration of the climate will also have an impact on the number of natural disasters that affect EU territories. Physical disasters management will be an area in which LRAs will be called to assume a more active role. In this respect, the European Commission adopted an EU adaptation strategy in April 2013. Adaptation means anticipating the adverse effects of climate change and taking appropriate action to prevent or minimise the damage they can cause, or taking advantage of opportunities that may arise. The varying severity and nature of climate impacts between regions in Europe means that most adaptation initiatives will have to be taken at regional or local level. Improving waste management could also deliver positive effects for the economy. As part of a shift towards a circular economy, the European Commission has made four legislative proposals introducing new waste-management targets regarding reuse, recycling and landfill, strengthening provisions on waste prevention and extended ***producer*** responsibility, and streamlining definitions, reporting obligations and calculation methods for targets. Quite a lot of this legislation will affect the way LRAs collect and process waste. Networks of cities and regions can work together in order to learn from EPRS Challenges for EU cohesion policy Members' Research Service Page 6 of 12 each other and to exchange good positive examples. They can form common initiatives for instance in order to protect the environment. Various initiatives have already been taken at local and regional level to promote environmental causes; these include the Covenant of Mayors for climate change and energy. Linked to the issue of the environment, the Energy Union strategy, which was launched in February 2015, set out the EU's main ambitions in the field of energy, involving a major shift towards renewable energy sources and sustainable energy use, among other things. Cohesion policy also plays a part in this scenario: over the 2014-2020 ***programming*** period, €38 billion will be available under the ERDF and the Cohesion Fund to support investment in the low-carbon economy. ERDF rules for the same period require mandatory minimum spending from Member States in this particular field. It remains to be seen whether more ambitious targets will be set in environmental protection through the use of the ESI funds. Performance and simplification As mentioned by Commissioner Creţu in various speeches, the future of cohesion policy will depend on providing convincing arguments regarding the added value of the policy and its results. Therefore, performance is a key element in order to convince sceptics, and to safeguard the financial resources that the policy has obtained thus far. However, opinions on what cohesion policy should deliver vary from one policy actor to another. Some Member States would like to see cohesion policy closely linked to issues of economic objectives whereas others tend to emphasise the cohesion aspects of the policy. Already, cohesion policy has quite an ambitious role as it aims at addressing the cohesion gap, to contribute to macroeconomic stability and even to address new policy challenges such as immigration. Nevertheless, multiple conflicting priorities may overburden it. In addition, when it comes to more tangible effects, it is not always easy to measure the impact of cohesion policy on certain domains. The European Commission provided figures regarding the positive impact of cohesion policy in various fields regarding the 2007-2013 period. However, few results can yet be reported from the 2014- 2020 period due to the usual delay in the start of the ***programmes*** in the first ***programming*** years. Various ideas such as focusing on the quality of implemented projects rather than on absorption of funds, and easing the administrative burden of the policy through simplification may enhance the performance of cohesion policy. Simplification Under the 2007-2013 ***programming*** period, separate sets of ***strategic*** guidelines coexisted for cohesion policy, rural development, and fisheries and maritime policy. Member States tried to simplify procedures by setting up the common ***strategic*** framework for the 2014-2020 period. The common ***strategic*** framework also represents the single European reference frame for better coordination between the European structural and investment funds and other EU instruments. However, receivers and managing authorities of EU funds tend to complain that handling them can be quite complicated as they are tied to burdensome bureaucratic requirements. EU funds are still bound to various EU and Member State rules, which occasionally makes their administration a cumbersome exercise. In order to tackle these issues, in 2015 the European Commission set up a high-level group with the main task of advising the Commission on how to simplify and reduce the administrative burden for the beneficiaries of the five ESIFs. The group made recommendations on improving the implementation of simplification measures for the EPRS Challenges for EU cohesion policy Members' Research Service Page 7 of 12 post-2020 period. It argued in part that projects financed by cohesion policy should not receive more restrictive treatment than similar projects under central EU management. It suggested that the principle of equal treatment should apply to the financial instruments irrespective of whether they are implemented by the European Investment Bank or national promotional banks. Cohesion policy should be also based on shorter regulations and fewer guidelines. It claims that in order to prevent new rules from piling up every new requirement should be compensated for by abolishing another requirement instead. Cohesion policy-funded ***programmes*** should be more easily modifiable. When it comes to auditing, fewer rules should apply. The extension of the single audit principle is also recommended. Thematic concentration Thematic concentration was an issue in the previous ***programming*** period (2007-2013) and led to the establishment of core thematic objectives that derived from the Europe 2020 strategy and linked to a set of headline targets. In the current 2014-2020 ***programming*** period, resources have been redirected to priorities contributing to growth and jobs. Minimum shares of total funding have been established for the core thematic objectives. The current ***programming*** period has also seen an increase in resource allocation for research and innovation, SMEs, information and communications technology (ICT), the low-carbon economy, employment, social inclusion, education and administrative capacity. On the other hand, support for basic infrastructure, climate change and the environment has decreased. However, the allocations for climate change and the environment, considered together with those aiming to facilitate a shift to a lowcarbon economy, do show an increase. It may be the case that efforts to increase concentration in fewer thematic areas will persist in the post-2020 period. However, although thematic concentration may be seen as a way to increase the effectiveness of funds, it also leads to re-allocation of resources, which always requires careful ***planning***. Financial instruments and the European Fund for ***Strategic*** Investment Regulations provide flexibility for Member States and managing authorities when designing ***programmes***, both to choose between delivering investment through grants and financial instruments (FIs), and to select the most suitable financial instrument. Financial instruments provide support for investment by way of loans, guarantees, equity and other risk-bearing mechanisms, possibly combined with technical support, interestrate subsidies or guarantee-fee subsidies within the same operation. Although the Commission is highly supportive of using financial instruments, some academic sources are more reserved when it comes to the benefits they offer. For instance, an EPRC study points to the fact that these instruments can be burdensome and difficult for regional authorities to manage. According to the same study, these instruments are perceived as less useful in small projects and in certain areas (for instance, in sparsely populated areas). Furthermore, the potential of these instruments to leverage private-sector funding is also questioned. Another EPRS briefing notes the various bureaucratic hurdles that need to be addressed so that FIs can be explored sufficiently by the Member States. In its reflection paper on the future of EU finances, the European Commission suggests that financial instruments can play an important role in allowing the EU to 'do more with less'. It suggests that FIs are only appropriate for revenue-generating projects. It states that grants and subsidies will therefore continue to be needed for projects that do not generate revenues (e.g basic research, certain types of infrastructure, investment in the social domain, or people-based investments such as EPRS Challenges for EU cohesion policy Members' Research Service Page 8 of 12 Erasmus+ or Marie Sklodowska-Curie grants). It recognises that the number of EU-level instruments and the rules applying to them is an obstacle to their efficient use. The EFSI-ESI fund relationship Another related issue is the functioning of the European Fund for ***Strategic*** Investment (EFSI), which aims to mobilise €315 billion in additional investment in the real economy, and its relationship with the EU's regional policy. EFSI has been one of the main priorities of the Commission which proposed an extension of its duration until 31 December 2020. It provides funding based on a competitive selection procedure and does not have any pre-defined geographical allocations the way cohesion policy does. It is not a cohesion policy funding element, but rather, a Commission initiative for encouraging investment. Certain issues stemming from EFSI may cause a conflictual and competitive relationship with the ESI funds. Although in theory there are synergies between the ESI funds and ESIF, a lot remains to be done in practice to achieve further interoperability and complementarity. So far, the combination of ESI funds with EFSI has been minimal, owing to the technicalities involved, undermining the complementarity of EFSI with the ESI funds. In addition, EFSI's geographical and thematic concentration may run counter to the ESI funds' scope and aim of territorial cohesion. The various priorities that characterise EFSI operations may also contradict the EU's regional policy objectives, as implemented through the ESI funds. In addition, the prioritisation of EFSI and its high profile on the EU agenda may further undermine the prestige of EU regional policy. Synergies between EFSI and the ESI funds should be further enhanced to achieve more cooperation. The urban agenda for the EU, regions lagging behind and areas with special geographic characteristics The urban agenda Cities, towns and suburbs are home to more than 70 % of the EU's population, and constitute major hubs of economic growth. Certain EU policy targets, such as the Europe 2020 ones for smart, green and inclusive growth, rely heavily on the involvement of urban areas in implementing them. Bridging the rural-urban divide is also a point of concern for various cohesion policy-makers. The 2014-2020 ***programming*** period has put the urban dimension at the heart of cohesion policy. At least 50 % of the ERDF resources for this period will be invested in urban areas. Various policy innovations in this ***programming*** period also highlight the important role of urban areas for the EU. For instance, Article 7 of the ERDF Regulation provides that at least 5 % of ERDF resources allocated at national level under the investment for jobs and growth goal must be earmarked for integrated actions for sustainable urban development. However, as there is no legal basis for urban policy in the EU Treaties, discussions on urban development at EU level have primarily taken place within the framework of intergovernmental cooperation. An agreement between the Member States led to the conclusion of the Pact of Amsterdam on the Urban Agenda for the EU in May 2016. The core objective of the Urban Agenda for the EU will be to improve the implementation of EU and national policies on the ground, by involving cities in the design and implementation of urban-related policies as a way of making them more effective, efficient and inexpensive. Momentum has been gathering for the implementation of such an agenda. The first pilot partnerships between the Commission, Member States, cities EPRS Challenges for EU cohesion policy Members' Research Service Page 9 of 12 and stakeholders have been created as the key delivery mechanism for integrating cities into EU policy-making. The partnerships have to prepare and implement an action ***plan*** with concrete actions at EU, national and local level. Regions lagging behind So far, cohesion policy has benefited all EU regions, while offering additional support to regions with lower-than-EU-average gross domestic product rates. As such, it is a universal policy that covers – albeit to different degrees – all EU citizens. Most EU cohesion funding is addressed to less developed and transition regions. The small size of the EU budget means that the funding that regions receive from it has a limited, but not insignificant, impact. Nevertheless, some EU regions have not been able to fully grasp the advantages of the investment opportunities on account of effects of the economic crisis and structural problems. Regions that are lagging behind or suffering low growth are usually regions from eastern or southern European countries. The latter have lower than EU average GDP, despite benefitting from many years of European and national funding. Many of them have also been hard hit by austerity policies aimed at bringing the economies of their respective countries into shape. While increasing their funding allocations seems like a logical solution, it is not a panacea for all their problems. An analysis by Willem Molle (Erasmus Universiteit Rotterdam) suggests that southern European regions will have sluggish growth on account of a lack of proper governance, or their predominant investment choices (for instance, heavy investment in roads and/or infrastructure). He claims that a possible way out of this vicious circle would be to introduce a conditionality check on quality governance, coupled with increased efforts to improve governance quality in convergence countries. In order to help these lessdeveloped regions catch up, the European Commission has launched an initiative on regions that are lagging behind. Its aim is to analyse what holds back growth in lessdeveloped regions and to provide recommendations and assistance on how to unlock their growth potential. Regions with special geographic characteristics The geographic characteristics of certain regions may prevent them from competing with other regions on an equal basis. Article 174 TFEU states that: 'among the regions concerned, particular attention shall be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as northernmost regions with very low population density and island, cross border and mountainous regions'. Some of these regions may thus require additional assi

stance. The Common Provisions Regulation (1303/2013), which sets out the rules for the ESI funds, offers these regions various forms of assistance that have either not been put in place or have so far had limited application. Various European territorial associations (such as the CPMR and Euromontana) have criticised the limited provisions that cohesion policy offers these regions. The EPRS has ***produced*** specialised briefings on the issue of islands of the EU as well as on that of sparsely populated and under-populated areas. Various Parliament resolutions on island territories and mountainous regions have meanwhile taken a positive view on special measures for such regions. In addition, Article 349 TFEU also addresses the issue of the EU's outermost regions. These territories are geographically distant from mainland Europe and they benefit from a special status within the EU. EPRS Challenges for EU cohesion policy Members' Research Service Page 10 of 12 Alternative indicators to GDP The use of indicators is of extreme importance as it determines who benefits from cohesion policy funding. Until now, cohesion policy funds have been allocated through a system of calculation of regional GDP per head rather than on the basis of other indicators capturing social progress. Figure 1 shows the EU NUTS regions according to GDP level. The NUTS classification is used for defining regional boundaries and determining geographic eligibility for structural and investment funds. Regional eligibility for ERDF and ESF funding during the 2014-2020 ***programming*** period was calculated on the basis of regional GDP per inhabitant (averaged over the 2007–2009 period). In addition, the Cohesion Fund covers Member States whose gross national income (GNI) per inhabitant is less than 90 % of the EU average.3 NUTS 2 regions were ranked and split into three groups:  less developed regions (where GDP per inhabitant was less than 75 % of the EU-27 average); (yellow on the map)  transition regions (where GDP per inhabitant was between 75 % and 90 % of the EU- 27 average); (light blue on the map), and  more developed regions (where GDP per inhabitant was more than 90 % of the EU- 27 average (dark blue on the map). Changes in Member States' GDP levels have had a serious impact on the regions, some of which have suffered significantly.4 The recent changes in regional GDP levels may be another incentive to suggest that alternative indicators are necessary in order to depict the real issues and problems that European regions are facing. Various methods complementary to GDP have been presented. The draft version of the EU regional Social Progress Index (SPI), released in October 2016 aims to measure the social progress of 272 European regions as a complement to traditional measures of economic progress. Furthermore, speaking at the Committee of the Regions plenary session on 11 February 2016, Commissioner Creţu supported the idea of including new indicators in cohesion policy, in addition to that of GDP. In particular, she mentioned the Europe 2020 index, the OECD indicators on well-being, those on regional competitiveness, as well as the Human Development Index (HDI). The view of the European Parliament In June 2017, the European Parliament adopted a resolution (2016/2326) on building blocks for a post-2020 EU cohesion policy (rapporteur: Kerstin Westphal, S&D, Germany). The Parliament considers it essential that cohesion policy should have an adequate budget and that the consequences of Brexit should not lead to its weakening. It strongly opposes any scenario for the EU27 by 2025, as contained in the White Paper on the Future of Europe, that would scale down the EU's efforts in relation to cohesion policy. It stresses the importance of shared management under the partnership principle and Figure 1 – NUTS 2 regions by gross domestic product Source: Eurostat regional yearbook, 2015. EPRS Challenges for EU cohesion policy Members' Research Service Page 11 of 12 regrets the late adoption of various operational ***programmes***. It notes that the current European territorial cooperation budget does not match the great challenges facing Interreg ***programmes*** nor does it effectively support cross-border cooperation. Parliament underlines that the current categorisation of regions demonstrates the value of cohesion policy. It considers the creation of a reserve an interesting option in this context to address major unforeseen events. The importance of ex-ante conditionalities, such as research and innovation strategies for smart specialisation, is also highlighted. Parliament opposes macro-economic conditionality and highlights that the link between cohesion policy and economic governance processes within the European Semester must be balanced. It highlights the need to simplify the cohesion policy's overall management system. The EP believes that grants should remain the basis of the financing of cohesion policy and calls on the Commission to ensure better synergies and communication between and about the ESI funds and other Union funds and ***programmes***, including EFSI. Combatting unemployment remains a priority. Cohesion policy should continue to care for the vulnerable and marginalised, addressing growing inequalities and building solidarity through investments in education, training and culture. Partnerships between rural and urban areas, RIS3 and climate change mitigation are also seen as issues that can be tackled through cohesion policy. The resolution welcomes the Pact of Amsterdam and the recognition accorded to cities in European policy-making. The reception of migrants and refugees as well as their social and economic integration should also be addressed through current and future EU cohesion policy. Lastly, Parliament calls on the Commission to start preparing the new legislative framework in good time so that the post-2020 cohesion policy can be implemented at the start of the new ***programming*** period. The view of the Committee of the Regions In its 2017 opinion, the Committee of the Regions points out that the policy for strengthening economic, social and territorial cohesion is one of the most important and comprehensive EU policies. The basic structure of cohesion policy with its three categories (most developed regions, transition regions and less developed regions) should be retained. It calls for cohesion policy to become more flexible in the next funding period and claims that it is important for it to have adequate funding. Therefore, the percentage share of budget allocated to it should remain the same. The opinion considers it essential to guarantee the functioning of multi-level governance and the bottom-up approach through shared management and in full compliance with the principle of subsidiarity. It considers that a comprehensive review of the requirements for ESI Fund management and control systems is urgently needed. Finally, it calls for increasing the visibility of cohesion policy through appropriate communication tools. Outlook It is still early to predict where the debate on the future of cohesion policy may lead. Various issues relating to the future multiannual financial framework may lead to budgetary losses for cohesion policy. Some of the issues mentioned in this briefing require changes in the technical procedures of cohesion policy, whereas others are of a more political nature and may lead to intensive debates. The appearance of new political priorities means that further flexibility in funding may be required in cases of emergency – for instance, the adoption of urgent measures to deal with immigration flows that may lead to a quantitative change in the ESI funds. However, possible reallocations of funds through a re-prioritisation of policy targets may open up the debate between net EPRS Challenges for EU cohesion policy Members' Research Service Page 12 of 12 contributing and net receiving Member States, or between different political agents who would like to defend their domains from a possible loss or transfer of funds. Furthermore, by allowing transfers of money, cohesion policy may be seen as a flexible source of money that can easily be re-directed to new issues every time political priorities are altered. As various elements of cohesion policy will be questioned by the more sceptical European actors, convincing answers will be needed regarding the effectiveness and the added value that this policy has ***produced*** so far. In addition, the emergence of EFSI as a major Juncker Commission priority may also lead to a conflictual relationship with the ESI funds. Main references Bachtler, J., Mendez C. and Wishlade, F., Permanent revolution in cohesion policy: restarting the reform debate, EoRPA Paper 15/4, EPRC, 2015. Bachtler, J., Mendez C. and Wishlade, F., Evolution or revolution? Exploring new ideas for cohesion policy 2020+, EoRPA Paper 16/4, EPRC, 2016. Committee of the Regions, The future of cohesion policy beyond 2020, Reports I and II, 2016. Margaras, V., EFSI and ESI funds – Complementarity or contradiction?, EPRS, 2017. McCann, P., The Regional and Urban Policy of the European Union, Edward Elgar Publishing, 2015. Molle, W., Cohesion and growth: The theory and practice of European policy making, Abingdon, Routledge, 2015. Woolford, J., Implications of Brexit for UK ESI Fund ***Programming*** and Future Regional Policy, EStIF, No 3, 2016. Endnotes 1 See: J. Bachtler, C. Mendez and F. Wishlade, Evolution or revolution? Exploring new ideas for cohesion policy 2020+, EoRPA Paper 16/4, EPRC, 2016 and J. Woolford, Implications of Brexit for UK ESI Fund ***programming*** and future regional policy, EStIF, No 3, 2016. 2 See for instance, an analysis by Vasilis Avdikos and Anastassios Chardas, 'European Union cohesion policy post 2014: More (place-based and conditional) growth – less redistribution and cohesion', Territory, Politics, Governance, Vol. 4, No 1, 2016, pp. 97-117. 3 It aims to reduce economic and social disparities and to promote sustainable development and funds projects in the field of transport and environmental infrastructure. The Member States covered by this particular fund are: Bulgaria, the Czech Republic, Estonia, Greece, Croatia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Portugal, Romania, Slovakia and Slovenia. 4 When it comes to cohesion policy, Article 7 of the Multiannual Financial Framework Regulation provided for an adjustment for the years 2017 to 2020, to be based on updated statistical data available in 2016. This led to a rebalancing of funding to the countries deemed to have suffered more from the crisis. Disclaimer and Copyright This document is prepared for, and addressed to, the Members and staff of the European Parliament as background material to assist them in their parliamentary work. The content of the document is the sole responsibility of its author(s) and any opinions expressed herein should not be taken to represent an official position of the Parliament. Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy. © European Union, 2017. Photo credits: © imaginando / Fotolia. [*eprs@ep.europa.eu*](mailto:eprs@ep.europa.eu) [*http://www.eprs.ep.parl.union.eu*](http://www.eprs.ep.parl.union.eu) (intranet)   [*http://www.europarl.europa.eu/thinktank*](http://www.europarl.europa.eu/thinktank) (internet)   [*http://epthinktank.eu*](http://epthinktank.eu) (blog)

**Load-Date:** November 22, 2017

**End of Document**



[***Active Energy Group PLC Support in Utah for Advanced Biomass Solutions***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5R64-YVJ1-JCXB-20TD-00000-00&context=1516831)

London Stock Exchange Aggregated Regulatory News Service (ARNS)

December 15, 2017 Friday 7:00 AM GMT

Copyright 2017 London Stock Exchange All Rights Reserved



**Length:** 1459 words

**Body**

RNS Number : 4296Z

Active Energy Group PLC

15 December 2017

Active Energy Group Plc / EPIC: AEG / Sector: Alternative Energy

15 December 2017

Active Energy Group Plc ('Active Energy' or 'the Group')

Local Support in Utah for Advanced Biomass Solutions

Active Energy, the London quoted international biomass based renewable energy and forestry management and business, has received a letter of support from the Governor's Office of Energy Development in Utah regarding Advanced Biomass Solutions Plc's ('ABS') ***plans*** for the CoalSwitch(TM) plant and in particular Active Energy's intention to deliver product for commercial scale testing to power facilities in the state. It also highlighted its support of ABS's activities and that it is looking forward to the expansion of activities in Utah. The full copy of the letter is reproduced below.

The Governor's Office of Energy Development ('OED') appreciates the efforts of ABS in providing Utah affordable energy alternatives and finding innovative approaches to create commercial opportunities in the State. Utah offers many resources to support this type of development, including natural resources for feedstock and support from Rocky Mountain Power through its STEP ***program***. The State also recognises ABS' contribution to the local economy through its direct hiring of skilled labour and its commitment to partnering with Utah manufacturing and suppliers for its acquisition of process and plant equipment. To date, ABS has made significant investment in Utah's economy and expects these contributions to grow as they add jobs in rural Utah and along the Wasatch Front.

In particular, OED supports ABS efforts to advance technological solutions to better utilise Utah's natural resources. ABS intends to temporarily set-up, test, validate and ***program*** their 5 tonne per hour "Coal Switch" plant in Salt Lake City. This plant will operate for a temporary period to create process algorithms, validate system performance and create product for Rocky Mountain Power to utilise in a commercial scale test. This test supports the STEP Grant approved by the Utah Legislature in 2016, seeking an alternative coal supplement material to be tested at the Hunter Power Plant located in Castle Dale, Utah in early 2018. This temporary ABS plant will ***produce*** approximately 450 tonnes of material to be used for this STEP Grant test and additional material to be analysed by industry.

If ABS' test is successful, OED anticipates continued investment by installing a permanent plant in Utah. Such investment will add tremendous value to the State by generating new jobs, expand manufacturing, and support important industries like trucking, supply chain purchasing, and ***agriculture***. Additionally, ABS' process promotes environmental stewardship through clean air initiatives and encourages new forms of renewable energy production.

By advancing ***strategic*** partnerships, OED is proud to pave the way for next-generation technology that supports both local and rural economic development. The innovative clean energy solutions proposed by ABS will result in a cleaner emission profile for Utah. This technology could also facilitate the increased utilisation of Utah's biomass feedstocks to blend with high-energy coal resources for power generation.

In addition to the aforementioned benefits, this technology would create environmental value by reducing forestry and ***agricultural*** waste, mitigating invasive species impact such as pinyon juniper and greenhouse gas emissions, while mitigating forest fire risk by utilizing these waste materials to create an environmentally friendly, sustainable, carbon neutral fuel that can be used as a supplementary source for Utah's coal power generation. This product also lends itself to be used as a high heat value clean alternative for the multi-million-dollar pellet stove industry. It is our understanding that ABS is also working with several Utah companies to apply this technology to develop engineered soil from of these waste streams with the intent to add this material back into the environmental cycle.

We understand that under the direction of ABS and Rocky Mountain Power, testing of this plant developed by ABS will commence before the end of 2017 at 870 Gladiola, in Salt Lake City and run for a period of time as needed to complete the process certification. OED is working with DNR, SITLA, and other private sources so that ABS can move forward with procuring the necessary materials to complete their equipment testing and process validation. We also understand that once completed, this system will be dismantled and shipped to the end user outside of the State of Utah, per ABS' customer agreement.

OED is monitoring the progress of this test and looks forward to continuing to support innovation through an all-of-the-above energy approach.

Active Energy Non-Executive Chairman, Michael Rowan, said, "We are delighted to receive this support from the Governor's Office in Utah, which reaffirms the progress and potential for our CoalSwitch(TM) biomass fuel. The environmental credentials are being recognised across the board and we are extremely excited about the future, especially as we expect to deliver our first commercial quantities to partners, including Rocky Mountain Power, in the near future."

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014 ("MAR").

\*\*ENDS\*\*

Enquiries & Further Information:

Website LinkedIn

---------------------- --------------------------------------

[*www.active-energy.com*](http://www.active-energy.com)   [*www.linkedin.com/company/activeenergy*](http://www.linkedin.com/company/activeenergy)

[*www.abs-plc.com*](http://www.abs-plc.com)

---------------------- --------------------------------------

Enquiries

----------------------------------------------------------------------------

Active Energy Michael Rowan [*michael.rowan@aegplc.com*](mailto:michael.rowan@aegplc.com)

Group Plc Non-Executive Chairman

------------------- ------------------------- ----------------------------

Richard Spinks [*richard.spinks@aegplc.com*](mailto:richard.spinks@aegplc.com)

Chief Executive Officer

------------------- ------------------------- ----------------------------

Northland Capital David Hignell/Gerry Office: +44 (0)20

Partners Limited Beaney 3861 6625

Nominated Adviser

------------------- ------------------------- ----------------------------

Optiva Securities Graeme Dickson

Ltd Ed McDermott Office: +44 (0)20

Broker 3137 1902

------------------- ------------------------- ----------------------------

St Brides Partners Isabel de Salis/Megan [*info@stbridespartners.co.uk*](mailto:info@stbridespartners.co.uk)

Financial PR Dennison Office: +44 (0)

Adviser 20 7236 1177

------------------- ------------------------- ----------------------------

About Active Energy Group:

Active Energy Group Plc (AIM: AEG.L) is a London Stock Exchange-listed international renewable energy business based upon forestry assets. Its model is focussed on capturing the entire forestry value chain through sourcing, utilising and commercialising assets, and setting a new standard in the sustainable management and optimisation of timber resources. The Company is led by a highly technical and commercial team with the experience to execute its defined growth strategy and build its visibility, primarily as a London-listed timber opportunity with a revolutionary biomass fuel technology. It has two affiliate companies formed being:

-- Advanced Biomass Solutions Plc (   [*www.abs-plc.com*](http://www.abs-plc.com)), which is commercialising a revolutionary biomass coal replacement fuel, CoalSwitch(TM); and

-- Timberlands International Ltd, a sustainable international forestry management business.

About CoalSwitch(TM):

CoalSwitch(TM) is the world's first direct drop-in replacement biomass fuel with the ability to transform the coal energy dynamic. Its unique qualities allow the fuel to be directly mixed in any ratio or completely replace coal in existing unmodified coal-fired power stations, negating the need for expensive retrofitting or avoiding complete plant closure. Unlike almost all biomass based pellets, it does not have to use high-quality wood but can instead utilise low-cost waste material which translates into significant economic benefits. CoalSwitch(TM) has a unique solution to enable coal-fired power plants to continue operating at acceptable environmental standards. To facilitate the expansion, ABS is establishing operations in the Americas, Europe and Asia and has representation in those areas in terms of business development and technical support.

**Load-Date:** December 15, 2017

**End of Document**



[***Industrialisation and diversification efforts in Ghana target value-added exports***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5WS6-C4X1-DXYV-743B-00000-00&context=1516831)

Oxford Business Group: Articles

January 2018

Copyright 2018 Oxford Business Group All Rights Reserved



**Length:** 3652 words

**Body**

Industry is at the centre of government ***plans*** to transform the economy from one reliant on its resource base to one driven by value-added exports. The current administration - which, among other things, is seeking to establish a factory in every one of the country's more than 200 districts - has discussed moving away from a dependence on cocoa and gold towards a future in which the country can export automobiles and other high-value products.

"Ghana has a number of competitive advantages, including an abundant and well-qualified human resource base and easy access to ECOWAS member states," Michael Okyere Baafi, executive-secretary of the Ghana Free Zones Board (GFZB), told OBG. As a result, Accra has laid out a number of ***plans*** to achieve these goals and build strong value chains around key industries. However, while this is good news for investors, there are a number of obstacles - including access to feedstock, currency volatility and high overheads - that must still be overcome.

**Performance**

In line with overall economic performance, the industrial sector has grappled with a number of challenges in recent years. The sector experienced negative growth in 2016, contracting by 0.5%. However, the overall decline was mitigated by the beginnings of a recovery in the second half of the year, with the sector posting positive growth of 3.9% and 3% in the last two quarters of 2016, respectively. This positive trend continued in the first half of 2017, with industry expanding by 19.3% in the second quarter of the year, driving overall GDP growth to 9% year-on-year, according to the Ghana Statistical Service's second-quarter GDP report.

Similar to other countries on the continent, the industrial base - and manufacturing in particular - has begun to see slower growth than the services sector. In the second half of 2011 the industrial base was growing at a rate of over 50%, and it was the largest economic contributor. As of mid-2017 the sector represented just over one-quarter of GDP (26.5%), while the services sector had grown to account for more than half of GDP (62%). Manufacturing represented the third-largest industrial segment, at GHS671.1m ($160.7m), up 6.6% on the previous year.

**Government Strategy**

Accra announced a number of both immediate and long-term policies designed to support the industrial agenda and expand production. In the short term President Nana Akufo-Addo's administration ***plans*** to help distressed companies with a stimulus package funded by the national budget. This will include technical and financial support for companies that have struggled in the face of power outages, but have viable business models. The budget has allocated $50m as seed funding to the initiative, with a further $150m earmarked to help companies deal with their debt.

By July 2017, 285 businesses applied for these funds, of which the government approved 80. "The government wants to help companies that have suffered shocks as a result of the power crisis which severely affected the country's productive sector leading to scores of people being made redundant," Carlos Kingsley Ahenkorah, deputy minister of trade and industry, told local press in May 2017.

**Transformation Agenda**

The government has dubbed this stimulus package the National Institutional Renewal ***Programme***. It is part of a wider 10-point ***programme*** of reform, known as the Industrial Transformation Agenda. The strategy is overseen by the Ministry of Trade and Industry (MoTI) and includes ***plans*** for decentralisation of industrial growth through the One District, One Factory policy; diversification through the development of ***strategic*** anchor industries; the rollout of industrial parks; regulatory reform to improve the business environment; support for small and medium-sized enterprises (SMEs); the development of domestic retail infrastructure to support local consumption of industrial production; and an industrial subcontracting exchange that will help to involve local SMEs in large-scale industrial projects. "Once institutional challenges are overcome, the industrial sector should grow at a more accelerated pace," Kojo Brompong-Mensah, managing director of BM Construction, told OBG. "In that regard, the new administration is moving in the right direction to increase public sector efficiency and responsiveness."

The One District, One Factory initiative has perhaps garnered the most attention from this wide-ranging agenda (see analysis). This marks a significant departure from traditional strategies for industrial development, and the government has also made ambitious claims for the initiative. The ***plan*** - which calls for the development of a factory in each of the 216 districts - has an approved budget of GHS456m ($109.2m) and will generate as many as 350,000 jobs, according to Ken Ofori-Atta, the minister of finance. Gifty Ohene-Konadu, the national coordinator for the One District, One Factory secretariat, told local press in March 2017 that the ***plan*** had already received investment pledges totalling $3bn and that 40 business ***plans*** were under review.

**Free Zones**

Efforts to decentralise development is also evident in ***plans*** to create industrial zones across the country. As part of the 10-point agenda, the government hopes to develop an industrial park in each of Ghana's 10 regions (see analysis). This will build on the work of the GFZB, which is establishing export processing zones around the country. The GFZB already has a land bank in Tema - located in Greater Accra - as well as in Sekondi and Shama, both in the Western Region.

The Shama facility, located on the seafront, will serve the downstream oil and gas industry, providing opportunities for refineries. Meanwhile, supply chain and logistics firms will serve chemicals and downstream activity. In Sekondi the GFZB has signed a memorandum of understanding with Hassan Investment, a Chinese firm, to develop the zone. The company has already reached an agreement with Bosai Mineral Group, Dazhon Iron and Steel Group, and First Sunergy as anchor tenants for the new zone.

In the two decades between the start of the free zones ***programme*** in 1996 and 2016, companies operating in such areas made investments totalling $3.4bn and generated $30.9bn worth of exports. In 2016 capital investments were valued at $270.7m, while exports reached $2.3bn. By the end of 2016, 201 companies were operating in Ghanaian free zones and were employing just over 30,000 workers.

The GFZB, however, is continuing to acquire land to create more export processing zones. Beyond basic infrastructure, firms operating in these enclaves get a 10-year corporate tax holiday; exemptions from import duty for production materials and export duty for finished products; and no restrictions on the repatriation of net profits or dividends. Tenants are required to export 70% of goods and services ***produced*** in the zones. The government hopes such initiatives will help the country change its reputation from that of a simple exporter of raw materials and commodities. "Most districts have resources that can be utilised as part of the One District, One Factory initiative," Gifty Klenam, CEO of the Ghana Export Promotion Authority, told OBG. "The goal should be to ***produce*** commodity-based value-added goods that are demanded by international markets."

**Exports**

The export processing zones are part of wider efforts to boost industrial exports. The implementation of the national single window - a ***programme*** to automate and consolidate all trade processes - is a critical part of this, and includes an e-payment system as well as a single paperless system for meeting documentation requirements. The initiative should improve transparency, reduce irregularities, and cut both time and costs of importing and exporting. Authorities began the second phase in 2015, which is integrating the process across all public and private sector entities. This is set to reduce the time and cost of trade by as much as 50% and lead to annual savings of more than $120m.

The country recently concluded an interim economic partnership agreement with the EU that will improve access to that trading bloc. Ratified by Ghana in August 2016 and by the EU Parliament in December 2016, the agreement will give Ghana-based companies duty-free and quota-free access to the EU market. While this will be constrained by EU import standards, the economic partnership agreement provides an important opportunity to domestic exporters. Trade with the EU is worth (EURO)5.3bn annually, of which exports reached (EURO)2.3bn in 2016.

**Infrastructure Challenges**

These efforts are likely to substantially improve the potential of the industrial base. However, challenges remain and there are ongoing efforts to minimise constraints imposed by existing bottlenecks. "Export costs in Ghana are high, due to ageing road infrastructure, which drives up the price of transport and logistics. If the country is to make value addition a priority, this needs to be addressed," Charity A Sackitey, managing director of Barry Callebaut Ghana, a subsidiary of the Swiss cocoa ***producer***, told OBG. Another obstacle is power outages, known locally as *dumsor* (see analysis). "The real constraints are related to the availability and cost of power, as well as the financing options available for investing in additional capacity," Kwame Philips, CEO of Bragha Group, an Accra-based plastics manufacturer, told OBG.

Power generation has struggled to keep up with demand and has subsequently regularly instituted load shedding. Indeed, following the discovery of hydrocarbons in 2010, demand for power surged. In 2013 alone non-residential demand rose by 33%, while residential demand increased by 15.4% (see Energy & Utilities chapter). This has had a notable impact: the Institute of Statistical, Social and Economic Research estimated that the power crisis caused losses in productivity and economic performance of between $320m and $924m in 2014.

**Gas Feedstock**

The push to boost power is tied to upstream hydrocarbons production. The discovery of oil and gas in commercial quantities in 2007 - with 660m barrels of proven crude oil reserves and 22.7bn cu metres of proven gas reserves - initially prompted talk about using hydrocarbons to drive industrialisation, with provisional ***plans*** for fertiliser and petrochemicals plants. There is good reason for this, as domestic gas production is expected to ramp up in coming years. According to Kofi Armah-Buah, the former minister of petroleum, production will reach 9.91m cu metres per day by 2019.

However, given the difficulties with domestic power supply since 2012, this significant increase in gas supply is likely to be absorbed by electricity generation (see Energy & Utilities chapter). The Atuabo Gas Processing Plant in the Western Region supplies 4.25m cu metres per day for power generation. This may constrain the ability of gas production to support the petrochemicals or fertiliser segments, but it does lay the foundation for supporting a broader industrial base by ensuring an ample power supply.

This was highlighted in the latest Gas Master ***Plan***, ***produced*** by the Ministry of Energy in 2016. On an assumed gas price of $9-12 per million British thermal units, the report notes: "***Strategic*** capital-intensive industries such as urea, methanol and aluminium are a high-risk option due to their high capital investment requirements, requirement for low gas prices and strong level of competition in globalised markets with volatile prices." The report finds the best gas utilisation options are in power generation, the cement industry, and substitution for fuel oil in industrial heating and co-generation.

This shift in priorities has led to some cancelled capital commitments. In 2010, for example, the India-based petrochemicals firm, Rashtriya Chemicals and Fertilisers, signed an agreement with the government to construct a $1bn urea plant with an annual capacity of 1.2m tonnes. In 2014 the firm pulled out because of uncertainty of the supply of natural gas feedstock to the project. A source for Rashtriya told the Indian press that the deal collapsed because Ghana's government was prioritising power generation over fertiliser production for the allocation of gas. Nevertheless, as the addition of a domestic gas supply is likely to improve the power situation, it should provide a stronger, more stable and more affordable platform for industrial development.

**Mining**

The MoTI has also laid out a ***plan*** for industrial development that would create a value chain around the domestic metals industry. In May 2017 Alan Kyerematen, the minister of trade and industry, told local press, "Hopefully, within the next five years, we will be diversifying our economy away from cocoa and gold and we will be looking at the petrochemicals industry and integrated iron and steel industry, aluminium and bauxite industry which then leads us on to a new vehicle assembly and automotive industry."

This is part of the wider ***plan*** to add value to domestic mineral wealth - which is already one of the most valuable in Africa - by developing industrial clusters, known as ***strategic*** anchor industries. There are 2bn tonnes of iron ore and 700m tonnes of bauxite deposits near Kumasi, which could advance the domestic steel and aluminium industries.

The government announced ***plans*** to develop the aluminium market in March 2017. At the budget presentation Ofori-Atta reported the authorities ***plan*** to develop an integrated aluminium industry through a six-phase process. This will include developing bauxite mines, establishing a bauxite refinery, allocating a reliable power supply, developing rail infrastructure, rejuvenating the existing Volta Aluminium Company smelter and creating an industrial park for the manufacture of aluminium products.

The ***plan*** is ambitious, with Ofori-Atta noting that the country has been undertaking efforts to integrate the domestic aluminium industry since 1962. The state-owned Volta Aluminium Company ***produces*** 36,000 tonnes per year at its hydroelectric-powered smelter. This is considerably lower than its annual capacity of 200,000 tonnes.

**Cement**

As of March 2016 local cement manufacturers installed capacities of some 7.4m tonnes per annum, while annual domestic cement consumption stood at around 5m tonnes. Annual cement imports amounted to about 1m tonnes. In recent years the Cement Manufacturers Association of Ghana - which is composed of a number of local companies, including Ghana Cement, Diamond Cement Ghana, Savannah Diamond Cement and Western Diamond Cement - has repeatedly protested against the effects that cement imports have on local production, calling on the government to adopt protective measures.

In 2016 the government took action, placing a ceiling on cement imports. However, in October 2017 local manufacturers argued that these actions were not sufficient. The country ***produces*** more than enough cement to meet demand, yet cheap imports have meant local ***producers*** face the risk that their prices will make them uncompetitive. Samuel Atta Akyea, the minister of works and housing, told local press that the issue was a result of inefficient laws in Ghana, and promised to strengthen regulations.

Despite the risk of a supply glut, some cement firms embarked on expansion ***plans*** in 2017. In August 2017 President Akufo-Addo laid the foundation stone for a new $55m cement-grinding plant in the Tema Free Zone. Local firm CBI Ghana will operate the facility, which is expected to be completed by summer 2018. The plant will employ 400 people when complete and supply premium cement. Another premium cement factory is set to open in 2019 in the Dawa Industrial Enclave. Iran will finance the $30m facility, which is expected to ***produce*** 600,000 tonnes of cement per year, and act as the majority shareholder.

**Steel Manufacturers**

The most influential domestic steel ***producers*** include Sentuo Steel, which is held in part by China-based owners and partly by the Ghanaian government, with an annual capacity of 25,000 tonnes; the Lebanese company United Steel with a capacity of 25,000 tonnes; Jordanian-owned Rider Steel, with a 5000-tonne capacity; India's Tema Steel with 4500 tonnes; China's Ferro Fabrik with 4000; and local firms Special Steels and Western Castings with 3500 and 2000, respectively. Local steel factories employ some 9000 workers, of which 3000 are direct employees in the mills and 6000 are indirect workers, including scrap collectors, dealers, transporters and a variety of other supporting jobs.

In March 2016 the Steel Manufactures Association of Ghana questioned the government's decision to allow the importation of steel. The association argued that local firms have an installed capacity of 450,000 tonnes per year, which is more than the 300,000 tonnes of annual domestic demand. It has called for a 25% levy on imported steel products, in addition to a 20% import duty on finished products. Without these tariffs, local manufacturers fear the domestic industry could be in danger of collapse. Over time, this situation has caused a series of cost-cutting efforts, including staff lay-offs.

Despite the challenges, some companies are weathering the storm, taking the time to invest in boosting production capacity and improving productivity to satisfy both local and regional demand. Sentuo Steel, for instance, initiated the second development phase of its Tema wire coils and sections manufacturing facility in June 2015. Following a $53m investment, the company is expected to add 500,000 tonnes to its existing 300,000-tonne annual production capacity. The limited availability of scrap metal in Ghana has forced Sentuo Steel's plant to work at 40% capacity. Following the completion of its expansion project, the company ***plans*** to return to full capacity by importing steel billets from Europe and the US, which is reported to be more cost-effective than buying scrap metal in Ghana.

In addition, in January 2016 Western Steel and Forging, a local steel company, announced it would be undertaking restructuring efforts to modernise its operations, including the installation of continuous casting machines. With this expansion ***programme***, the firm was preparing to shift its primary focus from the production of forged balls for the mining industry to the faster manufacture of wire rods, binding wire, nails and other products.

The outlook for the steel industry appears positive over the coming years. "Demand for steel will rise in the medium term, driven by increased construction and improved business sentiment," Mukesh Thakwani, chairman of B5 Plus, told OBG. "However, its long-term performance is uncertain."

**FMCG**

The fast-moving consumer goods (FMCG) industry is often noted as a potential high-growth industry throughout Africa. Based on large volume and often low value, the industry can penetrate far down the income scale and build a massive market. With a young and growing population, an expanding middle class and developing retail infrastructure, Ghana offers a number of opportunities for local FMCG manufacturers and international investors.

Ghana is well placed for FMCG growth, due to its very young population, with well over half its citizens under the age of 25. While the dependency ratio is 73%, the working-age population is set to expand rapidly through 2030, bolstering the consumer base. Furthermore, the total population is just over 28m and is growing at 2.2% per year. The domestic population is joined with 14 other West African countries in the ECOWAS economic bloc, a massive single market of more than 200m consumers. Ghana also compares well with the region in terms of income: it is one of only six countries in sub-Saharan Africa with a 1m-strong middle class - defined as the group of individuals with an income of at least $8.44 per day.

This poises the country for substantial retail and consumer growth. It ranks eighth on the Consumer Demand Potential Index of NKC Research, based on a favourable business environment, strong demographic characteristics and good medium- to long-term economic potential. A number of local and international FMCG companies have already recognised and established a presence in the local market. These include Unilever, Nestlé, PZ Cussons and Fan Milk. The latter was established in 1960 and was bought up by Danone and the private equity Abraaj Group in 2013. In May 2017 Danone announced that, along with the Abraaj Group, it invested $25m to fund three new production lines at its Accra factory. This will allow the company to roll out new products in the local market and create 200 new jobs. Fan Milk has a presence across West Africa with operations in Nigeria, Côte d'Ivoire, Burkina Faso, Benin and Togo. Africa is increasingly important for Danone, generating (EURO)1.4bn, or 6.4% of its global turnover, in 2016.

Other FMCG multinationals, particularly in the beverage segment, have had beneficial knock-on effects down the value chain. For example, Guinness Ghana Breweries, a subsidiary of Diageo, has been operating in the country for more than 50 years and has a significant influence on the economy. In 2016 the company invested more than GHS1m ($239,400) in sourcing sorghum from the ***agriculture*** sector.

**Outlook**

Ghana is developing industrial exports and high-value manufacturing, and if the bottlenecks can be cleared, government initiatives could deliver strong growth. Efforts to decentralise and build industrial clusters close to raw materials sites could also prove successful if the supporting infrastructure is established to transport goods to market.

Current policies may still have to overcome a number of hurdles. For example, an emphasis on heavy and energy-intensive industry under the ***strategic*** anchor ***programme*** could prove challenging amidst energy-supply struggles. However, prioritisation of the sector and establishment of policies to boost investment are beginning to yield positive results.

**Load-Date:** March 12, 2020

**End of Document**



[***Profit from being in the right place; Kazakhstan’s geostrategic bonus***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PKH-NBH1-F035-X1MY-00000-00&context=1516831)

Le Monde Diplomatique (English)

October 1, 2017

Copyright 2017 Le Monde Interactif All Rights Reserved



**Length:** 1869 words

**Byline:** Arthur Fouchère

**Highlight:** Kazakhstan is the crucial external link in China’s new Silk Roads westwards. Chinese investment offers a richer future and may help extend the life of the Kazakh regime.

**Body**

Farmers sometimes herd their cattle along new sections of motorway between the southern Kazakh cities of Taraz and Shymkent. This is the western end of the new Silk Roads in China’s One Belt, One Road (OBOR) initiative, a construction ***programme*** for highways, railways, port infrastructure and oil pipelines in over 60 countries. The Chinese scheme, often compared to the US’s post-war Marshall ***Plan*** (1), aims to guarantee transport routes for its products to the main population centres in Europe, Africa and Asia, create economic growth corridors, and establish lasting diplomatic links with participating countries.

Overland east-west routes have to pass through Kazakhstan. In 2013 China’s president Xi Jinping chose the Kazakh capital, Astana, to launch OBOR, and further consolidated it this May at a forum in Beijing. A rapid transit route will cross China from far southeast to northwest and enter Kazakhstan via the dry port of Khorgos, on China’s western border. By 2020 the route will link to western Europe via Moscow. A connected second route will link to the Caucasus and Turkey via the Kazakh seaport of Aktau, on the eastern shores of the Caspian, and a third will reach Iran via Uzbekistan and Turkmenistan. Goods trains from Yiwu on China’s east coast have been arriving in London via northern Kazakhstan since January, three years after the opening of the Yiwu-Madrid leg, which inaugurated the project.

China is using its significant forex reserves to finance OBOR. It has set up a dedicated $40bn fund and is drawing on the $100bn (33% Chinese) capital of the Asian Infrastructure Investment Bank (AIIB), which has 56 member states in Europe, Asia and the Middle East. China’s largesse is conditional on investment by the countries that will benefit from OBOR. ‘China is ready to work with Kazakhstan under principles of openness, coordination, cooperation and mutual benefit from our respective ***programmes***,’ the Chinese prime minister Li Keqiang said in Astana in November 2016; this approach links the Chinese initiative to local development ***programmes***.

The transport part of Kazakhstan’s $9bn regeneration ***plan*** — the Shining Road (*Nurly Jol*) — follows the new Silk Roads. Chinese assistance suits China’s priorities and gives Kazakh president Nursultan Nazarbayev greater room for financial manoeuvre in other parts of his Kazakhstan 2050 strategy, which includes an overhaul of public bodies, the renewal of housing stock and the provision of gas to poor regions in the south.

This ambitious ***programme*** aims to reduce poverty in a country where the average monthly salary is $415 (2), and make it one of the world’s top 30 economies. A $2bn Sino-Kazakh fund, established in 2015, will invest in steel, hydroelectricity and car-making (3), an opportunity to diversify an economy over-dependent on extractive industries and hard hit by oil prices, still at half their 2014 levels.

***Strategic* bulwark**

More than just a transit zone, the Kazakh steppes represent a ***strategic*** bulwark for Beijing. Kazakhstan, rich in oil and gas and the world’s largest ***producer*** of uranium, can help China broaden its supplier base, reducing its dependency on the Gulf and providing an alternative route if there is an oil tanker blockade in the straits of Malacca (4). Besides involvement in transport infrastructure, OBOR gives China access to Kazakhstan’s energy resources and production infrastructure, and provides a basis for controlling the (Turkic-speaking) Uyghurs in the autonomous Xinjiang region in China’s booming west; 230,000 live across the border in Kazakhstan.

In 2015 China’s state-owned Sinopec oil company bought the Kazakh subsidiary of Russia’s Lukoil for a record $1.1bn. China’s ambitions over the region’s oil and gas had been evident since 2005, when the China National Petroleum Corporation (CNPC) bought Canadian firm PetroKazakhstan, gaining a stake in the Turgay basin in southern Kazakhstan. China has also invested in the Kazakh national oil and gas company KazMunayGas (KMG) through its sovereign wealth fund, the China Investment Corporation, and has a strong presence in the northwest Aktobe region, and the Mangystau region, on the eastern shores of the Caspian. It currently controls 25% of local production and owns oil and gas pipelines which start at the Caspian and in Turkmenistan, and is a rival to Russia in hydrocarbon supply (5).

The CNPC also owns 50% of the recently modernised Shymkent refinery, one of only three in the country. These investments provide a way for Kazakhstan to gradually reduce its dependence on Russia for petrol that meets European environmental production standards. Currently it has to import 40% from Siberia because of its own outdated infrastructure.

Nazarbayev, in opening up to Chinese capital, is pursuing a multi-vector foreign policy to attract the foreign investment Kazakhstan needs to modernise its economy; to satisfy — and neutralise — the Great Powers’ designs on his geostrategic position at the crossroads of Europe and the Caucasus, Asia and the Middle East; and to increase his autonomy in relation to Russia.

More than a decade before the Chinese arrived, Kazakhstan was forming ***strategic*** partnerships with western oil companies. KMG, already associated with Russia’s Lukoil, teamed up in 1992 with the US duo Chevron and ExxonMobil to exploit the Tengiz oilfield, and with Royal Dutch Shell and Italy’s Ente Nazionale Idrocarburi (ENI) to jointly manage the Karachaganak oilfield. The Kashagan field in the Caspian, Kazakhstan’s third big oil reserve and a pillar of the economy, has been operational only since October 2016, but was awarded to a consortium of US and European companies in 1992. The Chinese joined in 2013, through the CNPC, and acquired an 8% share in the basin, one of the biggest discoveries of energy reserves in recent decades.

China’s presence in Kazakhstan is now a ***strategic*** partnership that can counterbalance Russia, whose economic, cultural and military influence still dominates after 25 years of independence. Russian remains an official language, and there is a significant Slav minority of 4.5 million, 25% of the population. Russian fighters still take off from Baikonur under a lease renewed until 2050. Russia is still Kazakhstan’s biggest supplier of goods and services and its sixth-largest source of foreign direct investment (FDI) (6). ‘The Russians have shares in 6,000 Kazakh businesses,’ the Kazakh president said at the St Petersburg International Economic Forum in June 2016. Russia’s economic difficulties have had a direct impact on the Kazakh economy and, as the rouble fell, Astana devalued its currency, the tenge, in 2014 and 2015.

**‘Eurasian dream’**

Moscow is counting on the Eurasian Economic Union (EAEU) to maintain its foothold in Central Asia. It was established in 2015 with Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia as members. But the ‘Eurasian dream’ proposed by President Nazarbayev in 1994 serves Russia’s geopolitical interests and perpetuates the asymmetrical Soviet-era relations between Moscow and peripheral republics. Moscow imposed a common external tariff based on its own customs rates, neutralising Kazakhstan’s benefits from joining the World Trade Organisation in 2015, and since the abolition of internal customs barriers, a flood of low-priced Russian goods has strained the Kazakh economy (7).

With win-win agreements, China has consciously offered an alternative to Russia’s more authoritarian style. But Sino-Russian competition does not rule out collaboration between the EAEU and OBOR, since Russia is willing to make concessions to maintain trade and security within the Shanghai Cooperation Organisation (8) (see *Rail caravan from China*). ‘In this new Great Game (9) there’s a sort of covert joint rule by China and Russia, now that US ambitions in the region have stagnated,’ says René Cagnat, a researcher at the French Institute for ***Strategic*** and International Affairs (IRIS), referring to the US shale oil revolution and the closure of the US air bases at Karshi-Khanabad (Uzbekistan) in 2005 and Manas (Kyrgyzstan) in 2014.

In this new Great Game there’s a sort of covert joint rule by China and Russia, now that US ambitions in the region have stagnated

China’s advances are awakening an old Sinophobia, felt acutely by Kazakhstan’s young nationalist elites. Fights between local and Chinese (and Indian) workers have become common. Nazarbayev’s regime, in power for 27 years, has responded with carrot and stick. Since 2012 a law has required medium and large companies awarded state contracts to employ 90% local workers, 70% for management posts. But this law has been widely circumvented, as French consultant Christian Mauve, formerly responsible for security at the North Caspian Operating Company explains: ‘Since January 2017, a tax on work permits has been introduced in the oil and gas industries, and in finance and consulting. It’s impossible not to see this as a financial response to the circumvention of this law.’ Because of their contacts, the oil and gas companies were reprieved until 2015, before the fall in commodity prices put the issue on hold.

Proposed legislation that would have increased the duration of foreign investors’ leases on ***agricultural*** land from 10 to 25 years caused protests. Demonstrators targeted the activities of China, which has invested $1.9bn in ***agriculture*** (mainly cereals, meat and tomatoes), confirming Chinese interest in Kazakhstan, which is second only to Australia in arable land availability per head (10). The protest movement got the legislation withdrawn, but was severely repressed. The five-year sentences for its leaders, Max Bokayev and Talgat Ayan, shocked Kazakhs, traumatised by a police massacre of striking oil workers in December 2011 at Zhanaozen; the authorities claimed there were 17 dead, human rights organisations many more.

Kazakhstan, as beneficiary, has exposed itself to China’s reciprocal expectations. But Nazarbayev is willing to accept this dependence for now, as it protects his regime from the greater social destabilisation that would occur if the investments dried up.

(1) ‘China’s ”Marshall ***Plan***”’, *The Wall Street Journal,* New York, 11 November 2014.

(2) Main socioeconomic indicators, The Agency on Statistics of the Republic of Kazakhstan, 2016.

(3) ‘World Investment Report 2016’, UN Conference on Trade and Development, Geneva.

(4) See Alain Gresh, ‘China and Saudi Arabia: just good friends’, *Le Monde diplomatique,* English edition, January 2011.

(5) Russia owns the Rosneft-managed Uzen-Atyrau-Samara oil pipeline and the Central Asia-Centre gas pipeline, run by Gazprom.

(6) Central Bank of Kazakhstan, 2010-6, cumulative data.

(7) See Régis Genté, ‘Kazakhstan or Eurasian politics’, *Le Monde diplomatique,* English edition, November 2010.

(8) An intergovernmental organisation whose members are Russia, China, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, and, since June 2017, Pakistan and India, all participants in OBOR, though India is not currently taking part in OBOR because of territorial disputes.

(9) Anglo-Russian rivalry in the Caucasus and Central Asia in the 19th century was known as the Great Game.

(10) The World Bank, Washington DC, 2014.

**Load-Date:** September 30, 2017

**End of Document**



[***-Earth Alive Clean Technologies Provides Corporate Update***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RN7-X7G1-F0K1-N0B4-00000-00&context=1516831)

ENP Newswire

February 15, 2018 Thursday

Copyright 2018 Normans Media Limited All Rights Reserved



**Length:** 913 words

**Body**

MONTREAL - Earth Alive Clean Technologies Inc. (CSE: EAC) ('Earth Alive' or the 'Company') is pleased to provide a corporate update to its shareholders.

In December 2017, Earth Alive closed the second segment of its $ 3 million private placement thanks to the continued support and commitment of independent shareholders and Investissement Influx Anse Inc. The Company expects to close the third and final segment of its debenture placement of $ 1 million in March 2018. Proceeds from the private placement will be used to expand global sales development.

To this end, Earth Alive has retained the services of an executive recruitment firm specialized in the field of ***agriculture*** to ramp up its sales force. In the past months, Earth Alive has identified and begun working with five new non-exclusive distributors for its Soil Activator ***agriculture*** input in Latin America. Several new field demo plots have been established, enabling farmers to observe the effectiveness of Soil Activator in their region first hand. The Company has received and fulfilled purchase orders from these new partners and has already received some repeat orders. The Company continues to pursue its African activities and collaborations with ***producer*** cooperatives and farms through its Mocha Initiative, a ***program*** aimed at the development of sustainable production methods for coffee and cacao. Outstanding results have also been reported in Cote D'Ivoire rice production, as harvests increase and the crops display improved tolerance to environmental stress. Accordingly, the Company is preparing to ship its first container into western Africa. Earth Alive's Dr. Marijane Root Probiotic for cannabis production has been very well received in the industry. Distribution of the product is ongoing in Colorado through American Cannabis Company ('ACC'). Earth Alive joined the ACC team in Las Vegas at the MJBizcon conference in November 2017, where Dr. Marijane was successfully showcased. Earth Alive has entered into non-binding Letter of Intent with distributors for the commercialization of Dr. Marijane in Canada and the United Kingdom to best determine potential prior to finalizing distribution contracts. The Company's new partners have issued purchase orders, which have already begun shipping. In line with its environmental commitment, Earth Alive is very pleased to announce that Soil Activator has received the OMRI Listed certification for the United States and Canadian organic standards. Michael Warren, Earth Alive's Chief Executive Officer, commented, 'The OMRI Listed seal is one of the most widely recognized organic input logos, and ensures that our innovative microbial biofertilizer will be trusted by organic growers and eco-conscious gardeners across North America and around the world.' The Soil Activator OMRI certificate can be viewed on OMRI's website at [*https://www.omri.org/mfg/ect*](https://www.omri.org/mfg/ect). Earth Alive's Dust Solutions division recently completed two very successful large-scale applications of the Company's EA1 Dust Suppressant in Brazil. The results of these applications were well received in the region and Earth Alive representatives were invited to present the benefits of the EA1 Dust Suppressant technology to industry executives at the Mine Water Management (MIWA) Forum in Belo Horizonte, Brazil, in November 2017. The Company is finalizing preparation for the local blending of EA1 in Brazil. The Dust Solutions team will also be present at the PDAC Convention in Toronto in March 2018 to present its product's innovative value to mining industry representatives and executives. Moving forward, the Company is committed to increase shareholder value through the active management of short-, mediumand long-term ***strategic*** commercial goals, supported by the strong commitment to sustainable development of its innovative product offerings.

About Earth Alive Clean Technologies

Earth Alive aims to be a key player in world markets of environmentally sustainable industrial solutions. The company works with the latest innovations in microbial technology to formulate and patent innovative products that can tackle the most difficult industrial challenges, once only reserved to environmentally harmful chemicals and additives. The Company is focused on environmental sustainability in the ***agriculture*** industry and dust control for the mining industry.

Forward Looking Information

Except for statements of historical fact, this news release contains certain forward-looking statements within the meaning of applicable securities law. Forward-looking statements are frequently characterized by words such as '***plan***', 'expect', 'project', 'intend', 'believe', 'anticipate', 'estimate' and other similar words, or statements that certain events or conditions 'may' occur. Although Earth Alive believes that the expectations reflected in the forwardlooking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Such forward-looking statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information, whether as a result of new information, future events or otherwise.

Contact:

Tel: 438-333-1680

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** February 15, 2018

**End of Document**



[***Washington: DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2018***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P52-B081-JDG9-Y3WP-00000-00&context=1516831)

Impact News Service

July 27, 2017 Thursday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 33416 words

**Body**

Washington: The Library of Congress, The Government of USA has issued the following house proceeding:

 The SPEAKER pro tempore. Pursuant to House Resolution 473 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the further consideration of the bill, H.R 3219. Will the gentleman from New York (Mr. Donovan) kindly resume the chair. {time} 2104 In the Committee of the Whole Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H.R 3219) making appropriations for the Department of Defense for the fiscal year ending September 30, 2018, and for other purposes, with Mr. Donovan (Acting Chair) in the chair. The Clerk read the title of the bill. The Acting CHAIR.

When the Committee of the Whole rose earlier today, amendment No. 42 printed in House Report 115-259, offered by the gentleman from West Virginia (Mr. McKinley) had been disposed of. Amendment No. 43 Offered by Mr. Perry The Acting CHAIR. It is now in order to consider amendment No. 43 printed in House Report 115-259. Mr. PERRY. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: Page 286, line 24, after the dollar amount, insert ``(increased by $15,000,000)''. Page 296, line 10, after the dollar amount, insert ``(reduced by $15,000,000)''. The Acting CHAIR. Pursuant to House Resolution 473, the gentleman from Pennsylvania (Mr. Perry) and a Member opposed each will control 5 minutes. The Chair recognizes the gentleman from Pennsylvania. Mr. PERRY. Mr. Chairman, I would like to begin by thanking the chairman of the full committee for his extraordinary work and for the chairman of the subcommittee for this auspicious opportunity. I have been listening to the arguments recently that we have had on the floor regarding the most recent amendments between fossil fuels and renewables, and I am hoping to strike a sweet spot here. I am not picking on fossil fuels, and I am going to talk about a renewable that I think everybody has an affinity for and an agreement with. This amendment simply increases funding for hydroelectric through the EERE by $15 million and decreases funding to the bureaucracy. There is no increase to the budget. This amendment just increases the appropriation for the Office of Energy and Efficiency and Renewable Energy because hydropower is available in every region of the country; 2,200 hydropower plants provide America's most abundant source of clean, renewable electricity. I would say it is the first renewable. It accounts for 67 percent of domestic renewable generation and, clearly, 7 percent of total electricity generation. By 2025, hydropower would create almost a million and a half new, good, high-paying jobs. It can be implemented in rivers, harbors, coastal areas, et cetera, to capture energy from currents and tides. Harnessing this energy will create a truly and absolutely renewable and green source of energy without any emissions and with little fanfare to everybody involved. Hydro is predictable year-round power output, while other renewable source outputs can be variable in some areas and necessitate the use of large battery banks and alternate power sources. For instance, sometimes when the wind doesn't blow, believe it or not, if you don't know it, there is a gas-fired generator often associated with those windmill farms that has to come on because base load isn't being serviced. Hydropower facilities are quiet, unobtrusive, while many people report that considerable noise is generated by wind power and that land is taken up by huge solar farms. Hydropower is base load energy. That means it is on all the time, 24 hours a day, 365 days a year, just sitting there turning out the power so that you can hit the light switch when you come home and not wonder: Is the power going to be on? It backs up other intermittent sources of energy. [[Page H6438]] Hydropower is safe. It harms neither fish nor man. It all faces a comprehensive and regular regulatory approval process. Mr. Chairman, I reserve the balance of my time. Ms. BONAMICI. I claim the time in opposition, although I am not opposed to the amendment. The Acting CHAIR. Without objection, the gentlewoman from Oregon is recognized for 5 minutes. There was no objection. Ms. BONAMICI. Mr. Chair, I rise today in support of Mr. Perry's amendment and the power and potential of clean marine hydrokinetic energy, and I first want to thank Chairman Simpson and Ranking Member Kaptur for their leadership in supporting the Water Power Technologies Office. The Water Power Technologies Office invests in research and development that supports hydropower, pumped storage, and marine energy. Furthermore, I want to thank the chair and ranking member for including $30 million in the 2017 omnibus for the creation of a wave energy test center, which is now located at Oregon State University. This robust investment will help the United States lead in the field of marine hydrokinetic energy. The increase this amendment proposes will support hydropower and the development of innovative hydropower technologies, along with marine and hydrokinetic energy technologies. Development of these new technologies can offer the United States leadership in an emerging area of abundant renewable energy. Marine and hydrokinetic energy, in particular, energy from waves, currents, and tides, is an exciting frontier in the renewable energy sector. Currently, Oregon State University, University of Washington, and the University of Alaska Fairbanks are partnering to support the testing and research activities of the Northwest National Marine Renewable Energy Center. This center will provide visionary entrepreneurs with a domestic location to test wave energy devices, along with other technologies, rather than traveling to Scotland to use the European test center. Without continued Federal investment, Europe will remain the leader in this important work. When fully developed, wave and tidal energy systems could generate a significant amount of total energy used in the United States. As Congress promotes technologies that can help lower our constituents' energy bills, we must explore new and innovative solutions like marine and hydrokinetic renewable energy. Thank you again to the chairman and ranking member for their hard work and legislative leadership on this issue, and thank you to Representative Perry for his leadership. Mr. Chair, I urge support for this amendment, and I reserve the balance of my time. Mr. PERRY. Mr. Chairman, a lot of what we hear is is that our constituents wish that we would work together more often, and I thank the gentlewoman for her comments and her support; and I think it is just proof that we can work together for something that we agree on, which is clean power, the power to just power our future, and that comes from hydroelectricity. I don't know why it is not as sexy as it should be. I think it is one of the greatest marvels of technology starting back since the beginning of time and when power was first generated, and I don't understand why we don't rely on it more. To that end, literally 60,000 megawatts of preliminary permits and projects await final approval and are pending before FERC in 45 States right now. Eighty thousand--80,000--nonpowered dams in the United States, of which 600 have immediate hydro capability, right now could be ***producing*** energy. Mr. Chair, 80,000 nonpowered dams in the United States, just think about that. And the State I hail from and I am privileged to represent a portion of, Pennsylvania, has 678 megawatts of untapped hydropower right now. Mr. Chairman, I would just urge all of our colleagues to vote for this amendment. I, again, appreciate the chairmen of the committee and of the subcommittee for this opportunity, and I yield back the balance of my time. Ms. BONAMICI. Mr. Chairman, may I inquire as to the remaining time, please. The Acting CHAIR. The gentlewoman has 2\1/2\ minutes remaining. Ms. BONAMICI. I yield 2 minutes to the gentlewoman from Maine (Ms. Pingree), a strong supporter of hydropower. Ms. PINGREE. Mr. Chairman, thank you very much to my colleague from Oregon for yielding me time. Mr. Chairman, I, too, want to rise in support, today, of the Perry amendment. I thank my colleague from Oregon and my colleague from Pennsylvania for their leadership on this important renewable energy issue. I also want to thank the chair of the subcommittee, Mr. Simpson, whom I am fortunate to also serve on the Interior Committee with. Mr. Simpson has worked hard on this bill to increase some of the levels of funding above the abysmal levels that were proposed by the administration's budget earlier this year. And also, to our ranking member, Ms. Kaptur, my friend from Ohio, I thank her for her commitment to renewable energy and our energy future. The amendment before us today would provide a modest increase in funding to the Department of Energy's Water Power ***Program***. It is a bipartisan effort, and I am pleased to be part of that. It comes from the fact that many parts of the country are seeking the real benefits of tidal energy that generates incredible power, or of hydrokinetic power that taps the power of flowing water. In response to my colleague from Pennsylvania, in Maine, we think tidal energy is very sexy. The Department of Energy supports private sector research, development, and implementation of hydropower, pumped storage, and marine tidal energy. It supports cutting-edge research and makes sure that the office supports all three types of water-based technologies. Last year, nearly 100 teams competed in a competition for an Energy Department-funded wave energy prize, with 20 finalists coming from 10 States, showing the breadth of interest in this work. Congress needs to support multifaceted work at a level that will continue to allow for innovation. Mr. Chairman, I urge all my colleagues to support renewable energy, support water power, and support the Perry amendment. Ms. BONAMICI. Mr. Chairman, I strongly support this amendment and encourage all of you to do the same. As the sponsor of the amendment explained, this does not take additional money, cuts down on bureaucracy, and puts the dollars into important work, like marine and hydrokinetic renewable energy. Mr. Chairman, I urge support, and I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. Perry). The amendment was agreed to. {time} 2115 Amendment No. 44 Offered by Ms. Esty of Connecticut The Acting CHAIR. It is now in order to consider amendment No. 44 printed in House Report 115-259. Ms. ESTY of Connecticut. Mr. Chair, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: Page 286, line 24, after the dollar amount, insert ``(increased by $20,000,000)''. Page 288, line 15, after the dollar amount, insert ``(reduced by $40,000,000)''. The Acting CHAIR. Pursuant to House Resolution 473, the gentlewoman from Connecticut (Ms. Esty) and a Member opposed each will control 5 minutes. The Chair recognizes the gentlewoman from Connecticut. Ms. ESTY of Connecticut. Mr. Chairman, I rise in support of my amendment to increase funding for the Advanced Manufacturing Office by $20 million. I want to thank my colleagues, Representative Tom Reed, John Katko, and Jacky Rosen for their partnership in this bipartisan amendment. Our amendment is about protecting and creating millions of good- paying [[Page H6439]] jobs in Connecticut and across the country. Our amendment will help us ensure that the technologically advanced products of the future will be manufactured, not in China, not in India, but right here in the United States of America. The Department of Energy's Advanced Manufacturing Office is the only technology development office within the Federal Government that is dedicated to enhancing American manufacturing competitiveness. The Advanced Manufacturing Office works to help manufacturers improve energy and material efficiency, technology, and productivity. Unfortunately, the appropriations bill before us today cuts funding to the Advanced Manufacturing Office by $155.5 million from fiscal year 2017 enacted levels, and that is a mistake. Manufacturing is one of the most important sectors of the U.S economy. In 2016, manufacturing contributed $2.18 trillion to our economy and employed 12.3 million workers. In my home State of Connecticut, manufacturing has long been our economic backbone. Connecticut is home to nearly 5,000 manufacturing companies that provide good-paying jobs for 76,000 Connecticut residents. This amendment helps American manufacturers all across the country to be more competitive by reducing energy costs. Manufacturing is very energy intensive. In fact, according to the National Association of Manufacturers, manufacturers consume more than 30 percent of our Nation's energy. That translates to $130 billion in costs to U.S manufacturers every year. Adequately funding the Advanced Manufacturing Office, will help reduce energy costs to manufacturers, freeing up their budgets to invest in research and development, expand their facilities, and, most importantly, hire more people. Our amendment also helps American manufacturers become more competitive by addressing critical workforce needs in energy efficiency. Last year, I visited Forum Plastics, a plastic molding company based in Waterbury, Connecticut. I met with employees to discuss the expectations and challenges facing manufacturers in America today, and one of the topics that came up was how businesses struggle to hire workers with the right skills. Yet, that same year, Forum Plastics partnered with the Advanced Manufacturing Office to carry out an industrial assessment project. The Industrial Assessment Centers ***program*** is a tool for employers to recruit individuals with hands-on experience in energy efficiency. Mr. Chairman, now is not the time to roll back investments in American manufacturing. It is the time to increase our support for U.S manufacturing. I know all of us in this Chamber are committed to promoting good-paying jobs in the communities we represent, but it is not enough to say we are committed. We need to make job creation a priority, and that means making American manufacturing a priority. I urge my colleagues to support our amendment which increases funding to the Department of Energy's Advanced Manufacturing Office by $20 million, fully paid for by a reduction in the more than $350 million plus-up to funding for the Office of Fossil Energy Research & Development. This bipartisan amendment is a win for American manufacturing and a win for our economy. I urge my colleagues to support our bipartisan amendment, and I reserve the balance of my time. Mr. SIMPSON. I claim the time in opposition to the amendment. The Acting CHAIR. The gentleman from Idaho is recognized for 5 minutes. Mr. SIMPSON. Mr. Chair, first, let me say, it was not a $300-some- odd-million plus-up in the fossil energy research. In fact, I think the fossil energy research account was down from last year. It was more than the President requested, but it is not a plus-up from what it was in 2017. Mr. Chairman, I rise in opposition to this amendment. The amendment would increase funding for the Energy Efficiency & Renewable Energy by $20 million but has to use $40 million from the Fossil Energy Research & Development account as an offset. This bill was the result of some tough choices. I have to admit, they were some tough choices. It is not that I oppose the ***program*** that the good lady advocates for, but there were some tough choices. We had to prioritize research and development that will increase our energy independence. Our domestic energy resources are vast, and this bill strikes a balance to lay the foundations for future energy generation technologies, while maintaining full support for the resources we use most today. Increasing funding for EERE by diverting funding from fossil energy strikes the wrong balance when considering the Nation's electricity needs. Fossil fuels ***produce*** 65 percent of the electricity we use today and will continue to provide the majority of the Nation's energy needs in the future. This amendment would reduce funding for a ***program*** that ensures that we use our Nation's fossil fuel resources as well, and as cleanly as possible. For all of the reasons that team fossil talked about earlier tonight, I must oppose the amendment and urge my Members to do the same. Mr. Chair, I reserve the balance of my time. Ms. ESTY of Connecticut. Mr. Chair, how much time do I have remaining? The Acting CHAIR. The gentlewoman has 30 seconds remaining. Ms. ESTY of Connecticut. Mr. Chair, again, I urge my colleagues to support this. If we can help our manufacturers be more efficient in their use of energy, we can help them be more competitive, hire more people, and develop that clean energy technology for coal. Mr. Chair, I urge my colleagues to support the amendment, and I yield back the balance of my time. Mr. SIMPSON. Mr. Chair, I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Connecticut (Ms. Esty). The question was taken; and the Acting Chair announced that the noes appeared to have it. Ms. ESTY of Connecticut. Mr. Chair, I demand a recorded vote. The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Connecticut will be postponed. The Chair understands that amendment No. 46 will not be offered. Amendment No. 49 Offered by Ms. Jackson Lee The Acting CHAIR. It is now in order to consider amendment No. 49 printed in House Report 115-259. Ms. JACKSON LEE. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: Page 296, line 10, after the dollar amount, insert ``(reduced by $1,000,000) (increased by $1,000,000)''. The Acting CHAIR. Pursuant to House Resolution 473, the gentlewoman from Texas (Ms. Jackson Lee) and a Member opposed each will control 5 minutes. The Chair recognizes the gentlewoman from Texas. Ms. JACKSON LEE. Mr. Chair, in these difficult times, I want to thank the chairman and ranking member, Chairman Simpson and Ranking Member Kaptur of the subcommittee, for shepherding this legislation to the floor, and for their efforts, and the commitment that we all have to preserving America's great natural environment and resources so that they can serve and be enjoyed by generations to come. My amendment increases funding for the DOE departmental administration by $1 million, which should be used to enhance the Department's Environmental Justice ***program*** activities. The Environmental Justice ***program*** is an essential tool in the effort to improve the lives of low-income and minority communities, as well as the environment at large. Twenty years ago, this particular ***program*** was established directing Federal agencies to identify and address the disproportionately high and adverse human health or environmental effects of their actions on minority and low-income populations. So we have engaged with Historically Black Colleges, minority-serving institutions, Tribal colleges, and other organizations to improve and develop the sustainability through developing [[Page H6440]] young people and faculty to work on these important issues. The crisis in Flint, Michigan, teaches us how important it is that minority groups and low-income communities are not placed at a disadvantage when it comes to environmental threats and hazards like lead in drinking water or nesting areas for mosquitos carrying the Zika virus. I particularly remember convening a Zika task force in Houston to ensure that areas in my community, because of the sitting water and a lot of heat, did not breed these mosquitos to create a devastating condition in some of our communities. This Environmental Justice ***program*** is extremely important, involving community education and advisory projects, community capacity building through technology, the Community Leaders Institute, but, more importantly, it works on important research. Mr. Chair, might I find out how much time I have remaining. The Acting CHAIR. The gentlewoman has 2\1/2\ minutes remaining. Ms. JACKSON LEE. Mr. Chair, I want to make note of the fact that in some of the universities that participate in this ***program***, the chairs-- meaning the faculty chairs--are a team of world-class scholars, researchers, and educators from 14 Historically Black Colleges and Universities, one Hispanic-serving institution, who advance research, enhance academics, promote partnerships, and effect outreach in the environmental sciences. Finally, the Minority Serving Institutions ***Program*** that includes a wide array of institutions provides funding to minority-serving institutions to advance scientific research, student internships, faculty fellowships, and curriculum development. Mr. Chair, the more we can invest in science and research, helping to improve our environment--and let me make it very clear, in urban and rural areas. This is not an urban ***program*** only. It is urban and rural areas. The more we can help our communities be clean and environmentally safe and secure, the more we create a better quality of life for all people, no matter what their economic station in life or where they live. Mr. Chair, I want to thank Chairman Simpson and Ranking Member Kaptur for shepherding this legislation to the floor and for their commitment to preserving America's great natural environment and resources so that they can serve and be enjoyed by generations to come. My amendment increases funding for DOE departmental administration by $1,000,000 which should be used to enhance the Department's Environmental Justice ***program*** activities. Mr. Chair, the Environmental Justice ***Program*** is an essential tool in the effort to improve the lives of low income and minority communities as well as the environment at large. Twenty years ago, on February 11, 1994, President Clinton issued Executive Order 12898, directing federal agencies to identify and address the disproportionately high and adverse human health or environmental effects of their actions on minority and low-income populations. A healthy environment sustains a productive and healthy community which fosters personal and economic growth. Maintaining funds for environmental justice that go to Historically Black Colleges and Universities, Minority Serving Institutions, Tribal Colleges, and other organizations is imperative to protecting sustainability and growth of the community and environment. The funding of these ***programs*** is vital to ensuring that minority groups are not placed at a disadvantage when it comes to the environment and the continued preservation of their homes. The crisis in Flint, Michigan teaches us how important it that minority groups and low-income communities are not placed at a disadvantage when it comes to environment threats and hazards like lead in drinking water or nesting areas for mosquitos carrying the Zika virus. Through education about the importance of environmental sustainability, we can promote a broader understanding of science and how citizens can improve their surroundings. Funds that would be awarded to this important cause would increase youth involvement in STEM fields and also promote clean energy, weatherization, clean-up, and asset revitalization. These improvements would provide protection to our most vulnerable groups. This ***program*** provides better access to technology for underserved communities. Together, the Department of Energy and Department of ***Agriculture*** have distributed over 5,000 computers to low income populations. The Community Leaders Institute is another vital component of the Environmental Justice ***Program***. It ensures that those in leadership positions understand what is happening in their communities and can therefore make informed decisions in regards to their communities. In addition to promoting environmental sustainability, CLI also brings important factors including public health and economic development into the discussion for community leaders. The CLI ***program*** has been expanded to better serve Native Americans and Alaska Natives, which is a prime example of how various other minority groups can be assisted as well. Through community education efforts, teachers and students have also benefitted by learning about radiation, radioactive waste management, and other related subjects. The Department of Energy places interns and volunteers from minority institutions into energy efficiency and renewable energy ***programs***. The DOE also works to increase low income and minority access to STEM fields and help students attain graduate degrees as well as find employment. Since 2002, the Tribal Energy ***Program*** has also funded 175 energy projects amounting to over $41.8 million in order to help tribes invest in renewable sources of energy. With the continuation of this kind of funding, we can provide clean energy options to our most underserved communities and help improve their environments, which will yield better health outcomes and greater public awareness. We must help our low income and minority communities and ensure equality for those who are most vulnerable in our country. I ask my colleagues to join me and support the Jackson Lee Amendment for the Environmental Justice ***Program***. Mr. Chair, I ask my friends and my colleagues to support the Jackson Lee amendment, and I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Texas (Ms. Jackson Lee). The amendment was agreed to. Amendment No. 50 Offered by Ms. Michelle Lujan Grisham of New Mexico The Acting CHAIR. It is now in order to consider amendment No. 50 printed in House Report 115-259. Ms. MICHELLE LUJAN GRISHAM of New Mexico. I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: Page 297, line 21, after the dollar amount, insert ``(reduced by $98,000,000) (increased by $98,000,000)''. The Acting CHAIR. Pursuant to House Resolution 473, the gentlewoman from New Mexico (Ms. Michelle Lujan Grisham) and a Member opposed each will control 5 minutes. The Chair recognizes the gentlewoman from New Mexico. Ms. MICHELLE LUJAN GRISHAM of New Mexico. Mr. Chair, my amendment ensures that NNSA has adequate work space to fulfil its national security mission. In my home State of New Mexico, over 1,000 Federal and contract employees at NNSA currently work in a network of old and rapidly deteriorating facilities on Kirtland Air Force Base in New Mexico. A portion of the existing facility includes a 60-year-old former military barracks, which creates a number of health, safety, and quality-of-life issues for its employees. These employees are involved in some of our Nation's most important national security work, including managing our Nation's nuclear deterrent and reducing global nuclear and radiological threats. The NNSA administrator, Lieutenant General Klotz, said that: The highly talented employees in Albuquerque are frankly forced to work in facilities that are inadequate to NNSA's current mission. Furthermore, because of the age of the buildings, NNSA is forced to spend approximately $6 million every year on maintenance and repairs just to keep them habitable. In fact, the $40 million worth of deferred maintenance alone on the old buildings is approximately one-fifth of what it would cost to build a new, modern, and reliable facility. So this is a perfect opportunity to save money in the long run. I strongly support NNSA's efforts to replace the existing complex with a single new building that will provide [[Page H6441]] safe, reliable, and sustainable infrastructure that improves the safety and working environment for approximately 1,200 employees. The new state-of-the-art facility will meet enhanced environmental standards and consolidate staff for a more efficient delivery and support of the important national security work at NNSA. {time} 2130 The current total project cost is $202 million, and I agree with Chairman Simpson that we have an obligation to ensure that every single taxpayer dollar for this project is used efficiently and effectively. I know that the chairman shares my concerns to ensure that NNSA has the infrastructure and resources it needs to fulfill its national security mission now and in the future. That is why I am pleased that he has agreed to work with me on this issue to ensure that we are fulfilling our oversight responsibilities while moving the construction of the Albuquerque complex project forward. With that, I am prepared to withdraw my amendment. Mr. Chairman, I reserve the balance of my time. Mr. SIMPSON. Mr. Chairman, I claim the time in opposition, although I am not opposed to the amendment. The Acting CHAIR. Without objection, the gentleman from Idaho is recognized for 5 minutes. There was no objection. Mr. SIMPSON. Mr. Chairman, I understand the gentlewoman's concern and thank her for her advocacy for this project. The committee has been supportive of this project and has provided $42 million in prior years. The bill includes an additional $18 million to ensure that the project moves forward, and I am happy to work with her as the project advances and understand this amendment will be withdrawn, and I appreciate that. Mr. Chairman, I yield back the balance of my time. Ms. MICHELLE LUJAN GRISHAM of New Mexico. Mr. Chairman, I appreciate the chairman's words and respect his work prior to this and in this current effort to get this space and the facility infrastructure issues addressed. I look forward to working with him on a variety of ideas to make sure that we get this project completed in a timely and effective manner. Mr. Chairman, I yield back the balance of my time, and I withdraw my amendment. The Acting CHAIR. The amendment is withdrawn. Amendment No. 51 Offered by Mr. Foster The Acting CHAIR. It is now in order to consider amendment No. 51 printed in House Report 115-259. Mr. FOSTER. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: Page 297, line 21, after the dollar amount, insert ``(reduced by $10,000,000) (increased by $10,000,000)''. The Acting CHAIR. Pursuant to House Resolution 473, the gentleman from Illinois (Mr. Foster) and a Member opposed each will control 5 minutes. The Chair recognizes the gentleman from Illinois. Mr. FOSTER. Mr. Chairman, my amendment is a symbolic adjustment to the NNSA budget intended to raise awareness about two areas of emerging national security risk that I believe deserve more attention and investment. As the only Ph.D physicist in Congress, I feel a special responsibility to speak out on issues of national security, especially when they concern emerging technological threats that Congress may not be sufficiently aware of. Any student of the history of warfare is well aware of the dangers of fighting the last war, and for more than 70 years, nuclear weapons have held center stage among threats to our national security and global safety because of their unique capabilities to threaten the existence of mankind. That threat remains, but I fear that the balance of our defensive investments do not adequately reflect emerging threats. We now appear to be in the process of deciding to spend over $1 trillion to upgrade our nuclear weapons despite the fact that our existing systems are far more sufficient to deter any rational actor. There is no adversary of ours who is not intimidated by our nuclear arsenal but who will suddenly fall in line if we add just one more upgrade or additional weapons manufacturing capability. Put simply, another generation of nuclear weapons will not make us significantly safer. On the other hand, we live in a world where newly emerging and potentially equally great threats loom: first, bioterror, driven by recent breakthroughs in genetic engineering and off-the-shelf biotechnology; and, second, lethal autonomous weapons systems driven by recent breakthroughs in machine vision, facial recognition, and artificial intelligence. These are small, inexpensive lethal drones and similar devices that use machine vision and

artificial intelligence to target individuals or groups of humans, potentially without any human involvement in the kill decision. For those of my colleagues unfamiliar with these technologies, perform an internet search for the term ``lethal autonomous weapons systems,'' sometimes abbreviated ``LAWS''; or read the recent press coverage of the ab initio synthesis of the horsepox virus, a close variant of the smallpox virus that killed millions; then search for the term ``biohacking.'' For more detailed information, I urge my colleagues to request a classified or unclassified briefing on recent studies of these subjects by the National Academies of Sciences, Engineering, and Medicine. Both of these technologies pose unique threats to our national security for two reasons: The first is because of the small physical footprint of a terror facility based on either of these technologies. Either a bioterror laboratory or a small shop to ***produce*** and ***program*** small lethal drones could easily fit in a basement or small apartment. There is no radiological signature to detect them as there is with nuclear material. The second is because of the low cost and general availability of key enabling technological components. The monetary investment necessary for a capable terror facility is in the range of hundreds of thousands of dollars, perhaps less. The relevant technologies are already in wide use in industry. Contrast this with the threats of nuclear proliferation, where the multibillion-dollar investment to enrich and separate nuclear fissile material pretty much limits nuclear weapons either to established nation-states or perhaps terrorist organizations with access to fissile material from poorly guarded facilities. Anyone who is unconvinced that we need to take these emerging threats seriously needs only to look at what happened in cybersecurity. One of the painful lessons we have learned in recent years is that everything evil that can be done with computer viruses has, in fact, been done. In large part, this is because of the low barriers to entry and the difficulty of attributing an attack. Both of these features are shared fully by both bioterror and lethal autonomous weapons systems. So if we are going to stay ahead of these threats, we need to be ***strategic*** about our investments. It is time to reconsider the wisdom of pouring hundreds of billions of dollars into Cold War weapons which contribute negligibly to our national security and past time to consider a much more rapid increase in investments in defensive measures against lethal autonomous weapons systems and against bioterror, because by the time they become a reality, it will be too late to react. As a leader in technology and innovation, the United States should act now to circumvent any danger these technologies could pose. Mr. Chairman, I reserve the balance of my time. Mr. SIMPSON. Mr. Chairman, I claim the time in opposition to the amendment, although I am not opposed to the amendment. The Acting CHAIR. Without objection, the gentleman from Idaho is recognized for 5 minutes. There was no objection. Mr. SIMPSON. Mr. Chairman, I understand the gentleman's concern on this issue and appreciate the fact that [[Page H6442]] he brought it up for discussion here tonight. I would note that the weapons activities accounts provides funding to ensure the reliability of our Nation's nuclear weapons stockpile. The NNSA does not use funds within this account to counter proliferation of biological weapons, although I understand it is an important issue, and I agree with them we need to address this issue. However, this amendment increases and decreases the same account and has no effect on the bill overall, so I will accept the gentleman's amendment. Mr. Chairman, I yield back the balance of my time. Mr. FOSTER. Mr. Chairman, I urge my colleagues to support this amendment and to take the time to educate themselves about these emerging threats. Mr. Chairman, I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentleman from Illinois (Mr. Foster). The amendment was agreed to. Amendment No. 52 Offered by Mr. Garamendi The Acting CHAIR. It is now in order to consider amendment No. 52 printed in House Report 115-259. Mr. GARAMENDI. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: Page 297, line 21, after the dollar amount insert ``(reduced by $118,017,000)''. Page 298, line 11, after the dollar amount insert ``(increased by $118,017,000)''. The Acting CHAIR. Pursuant to House Resolution 473, the gentleman from California (Mr. Garamendi) and a Member opposed each will control 5 minutes. The Chair recognizes the gentleman from California. Mr. GARAMENDI. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, I think we ought to be on a roll here, given the last amendment being accepted on a ``yes'' vote. This amendment would make America more secure by focusing our very limited tax dollars on ***programs*** to keep nuclear material out of the hands of terrorists rather than excess national laboratory infrastructure spending. According to The Washington Post, the world dodged a bullet when ISIS failed to realize that it had the ingredients for a dirty bomb under its control in Mosul for more than 3 years. This underscores the importance of the need for U.S leadership and resources to secure nuclear material around the world. My amendment would provide an increase of $118 million for the Defense Nuclear Nonproliferation, DNN, funding. DNN funding includes critical ***programs*** such as the nuclear smuggling and detection ***program***, which works with partner countries to improve intelligence, law enforcement, and border security capabilities to detect nuclear material trafficking. It also supports ***programs*** to improve the security of radiological material around the world and to remove it from areas when nuclear materials cannot be adequately and safely secured. The Make America Secure Appropriations Act makes significant cuts to these ***programs*** which keep nuclear material out of the hands of terrorists and those who would then use that material to do us harm. For example, there is a 30 percent cut from the nuclear smuggling detection funding, a 79 percent cut from the highly enriched uranium reduction ***programs***, and, overall, a $150 million cut to this ***program***. At the same time, the underlying legislation would increase by 38 percent, a plus-up above what the administration recommended for the weapons activities infrastructure recapitalization budget line. This increase was not requested by the administration and is not supported by the Senate. The underlying bill already includes a $59 million increase in infrastructure recapitalization spending and a $71 million increase over the fiscal year 2017-enacted level for maintenance and repair facilities. We can go on and on. We have heard discussions here already about the trillion-dollar-plus expansion of the nuclear weapons ***programs***. Specifically, this money that I would move out of this particular infrastructure recapitalization account is for the construction of a new facility to build nuclear plutonium pits. These pits are presumably going to be needed for a weapon that is almost certainly not going to be built, which is the interoperable new bomb. The interoperable weapon is to go on existing and remodeled rockets for the Navy and for the Air Force, neither of whom thinks it is a particularly good idea. So that ***program***, should it ever come to pass, could be delayed, and we could then use this $118 million now to deal with a known problem. If, in the future, we decide that we need to be able to ***produce*** somewhere between 30 and 80 new pits a year, there is time enough to do that. The account that calls for the maintenance of the existing facilities will provide sufficient funds to meet all of the known needs, with the exception of the interoperable nuclear weapon, which, in all probability, is not ever going to be built or needed. Mr. Chairman, I reserve the balance of my time. Mr. SIMPSON. Mr. Chairman, I claim the time in opposition to the amendment. The Acting CHAIR. The gentleman from Idaho is recognized for 5 minutes. Mr. SIMPSON. Mr. Chairman, although I am opposed to the amendment, I have to admit that I do enjoy our annual discussion on this. I oppose this amendment because the bill already shows strong support for the nonproliferation ***programs*** of the NNSA. Funding for nuclear defense nonproliferation is $1.83 billion--$76.5 million below fiscal year 2017 and $16.8 million below the budget request. Within nonproliferation, the bill largely supports funding as requested, but makes a limited number of realignments within the account to emphasize the importance of nonproliferation research and development activities and to meet international commitments for plutonium disposition. Our understanding--and this is the important point. Our understanding is that budget request is down because NNSA still has significant unexpended balances in this account due to slow progress on international nonproliferation agreements. Specifically, the NNSA reported in May that it had approximately $2.2 billion in funds available to carry out its nonproliferation mission, of which over $680 million is left over from prior years. For years, NNSA has struggled to execute funding in its nonproliferation budget because it could not obtain agreement from other nations to do the work as quickly as ***planned*** or as we would maybe like to. This amendment also targets funding from the weapons activities infrastructure recapitalization ***program***. Created in fiscal year 2014 by Congress, the recapitalization ***program*** has been highly successful in addressing the aging and deteriorating infrastructure at NNSA sites. Replacing things like telephone poles, leaking fireman valves, roofing, and addressing other basic infrastructure needs are essential to the safe and continued operation of these nuclear security sites. The budget request proposed to cut the ***program***, and the bill increases funding $118 million above the request to restore that ***program*** to the fiscal year 2017 level. We should not divert funding needed to address these urgent infrastructure needs, and I urge my colleagues to vote ``no'' on this amendment. Mr. Chairman, I reserve the balance of my time. Mr. GARAMENDI. Mr. Chairman, may I inquire as to the time remaining. The Acting CHAIR. The gentleman from California has 2 minutes remaining. Mr. GARAMENDI. That might be sufficient, Mr. Chairman, although I doubt I will persuade the worthy chairman with whom we have had this little tussle back and forth. The fact of the matter is that there are two accounts to deal with this issue of the nuclear sites and the maintenance of them. {time} 2145 One is a maintenance facility, which is plussed-up and sufficient to maintain and upgrade the existing facilities, particularly the plutonium pit, the metallurgical facility, as well as continue the construction of the highly enriched uranium facilities. [[Page H6443]] Those are already available and that money is in those accounts. It turns out that this money for recapitalization is for the construction of a new pit production facility. The NNSA claims that it needs that facility to build additional pits beyond the 20 to 30 that could be constructed in the refurbished existing pit. The need for the new pit production facility is specifically for the interoperable nuclear warhead, which is not likely to be needed. And should it be decided at a future date to be needed, there is plenty of time to build the facility and construct the additional nuclear plutonium pits. The bottom line is that this money is not needed now for that facility. Could the money be used in the nonproliferation? It could. Why were those agreements delayed? Because of many different reasons, but the fact of the matter is that those agreements are going to be going forward. The fact of the matter is that there is a continuing problem of loose nukes and materials around the world, which can cause a problem. The Mosul situation is one of many examples. The cuts that do take place in smuggling, in research, and the like are serious. We ought to be paying attention. Mr. Chairman, I look forward to the continuation of this discussion, and I yield back the balance of my time. Mr. SIMPSON. Mr. Chairman, I would just say that this infrastructure need is not for a new pit facility. They would need to come to us and ask us what they were going to do with funding, and request funding for that. They did not do that. This is for infrastructure needs and upgrades. But the other thing is that I am as much a nonproliferation activist as anyone in this body. I think it is important work. But the reality is that there are $681 million unexpended from previous years, not because funding is not available--the money is there--but they haven't been able to get agreements with other countries. Unfortunately, you can't do work in other countries without having agreements with those countries. So, consequently, we are--I guess you could maybe say--overfunded in nonproliferation if we can't spend the money on that activity. That is the problem. Why would we put the money into that when we need the money in infrastructure and building and repairing the buildings and facilities that NNSA has? It just doesn't make any sense to me. I am sure if this amendment is defeated, we will have this discussion next year, and I hope my colleagues will vote against this. Mr. Chairman, I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentleman from California (Mr. Garamendi). The question was taken; and the Acting Chair announced that the noes appeared to have it. Mr. GARAMENDI. Mr. Chair, I demand a recorded vote. The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from California will be postponed. Amendment No. 53 Offered by Ms. Rosen The Acting CHAIR. It is now in order to consider amendment No. 53 printed in House Report 115-259. Ms. ROSEN. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: Page 301, line 3, after the dollar amount, insert ``(reduced by $30,000,000)''. Page 326, line 21, after the dollar amount, insert ``(increased by $30,000,000)''. The Acting CHAIR. Pursuant to House Resolution 473, the gentlewoman from Nevada (Ms. Rosen) and a Member opposed each will control 5 minutes. The Chair recognizes the gentlewoman from Nevada. Ms. ROSEN. Mr. Chairman, I rise in support of my amendment to strip funding for defense nuclear waste disposal and return this money to the Treasury in order to reduce the deficit. The $30 million allocated under the appropriations bill being considered here tonight has the potential to be used to expand Yucca Mountain so that it can be used to store defense waste, in addition to civilian nuclear waste. If there is one issue a majority of Nevadans agree on, it is that we wholeheartedly oppose becoming the Nation's dumping ground for radioactive waste. First, for my non-Nevada friends, some history. In 1987, Congress amended the Nuclear Waste Policy Act and targeted Yucca Mountain, located less than 100 miles northwest of Las Vegas, as the sole site for our Nation's geological repository. It is a fancy way of choosing Nevada as their nuclear dump. For over 30 years, the State of Nevada and local communities have rejected this misguided project on safety, public health, and environmental grounds. In fact, we have filed 218 contentions against the Department of Energy's license application, citing safety and environmental issues in its assessments. Numerous scientific studies have deemed Yucca Mountain unsafe based on the fact that it sits above an aquifer and is in a seismically active area that just experienced a 4.1 magnitude earthquake. Any ***plans*** involving Yucca Mountain, including the recently introduced Nuclear Waste Policy Amendments Acts, or any proposed ***plans*** to comingle defense and civilian nuclear waste at Yucca, ignore the environmental, safety, and security concerns of Nevadans who would be forced to store nuclear waste that they had no role in creating. Using Yucca Mountain as the Nation's dumping ground would require transporting over 70,000 metric tons of radioactive waste, much of it through my district and through the heart of Las Vegas, a city that attracts over 43 million visitors annually and generates over $59 billion in revenue. Not only does this project endanger those in Nevada, Mr. Chairman, it also threatens the health and safety of millions of Americans from over 329 congressional districts across this country who live along the proposed transportation route. As if this wasn't bad enough, now the Nation's most egregious nuclear waste ***producers*** and even some of my colleagues across the aisle are suggesting that we comingle defense waste with civilian waste from power plants, inappropriately increasing the amount of high-level radioactive material dumped in Nevada by 37 percent. This means more nuclear material coming to Yucca, and more waste traveling through 44 States and Washington, D.C There are also concerns that this will hinder the Air Force's readiness and our country's ability to defend itself. Last week, the Las Vegas Review-Journal ran a story featuring Heather Wilson, Secretary of the Air Force, and her concerns with the Yucca Mountain project. She cited how it will directly impact Nellis Air Force Base's ability to complete its mission to train servicemembers for war, because there is no route across the range that would not impact testing and training. Her concerns, unfortunately, are not new. Since 2003, the Air Force has consistently stated that they know of no route through the Nevada Test and Training Range that would avoid sensitive areas or not negatively impact readiness activities. I understand that our country's nuclear waste must go somewhere, but this decades-old battle has proven that Yucca is not the place. We must stop wasting billions of taxpayer dollars by resurrecting a project that has been dead for over 30 years, and, instead, identify viable alternatives for the long-term repository in areas that are proven safe and whose communities consent to storage. Mr. Chairman, I am prepared to withdraw my amendment, with the understanding that we will begin a serious discussion on how to properly handle our country's waste, instead of continuing down the path of forcing this waste on my State. I fully understand we have to put our country's defense and civilian waste somewhere. But for the first time, let's bring Nevadans to the table and let's share the responsibility of facing the consequences of nuclear production. Mr. Chairman, I yield back the balance of my time and withdraw my amendment. [[Page H6444]] The Acting CHAIR. The amendment is withdrawn. Amendment No. 54 Offered by Ms. Pingree The Acting CHAIR. It is now in order to consider amendment No. 54 printed in House Report 115-259. Ms. PINGREE. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: Page 325, strike lines 17 through 21. The Acting CHAIR. Pursuant to House Resolution 473, the gentlewoman from Maine (Ms. Pingree) and a Member opposed each will control 5 minutes. The Chair recognizes the gentlewoman from Maine. Ms. PINGREE. Mr. Chairman, I rise in support of the Pingree-Carbajal- Bonamici-Langevin-Lowenthal-Cicilline-Schneider-Beyer amendment, which is widely supported. All of the cosponsors of this amendment care passionately about the need for ocean ***planning***, and I commend the leadership of my colleagues on this issue each and every year that we fight this battle for sensible ocean policy. We need, as a Congress, to recognize the importance of our oceans and ocean ***planning***. Ocean ***planning*** works, and is working already in New England, where we have a success story of fishermen, lobstermen, Native American Tribes, local communities, and other stakeholders developing voluntary regional ocean ***plans***. I have heard from many of my constituents working in Maine's island communities about the importance not only of ocean ***planning***, but of eco-based management of our oceans, a core part of moving forward to a 21st century fishery. Our fishery is changing, and coastal communities want to be attentive to changes in our ecosystems to resource development and other uses for our oceans. For example, our ***plan*** in New England ensures that there is advanced ecological data available to help decisionmakers, enhance ocean stakeholder engagement through the collection of stakeholder- driven information, and facilitates agency coordination. The language in today's underlying bill would make it even more difficult for Federal agencies, State, and local communities to work together on the future of our ocean resources. For those of us representing coastal districts, this rider is a bad addition to the bill, and we need to strike it. Mr. Chairman, I reserve the balance of my time. Mr. SIMPSON. Mr. Chairman, I claim the time in opposition to the amendment. The Acting CHAIR. The gentleman from Idaho is recognized for 5 minutes. Mr. SIMPSON. Mr. Chairman, I reserve the balance of my time. Ms. PINGREE. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. Schneider). Mr. SCHNEIDER. Mr. Chair, I rise today in strong support and as a proud cosponsor of this amendment. I do so in defense of one of our most magnificent natural resources: the Great Lakes. The Great Lakes contain a fifth of the world's and 95 percent of our Nation's surface water. The Lakes are an important asset to our economy and the quality of life of our Nation, and in my district in particular. The National Ocean Policy also helps protect the vitality of our Great Lakes ecosystem. However, section 505 of this bill will undermine our National Ocean Policy and the ability of agencies to coordinate with States, local governments, and other agencies to protect these beautiful waters. That is why I support striking section 505. We have a profound obligation to be responsible stewards of the environment and to pass on a clean, healthy, and dynamic environment for future generations. Mr. Chair, I support the Pingree amendment. Mr. SIMPSON. Mr. Chairman, I rise in opposition to this amendment. While there may be instances--and I am sure there are--in which greater coordination would be helpful in ensuring our coastal resources are available for future generations, any such coordination must be done carefully to protect against Federal overreach. As we saw with the Obama administration's WOTUS rule to redefine waters of the United States, thorough and strong Congressional oversight is needed to ensure that we protect private property rights. Unfortunately, the way the Obama administration developed the National Ocean Policy increased the opportunities for Federal overreach. The implementation ***plan*** is so broad and so sweeping that it may allow the Federal Government to affect ***agricultural*** practices, mining, energy ***producers***, fishermen, and anyone else whose actions may have an impact on the oceans. The facts is that the previous administration did not work with Congress. This is their National Ocean Policy. They never brought it to Congress. If you are going to do something this sweeping, you need to have congressional input. They never came to Congress to develop its ***plan***, and they had even refused to provide relevant information to Congress. So we can't be sure how sweeping it actually could be if left unchecked. {time} 2200 That is why I support the language of the underlying bill and, therefore, oppose this amendment. But I understand their concern. But why not bring it to Congress? Why not have Congress enact the National Ocean Policy instead of just relying on the executive branch to do whatever they want to do? That is the problem the Natural Resources Committee has with this. It is a problem I have with this, and that is why I oppose this amendment. Mr. Chairman, I reserve the balance of my time. Ms. PINGREE. Mr. Chairman, if my good colleague could guarantee me he could give me the votes on the floor, I would be happy to bring a bill like that forward to Congress. Mr. Chair, I yield 1 minute to my colleague from California (Mr. Lowenthal). Mr. LOWENTHAL. Mr. Chairman, my district is a poster child for the need for ocean coordination and information sharing. In my district, we have the busiest port complex in North America, we have offshore drilling, we have San Clemente Island, which is a naval training ground where they have a ship-to-shore firing range. We have abundant wildlife in the district. On top of that, sea level rise and extreme weather threatens neighborhoods and businesses all along the coast of my district. With so much activity happening, it simply makes sense to have the various stakeholders at the table, to make sure ships come in and out of port safely, to ensure that our thriving economy stays thriving, and to give the military space to train. We want these collaborations to happen because we want to have a sustainable ocean economy. By developing regional ***plans*** and having a framework for multi- stakeholder involvement, we can promote a robust ocean economy that also conserves our precious ocean resources. The country and my district needs a comprehensive approach to our ocean resources, which the National Ocean Policy provides. Mr. Chair, I urge my colleagues to vote ``yes'' on this amendment. Ms. PINGREE. Mr. Chairman, how much time do I have remaining? The Acting CHAIR. The gentlewoman from Maine has 1\1/2\ minutes remaining. Ms. PINGREE. Mr. Chairman, I reserve the balance of my time. Mr. SIMPSON. Mr. Chairman, I will just say it is kind of interesting that I don't disagree with anything Ms. Pingree is saying. The problem is, there is a process, and Congress needs to be involved. The last administration did not involve Congress. If it is a good policy, why don't we just let the administration do it? If you can't get the votes on the floor, doesn't that tell you something? Maybe you need to go and work this out and bring the policy to the floor. But if we are just going to let the administration do that, I don't know, maybe we will let this administration just enact a tax policy because we have a tough time doing it here in Congress. I don't know, maybe we will let them enact the healthcare policy because we can't get together on the floor to see what to do about our healthcare system, so let's just let the administration do it all. It is exactly what you are doing with this. You bring an actual ocean policy to the floor, if I think it is a good bill [[Page H6445]] and necessary, I will vote for it. I can't tell you what I will vote for yet because I haven't seen it. But just because Congress hasn't acted doesn't give the administrative branch of government the right to interject itself and take on the legislative branch of government's responsibility. Mr. Chairman, I reserve the balance of my time. Ms. PINGREE. Mr. Chair, with all due respect, I think there are frequently moments when the administration overrides the opinion of the Congress or don't always agree and the administration gets their way. Take the decision the administration made this morning on military policy, which was contrary to the vote we took just this week on the appropriations process. Mr. Chair, I yield 1 minute to the gentleman from California (Mr. Carbajal). Mr. CARBAJAL. Mr. Chair, I want to thank all of my colleagues for their leadership and work on this important amendment to strike this harmful rider, to prevent implementation of the National Ocean Policy. The National Ocean Policy ensures we are able to implement marine ***planning*** efforts based on management components of the National Ocean Policy. It also allows coordination between Federal agencies to make sure they are working in a collaborative manner to improve our ocean's health. This brings all stakeholders together, including conservationists, fishermen, scientists, shipping companies, and those who live and work in our ocean communities, and it will allow them to have a voice in finding solutions for effective management of our oceans. Healthy sustainable ecosystems and economic growth are not mutually exclusive. That is why we need to make sure we strike this harmful rider. Mr. Chair, I urge my colleagues to support this amendment. The Acting CHAIR. The time of the gentlewoman from Maine has expired. Mr. SIMPSON. Mr. Chair, I will just say, the usurpation by the administrative branch of government over Congress happens with both Republican and Democratic administrations. I remember someone standing up and saying: Well, if Congress won't do it, I have a pen and a phone. This is Congress surrendering our responsibility, and even though you might like the outcome of what they do, it is the wrong thing to do, and Congress needs to stand up at times and take back our responsibility than just saying: Well, I don't really like the way it was done, but I like the policy, so I will just support it. And that is what we are doing here. That is the problem with the National Ocean Policy. Again, I would encourage the supporters of this, and who knows, I might be one of them, to bring it to Congress. Let's debate it. Let's have a good healthy debate on this floor. Go through the committee process, go through the regular order, and then it is something that we might be able to support in the appropriations process. Other than that, I would urge my colleagues to vote against this amendment. Mr. Chair, I yield back the balance of my time. Ms. KAPTUR. Mr. Chair, as the designee of Ranking Member Lowey, I move to strike the last word. The Acting CHAIR. The gentlewoman from Ohio is recognized for 5 minutes. Ms. KAPTUR. Mr. Chair, I rise in support of the gentlewoman's amendment to support the growth of vibrant coastal economies and creation of fisheries and ***agriculture*** jobs. The National Ocean Policy is helping agencies and States collaborate to reduce illegal, unreported, and unregulated fishing, and one can just take a look that the ocean policy supports almost 2 million fisheries-related jobs in our country and $5.3 billion in commercial fish landings, as well as enhanced tourism, and the National Ocean Policy doesn't cost us anything. I just want to remind people that our country currently imports 91 percent of consumed seafood, with half coming from foreign ***agriculture***. So this policy is extraordinarily important. Mr. Chairman, I yield to the gentleman from Rhode Island (Mr. Cicilline) for the purpose of entering into a colloquy. Mr. CICILLINE. Mr. Chair, I thank the gentlewoman for yielding, and I rise today to speak in strong support of the amendment offered by my colleague, Congresswoman Pingree, which would strike the harmful provision that undermines the importance of the National Ocean Policy. For over 7 years, the National Ocean Policy has helped guide ocean management through spurring coordination among government agencies. Ocean ***planning*** and coordination is an important aspect in supporting economic growth, protecting coastal habitats, and strengthening coastal communities. The National Ocean Policy does not create any regulations, supersede current regulations, or modify any agency's established mission, jurisdiction, or authority. Rather, it helps coordinate the implementation of existing regulations by Federal agencies to establish a more efficient and effective decisionmaking process. Throughout the northeast, the Regional Ocean Council allows our States to pool resources and businesses to have a strong voice in decisions that will impact their communities and facilitate coordination with Federal partners. I am proud to say that the Northeast Regional Ocean Council is the first in the Nation to release a draft regional ocean ***plan***. My home State of Rhode Island, the ocean State, has benefited greatly from the National Ocean Policy. With help from NOP, the Block Island Wind Farm project was successfully completed and today is capable of powering an estimated 17,000 homes. At a time when our oceans are facing significant challenges and changes, maintaining coordination and ***planning*** is necessary in continuing to strengthen our country's coastal communities and ocean industries. Allowing Federal agencies to coordinate implementation of over 100 ocean laws and giving State and local governments a voice in the ocean ***planning*** process is smart policy, and I urge my colleagues to support this amendment and strike this ill-advised provision. Ms. KAPTUR. Mr. Chair, may I ask how much time do I have remaining? The Acting CHAIR. The gentlewoman from Ohio has 2 minutes remaining. Ms. KAPTUR. Mr. Chair, I yield to the gentleman from Rhode Island (Mr. Langevin). Mr. LANGEVIN. Mr. Chair, I thank the gentlewoman for yielding. Mr. Chairman, the establishment of a National Ocean Policy was a landmark step for our country. I particularly want to commend Senator Sheldon Whitehouse from Rhode Island for his leadership on this issue. Ocean ***planning*** just makes sense, as we have seen in Rhode Island during implementation of our Special Area Management ***Plan***. Instead of haphazard policymaking or turning the ocean into a political football, we brought all stakeholders to the table, commercial and recreational fishermen, energy development companies, conservationists, and other local interests. The National Ocean Policy builds on this type of collaboration. It is a bottom-up approach, and it empowers local communities who use our oceans. I want to echo the words also of my colleague, the Congressman from Rhode Island (Mr. Cicilline), in support of this amendment, and I urge my colleagues to allow this forward-thinking approach to continue. I thank the gentlewoman for yielding. Ms. KAPTUR. Mr. Chair, I thank the gentleman so much for coming to the floor tonight, and I want to thank all of our colleagues who have spoken out so eloquently on the importance of National Ocean Policy in supporting the Pingree, et al. amendment. Mr. Chair, I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Maine (Ms. Pingree). The question was taken; and the Acting Chair announced that the noes appeared to have it. Ms. PINGREE. Mr. Chair, I demand a recorded vote. The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Maine will be postponed. Amendment No. 55 Offered by Mr. Kihuen The Acting CHAIR. It is now in order to consider amendment No. 55 printed in House Report 115-259. [[Page H6446]] Mr. KIHUEN. Mr. Chair, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: Page 326, strike lines 1 through 7. The CHAIR. Pursuant to House Resolution 473, the gentleman from Nevada (Mr. Kihuen) and a Member opposed each will control 5 minutes. The Chair recognizes the gentleman from Nevada. Mr. KIHUEN. Mr. Chairman, my amendment strikes language in the bill that would prohibit the closure of the Yucca Mountain project, which includes the storage of high-level nuclear waste in my district. As you may know, in 1987, Nevada was targeted as our Nation's nuclear waste dump through the ``Screw Nevada'' bill. In the 30 years since the bill passed, Congress has wasted $3.7 billion of taxpayer money. Yucca Mountain sits in a seismically active area less than 100 miles away from Las Vegas, which holds an urban area with over 2 million residents. Mr. Chairman, just last week, there was an earthquake 33 miles away from Yucca Mountain. This place is not safe for our nuclear waste. Moreover, the city sees tens of thousands of visitors traveling to Las Vegas each and every year, many of whom are your constituents from your districts. In 2016 alone, over 40 million visitors traveled to Las Vegas. I have grave concerns with the transportation of nuclear waste to Yucca Mountain should this project continue against the will of my constituents. This project will not just impact my constituents. It impacts constituents in 329 congressional districts in 44 different States and Washington, D.C Putting a nuclear repository in our backyard means that this high-level nuclear waste must travel through your backyards first. Your constituents will see high-level nuclear waste transported through their communities on rail and truck. A simple car crash or train derailment would leave your constituents at risk and cost our taxpayers more money to clean up the mess. As it stands, Mr. Chairman, this transportation ***plan*** also damages our national security and the ability of the Nevada Test and Training Range, the largest air and ground range in the contiguous United States, to meet and train our servicemembers. {time} 2215 Mr. Chairman, I have been to Yucca Mountain. I have driven through the desert that is home to the bighorn sheep and desert tortoises and ancient petroglyphs and relics of the westward expansion. It is clear that reopening Yucca Mountain threatens the health and safety of Nevadans and Americans from across the country. Our State, which has no nuclear energy-***producing*** facilities, should not be the dumping ground for the rest of the country's nuclear waste. And the bottom line is this: If any of my colleagues would support this bill to bring Yucca Mountain nuclear waste to our State, then I am sure you support bringing it to your State. I am sure we can find a location in your State, and I would love to work with you on that. I am sure you wouldn't like your neighbors bringing their trash to your backyard. Don't bring it to my backyard either. Don't bring it to my constituents. Don't bring it to Nevada. I urge your support for my amendment. Prevent billions and billions of dollars, taxpayer dollars, being wasted by continuing to pursue the Yucca Mountain project. Mr. Chairman, I reserve the balance of my time. Mr. SIMPSON. Mr. Chairman, I claim the time in opposition to the amendment. The Acting CHAIR (Mr. Walker). The gentleman from Idaho is recognized for 5 minutes. Mr. SIMPSON. Mr. Chairman, I would tell the gentleman that they have brought a lot of nuclear waste to the State of Idaho. We process it there. It was Rocky Flats that was, they say, cleaned up. It wasn't cleaned up; it was moved to Idaho because we got most of their stuff there. That is kind of what happens. Mr. Chairman, I rise to oppose this amendment. I think we all understand why my colleagues from Nevada oppose Yucca Mountain, their position on Yucca Mountain; however, I cannot support this amendment. It is time to move forward with the Yucca licensing process. The previous administration ignored the law. I repeat that--ignored the law. Ignoring our obligation to take responsibility for this spent fuel, and breaking trust with 32 States stopped this process in its tracks. I don't think I have to state why that happened. It wasn't because of science or anything else. We all know why they stopped the licensing process at Yucca Mountain. The decision has already cost taxpayers $6 billion in claims, and the Department of Energy estimates at least another $24 billion in claims. This administration has taken swift action to put us back on track, and the budget request proposed in this bill includes $150 million for Yucca licensing efforts. Licensing efforts will continue to involve experts in geochemistry, hydrology, geology, seismology, volcanology, and more to ensure that Yucca Mountain, already one of the most studied pieces of land on Earth--I would say the most studied piece of land on Earth. There were 52 or 53 National Academy of Sciences studies on Yucca Mountain that have been done. But it will get a careful review from all aspects of its license applications. Once that application is finished, all Members of this body and of the Senate will have the opportunity to decide whether we move forward to construct and use the facility. But killing the process at this point is shortsighted, and, therefore, I oppose the amendment. Mr. Chairman, I reserve the balance of my time. Mr. KIHUEN. Mr. Chairman, I yield the balance of my time to the gentlewoman from Nevada (Ms. Rosen), my esteemed colleague. Ms. ROSEN. Mr. Chairman, I want to echo the sentiments of my colleague from Nevada (Mr. Kihuen) by making one thing perfectly clear: Nevadans are completely against becoming the Nation's nuclear dumping ground. And make no mistake, that is exactly what this appropriations bill does. Without Mr. Kihuen's amendment, of which I am proud to be a cosponsor, Congress will tie the hands of this administration by explicitly prohibiting, even considering, closing Yucca Mountain or conducting a technical review before licensing activities begin. You heard that right. The underlying bill forbids any funds from being used to conduct activities that preclude Yucca Mountain from becoming the Nation's dumping ground for radioactive waste, no matter the science, no matter the evidence. And we already have the evidence that bringing America's nuclear waste to Yucca is bad for Nevadans and bad for Americans. We know that Yucca is unsafe for nuclear waste because it is seismically active and sits above an aquifer. And with 70,000 metric tons of radioactive waste through my district and through the heart of Las Vegas, those visitors from all across the country and the world will be exposed. Mr. KIHUEN. Mr. Chair, I yield back the balance of my time. Mr. SIMPSON. Mr. Chairman, I would just say in response: Then change the law. The law is that Yucca Mountain is the waste repository for high-level nuclear waste. All we are asking is to continue the licensing process. As I said during my opening statement, Congress will have a chance to vote on whether to proceed with the construction of this facility. That is the reality. But we have got to get off the dime and start moving and handling this nuclear waste or it is going to cost us billions and billions and billions more. I urge my colleagues to oppose this amendment, and I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentleman from Nevada (Mr. Kihuen). The amendment was rejected. Amendment No. 56 Offered by Ms. Jackson Lee The Acting CHAIR. It is now in order to consider amendment No. 56 printed in House Report 115-259. Ms. JACKSON LEE. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. [[Page H6447]] The text of the amendment is as follows: At the end of division D, before the short title, insert the following: Sec. \_\_. The amounts otherwise provided by this Act are revised by reducing the amount made available for ``Corps of Engineers-Civil--Investigations'', and increasing the amount made available for the same account, by $3,000,000. The Acting CHAIR. Pursuant to House Resolution 473, the gentlewoman from Texas (Ms. Jackson Lee) and a Member opposed each will control 5 minutes. The Chair recognizes the gentlewoman from Texas. Ms. JACKSON LEE. Mr. Chairman, I am going to take this opportunity just to show this picture to my colleagues on the floor of the House and the headline that says: ``Urban Flooding in Houston is on the Rise.'' I clearly just used the city of Houston by coincidence, but I will tell you that this is what we are facing, really, across America. The opening sentence of the article says: ``Before you can fix a problem, you need to know what's causing it.'' My amendment is just that. My amendment--as I thank Chairman Simpson and Ranking Member Kaptur for their work on this legislation in doing the best that we can under the circumstances of trying to preserve the balance--speaks to the need for robust funding for the U.S Army Corps of Engineers' investigations account by redirecting $3 million for increased funding for postdisaster watershed assessment studies, like the one that has been contemplated in many areas around the country. As the Federal agency that collects and studies basic information pertaining to river and harbor, flood and storm damage reduction, shore protection, aquatic ecosystem restoration, and conducts detailed studies, ***plans***, and specifications for river and harbor and flood and storm damage reduction, the U.S Army Corps of Engineers plays a critical role in building, maintaining, and expanding the most critical of the Nation's infrastructure. When questioning the Army Corps of Engineers about a certain area in my community covering a number of bayous, which we are called The Bayou City--Sims Bayou, Greens Bayou, Brays Bayou, White Oak Bayou, Hunting Bayou, and Clear Creek Bayou--it is the same all over the Nation: the Army Corps of Engineers said they need to study the issue to know how to best resolve it. My amendment is just that. It is resources to be directed to ensure that we are allowed to study issues so that we can focus the dollars correctly as we attempt to work collaboratively with our local communities. I ask my colleagues to support this amendment, and I make this point: such a study is certainly needed, given the frequency and severity of historic-level flood events in many parts around our Nation and in the area in which I live. On April 15, 2016, an estimated 240 billion gallons of water fell in the Houston area over a 12-hour period. Let me be very mindful, this is not an earmark. It simply says that we should have the resources to study these issues so that we can direct moneys in the right way. Mr. Chairman, how much time do I have remaining? The Acting CHAIR. The gentlewoman from Texas has 2\1/2\ minutes remaining. Ms. JACKSON LEE. Mr. Chairman, let me conclude my remarks by indicating that I believe this particular amendment will be helpful in general to, in essence, provide funding for the U.S Army Corps of Engineers' investigations account and ensuring that a postdisaster watershed assessment can result. Mr. Chairman, I want to thank Ms. Kaptur in particular. We have spoken about this for probably over a 2-year period. I think the very fact that my particular area can be cited as an example of what happens when you have urban flooding is just an example. Over this past summer, we know that we have had some serious loss of life when rivers have overflowed or areas where water is and people have been recreating have overflowed, and so the idea of saving lives is part of my amendment as well. Mr. Chair, I want to thank Chairman Simpson and Ranking Member Kaptur for shepherding this legislation to the floor and for their commitment to preserving America's great natural environment and resources so that they can serve and be enjoyed by generations to come. My amendment speaks to the need for robust funding for the U.S Army Corps of Engineers ``Investigations'' account by redirecting $3 million for increased funding for post-disaster watershed assessment studies, like the one that is being contemplated for the Houston/Harris County metropolitan area. As the federal agency that collects and studies basic information pertaining to river and harbor, flood and storm damage reduction, shore protection, aquatic ecosystem restoration, and conducts detailed studies, ***plans***, and specifications for river and harbor, and flood and storm damage reduction, the U.S Army Corps of Engineers plays a critical role in the building, maintaining, and expanding of the most critical of the nation's infrastructure. We understand this very well in my home state of Texas and the Eighteenth Congressional District that I represent. The Army Corps of Engineers has been working with the Harris County Flood Control District since 1937 to reduce the risk of flooding within Harris County. Current projects include 6 federal flood risk management projects: Sims Bayou, Greens Bayou, Brays Bayou, White Oak Bayou, Hunting Bayou, and Clear Creek. In addition to these ongoing projects, the Army Corps of Engineers operates and maintains the Addicks and Barker (A&B) Detention Dams in northwest Harris County. Mr. Chair, I am pleased that the bill provides that the Secretary of the Army may initiate up to six new study starts during fiscal year 2018, and that five of those studies are to consist of studies where the majority of the benefits are derived from flood and storm damage reduction or from navigation transportation savings. I am optimistic that one of those new study starts will be the Houston Regional Watershed Assessment Flood Risk Management Feasibility study. Such a study is certainly needed given the frequency and severity of historic-level flood events in recent years in and around the Houston metropolitan area. On April 15, 2016, an estimated 240 billion gallons of water fell in the Houston area over a 12 hour period, which resulted in several areas exceeding the 100 to 500 year flood event record. The areas that experience these historic rainfalls were west of I-45, north of I-10, and Greens Bayou. Additionally, an estimated 140 billion gallons of water fell over the Cypress Creek, Spring Creek, and Addicks watershed in just 14 hours. The purpose of the Houston Regional Watershed Assessment is to identify risk reduction measures and optimize performance from a multi- objective systems performance perspective of the regional network of nested and intermingled watersheds, reservoir dams, flood flow conveyance channels, storm water detention basins, and related Flood Risk Management (FRM) infrastructure. Special emphases of the study, which covers 22 primary watersheds within Harris County's 1,756 square miles, will be placed on extreme flood events that exceed the system capacity resulting in impacts to asset conditions/functions and loss of life. Mr. Chair, during the May 2015 Houston flood, 3,015 homes were flooded and 8 persons died; during the April 2016 Houston flood, 5,400 homes were flooded and 8 deaths recorded. The economic damage caused by the 2015 Houston flood is estimated at $3 billion; the 2016 estimate is being compiled and is estimated to be well above $2 billion. Mr. Chair, minimizing the risk of flood damage to the Houston and Harris County metropolitan area, the nation's 4th largest, is a matter of national significance because the region is one of the nation's major technology, energy, finance, export and medical centers: 1. Port of Houston is the largest bulk port in the world; 2. Texas Medical Center is a world renowned teaching, research and treatment center; 3. Houston is home to the largest conglomeration of foreign bank representation and second only to New York City as home to the most Fortune 500 companies; and 4. The Houston Watershed Assessment study area sits within major Hurricane Evacuation arteries for the larger Galveston Gulf Coast region. I ask my colleagues to join me and support Jackson Lee Amendment No. 56. I thank Chairman Simpson and Ranking Member Kaptur for their work in shepherding this bill to the floor. [From the Houston Public Media] Urban Flooding in Houston Is on the Rise (By Marissa Cummings) Before you can fix a problem, you need to know what's causing it. [[Page H6448]] Dr. Sam Brody, Professor at A&M Galveston, is doing exactly that. He focuses on urban flooding and says Houston is the poster child. ``The bigger driver of this urban flood problem is human development, it's the spread of impervious surfaces and I calculated the Houston region increased its pavement by 25 percent over a 15 year period from 1996 to 2010,'' says Brody. He is also contributing to national research that will help alleviate urban flooding across the U.S Stephen Costello, Houston's Flood Czar, agrees with Brody's assessment. Part of the solution he says is investing in innovative infrastructure. ``But there has to be a commitment on the part of the community to invest in infrastructure,'' Costello says. ``And that's what the voters should be looking at saying `OK, so let's make sure we continue to invest in the infrastructure,' and that's where the public needs to get involved.'' Although, we cannot stop flooding from happening, Costello says we need to mitigate and reduce the risk. Mr. Chairman, I urge my colleagues to support the Jackson Lee amendment, and I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Texas (Ms. Jackson Lee). The question was taken; and the Acting Chair announced that the noes appeared to have it. Ms. JACKSON LEE. Mr. Chairman, I demand a recorded vote. The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Texas will be postponed. Announcement by the Acting Chair The Acting CHAIR. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments printed in House Report 115-259 on which further proceedings were postponed, in the following order: Amendment No. 4 by Mr. Perry of Pennsylvania. Amendment No. 5 by Mr. Griffith of Virginia. Amendment No. 7 by Mr. Takano of California. Amendment No. 23 by Mr. King of Iowa. Amendment No. 38 by Ms. Castor of Florida. Amendment No. 39 by Mr. Norcross of New Jersey. Amendment No. 44 by Ms. Esty of Connecticut. Amendment No. 52 by Mr. Garamendi of California. Amendment No. 54 by Ms. Pingree of Maine. Amendment No. 56 by Ms. Jackson Lee of Texas. The Chair will reduce to 2 minutes the time for any electronic vote after the first vote in this series. Amendment No. 4 Offered by Mr. Perry The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Pennsylvania (Mr. Perry) on which further proceedings were postponed and on which the ayes prevailed by voice vote. The Clerk will redesignate the amendment. The Clerk redesignated the amendment. Recorded Vote The Acting CHAIR. A recorded vote has been demanded. A recorded vote was ordered. The vote was taken by electronic device, and there were--ayes 107, noes 314, not voting 12, as follows: [Roll No. 416] AYES--107 Abraham Allen Babin Bacon Banks (IN) Barr Barton Biggs Bishop (UT) Blackburn Brat Bridenstine Brooks (AL) Buck Budd Burgess Byrne Carter (GA) Chabot Cheney Comer Cramer Culberson Davidson DeSantis DesJarlais Duffy Duncan (SC) Duncan (TN) Dunn Estes (KS) Farenthold Ferguson Flores Franks (AZ) Gaetz Gallagher Garrett Gibbs Gohmert Goodlatte Gosar Gowdy Graves (GA) Griffith Grothman Harris Hensarling Hice, Jody B. Hudson Huizenga Hunter Jenkins (WV) Johnson, Sam Jordan Kelly (MS) King (IA) Labrador LaHood LaMalfa Lamborn Latta Love Lucas Luetkemeyer Marchant Marino Marshall Massie McCaul McKinley Meadows Messer Mooney (WV) Mullin Norman Olson Palazzo Palmer Pearce Perry Pittenger Poe (TX) Posey Ratcliffe Renacci Rohrabacher Rokita Rooney, Francis Rothfus Rouzer Scott, Austin Sensenbrenner Smith (MO) Stewart Wagner Walberg Weber (TX) Webster (FL) Wenstrup Westerman Williams Wilson (SC) Wittman Yoho Young (AK) Zeldin NOES--314 Adams Aguilar Amash Amodei Arrington Barletta Barragan Bass Beatty Bera Bergman Beyer Bilirakis Bishop (GA) Bishop (MI) Black Blumenauer Blunt Rochester Bonamici Bost Boyle, Brendan F. Brady (PA) Brady (TX) Brooks (IN) Brown (MD) Brownley (CA) Buchanan Bucshon Bustos Butterfield Calvert Capuano Carbajal Cardenas Carson (IN) Carter (TX) Cartwright Castor (FL) Castro (TX) Chu, Judy Cicilline Clark (MA) Clarke (NY) Clay Cleaver Clyburn Coffman Cohen Cole Collins (GA) Collins (NY) Comstock Conaway Connolly Conyers Cook Cooper Correa Costa Courtney Crawford Crist Crowley Cuellar Curbelo (FL) Davis (CA) Davis, Danny Davis, Rodney DeFazio DeGette Delaney DeLauro DelBene Demings Denham Dent DeSaulnier Deutch Diaz-Balart Dingell Doggett Donovan Doyle, Michael F. Ellison Emmer Engel Eshoo Espaillat Esty (CT) Evans Faso Fitzpatrick Fleischmann Fortenberry Foster Foxx Frankel (FL) Frelinghuysen Fudge Gabbard Gallego Garamendi Gianforte Gomez Gonzalez (TX) Gottheimer Granger Graves (LA) Graves (MO) Green, Al Green, Gene Grijalva Guthrie Gutierrez Hanabusa Handel Harper Hartzler Hastings Heck Herrera Beutler Higgins (LA) Higgins (NY) Hill Himes Holding Hoyer Huffman Hultgren Hurd Issa Jackson Lee Jayapal Jenkins (KS) Johnson (GA) Johnson (LA) Johnson (OH) Johnson, E. B. Jones Joyce (OH) Kaptur Katko Keating Kelly (IL) Kelly (PA) Kennedy Khanna Kihuen Kildee Kilmer Kind King (NY) Kinzinger Knight Krishnamoorthi Kuster (NH) Kustoff (TN) Lance Langevin Larsen (WA) Larson (CT) Lawrence Lawson (FL) Lee Levin Lewis (GA) Lewis (MN) Lieu, Ted Lipinski LoBiondo Loebsack Lofgren Long Lowenthal Lowey Lujan Grisham, M. Lujan, Ben Ray Lynch MacArthur Maloney, Carolyn B. Maloney, Sean Mast Matsui McCarthy McClintock McCollum McEachin McGovern McHenry McMorris Rodgers McNerney McSally Meehan Meeks Meng Mitchell Moolenaar Moore Moulton Murphy (FL) Nadler Neal Newhouse Noem Nolan Norcross Nunes O'Halleran O'Rourke Pallone Panetta Pascrell Paulsen Payne Pelosi Perlmutter Peters Peterson Pingree Pocan Poliquin Polis Price (NC) Quigley Raskin Reed Reichert Rice (NY) Rice (SC) Richmond Roby Roe (TN) Rogers (AL) Rogers (KY) Rooney, Thomas J. Ros-Lehtinen Rosen Roskam Ross Roybal-Allard Ruiz Ruppersberger Rush Russell Rutherford Sanchez Sanford Sarbanes Schakowsky Schiff Schneider Schrader Schweikert Scott (VA) Scott, David Serrano Sessions Sewell (AL) Shea-Porter Sherman Shimkus Shuster Simpson Sinema Sires Slaughter Smith (NE) Smith (NJ) Smith (TX) Smith (WA) Smucker Soto Speier Stefanik Stivers Suozzi Swalwell (CA) Takano Taylor Tenney Thompson (CA) Thompson (MS) Thompson (PA) Thornberry Tiberi Tipton Titus Tonko Torres Trott Tsongas Turner Upton Valadao Vargas Veasey Vela Velazquez Visclosky Walden Walker Walorski Walters, Mimi Walz Wasserman Schultz Waters, Maxine Watson Coleman Welch Wilson (FL) Womack Woodall Yarmuth Yoder Young (IA) NOT VOTING--12 Aderholt Blum Costello (PA) Cummings Hollingsworth Jeffries Loudermilk Murphy (PA) Napolitano Royce (CA) Ryan (OH) Scalise {time} 2248 Mrs. BLACK, Messrs. RICE, HOLDING, TIPTON, GUTHRIE, ROSKAM, and EMMER changed their vote from ``aye'' to ``no.'' Messrs. FERGUSON, BROOKS of Alabama, JENKINS of West Virginia, PERRY, MESSER, CARTER of Georgia, and GARRETT changed their vote from ``no'' to ``aye.'' So the amendment was rejected. The result of the vote was announced as above recorded. Stated for: Mr. MURPHY of Pennsylvania. Mr. Chair, I was unavoidably detained. Had I been present, I would have voted ``yea'' on rollcall No. 416. [[Page H6449]] Amendment No. 5 Offered by Mr. Griffith The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Virginia (Mr. Griffith) on which further proceedings were postponed and on which the noes prevailed by voice vote. The Clerk will redesignate the amendment. The Clerk redesignated the amendment. Recorded Vote The Acting CHAIR. A recorded vote has been demanded. A recorded vote was ordered. The Acting CHAIR. This is a 2-minute vote. The vote was taken by electronic device, and there were--ayes 116, noes 309, not voting 8, as follows: [Roll No. 417] AYES--116 Abraham Allen Amash Babin Banks (IN) Barr Barton Biggs Bilirakis Bishop (UT) Blackburn Blum Brat Bridenstine Brooks (AL) Buck Budd Burgess Byrne Carter (GA) Chabot Cheney Collins (GA) Comer Cramer Crawford Davidson DeSantis DesJarlais Duffy Duncan (SC) Duncan (TN) Dunn Estes (KS) Farenthold Flores Franks (AZ) Gaetz Gallagher Garrett Gibbs Gohmert Goodlatte Gosar Gowdy Graves (GA) Griffith Grothman Harper Harris Hensarling Hice, Jody B. Higgins (LA) Hudson Huizenga Hunter Jenkins (WV) Johnson (LA) Johnson, Sam Jordan Kelly (MS) King (IA) Labrador LaHood LaMalfa Lamborn Latta Loudermilk Love Lucas Luetkemeyer Marchant Marshall Massie Mast McCaul McKinley Meadows Messer Mooney (WV) Mullin Murphy (PA) Norman Olson Palmer Pearce Perry Pittenger Poe (TX) Posey Ratcliffe Renacci Rohrabacher Rokita Rooney, Francis Rothfus Rouzer Royce (CA) Scott, Austin Sensenbrenner Smith (MO) Stewart Taylor Wagner Walberg Weber (TX) Webster (FL) Wenstrup Westerman Williams Wilson (SC) Wittman Yoho Young (AK) Young (IA) Zeldin NOES--309 Adams Aderholt Aguilar Amodei Arrington Bacon Barletta Barragan Bass Beatty Bera Bergman Beyer Bishop (GA) Bishop (MI) Black Blumenauer Blunt Rochester Bonamici Bost Boyle, Brendan F. Brady (PA) Brady (TX) Brooks (IN) Brown (MD) Brownley (CA) Buchanan Bucshon Bustos Butterfield Calvert Capuano Carbajal Cardenas Carson (IN) Carter (TX) Cartwright Castor (FL) Castro (TX) Chu, Judy Cicilline Clark (MA) Clarke (NY) Clay Cleaver Clyburn Coffman Cohen Cole Collins (NY) Comstock Conaway Connolly Conyers Cook Cooper Correa Costa Courtney Crist Crowley Cuellar Culberson Curbelo (FL) Davis (CA) Davis, Danny Davis, Rodney DeFazio DeGette Delaney DeLauro DelBene Demings Denham Dent DeSaulnier Deutch Diaz-Balart Dingell Doggett Donovan Doyle, Michael F. Ellison Emmer Engel Eshoo Espaillat Esty (CT) Evans Faso Ferguson Fitzpatrick Fleischmann Fortenberry Foster Foxx Frankel (FL) Frelinghuysen Fudge Gabbard Gallego Garamendi Gianforte Gomez Gonzalez (TX) Gottheimer Granger Graves (LA) Graves (MO) Green, Al Green, Gene Grijalva Guthrie Gutierrez Hanabusa Handel Hartzler Hastings Heck Herrera Beutler Higgins (NY) Hill Himes Holding Hoyer Huffman Hultgren Hurd Issa Jackson Lee Jayapal Jenkins (KS) Johnson (GA) Johnson (OH) Johnson, E. B. Jones Joyce (OH) Kaptur Katko Keating Kelly (IL) Kelly (PA) Kennedy Khanna Kihuen Kildee Kilmer Kind King (NY) Kinzinger Knight Krishnamoorthi Kuster (NH) Kustoff (TN) Lance Langevin Larsen (WA) Larson (CT) Lawrence Lawson (FL) Lee Levin Lewis (GA) Lewis (MN) Lieu, Ted Lipinski LoBiondo Loebsack Lofgren Long Lowenthal Lowey Lujan Grisham, M. Lujan, Ben Ray Lynch MacArthur Maloney, Sean Marino Matsui McCarthy McClintock McCollum McEachin McGovern McHenry McMorris Rodgers McNerney McSally Meehan Meeks Meng Mitchell Moolenaar Moore Moulton Murphy (FL) Nadler Neal Newhouse Noem Nolan Norcross Nunes O'Halleran O'Rourke Palazzo Pallone Panetta Pascrell Paulsen Payne Pelosi Perlmutter Peters Peterson Pingree Pocan Poliquin Polis Price (NC) Quigley Raskin Reed Reichert Rice (NY) Rice (SC) Richmond Roby Roe (TN) Rogers (AL) Rogers (KY) Rooney, Thomas J. Ros-Lehtinen Rosen Roskam Ross Roybal-Allard Ruiz Ruppersberger Rush Russell Rutherford Sanchez Sanford Sarbanes Schakowsky Schiff Schneider Schrader Schweikert Scott (VA) Scott, David Serrano Sessions Sewell (AL) Shea-Porter Sherman Shimkus Shuster Simpson Sinema Sires Slaughter Smith (NE) Smith (NJ) Smith (TX) Smith (WA) Smucker Soto Speier Stefanik Stivers Suozzi Swalwell (CA) Takano Tenney Thompson (CA) Thompson (MS) Thompson (PA) Thornberry Tiberi Tipton Titus Tonko Torres Trott Tsongas Turner Upton Valadao Vargas Veasey Vela Velazquez Visclosky Walden Walker Walorski Walters, Mimi Walz Wasserman Schultz Waters, Maxine Watson Coleman Welch Wilson (FL) Womack Woodall Yarmuth Yoder NOT VOTING--8 Costello (PA) Cummings Hollingsworth Jeffries Maloney, Carolyn B. Napolitano Ryan (OH) Scalise Announcement by the Acting Chair The Acting CHAIR (Mr. Collins of Georgia) (during the vote). There is 1 minute remaining. {time} 2253 So the amendment was rejected. The result of the vote was announced as above recorded. Amendment No. 7 Offered by Mr. Takano The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from California (Mr. Takano) on which further proceedings were postponed and on which the noes prevailed by voice vote. The Clerk will redesignate the amendment. The Clerk redesignated the amendment. Recorded Vote The Acting CHAIR. A recorded vote has been demanded. A recorded vote was ordered. The Acting CHAIR. All Members are reminded we are in a 2-minute vote series. Please stay close to the floor. This is a 2-minute vote. The vote was taken by electronic device, and there were--ayes 191, noes 236, not voting 6, as follows: [Roll No. 418] AYES--191 Adams Aguilar Amash Barragan Bass Beatty Bera Beyer Bishop (GA) Blumenauer Blunt Rochester Bonamici Boyle, Brendan F. Brown (MD) Brownley (CA) Bustos Butterfield Carbajal Cardenas Carson (IN) Cartwright Castor (FL) Castro (TX) Chu, Judy Cicilline Clark (MA) Clarke (NY) Clay Cleaver Clyburn Cohen Connolly Conyers Cooper Correa Costa Courtney Crist Crowley Cuellar Curbelo (FL) Davis (CA) Davis, Danny DeFazio DeGette Delaney DeLauro DelBene Demings DeSaulnier Deutch Dingell Doggett Doyle, Michael F. Ellison Engel Eshoo Espaillat Esty (CT) Evans Farenthold Foster Frankel (FL) Fudge Gallego Garamendi Gomez Gonzalez (TX) Granger Green, Al Grijalva Gutierrez Hanabusa Hastings Heck Higgins (NY) Himes Hoyer Huffman Hultgren Jackson Lee Jayapal Johnson (GA) Johnson, E. B. Kaptur Keating Kelly (IL) Kennedy Khanna Kihuen Kildee Kilmer Kind Krishnamoorthi Kuster (NH) Lance Langevin Larsen (WA) Larson (CT) Lawrence Lawson (FL) Lee Levin Lewis (GA) Lieu, Ted Lipinski Loebsack Lofgren Loudermilk Lowenthal Lowey Lujan Grisham, M. Lujan, Ben Ray Lynch Maloney, Sean Marchant Matsui McCaul McEachin McGovern McNerney Meeks Meng Moore Moulton Murphy (FL) Nadler Nolan Norman O'Halleran O'Rourke Pallone Panetta Payne Pelosi Perlmutter Peters Pingree Pocan Polis Price (NC) Quigley Raskin Rice (NY) Richmond Ros-Lehtinen Rosen Roybal-Allard Ruiz Ruppersberger Rush Russell Ryan (OH) Sanchez Sarbanes Schakowsky Schiff Schneider Scott (VA) Scott, David Serrano Sewell (AL) Shea-Porter Sherman Sinema Slaughter Smith (TX) Smith (WA) Soto Speier Suozzi Swalwell (CA) Takano Thompson (CA) Thompson (MS) Titus Tonko Torres Tsongas Vargas Veasey Vela Velazquez Visclosky Walz Wasserman Schultz Waters, Maxine Watson Coleman Welch Wilson (FL) Yarmuth NOES--236 Abraham Aderholt Allen Amodei Arrington Babin Bacon Banks (IN) Barletta Barr Barton Bergman [[Page H6450]] Biggs Bilirakis Bishop (MI) Bishop (UT) Black Blackburn Blum Bost Brady (PA) Brady (TX) Brat Bridenstine Brooks (AL) Brooks (IN) Buchanan Buck Bucshon Budd Burgess Byrne Calvert Capuano Carter (GA) Carter (TX) Chabot Cheney Coffman Cole Collins (GA) Collins (NY) Comer Comstock Conaway Cook Cramer Crawford Culberson Davidson Davis, Rodney Denham Dent DeSantis DesJarlais Diaz-Balart Donovan Duffy Duncan (SC) Duncan (TN) Dunn Emmer Estes (KS) Faso Ferguson Fitzpatrick Fleischmann Flores Fortenberry Foxx Franks (AZ) Frelinghuysen Gabbard Gaetz Gallagher Garrett Gianforte Gibbs Gohmert Goodlatte Gosar Gottheimer Gowdy Graves (GA) Graves (LA) Graves (MO) Green, Gene Griffith Grothman Guthrie Handel Harper Harris Hartzler Hensarling Herrera Beutler Hice, Jody B. Higgins (LA) Hill Holding Hudson Huizenga Hunter Hurd Issa Jenkins (KS) Jenkins (WV) Johnson (LA) Johnson (OH) Johnson, Sam Jones Jordan Joyce (OH) Katko Kelly (MS) Kelly (PA) King (IA) King (NY) Kinzinger Knight Kustoff (TN) Labrador LaHood LaMalfa Lamborn Latta Lewis (MN) LoBiondo Long Love Lucas Luetkemeyer MacArthur Maloney, Carolyn B. Marino Marshall Massie Mast McCarthy McClintock McCollum McHenry McKinley McMorris Rodgers McSally Meadows Meehan Messer Mitchell Moolenaar Mooney (WV) Mullin Murphy (PA) Neal Newhouse Noem Norcross Nunes Olson Palazzo Palmer Pascrell Paulsen Pearce Perry Peterson Pittenger Poe (TX) Poliquin Posey Ratcliffe Reed Reichert Renacci Rice (SC) Roby Roe (TN) Rogers (AL) Rogers (KY) Rohrabacher Rokita Rooney, Francis Rooney, Thomas J. Roskam Ross Rothfus Rouzer Royce (CA) Rutherford Sanford Schrader Schweikert Scott, Austin Sensenbrenner Sessions Shimkus Shuster Simpson Sires Smith (MO) Smith (NE) Smith (NJ) Smucker Stefanik Stewart Stivers Taylor Tenney Thompson (PA) Thornberry Tiberi Tipton Trott Turner Upton Valadao Wagner Walberg Walden Walker Walorski Walters, Mimi Weber (TX) Webster (FL) Wenstrup Westerman Williams Wilson (SC) Wittman Womack Woodall Yoder Yoho Young (AK) Young (IA) Zeldin NOT VOTING--6 Costello (PA) Cummings Hollingsworth Jeffries Napolitano Scalis Announcement by the Acting Chair The Acting CHAIR (during the vote). There is 1 minute remaining. {time} 2257 So the amendment was rejected. The result of the vote was announced as above recorded. Stated against: Mr. LOUDERMILK. Mr. Chair, on rollcall No. 418, I mistakenly voted ``yes'' when I intended to vote ``no.'' Amendment No. 23 Offered by Mr. King of Iowa The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Iowa (Mr. King) on which further proceedings were postponed and on which the ayes prevailed by voice vote. The Clerk will redesignate the amendment. The Clerk redesignated the amendment. Recorded Vote The Acting CHAIR. A recorded vote has been demanded. A recorded vote was ordered. The Acting CHAIR. This is a 2-minute vote. The vote was taken by electronic device, and there were--ayes 178, noes 249, not voting 6, as follows: [Roll No. 419] AYES--178 Abraham Aderholt Allen Amash Arrington Babin Bacon Banks (IN) Barr Barton Bergman Biggs Bilirakis Bishop (MI) Bishop (UT) Black Blackburn Blum Brady (TX) Brat Bridenstine Brooks (AL) Brooks (IN) Buchanan Buck Budd Burgess Byrne Calvert Carter (GA) Carter (TX) Chabot Cheney Coffman Cole Collins (GA) Collins (NY) Comer Comstock Conaway Cramer Crawford Culberson Davidson Dent DeSantis DesJarlais Duncan (SC) Duncan (TN) Dunn Estes (KS) Farenthold Ferguson Fleischmann Flores Fortenberry Foxx Franks (AZ) Frelinghuysen Gaetz Gallagher Garrett Gibbs Gohmert Goodlatte Gosar Gowdy Granger Graves (GA) Graves (LA) Griffith Grothman Guthrie Handel Harper Harris Hartzler Hensarling Herrera Beutler Hice, Jody B. Higgins (LA) Hill Holding Hudson Huizenga Hurd Issa Jenkins (KS) Johnson (LA) Johnson, Sam Jones Jordan Kelly (MS) King (IA) Kustoff (TN) Labrador LaMalfa Lamborn Latta Long Loudermilk Love Lucas Luetkemeyer Marchant Marshall Massie McCarthy McCaul McClintock McHenry McMorris Rodgers McSally Meadows Messer Mitchell Moolenaar Mooney (WV) Mullin Noem Norman Nunes Olson Palazzo Palmer Paulsen Pearce Perry Pittenger Poe (TX) Posey Ratcliffe Rice (SC) Roby Roe (TN) Rogers (AL) Rogers (KY) Rohrabacher Rokita Rooney, Francis Rooney, Thomas J. Ross Rothfus Rouzer Royce (CA) Russell Rutherford Sanford Schweikert Sensenbrenner Sessions Smith (MO) Smith (NE) Smith (TX) Smucker Stewart Taylor Thompson (PA) Thornberry Tipton Trott Wagner Walberg Walker Walorski Walters, Mimi Weber (TX) Webster (FL) Wenstrup Westerman Williams Wilson (SC) Wittman Womack Woodall Yoder Yoho Young (IA) NOES--249 Adams Aguilar Amodei Barletta Barragan Bass Beatty Bera Beyer Bishop (GA) Blumenauer Blunt Rochester Bonamici Bost Boyle, Brendan F. Brady (PA) Brown (MD) Brownley (CA) Bucshon Bustos Butterfield Capuano Carbajal Cardenas Carson (IN) Cartwright Castor (FL) Castro (TX) Chu, Judy Cicilline Clark (MA) Clarke (NY) Clay Cleaver Clyburn Cohen Connolly Conyers Cook Cooper Correa Costa Courtney Crist Crowley Cuellar Curbelo (FL) Davis (CA) Davis, Danny Davis, Rodney DeFazio DeGette Delaney DeLauro DelBene Demings Denham DeSaulnier Deutch Diaz-Balart Dingell Doggett Donovan Doyle, Michael F. Duffy Ellison Emmer Engel Eshoo Espaillat Esty (CT) Evans Faso Fitzpatrick Foster Frankel (FL) Fudge Gabbard Gallego Garamendi Gianforte Gomez Gonzalez (TX) Gottheimer Graves (MO) Green, Al Green, Gene Grijalva Gutierrez Hanabusa Hastings Heck Higgins (NY) Himes Hoyer Huffman Hultgren Hunter Jackson Lee Jayapal Jenkins (WV) Johnson (GA) Johnson (OH) Johnson, E. B. Joyce (OH) Kaptur Katko Keating Kelly (IL) Kelly (PA) Kennedy Khanna Kihuen Kildee Kilmer Kind King (NY) Kinzinger Knight Krishnamoorthi Kuster (NH) LaHood Lance Langevin Larsen (WA) Larson (CT) Lawrence Lawson (FL) Lee Levin Lewis (GA) Lewis (MN) Lieu, Ted Lipinski LoBiondo Loebsack Lofgren Lowenthal Lowey Lujan Grisham, M. Lujan, Ben Ray Lynch MacArthur Maloney, Carolyn B. Maloney, Sean Marino Mast Matsui McCollum McEachin McGovern McKinley McNerney Meehan Meeks Meng Moore Moulton Murphy (FL) Murphy (PA) Nadler Neal Newhouse Nolan Norcross O'Halleran O'Rourke Pallone Panetta Pascrell Payne Pelosi Perlmutter Peters Peterson Pingree Pocan Poliquin Polis Price (NC) Quigley Raskin Reed Reichert Renacci Rice (NY) Richmond Ros-Lehtinen Rosen Roskam Roybal-Allard Ruiz Ruppersberger Rush Ryan (OH) Sanchez Sarbanes Schakowsky Schiff Schneider Schrader Scott (VA) Scott, Austin Scott, David Serrano Sewell (AL) Shea-Porter Sherman Shimkus Shuster Simpson Sinema Sires Slaughter Smith (NJ) Smith (WA) Soto Speier Stefanik Stivers Suozzi Swalwell (CA) Takano Tenney Thompson (CA) Thompson (MS) Tiberi Titus Tonko Torres Tsongas Turner Upton Valadao Vargas Veasey Vela Velazquez Visclosky Walden Walz Wasserman Schultz Waters, Maxine Watson Coleman Welch Wilson (FL) Yarmuth Young (AK) Zeldin NOT VOTING--6 Costello (PA) Cummings Hollingsworth Jeffries Napolitano Scalise Announcement by the Acting Chair The Acting CHAIR (during the vote). There is 1 minute remaining. {time} 2300 Messrs. GAETZ and JONES changed their vote from ``no'' to ``aye.'' So the amendment was rejected. The result of the vote was announced as above recorded. [[Page H6451]] Amendment No. 38 Offered by Ms. Castor of Florida The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from Florida (Ms. Castor) on which further proceedings were postponed and on which the noes prevailed by voice vote. The Clerk will redesignate the amendment. The Clerk redesignated the amendment. Recorded Vote The Acting CHAIR. A recorded vote has been demanded. A recorded vote was ordered. The Acting CHAIR. This is a 2-minute vote. The vote was taken by electronic device, and there were--ayes 181, noes 246, not voting 6, as follows: [Roll No. 420] AYES--181 Adams Aguilar Amash Barragan Bass Bera Beyer Bishop (GA) Blum Blumenauer Blunt Rochester Bonamici Boyle, Brendan F. Brady (PA) Brown (MD) Brownley (CA) Bustos Butterfield Capuano Carbajal Cardenas Carson (IN) Cartwright Castor (FL) Castro (TX) Chu, Judy Cicilline Clark (MA) Clarke (NY) Clay Cleaver Clyburn Cohen Connolly Conyers Cooper Crist Crowley Curbelo (FL) Davis (CA) Davis, Danny DeFazio DeGette Delaney DelBene Demings DeSaulnier Deutch Dingell Doggett Ellison Engel Eshoo Espaillat Evans Fitzpatrick Foster Frankel (FL) Fudge Gabbard Gallego Garamendi Gomez Gottheimer Green, Al Grijalva Gutierrez Hanabusa Hastings Heck Higgins (NY) Hoyer Huffman Jackson Lee Jayapal Johnson (GA) Johnson, E. B. Katko Keating Kelly (IL) Kennedy Khanna Kihuen Kildee Kilmer Kind King (IA) Krishnamoorthi Kuster (NH) Langevin Lawrence Lawson (FL) Lee Levin Lewis (GA) Lieu, Ted Lipinski Loebsack Lofgren Lowenthal Lowey Lujan Grisham, M. Lujan, Ben Ray Lynch Maloney, Carolyn B. Maloney, Sean Matsui McCollum McEachin McGovern McNerney Meeks Meng Moore Moulton Murphy (FL) Nadler Neal Nolan Norcross O'Halleran O'Rourke Pallone Panetta Pascrell Payne Pelosi Perlmutter Peters Pingree Pocan Polis Price (NC) Quigley Raskin Reichert Rice (NY) Ros-Lehtinen Rosen Roybal-Allard Ruiz Ruppersberger Rush Ryan (OH) Sanchez Sanford Sarbanes Schakowsky Schiff Schrader Scott (VA) Scott, David Serrano Sewell (AL) Shea-Porter Sherman Sires Slaughter Smith (WA) Soto Speier Suozzi Swalwell (CA) Takano Thompson (CA) Titus Tonko Torres Tsongas Vargas Vela Velazquez Visclosky Walz Wasserman Schultz Waters, Maxine Watson Coleman Welch Wilson (FL) Yarmuth Young (IA) NOES--246 Abraham Aderholt Allen Amodei Arrington Babin Bacon Banks (IN) Barletta Barr Barton Beatty Bergman Biggs Bilirakis Bishop (MI) Bishop (UT) Black Blackburn Bost Brady (TX) Brat Bridenstine Brooks (AL) Brooks (IN) Buchanan Buck Bucshon Budd Burgess Byrne Calvert Carter (GA) Carter (TX) Chabot Cheney Coffman Cole Collins (GA) Collins (NY) Comer Comstock Conaway Cook Correa Costa Courtney Cramer Crawford Cuellar Culberson Davidson Davis, Rodney DeLauro Denham Dent DeSantis DesJarlais Diaz-Balart Donovan Doyle, Michael F. Duffy Duncan (SC) Duncan (TN) Dunn Emmer Estes (KS) Esty (CT) Farenthold Faso Ferguson Fleischmann Flores Fortenberry Foxx Franks (AZ) Frelinghuysen Gaetz Gallagher Garrett Gianforte Gibbs Gohmert Gonzalez (TX) Goodlatte Gosar Gowdy Granger Graves (GA) Graves (LA) Graves (MO) Green, Gene Griffith Grothman Guthrie Handel Harper Harris Hartzler Hensarling Herrera Beutler Hice, Jody B. Higgins (LA) Hill Himes Holding Hudson Huizenga Hultgren Hunter Hurd Issa Jenkins (KS) Jenkins (WV) Johnson (LA) Johnson (OH) Johnson, Sam Jones Jordan Joyce (OH) Kaptur Kelly (MS) Kelly (PA) King (NY) Kinzinger Knight Kustoff (TN) Labrador LaHood LaMalfa Lamborn Lance Larsen (WA) Larson (CT) Latta Lewis (MN) LoBiondo Long Loudermilk Love Lucas Luetkemeyer MacArthur Marchant Marino Marshall Massie Mast McCarthy McCaul McClintock McHenry McKinley McMorris Rodgers McSally Meadows Meehan Messer Mitchell Moolenaar Mooney (WV) Mullin Murphy (PA) Newhouse Noem Norman Nunes Olson Palazzo Palmer Paulsen Pearce Perry Peterson Pittenger Poe (TX) Poliquin Posey Ratcliffe Reed Renacci Rice (SC) Richmond Roby Roe (TN) Rogers (AL) Rogers (KY) Rohrabacher Rokita Rooney, Francis Rooney, Thomas J. Roskam Ross Rothfus Rouzer Royce (CA) Russell Rutherford Schneider Schweikert Scott, Austin Sensenbrenner Sessions Shimkus Shuster Simpson Sinema Smith (MO) Smith (NE) Smith (NJ) Smith (TX) Smucker Stefanik Stewart Stivers Taylor Tenney Thompson (MS) Thompson (PA) Thornberry Tiberi Tipton Trott Turner Upton Valadao Veasey Wagner Walberg Walden Walker Walorski Walters, Mimi Weber (TX) Webster (FL) Wenstrup Westerman Williams Wilson (SC) Wittman Womack Woodall Yoder Yoho Young (AK) Zeldin NOT VOTING--6 Costello (PA) Cummings Hollingsworth Jeffries Napolitano Scalise Announcement by the Acting Chair The Acting CHAIR (during the vote). There is 1 minute remaining. {time} 2303 Mr. WELCH changed his vote from ``no'' to ``aye.'' So the amendment was rejected. The result of the vote was announced as above recorded. Amendment No. 39 Offered by Mr. Norcross The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from New Jersey (Mr. Norcross) on which further proceedings were postponed and on which the noes prevailed by voice vote. The Clerk will redesignate the amendment. The Clerk redesignated the amendment. Recorded Vote The Acting CHAIR. A recorded vote has been demanded. A recorded vote was ordered. The Acting CHAIR. This is a 2-minute vote. The vote was taken by electronic device, and there were--ayes 186, noes 241, not voting 6, as follows: [Roll No. 421] AYES--186 Adams Aguilar Amash Barragan Bass Beatty Bera Beyer Bishop (GA) Blum Blumenauer Blunt Rochester Bonamici Boyle, Brendan F. Brady (PA) Brooks (AL) Brown (MD) Brownley (CA) Bustos Butterfield Capuano Carbajal Cardenas Carson (IN) Cartwright Castor (FL) Castro (TX) Chu, Judy Cicilline Clark (MA) Clarke (NY) Clay Cleaver Clyburn Cohen Connolly Conyers Cooper Crist Crowley Curbelo (FL) Davis (CA) Davis, Danny DeFazio DeGette Delaney DelBene Demings DeSaulnier Deutch Dingell Doggett Ellison Engel Eshoo Espaillat Evans Fitzpatrick Foster Frankel (FL) Fudge Gabbard Gallego Garamendi Gomez Gottheimer Green, Al Grijalva Gutierrez Hanabusa Hastings Heck Higgins (NY) Hoyer Huffman Jackson Lee Jayapal Johnson (GA) Johnson, E. B. Katko Keating Kelly (IL) Kennedy Khanna Kihuen Kildee Kilmer Kind King (IA) Krishnamoorthi Kuster (NH) Langevin Larsen (WA) Lawrence Lawson (FL) Lee Levin Lewis (GA) Lieu, Ted Lipinski Loebsack Lofgren Lowenthal Lowey Lujan Grisham, M. Lujan, Ben Ray Lynch Maloney, Carolyn B. Maloney, Sean Matsui McCollum McEachin McGovern McNerney Meeks Meng Moore Moulton Murphy (FL) Nadler Neal Nolan Norcross O'Halleran O'Rourke Pallone Panetta Pascrell Payne Pelosi Perlmutter Peters Pingree Pocan Polis Price (NC) Quigley Raskin Reichert Rice (NY) Rice (SC) Ros-Lehtinen Rosen Roybal-Allard Ruiz Ruppersberger Rush Ryan (OH) Sanchez Sanford Sarbanes Schakowsky Schiff Schrader Scott (VA) Scott, David Serrano Sewell (AL) Shea-Porter Sherman Sires Slaughter Smith (WA) Soto Speier Suozzi Swalwell (CA) Takano Thompson (CA) Titus Tonko Torres Tsongas Vargas Veasey Vela Velazquez Visclosky Walz Wasserman Schultz Waters, Maxine Watson Coleman Welch Wilson (FL) Yarmuth Young (IA) NOES--241 Abraham Aderholt Allen Amodei Arrington Babin Bacon Banks (IN) Barletta [[Page H6452]] Barr Barton Bergman Biggs Bilirakis Bishop (MI) Bishop (UT) Black Blackburn Bost Brady (TX) Brat Bridenstine Brooks (IN) Buchanan Buck Bucshon Budd Burgess Byrne Calvert Carter (GA) Carter (TX) Chabot Cheney Coffman Cole Collins (GA) Collins (NY) Comer Comstock Conaway Cook Correa Costa Courtney Cramer Crawford Cuellar Culberson Davidson Davis, Rodney DeLauro Denham Dent DeSantis DesJarlais Diaz-Balart Donovan Doyle, Michael F. Duffy Duncan (SC) Duncan (TN) Dunn Emmer Estes (KS) Esty (CT) Farenthold Faso Ferguson Fleischmann Flores Fortenberry Foxx Franks (AZ) Frelinghuysen Gaetz Gallagher Garrett Gianforte Gibbs Gohmert Gonzalez (TX) Goodlatte Gosar Gowdy Granger Graves (GA) Graves (LA) Graves (MO) Green, Gene Griffith Grothman Guthrie Handel Harper Harris Hartzler Hensarling Herrera Beutler Hice, Jody B. Higgins (LA) Hill Himes Holding Hudson Huizenga Hultgren Hunter Hurd Issa Jenkins (KS) Jenkins (WV) Johnson (LA) Johnson (OH) Johnson, Sam Jones Jordan Joyce (OH) Kaptur Kelly (MS) Kelly (PA) King (NY) Kinzinger Knight Kustoff (TN) Labrador LaHood LaMalfa Lamborn Lance Larson (CT) Latta Lewis (MN) LoBiondo Long Loudermilk Love Lucas Luetkemeyer MacArthur Marchant Marino Marshall Massie Mast McCarthy McCaul McClintock McHenry McKinley McMorris Rodgers McSally Meadows Meehan Messer Mitchell Moolenaar Mooney (WV) Mullin Murphy (PA) Newhouse Noem Norman Nunes Olson Palazzo Palmer Paulsen Pearce Perry Peterson Pittenger Poe (TX) Poliquin Posey Ratcliffe Reed Renacci Richmond Roby Roe (TN) Rogers (AL) Rogers (KY) Rohrabacher Rokita Rooney, Francis Rooney, Thomas J. Roskam Ross Rothfus Rouzer Royce (CA) Russell Rutherford Schneider Schweikert Scott, Austin Sensenbrenner Sessions Shimkus Shuster Simpson Sinema Smith (MO) Smith (NE) Smith (NJ) Smith (TX) Smucker Stefanik Stewart Stivers Taylor Tenney Thompson (MS) Thompson (PA) Thornberry Tiberi Tipton Trott Turner Upton Valadao Wagner Walberg Walden Walker Walorski Walters, Mimi Weber (TX) Webster (FL) Wenstrup Westerman Williams Wilson (SC) Wittman Womack Woodall Yoder Yoho Young (AK) Zeldin NOT VOTING--6 Costello (PA) Cummings Hollingsworth Jeffries Napolitano Scalise Announcement by the Acting Chair The Acting CHAIR (during the vote). There is 1 minute remaining. {time} 2306 So the amendment was rejected. The result of the vote was announced as above recorded. Amendment No. 44 Offered by Ms. Esty of Connecticut The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from Connecticut (Ms. Esty) on which further proceedings were postponed and on which the noes prevailed by voice vote. The Clerk will redesignate the amendment. The Clerk redesignated the amendment. Recorded Vote The Acting CHAIR. A recorded vote has been demanded. A recorded vote was ordered. The CHAIR. This is a 2-minute vote. The vote was taken by electronic device, and there were--ayes 203, noes 224, not voting 6, as follows: [Roll No. 422] AYES--203 Adams Aguilar Amash Bacon Barragan Bass Bera Beyer Bishop (GA) Blum Blumenauer Blunt Rochester Bonamici Boyle, Brendan F. Brady (PA) Brooks (AL) Brown (MD) Brownley (CA) Bustos Butterfield Capuano Carbajal Cardenas Carson (IN) Cartwright Castor (FL) Castro (TX) Chu, Judy Cicilline Clark (MA) Clarke (NY) Clay Cleaver Clyburn Coffman Cohen Connolly Conyers Cooper Costa Courtney Crist Crowley Davis (CA) Davis, Danny DeFazio DeGette Delaney DeLauro DelBene Demings DeSaulnier Deutch Dingell Doggett Doyle, Michael F. Ellison Engel Eshoo Espaillat Esty (CT) Evans Faso Fitzpatrick Fortenberry Foster Frankel (FL) Gabbard Gallego Garamendi Gomez Gottheimer Green, Al Grijalva Gutierrez Hanabusa Hastings Heck Higgins (NY) Himes Hoyer Huffman Jackson Lee Jayapal Johnson (GA) Johnson, E. B. Kaptur Katko Keating Kelly (IL) Kennedy Khanna Kihuen Kildee Kilmer Kind King (IA) Krishnamoorthi Kuster (NH) Langevin Larsen (WA) Larson (CT) Lawrence Lawson (FL) Lee Levin Lewis (GA) Lieu, Ted Lipinski LoBiondo Loebsack Lofgren Lowenthal Lowey Lujan Grisham, M. Lujan, Ben Ray Lynch Maloney, Carolyn B. Maloney, Sean Mast Matsui McCollum McEachin McGovern McNerney Meeks Meng Moore Moulton Murphy (FL) Nadler Neal Nolan Norcross O'Halleran O'Rourke Pallone Panetta Pascrell Payne Pelosi Perlmutter Peters Pingree Pocan Poliquin Polis Price (NC) Quigley Raskin Reed Reichert Rice (NY) Rice (SC) Rosen Roybal-Allard Ruiz Ruppersberger Rush Ryan (OH) Sanchez Sanford Sarbanes Schakowsky Schiff Schneider Schrader Scott (VA) Scott, David Serrano Sewell (AL) Shea-Porter Sherman Sinema Sires Slaughter Smith (NJ) Smith (WA) Soto Speier Stefanik Suozzi Swalwell (CA) Takano Thompson (CA) Thompson (MS) Titus Tonko Torres Tsongas Upton Vargas Vela Velazquez Visclosky Walz Wasserman Schultz Waters, Maxine Watson Coleman Welch Wilson (FL) Yarmuth Young (IA) NOES--224 Abraham Aderholt Allen Amodei Arrington Babin Banks (IN) Barletta Barr Barton Beatty Bergman Biggs Bilirakis Bishop (MI) Bishop (UT) Black Blackburn Bost Brady (TX) Brat Bridenstine Brooks (IN) Buchanan Buck Bucshon Budd Burgess Byrne Calvert Carter (GA) Carter (TX) Chabot Cheney Cole Collins (GA) Collins (NY) Comer Comstock Conaway Cook Correa Cramer Crawford Cuellar Culberson Curbelo (FL) Davidson Davis, Rodney Denham Dent DeSantis DesJarlais Diaz-Balart Donovan Duffy Duncan (SC) Duncan (TN) Dunn Emmer Estes (KS) Farenthold Ferguson Fleischmann Flores Foxx Franks (AZ) Frelinghuysen Fudge Gaetz Gallagher Garrett Gianforte Gibbs Gohmert Gonzalez (TX) Goodlatte Gosar Gowdy Granger Graves (GA) Graves (LA) Graves (MO) Green, Gene Griffith Grothman Guthrie Handel Harper Harris Hartzler Hensarling Herrera Beutler Hice, Jody B. Higgins (LA) Hill Holding Hudson Huizenga Hultgren Hunter Hurd Issa Jenkins (KS) Jenkins (WV) Johnson (LA) Johnson (OH) Johnson, Sam Jones Jordan Joyce (OH) Kelly (MS) Kelly (PA) King (NY) Kinzinger Knight Kustoff (TN) Labrador LaHood LaMalfa Lamborn Lance Latta Lewis (MN) Long Loudermilk Love Lucas Luetkemeyer MacArthur Marchant Marino Marshall Massie McCarthy McCaul McClintock McHenry McKinley McMorris Rodgers McSally Meadows Meehan Messer Mitchell Moolenaar Mooney (WV) Mullin Murphy (PA) Newhouse Noem Norman Nunes Olson Palazzo Palmer Paulsen Pearce Perry Peterson Pittenger Poe (TX) Posey Ratcliffe Renacci Richmond Roby Roe (TN) Rogers (AL) Rogers (KY) Rohrabacher Rokita Rooney, Francis Rooney, Thomas J. Ros-Lehtinen Roskam Ross Rothfus Rouzer Royce (CA) Russell Rutherford Schweikert Scott, Austin Sensenbrenner Sessions Shimkus Shuster Simpson Smith (MO) Smith (NE) Smith (TX) Smucker Stewart Stivers Taylor Tenney Thompson (PA) Thornberry Tiberi Tipton Trott Turner Valadao Veasey Wagner Walberg Walden Walker Walorski Walters, Mimi Weber (TX) Webster (FL) Wenstrup Westerman Williams Wilson (SC) Wittman Womack Woodall Yoder Yoho Young (AK) Zeldin NOT VOTING--6 Costello (PA) Cummings Hollingsworth Jeffries Napolitano Scalise Announcement by the Acting Chair The Acting CHAIR (during the vote). There is 1 minute remaining. {time} 2309 So the amendment was rejected. The result of the vote was announced as above recorded. Amendment No. 52 Offered by Mr. Garamendi The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from California (Mr. Garamendi) on which further proceedings were postponed and on which the noes prevailed by voice vote. The Clerk will redesignate the amendment. [[Page H6453]] The Clerk redesignated the amendment. Recorded Vote The Acting CHAIR. A recorded vote has been demanded. A recorded vote was ordered. The Acting CHAIR. This is a 2-minute vote. The vote was taken by electronic device, and there were--ayes 180, noes 247, not voting 6, as follows: [Roll No. 423] AYES--180 Adams Aguilar Amash Barragan Bass Beatty Bera Beyer Bishop (GA) Blumenauer Blunt Rochester Bonamici Boyle, Brendan F. Brady (PA) Brown (MD) Brownley (CA) Bustos Butterfield Capuano Carbajal Cardenas Carson (IN) Cartwright Castor (FL) Castro (TX) Chu, Judy Cicilline Clark (MA) Clarke (NY) Clay Cleaver Clyburn Cohen Connolly Conyers Correa Costa Courtney Crowley Cuellar Davis (CA) Davis, Danny DeFazio DeGette Delaney DeLauro DelBene Demings DeSaulnier Deutch Dingell Doggett Doyle, Michael F. Ellison Engel Eshoo Espaillat Esty (CT) Evans Foster Frankel (FL) Fudge Gabbard Gallego Garamendi Gomez Gonzalez (TX) Green, Al Green, Gene Grijalva Gutierrez Hanabusa Hastings Heck Higgins (NY) Himes Huffman Jackson Lee Jayapal Johnson (GA) Johnson, E. B. Kaptur Keating Kelly (IL) Kennedy Khanna Kihuen Kildee Kilmer Kind Krishnamoorthi Kuster (NH) Langevin Larsen (WA) Larson (CT) Lawrence Lawson (FL) Lee Levin Lewis (GA) Lieu, Ted Lipinski Loebsack Lofgren Lowenthal Lowey Lynch Maloney, Carolyn B. Matsui McCollum McEachin McGovern McNerney Meeks Meng Moore Moulton Murphy (FL) Nadler Neal Nolan Norcross O'Rourke Pallone Panetta Pascrell Payne Pelosi Perlmutter Peters Pingree Pocan Polis Price (NC) Quigley Raskin Rice (NY) Richmond Rosen Roybal-Allard Ruiz Rush Ryan (OH) Sanchez Sarbanes Schakowsky Schiff Schneider Schrader Scott (VA) Scott, David Serrano Sewell (AL) Shea-Porter Sherman Sires Slaughter Smith (WA) Soto Speier Suozzi Takano Thompson (CA) Thompson (MS) Titus Tonko Torres Tsongas Vargas Veasey Vela Velazquez Visclosky Walz Wasserman Schultz Waters, Maxine Watson Coleman Welch Wilson (FL) Yarmuth NOES--247 Abraham Aderholt Allen Amodei Arrington Babin Bacon Banks (IN) Barletta Barr Barton Bergman Biggs Bilirakis Bishop (MI) Bishop (UT) Black Blackburn Blum Bost Brady (TX) Brat Bridenstine Brooks (AL) Brooks (IN) Buchanan Buck Bucshon Budd Burgess Byrne Calvert Carter (GA) Carter (TX) Chabot Cheney Coffman Cole Collins (GA) Collins (NY) Comer Comstock Conaway Cook Cooper Cramer Crawford Crist Culberson Curbelo (FL) Davidson Davis, Rodney Denham Dent DeSantis DesJarlais Diaz-Balart Donovan Duffy Duncan (SC) Duncan (TN) Dunn Emmer Estes (KS) Farenthold Faso Ferguson Fitzpatrick Fleischmann Flores Fortenberry Foxx Franks (AZ) Frelinghuysen Gaetz Gallagher Garrett Gianforte Gibbs Gohmert Goodlatte Gosar Gottheimer Gowdy Granger Graves (GA) Graves (LA) Graves (MO) Griffith Grothman Guthrie Handel Harper Harris Hartzler Hensarling Herrera Beutler Hice, Jody B. Higgins (LA) Hill Holding Hoyer Hudson Huizenga Hultgren Hunter Hurd Issa Jenkins (KS) Jenkins (WV) Johnson (LA) Johnson (OH) Johnson, Sam Jones Jordan Joyce (OH) Katko Kelly (MS) Kelly (PA) King (IA) King (NY) Kinzinger Knight Kustoff (TN) Labrador LaHood LaMalfa Lamborn Lance Latta Lewis (MN) LoBiondo Long Loudermilk Love Lucas Luetkemeyer Lujan Grisham, M. Lujan, Ben Ray MacArthur Maloney, Sean Marchant Marino Marshall Massie Mast McCarthy McCaul McClintock McHenry McKinley McMorris Rodgers McSally Meadows Meehan Messer Mitchell Moolenaar Mooney (WV) Mullin Murphy (PA) Newhouse Noem Norman Nunes O'Halleran Olson Palazzo Palmer Paulsen Pearce Perry Peterson Pittenger Poe (TX) Poliquin Posey Ratcliffe Reed Reichert Renacci Rice (SC) Roby Roe (TN) Rogers (AL) Rogers (KY) Rohrabacher Rokita Rooney, Francis Rooney, Thomas J. Ros-Lehtinen Roskam Ross Rothfus Rouzer Royce (CA) Ruppersberger Russell Rutherford Sanford Schweikert Scott, Austin Sensenbrenner Sessions Shimkus Shuster Simpson Sinema Smith (MO) Smith (NE) Smith (NJ) Smith (TX) Smucker Stefanik Stewart Stivers Swalwell (CA) Taylor Tenney Thompson (PA) Thornberry Tiberi Tipton Trott Turner Upton Valadao Wagner Walberg Walden Walker Walorski Walters, Mimi Weber (TX) Webster (FL) Wenstrup Westerman Williams Wilson (SC) Wittman Womack Woodall Yoder Yoho Young (AK) Young (IA) Zeldin NOT VOTING--6 Costello (PA) Cummings Hollingsworth Jeffries Napolitano Scalise Announcement by the Acting Chair The Acting CHAIR (during the vote). There is 1 minute remaining. {time} 2312 Ms. KAPTUR changed her vote from ``no'' to ``aye.'' So the amendment was rejected. The result of the vote was announced as above recorded. Amendment No. 54 Offered by Ms. Pingree The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from Maine (Ms. Pingree) on which further proceedings were postponed and on which the noes prevailed by voice vote. The Clerk will redesignate the amendment. The Clerk redesignated the amendment. Recorded Vote The Acting CHAIR. A recorded vote has been demanded. A recorded vote was ordered. The Acting CHAIR. This is a 2-minute vote. The vote was taken by electronic device, and there were--ayes 192, noes 235, not voting 6, as follows: [Roll No. 424] AYES--192 Adams Aguilar Barragan Bass Beatty Bera Beyer Bishop (GA) Blumenauer Blunt Rochester Bonamici Boyle, Brendan F. Brady (PA) Brown (MD) Brownley (CA) Bustos Butterfield Capuano Carbajal Cardenas Carson (IN) Cartwright Castor (FL) Castro (TX) Chu, Judy Cicilline Clark (MA) Clarke (NY) Clay Cleaver Clyburn Cohen Connolly Conyers Cooper Correa Costa Courtney Crist Crowley Cuellar Davis (CA) Davis, Danny DeFazio DeGette Delaney DeLauro DelBene Demings DeSaulnier Deutch Dingell Doggett Doyle, Michael F. Ellison Engel Eshoo Espaillat Esty (CT) Evans Fitzpatrick Fortenberry Foster Frankel (FL) Fudge Gabbard Gallego Garamendi Gomez Gottheimer Green, Al Green, Gene Grijalva Gutierrez Hanabusa Hastings Heck Higgins (NY) Himes Hoyer Huffman Jackson Lee Jayapal Johnson (GA) Johnson, E. B. Kaptur Keating Kelly (IL) Kennedy Khanna Kihuen Kildee Kilmer Kind Krishnamoorthi Kuster (NH) Langevin Larsen (WA) Larson (CT) Lawrence Lawson (FL) Lee Levin Lewis (GA) Lieu, Ted Lipinski Loebsack Lofgren Lowenthal Lowey Lujan Grisham, M. Lujan, Ben Ray Lynch Maloney, Carolyn B. Maloney, Sean Matsui McCollum McEachin McGovern McNerney Meeks Meng Moore Moulton Murphy (FL) Nadler Neal Nolan Norcross O'Halleran O'Rourke Pallone Panetta Pascrell Payne Pelosi Perlmutter Peters Pingree Pocan Poliquin Polis Price (NC) Quigley Raskin Rice (NY) Richmond Rosen Roybal-Allard Ruiz Ruppersberger Rush Ryan (OH) Sanchez Sarbanes Schakowsky Schiff Schneider Schrader Scott (VA) Scott, David Serrano Sewell (AL) Shea-Porter Sherman Sinema Sires Slaughter Smith (WA) Soto Speier Suozzi Swalwell (CA) Takano Thompson (CA) Thompson (MS) Titus Tonko Torres Tsongas Vargas Veasey Vela Velazquez Visclosky Walz Wasserman Schultz Waters, Maxine Watson Coleman Welch Wilson (FL) Yarmuth NOES--235 Abraham Aderholt Allen Amash Amodei Arrington Babin Bacon Banks (IN) Barletta Barr Barton Bergman Biggs Bilirakis Bishop (MI) Bishop (UT) Black Blackburn Blum Bost Brady (TX) Brat Bridenstine Brooks (AL) Brooks (IN) Buchanan Buck Bucshon Budd Burgess Byrne Calvert Carter (GA) Carter (TX) Chabot Cheney Coffman Cole Collins (GA) Collins (NY) Comer Comstock Conaway Cook Cramer Crawford Culberson [[Page H6454]] Curbelo (FL) Davidson Davis, Rodney Denham Dent DeSantis DesJarlais Diaz-Balart Donovan Duffy Duncan (SC) Duncan (TN) Dunn Emmer Estes (KS) Farenthold Faso Ferguson Fleischmann Flores Foxx Franks (AZ) Frelinghuysen Gaetz Gallagher Garrett Gianforte Gibbs Gohmert Gonzalez (TX) Goodlatte Gosar Gowdy Granger Graves (GA) Graves (LA) Graves (MO) Griffith Grothman Guthrie Handel Harper Harris Hartzler Hensarling Herrera Beutler Hice, Jody B. Higgins (LA) Hill Holding Hudson Huizenga Hultgren Hunter Hurd Issa Jenkins (KS) Jenkins (WV) Johnson (LA) Johnson (OH) Johnson, Sam Jones Jordan Joyce (OH) Katko Kelly (MS) Kelly (PA) King (IA) King (NY) Kinzinger Knight Kustoff (TN) Labrador LaHood LaMalfa Lamborn Lance Latta Lewis (MN) LoBiondo Long Loudermilk Love Lucas Luetkemeyer MacArthur Marchant Marino Marshall Massie Mast McCarthy McCaul McClintock McHenry McKinley McMorris Rodgers McSally Meadows Meehan Messer Mitchell Moolenaar Mooney (WV) Mullin Murphy (PA) Newhouse Noem Norman Nunes Olson Palazzo Palmer Paulsen Pearce Perry Peterson Pittenger Poe (TX) Posey Ratcliffe Reed Reichert Renacci Rice (SC) Roby Roe (TN) Rogers (AL) Rogers (KY) Rohrabacher Rokita Rooney, Francis Rooney, Thomas J. Ros-Lehtinen Roskam Ross Rothfus Rouzer Royce (CA) Russell Rutherford Sanford Schweikert Scott, Austin Sensenbrenner Sessions Shimkus Shuster Simpson Smith (MO) Smith (NE) Smith (NJ) Smith (TX) Smucker Stefanik Stewart Stivers Taylor Tenney Thompson (PA) Thornberry Tiberi Tipton Trott Turner Upton Valadao Wagner Walberg Walden Walker Walorski Walters, Mimi Weber (TX) Webster (FL) Wenstrup Westerman Williams Wilson (SC) Wittman Womack Woodall Yoder Yoho Young (AK) Young (IA) Zeldin NOT VOTING--6 Costello (PA) Cummings Hollingsworth Jeffries Napolitano Scalise Announcement by the Acting Chair The Acting CHAIR (during the vote). There is 1 minute remaining. {time} 2315 So the amendment was rejected. The result of the vote was announced as above recorded. Amendment No. 56 Offered by Ms. Jackson Lee The Acting CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from Texas (Ms. Jackson Lee) on which further proceedings were postponed and on which the noes prevailed by voice vote. The Clerk will redesignate the amendment. The Clerk redesignated the amendment. Recorded Vote The Acting CHAIR. A recorded vote has been demanded. A recorded vote was ordered. The Acting CHAIR. This is a 2-minute vote. The vote was taken by electronic device, and there were--ayes 234, noes 192, not voting 7, as follows: [Roll No. 425] AYES--234 Abraham Adams Aguilar Barragan Bass Beatty Bera Beyer Blumenauer Blunt Rochester Bonamici Boyle, Brendan F. Brady (PA) Brooks (IN) Brown (MD) Brownley (CA) Bustos Butterfield Capuano Carbajal Cardenas Carson (IN) Carter (TX) Cartwright Castor (FL) Castro (TX) Chu, Judy Cicilline Clark (MA) Clarke (NY) Clay Cleaver Clyburn Coffman Cohen Collins (GA) Connolly Conyers Cooper Correa Costa Courtney Crist Crowley Cuellar Culberson Curbelo (FL) Davis (CA) Davis, Danny DeFazio DeGette Delaney DeLauro DelBene Demings Dent DeSaulnier Deutch Diaz-Balart Dingell Doggett Donovan Doyle, Michael F. Ellison Engel Eshoo Espaillat Esty (CT) Evans Farenthold Faso Fitzpatrick Flores Fortenberry Foster Frankel (FL) Gabbard Gallego Garamendi Gomez Gonzalez (TX) Granger Graves (LA) Green, Al Green, Gene Grijalva Gutierrez Hanabusa Hartzler Hastings Heck Herrera Beutler Higgins (LA) Higgins (NY) Himes Hoyer Huffman Hurd Jackson Lee Jayapal Jenkins (WV) Johnson (GA) Johnson (LA) Johnson, E. B. Kaptur Katko Keating Kelly (IL) Kennedy Khanna Kihuen Kildee Kilmer King (NY) Kinzinger Krishnamoorthi Kuster (NH) Langevin Larsen (WA) Larson (CT) Lawrence Lawson (FL) Lee Levin Lewis (GA) Lieu, Ted Lipinski LoBiondo Loebsack Lofgren Lowenthal Lowey Lujan Grisham, M. Lujan, Ben Ray Lynch MacArthur Maloney, Carolyn B. Marchant Matsui McCaul McCollum McEachin McGovern McKinley McNerney McSally Meehan Meeks Meng Mooney (WV) Moore Moulton Murphy (FL) Nadler Neal Nolan Norcross O'Halleran O'Rourke Olson Pallone Panetta Pascrell Paulsen Payne Pelosi Perlmutter Peters Pingree Pocan Poe (TX) Polis Price (NC) Quigley Raskin Rice (NY) Rice (SC) Rooney, Thomas J. Ros-Lehtinen Rosen Roybal-Allard Ruiz Ruppersberger Rush Ryan (OH) Sanchez Sarbanes Schakowsky Schiff Schneider Schrader Scott (VA) Scott, David Serrano Sewell (AL) Shea-Porter Sherman Simpson Sinema Sires Slaughter Smith (TX) Smith (WA) Soto Speier Stivers Suozzi Swalwell (CA) Takano Tenney Thompson (CA) Thompson (MS) Titus Tonko Trott Tsongas Upton Vargas Veasey Vela Velazquez Visclosky Wagner Walker Walorski Walz Wasserman Schultz Waters, Maxine Watson Coleman Weber (TX) Welch Wilson (FL) Yarmuth Young (IA) NOES--192 Aderholt Allen Amash Amodei Arrington Babin Bacon Banks (IN) Barletta Barr Barton Bergman Biggs Bilirakis Bishop (GA) Bishop (MI) Bishop (UT) Black Blackburn Blum Bost Brady (TX) Brat Bridenstine Brooks (AL) Buchanan Buck Bucshon Budd Burgess Byrne Calvert Carter (GA) Chabot Cheney Cole Collins (NY) Comer Comstock Conaway Cook Cramer Crawford Davidson Davis, Rodney Denham DeSantis DesJarlais Duffy Duncan (SC) Duncan (TN) Dunn Emmer Estes (KS) Ferguson Fleischmann Foxx Franks (AZ) Frelinghuysen Fudge Gaetz Gallagher Garrett Gianforte Gibbs Gohmert Goodlatte Gosar Gottheimer Gowdy Graves (GA) Graves (MO) Griffith Grothman Guthrie Handel Harper Harris Hensarling Hice, Jody B. Hill Holding Hudson Huizenga Hultgren Hunter Issa Jenkins (KS) Johnson (OH) Johnson, Sam Jones Jordan Joyce (OH) Kelly (MS) Kelly (PA) Kind King (IA) Knight Kustoff (TN) Labrador LaHood LaMalfa Lamborn Lance Latta Lewis (MN) Long Loudermilk Love Lucas Luetkemeyer Maloney, Sean Marino Marshall Massie Mast McCarthy McClintock McHenry McMorris Rodgers Meadows Messer Mitchell Moolenaar Mullin Murphy (PA) Newhouse Noem Norman Nunes Palazzo Palmer Pearce Perry Peterson Pittenger Poliquin Posey Ratcliffe Reed Reichert Renacci Richmond Roby Roe (TN) Rogers (AL) Rogers (KY) Rohrabacher Rokita Rooney, Francis Roskam Ross Rothfus Rouzer Royce (CA) Russell Rutherford Sanford Schweikert Scott, Austin Sensenbrenner Sessions Shimkus Shuster Smith (MO) Smith (NE) Smith (NJ) Smucker Stefanik Stewart Taylor Thompson (PA) Thornberry Tiberi Tipton Turner Valadao Walberg Walden Walters, Mimi Webster (FL) Wenstrup Westerman Williams Wilson (SC) Wittman Womack Woodall Yoder Yoho Young (AK) Zeldin NOT VOTING--7 Costello (PA) Cummings Hollingsworth Jeffries Napolitano Scalise Torres Announcement by the Acting Chair The Acting CHAIR (during the vote). There is 1 minute remaining. {time} 2320 Messrs. THOMAS J. ROONEY of Florida, KATKO, HIGGINS of Louisiana, JENKINS of West Virginia, and MOONEY of West Virginia changed their vote from ``no'' to ``aye.'' So the amendment was agreed to. The result of the vote was announced as above recorded. Amendment No. 57 Offered by Ms. Jackson Lee The Acting CHAIR (Mr. Walker). It is now in order to consider amendment No. 57 printed in House Report 115-259. Ms. JACKSON LEE. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: At the end of division D, before the short title, insert the following: Sec. \_\_. The amounts otherwise provided by this Act are revised by reducing the amount made available for ``Corps of Engineers-Civil--Construction'', and increasing [[Page H6455]] the amount made available for the same account, by $100,000,000. The Acting CHAIR. Pursuant to House Resolution 473, the gentlewoman from Texas (Ms. Jackson Lee) and a Member opposed each will control 5 minutes. The Chair recognizes the gentlewoman from Texas. Ms. JACKSON LEE. Mr. Chairman, I again thank the chairman and the ranking member of the subcommittee for this very critical work. My amendment speaks to the need for robust funding for the U.S Army Corps of Engineers' construction account by redirecting $100 million for increased funding for critical construction projects like those projects that are current and future projects throughout the Nation. As a Federal agency that collects and studies basic information pertaining to river and harbor, and flood and storm damage reduction, it is important that the Army Corps of Engineers and the construction unit have the funding to focus its resources around the Nation again. The U.S Army Corps of Engineers plays a critical role in the building, maintaining, and expanding of the most critical of the Nation's infrastructures. The Energy and Water Development, and Related Agencies Subcommittee has an important responsibility, and it is to ensure the safety of the Nation's waterways. Some of these waterways are in and around many of our States, particularly in the State of Texas. Not only do we have a concept of bayous, but, for example, we are surrounded in many parts by the Gulf. We have an enormous amount of water in rivers, and the Army Corps of Engineers is particularly important as it relates to flooding. But we have seen flooding across America. So this particular amendment is to ensure that resources are there as Americans face unusual flooding that has been occurring over the last decades. I will give you an example. During May 2015, in the Houston flood, 3,015 homes were flooded and eight people died. During the April 2016 Houston flood, 5,400 homes were flooded and eight deaths were recorded. The economic damage caused by the 2015 Houston flood is estimated at $3 billion. I want my colleagues to know that this amendment is not for a region or an area. It is really to help the Nation. Mr. Chairman, I would like to conclude by simply thanking the committee and staff and, again, reminding individuals that we can save lives through the work of the Army Corps of Engineers in stopping flooding that impacts not only my region of the country, but really across the country. I conclude with one final statement: We in our community are entering hurricane season. This will be a very important amendment as we enter hurricane season all over the Nation. Mr. Chair, I want to thank Chairman Simpson and Ranking Member Kaptur for shepherding this legislation to the floor and for their commitment to preserving America's great natural environment and resources so that they can serve and be enjoyed by generations to come. My amendment speaks to the need for robust funding for the U.S Army Corps of Engineers ``Construction'' account by redirecting $100 million for increased funding for critical construction projects, like those current and future projects proposed for the Houston/Harris County metropolitan area. As the federal agency that collects and studies basic information pertaining to river and harbor, flood and storm damage reduction, shore protection, aquatic ecosystem restoration, and conducts detailed studies, ***plans***, and specifications for river and harbor, and flood and storm damage reduction, the U.S Army Corps of Engineer plays a critical role in the building, maintaining, and expanding the most critical of the nation's infrastructure. We understand this very well in my home state of Texas and the Eighteenth Congressional District that I represent. The Army Corps of Engineers has been working with the Harris County Flood Control District since 1937 to reduce the risk of flooding within Harris County. Current projects include 6 federal flood risk management projects: 1. Sims Bayou 2. Greens Bayou 3. Brays Bayou 4. White Oak Bayou 5. Hunting Bayou, and 6. Clear Creek. In addition to these ongoing projects, the Army Corps of Engineers operates and maintains the Addicks and Barker (A&B) Detention Dams in northwest Harris County. Such a study is certainly needed given the frequency and severity of historic-level flood events in recent years in and around the Houston metropolitan area, it is clear that much more needs to be done to minimize the vulnerability of the nation's 4th largest metropolitan area and economic engine from the flood damage. On April 15, 2016, an estimated 240 billion gallons of water fell in the Houston area over a 12 hour period, which resulted in several areas exceeding the 100 to 500 year flood event record. The areas that experienced these historic rain falls were west of I- 45, north of I-10, and Greens Bayou. Additionally, an estimated 140 billion gallons of water fell over the Cypress Creek, Spring Creek, and Addicks watershed in just 14 hours. Mr. Chair, during the May 2015 Houston flood, 3,015 homes were flooded and 8 persons died; during the April 2016 Houston flood, 5,400 homes were flooded and 8 deaths recorded. The economic damage caused by the 2015 Houston flood is estimated at $3 billion; the 2016 estimate is being compiled and is estimated to be well above $2 billion. Mr. Chair, minimizing the risk of flood damage to the Houston and Harris County metropolitan area, the nation's 4th largest, is a matter of national significance because the region is one of the nation's major technology, energy, finance, export and medical centers: 1. Port of Houston is the largest bulk port in the world; 2. Texas Medical Center is a world renowned teaching, research and treatment center; 3. Houston is home to the largest conglomeration of foreign bank representation and second only to New York City as home to the most Fortune 500 companies; and 4. The Houston Watershed Assessment study area sits within major Hurricane Evacuation arteries for the larger Galveston Gulf Coast region. I ask my colleagues to join me and support Jackson Lee Amendment No. 57. I thank Chairman Simpson and Ranking Member Kaptur for their work in shepherding this bill to the floor. Mr. Chairman, I ask support for the Jackson Lee amendment, and I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Texas (Ms. Jackson Lee). The amendment was agreed to. Amendment No. 58 Offered by Ms. Jackson Lee The Acting CHAIR. It is now in order to consider amendment No. 58 printed in House Report 115-259. Ms. JACKSON LEE. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: At the end of division D (before the short title), insert the following: Sec. \_\_. None of the funds made available by this Act for ``Department of Energy--Energy ***Programs***--Science'' may be used in contravention of the Department of Energy Organization Act (42 U.S.C 7101 et seq.). The Acting CHAIR. Pursuant to House Resolution 473, the gentlewoman from Texas (Ms. Jackson Lee) and a Member opposed each will control 5 minutes. The Chair recognizes the gentlewoman from Texas. Ms. JACKSON LEE. Mr. Chairman, my amendment is a very simple amendment that promotes STEM education, which is really a vital part of the future of this Nation. In particular, my amendment says: ``None of the funds made available by this act for `Department of Energy--Energy ***Programs***--Science' may be used in contravention of the Department of Energy Organization Act.'' This amendment was approved and adopted just in the last session. Twenty years ago, on February 11, we were directed to identify and address the disproportionately high and adverse human health or environmental effects of their actions on minority and low-income populations. The Department of Energy ceased to provide equal access in these opportunities for underrepresented groups in STEM, including minorities, Native Americans, and women. Mr. Chairman, women and minorities make up 70 percent of college students, but only 45 percent of undergraduates [[Page H6456]] are STEM degree holders. This large pool of untapped talent is a great potential source of STEM professional, but it also deprives the United States of its best minds to be able to help it in the 21st century. As the Nation's demographics are shifting and now more children under the age of 1 are minorities, it is critical that we close the gap in the number of minorities who seek system opportunities. Mr. Chairman, there are still a great many scientific riddles left to be solved. And perhaps one of these days, a minority engineer or biologist will come up with some of the solutions. As many have done in the past, the larger point is that we need more STEM educators and more minorities to qualify them. My amendment turns our importance to the importance of energy and science education ***programs***, funded in part by this bill, and will help to ensure that members of unrepresented communities are not placed at a disadvantage when it comes to environmental sustainability, preservation, and health. {time} 2330 Mr. Chairman, in closing, let me take note of some of the colleagues that I have had the privilege of being neighbors to. NASA's Johnson Space Center is, if I might say, one of the neighbors of my community, great respect for the astronauts; Major Bolden, who serves as head of NASA; and Mae Jemison is my neighbor, the first African-American woman who went into space. I want more of those individuals coming from our Nation's schools, and I ask my colleagues to support this amendment that will encourage those in low-income communities and minorities, Native Americans, and others to join in and support the opportunities for STEM education. Mr. Chair, I want to thank Chairman Simpson and Ranking Member Kaptur for shepherding this legislation to the floor and for their commitment to preserving America's great natural environment and resources so that they can serve and be enjoyed by generations to come. Jackson Lee Amendment No. 58 simply provides that: ``None of the funds made available by this Act for `Department of Energy--Energy ***Programs***--Science' be used in contravention of the Department of Energy Organization Act (42 U.S.C 7101 et seq.).'' This amendment was approved and adopted in identical form on April 29, 2015, during the 114th Congress as an amendment to H.R 2028, the Energy and Water Resources Appropriations Act of 2016. Mr. Chair, twenty years ago, on February 11, 1994, President Clinton issued Executive Order 12898, directing federal agencies to identify and address the disproportionately high and adverse human health or environmental effects of their actions on minority and low-income populations. The Department of Energy seeks to provide equal access in these opportunities for underrepresented groups in STEM, including minorities, Native Americans, and women. Mr. Chair, women and minorities make up 70 percent of college students, but only 45 percent of undergraduate STEM degree holders. This large pool of untapped talent is a great potential source of STEM professionals. As the nation's demographics are shifting and now most children under the age of one are minorities, it is critical that we close the gap in the number of minorities who seek STEM opportunities. I encourage Energy Secretary Perry to surpass the commitment of his predecessors' toward increasing the nation's economic competitiveness and enabling more of our people to realize their full potential. Mr. Chair, there are still a great many scientific riddles left to be solved--and perhaps one of these days a minority engineer or biologist will come-up with some of the solutions. The larger point is that we need more STEM educators and more minorities to qualify for them. The energy and science education ***programs*** funded in part by this bill will help ensure that members of underrepresented communities are not placed at a disadvantage when it comes to the environmental sustainability, preservation, and health. Through education about the importance of environmental sustainability, we can promote a broader understanding of science and how citizens can improve their surroundings. Through community education efforts, teachers and students have also benefitted by learning about radiation, radioactive waste management, and other related subjects. The Department of Energy places interns and volunteers from minority institutions into energy efficiency and renewable energy ***programs***. The DOE also works to increase low income and minority access to STEM fields and help students attain graduate degrees as well as find employment. With the continuation of this kind of funding, we can increase diversity, provide clean energy options to our most underserved communities, and help improve their environments, which will yield better health outcomes and greater public awareness. But most importantly businesses will have more consumers to whom they may engage in related commercial activities. My amendment will help ensure that underrepresented communities are able to participate and contribute equitably in the energy and scientific future. I ask my colleagues to join me and support Jackson Lee Amendment No. 58. Mr. Chairman, I ask for support of the Jackson Lee amendment, and I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Texas (Ms. Jackson Lee). The amendment was agreed to. Amendment No. 59 Offered by Mr. Gosar The Acting CHAIR. It is now in order to consider amendment No. 59 printed in House Report 115-259. Mr. GOSAR. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: At the end of division D (before the short title), insert the following: Sec. \_\_\_. None of the funds made available by this Act may be used to prepare, propose, or promulgate any regulation or guidance that references or relies on the analysis contained in-- (1) ``Technical Support Document: Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866'', published by the Interagency Working Group on Social Cost of Carbon, United States Government, in February 2010; (2) ``Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866'', published by the Interagency Working Group on Social Cost of Carbon, United States Government, in May 2013 and revised in November 2013; (3) ``Revised Draft Guidance for Federal Departments and Agencies on Consideration of Greenhouse Gas Emissions and the Effects of Climate Change in NEPA Reviews'', published by the Council on Environmental Quality on December 24, 2014 (79 Fed. Reg. 77801); (4) ``Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866'', published by the Interagency Working Group on Social Cost of Carbon, United States Government, in July 2015; (5) ``Addendum to the Technical Support Document on Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866: Application of the Methodology to Estimate the Social Cost of Methane and the Social Cost of Nitrous Oxide'', published by the Interagency Working Group on Social Cost of Greenhouse Gases, United States Government, in August 2016; or (6) ``Technical Support Document: Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866'', published by the Interagency Working Group on Social Cost of Greenhouse Gases, United States Government, in August 2016. The Acting CHAIR. Pursuant to House Resolution 473, the gentleman from Arizona (Mr. Gosar) and a Member opposed each will control 5 minutes. The Chair recognizes the gentleman from Arizona. Mr. GOSAR. Mr. Chairman, I rise today to offer a commonsense amendment that will protect American jobs and the economy by prohibiting funds from being used to implement the Obama administration's flawed Social Cost of Carbon, or SCC, valuation. This job-killing and unlawful guidance sneakily attempts to pave the way for cap-and-trade-like mandates. Congress and the American people have repeatedly rejected cap-and- trade proposals. Knowing that he could not lawfully enact a carbon tax ***plan***, President Obama attempted to circumvent Congress by playing loose and fast with the Clean Air Act to unilaterally implement this unlawful new requirement under the guise of guidance. The Obama administration continuously used the SCC valuation models, which can be easily manipulated, to try and justify new job-killing regulations. Although President Trump issued an executive order in March to disband the Interagency Working Group on Social Cost of Greenhouse Gases, Federal [[Page H6457]] agencies continue to work on the SCC valuation. My amendment is necessary to strengthen the intent of President Trump's executive order while also ensuring that it is Congress, not the executive branch, which sets tax and environmental policy. The committee wisely issued guidance in the bill report to delay the promulgation of SCC regulations until a new working group is convened. My amendment explicitly prohibits funds from being used to implement the deeply flawed Social Cost of Carbon guidance in the bill text. The House has a clear, consistent, and strong record of opposition to the Social Cost of Carbon. My colleagues voted in favor of my amendment in FY17 appropriations by a clear majority of 230-188. In fact, the House has decisively voted 10 times to block, defund, or oppose the Social Cost of Carbon since 2013. My amendment ensures this Chamber's position remains consistent and crystal clear in FY18. Roger Martella, a self-described lifelong environmentalist and career environmental lawyer, testified at the May 2015 House Natural Resources Committee hearing on the revised SCC guidance and the flaws associated with the Social Cost of Carbon model, stating that the ``'Social Cost of Carbon' estimates suffer from a number of significant flaws that should exclude them from the NEPA process.'' Amongst these flaws are, one, that the ``projected costs of carbon emissions can be manipulated by changing key parameters such as timeframes, discount rates, and other values that have no relation to a given project undergoing review.'' Two, ``OMB and the other Federal agencies developed the draft Social Cost of Carbon estimates without any known peer review or opportunity for public comment during the development process.'' Three, ``OMB's draft Social Cost of Carbon estimates are based primarily on global rather than domestic costs and benefits.'' Four, ``there is still considerable uncertainty in many of the assumptions and data elements used to create the draft Social Cost of Carbon estimates, such as the damage functions and modeled time horizons.'' Mr. Martella's testimony was spot on. Congress, not Washington bureaucrats, should dictate our country's climate change policy. The sweeping and costly changes that the Social Cost of Carbon metric would impose are not only misguided and unwise, they are also based on fundamentally flawed policies that sidestepped Congress, did not go through the normal regulatory process, and received no public comment. Worse yet, the model utilized to predict the Social Cost of Carbon can be easily manipulated to arrive at the desired outcome. Regardless of one's positions on climate change, my colleagues surely must respect the constitutional role of the legislative branch and oppose bureaucratic efforts to circumvent Congress to impose an extremist environmental agenda that is not based on best available science. Congress must provide certainty to business and consumers that the costly and scientifically bankrupt Social Cost of Carbon valuation will not creep its way into our regulatory process. My amendment provides that certainty. Over the last 2 years, this effort has received support from the American Energy Alliance, Americans for Limited Government, Americans for Tax Reform, Arch Coal, Competitive Enterprise Institute, the Council for Citizens Against Government Waste, FreedomWorks, National Mining Association, the National Taxpayers Union, and Taxpayers Protection Alliance. Congress, not anonymous Washington bureaucrats, should dictate our country's tax and climate change policy. I urge my colleagues to support my amendment to, once again, block the flawed Social Cost of Carbon. I commend the chairman and the committee for their efforts on this legislation, and I urge support of my amendment. Mr. Chairman, I reserve the balance of my time. Ms. KAPTUR. Mr. Chairman, I claim the time in opposition to the amendment. The Acting CHAIR. The gentlewoman from Ohio is recognized for 5 minutes. Ms. KAPTUR. Mr. Chairman, I think the gentleman has a point of view that I do not support, but in terms of this amendment, it really is not necessary. It is redundant. On March 28 of this year, Executive Order No. 13783, signed by President Donald Trump, has rescinded every one of the analyses that the gentleman referenced in his proposed amendment. So this amendment does less than nothing. It has already been dealt with through executive order. I would just encourage my colleagues to let's move the agenda along this evening where we will have significant debate perhaps on other matters. Mr. Chairman, I urge my colleagues to oppose this amendment because it is redundant at this point, and I yield back the balance of my time. Mr. GOSAR. Mr. Chairman, I want to reiterate even though President Trump issued an executive order in March to disband the Interagency Working Group on Social Cost of Greenhouse Gases, Federal agencies continue to work on the SCC valuation. So I, at the very least, would expect everybody to support this. Mr. Chairman, I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentleman from Arizona (Mr. Gosar). The amendment was agreed to. Amendment No. 60 Offered by Ms. DelBene The Acting CHAIR. It is now in order to consider amendment No. 60 printed in House Report 115-259. Ms. DelBENE. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: At the end of division D, before the short title, insert the following: Sec. \_\_. None of the funds made available in this division may be used for the procurement of anchor chain that is not subject to the restrictions in section 225.7007-1 of title 48, Code of Federal Regulations. The Acting CHAIR. Pursuant to House Resolution 473, the gentlewoman from Washington (Ms. DelBene) and a Member opposed each will control 5 minutes. The Chair recognizes the gentlewoman from Washington. Ms. DelBENE. Mr. Chairman, I rise today to offer an important amendment to this year's Energy and Water Development Appropriations bill. It fixes a serious problem that must be addressed to protect hardworking Americans in my district and across the country. Both parties can agree that our Nation should be spending taxpayer dollars on goods manufactured here at home, not overseas, whenever we can. Doing so not only supports American jobs in our communities but also reinforces our national security. Even President Trump called for strengthening enforcing laws that promote American industry and American workers. So I hope my colleagues from both sides of the aisle can come together on this issue. Particularly in these uncertain times, it is imperative that we protect American production capabilities by supporting U.S manufacturers. Every year since 1991, Congress has included a provision in the Department of Defense Appropriations bill to require that military agencies purchase anchor chain from American businesses. For the last 2 years, the House and Senate have supported an amendment of mine clarifying that this requirement applies to the Army Corps of Engineers. Unfortunately, the Corps has continued to ignore clear congressional intent and has made several acquisitions of foreign-made anchor chain from countries like China and Korea. Until the Army Corps follows the policy, I will keep fighting to support U.S manufacturers and their workers, and I hope the whole Chamber will join me in this effort. My amendment strengthens the existing language in this bill to better protect the critical production capability, support our manufacturing industry, and put American workers first. Mr. Chairman, I urge my colleagues to vote ``yes'' on this amendment, and I reserve the balance of my time. [[Page H6458]] Mr. SIMPSON. Mr. Chairman, I claim the time in opposition to the amendment. The Acting CHAIR. The gentleman from Idaho is recognized for 5 minutes. Mr. SIMPSON. Mr. Chairman, I recognize the underlying bill has language on this issue, but I understand that the requirement may not be as comprehensive as my colleague supports. I am concerned that the amendment before us may have unintended consequences. If my colleague would withdraw the amendment today, I will commit to working together as this bill moves through the legislative process to see if we can address her concerns in a manner acceptable to everyone. Otherwise, I will have to oppose the amendment. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Ohio. Ms. KAPTUR. Mr. Chairman, I rise to support the intent of the gentlewoman's amendment. I am very glad to hear what the gentlewoman is saying. She is trying to do everything she can to support American-made products and particularly American-made anchor chain. I would be willing to work with the chairman and the gentlewoman as the process goes forward to ensure we purchase American-made products. I just wanted to express that support. I thank the gentleman for his offer. Mr. SIMPSON. Mr. Chairman, if the gentlewoman is willing to withdraw the amendment, we will work together to see if we can solve this. Mr. Chairman, I yield back the balance of my time. Ms. DelBENE. Mr. Chairman, I appreciate the gentleman's willingness to work with me on this important issue and also Representative Kaptur for her support. Our Nation can't afford to lose its critical production capability. We should not allow American workers to be left behind, so I look forward to working with the gentleman and the gentlewoman. Mr. Chairman, I yield back the balance of my time, and I withdraw my amendment. The Acting CHAIR. The amendment is withdrawn. amendment no. 61 offered by mr. burgess The Acting CHAIR. It is now in order to consider amendment No. 61 printed in House Report 115-259. Mr. BURGESS. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: At the end of division D (before the short title) insert the following new section: Sec. \_\_. None of the funds made available in this division may be used-- (1) to implement or enforce section 430.32(x) of title 10, Code of Federal Regulations; or (2) to implement or enforce the standards established by the tables contained in section 325(i)(1)(B) of the Energy Policy and Conservation Act (42 U.S.C 6295(i)(1)(B)) with respect to BPAR incandescent reflector lamps, BR incandescent reflector lamps, and ER incandescent reflector lamps. The Acting CHAIR. Pursuant to House Resolution 473, the gentleman from Texas (Mr. Burgess) and a Member opposed each will control 5 minutes. The Chair recognizes the gentleman from Texas. Mr. BURGESS. Mr. Chairman, I rise today to offer an amendment to prevent the distortion of the free market by the Federal Government. Since its passage in 2007 of the Energy Independence and Security Act, I have heard from virtually tens of thousands of constituents about the language in that act and how it will take away consumer choice when constituents are deciding which lightbulbs they will use in their homes. Mr. Chairman, they are right. Mr. Chairman, in the interest of time, I want to point out this exact amendment has been accepted for the past 6 years by the House. Three of those years it was accepted by voice vote. It was included in the annual appropriations legislation signed into law by President Obama every year since its first inclusion in 2011, and has been a priority of the Republican Conference since its adoption into law. It allows consumers to continue to have a choice and to have a say about what type of lightbulb they will put into their homes. Congress should fight to preserve the free market. It is common sense. Mr. Chairman, I reserve the balance of my time. Ms. KAPTUR. Mr. Chairman, I rise in opposition to the amendment. The Acting CHAIR. The gentlewoman from Ohio is recognized for 5 minutes. Ms. KAPTUR. Mr. Chairman, with all the respect I have for Congressman Burgess, I oppose this damaging rider which would block the Department of Energy from implementing or enforcing commonsense energy efficiency standards for lightbulbs. This rider was a bad idea when it was first offered 7 years ago, and it is even more unsupportable now. Why do I say that? Because every claim made by proponents of the rider have been proven wrong. Number one, we have been told, including by Dr. Burgess, that the energy efficiency standards would ban incandescent lightbulbs. That is simply false. You can go to the store today and see shelves of modern energy efficient incandescent lightbulbs that meet the standard, and they are the same as the old bulbs except they last longer, use less electricity, and save consumers money. Then we heard for years that the energy efficiency standards restrict consumer choice. {time} 2345 If you have shopped for lightbulbs lately, which I have, you know that isn't true. In fact, modern incandescent bulbs, compact fluorescent lightbulbs, and LEDs of every shape, size, and color are now available. Consumers have never had more choice, and the efficiency standard spurred innovation that dramatically expanded options for consumers. I am amazed how many shelves lightbulbs now occupy in the stores. Critics of the efficiency standards claim that they would cost consumers money. In fact, the opposite is true. When the standards are in full effect, the average American family will save about $100 per year. That is pretty good. That is $12.5 billion in savings for consumers and businesses nationwide every year. That is $12.5 billion. But this rider threatens those savings. That is why consumer groups have consistently opposed this rider. Here is the reality. The 2007 consensus energy efficiency standards for lightbulbs were enacted with bipartisan support and continue to enjoy overwhelming industry support. U.S manufacturers are already meeting the efficiency standards. The effect of the rider is to allow foreign manufacturers to sell old, inefficient lightbulbs in the United States that violate the efficiency standards. That is unfair to domestic manufacturers who have invested millions of dollars in U.S plants to make efficient bulbs that meet the standards. Why on Earth would we want to pass a rider that favors foreign manufacturers who ignore our laws and penalize U.S manufacturers who are following our laws? But it gets even worse. The mere existence of this rider poses and additional threat to U.S manufacturing. The bipartisan 2007 Energy bill required the Department of Energy to establish updated lightbulb efficiency standards by January 1 of this year. It also provided that, if final updated standards are not issued by then, a more stringent backstop standard of 45 lumens per watt automatically takes effect, and incandescent lightbulbs currently cannot meet this backstop standard. Well, we are well into 2017, and the Burgess lightbulb rider has remained on the books. So, earlier this year, the Department of Energy had to go forward with finalizing the 45-lumens-per-watt backstop standard. Approving this rider year after year is ultimately what blocked the Department of Energy from issuing the required efficiency standards in time to avoid such stringent measures. Ironically, it is this rider that would effectively ban the incandescent lightbulb in 2020. The Burgess rider directly threatens existing lightbulb manufacturing jobs in the United States. It would stifle innovation and punish companies that have invested in domestic manufacturing. This rider aims to reverse years of technological progress, only to kill jobs, increase electricity bills for our consumers, and worsen pollution. [[Page H6459]] It is time to choose common sense over rigid ideology. It is time to listen to the manufacturing companies, consumer groups, and efficiency advocates who all agree that this rider is harmful. Mr. Chairman, I urge all Members to vote ``no'' on the Burgess lightbulb rider, and I yield back the balance of my time. Mr. BURGESS. Mr. Chairman, I will disagree on the economics that were just presented. But apart from the economics of the lightbulb mandate, that is, in fact, only part of the story. With the extreme expansion of Federal powers undertaken in the last administration, when the Democrats were in charge of Congress for 4 years, Americans have just now begun to see how far the Constitution's Commerce Clause has been manipulated from its original intent. The lightbulb mandate is a perfect example of this manipulation. The Commerce Clause was intended by our Founding Fathers to be a limitation on Federal authority, not a catchall in order to allow for any topic to be regulated by Washington. Indeed, it is clear that the Founding Fathers never intended for this clause to be used to allow the Federal Government to regulate and pass mandates on consumer products that do not pose a risk to either human health or safety. Mr. Chairman, in December of 2007, when this bill was first passed, the columnist George Will observed on television one Sunday morning that it is the job of the Federal Government to defend the borders and deliver the mail. But instead of keeping up with those two tasks, we instead decided to ban the incandescent bulb. It was wrong in 2007. It is wrong in 2017. Mr. Chairman, I urge adoption of the amendment, and I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentleman from Texas (Mr. Burgess). The amendment was agreed to. Amendment No. 62 Offered by Mrs. Blackburn The Acting CHAIR. It is now in order to consider amendment No. 62 printed in House Report 115-259. Mrs. BLACKBURN. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: At the end of division D (before the short title), insert the following: Sec. \_\_. Each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by 1 percent. The Acting CHAIR. Pursuant to House Resolution 473, the gentlewoman from Tennessee (Mrs. Blackburn) and a Member opposed each will control 5 minutes. The Chair recognizes the gentlewoman from Tennessee. Mrs. BLACKBURN. Mr. Chairman, first of all, I want to begin by thanking the committee for their hard work on this appropriations bill. Every year, I come to this floor through the appropriations process to present amendments calling for 1 percent across-the-board cuts. So many years I have come down here to talk about how the spending continues to increase. Indeed, our budget does increase. But I have to tell you, the chairman and his team have done an incredible job this year. The outlays that we see in this bill this year are $209 million-- think about that--less than the budget authority from last year. That is significant, and it should be recognized and should be praised, because that is the type of work that we need to see. Now, I do continue to present the 1 percent across-the-board amendment because we are facing a time in our Nation where 1 percent makes a difference, just as we are seeing from the good work that they have done. Passing this amendment for the 1 percent across-the-board spending reduction would save us an additional $376 million. It is important to do because our Nation is facing $20 trillion in debt. Because of that, we have to ask ourselves: Is it important to spend some of the money that is being spent on ***programs*** that we see taking place in the Department of Energy? It causes us to look at these ***programs*** and talk about priorities, where we should spend those precious dollars that are not Federal dollars. They are taxpayer dollars that are coming out of the pockets of hardworking men and women. Indeed, we have, many times, quoted Admiral Mullins' comments from July 6, 2010, that the greatest threat to our Nation's security is our Nation's debt. Because of that, I recognize and applaud the good work that has been done, but I encourage support for my amendment and the continued honing and prioritizing of what takes the taxpayer money that is spent by this body. Mr. Chairman, I reserve the balance of my time. Mr. SIMPSON. Mr. Chairman, I claim the time in opposition. The Acting CHAIR. The gentleman from Idaho is recognized for 5 minutes. Mr. SIMPSON. Mr. Chairman, let me first say that I compliment the gentlewoman for her consistency. She is a true budget hawk in trying to make sure that we ultimately balance this budget. It is tough work to do that. We have actually, as she mentioned, reduced spending in this bill over last year. Could we reduce it another 1 percent across the board? The problem is we have to choose some priority in the bill. The highest priority we had was our Nation's defense, the nuclear weapons ***program***. Even though the overall bill is down $206 million, the defense activities are actually up nearly a billion dollars. We then have to look at the infrastructure of this Nation and the fact that we have deteriorating infrastructure, and Congress has told us that each year we have to meet what is called the WRDA target. We have to spend with the Army Corps of Engineers to meet the infrastructure of our harbors, dams, and inland waterways and restore those things, because it is very important to our commerce and something the Congress supports greatly. So when we have had to increase the Army Corps of Engineers funding over what was spent last year and then we have had to increase weapons activity, that means the Department of Energy has been significantly reduced over what they were last year. We have had to make some very hard choices. We have cut the EERE, Energy Efficiency and Renewable Energy, ***program*** in half from $2 billion to $1 billion, roughly. We have had to eliminate the ARPA-E ***program***, a ***program*** that I happen to support, but we just don't have the money for it. We have had to eliminate the loan guarantee ***program***, a ***program*** that, again, I support, but we just don't have the money for it. So we have made some significant reductions while prioritizing basic science research and those types of activities within the Department of Energy. I think we have done a good job, given a pretty skinny budget. We have made tough choices. That is okay. That is what we do all the time in the Appropriations Committee. The reality is, if we are ever going to balance this budget, if anybody looks at the numbers, right now we are spending about 70 percent of our total Federal budget on mandatory ***programs***. We have been reducing discretionary spending over the years. As a portion of the total budget, it has gone down every year. If we don't get a hold of mandatory spending--Medicare, Medicaid, Social Security, and interest on the debt--within 10 years we will have enough money for our mandatory ***programs*** and defense, nothing else-- zero. We are not going to balance this budget by reducing discretionary spending. Keeping control of it, you bet, that is what we have been doing. That is what the Appropriations Committee has been doing since 2010, or earlier. We have actually been reducing spending. It is very important that we do that. But we have to get a hold of mandatory spending if we are going to balance the budget. So while I appreciate what the gentlewoman is trying to do, I agree with her, we need to balance this budget. We need to balance this budget. Unfortunately, this is not the way to do it. So I have to oppose this amendment and hope my colleagues would oppose it also. Mr. Chairman, I yield back the balance of my time. [[Page H6460]] Mrs. BLACKBURN. Mr. Chairman, I will tell you every comment that Mr. Simpson made about the mandatory spending is something that I agree with. Yes, we have to do that. But just as we in Congress have reduced our Legislative Branch budget by about 20 percent over the last few years, and just as our Appropriations Committee has done a wonderful job of pulling back on the spending that is done to discretionary, we need to give that same challenge to the bureaucracy, to those rank-and- file Federal employees and challenge them to go save a penny on a dollar out of what they are appropriated. Find a way to yield savings to the work that they do and help us with this process to rein in spending. Mr. Chairman, I encourage support of the amendment, and I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentlewoman from Tennessee (Mrs. Blackburn). The question was taken; and the Acting Chair announced that the noes appeared to have it. Mrs. BLACKBURN. Mr. Chairman, I demand a recorded vote. The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Tennessee will be postponed. Amendment No. 63 Offered by Mr. Perry The Acting CHAIR. It is now in order to consider amendment No. 63 printed in House Report 115-259. Mr. PERRY. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: At the end of division D (before the short title), insert the following: Sec. \_\_\_. None of the funds made available by this Act may be used to implement or enforce the final rule published by the Secretary of Energy entitled ``Energy Conservation ***Program***: Test Procedures for Central Air Conditioners and Heat Pumps'' published on January 5, 2017 (82 Fed. Reg. 1426). The Acting CHAIR. Pursuant to House Resolution 473, the gentleman from Pennsylvania (Mr. Perry) and a Member opposed each will control 5 minutes. The Chair recognizes the gentleman from Pennsylvania. Mr. PERRY. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, first of all, I want to thank the Appropriations Committee for the extraordinary work they have done in a very limited amount of time. This amendment would prohibit the use of funds to implement or enforce the final rule published by the former Secretary of Energy, entitled: ``Test Procedures for Central Air Conditioners and Heat Pumps.'' Mr. Chairman, this is simply an example of too much Washington, too much government. I am sure it was well-intended, but I am not sure if the good idea fairies in Washington really realized fully what they did. {time} 0000 Certainly we want to have test standards and so on and so forth, but the one-size-fits-all approach that comes out of Washington misses some folks and can cause some irreparable damage to businesses all around the country. And all around the country there are small manufacturers that are trying to build some air-conditioners. In particular, there is one in the district that I represent that builds custom-made air-conditioners and heat pumps for skyscrapers and high-rise buildings. If I can picture the scene, the original units are put in when the buildings are being constructed. So there are cranes available, there are openings in the walls and in the structure, and they just move the stuff in, and then they close it all up. In 10, 15, 20, 30 years later when they go to replace it, well, the walls are in, the windows are in, the people are in, the offices are in. There is no crane available, and they have to piece this thing together through the elevator and into the closet. So this company, like other ones around the country, make custom-made ones, each one for a specific application--each one. But the Department of Energy, and this rule in particular, says that this company must test each model that they make for these efficiency standards--each one--an arduous test taking months, if not years, in documentation for one application. Again, I am sure the Department of Energy was well-intended. However, this rule is going to put a business out. They work in the city of York, a fine city in central Pennsylvania, right downtown where we want manufacturing to happen, where people can walk to work. These folks are trying. They are struggling to survive in this economy, and the only thing that is going to put them out is this regulation, Mr. Chairman. While well-intended, it is not going to be helpful. These folks are trying to do the right thing, but the government is getting in the way. Believe it or not, Consumer Reports actually recommended against buying some of these systems under this testing rule because the systems had higher costs and poor repair records. Believe it or not, Mr. Chairman, the free market actually fixes most of this stuff. Most of us want to buy more efficient things that are cheaper, that are easier to maintain, and have a better record. This is Consumer Reports talking. This isn't Perry's record. This is Consumer Reports talking. Let us not put this company out of business. Let us not put these companies out of business. Let us be responsible. I urge passage. Mr. Chairman, I reserve the balance of my time. Ms. KAPTUR. Mr. Chair, I claim time in opposition to the amendment. The Acting CHAIR. The gentlewoman from Ohio is recognized for 5 minutes. Ms. KAPTUR. Mr. Chair, I rise in strong opposition to this particular amendment. I say to the gentleman: For the company in your district, the regulations include the opportunity for waiver. And I would hope that the company in your district would be able to work that out. The amendment that the gentleman proposes seeks to prohibit the Department of Energy from implementing testing procedures for the energy efficiency standards set for heat pumps and air-conditioners. I, as the consumer, whether I am buying a heat pump, a furnace, a refrigerator--and every American who now shops looks for those--that is like the sticker. That is what you really look for, and you want to know how much you are going to pay every year for what that product will cost you for energy. And the better product you have, and you are able to put that on a label and it is verified by the Department of Energy, that helps sales. The original standards that were created were supported and have been supported by the Edison Electric Institute, the association which represents all investor-owned utilities. The amendment, by the way, is opposed by the Air Conditioning, Heating, and Refrigeration Institute, which represents manufacturers of HVAC systems that employ over 1.3 million Americans. And industry opposes the amendment, environmentalists oppose it, because it would cost an average--a cumulative cost to Americans of $12.2 billion over 30 years. So there is a lot of opposition to this. It is important to note that these standards were negotiated in a collaborative process by industry groups, environmental nonprofits, and consumer advocates with the Department of Energy. A rider like this one damages the integrity of the negotiated rulemaking process, which is designed to provide certainty and voice to the industry and education and information to consumers. Test procedures are simple and important. The Department of Energy develops them to make sure companies are rating their product accurately so consumers don't get stuck paying higher bills than they expect, so you know what you buy. Let's be clear. This amendment would effectively nullify the efficiency standards for heating and cooling systems, in spite of the fact that these standards project that it will save billions of dollars over the period that they are applied, and that is equivalent to having 1 million fewer homes connected to the grid over the same period. It is an enormous savings. If there is a particular company that is unfairly impacted by these rules, there are outlets for regulatory relief through waivers, as I have mentioned, and this amendment would neuter [[Page H6461]] those standards and thereby allow cheap imports to undercut American products by exploiting the lack of standards. We don't want to go back to that. I look for those yellow labels. To protect American manufacturers, to save Americans money on their utility bills, and to reduce air pollution, I strongly oppose this amendment, and I urge my colleagues to vote ``no.'' The gentleman may have a good intention in offering this amendment, but I don't think you want to take away the benefits to the American people for one company in your district when that company, in fact, can negotiate and receive a waiver. I would just ask my colleagues to vote ``no.'' Mr. Chairman, I yield back the balance of my time. Mr. PERRY. Mr. Chairman, we are in agreement that the regulations have to be in place. I, too, like the yellow sticker, just like she does; and somehow the yellow stickers are in place without this new rule. They are there right now. You have been seeing them for years. This is new--this is a new regulation. I would contend that, yeah, the manufacturers have gotten on board and they have negotiated this rule. Because what choice did they have, right? The Federal Government is going to regulate. They are going to do it. You either get in the game and play ball or you know what happens to the bat. Right? They didn't want to be in that position, so they took the best they could. I am telling you and it is my contention that the free market is going to figure this out because we all want the most efficient, the most cost-effective, and the most maintenance-effective, whether it is an air-conditioner, whether it is a car, or whether it is an electric toothbrush. We don't need the Federal Government telling us to do it. By the way, this company has applied for a waiver, years in the making. They literally have the president of the company spending almost, he said, 85 percent of his time dealing with Federal regulation compliance. The president of the company is the guy who wants to hire these 125 people, go make sales, and ***produce*** things. Instead, all he is doing is dealing with the Federal Government. Somehow, someway we all got to this point. It feels pretty cool in the Capitol right now, right? It feels pretty cool in the House of Representatives. The yellow labels were there before this regulation ever happened. Mr. Chairman, I ask and urge the Members to vote in favor of the amendment, and I yield back the balance of my time. The Acting CHAIR. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. Perry). The question was taken; and the Acting Chair announced that the ayes appeared to have it. Ms. KAPTUR. Mr. Chair, I demand a recorded vote. The Acting CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Pennsylvania will be postponed. Amendment No. 64 Offered by Mr. Budd The Acting CHAIR. It is now in order to consider amendment No. 64 printed in House Report 115-259. Mr. BUDD. Mr. Chairman, as the designee of the gentleman from Florida (Mr. Francis Rooney), I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: At the end of the division D (before the short title), insert the following: Sec. \_\_. None of the funds made available by this Act may be used to implement, administer, or enforce the prevailing wage requirements in subchapter IV of chapter 31 of title 40, United States Code (commonly referred to as the Davis-Bacon Act). The Acting CHAIR. Pursuant to House Resolution 473, the gentleman from North Carolina (Mr. Budd) and a Member opposed each will control 5 minutes. The Chair recognizes the gentleman from North Carolina. Mr. BUDD. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, the Davis-Bacon Act hinders economic growth and increases the Federal deficit. It imposes enormous burdens, stifles contractor productivity, ignores skill differences for different jobs, and imposes rigid craftwork rules. The Congressional Budget Office has estimated that the Davis-Bacon Act will raise Federal construction costs by $13 billion between 2015 and 2023. Now, wages are often set at or above the union scale, despite the fact that only 13 percent of the private construction workforce is even unionized nationwide, Mr. Chairman. {time} 0010 The Davis-Bacon wage determinations have also been known to be lower than the current market rate, which is equally problematic and especially detrimental for local contractors. It is just erratic. The GAO, the Government Accountability Office, has repeatedly criticized DOL's Davis-Bacon wage determination process for its lack of transparency in the published wage rates and its tendency to gather erroneous data through unscientific wage surveys. Repealing the DBA would allow the government to build more infrastructure and create 155,000 new construction-related jobs at the very same cost to the taxpayers. In fact, repealing Davis-Bacon would have saved the Federal Government $10.9 billion, and that was back in 2011. This amendment would uphold the government's responsibility to deliver quality infrastructure improvements at the best possible price to the taxpayers, which is certainly what we owe them. It is imperative that all levels of government guarantee the general public that their tax dollars are being spent in the most effective way possible. Mr. Chairman, I thank the gentleman from Florida (Mr. Francis Rooney) for his work on this amendment, and I withdraw my amendment. The Acting CHAIR. The amendment is withdrawn. The Chair understands that amendment No. 65 will not be offered. Amendment No. 70 Offered by Mr. Mitchell The Acting CHAIR (Mr. Perry). It is now in order to consider amendment No. 70 printed in House Report 115-259. Mr. MITCHELL. Mr. Chairman, I have an amendment at the desk. The Acting CHAIR. The Clerk will designate the amendment. The text of the amendment is as follows: At the end of division D (before the short title), insert the following: Sec. \_\_\_. None of the funds made available by this Act may be used to delay the release of the Great Lakes and Mississippi River Interbasin Study (GLMRIS) Brandon Road Study. The Acting CHAIR. Pursuant to House Resolution 473, the gentleman from Michigan (Mr. Mitchell) and a Member opposed each will control 5 minutes. The Chair recognizes the gentleman from Michigan. Mr. MITCHELL. Mr. Chairman, I rise today as an advocate of the Great Lakes. It is with that spirit I propose my amendment to prevent funds to be used to further delay the release of the Brandon Road Study. Anyone who has spent time in my home State of Michigan or any of the Great Lakes States knows the beauty and importance of the lakes. In addition to their majesty, the Great Lakes supply 90 percent of the United States freshwater supply. Thirty million people live at the Great Lakes Basin, and they are all impacted by the quality of our lakes, whether as a water source, source of business, recreational opportunity, or the lakes' inherent value as a natural wonder. Any risk to the Great Lakes is a significant problem, no matter how you measure that risk. One of the threats facing our lakes is the potential entry of invasive species, the most pressing of which, at this time, is the threat of Asian carp entering the Great Lakes. Asian carp have no natural predators in the lakes, meaning once they enter the Great Lakes, there is no way to stop their spread. Their unrestrained growth would disrupt the entire ecosystem. In addition to the damage to native wildlife in the lakes, the introduction of Asian carp would damage several multibillion-dollar industries, including the fishing and boating industries which support countless jobs in my [[Page H6462]] home State of Michigan and the Great Lakes. Given the threat imposed by invasive species, the Army Corps of Engineers has been studying the best way to prevent introduction of the Asian carp into the Great Lakes Basin. Their study, the Brandon Road Study, was initially slated to be released on February 28 but has been delayed until further notice. Delaying this study impedes the ability of all interested parties to develop a long-term strategy to thwart this threat. The continued delays create a great risk, yet no reason for delaying that release has been provided. In late June, a live Asian carp was caught in the Illinois waterway about 2 miles below the T.J O'Brien Lock and Dam, 9 miles from Lake Michigan. This is the first time an Asian carp has been discovered in such close proximity to our lakes. Though further study is necessary to determine how this carp entered the area, it is an alarming warning that the window is quickly closing to prevent large-scale devastation to the Great Lakes' ecosystem. The best way to mitigate the damage of Asian carp in our lakes is to stop it from happening altogether. For several months, members of the Great Lakes Task Force have requested the release of the Brandon Road Study, to no avail. I stand here today to again call on the Army Corps to release the study, which we have already paid for and they have conducted. My amendment would prevent the Corps from using any more money--our money--to delay the release of the study. Mr. Chairman, I urge my colleagues to support my amendment for the sake of the Great Lakes and for the well-being of our entire region. Mr. Chairman, I reserve the balance of my time. Ms. KAPTUR. Mr. Chairman, I ask unanimous consent to claim the time in opposition, although I do not oppose the amendment. The Acting CHAIR. Is there objection to the request of the gentlewoman from Ohio? There was no objection. The Acting CHAIR. The gentlewoman from Ohio is recognized for 5 minutes. Ms. KAPTUR. Mr. Chairman, I rise in strong support of this amendment offered by my friends, Mr. Mitchell and Mr. Huizenga and, I have no doubt, many fellow travelers from the Great Lakes delegation on both sides of the aisle. I find it somewhat unusual that it is the last amendment this evening after midnight. I wish it had come up about 6 o'clock on the evening news. This is an issue we know well, as Mr. Huizenga, Mr. Mitchell, and certainly our chairman, Mr. Simpson, has heard a great deal about this now, and our ranking members on the full committee as well. We introduced a bill last month with the same ultimate effect of preventing the spread of Asian carp into the Great Lakes. The Great Lakes represent a $7 billion fishery, deeply threatened by these critters, Asian carp, that shouldn't even be in this country but began their movement up the Mississippi River when they were brought in to do bottom cleaning in Mississippi in the special fish tanks that were set up down there many years ago as bottom feeders. There was some type of storm and they hopped out. The walls were breached, and they began their journey up the Mississippi until now. They are within just a few miles of Lake Michigan. Just a few weeks ago, a 28-inch Asian carp was caught beyond the protective barriers, which is a temporary solution, only 9 miles from Lake Michigan. Yet, even in this time of greatest danger, the Brandon Road Study, which Congressman Mitchell outlined, which merely identifies options for preventing Asian carp from reaching the Great Lakes, has not been released by the U.S Army Corps of Engineers. This amendment would prevent the administration from expending any more funds to further delay the release of this study for public comment. My colleagues should know that this study is already completed. After working on it for years at a cost of nearly $7 million, it now sits on a shelf at the Corps, and they are unwilling to release it for reasons we do not understand. Asian carp represent a serious economic and environmental threat to the entire Great Lakes. These mean critters are voracious eaters. They destroy native species and overwhelm their new ecosystems. They have gotten into the Ohio River, and they have gotten into rivers near Peoria. They eat up everything in their sight. They completely upend native ecosystems, and it is truly terrifying what they will do to our lakes, as you can see in this photograph. They are prolific, they are large, and they are predatory. We should be aggressively pursuing action to prevent the spread of the Asian carp to the Great Lakes, yet the roadmap to getting there is locked in bureaucratic purgatory. Finally, I would like to point out that this is not a partisan issue. Our substantively similar bill has 15 Republican and 16 Democratic cosponsors, who represent the vast majority of the Great Lakes coastline. In these hyperpartisan times, our constituents are united in their love for the Great Lakes, their desire to protect them, and their understanding of how vital they are to the future of this country and continent. Mr. Chairman, I urge support for this amendment from all of my colleagues in order to save the national treasures that are the Great Lakes. Mr. Chairman, I thank Congressman Mitchell and Congressman Huizenga for taking the lead this evening from the great Wolverine State--and we Buckeyes don't often say that, do we--for embracing what is truly important to all of us, and I urge my colleagues to support the Mitchell-Huizenga amendment. Mr. Chairman, I yield back the balance of my time. Mr. SIMPSON. Mr. Chairman, as the designee of Chairman Frelinghuysen, I move to strike the last word. The Acting CHAIR. The gentleman from Idaho is recognized for 5 minutes. Mr. SIMPSON. Mr. Chairman, while I would like to support this amendment, unfortunately, I can't. But, believe me, I understand and have learned from Ms. Kaptur and the members of the Great Lakes States when I was chairman of the Interior, Environment, and Related Agencies Subcommittee. And now she sits on the Interior, Environment, and Related Agencies Subcommittee with me, and they have all come and talked to me about this problem. This, unfortunately, pits kind of one State against another, and what I am trying to do is find a solution to this, because I happen to agree with these individuals that it seems rather silly that we go out and ask for a report to be done and then can't seem to get it released--not only the final report, we can't even get a draft report released that will go out for comment. That doesn't make any sense to me. {time} 0020 But I know that there are Members who also have concerns about that, but that is, frankly, why you release a draft report, so that you can get the comments. During full committee consideration on the Energy and Water bill, we discussed a similar amendment that was offered by Ms. Kaptur, my ranking member, Mr. Joyce, and Mr. Moolenaar; and I committed to them at the time that I would work with all interested parties and Members to try to move these efforts forward, and I am happy to reiterate that commitment now. What I am asking is if the gentleman will withdraw the amendment, give me a chance, and I commit to try to get this report out, because I think it needs to get done, and I think, together, we can convince the Army Corps and maybe the administration that it needs to get done. So that would be my request. Mr. Chair, I yield back the balance of my time. Mr. MITCHELL. Mr. Chair, in deference to Mr. Simpson, I will work with him and others in the Great Lakes Legislative Caucus to see if we can't move forward on this issue. Mr. Chairman, I yield back the balance of my time, and I withdraw my amendment. The Acting CHAIR. The amendment is withdrawn. Mr. SIMPSON. Mr. Chairman, I move that the Committee do now rise. The motion was agreed to. Accordingly, the Committee rose; and the Speaker pro tempore (Mr. [[Page H6463]] Mitchell) having assumed the chair, Mr. Perry, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R 3219) making appropriations for the Department of Defense for the fiscal year ending September 30, 2018, and for other purposes, had come to no resolution thereon.

**Load-Date:** August 1, 2017

**End of Document**



[***Government targets 20pc rise in agriculture output this year***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S2R-VM61-F17J-S08R-00000-00&context=1516831)

Asia News Network

June 5, 2017 Monday

Copyright 2017 Asia News Network All Rights Reserved



**Length:** 514 words

**Byline:** James Kon

**Body**

The Department of ***Agriculture*** and Agrifood is targeting a 20-per-cent increase in total output from ***agriculture***, agrifood and livestock sectors for this year and expects to achieve a total output worth B$1,080.97 million by 2020.

The ambitious targets of the department’s ***Strategic*** ***Plan*** 2016-2020 were revealed by Hajah Khartini binti Haji Musa, Acting Deputy Director of ***Agriculture*** and Agrifood to local farmers and agro-sector entrepreneurs during a briefing session at the Ministry of Primary Resources and Tourism yesterday.

Highlighting the current status of ***agriculture*** development, she said that as of 2016, Brunei has a land mass of 7,360.51 hectares for ***agriculture***, comprising 2,882.25 hectares for poultry development and 4,478.51 hectares for plantation.

There are currently a total of 5,642 entrepreneurs registered under the Department of ***Agriculture*** and Agrifood who operate in livestock, plantation and agrifood sectors.

She pointed out that ***agriculture*** output for the past 10 years from 2007 to 2016 increased by 93 per cent.

In 2016, the gross ***agriculture*** production value stood at B$385.18 million, a 5.2 per cent increase compared to 2015.

The contribution of the sector to the gross domestic product (GDP) of the country is 0.57 per cent.

Through the ***strategic*** ***plan*** of the department, she hoped that "the agro industry output can be increased exponentially with poultry and plantation sectors as the main contributors. The processing sector will continue to grow through the contribution of the poultry and plantation industry.

"To further develop the ***agriculture*** sector, especially livestock and plantation, among the efforts carried out by the department include encouraging participation of foreign direct investment and enhancing access to export markets," Hajah Khartini said.

"The ***strategic*** objectives of the department are to increase output from ***agriculture***, livestock and agrifood sectors annually to be able contribute to the GDP as well as to boost export and other economic activities, to continuously raise productivity from ***agriculture***, livestock and agrifood sectors through utilising modern technologies and bringing foreign direct investment," she explained.

"Other objectives include reducing dependence on government expenditure in implementing strategies and ***programmes*** to increase output through public-private partnership and other approaches; creating opportunities for local investors and entrepreneurs to be involved in agro-based industries that can contribute to creation of employment for locals; and to implement preventive measures to protect ***agriculture***, livestock and agrifood industries from diseases that can be spread to humans," she said.

The ***strategic*** ***plan*** will also ensure quality and safety of food ***produced*** by ***agriculture***, livestock and agrifood industries for the prosperity of the people in the country.

Other presenters yesterday included Hirman bin Haji Abu, Head of Crop Industry Division and Haji Mohd Al-Zamilludin bin Haji Ahmad, an officer from Livestock Industry and Veterinary Services Division.

**Source:** Borneo Bulletin (Brunei)

**Graphic**

Hajah Khartini binti Haji Musa, Acting Deputy Director of ***Agriculture*** and Agrifood

**Load-Date:** April 12, 2018

**End of Document**



[***Shanta Gold Limited Final Results -2-***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5NSP-67H1-F0CC-S08F-00000-00&context=1516831)

London Stock Exchange Aggregated Regulatory News Service (ARNS)

June 13, 2017 Tuesday 7:01 AM GMT

Copyright 2017 London Stock Exchange All Rights Reserved



**Length:** 1552 words

**Body**

Shanta continues to contribute significantly to the national and local economy within Tanzania. At 31 December 2016, Shanta and its contractors employed 1,285 (2015 - 1,045) people. Of the Shanta workforce, 95% are Tanzanian, 49% of whom come from the local communities. During the year, Shanta generated US$107.1 million in foreign exchange for Tanzania and paid US$15.4 million in royalties, direct and indirect taxes (excluding VAT) to the Tanzanian Government.

At the end of April 2017, Shanta had US$12.5 million in VAT refunds outstanding and is engaged in top level discussions with the Government, with the aim to release the outstanding VAT refunds and is hopeful that this matter will be resolved in the near future.

Shanta also notes the Tanzanian export ban on gold/copper concentrate that was made by the President of the United Republic of Tanzania, in March 2017. As Shanta has clarified, the Company does not ***produce*** or export any concentrate from its operations Shanta only ***produces*** and exports gold doré and as such there is no impact to the Company. Further to a recent mineral licencing proclamation in Tanzania, Shanta does not hold a Special Mining Licence on its licences and is thus not subject to recent requirements to list on the Tanzanian Stock Exchange.

Compared to recent years of price decline, the gold market remained relatively stable in 2016 as a whole, taking into account the volatility that we have come to expect. Gold prices started 2016 at around US$1,070 per ounce finishing at around US$1,150 /oz. Within the year, the gold price rose above US$1,300 /oz for over three months; a price maintained until October when prices retreated. Shanta's hedging policy assisted in delivering an average gold price for gold sold over the year of US$1,223 /oz at a time of critical investment in the future of the Company.

As part of its risk management and long-term closure ***planning***, Shanta is actively catalysing alternative economic activity in the districts and regions in which it operates. This has been evidenced in the year with the development of ***agriculture*** projects with scalable and commercial potential. In 2016, over 1,000 local farmers received training to enhance productivity and efficiency. Our understanding of and approach to the inter-relationships we have with the local communities are key differentiators for Shanta and a platform for our future growth. Relations between the Company and the community remain strong.

In June 2016, John Rickus, a member of your Board for the last three years, sadly passed away. He brought enviable mining expertise to our Board deliberations and his wide experience of all types of mining in Africa and other emerging markets was most valuable. He was also a man of great personality and humour.

We are fortunate to have another very experienced mining executive join our Board in Keith Marshall whose appointment was approved today and I would like to take this opportunity to welcome him to the Company. We believe Keith's experience in mining and within Africa will bring further expertise to the Board and be of considerable value as the Company develops its portfolio of underground and surface mining operations.

On behalf of the Board, I would like to, once again, sincerely thank the entire Shanta team for their support and commitment in delivering a strong performance. During FY2016 we have continued to demonstrate and deliver on the potential of NLGM's true value. We remain fully confident of delivering a sustainable, strongly cash generative business and I look forward to reporting on our future progress.

A P W Durrant

Chairman

12 June 2017

Chief Executive Officer's Review

I am pleased to report on another successful operational and financial performance for FY2016. Shanta Gold has delivered a record year in terms of its health and safety practices, gold production and operating cost. The Company generated an EBITDA of US$50.2 million on US$107.1 million of revenue. Operations were centred around Shanta's flagship ***producing*** asset, New Luika, located in south west Tanzania, and its development project, Singida, located in central Tanzania.

Business Sustainability

As embodied in our Vision and Values, protecting our people, the environment and the community from harm is a pre-requisite to being a "Respected Mining Company that makes a Meaningful Difference". Across the business, the cumulative Total Injury Frequency Rate ("TIFR") for 2016 was 4.60 representing a 33% reduction over 2015 (6.09), and an excellent achievement for the year. I am pleased to report that the injuries that were sustained throughout the year were minor and resulted in no Lost Time ("LTI") Injuries for the Year. This included a six-month period where operations transitioned from open pit to underground which always adds an additional dimension of risk.

Similarly, on the Environmental side, there were no significant reportable incidents for 2016, a continuation from 2015. Internal ***programs*** such as the solar power project and waste segregation initiatives have resulted in the Company establishing best practice across the operations.

For 2016, Shanta ***produced*** a separate detailed Sustainability Report, in line with the Global Reporting Initiatives. This report provided the detail behind our initiatives in Safety, Health, Environment, Asset Protection, and Community and is a standard that Shanta aims to improve each and every year.

New Luika Gold Mine Operations

FY 2016 FY 2015 FY 2014

============================ ======== ======== ========

Tonnes ore mined 615,432 478,144 529,850

============================ ======== ======== ========

Tonnes ore milled 597,583 563,619 580,664

============================ ======== ======== ========

Grade (g/t) 5.08 4.96 5.18

============================ ======== ======== ========

Recovery (%) 89.9 89.6 87.8

============================ ======== ======== ========

Gold production (ounces) 87,713 81,873 84,028

============================ ======== ======== ========

Gold sales (ounces) 86,332 80,622 87,758

============================ ======== ======== ========

Silver production (ounces) 126,572 121,682 101,347

============================ ======== ======== ========

Realised gold price

(US$/oz) 1,220 1,163 1,289

============================ ======== ======== ========

In line with the BCMP delivered in September 2015, New Luika maintained a consistent mill feed through 2016 from its surface mining activity together with a sound Run of Mine ("ROM") stockpile strategy. Total mill feed was 598,000 tonnes at an average grade of 5.08 g/t for the production of 87,713 oz of gold. Significantly, this is a new gold production record for New Luika and reflects the high quality of the mineral resources as well as the skills and efficiencies that Shanta has endeavoured to bring to the operation. AISC for the year were US$661 /oz rounding off a successful financial year that delivered quarter-after-quarter of reliable performance enabling the Company to beat its guidance on both production and cost.

FY 2016 Q4 2016 Q3 2016 Q2 2016 Q1 2016 FY 2015 Q4 2015 Q3 2015 Q2 2015 Q1 2015

Tonnes ore mined 615,432 62,978 93,507 266,686 192,262 478,144 184,167 147,324 89,368 57,285

Tonnes ore milled 597,583 151,827 144,930 151,698 149,128 563,619 155,622 150,216 119,857 137,924

Grade (g/t) 5.08 4.26 4.90 5.48 5.69 4.96 6.50 5.68 4.27 3.38

Recovery (%) 89.9 90.8 90.2 89.5 89.3 89.6 89.5 89.5 89.3 90.1

Gold production

(ounces) 87,713 18,897 20,580 23,896 24,341 81,873 29,139 24,532 14,686 13,516

Gold sales

(ounces) 86,332 15,285 23,426 26,134 21,486 80,622 29,228 26,254 11,590 13,551

Silver production

(ounces) 126,572 24,731 30,381 36,316 35,144 121,682 39,153 36,107 22,145 24,278

Realised gold

price

(US$/oz) 1,220 1,187 1,301 1,246 1,132 1,163 1,087 1,175 1,222 1,252

================== ======== ======== ======== ======== ======== ======== ======== ======== ======== ========

Of the open pits within NLGM's licence area, Luika was completed in June 2016 and Bauhinia Creek in September 2016. A large stockpile of high grade ore was established at the ROM pad as a key ***strategic*** component of the transition to underground. This will allow for a consistent level of ore to be fed through the plant as the underground mining ***program*** develops. The final grades achieved at the base of Bauhinia Creek pit were exceptional and bode well for the future of the underground extraction.

The Ilunga Pit was opened up in July 2016 and will complete in 2017. Operations at Jamhuri Pit, which had been suspended in January 2016, were resumed in the last quarter to source low-cost waste material for the starter walls of the new Tailings Storage Facility ("TSF"). Jamhuri remains available as a back source of open pit ore.

**Load-Date:** June 13, 2017

**End of Document**



[***Top news from Polish politics, economy, business & financial markets - 16:30; BUSINESS & EQUITY MARKET NEWS***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:64R9-6WS1-JCG5-H310-00000-00&context=1516831)

PAP Market Insider

March 13, 2018 Tuesday 4:33 PM CET

Copyright 2018 PAP Polish Press Agency All Rights Reserved



**Length:** 1191 words

**Byline:** Bastian Krzysztof

**Highlight:** Following is a digest of the day's top news as compiled by PAP Market Insider.

**Body**

BUSINESS & EQUITY MARKET NEWS

BANKING/ ALIOR - Listed lender Alior Bank tapped deputy CEO Katarzyna Sulkowska to take the top seat, pending the approval of regulator KNF, following the resignation of acting CEO Michal Chyczewski, Alior said in a market filing.

COAL, POWER/ ENEA, BOGDANKA - Poland is undertaking building an IGCC power block next to the Bogdanka coal mine, Energy Minister Krzysztof Tchorzewski told catholic broadcaster Radio Maryja.

BANKING/ ALIOR, PEKAO - Alior Bank, a banking unit of PZU group, will continue talks on cooperation with Pekao, another bank controlled by PZU, and will seek a solution that would be value accretive for all shareholders, newly appointed deputy CEO Katarzyna Sulkowska told PAP.

COAL/ JSW - Coking coal group JSW would like to make a dividend payment from 2018 profits, in line with the dividend policy, CEO Daniel Ozon told a news conference.

COAL/ JSW - Listed coal miner JSW ***plans*** to tap the US market with a bond issue to end-Q2'2018, CEO Daniel Ozon told media representatives.

INVESTMENT FUNDS - Polish investment funds enjoyed nearly PLN 1.6 bln net inflows in February, below the January record level of PLN 2.4 bln, with the positive result driven by retail funds inflows, researcher Analizy Online said in a report.

REAL ESTATE/ I2 - Listed real estate developer i2 Development decided to conduct a ***strategic*** options review, including finding a ***strategic*** investor or a ***strategic*** partner, the company said in a market filing.

HEALTH/ MEDICALGORITHMICS - Listed cardio monitoring firm Medicalgorithmics submitted 7346 insurance claims in February in the US for the PocketECG product run by its US unit Medi-Lynx Cardiac Monitoring, Medicalgorithmics said in a market filing.

INVESTMENT FUNDS - Poland's investment funds likely sold net PLN 530 mln in Polish equities in February, according to estimates by DM Trigon.

PAPER/ ARCTIC - Listed paper ***producer*** Arctic Paper decided to launch some PLN 29 mln expansion of the hydropower plant at its Swedish facility in Munkedal, the company said in a market filing.

HEALTHCARE/ ENEL-MED - Listed health care provider Enel-Med saw its CEO Adam Rozwadowski declare unwillingness to seek another term after the current one ends with firm's 2018 AGM, the company said in a market filing.

MACHINERY/ URSUS - Ursus Bus SA, 60%-owned by WSE-listed tractor manufacturer Ursus, obtained PLN 108 mln in credit from the state development bank BGK for realization of five contracts secured by the firm and Consortium Ursus Bus with Ursus as a participant to deliver public transport vehicles to several Polish cities, Ursus Bus said in a communique.

CLOTHING / REDAN, TXM - Listed discount clothing stores chain TXM, unit of fashion retailer Redan, wants to improve sales in 2018, including sales per square meter, while at the same time increase its margin and optimize costs, CEO Marcin Gregorowicz told PAP. TXM will abstain from opening new stores in 2018 as it wants to improve the functioning of the already existing ones, he added.

INSURANCE/ AVIVA - Insurer Aviva expects a decline in prices of mandatory communication liability insurance OC in 2018, while seeing no price pressure on life insurance policy, CEO Adam Uszpolewicz told a conference.

INSURANCE/ PENSION/ AVIVA, PPK - Insurer Aviva wants to participate in the government ***program*** of employer-sponsored pension saving ***plans*** PPK, CEO Adam Uszpolewicz told a conference. Aviva is preparing itself for the task and ***plans*** to stick to pension-related product offer, hoping for Poles' increased willingness to financially ***plan*** their retirement as a result of PPK campaign, Uszpolewicz added.

INDUSTRY / APATOR - Listed measuring devices ***producer*** Apator saw its PLN 24.8 mln offer chosen as the best one in a tender for power meters delivery to the distribution unit of listed power utility PGE, PGE Dystrybucja, Apator said in a market filing. Under the terms of the tender, the value of the order could be increased by PLN 32.5 mln, bringing the total contract value to PLN 57.3 mln, Apator said.

INDUSTRY / M&A / CHEMOSERVIS-DWORY - Listed provider of services for the chemical, petrochemical and power sector Chemoservis-Dwory took over 99.9% of shares in the industrial waste company EnergoAsh to the total value of PLN 4.28 mln, along with the firm's PLN 1.72 mln worth of debt, Chemoservis-Dwory said in a market filing. Chemoservis-Dwory intends to settle the deal to May 28, with a share issue to be conducted to April 28, the filing specified.

ECONOMIC & FINANCIAL NEWS

MONETARY POLICY - Poland's Monetary Policy Council may yet decide to hike interest rates in 2018 and the rate council will have to monitor inflation, core inflation, labor market as well as the ECB, rate setter Lukasz Hardt told radio broadcaster TOK FM.

LABOR MARKET - Poland's seasonally adjusted net employment forecast for Q2 2018 held flat q/q at 11%, and thus remained at the highest level in the last seven years, a survey by work agency Manpower showed.

SENTIMENT - Polish consumer sentiment weakened mildly in March m/m as assessment of current and future household conditions deteriorated m/m, while current conditions at work and respective forecasts edged marginally up m/m, a sentiment report by CBOS polling agency showed.

GDP - Poland's goal is to achieve stable growth of 4-5% in the long term, Investments and Development Minister Jerzy Kwiecinski told PAP.

***AGRICULTURE***, EU FUNDS - Poland and the Baltic States called for equalizing the level of direct payments among the EU Member States under the block's Common ***Agricultural*** Policy post-2020, according to a joint declaration signed by ***agriculture*** ministers of Poland, Estonia, Latvia and Lithuania in Riga.

FINANCIAL MARKETS

T-BOND SUPPLY - Poland will offer its 2Y zero-coupon benchmark paper, 5Y and 10Y fixed-rate benchmarks as well as WIBOR based papers at a switching auction slated for March 15, bidding on papers maturing in 2018, the Finance Ministry said in a statement.

FX & FI SPOT MARKET PRICES

|  |  |  |  |
| --- | --- | --- | --- |
| Tue | Tue | Mon |  |
| 16:26 | 09:36 | 16:06 |  |
| EUR/PLN | 4.210 | 4.206 | 4.205 |
| USD/PLN | 3.397 | 3.412 | 3.412 |
| PS0420 | 1.55 | 1.55 | 1.55 |
| PS0123 | 2.51 | 2.51 | 2.48 |
| WS0428 | 3.34 | 3.32 | 3.29 |

EQUITY MARKET

Polish stocks are moving in the negative territory some 40 minutes before the session's end, with the large-cap WIG20 index down by 0.83%. The most traded company, bank Pekao, is losing 2.28%, followed by rival PKO BP with a 0.99% loss.

WSE INDEXES

|  |  |  |  |
| --- | --- | --- | --- |
| Index | Value | Change | Time |
| WIG | 62002,72 | -0,38% | 16:01:00 |
| WIG20 | 2358,94 | -0,83% | 16:16:00 |
| WIG30 | 2735,48 | -0,43% | 16:01:00 |
| mWIG40 | 4811,61 | -0,14% | 16:01:00 |
| sWIG80 | 14553,53 | -0,07% | 16:01:00 |

MOST ACTIVES

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Company | Time | Price | Change | Turnover |
| PLN | (%) | PLN mln |  |  |
| PEKAO | 16:01:15 | 126,65 | -2,28 | 99,8 |
| PKOBP | 16:00:45 | 41,87 | -0,99 | 87,3 |
| JSW | 16:00:51 | 98,54 | 0,65 | 71,8 |
| PKNORLEN | 16:00:37 | 94,92 | -0,88 | 59,7 |
| PGE | 16:01:17 | 10,35 | -3,81 | 42,1 |
| CCC | 16:00:26 | 264,20 | 0,30 | 34,6 |
| PZU | 16:00:41 | 44,08 | 0,05 | 32,8 |
| KGHM | 16:00:59 | 103,10 | 0,54 | 29,5 |
| ALIOR | 16:00:26 | 78,30 | 0,38 | 22,6 |
| CDPROJEKT | 15:58:01 | 114,40 | -0,09 | 20,7 |

POLITICAL & GOVERNMENT NEWS

CABINET - Cabinet's standing committee will discuss on Wednesday draft bills aimed at altering the structure of the government, with deputy secretary of states moved to the public service, PM chancellery head Michal Dworczyk told public broadcaster TVP.

mbn/ kd/ maf

**Load-Date:** February 25, 2022

**End of Document**



[***Washington: TRANSCRIPT: Telephonic Briefing on SOCAF-Sponsored Flintlock 2018 Joint Military Exercise in Niger***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S23-H861-F0YC-N52F-00000-00&context=1516831)

Impact News Service

April 6, 2018 Friday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 5392 words

**Body**

Washington: U.S Department of State Diplomacy in Action has issued the following news release:

 OPERATOR: Ladies and gentlemen, thank you for standing by. Welcome to the Flintlock 2018 conference call. If you need assistance during this conference, please press \*0. As a reminder, this conference is being recorded. I would now like to turn the conference over to Tiffany Jackson-Zunker. Please go ahead.

MODERATOR: Thank you. Good afternoon to everyone from the U.S Department of State’s Africa Regional Media Hub. I would like to welcome our participants dialing in from across the continent and thank all of you for joining this discussion. Today, we are very pleased to be joined from Niamey by the U.S Ambassador to Niger Eric P. Whitaker and from Stuttgart Germany by Major General J. Mark Hicks, Commander, Special Operations Command Africa, who will discuss U.S multiform efforts to reinforce development, security, and diplomatic efforts in Niger, including the Flintlock ***program***.

We will begin today’s call with opening remarks from Ambassador Whitaker and Major General Hicks; then we will turn to your questions. We will try to get to as many of them as we can during the time that we have, which is approximately 45 minutes. At any time during the call, if you would like to ask a question, you must press \*1 on your phone to join the question and answer queue. If you would like to join the conversation on Twitter, please use the hashtag #AFHubPress and follow us on @AfricaMediaHub and at @USAfricaCommand.

As a reminder, today’s call is on the record, and with that, I will turn it over to U.S Ambassador to Niger Eric P. Whitaker.

AMB. WHITAKER: Thank you, Tiffany. I appreciate this opportunity. Good afternoon, all of our participants. I’m Eric Whitaker. I arrived here in Niamey three months ago. I’m delighted to have the opportunity to return to Niger. I served here at the Deputy Chief of Mission and Charge from 2008 to 2010 and was delighted to have the opportunity to come back to a country which I very much enjoyed serving in.

I’ve served in a total of 10 African posts, including neighbors of Niger in both Bamako, Mali to the west and N’Djamena, Chad to the east, so I’ve spent quite a bit of time in the Sahel region and I think I’ve developed a bit of understanding of some of the regional issues and how we can best partner with countries such as Niger. To set the context, Niger rated this past year as 187 out of 188 on the UN’s Human Development Index, meaning its indicators for health, education, infrastructure, women’s empowerment, etc. are all relatively low. It is a country that would benefit by capacity development in virtually every sector. We’re hoping to address these, as many as possible, together with other development partners.

Niger is a remote, landlocked country that doesn’t benefit by a domestic air carrier, nor does it have a rail connection to the outside world. Hence, imports come at a great cost. It’s a country with a fast-growing population, the fastest natural increase on earth at over 4% per annum. The population now is 20 million but it’s due to double roughly every 18 years. One of the chronic issues in Niger is that of food insecurity, as ***producing*** foodstuffs to serve its growing population becomes increasingly difficult over time. That said, Niger is a strong development partner and we appreciate the opportunity to work here at the request of the government.

Our embassy has been growing, and I want to emphasize that our approach on the part of the U.S government is the 3D approach, emphasizing diplomacy, development, and defense. On diplomacy, in my introductory video I make note of the John F. Kennedy Bridge, which was built by the U.S Army Corps of Engineers with USAID funding several decades ago, and it’s the main crossing of the Niger River. We’ve expanded our diplomatic presence here, we have several U.S agencies. We’re engaged in a wide variety of ***programming***. We have a new embassy building under construction to accommodate us.

In development, USAID has a variety of ***programs*** in health, education, ***agriculture***, democracy, and governance, and it also provides a substantial humanitarian food relief ***program***. We also have the Millennium Challenge Corporation with a five-year contract in the amount of $437 million, designed to provide irrigation and expand ***agricultural*** productivity. In defense, we do a variety of ***programs*** to train and equip the security forces of Niger, including developing their capacity to serve in UN peacekeeping operations, in addition to fighting terrorism, protecting the country’s borders, and providing internal security.

Overall, we have a broad partnership. We assist in developing Niger’s security, which we see as a platform for improved governance and expanded economic development for the benefit of all Nigeriens. I’d now like to turn the call over to Major General Hicks.

MAJ. GEN. HICKS: Thank you, Ambassador Whitaker, and thank you all for joining us in today’s discussion about Flintlock ‘18. I’m Major General Mark Hicks, United States Air Force and Commander, Special Operations Command Africa, where I’ve been in command since June of 2017.

This year, Flintlock ’18 will be centered and hosted in Niger, a tremendous partner in a difficult region, as Ambassador Whitaker has just described. Flintlock is Special Operations Command Africa’s annual exercise on the continent of Africa, and this year we have elected to focus on threats to the greater Sahel region and we have focused the exercise as a more operational activity than in years past, reducing the number of nations hosting training to three, but we have the largest number of participants, with eight African nations participating and 12 western nations participating.

We have training locations in Niger, in Senegal, and in Burkina Faso, and what is really exciting and different about this year’s Flintlock is that we have operationalized the training exercise to focus on real-world threats, and that we have shifted our focus of training from tactical proficiency of small units - although there will be some of that - to focus on command and control of joint forces. Therefore, our training audience are the members of the G5 Sahel and members of the MNJTF, Multinational Joint Task Force around Lake Chad focused on Boko Haram and ISIS West Africa.

We hope and ***plan*** to exercise command and control over tactical units at the joint multinational headquarters, which will be located in Agadez, and this will be the first year that Flintlock’s training audience will actually exercise command and control over tactical units in a scenario. The scenarios will be based on real-world threats of the violent extremist organizations currently threatening our partner nations in the greater Sahel. We partner with western nations in an effort to increase our interoperability and maintain that operability with our special operations and conventional partners, and also to share the burden of training and equipping partner forces to deal with transnational violent extremist organizations. In this case, our eight African partners are all very good partners working with us to deal with difficult transnational problems that are beyond any one nation’s ability to deal with unilaterally.

As the ambassador said, we also believe in the D3 approach, and as we bring a defense aspect to enable diplomacy and development, we also bring in training our African partners in military information support operations in order to counter the extremist messaging and to promote defection from extremist organizations. And we also train our partner forces in civil military operations in order to link their government more closely with the civilian populace via their military contact.

This year we will repeat one of the capstone events from the senior leaders seminar of last year’s Flintlock and we’ll have a two-day women’s peace and security forum, which I look forward to visiting. And I think with that, I will turn this over to your questions.

MODERATOR: Thank you, Ambassador Whitaker, Major General Hicks. We will now begin the question and answer portion of today’s call. For those asking questions, please state your name and affiliation and limit yourself to one question related to the topic of today’s briefing: U.S efforts to reinforce development and security in Niger and the upcoming SOCAF-Sponsored Flintlock 2018 Joint Military Exercise in Niger.

For those of you listening to the call in English, please press \*1 on your phone to join the question queue. If you are using a speakerphone, you may need to pick up the handset before entering \*1. For those of you listening to the call in French and Portuguese, we have received some of your questions submitted in advance by email and you may continue to submit your questions in English via email to [*afmediahub@state.gov*](mailto:afmediahub@state.gov)

Our first question will go to Joanne Stocker from Defense Post in Washington. Operator, can you open the line please?

OPERATOR: It’s opened.

QUESTION: Hi. General, thank you for doing this call. Can you tell us a little bit more about what the partner nations are going to contribute to the exercise?

MAJ. GEN. HICKS: Yeah. I will address their contributions as far as they’re primarily the training audience, although I’ll get to a twist in that at the end. The partner forces will provide some logistics support, and Niger in particular will provide force protection and security and they will provide troops that will train with ourselves and with our western partners. They’ll also provide the training audience for the joint multinational headquarters, which will be the command and control training venue. This year we’ll have some Niger forces training in that venue as well. Next year we’re setting conditions this year for next year having African training cadres as part of Flintlock ’19.

MODERATOR: Thank you. Our next question was sent in advance by Salem Fekadu, a journalist at VOA, Voice of America, Africa division in Washington. He asks, the United States has been conducting this exercise since 2005. What tangible signs of improvement have you witnessed in terms of the capacity of partner nations to fight extremism and trafficking?

MAJ. GEN. HICKS: This is Major General Hicks, I’ll address that. As I’ve only been here for the last year or so I can’t speak in detail to the impact of Flintlock itself, but I can say that the partner forces with whom we work on the continent of Africa have consistently improved their capability and capacity to conduct traditional military activities, as well as to conduct civil military operations. And we hope to gain more fidelity on the value of this particular exercise following Flintlock ’18, where we will have a full set of [UNCLEAR] analysis on the ground in an effort to provide analysis for the return on investment. As we’re all conscious of the cost of these activities, I think we will be able to show that we get a great deal of return for minimal investment on this particular exercise.

AMB. WHITAKER: Can I tack on to that? This is Eric Whitaker. One thing I think which has come about due to the series of Flintlock exercises - and I was serving in N’Djamena, Chad when Chad hosted one three years ago - is to note that the series of Flintlock exercises are building momentum over time. Each year, more participants wish to join. Additional partner nations wish to participate. They’re gaining improved coordination among them, they’re gaining skills in interoperability, and they’re increasingly seeing the need for regional solutions to regional challenges. So I see sort of a sociocultural aspect to it, not just military hardware, but the realization that the country’s security represents an interdependent situation, especially across the Sahel.

MAJ. GEN. HICKS: This is Major General Hicks again. I would like to follow up on the ambassador’s comments that just the fact that this year’s training focus will be on a higher level multinational command and control setting, [UNCLEAR] focusing on small unit tactics, I think shows the maturity and development of our African partners.

MODERATOR: Thank you. Our next question will go to Jeff Seldin, the National Security Correspondent for Voice of America in Washington. Operator, open the line please.

OPERATOR: That line is open.

QUESTION: Hi, good afternoon and thanks very much for doing this. A couple of questions with the exercise. How much did the ambush in Niger of the joint U.S and Nigerien patrol impact how you approach these exercises? And also, you mentioned earlier Boko Haram and ISIS in terms of what some of the focus was going to be in terms of command and control and the small unit tactics; can you give us a sense of how these groups, and also Al-Qaeda, are changing as they see these exercises, and how [UNCLEAR] is the situation on the ground in terms of the strength of these groups and their loyalties, how fighters pick one side or the other?

MAJ. GEN. HICKS: This is Major General Hicks. I’ll try to address a few of those, really, holistically from the changing dynamic on the ground. Certainly Niger is a critical partner against the violent extremist organizations that threaten, directly, all of its neighbors and indirectly, western nations, to include the United States. The focus this year on Niger is really centered on the increasing threats that we see, both from Al-Qaeda-aligned JNIM and ISIS-aligned ISIS Greater Sahara, they are descending through central Mali, threatening not only Mali but Burkina Faso and Niger. So we are mindful of the changing facts on the ground, and this exercise is focused to enable our partners that are part of the G5 to deal more directly and more effectively with those threats.

Likewise, we have the participants from the Multinational Joint Headquarters in N’Djamena that address the threats of ISIS West Africa, which is really in Northeastern Nigeria, and Boko Haram, its predecessor. So by enabling our partners to command and control their tactical units more effectively, and by sharing some of the lessons that we, the United States, and our western partners, have learned through our continuous experience in the central command area of operations in South Asia, we hope to better enable our partners to deal with the dynamically changing situations on the ground, if that answers your question.

AMB. WHITAKER: This is Eric Whitaker, could I tack onto that?

QUESTION: Sure, please do.

AMB. WHITAKER: Okay. I concur with everything Major General Hicks said, but I also want to note that of course the Flintlock exercise was ***planned*** quite some time in the past, well before the events of this past October 4. This is a series of successive exercises that build upon each other. Chad, for example, hosted last year’s Flintlock. Niger this year, next year it’ll be Burkina Faso. It rotates among the Sahelian countries for a reason, but the ***programming*** is based on the past exercises and based on lessons learned and best practices. So they’re a continuous process of improvement. This is something that went on a bit before. With respect to the response of violent extremist organizations, I think they’re less concerned with Flintlock than they are with the G5 Sahel and the notions of its putting together a joint force. I think that rather concerns them more so than Flintlock. Thank you.

MODERATOR: Thank you. Just a reminder, to ask a question, please press \*1 on your phone. State your name and affiliation before asking your question. Another question that came in advance: Why is Africa important to the United States national security, and how does Flintlock support U.S efforts in Africa?

MAJ. GEN. HICKS: Ambassador, do you want to start that one and I’ll tack on?

AMB. WHITAKER: Okay, fair enough, Sir. I think Africa is important to U.S national security for a variety of reasons. We have a long, historic relationship with the African continent and its 54 countries, keeping in mind that no less than 13% of our U.S population derives from the mother continent. Africa, a continent of over 1 billion residents, is a [continent] with which we have important relationships, whether it’s in diplomacy, development, or defense for several decades now. We wish to expand trade with these countries, including through the AGOA, the Africa Growth and Opportunity Act, to help countries develop their economies through trade. We also have humanitarian assistance to help countries who have food insecurity situations, for example. We’ve had USAID, the U.S Peace Corps, other government agencies, working on the continent for the cause of promotion of democracy, human rights, civil liberties, as well as economic development and humanitarian assistance ***programs***.

We think it’s important to our security that problems that become issues on the continent or that are brought to the continent from elsewhere, such as ISIS, are addressed early and often, and prior to spreading to the homeland. So we have a vested interest in Africa developing its own security because we wouldn’t want to see issues there, such as pandemics, terrorist organizations, or other issues - piracy, for example - that might spread on to the United States. So we’ve chosen to invest in the African partner nations in helping them to address security challenges first and foremost. Thank you.

MAJ. GEN. HICKS: This is Major General Hicks. I certainly agree with everything the ambassador said. I’ll focus briefly on the security aspect, sort of more in my line of work. I think Africa matters to us in dealing with the violent extremist organizations that are continuing to develop and grow and expand in the ungoverned and poorly governed spaces of the Sahel and the greater Sahel, to include Lake Chad, in this case.

Africa matters to us because it is a preventive medicine theater versus an emergency medicine theater. What I mean by that is that these threats, as they exist in Africa, are at a level where they can be dealt with through- by, with, and through our African and European partners, at a very low cost, so almost as if preventative healthcare is the order of the day, versus something like Iraq and Syria where you have to go into emergency medicine and large military activities.

I believe that Africa matters to the United States and western security, not only because Africa matters, but because we have an opportunity to deal with these violent extremist organizations at an acceptable risk, in both bread and treasury, to ourselves and to our partners. I think if we fail to do that, we may be faced with a much more difficult problem in the future, to include mass migration issues and pandemic problems that could stem from any large-scale violence on the continent.

So to me, in the context of ISIS core nearing an end in Iraq and Syria, we all ask where these violent extremist organizations will go next, and Africa remains one of those fertile grounds. We must deal with the threats while they are a level where we can deal with them, and we must help our African partners deal with their internal challenges and their external threats as well, so that they can continue to develop and prosper, which is in everyone’s best interest.

AMB. WHITAKER: This is Eric Whitaker, let me add one more thing, and of course I agree with Major General Hicks. Just yesterday a congressional delegation left Niamey for onward travel within Africa, but this was a group of five U.S senators and their staff. We’ve had several congressional and staff delegations come already this calendar year; they very much want to know what’s going on in Niger, including not just our diplomacy and development but our defense relationship. This group met with a number of people, up to and including the president himself, as they were keenly interested in finding out about the U.S policies and how they impact our relationship with Niger and to learn more about our security cooperation and why investing in Niger and its security are so important. So there is interest, including other branches of government, and that’s something that we take to heart.

MODERATOR: Thank you. Our next question was also sent in by Salem Fekadu at VOA. He asks, what is Niger doing to provide security to sparsely populated border regions of the country, particularly along the Malian border?

MAJ. GEN. HICKS: This is Major General Hicks. If I understand this correctly, it’s what are we doing to provide security. As the ambassador pointed out in his opening comments, we are working by, with and through our Nigerien partners to train and equip and enable them to provide security along their own borders. And as this exercise plays out, we hope to provide additional capacity to the other nations involved, for them to provide security along their own borders and for them to operate in the Multinational Joint Headquarters that deal with these transregional threats that don’t recognize those borders.

AMB. WHITAKER: If I could add an item to that - I’m Eric Whitaker - it would be to add on that in additional to direct train and equip and other U.S Department of Defense ***programs*** that develop capacity of the Nigerien security forces, the U.S government is also supporting the G5 Sahel initiative and its joint force through a first tranche of funding at the level of $60 million. We believe that the G5 states need to work together to address the cross-border terrorist movements, and we’re investing that $60 million towards that effort.

MODERATOR: Thank you.

MAJ. GEN. HICKS: Major General Hicks. The question was really focused on border security, but I just want to emphasize that the nature of these threats, whether it’s in Iraq, in Syria, or in Mali, Burkina Faso, and Niger, are that they are transregional in nature. They don’t recognize international borders, and particularly in the sparsely populated areas of northern Niger and northern Mali, where there’s little government presence, the approach to getting after these threats is more of a transregional approach, which we enable, particularly through Flintlock and bringing together military and senior leaders from the nations that deal with these transnational threats, so that they can better understand how to cooperate and deal cooperatively with these threats.

MODERATOR: Thank you. I would like to remind our listeners, to ask a question, please press \*1 on your phone. State your name and affiliation before asking your question. Our next question is related to Flintlock. How is Flintlock operationally relevant to today’s fight, and how does the U.S military approach operations with their African partners?

MAJ. GEN. HICKS: This is Major General Hicks, I guess I’ll take that one. This Flintlock is operationally relevant to today’s fight in the Sahel because we are enabling the G5 Sahel partners both to command and control tactical formations, to cooperate across national boundaries and deal transnationally with transregional threats, and we’re also providing tactical training to tactical units which will be fielded in the context of the G5 Sahel immediately after the exercise.

Likewise, we are training members of the multinational joint task force against Boko Haram and ISIS West Africa. They should come away from this training event more prepared to deal with the transregional threats facing them in the Lake Chad region.

MODERATOR: Thank you. Our next question will go to Tomi Oladipo out of Nairobi with BBC News. Operator, can you open the line, please?

OPERATOR: That line is open.

QUESTION: Just on the notes, you talk about Flintlock and the effect it has, but obviously there’s been ongoing existing mentoring and training with local forces, but obviously that puts your own forces under threat as they carry that out. So what is your assessment of that, and how big a threat do you see being posed to your forces?

MAJ. GEN. HICKS: This is Major General Hicks. Thanks for the question. As you pointed out, this mission is not without risk. We have lost teammates in the past, and we do make every effort to mitigate the risk to our forces, and we focus on training and equipping and accompanying as we must our partner forces in a way that limits the risk to not only ourselves but to our partner forces. But this mission is not without risk, and there’s a reason that we have highly training special operations forces on the ground, and that’s to mitigate the risk as best we can.

MODERATOR: Our next question comes from Gaëlle Laleix from RFI in Paris. She asks you to expand a bit on how - or will - the U.S military and the G5 - how are they going to collaborate?

MAJ. GEN. HICKS: It’s Major General Hicks again. As the G5, you know, has recently begun operations, we look, from a U.S military perspective for opportunities to cooperate with each of the member states, to provide training and assistance to them, and also to provide whatever mentorship or training we can to the headquarters elements of the G5 as those opportunities become available. So we will remain flexible and responsive as the G5 continues operations, and we’ll work with the individual partners or the multinational headquarters as those opportunities exist.

MODERATOR: Ambassador Whitaker, would you like to add anything to that response?

AMB. WHITAKER: Well I certainly concur with that and note that the G5 Sahel initiative has just come about this past year, so it’s still relatively early on as it defines its mission and its capacities and develops an inventory of the various steps it needs to take to develop itself. This is something that we will continue through our defense attachés’ offices, and our Office of Security Cooperation in AFRICOM in each of the five partner countries to work with them and to help train them to the standard for G5 Sahel, much in the way that we assist the various countries that have troops within the MINUSMA, the UN stability operation in Mali, for example. We do training specific to helping them to participate in UN peacekeeping operations, so I gather we’ll also be working with the participating countries in the G5 Sahel to ensure that our train and equip ongoing operations assist them in coordinating among themselves within the context of G5 Sahel, including its joint force.

MODERATOR: Thank you. We are nearing the end of the call and we currently do not have any questions in the question queue, so if our other listeners would like to ask a question, please press \*1 to join the queue. Alternatively, you can send questions to [*afmediahub@state.gov*](mailto:afmediahub@state.gov) or post them to Twitter. While we wait for those I will ask a question. You talked about mitigating risk; Salem Fekadu at VOA also did ask a question related. He asked, what security improvements have been made - I presume in Niger and in Agadez, perhaps - since the attack on U.S and Nigerien forces last year?

AMB. WHITAKER: I think that question is probably for Major General Hicks.

MAJ. GEN. HICKS: Yes, sir. Major General Hicks here. In the last several months, really starting before the attack in Niger, we’ve been increasing our force protection measures in western Niger and for operational reasons I would at this point decline to be specific about what we’ve done.

MODERATOR: We’ll read one more question, and then if we don’t have any live questions we’ll close. What is the right balance between military action and police enforcement when it comes to countering terrorism in the Sahel region?

AMB. WHITAKER: This is Eric Whitaker, perhaps I could give a start to that. You’re asking how a response to terrorism is differentiated between the armed forces and the local police departments.

MODERATOR: Yes, that’s exactly the direction.

AMB. WHITAKER: Just to mention, that training exercise will have a law enforcement component in it, and this is designed to permit participating agencies to apply their training and cross-border counter terrorism communication and coordination at ***strategic*** operational and tactical levels with their military and civilian law enforcement counterparts. So coordination and communication is key. More typically, law enforcement tends to work within towns and cities, and the armed forces tend to operate in the open space outside the immediate urban areas.

MODERATOR: Thank you. We have one question here from Carley Petesch at the Associated Press in New York. Operator, can you open the line please?

OPERATOR: The line is open.

QUESTION: Thank you. This is Carley Petesch with the Associated Press. Where do you see the biggest threats, in which nation, and what do you see as the biggest threats in the region but also to the U.S , and why has the U.S chosen Niger as its base to help in this fight against extremism?

MAJ. GEN. HICKS: This is Major General Hicks, I guess I’ll give that a start. I see multiple threats in the greater Sahel region, really ranging from, as I mentioned, Al-Qaeda-inspired and affiliated JNIM across Mali and into northern Burkina Faso and northwestern Niger, as well as ISIS-affiliated organizations that threaten Niger on its western side. Of course, instability and remnants of both ISIS and Al-Qaeda in the ungoverned space of southern Libya threaten northern Niger, and it is further challenged by threats from ISIS West Africa, which is currently the largest group of ISIS-affiliated members outside of Iraq and Syria. And Boko Haram, which is the most lethal terrorist organization in the world, in Lake Chad. So Niger is a central player in most all of the violent extremist threats in northern Africa. So they are a natural partner, they are a very good partner, a very willing partner, and thoroughly capable as well. So I don’t believe that we are exclusively partnering with them, but they are just a natural place to start and they are a good partner.

AMB. WHITAKER: This is Eric Whitaker. If I could add onto that, I concur with Major General Hicks. What we’re concerned about is the franchising, the spread of groups like Al-Qaeda and ISIS, which have developed different groups along the way. Stopping these groups from spreading further is something that’s important, and one of the chief battlegrounds for that is in the Sahel. That’s why partnering with Sahelian countries through Flintlock exercises each year, through ongoing training and equipping ***programs***, to other security assistance and training ***programs*** that we do, to support the G5 Sahel. All of these matter in helping these countries counter the spread of violent extremism and the organizations involved.

As I noted earlier, Flintlock was in Chad last year, next year it’s in Burkina Faso; it is not exclusive to Niger. It is one of our stronger partners and a large relationship, but it’s by no means the only partner. We’re here at the request of the government of Niger. It’s a partnership which they [UNCLEAR] which we’re a willing partner in; it’s a cooperative and collaborative relationship. Also, we’re here in part because we’re assisting in training Niger’s peacekeeping troops who participate next door in Mali in the MINUSMA UN peacekeeping operation. And keep in mind the central placement of Niger in the Sahel and the fact that it faces conflict on three fronts: disorder, militias, etc. coming over from Libya in the northeast; Boko Haram and ISIS West Africa in the southeast corner; and in the far western portion of the country, from the JNIM various terrorist organizations. So it’s a country that’s willing, is experiencing terrorism and takes it seriously, and a country which we’ve found to be a good partner in which to invest on the security front.

MODERATOR: Thank you very much. That is going to have to be the end, we’ve reached the end of the time. Ambassador Whitaker or Major General Hicks, do either of you have any final words?

MAJ. GEN. HICKS: I’ll give you the last word, if you don’t mind.

AMB. WHITAKER: Yes, go ahead, sir.

MAJ. GEN. HICKS: I appreciate everyone’s time and I look forward to meeting many of you on the ground in Flintlock over the next couple of weeks.

AMB. WHITAKER: I second that.

MODERATOR: Thank you very much. That concludes today’s call. I want to thank the U.S Ambassador to Niger Eric P. Whitaker and Major General Mark Hicks, Commander, Special Operations Command Africa for joining us, and thank all of our callers for participating. If you have any questions about today’s call, you may contact the Africa Regional Media Hub at [*afmediahub@state.gov*](mailto:afmediahub@state.gov) Thank you.

**Load-Date:** April 7, 2018

**End of Document**



[***Top news from Polish politics, economy, business & financial markets - 16:30; BUSINESS & EQUITY MARKET NEWS***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:64R9-6WT1-JCG5-H3YK-00000-00&context=1516831)

PAP Market Insider

December 6, 2017 Wednesday 4:33 PM CET

Copyright 2017 PAP Polish Press Agency All Rights Reserved



**Length:** 1825 words

**Byline:** Bastian Krzysztof

**Highlight:** Following is a digest of the day's top news as compiled by PAP Market Insider.

**Body**

BUSINESS & EQUITY MARKET NEWS

TELECOM/ ORANGE PL - Poland's telecom Orange Polska expects up to 2680 employees will leave the company in the frame of voluntary departures under a new 2018-2019 social agreement negotiated with trade unions, including up to 1450 leaves in 2018, the company said in a market filing late Tuesday.

NATURAL GAS/ PGNIG - Listed natural gas firm PGNiG seeks maintaining the current level of retail gas tariff under a motion submitted with the energy market regulator URE, PGNiG said in a market filing late Tuesday.

POWER / CAPACITY MARKET - Poland's lower house adopted the power sector capacity market bill as amended in the second reading, with the first capacity auctions scheduled for December 2018.

CHEMICALS, PETCHEM / M&A / PKN ORLEN, AZOTY - Listed chemicals group Azoty would benefit from merging with fertilizer operations of peer Anwil currently owned by fuel group PKN Orlen, Azoty CEO Wojciech Wardacki told a news conference, underlining it is his personal view.

FUEL / PKN ORLEN - Fuel giant PKN Orlen's chemical unit Anwil wants to launch over PLN 500 mln expansion of fertilizer installations in 2018, with construction works expected to take 3 years, Anwil CEO Jacek Podgorski told PAP.

NATURAL GAS/ PGNIG - Listed natural gas firm PGNiG expects the situation on the Polish gas will remain stable in the coming months, deputy CEO Maciej Wozniak said as quoted in a press statement.

LEGISLATION / MIFID II - Poland expects MiFID II regulations to come into effect in late March or early April, rather than at the start of January as assumed earlier, as the respective bill should be passed by the parliament in February, the Finance Ministry informed PAP.

PENSION FUNDS - Poland's Social Insurance Board (ZUS) transferred PLN 1.19 mln to open pension funds OFE this week, ZUS said in a statement.

CHEMICALS, PETCHEM / CIECH - Chemical group Ciech had its long-term corporate credit rating affirmed at 'BB-' by rating agency S&P and subsequently withdrawn at the company's own request, the agency said.

CHEMICALS / GRUPA AZOTY, POLICE, PULAWY - Chemicals group Azoty sees no need to delist its units Police and Pulawy, Azoty CEO Wojciech Wardacki told a news conference, when asked about possible delisting.

BANKING / PKO BP - Blue-chip bank PKO BP sports over 2 mln active mobile payment IKO applications and expects the number to increase to ca. 3 mln at end-2018, Deputy Director, Mobile & Internet Banking at PKO BP Michal Macierzynski announced. 35% of applications is activated with the assistance of the bank's stationary outlets, Macierzynski added. The average value of a loan incurred via the application stands at ca. PLN 10,000, according to the bank representatives.

BANKING / BONDS / GETIN NOBLE BANK - Getin Noble Bank decided to increase the nominal value of a single bond offered within its PLN 750 mln subordinated bond ***program*** to 400k from PLN 1k to comply with the latest financial market regulator KNF's recommendation, the bank said in a market filing.

FUEL / LOTOS - Fuel group Lotos has purchased ca. 80k tons (650k barrels) of US oil and the shipment is currently on its way to the oil port in Gdansk, the company said in a press release. Lotos previously imported 600k barrels of US oil in November and nearly 700k barrels of Canadian oil in September.

CHEMICALS/ GRUPA AZOTY - Listed chemicals group Azoty signed an accord with its ***strategic*** partner CTL Logistics to take over the outstanding stakes in industrial spurs managing SPVs CTL Kolzab and CTL Chemkol and eyes PLN 8-9 mln in resulting cost savings as well as PLN 60 mln in additional group revenues, Azoty CEO Wojciech Wardacki told journalists. Azoty ***plans*** further consolidation measures in the area of logistics services, he added.

CHEMICALS/ AZOTY - Chemical group Azoty has slashed costs by PLN 60-80 mln thanks to consolidation and saving measures but cannot guarantee a similar reduction in 2018, CEO Wojciech Wardacki told reporters.

COAL, MINING / PGG - Poland's largest coal miner PGG will become a joint stock company as of January 1 2018, with the relevant motion submitted to a court in Katowice on December 4 following its approval by all PGG shareholders on November 28, spokesperson Tomasz Glogowski told PAP.

REAL ESTATE/ GTC - Listed commercial developer GTC inked an annex to the loan agreement with Bank Pekao for financing and refinancing of its flagship project Galeria Polnocna increasing the amount of the investment loan available to EUR 200 mln from EUR 150 mln, the company said in a market filing.

CONSTRUCTION/ MERCOR - Listed fire protection systems ***producer*** Mercor's board will rather abstain from recommending a dividend payout for the 2017/2018 fiscal year, while focusing on lowering the company's net debt to EBITDA ratio, CEO Krzysztof Krempec told a press conference.

TELECOM, HARDWARE / EUROTEL - Telecom equipment distributor Eurotel filed a non-binding offer to purchase a majority stake in consumer electronics firm, Eurotel said in a market filing.

PETCHEM / POLWAX - Listed paraffin ***producer*** Polwax will take a PLN 1.2 mln hit to its 2017 bottom line due to a one-off event, the company said in a filing.

CONSTRUCTION/ FABRYKA KONSTRUKCJI DREWNIANYCH - Listed large-size wooden constructions ***producer*** Fabryka Mebli Drewnianych now expects to earn PLN 5 mln in 2017 and PLN 11.48 mln in 2018 vs. the earlier forecasts of PLN 7.3 mln and PLN 13 mln, respectively, the company said in a market filing. The firm renounced the publication of financial forecasts for 2019 and 2020.

INDUSTRY / BUMECH - Mining machinery manufacturer Bumech saw a court in Krakow launch accelerated composition proceedings for the company following its motion of November 23, Bumech said in a filing.

CHEMICALS/ PULAWY - Listed chemicals firm Pulawy, a unit of Grupa Azoty, will capitalize its unit ZA Chorzow to facilitate unit's restructuring, Pulawy said in a press statement.

CONSTRUCTION/ HERKULES - Listed construction cranes firm Herkules may take a PLN 7.2 mln hit to its 2017 result from write-offs linked to a crane accident and the bankruptcy of business partner Vistal Gdynia, the company said in a market filing.

RAILWAYS/ PKP SA - Rail group PKP SA unit PKP LHS ***plans*** to allocated PLN 800 mln for development by 2025, PKP LHS CEO Zbigniew Tracichleb said in the Sejm on Wednesday.

EQUITY RESEARCH - Following is a list of recent recommendations published on December 6:

|  |  |  |  |
| --- | --- | --- | --- |
| Company | Recommendation | Target price | Brokerage |
| Trakcja | buy | PLN 8.3 | DM BDM |
| GetBack | buy | PLN 33.38 | DM mBank |

ECONOMIC & FINANCIAL NEWS

T-BONDS - Poland ***plans*** no more transfers to the T-bond market until the end of the year, the Finance Ministry said in a statement.

STATE BUDGET - Poland faced PLN 607.6 bln in marketable debt as of end-November vs. PLN 576.7 bln at end-2016, the Finance Ministry said in a statement.

INFLATION - Poland's food and non-alcoholic beverages prices are expected to increase by 5% y/y at end-2017, to beat the December 2017 level by 2.5-3% in H1 2018, the Institute of ***Agricultural*** and Food Economics (IERiGZ) said in its recent release.

ECONOMIC INDICATORS - Poland's business cycle indicator for the manufacturing industry increased in November to 0.7 pts m/m, 13.3 pts y/y, to 2.8 pts, the Research Institute for Economic Development at the Warsaw School of Economics (IRG SGH) reported. The increase took place only in the private companies' sector, the research shows. The outlook for the following month looks bleak, with firms reporting reductions in prices and deterioration of their financial condition, according to IRG SGH.

STATE BUDGET - Poland's PLN and FX-denominated assets in the state budget accounts decreased to PLN 57.4 bln at end-November vs. PLN 64.2 bln at end-October, the ministry of finance said in a communique.

STATE FINANCES - Poland needs to buy back PLN 0.5 bln worth od debt, including PLN 0.3 bln in retail bonds and PLN 0.2 bln in foreign market credits and bonds, to end-2017, the Ministry of Finance said in a communique citing figures from end-November.

STATE BUDGET - Poland secured PLN 44 bln at end-November as a result of consolidating the process of the public sector liquidity management, with PLN 34.1 bln in fixed-term deposits and PLN 10 bln in overnight deposits, the ministry of finance said in a communique.

ECONOMY, MINING REGION - Poland should present the final version of the ***program*** for the mining region Silesia, assuming at least PLN 35 bln of government support for the key ventures in the area, ahead of Christmas, deputy Development Minister Jerzy Kwiecinski said on Wednesday.

FINANCIAL MARKETS

BONDS - T-BONDS - Poland bought back USD 461.5 mln of USD20190715 papers during a buy-back auction on December 6 with supply at USD 464.3 mln, the Finance Ministry said in a statement.

FX, FI - The Polish zloty continued to weaken on Wednesday after the Tuesday MPC sitting brought a continuation of the dovish rhetoric, with the EUR/PLN staying above 4.21, while T-bonds gained on the long end with yields edging down to 3.24%, trailing the core markets, a local player told PAP.

FX & FI SPOT MARKET PRICES

|  |  |  |  |
| --- | --- | --- | --- |
| Wed | Wed | Tue |  |
| 16:16 | 09:49 | 17:25 |  |
| EUR/PLN | 4.213 | 4.210 | 4.206 |
| USD/PLN | 3.573 | 3.562 | 3.560 |
| DS1019 | 1.63 | 1.61 | 1.63 |
| PS0123 | 2.69 | 2.69 | 2.71 |
| DS0727 | 3.24 | 3.26 | 3.27 |

EQUITY MARKET

The Warsaw stocks are falling by the end of Wednesday session with the large-cap WIG20 index losing 0.62% to 2,392 pts at 16:28 local time. Of the three most traded firms of the day, only PKN Orlen is gaining with PKO BP and KGHM both clearly down. Dino retail, CD Projekt video games and Play telco are all suffering heady losses.

WSE INDEXES

|  |  |  |  |
| --- | --- | --- | --- |
| Index | Value | Change | Time |
| WIG | 61 984,96 | -0,84 | 16:13 |
| WIG20 | 2 392,72 | -0,62 | 16:28 |
| WIG30 | 2 746,57 | -0,81 | 16:13 |
| mWIG40 | 4 717,62 | -1,15 | 16:13 |
| sWIG80 | 14 164,22 | -0,74 | 16:13 |

MOST ACTIVES

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Company | Time | Price | Change | Turnover |
| PLN | (%) | PLN mln |  |  |
| PKNORLEN | 16:11 | 111,70 | 0,72 | 91,9 |
| PKOBP | 16:11 | 40,80 | -1,95 | 91,7 |
| KGHM | 16:11 | 101,55 | -1,50 | 82,1 |
| PZU | 16:11 | 44,77 | 1,40 | 81,2 |
| CDPROJEKT | 16:11 | 95,99 | -3,59 | 64,6 |
| DINOPL | 16:11 | 72,94 | -5,58 | 42,3 |
| PEKAO | 16:11 | 123,95 | -2,40 | 37,9 |
| LOTOS | 16:11 | 60,00 | 3,45 | 36,3 |
| JSW | 16:11 | 92,33 | -1,02 | 34,2 |
| PLAY | 16:11 | 33,96 | -4,07 | 33,3 |

POLITICAL & GOVERNMENT NEWS

CABINET RESHUFFLE - Ruling party PiS board will discuss government reconstruction on Thursday afternoon, party spokesperson Beata Mazurek said in the lower house on Wednesday.

CABINET RESHUFFLE - The ruling party PiS leader Jaroslaw Kaczynski is the "natural candidate" for the new PM in the long-expected cabinet reshuffle, PiS deputy chair Adam Lipinski told the media representatives. Should Kaczynski renounce the PM seat, deputy PM development minister Mateusz Morawiecki comes to the forefront as the best candidate, Lipinski added. The reshuffle should be completed before the upcoming Christmas holidays as the present state of suspension should not be prolonged, according to Lipinski.

OPPOSITION PARTIES - New head of opposition party Nowoczesna Katarzyna Lubnauer supports the candidacy of opposition party PO Rafal Trzaskowski for Warsaw mayorship in the next year's local elections, Lubnauer declared.

kd/ maf/ fbe/ mie/ mbn/

**Load-Date:** February 25, 2022

**End of Document**



[***FEDERAL REGISTER: Semiannual Regulatory Agenda Pages 40368 - 40379 [FR DOC # 2017-17028]***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PBB-4221-JDG9-Y1XX-00000-00&context=1516831)

Impact News Service

August 24, 2017 Thursday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 14205 words

**Body**

Washington: Office of the Federal Register has issued the following notice:

Department of Defense General Services Administration National Aeronautics and Space Administration ----------------------------------------------------------------------- Semiannual Regulatory Agenda Federal Register / Vol. 82 , No. 163 / Thursday, August 24, 2017 / Unified Agenda [[Page 40368]] ----------------------------------------------------------------------- DEPARTMENT OF DEFENSE GENERAL SERVICES ADMINISTRATION NATIONAL AERONAUTICS AND SPACE ADMINISTRATION 48 CFR Ch. 1 Semiannual Regulatory Agenda AGENCY: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA). ACTION: Semiannual regulatory agenda. ----------------------------------------------------------------------- SUMMARY: This agenda provides summary descriptions of regulations being developed by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council in compliance with Executive Order 12866 ``Regulatory ***Planning*** and Review.'' This agenda is being published to allow interested persons an opportunity to participate in the rulemaking process.

The Regulatory Secretariat Division has attempted to list all regulations pending at the time of publication, except for minor and routine or repetitive actions; however, unanticipated requirements may result in the issuance of regulations that are not included in this agenda. There is no legal significance to the omission of an item from this listing. Published proposed rules may be reviewed in their entirety at the Government's rulemaking Web site at [*http://www.regulations.gov*](http://www.regulations.gov) FOR FURTHER INFORMATION CONTACT: Joanne Sosa, Regulatory Secretariat Division, 1800 F Street NW., Washington, DC 20405, or via telephone at 202-501-4755. SUPPLEMENTARY INFORMATION: DoD, GSA, and NASA, under their several statutory authorities, jointly issue and maintain the FAR through periodic issuance of changes published in the Federal Register and ***produced*** electronically as Federal Acquisition Circulars (FACs). The electronic version of the FAR, including changes, can be accessed on the FAR Web site at   [*http://www.acquisition.gov/far*](http://www.acquisition.gov/far). Dated: March 31, 2017. William F. Clark, Director, Office of Government-Wide Acquisition Policy, Office of Acquisition Policy, Office of Government-Wide Policy. DOD/GSA/NASA (FAR)--Proposed Rule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 216....................... Federal Acquisition 9000-AM94 Regulation (FAR); FAR Case 2015-021; Determination of Fair and Reasonable Prices on Orders Under Multiple Award Contracts. 217....................... Federal Acquisition 9000-AN03 Regulation (FAR); FAR Case 2015-014; Prohibition on Providing Funds to the Enemy. 218....................... FAR Acquisition Regulation 9000-AN31 (FAR); FAR Case 2015-038, Reverse Auction Guidance. 219....................... Federal Acquisition 9000-AN32 Regulation (FAR); FAR Case 2017-005, Whistleblower Protection for Contractor Employees. 220....................... Federal Acquisition 9000-AN33 Regulation (FAR); FAR Case 2015-031, Policy on 8(a) Joint Ventures. 221....................... Federal Acquisition 9000-AN34 Regulation; FAR Case 2016- 002, Applicability of Small Business Regulations Outside the United States. 222....................... Federal Acquisition 9000-AN36 Regulation (FAR); FAR Case 2017-008, Duties of Office of Small and Disadvantaged Business Utilization. 223....................... Federal Acquisition 9000-AN38 Regulation (FAR); FAR Case 2016-013, Tax on Certain Foreign Procurement. 224....................... Federal Acquisition 9000-AN39 Regulation (FAR); FAR Case 2017-003; Alternatives in Lieu of Corporate or Individual Sureties. 225....................... Federal Acquisition 9000-AN40 Regulations (FAR); FAR Case 2015-002, Requirements for DD Form 254, Contract Security Classification Specification. 226....................... Federal Acquisition 9000-AN43 Regulation (FAR); FAR Case 2017-014, Acquisition 360. 227....................... Federal Acquisition 9000-AN44 Regulation (FAR); FAR Case 2017-013, Breaches of Personally Identifiable Information. 228....................... Federal Acquisition 9000-AN46 Regulation (FAR); FAR Case 2017-011, Section 508-Based Standards in Information and Communication Technology. 229....................... Federal Acquisition 9000-AN47 Regulation (FAR); FAR Case 2016-012, Incremental Funding of Fixed-Price Contracting Actions. 230....................... Federal Acquisition 9000-AN48 Regulation (FAR); FAR Case 2015-037, Definition of ``Information Technology''. 231....................... Federal Acquisition 9000-AN49 Regulation (FAR); FAR Case 2015-028, Performance-Based Payments. 232....................... Federal Acquisition 9000-AN51 Regulation (FAR); Far Case 2015-004, Provisions and Clauses for Acquisitions of Commercial Items and Acquisitions That do not Exceed the Simplified Acquisition Threshold (SAT). 233....................... Federal Acquisition 9000-AN53 Regulation (FAR); FAR Case 2017-006, Exception From Certified Cost or Pricing Data Requirements--Adequate Price Competition. 234....................... Federal Acquisition 9000-AN54 Regulation (FAR); FAR Case 2017-010, Evaluation Factors for Multiple- Award Contracts. 235....................... Federal Acquisition 9000-AN55 Regulation (FAR); FAR Case 2015-026, Contractor Use of Mandatory Sources of Supply in Service Contracts. 236....................... Federal Acquisition 9000-AN56 Regulation (FAR); FAR Case 2017-016, Controlled Unclassified Information (CUI). ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Final Rule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 237....................... Federal Acquisition 9000-AM89 Regulation (FAR); FAR Case 2015-015; ***Strategic*** Sourcing Documentation. 238....................... Federal Acquisition 9000-AM90 Regulation (FAR); FAR Case 2013-018; Clarification of Requirement for Justifications for 8(a) Sole Source Contracts. 239....................... Federal Acquisition 9000-AM93 Regulation (FAR); FAR Case 2014-002; Set-Asides Under Multiple Award Contracts. [[Page 40369]] 240....................... Federal Acquisition 9000-AN02 Regulation (FAR); FAR Case 2015-017; Combating Trafficking in Persons-- Definition of ``Recruitment Fees''. 241....................... Federal Acquisition 9000-AN10 Regulation (FAR); FAR Case 2016-007, Non- Retaliation for Disclosure of Compensation Information. 242....................... Federal Acquisition 9000-AN19 Regulation (FAR); FAR Case 2015-005, System for Award Management Registration. 243....................... Federal Acquisition 9000-AN26 Regulation (FAR); FAR Case 2015-039, Audit of Settlement Proposals. 244....................... Federal Acquisition 9000-AN27 Regulation (FAR); FAR Case 2017-001, Paid Sick Leave for Federal Contractors. 245....................... Federal Acquisition 9000-AN28 Regulation (FAR); FAR Case 2015-033, Sustainable Acquisition. 246....................... Federal Acquisition 9000-AN29 Regulation: FAR Case 2016- 005; Effective Communication Between Government and Industry. 247....................... Federal Acquisition 9000-AN35 Regulation (FAR); FAR Case 2016-011, (S) Revision of Limitations on Subcontracting. 248....................... Federal Acquisition 9000-AN37 Regulation (FAR); FAR Case 2017-004, Rate Adjustment of Liquidated Damages. 249....................... Federal Acquisition 9000-AN41 Regulation (FAR); FAR Case 2017-007, Task- and Delivery-Order Protests. 250....................... Federal Acquisition 9000-AN45 Regulation (FAR); FAR Case 2017-009, Special Emergency Procurement Authority. 251....................... Federal Acquisition 9000-AN50 Regulation (FAR); FAR Case 2017-012, Increased Micro-Purchase Threshold for Certain Procurement Activities. 252....................... Federal Acquisition 9000-AN52 Regulation (FAR); FAR Case 2017-015, Removal of Fair Pay and Safe Workplaces Rule. ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Long-Term Actions ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 253....................... Federal Acquisition 9000-AM58 Regulation (FAR); FAR Case 2013-002; Expanded Reporting of Nonconforming Supplies. ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Completed Actions ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 254....................... Federal Acquisition 9000-AM02 Regulation (FAR); FAR Case 2010-013; Privacy Training. 255....................... Federal Acquisition 9000-AM39 Regulation (FAR); FAR Case 2012-025; Applicability of the Senior Executive Compensation Benchmark. 256....................... Federal Acquisition 9000-AM68 Regulation (FAR); FAR Case 2012-022; Contracts Under the Small Business Administration 8(a) ***Program***. 257....................... Federal Acquisition 9000-AM73 Regulation (FAR); FAR Case 2013-014; Uniform Use of Line Items. 258....................... Federal Acquisition 9000-AM91 Regulation (FAR); FAR Case 2014-003; Small Business Subcontracting Improvements. 259....................... Federal Acquisition 9000-AM97 Regulation (FAR); FAR Case 2015-016; Prohibition on Reimbursement for Congressional Investigations and Inquiries. 260....................... Federal Acquisition 9000-AM98 Regulation (FAR); FAR Case 2014-004; Payment of Subcontractors. 261....................... Federal Acquisition 9000-AN04 Regulation (FAR); FAR Case 2015-012; Contractor Employee Internal Confidentiality Agreements. 262....................... Federal Acquisition 9000-AN18 Regulation (FAR); FAR Case 2016-004; Acquisition Threshold for Special Emergency Procurement Authority. 263....................... Federal Regulation 9000-AN20 Acquisition (FAR); FAR Case 2015-024, Public Disclosure of Greenhouse Gas Emissions and Reduction Goals- Representation. 264....................... Federal Acquisition 9000-AN23 Regulation (FAR); FAR Case 2015-035, Removal of Regulations Relating to Telegraphic Communication. ------------------------------------------------------------------------ [[Page 40370]] DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR) Proposed Rule Stage 216. Federal Acquisition Regulation (FAR); FAR Case 2015-021; Determination of Fair and Reasonable Prices on Orders Under Multiple Award Contracts Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA and NASA are proposing to amend the FAR to direct contracting officers to make a determination of fair and reasonable pricing when using GSA's Federal Supply Schedules (FSS). The Federal Acquisition Streamlining Act (FASA) of 1994 established a preference for the types of information used to assess price reasonableness. Fair and reasonable price determinations are used for evaluating quotations, bids, and proposals for the source selection decision and during sole-source negotiations with the goal of promoting a healthy and efficient competitive sourcing environment. This rule will ensure uniform implementation of this FAR change across government contracts and avoid the proliferation of agency actions (e.g revisions to FAR supplements or issuance of policy guidance) implementing this requirement. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 10/00/17 ....................... NPRM Comment Period End............. 12/00/17 ....................... ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AM94 217. Federal Acquisition Regulation (FAR); FAR Case 2015-014; Prohibition on Providing Funds to the Enemy Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to prevent the flow of funds to persons or entities that are actively opposing United States or coalition forces involved in a contingency operation. This rule implements subtitle E of title VIII of the Carl Levin and Howard P. Buck'' McKeon National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2015, which prohibits providing funds to the enemy. The statute does not apply to contracts that are equal to or less than $50,000, contracts performed inside the United States, or contracts subject to a national security exception. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 08/00/17 ....................... NPRM Comment Period End............. 10/00/17 ....................... ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov) RIN: 9000-AN03 218.  FAR Acquisition Regulation (FAR); FAR Case 2015-038, Reverse Auction Guidance

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to implement policies addressing the effective use of reverse auctions. Reverse auctions involve offerors lowering their pricing over rounds of bidding in order to win federal contracts This change will incorporates guidance from the OFPP memorandum, ``Effective Use of Reverse Auctions,'' which was issued in response to recommendations from the GAO report, Reverse Auctions: Guidance is Needed to Maximize Competition and Achieve Cost Savings (GAO-14-108).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/00/17  ....................... NPRM Comment Period End.............   01/00/18  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN31

219.  Federal Acquisition Regulation (FAR); FAR Case 2017-005, Whistleblower Protection for Contractor Employees

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to implement 41 U.S.C 4712, Enhancement of contractor protection from reprisal for disclosure of certain information and makes the pilot ***program*** permanent. The pilot was enacted on January 2, 2013, by section 828 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013. This statute also clarifies that the cost principles at 10 U.S.C 2324(k) and 41 U.S.C 4304 and 4310 apply to costs incurred by a contractor, subcontractor, or personal services contractor.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   07/00/17  ....................... NPRM Comment Period End.............   09/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN32

220.  Federal Acquisition Regulation (FAR); FAR Case 2015-031, Policy on 8(a) Joint Ventures

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to be consistent with the guidance in SBA regulations at 13 CFR 124 8(A) Business Development/Small Disadvantaged Business Status Determinations > These clarifications are expected to relieve burden on both industry and government by reducing the number of protests related to inappropriate elimination from competition of offers from 8(a) joint ventures and inappropriate awards to ineligible 8(a) joint ventures. This will reduce the risk for fraud by clarifying the role of SBA as the authority for making eligibility determination. The rule is also expected to facilitate competition by clarifying the circumstances under which a joint venture is eligible for award under the 8(a) ***program***.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   09/00/17  ....................... NPRM Comment Period End.............   11/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA

[[Page 40371]]

(FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN33

221.  Federal Acquisition Regulation; FAR Case 2016-002, Applicability of Small Business Regulations Outside the United States

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) consistent with SBA's final rule at 13 CFR 125.2 as finalized in their rule Acquisition Process: Task and Delivery Order Contracts, Bundling, Consolidation'' issued on October 2, 2013 to clarify that overseas contracting is not excluded from agency responsibilities to foster small business participation.     In its final rule, SBA has clarified that, as a general matter, its small business contracting regulations apply regardless of the place of performance. In light of these changes, there is a need to amend the FAR both to bring its coverage into alignment with SBA's regulation and to give agencies the tools they need especially the ability to use set- asides to maximize opportunities for small businesses overseas.     SBA intends to include contracts performed outside of the United States in agencies' prime contracting goals beginning in FY 2016. Although inclusion for goaling purposes is not dependent on FAR changes, amending FAR part 19 will allow agencies to take advantage of the tools authorized for providing small business opportunities for contracts awarded outside of the United States.     This rule will allow agencies to take advantage of the tools authorized for providing small business opportunities for contracts awarded outside of the United States. This will make it easier for small businesses to receive additional opportunities for contracts performed outside of the United States.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17  ....................... NPRM Comment Period End.............   12/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN34

222.  Federal Acquisition Regulation (FAR); FAR Case 2017-008, Duties of Office of Small and Disadvantaged Business Utilization

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to provide additional duties for the Office of Small and Disadvantaged Business Utilization (OSDBU), or for DoD, the Office of Small Business ***Programs*** (OSBP). Additionally the rule will include existing OSDBU duties that are not currently listed in the FAR.     This rule implements sections 1812, paragraph (a) of section 1813 and paragraph (b) of section 1821 of the National Defense Authorization Act of Fiscal Year 2017, which amends section 15(k) of the Small Business Act (15 U.S.C 644(k)). Additionally the rule will include existing duties prescribed in section 15(k) of the Small Business Act that are not currently listed in the FAR.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17  ....................... NPRM Comment Period End.............   12/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Janet Fry, ***Program*** Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-3167, Email: [*janet.fry@gsa.gov*](mailto:janet.fry@gsa.gov)     RIN: 9000-AN36

223.  Federal Acquisition Regulation (FAR); FAR Case 2016-013, Tax on Certain Foreign Procurement

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 37; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to implement a final rule issued by the Department of the Treasury (published at 81 FR 55133) that implements section 301 of the James Zadroga 9/11 Health and Compensation Act of 2010, Public Law 111347. This section imposes on any foreign person that receives a specified Federal procurement payment a tax equal to 2 percent of the amount such payment. This rule applies to Federal government contracts for goods or services that are awarded to foreign persons.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   08/00/17  ....................... NPRM Comment Period End.............   10/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN38

224.  Federal Acquisition Regulation (FAR); FAR Case 2017-003; Alternatives in Lieu of Corporate or Individual Sureties

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are is proposing to amend the Federal Acquisition Regulation (FAR) to change the kinds of assets that individual sureties must use as security for their individual surety bonds. This change will implement section 874 of the NDAA for FY 2016 (Pub. L. 114-92).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17  ....................... NPRM Comment Period End.............   12/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN39

225.  Federal Acquisition Regulations (FAR); FAR Case 2015-002, Requirements for DD Form 254, Contract Security Classification Specification

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to require the use of Wide Area Workflow (WAWF) for the submission of the DD Form 254, Contract Security Classification Specification. This form is used to convey security requirements regarding classified information to contractors and subcontractors and must be submitted to the Defense Security Services (DSS) when contractors or subcontractors require access to classified information under contracts awarded by agencies covered by the National Industrial Security ***Program*** (NISP).

[[Page 40372]]

    The NISP Contracts Classification System (NCCS) is being deployed as a module within the existing WAWF platform to provide a centralized repository for classified contract security requirements and automate the DD Form 254 processes and workflows. The rule also clarifies that a unique CAGE code is required for each location of performance listed on a DD Form 254 and that System for Award Management (SAM) registration is only required for the business location listed on the contract. The DD Form 254 is used to convey security requirements regarding classified information to contractors and subcontractors and must be submitted to DSS when contractors or subcontractors require access to classified information. On average, approximately 130,000 forms are received each year from 61 agencies and components. These forms are submitted manually and there is no central repository for the form. The rule will provide a centralized repository for classified contract security requirements and supporting data while automating the DD Form 254 processes and workflows. By using this form, burden will reduce.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   08/00/17 NPRM Comment Period End.............   10/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E. Glover, Sr., Procurement Analyst, DOD/ GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501-1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN40

226.  Federal Acquisition Regulation (FAR); FAR Case 2017-014, Acquisition 360

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to address the solicitation of contractor feedback on both contract formation and contract administration activities. Agencies would consider this feedback, as appropriate, to improve the efficiency and effectiveness of their acquisition activities. The rule would create FAR policy to encourage regular feedback in accordance with agency practice (both on contract formation and administration activities) and a standard FAR solicitation provision to support a sustainable model for broadened use of Acquisition 360 survey to elicit feedback on the pre-award and debriefing processes in a consistent and standardized manner. Agencies would be able to use the solicitation provision to notify interested sources that a procurement is part of the Acquisition 360 survey and encourage stakeholders to voluntarily provide feedback on their experiences on the pre-award process.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E. Glover, Sr., Procurement Analyst, DOD/ GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501-1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN43

227.  Federal Acquisition Regulation (FAR); FAR Case 2017-013, Breaches of Personally Identifiable Information

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to revise the Federal Acquisition Regulation (FAR) to create and implement appropriate contract clauses and regulatory coverage to address contractor requirements for breach response consistent with the requirements. This FAR change will implement the requirements outlined in Office of Management and Budget (OMB) Memorandum, M-17-12 ``Preparing for and Responding to a Breach of Personally Identifiable Information'' section V part B.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/00/17 NPRM Comment Period End.............   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN44

228.  Federal Acquisition Regulation (FAR); FAR Case 2017-011, Section 508-Based Standards in Information and Communication Technology

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to incorporate revisions and updates to standards in Section 508 of the Rehabilitation Act of 1973, developed by the Architectural and Transportation Barriers Compliance Board (also referred to as the ``Access Board''). This FAR change incorporates the U.S Access Board's final rule 82 FR 5790, Information and Communication Technology (ICT) Standards and Guidelines, published on January 18, 2017 , which implemented revisions and updates to the section 508-based standards and section 255-based guidelines.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN46

229.  Federal Acquisition Regulation (FAR); FAR Case 2016-012, Incremental Funding of Fixed-Price Contracting Actions

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to allow for incrementally funding of certain fixed-price contracting action to help minimize disruptions to agency operations, and provide Federal acquisition professionals with new funding flexibility for fixed-price contracting actions. The importance of incremental funding policy is driven, in large part, by chronic impediments to the timely passage of the Federal budget. Because the FAR is silent on the incremental funding of fixed-price contracts; however, in many cases, full funding (due to budgetary uncertainties) is not possible. There is potential for benefits to be realized through creating consistent language in the FAR. The flexibility to incrementally fund fixed-price contracts will enable acquisition professionals more efficiently get contracts underway.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/00/17 NPRM Comment Period End.............   01/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.

[[Page 40373]]

    Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN47

230.  Federal Acquisition Regulation (FAR); FAR Case 2015-037, Definition of ``Information Technology''

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to revise the FAR to update the definition of ``information technology,'' as directed in the Office of Management and Budget Memo, M-15-14, entitled Management Oversight of Federal Information Technology.'' Specifically, the rule broadens the definition of information technology to include services such as cloud computing and to remove an exemption for information technology embedded in other systems.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN48

231.  Federal Acquisition Regulation (FAR); FAR Case 2015-028, Performance-Based Payments

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA are proposing to amend the FAR to harmonize the policy on flowdown requirements at FAR 32.504 with FAR clause 52.232-32 for the financing of subcontracts through performance- based payments. FAR 32.504(f) states that ``When financing payments are in the form of performance-based payments, the Performance-Based Payments clause at 52.232-32 requires that the subcontract terms include the substance of the Performance-Based Payments clause, modified to indicate that the contractor, not the Government, awards the subcontract and administers the performance-based payments . . .'' However, FAR clause 52.232-32 does not include instructions to the contractor to flowdown the requirements to the subcontractor. The FAR recognizes that prudent contract financing can be a useful working tool in Government acquisition. Performance-based payments are a form of contract financing authorized by the FAR under certain conditions. The proposed rule would merely make it clear to the contractor under which circumstances the substance of this form of contract financing is required to flow down to the subcontractor, when FAR 52.232-32 is included in its contract.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN49

232.  Federal Acquisition Regulation (FAR); FAR Case 2015-004, Provisions and Clauses for Acquisitions of Commercial Items and Acquisitions That Do Not Exceed the Simplified Acquisition Threshold (SAT)

    Legal Authority: Not Yet Determined     Abstract: DoD, GSA, and NASA are proposing to revise the FAR with an internal administrative change to support the use of automated contract writing systems and reduce FAR maintenance when clauses are updated. Currently, the FAR provides a single, consolidated list of all provisions and clauses applicable to the acquisition of commercial items. When new clauses applicable to commercial items are added the FAR, a manual process of cross checking and renumbering of the list is employed the conform the FAR, The process is cumbersome and inefficient, and challenging to maintain, especially for contract writing systems. The propose rule would propose a change to each clause prescription and each clause flowdown for commercial items to specify required information within the prescription/clause itself, without having to cross-check another clause, list or other parts of the FAR.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN51

233.  Federal Acquisition Regulation (FAR); FAR Case 2017-006, Exception From Certified Cost or Pricing Data Requirements--Adequate Price Competition

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement section 822 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017 (Pub. L. 114-328). This addresses the exception from certified cost or pricing data requirements when price is based on adequate price competition. It also limits the exception for price based on adequate price competition to circumstances in which there is adequate competition that results in at least two or more responsive and viable competing bids.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   08/00/17 NPRM Comment Period End.............   10/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN53

234.  Federal Acquisition Regulation (FAR); FAR Case 2017-010, Evaluation Factors for Multiple-Award Contracts

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement section 825 of the NDAA for FY 17 (Pub. L. 114-328) which changes the requirement regarding the consideration of cost or price to the Government as a factor in the evaluation of proposals for certain multiple-award task order contracts. At the Government's discretion, solicitations for multiple- award contracts, which intend to award the same or similar services to each qualifying offeror, do not require price or cost as an evaluation factor for the base contract award. This exception does not apply to

[[Page 40374]]

solicitations for multiple-award contracts that provide for sole source orders pursuant to section 8(a) of the Small Business Act (15 U.S.C 637(a)). When cost or price is not considered in evaluation of the base award, the contracting officer must consider price or cost as one of the factors in the selection decision for each order.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   09/00/17 NPRM Comment Period End.............   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN54

235.  Federal Acquisition Regulation (FAR); FAR Case 2015-026, Contractor Use of Mandatory Sources of Supply in Service Contracts

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) clause associated with the AbilityOne ***Program***. These revisions respond to concerns raised by the Committee for Purchase From People Who Are Blind or Severely Disabled (Committee) that a FAR clarification is necessary for situations when Government agencies contract with commercial sources to perform an agency's service function. The Committee believes that reductions in procurement of several service-related supplies has adversely affected employment of people who are blind or have significant disabilities because of the lack of this clarification.     The proposed revision will emphasize that contractors must use mandatory sources of supply in service contracts and to update the procedures associated with purchases made through the AbilityOne ***Program*** to conform to the current Committee regulatory administration of this statutory ***program***. The rule will clarify the obligation for Government agencies to satisfy their requirements for certain supplies and services from the Procurement List maintained by the Committee.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN55

236.  Federal Acquisition Regulation (FAR); FAR Case 2017-016, Controlled Unclassified Information (CUI)

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement the National Archives and Records Administration (NARA) Controlled Unclassified Information (CUI) ***program*** of Executive Order 13556 of Nov 4, 2010. As the executive agent designated to oversee the governmentwide CUI ***program***, NARA issued implementing regulations in late 2016 designed to address agency policies for designating, safeguarding, disseminating, marking, decontrolling and disposing of CUI. The NARA rule affects contractors that handle, possess, use, share or receive CUI. The NARA regulation is codified at 32 CFR 2002. This FAR rule is necessary to ensure uniform implementation of the requirements of the CUI ***program*** in contracts across the government, thereby avoiding potentially inconsistent agency-level action.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/00/17 NPRM Comment Period End.............   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN56

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Final Rule Stage

237. Federal Acquisition Regulation (FAR); FAR Case 2015-015; ***Strategic*** Sourcing Documentation

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement a section of the Carl Levin and Howard P. Buck'' McKeon National Defense Authorization Act for Fiscal Year 2015. This section requires the contract file shall contain certain documentation if the Federal Government makes a purchase of supplies and services offered under the Federal ***Strategic*** Sourcing Initiative (FSSI), but the FSSI is not used. The contract file for the purchase shall include a brief analysis of the comparative value, including price and non-price factors, between the supplies and services offered under the FSSI and those offered under the source(s) to be used for the purchase.     While all action involved on the rule is internal to the Government, the documentation requirement ensures a contracting officer considers contract vehicles under the Federal ***Strategic*** Sourcing Initiative (FSSI). In doing so, the rule will raise the visibility of these ***strategic*** sourcing solutions, promote their use, and help to better leverage the Government's buying power.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/20/16  81 FR 39883 NPRM Comment Period End.............   08/19/16 Final Rule..........................   10/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AM89

238. Federal Acquisition Regulation (FAR); FAR Case 2013-018; Clarification of Requirement for Justifications for 8(A) Sole Source Contracts

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are implementing a final rule to amend the Federal Acquisition Regulation to clarify the guidance for sole source 8(a) contract awards exceeding $22 million. This rule implements guidance from a Government Accountability Office report entitled Federal Contracting: Slow Start to Implementation of Justifications for 8(a) Sole-Source Contracts'' (GA0-13-118, December 2012). Sole-source contracting regulations are statutory and are found in section 811 of the National Defense

[[Page 40375]]

Authorization Act for Fiscal Year 2010 (Pub. L. 11184) (see 77 FR 23369). These clarifications improve the contracting officer's ability to comply with the sole source contracts statutory requirements.     The GAO report indicates that the FAR needed additional clarification of justification to help ensure that agencies are applying the requirement consistently. This rule provides such guidance, including when justification is necessary, how contracting officers should comply, and when a separate sole-source justification is necessary for out-of-scope modifications to 8(a) sole-source contracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/15/16  81 FR 80012 NPRM Comment Period End.............   01/17/17 Final Rule..........................   10/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM90

239. Federal Acquisition Regulation (FAR); FAR Case 2014-002; Set- Asides Under Multiple Award Contracts

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the FAR to implement regulatory changes regarding procedures for the use of small business partial set-asides, reserves, and orders placed under multiple-award contracts. This rule incorporates statutory requirements discussed at section 1331 of the Small Business Jobs Act of 2010 (15 U.S.C 644(r)) and the Small Business Administration's final rule at 78 FR 61114, dated October 2, 2013.     The rule increases small business participation in Federal prime contracts by ensuring that small businesses have greater access to multiple award contracts and clarifying the procedures for submitting proposals for partial set-asides, reserves, and orders placed under such contracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/06/16  81 FR 88072 NPRM Comment Period End.............   02/06/17 Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM93

240. Federal Acquisition Regulation (FAR); FAR Case 2015-017; Combating Trafficking in Persons--Definition of ``Recruitment Fees''

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to revise the FAR to implement Executive Order (E.O ) 13627, Strengthening Protections Against Trafficking in Persons in Federal Contracts, and title XVII of the National Defense Authorization Act for Fiscal Year 2013, which became effective on March 2, 2015. The rule adds a definition of ``recruitment fees'' to subpart 22.17, Combating Trafficking in Persons, and the associated clause in order to clarify how the Government treats this prohibited practice that has been associated with labor trafficking under contracts and subcontracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   05/11/16  81 FR 29244 NPRM Comment Period End.............   07/11/16 Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN02

241. Federal Acquisition Regulation (FAR); FAR Case 2016-007, Non- Retaliation for Disclosure of Compensation Information

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to adopt as final, without change, an interim rule amending the Federal Acquisition Regulation (FAR) to implement Executive Order (E.O ) 13665, entitled ``Non- Retaliation for Disclosure of Compensation Information.'' signed April 8, 2014, (79 FR 20749) and the final rule issued by the Office of Federal Contract Compliance ***Programs*** (OFCCP) of the Department of Labor (DOL) at 80 FR 54934, on September 11, 2015, entitled `Government Contractors, Prohibitions Against Pay Secrecy Policies and Actions.'     This rule provides for a uniform policy for the Federal Government to prohibit Federal contractors from discriminating against employees and job applicants who inquire about, discuss, or disclose their own compensation or the compensation of other employees or applicants.     Timetable:

  ------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   09/30/16  81 FR 67732 Interim Final Rule Comment Period      11/29/16  End. Final Rule..........................   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN10

242. Federal Acquisition Regulation (FAR); FAR Case 2015-005, System for Award Management Registration

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amends the Federal Acquisition Regulation (FAR) to update the instructions for System for Award Management (SAM) registration requirements and to correct an inconsistency with offeror representation and certification requirements. This rule makes consistent the language regarding offerors' registration in SAM prior to submitting an offer or prior to award. The instructions clarify that once a business is registered in the SAM database, it is only required to update the SAM database registration in accordance with the clause 52.204-7 or if there are new decisions on its labor violations at clause 52.222-59.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   05/20/16  81 FR 31895 NPRM Comment Period End.............   07/19/16 Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN19

[[Page 40376]]

243. Federal Acquisition Regulation (FAR); FAR Case 2015-039, Audit of Settlement Proposals

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amends the Federal Acquisition Regulation (FAR) to raise the dollar threshold requirement for the audit of prime contract settlement proposals and subcontract settlements from $100,000 to the Truth In Negotiation Act (TINA) threshold of $750,000 to help alleviate the backlog of contract close-outs and to enable contracting officers to more quickly deobligate excess funds from terminated contracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   09/14/16  81 FR 63158 NPRM Comment Period End.............   11/14/16 Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN26

244. Federal Acquisition Regulation (FAR); FAR Case 2017-001, Paid Sick Leave for Federal Contractors

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to finalize an interim rule amending the Federal Acquisition Regulation (FAR) requiring Federal Government contractors to ensure that employees on those contracts can earn up to 7 days or more of paid sick leave annually, including paid sick leave for family care. This rule implements the objective of E.O 13706, Establishing Paid Sick Leave for Federal Contractors and Department of Labor's final rule codified at 29 CFR part 13.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   12/16/16  81 FR 91627 Interim Final Rule Effective........   01/01/17 Interim Final Rule Comment Period      02/14/17  End. Final Rule..........................   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN27

245.  Federal Acquisition Regulation (FAR); FAR Case 2015-033, Sustainable Acquisition

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA ***plan*** to issue a final rule to amends the FAR to add a new definition for sustainable products and services and update several existing definitions germane to sustainable acquisition. This rule will also provide two new Web sites to help contractors understand the sustainable acquisition requirements and gain access to a listing of sustainable products and services as determined by the Federal Government. The rule implements Executive Order 13693, ***Planning*** for Federal Sustainability in the Next Decade (supersedes E.O.s 13423 and 13514), and the biobased product acquisition provisions of the ***Agricultural*** Act of 2014 (also known as the 2014 Farm Bill).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   01/18/17  82 FR 5490 NPRM Comment Period End.............   03/20/17 Final Rule..........................   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 795-6328, Email: [*chuck.gray@gsa.gov*](mailto:chuck.gray@gsa.gov)     RIN: 9000-AN28

246.  Federal Acquisition Regulation: FAR CASE 2016-005; Effective Communication Between Government and Industry

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: The Council amends the FAR to implement section 887 of the NDAA for FY 2016 (Pub. L. 114-92), which provides that agency acquisition personnel are permitted and encouraged to engage in responsible and constructive exchanges with industry.     The rule clarifies agency acquisition personnel are permitted and encouraged to engage in responsible and constructive exchanges with industry, in a manner consistent with existing law and regulation and without promoting an unfair competitive advantage.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/29/16  81 FR 85914 NPRM Comment Period End.............   03/02/17 Final Rule..........................   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN29

247.  Federal Acquisition Regulation (FAR); FAR Case 2016-011, (S) Revision of Limitations on Subcontracting

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing an interim rule is to amend the Federal Acquisition Regulation (FAR) to revise and standardize the limitations on subcontracting (LOS), including the nonmanufacturer rule (NMR), which apply to small business concerns under FAR part 19 procurements. This FAR change incorporates SBA final rule which implemented the statutory requirements of section 1651 of the National Defense Authorization Act for Fiscal Year 2013. This action is necessary to meet the Congressional intent of clarifying the limitations on subcontracting with which small businesses must comply, as well as the ways in which they can comply. Failure to implement section 1651 promptly will prevent small businesses from taking advantage of subcontracts with similarly situated entities. As a result, small businesses may be unable to compete for larger contracts, which would adversely affect their potential for growth as well as that of their potential subcontractors.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   08/00/17 Interim Final Rule Comment Period      10/00/17  End. ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN35

[[Page 40377]]

248.  Federal Acquisition Regulation (FAR); FAR Case 2017-004, Rate Adjustment of Liquidated Damages

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to issue a final rule amending the Federal Acquisition Regulation (FAR) to adjust the civil monetary penalties for inflation pursuant to the Inflation Adjustment Act Improvements Act. This Act requires agencies to adjust the levels of civil monetary penalties with an initial catch-up adjustment, followed by the annual adjustment for inflation.     This rule implements the Department of Labor (DOL) interim final rule published in the Federal Register at 81 FR 43430 on July 1, 2016, finalized at 82 FR 5373 on January 18, 2017. The DOL rule adjusted the civil monetary penalties for inflation pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Sec. 701 of Pub. L. 114-74).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN37

249.  Federal Acquisition Regulation (FAR); FAR Case 2017-007, Task- and Delivery-Order Protests

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to issue a final rule to raise the threshold for task- and delivery-order protests from $10 million to $25 million for DoD and make permanent the General Accountability Office's authority to hear protests on civilian task or delivery contracts valued in excess of $10 million. The rule implements sections 835 of the National Defense Authorization Act for FY 2017 (Pub. L. 114- 328) and Public Law 114-260 835(a). Implementation of the Act reinforces the importance of bid protests in the procurement process as it provides relief to protestors either a sustain'' decision or voluntary agency corrective action.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 795-6328, Email: [*chuck.gray@gsa.gov*](mailto:chuck.gray@gsa.gov)     RIN: 9000-AN41

250.  Federal Acquisition Regulation (FAR); FAR Case 2017-009, Special Emergency Procurement Authority

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: The Council is proposing to amend the Federal Acquisition Regulation (FAR) to implement sections 816 and 1641 of the National Defense Authorization Act for Fiscal Year 2017 (Pub. L. 114-328). Section 816 adds international disaster assistance under the Foreign Assistance Act of 1961 and emergency or disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Section 1641 adds special emergency procurement authority to facilitate defense against or recovery from a cyber-attack.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   08/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN45

251.  Federal Acquisition Regulation (FAR); FAR Case 2017-012, Increased Micro-Purchase Threshold for Certain Procurement Activities

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to issue a final rule to implement section 217(b)(1) of the NDAA for FY 2017 (Pub. L. 114-328). This section provide a micro-purchase threshold of $10,000 or a higher amount, as determined appropriate by the head of the executive agency and consistent with clean audit findings under chapter 75 of title 31, internal institutional risk assessment, or state law. This new threshold applies to awards to institutions of higher education or related or affiliated nonprofit entities, or to nonprofit research organizations or independent research institutes.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   08/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN50

252.  Federal Acquisition Regulation (FAR); FAR Case 2017-015, Removal of Fair Pay and Safe Workplaces Rule

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA ***plan*** to issue a final rule to repeal the implementation of Executive Order 13673 on Fair Pay and Safe Workplaces since Executive Order 13673 was officially nullified on March 27, 2017 (see Pub. L. 115-11). Additionally, Executive Order 13782 of March 30, 2017, revoked Executive Order 13673, section 3 of Executive Order 13683 of December 11, 2014, and Executive Order 13738 of August 23, 2016. This action was made to have no force or effect by an enacted joint resolution of disapproval under the Congressional Review Act, H.J Res. 37 (Pub. L. 115-11).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule, CRA Revocation..........   06/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN52

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Long-Term Actions

253. Federal Acquisition Regulation (FAR); FAR Case 2013-002; Expanded Reporting of Nonconforming Supplies

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to expand

[[Page 40378]]

Government and contractor requirements for reporting of nonconforming items. This rule partially implements section 818 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2012 and implement requirements of the Office of Federal Procurement Policy (OFPP) Policy Letter 91-3, entitled ``Reporting Nonconforming Products,'' dated April 9, 1991.     This change will help mitigate the growing threat that counterfeit items pose when used in systems vital to an agency's mission. The primary benefit of this rule is to reduce the risk of counterfeit items entering the supply chain by ensuring that contractors report suspect items to a widely available database.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/10/14  79 FR 33164 NPRM Comment Period End.............   08/11/14 Final Rule..........................   06/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AM58

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Completed Actions

254. Federal Acquisition Regulation (FAR); FAR Case 2010-013; Privacy Training

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA issued a final rule to amend the Federal Acquisition Regulation (FAR) to ensure all contractors are required to complete training in the protection of privacy and the handling and safeguarding of Personally Identifiable Information (PII). The proposed FAR language provides flexibility for agencies to conduct the privacy training or require the contractor to conduct the privacy training.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   12/20/16  81 FR 93476 Final Rule Effective................   01/19/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Phone: 202 795-6328, Email: [*charles.gray@gsa.gov*](mailto:charles.gray@gsa.gov)     RIN: 9000-AM02

255. Federal Acquisition Regulation (FAR); FAR Case 2012-025; Applicability of the Senior Executive Compensation Benchmark

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: Withdrawal Justification: The NDAA for FY 17 repealed the retroactive applicability of the cap on contractor employee compensation (for allowability purposes), set forth in section 803(c) of the NDAA for FY 12 (Pub. L. 11281; 125 Stat. 1485; 10 U.S.C 2324 note). Accordingly, the case was closed once the NDAA for FY 17 was signed into law.)     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Withdrawn...........................   03/15/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AM39

256. Federal Acquisition Regulation (FAR); FAR Case 2012-022; Contracts Under the Small Business Administration 8(a) ***Program***

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to implement revisions made by the Small Business Administration to its regulations implementing section 8(a) of the Small Business Act, and to provide additional FAR coverage regarding protesting an 8(a) participant's eligibility or size status, procedures for releasing a requirement for non-8(a) procurements, and the ways a participant could exit the 8(a) Business Development ***program***.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4724 Final Rule Effective................   01/13/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM68

257. Federal Acquisition Regulation (FAR); FAR Case 2013-014; Uniform Use of Line Items

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation to establish and require a uniform use of a line item identification structure in Federal procurement. The system is designed to improve the accuracy, traceability, and usability of procurement data.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4709 Final Rule Effective................   01/13/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis; Phone: 202 550-0935; Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AM73

258. Federal Acquisition Regulation (FAR); FAR Case 2014-003; Small Business Subcontracting Improvements

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to implement regulatory changes made by the Small Business Administration (SBA) in its final rule, concerning small business subcontracting. Among other things, SBA's final rule implements the statutory requirements set forth at sections 1321 and 1322 of the Small Business Jobs Act of 2010.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule Effective................   11/01/16 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM91

259. Federal Acquisition Regulation (FAR); FAR Case 2015-016; Prohibition on Reimbursement for Congressional Investigations and Inquiries

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition

[[Page 40379]]

Regulation (FAR) to implement section 857 of the Carl Levin and Howard P. `Buck' McKeon National Defense Authorization Act for Fiscal Year 2015. This section provides additional requirements relative to the allowability of costs incurred by a contractor in connection with a congressional investigation or inquiry.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4732 Final Rule Effective................   01/13/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AM97

260. Federal Acquisition Regulation (FAR); FAR Case 2014-004; Payment of Subcontractors

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to implement a section of the Small Business Jobs Act of 2010. This statute requires contractors to notify the contracting officer in writing if the contractor pays a reduced price to a small business subcontractor, or if the contractor's payment to a small business contractor is more than 90 days past due. Additional information is located in the FAR final ***plan*** (2016), available at: [*https://www.acquisition.gov/*](https://www.acquisition.gov/).     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   12/20/16  81 FR 93481 Final Rule Effective................   01/19/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E Glover, Phone: 202 501-1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AM98

261. Federal Acquisition Regulation (FAR); FAR Case 2015-012; Contractor Employee Internal Confidentiality Agreements

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to implement a section of the Consolidated and Further Continuing Appropriations Act, 2015, that prohibits the use of funds, appropriated or otherwise made available, for a contract with an entity that requires employees or subcontractors to sign an internal confidentiality agreement that restricts such employees or subcontractors from lawfully reporting waste, fraud, or abuse to a designated Government representative authorized to receive such information.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4717 Final Rule Effective................   01/19/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L Davis, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN04

262. Federal Acquisition Regulation (FAR); FAR Case 2016-004; Acquisition Threshold for Special Emergency Procurement Authority

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the FAR to implement section 816 of the National Defense Authorization Act for Fiscal Year 2016 to raise the simplified acquisition threshold for special emergency procurement authority from $300,000 to $750,000 (within the United States) and from $1 million to $1.5 million (outside the United States). The threshold is used to support contingency operations or to facilitate defense against or recovery from nuclear, biological, chemical, or radiological attack.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4716 Final Rule Effective................   01/13/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN18

263. Federal Regulation Acquisition (FAR); FAR Case 2015-024, Public Disclosure of Greenhouse Gas Emissions and Reduction Goals- Representation

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to create an annual representation within the System for Award Management for vendors to indicate if and where they publicly disclose greenhouse gas emissions and greenhouse gas reduction goals or targets. This information will help the Government assess supplier greenhouse gas management practices and assist agencies in developing strategies to engage with contractors to reduce supply chain emissions, as directed in the Executive Order on ***Planning*** for Federal Sustainability in the Next Decade.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   11/18/16  81 FR 83092 Final Rule Effective................   12/19/16 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Phone: 703 795-6328, Email: [*charles.gray@gsa.gov*](mailto:charles.gray@gsa.gov)     RIN: 9000-AN20

264. Federal Acquisition Regulation (FAR); FAR Case 2015-035, Removal of Regulations Relating to Telegraphic Communication

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to delete the use of telegram, telegraph , and related terms. The objective is to delete reference to obsolete technologies no longer in use and replace with references to electronic communications. In addition, conforming changes are proposed covering expedited notice of termination and change orders.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   11/18/16  81 FR 83097 Final Rule Effective................   12/19/16 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN23

[FR Doc. 2017-17028 Filed 8-23-17; 8:45 am]  BILLING CODE 6820-EP-P

**Load-Date:** August 26, 2017

**End of Document**



[***Council of the European Union: COMMISSION STAFF WORKING DOCUMENT Accompanying the document REPORT FROM THE COMMISSION ON THE WORKING OF COMMITTEES DURING 2016 ST 13714 2017 ADD 1***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5R66-CY61-F0YC-N001-00000-00&context=1516831)

Impact News Service

December 15, 2017 Friday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 18108 words

**Body**

Brussels: Council of the European Union has issued the following document:

13714/17 ADD 1 JG/ft DRI EN Council of the European Union Brussels, 27 October 2017 (OR. en) 13714/17 ADD 1 INST 389 COVER NOTE From: Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director date of receipt: 16 October 2017 To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union No. Cion doc.: SWD(2017) 337 final Subject: COMMISSION STAFF WORKING DOCUMENT Accompanying the document REPORT FROM THE COMMISSION ON THE WORKING OF COMMITTEES DURING 2016 Delegations will find attached document SWD(2017) 337 final. Encl.: SWD(2017) 337 final EN EN EUROPEAN COMMISSION Brussels, 16.10.2017 SWD(2017) 337 final COMMISSION STAFF WORKING DOCUMENT Accompanying the document REPORT FROM THE COMMISSION ON THE WORKING OF COMMITTEES DURING 2016 {COM(2017) 594 final} 2 TABLE OF CONTENTS Introduction ................................................................................................................................ 3 ***Agriculture*** and Rural Development (AGRI) ............................................................................. 4 Budget (BUDG) ......................................................................................................................... 6 Climate Action (CLIMA) ........................................................................................................... 6 Communications Networks, Content and Technology (CNECT) .............................................. 7 Economic and Financial Affairs (ECFIN) ................................................................................. 9 Education and Culture (EAC) .................................................................................................... 9 Employment, Social Affairs and Inclusion (EMPL) .................................................................. 9 Energy (ENER) ........................................................................................................................ 11 Environment (ENV) ................................................................................................................. 12 European Anti-Fraud Office (OLAF) ...................................................................................... 16 Eurostat (ESTAT) .................................................................................................................... 16 Financial Stability, Financial Services and Capital Markets Union (FISMA) ......................... 19 Health and Food Safety (SANTE) ........................................................................................... 20 Humanitarian Aid and Civil Protection (ECHO) ..................................................................... 29 Informatics (DIGIT) ................................................................................................................. 29 Internal Market, Industry, Entrepreneurship and SMEs (GROW) ........................................... 29 International Cooperation and Development (DEVCO) .......................................................... 34 Justice and Consumers (JUST) ................................................................................................ 34 Maritime Affairs and Fisheries (MARE) ................................................................................. 37 Migration and Home Affairs (HOME) ..................................................................................... 38 Mobility and Transport (MOVE) ............................................................................................. 39 Neighbourhood and Enlargement Negotiations (NEAR) ......................................................... 44 Regional and Urban Policy (REGIO)....................................................................................... 44 Research and Innovation (RTD) .............................................................................................. 44 Secretariat-General (SG) .......................................................................................................... 48 Service for Foreign Policy Instruments (FPI) .......................................................................... 49 Taxation and Customs Union (TAXUD) ................................................................................. 49 Trade (TRADE) ........................................................................................................................ 52 3 This working document gives details of the committees that assist the Commission in each policy sector and snapshots of their activities in 2016. It lists all the committees for which each Commission department is responsible, whether they are still active or not, in order to provide transparency with regard to policy sector activities. The comments below the tables highlight any important changes (e.g the creation, transfer or abolition of committees or procedures) together with any cases referred to the appeal committee and, for the regulatory procedure with scrutiny, any cases referred to the Council (in cases where the committee issued a negative opinion or no opinion) or in which the European Parliament or the Council opposed the adoption of a measure during the year in question.

Details of each committee, such as basic legal acts and applicable comitology procedure(s), are available in the Comitology Register: [*http://ec.europa.eu/transparency/regcomitology/index\_en.htm*](http://ec.europa.eu/transparency/regcomitology/index_en.htm) Explanatory remarks The following explanations are intended to help the reader to better understand the statistical data, and in particular, why the total number of positive opinions may differ from the total number of implementing acts/measures adopted in a specific sector: Opinions delivered by the committees may concern various types of instruments: draft Commission acts (directives, regulations), decisions designed to regulate a specific legal situation, or decisions funding projects under one of the many EU ***programmes***. The impact of the committee’s opinion varies, depending on the procedure. Under the examination procedure, following a positive opinion the Commission adopts the implementing act. It may also adopt an implementing act if no opinion is given (although the committee has taken a vote1), with the exception of the following three cases: where the draft implementing act concerns certain sensitive areas2; where the basic legal act provides that the draft implementing act may not be adopted where no opinion is delivered; or where a simple majority of the members of the committee opposes the draft. Following a negative opinion, the Commission cannot adopt the implementing act. However, in cases of a negative opinion or ‘no opinion’ with a blocking effect, if the Commission deems the act necessary it can continue the procedure by either amending the draft implementing act and submitting the revised version to the (same) committee or by referring the original draft to the appeal committee. If the Commission refers the draft implementing act to the appeal committee and the appeal committee delivers a positive opinion, the Commission adopts the implementing act. The Commission may also adopt the implementing act if the appeal committee gives no opinion. If the appeal committee delivers a negative opinion, the Commission cannot adopt the implementing act. Under the advisory procedure, the committee’s opinion is not legally binding, but the Commission must take the utmost account of the conclusions drawn from the discussions within the committee and of the opinion delivered before deciding on the draft implementing act. Under the regulatory procedure with scrutiny, following a positive opinion, the Commission adopts the measure. If a negative opinion or no opinion is given, the Commission submits a proposal on the measure to the Council, which then has the power to decide (see Cases referred to the Council). In addition, the European Parliament and the Council can oppose the adoption of a draft measure, even if the committee has given a positive opinion. The total number of positive opinions delivered by committees may differ from the number of implementing acts/measures adopted by the Commission in a given sector, if opinions are delivered one year but the instruments are not adopted until the following year. 1 This is the situation if no majority is obtained for either a positive or a negative opinion. 2 Taxation, financial services, the protection of the health or safety of humans, animals or plants, or definitive multilateral safeguard measures. 4 A number of committees had no activity at all in the reporting year. This is indicated by the figure ‘0’ in all columns. ***AGRICULTURE*** AND RURAL DEVELOPMENT (AGRI) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C03800 Committee on ***Agricultural*** Structures and Rural Development (STAR Committee) Council Regulation (EC) No 1083/2006 Council Regulation (EC) No 1085/2006 Examination Advisory 2 0 0 0 0 0 0 0 0 0 0 C03900 Committee on the conservation, characterisation, collection and utilisation of genetic resources in ***agriculture*** Council Regulation (EC) No 870/2004 Examination 0 0 0 0 0 0 0 0 0 0 0 C04000 COMMITTEE FOR THE FARM ACCOUNTANCY DATA NETWORK (FADN) Council Regulation (EC) No 1217/2009 Examination 3 0 1 0 0 0 0 0 0 1 0 C04200 Implementation Committee on aromatised wine-based drinks Council Regulation (EEC) No 1601/91 Examination 0 0 0 0 0 0 0 0 0 0 0 C04300 Committee for Spirit Drinks Regulation (EC) No 110/2008 Examination Regulatory w/scrutiny 4 0 2 0 0 0 0 0 0 1 1 C06500 Committee on Organic Production Council Regulation (EEC) No 2092/91 Council Regulation (EC) No 834/2007 2002/309/EC,Euratom: Decision Examination 6 1 6 0 0 0 0 0 0 6 0 C06700 Standing Forestry Committee (SFC) 89/367/EEC: Council Decision Examination 4 0 0 0 0 0 0 0 0 0 0 C26300 Committee on the ***Agricultural*** Funds Council Regulation (EC) No 1290/2005 Regulation (EC) No 1760/2000 Council Regulation (EC) No 1258/1999 Council Regulation (EC) No 320/2006 Commission Regulation (EC) No 718/2007 Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 C26500 Rural Development Committee Council Regulation (EC) No 1698/2005 Council Regulation (EC) No 1085/2006 Examination 0 0 0 0 0 0 0 0 0 0 0 5 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C35000 Management Committee for the Common Organisation of ***Agricultural*** Markets Council Decision 2006/232/EC Council Regulation (EC) No 1234/2007 Council Regulation (EC) No 247/2006 Council Regulation (EC) No 1964/2005 Council Regulation (EC) No 1095/96 Council Regulation (EC) No 732/2008 Council Regulation (EC) No 1528/2007 Council Regulation (EC) No 1493/1999 Council Regulation (EC) No 3/2008 Decision 2002/309/EC,Euratom Examination 0 0 0 0 0 0 0 0 0 0 0 C38000 Regulatory Committee for the Common Organisation of ***Agricultural*** Markets Council Decision 2006/232/EC Council Regulation (EC) No 491/2009 Council Regulation (EC) No 1234/2007 Examination 0 0 0 0 0 0 0 0 0 0 0 C40900 Committee for the Common Organisation of ***Agricultural*** Markets Council Regulation (EC) No 1234/2007 Examination 0 0 0 0 0 0 0 0 0 0 0 C41600 ***Agricultural*** Product Quality Policy Committee REGULATION (EU) No 1151/2012 Examination 1 1 3 0 0 0 0 0 0 3 0 C42900 Committee for the Common Organisation of the ***Agricultural*** Markets Regulation (EU) No 1308/2013 Council Regulation (EU) No 1370/2013 COUNCIL REGULATION (EC) No 3/2008 Regulation (EU) No 1144/2014 2002/309/EC,Euratom: Decision Examination Advisory 58 0 38 0 1 0 0 0 0 37 0 C43200 Rural Development Committee Regulation (EU) No 1305/2013 Regulation (EU) No 1306/2013 Examination 7 1 4 0 0 0 0 0 0 4 0 C43400 Committee for direct payments Regulation (EU) No 1307/2013 Regulation (EU) No 1306/2013 Regulation (EU) No 228/2013 Examination Advisory 11 2 7 0 1 0 0 0 0 7 0 C43500 Committee on the ***Agricultural*** Funds Regulation (EU) No 1306/2013 Examination Advisory 15 2 47 0 0 0 0 0 0 46 0 Total 111 7 108 0 2 0 0 0 0 105 1 6 BUDGET (BUDG) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C25500 Advisory Committee on the Communities' Own Resources (ACOR) Council Regulation (EC, Euratom) No 1150/2000 Council Regulation (EEC, Euratom) No 1553/89 Advisory 4 0 7 0 0 0 0 0 0 0 0 C25600 Committee for Executive Agencies Council Regulation (EC) No 58/2003 Examination 0 0 0 0 0 0 0 0 0 0 0 Total 4 0 7 0 0 0 0 0 0 0 0 CLIMATE ACTION (CLIMA) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C12700 Committee for the application of the directive relating to the availability of consumer information on fuel economy and CO2 emissions in respect of the marketing of new passenger cars Directive 1999/94/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C13600 Climate Change Committee Directive 2003/87/EC Decision No 280/2004/EC 2002/358/EC: Council Decision Directive 2009/31/EC Decision No 406/2009/EC REGULATION (EC) No 443/2009 REGULATION (EU) No 510/2011 COMMISSION DECISION Regulation (EU) No 525/2013 Regulation (EU) 2015/757 Examination Advisory Regulatory w/scrutiny 4 0 4 0 0 0 0 0 0 4 0 C13800 Committee on ozone depleting substances Regulation (EC) No 2037/2000 Regulation (EC) No 842/2006 Regulation (EC) No 1005/2009 Examination Regulatory w/scrutiny 1 1 2 0 0 0 0 0 0 1 0 7 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C37800 The Committee on Fuel Quality Directive 2009/30/EC Advisory Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C47200 Committee on fluorinated greenhouse gases Regulation (EU) No 517/2014 Examination 2 0 1 0 0 0 0 0 0 1 0 Total 7 1 7 0 0 0 0 0 0 6 0 COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY (CNECT) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C14800 SOGIS - Advisory Committee on information systems security (SOG-IS) 92/242/EEC: Council Decision Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 C15400 COCOM - Communications Committee (COCOM) - framework directive 2002/21/EC DIRECTIVE 2002/19/EC DIRECTIVE 2002/22/EC Decision No 626/2008/EC REGULATION (EC) No 733/2002 Directive 2002/21/EC Directive 2002/58/EC Regulation (EU) No 531/2012 Advisory Examination Regulatory w/scrutiny 6 0 1 0 1 0 0 0 0 0 0 C15500 eSignature - Electronic Signatures Committee Directive 1999/93/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C15600 RSC Radio Spectrum Committee - Decision n° 676/2002/EC Decision No 676/2002/EC Decision No 243/2012/EU Examination Advisory 4 2 3 0 0 0 0 0 0 0 0 C42504 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - Configuration ‘Information and communication technologies (ICT) 2013/743/EU COUNCIL DECISION Examination 6 10 14 0 0 0 0 0 0 14 0 C47300 eIDAS Committee Regulation (EU) No 910/2014 Examination 1 0 1 0 0 0 0 0 0 0 0 8 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C49400 Network and Information Systems Security Committee Directive (EU) 2016/1148 Examination 1 0 0 0 0 0 0 0 0 0 0 C49600 WEB ACCESSIBILITY DIRECTIVE COMMITTEE Directive (EU) 2016/2102 Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 Total 18 12 19 0 1 0 0 0 0 14 0 \*C42504 — Configuration ‘Information and communication Technologies (ICT)’ is a section of C42500 — The ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) reported under ‘RESEARCH AND INNOVATION (RTD’. For other configurations of this committee, see ‘RESEARCH AND INNOVATION (RTD’ and ‘INTERNAL MARKET, INDUSTRY, ENTREPRENEURSHIP AND SMES (GROW)'. Newly created (or transferred) committee(s): – C49400 - Network and Information Systems Security Committee Basic legal act: Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union. Entered into force 08/08/2016 – C49600 - WEB ACCESSIBILITY DIRECTIVE COMMITTEE Basic legal act: Directive (EU) 2016/2102 of the European Parliament and of the Council of 26 October 2016 on the accessibility of the websites and mobile applications of public sector bodies. Entered into force 22/12/2016 Abolished (or transferred) committee(s): – C15500 - eSignature - Electronic Signatures Committee Baic legal act: Directive 1999/93/EC of the European Parliament and of the Council of 13 December 1999 on a Community framework for electronic signatures. End of validity 30/06/2016 ECONOMIC AND FINANCIAL AFFAIRS (ECFIN) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C45000 Committee on macrofinancial assistance Council Decision No 2014/215/EU Decision No 534/2014/EU Decision No 1351/2013/EU Decision No 1025/2013/EU Decision No 778/2013/EU Decision (EU) 2015/601 Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 9 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted Total 0 0 0 0 0 0 0 0 0 0 0 EDUCATION AND CULTURE (EAC) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C43900 'Creative Europe' ***Programme*** Regulation (EU) No 1295/2013 Examination Advisory 2 1 3 0 0 0 0 0 0 2 0 C44200 Erasmus+ Committee Regulation (EU) No 1288/2013 Examination 3 2 1 0 0 0 0 0 0 2 0 Total 5 3 4 0 0 0 0 0 0 4 0 EMPLOYMENT, SOCIAL AFFAIRS AND INCLUSION (EMPL) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C03200 Committee for the technical adaptation of legislation on the introduction of measures to encourage improvements in the safety and health of workers at work Council Directive 89/391/EEC Council Directive 98/24/EC Directive 2002/44/EC Directive 2004/40/EC Council Directive 92/104/EEC Council Directive 93/103/EC Council Directive 98/24/EC Directive 1999/92/EC Directive 2003/10/EC DIRECTIVE 2006/25/EC Directive 2009/148/EC Council Directive 89/654/EEC Directive 2000/54/EC Directive 2004/37/EC Council Directive 90/270/EEC Council Directive Regulatory w/scrutiny 1 0 1 0 0 0 0 0 0 0 0 10 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted 90/269/EEC Council Directive 89/656/EEC DIRECTIVE 2009/104/EC Council Directive 92/57/EEC Council Directive 92/58/EEC Council Directive 92/91/EEC C03300 Committee for the technical adaptation of legislation on the minimum safety and health requirements for improved medical treatment on board vessels Council Directive 92/29/EEC Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C42600 Committee (EaSI) Regulation (EU) No 1296/2013 Examination Advisory 2 1 2 0 0 0 0 0 0 2 0 C45500 Committee for the Fund for European Aid to the Most Deprived Regulation (EU) No 223/2014 Examination Advisory 1 0 1 0 0 0 0 0 0 1 0 C48700 Committee (EURES) Regulation (EU) 2016/589 Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 Total 4 1 4 0 0 0 0 0 0 3 0 Newly created (or transferred) committee(s): – C48700 - Committee (EURES) Basic legal act: Regulation (EU) 2016/589 of the European Parliament and of the Council of 13 April 2016 on a European network of employment services (EURES), workers' access to mobility services and the further integration of labour markets, and amending Regulations (EU) No 492/2011 and (EU) No 1296/2013. Entered into force 12/05/2016 11 ENERGY (ENER) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C06800 Advisory Committee for the technical adaptation of the Community procedure to improve the transparency of gas and electricity prices charged to industrial end-users Council Directive 90/377/EEC Directive 2008/92/EC Advisory Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C07900 Committee on the Ecodesign and Energy Labelling of Energy-using Products Council Directive 92/75/EEC Directive 2005/32/EC Directive 2009/125/EC Examination Regulatory w/scrutiny 1 0 1 0 0 0 0 0 0 0 2 C08100 Committee on the implementation of common rules on the transport, distribution, supply and storage of natural gas Directive 2003/55/EC Regulation (EC) No 1775/2005 Regulation (EC) No 715/2009 Directive 2009/73/EC Advisory Examination Regulatory w/scrutiny 2 0 2 0 0 0 0 0 0 0 0 C08200 Electricity cross-border committee Regulation (EC) No 714/2009 Directive 2009/72/EC Regulatory w/scrutiny 5 0 1 0 0 0 0 0 0 0 4 C09300 Energy Performance of Buildings Committee Directive 2002/91/EC Directive 2006/32/EC Directive 2010/31/EU Examination Advisory 1 0 0 0 0 0 0 0 0 0 0 C09700 Committee overseeing the conditions governing imports of ***agricultural*** products originating in third countries following the accident at the Chernobyl nuclear power station Council Regulation (EEC) No 737/90 Examination 0 0 0 0 0 0 0 0 0 0 0 C33100 Committee for the nuclear decommissioning assistance ***programme*** Council Regulation (Euratom) No 1369/2013 Council Regulation (Euratom) No 1368/2013 Examination 1 1 1 0 0 0 0 0 0 1 0 C37300 Committee on Renewable Energy Sources Directive 2009/28/EC Examination 0 0 0 0 0 0 0 0 0 0 0 12 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C37500 Committee on the Sustainability of Biofuels and Other Bioliquids Directive 2009/28/EC Examination 0 3 3 0 0 0 0 0 0 3 0 C38500 Committee on the labelling of tyres Regulation (EC) No 1222/2009 Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C41000 Committee for the oil stocks directive (2009/119/EC) COUNCIL DIRECTIVE 2009/119/EC Examination 0 0 0 0 0 0 0 0 0 0 0 C41200 Energy Efficiency Directive Committee (Directive 2012/27/EU) Directive 2012/27/EU Advisory 2 0 0 0 0 0 0 0 0 0 0 C42100 THE COMMITTEE ON THE IMPLEMENTING RULES OF REGULATION (EU) No 1227/2011 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON WHOLESALE ENERGY MARKET INTEGRITY AND TRANSPARENCY Regulation (EU) No 1227/2011 Examination 0 0 0 0 0 0 0 0 0 0 0 C45100 Committee on safety of offshore oil and gas operations Directive 2013/30/EU Advisory 0 0 0 0 0 0 0 0 0 0 0 Total 12 4 8 0 0 0 0 0 0 4 6 ENVIRONMENT (ENV) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C11100 Committee for implementation of the directive on packaging and packaging waste European Parliament and Council Directive 94/62/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C11300 Committee for implementing the directive establishing a Community policy regarding water Directive 2007/60/EC Directive 2000/60/EC Directive 2006/118/EC Directive 2008/105/EC Examination Regulatory w/scrutiny 1 0 0 0 0 0 0 0 0 0 0 13 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C11400 Committee for the adaptation to scientific and technical progress and implementation of the directive on protection of waters against pollution caused by nitrates from ***agricultural*** sources Council Directive 91/676/EEC Examination Regulatory w/scrutiny 4 0 1 0 0 0 0 0 0 1 0 C11500 Committee for the adaptation to scientific and technical progress and implementation of the directive on the incineration of waste Directive 2000/76/EC Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C11600 Committee for the adaptation to scientific and technical progress and implementation of the directive on urban waste water treatment Council Directive 91/271/EEC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C11800 Committee for the adaptation to scientific and technical progress of the directive on conservation of wild birds (ORNIS) Council Directive 79/409/EEC Directive 2009/147/EC Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C11900 Committee for the adaptation to technical and scientific progress of the directive on the quality of water intended for human consumption Council Directive 98/83/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C12400 Committee for the adaptation to technical progress of legislation to remove technical barriers to trade in dangerous substances and preparations Council Directive 67/548/EEC Regulation (EC) No 850/2004 Advisory Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 1 C12500 Committee for the adaptation to technical progress of the directive on the control of volatile organic compound emissions resulting from the storage of petrol and its distribution from terminals to service stations (VOC) European Parliament and Council Directive 94/63/EC Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C13100 Committee for the protection of species of wild fauna and flora by regulating trade therein Council Regulation (EC) No 338/97 Regulation (EC) No 1007/2009 Examination Regulatory w/scrutiny 3 2 2 0 0 0 0 0 0 0 1 14 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C13400 Committee on the conservation of natural habitats and of wild fauna and flora (HABITAT) Council Directive 92/43/EEC Examination 1 0 8 0 0 0 0 0 0 8 0 C13700 Management Committee for application of the directive on the standardisation and rationalisation of reports on the implementation of certain directives relating to the environment Council Directive 91/692/EEC Directive 2008/1/EC Council Directive 1999/13/EC Directive 2000/76/EC Council Directive 96/82/EC Examination Advisory Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C14000 Committee of Competent Authorities established under the directive on the control of major-accident hazards involving dangerous substances (Seveso Directive 2012/18/EU) Council Directive 96/82/EC Directive 2012/18/EU Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C30200 Regulatory Committee on the implementation of the European PRTR Regulation (EC) No 166/2006 Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C33500 Committee for the implementation of the Directive on Sulphur content in Marine Fuels Council Directive 1999/32/EC Examination Advisory Regulatory w/scrutiny 1 0 0 0 0 0 0 0 0 0 0 C33600 Committee on Infrastructure for Spatial Information in the European Community (INSPIRE) Directive 2007/2/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C33800 Forest Law Enforcement Governance and Trade (FLEGT) Committee Council Regulation (EC) No 2173/2005 REGULATION (EU) No 995/2010 Examination 0 0 0 0 0 0 0 0 0 0 0 C34300 Committee for the adaptation to technical progress of Directive 2006/7/EC concerning the management of bathing water quality Directive 2006/7/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C35500 The Ambient Air Quality Committee Directive 2008/50/EC DIRECTIVE 2004/107/EC DIRECTIVE 2001/81/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C36400 Committee for implementing the marine strategy framework directive Directive 2008/56/EC Examination Regulatory w/scrutiny 5 0 2 0 0 0 0 0 0 0 0 15 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C37000 The Committee for the adaptation to scientific and technical progress and implementation of Directive 2008/98/EC on waste Directive 2008/98/EC Directive 2012/19/EU Directive 2011/65/EU Directive 2002/95/EC Council Directive 96/59/EC Regulation (EC) No 1013/2006 Regulation (EC) No 850/2004 Council Directive 1999/31/EC Council Directive 91/689/EEC Directive 2006/66/EC Directive 2000/53/EC Directive 2006/21/EC Directive 2002/96/EC Directive 2006/12/EC Examination Regulatory w/scrutiny 1 1 1 0 1 0 0 0 0 0 2 C38700 Committee for the adaptation to technical progress and application of the Community award scheme for an eco-label (ECO-LABEL) Regulation (EC) No 66/2010 Regulatory w/scrutiny 3 3 13 0 0 0 0 0 0 0 5 C38800 Committee on the Community eco-management and audit scheme (EMAS) Regulation (EC) No 1221/2009 Advisory Regulatory w/scrutiny 2 4 4 0 0 0 0 0 0 0 2 C40000 Industrial Emissions Directive (IED) Article 75 Committee DIRECTIVE 2010/75/EU Directive 2004/42/CE Examination Regulatory w/scrutiny 1 0 1 0 0 0 0 0 0 2 0 C40800 Animals in Science Committee DIRECTIVE 2010/63/EU Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 C42200 Committee for the adaptation to technical progress of the directive on the Stage II control of volatile organic compound emissions resulting from the refuelling of motor vehicles at service stations (VOC) Directive 2009/126/EC Regulatory w/scrutin

y 0 0 0 0 0 0 0 0 0 0 0 C43600 LIFE Committee for Environment and Climate Action Regulation (EC) No 1293/2013 Examination 0 0 0 0 0 0 0 0 0 0 0 C46900 'Access and benefit sharing' Committee Regulation (EU) No 511/2014 Examination 0 0 0 0 0 0 0 0 0 0 0 C47600 Committee on invasive alien species Regulation (EU) No 1143/2014 Examination 3 0 0 0 0 0 0 0 0 2 0 C48100 Ship Recycling Regulation Committee Regulation (EU) N°1257/2013 Examination 1 1 5 0 0 0 0 0 0 0 0 Total 26 11 37 0 1 0 0 0 0 13 11 16 Cases referred to the Council\*, specification of outcome of Council meeting and date/reference of adoption: (\* Due to unfavourable or absence of opinion (under Regulatory procedure with scrutiny) – C37000 - The Committee for the adaptation to scientific and technical progress and implementation of Directive 2008/98/EC on waste The committee did not deliver an opinion on the draft Commission Regulation (EU) amending Annex III to Directive 2008/98/EC of the European Parliament and of the Council as regards the hazardous property HP 14 (ʻEcotoxic’), at its meeting on 25 October 2016. Under the RPS procedure, a proposal for a Council Regulation was submitted to the Council and forwarded to the European Parliament (COM/2017/23) in 2017. EUROPEAN ANTI-FRAUD OFFICE (OLAF) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C25700 The Regulation 515/97 Committee Council Regulation (EC) No 515/97 Examination 1 1 2 0 0 0 0 0 0 2 0 Total 1 1 2 0 0 0 0 0 0 2 0 EUROSTAT (ESTAT) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C24900 Committee on statistics relating to the trading of goods with non-member countries Regulation (EC) No 471/2009 Examination Regulatory w/scrutiny 0 2 2 0 0 0 0 0 0 1 1 C25000 Committee on the harmonisation of gross national income at market prices (GNI Committee) Council Regulation (EC, Euratom) No 1287/2003 Examination 2 0 0 0 0 0 0 0 0 0 0 C25100 Committee on the harmonisation of the compilation of gross national product at market prices (GNP) Council Directive 89/130/EEC, Euratom Examination 0 0 0 0 0 0 0 0 0 0 0 C25300 Standing Committee for ***Agricultural*** Statistics (SCAS) 72/279/EEC: Council Decision Regulation (EC) No 1166/2008 Regulation (EU) No 1337/2011 Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C25800 Balance of Payments Committee Regulation (EC) No 184/2005 Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 17 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C37100 European Statistical System Committee (ESS Committee) Regulation (EC) No 223/2009 Regulation (EC) No 862/2007 Regulation (EC) No 763/2008 Council Regulation (EC) No 1165/98 Regulation (EC) No 808/2004 Regulation (EC) No 1338/2008 Regulation (EC) No 452/2008 Regulation (EC) No 437/2003 Regulation (EC) No 1365/2006 Council Regulation (EC) No 530/1999 Regulation (EC) No 450/2003 Regulation (EC) No 453/2008 Regulation (EC) No 1177/2003 Regulation (EC) No 458/2007 Decision No 1608/2003/EC Regulation (EC) No 1552/2005 Regulation (EC) No 1185/2009 Regulation (EC) No 295/2008 Decision No 1297/2008/EC Regulation (EC) No 2150/2002 Council Regulation (EEC) No 3924/91 Regulation (EC) No 177/2008 Regulation (EC) No 1059/2003 Regulation (EC) No 91/2003 Directive 2009/42/EC Regulation (EC) No 1099/2008 Council Regulation (EC) No 1172/98 Council Regulation (EC) No 577/98 Regulation (EC) No 1161/2005 Regulation (EC) No 716/2007 Examination Advisory Regulatory w/scrutiny 4 3 9 0 0 0 0 0 0 2 4 18 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted Regulation (EC) No 1445/2007 Regulation (EU) No 691/2011 Regulation (EU) No 692/2011 Council Directive 96/16/EC Regulation (EC) No 762/2008 Regulation (EU) No 70/2012 Regulation (EC) No 451/2008 Regulation (EC) No 1921/2006 Regulation (EU) No 549/2013 Regulation (EU) No 1260/2013 Regulation (EC) No 638/2004 Regulation (EC) No 184/2005 Regulation (EC) No 471/2009 Regulation (EU) No 2016/792 Regulation (EU) No 2016/1952 Total 6 5 11 0 0 0 0 0 0 3 5 Abolished (or transferred) committee(s): – C25800 - Balance of Payments Committee Basic legal act: Regulation (EC) No 184/2005 of the European Parliament and of the Council of 12 January 2005 on Community statistics concerning balance of payments, international trade in services and foreign direct investment. Following the amendment of Regulation (EC) No 184/2005 and in accordance with its Aticle 12 the BOP Committee is abolished as from 19/07/2016. – C24900 - Committee on statistics relating to the trading of goods with non-member countries Basic legal act: Regulation (EC) No 471/2009 of the European Parliament and of the Council of 6 May 2009 on Community statistics relating to external trade with non-member countries and repealing Council Regulation (EC) No 1172/95 (Text with EEA relevance ). Following the amendment of Regulation (EC) No 471/2009 and in accordance with its Article 11 the Extrastat Committee is abolished as from 21/10/2016. 19 FINANCIAL STABILITY, FINANCIAL SERVICES AND CAPITAL MARKETS UNION (FISMA) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C16200 Accounting Regulatory Committee Regulation (EC) No 1606/2002 Regulatory w/scrutiny 4 2 3 0 0 0 0 0 0 3 0 C16400 European Banking Committee Commission Decision 2004/10/EC Directive 2006/49/EC Directive 2006/48/EC Regulation (EU) No 575/2013 Directive 2013/36/EU Examination Advisory Regulatory w/scrutiny 0 3 3 0 0 0 0 0 0 3 0 C16900 European Securities Committee Directive 2003/6/EC Directive 2004/109/EC Directive 2001/34/EC Directive 2003/71/EC Directive 2009/65/EC Regulation (EC) No 1060/2009 Directive 2004/25/EC Directive 2011/61/EU Regulation (EU) No 648/2012 Regulation (EU) No 596/2014 Regulation (EU) 2016/1011 Examination Regulatory w/scrutiny 3 2 13 0 0 0 0 0 0 13 0 C17000 European Insurance and Occupational Pensions Committee First Council Directive 73/239/EEC Council Directive 91/675/EEC Council Directive 92/49/EEC Directive 98/78/EC Directive 2002/83/EC Directive 2009/138/EC Examination Advisory 0 4 4 0 0 0 0 0 0 4 0 C17100 Financial Conglomerates Committee Directive 2002/87/EC Examination 0 0 0 0 0 0 0 0 0 0 0 C26700 Audit Regulatory Committee Directive 2006/43/EC Examination Regulatory w/scrutiny 1 2 4 0 0 0 0 0 0 4 0 C37200 Payments Committee DIRECTIVE 2007/64/EC Directive 2009/110/EC Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C48400 Accounting Directive Committee Directive 2013/34/EU Examination 3 0 1 0 0 0 0 0 0 1 0 Total 11 13 28 0 0 0 0 0 0 28 0 20 HEALTH AND FOOD SAFETY (SANTE) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C01300 Committee for the adaptation to technical progress of the directives on the removal of technical barriers to trade in colouring matters which may be added to medicinal products Council Directive 78/25/EEC Examination 0 0 0 0 0 0 0 0 0 0 0 C02500 Standing Committee on medicinal products for human use Regulation (EC) No 1394/2007 Regulation (EC) No 1901/2006 Regulation (EC) No 726/2004 Directive 2001/20/EC Regulation (EC) No 141/2000 Directive 2001/83/EC Directive 2001/82/EC Examination Regulatory w/scrutiny 0 363 356 0 0 0 0 0 0 325 0 C02900 Standing Committee on veterinary medicinal products Council Regulation (EEC) No 2377/90 Regulation (EC) No 726/2004 Directive 2001/82/EC Regulation (EC) No 470/2009 Examination Regulatory w/scrutiny 1 46 44 0 0 0 0 0 0 46 0 C12200 Committee for the adaptation to technical progress and implementation of the directive on the deliberate release into the environment of genetically modified organisms Directive 2001/18/EC Regulation (EC) No 1830/2003 Examination Advisory Regulatory w/scrutiny 4 0 0 0 1 1 0 0 1 1 0 C13900 Standing Committee on Biocidal Products Directive 98/8/EC Regulation (EU) No 528/2012 Examination Advisory Regulatory w/scrutiny 4 4 36 0 0 0 0 0 0 45 0 C19300 Tobacco Products Regulatory Committee Directive 2001/37/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C19800 Regulatory Committe on the quality and safety of blood Directive 2002/98/EC Examination Regulatory w/scrutiny 0 1 1 0 0 0 0 0 0 0 1 21 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C19900 Standing Committee for Community protection of plant variety rights Council Regulation (EC) No 2100/94 Examination 2 0 2 0 0 0 0 0 0 2 0 C20000 Standing Committee on plant health (SCPH) Council Directive 2000/29/EC Council Regulation (EC) No 247/2006 2002/309/EC,Euratom: Decision Regulation (EU) No 228/2013 Examination 0 0 0 0 0 0 0 0 0 0 0 C20100 Standing Committee on propagating material and ornamental plants Council Directive 98/56/EC Examination 0 0 0 0 0 0 0 0 0 0 0 C20200 Standing Committee on propagating material and plants of fruit genera and species Council Directive 92/34/EEC Council Directive 2008/90/EC Examination 0 0 0 0 0 0 0 0 0 0 0 C20300 Standing Committee on seeds and propagating material for ***agriculture***, horticulture and forestry (SCS) Council Directive 2002/53/EC Council Directive 2002/55/EC Council Directive 2002/56/EC Council Directive 66/402/EEC Council Directive 66/401/EEC Council Directive 2008/72/EC Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 C20400 Standing Committee on Plants, Animals, Food and Feed Regulation (EC) No 178/2002 Regulation (EU) No 652/2014 Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C20401 Standing Committee on Plants, Animals, Food and Feed - Section 'Phytopharmaceuticals- Pesticide residues' Regulation (EC) No 396/2005 Regulation (EC) No 178/2002 Examination Regulatory w/scrutiny 7 0 21 0 0 0 0 0 0 1 24 22 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C20402 Standing Committee on Plants, Animals, Food and Feed - Section: 'Animal health and animal welfare' Regulation (EC) No 1774/2002 Regulation (EC) No 854/2004 Regulation (EC) No 998/2003 Regulation (EC) No 2160/2003 Regulation (EC) No 178/2002 Council Directive 82/894/EEC Council Directive 2001/89/EC Council Directive 2004/68/EC Council Directive 2002/99/EC Regulation (EC) No 1760/2000 Regulation (EC) No 1069/2009 Council Decision 2009/470/EC Council Directive 2000/75/EC Regulation (EC) No 882/2004 Council Regulation (EC) No 21/2004 Council Directive 92/65/EEC Regulation (EC) No 853/2004 Council Directive 89/662/EEC Council Directive 2003/85/EC Council Directive 2005/94/EC Council Directive 2006/88/EC Council Directive 2009/158/EC Council Directive 90/429/EEC COUNCIL REGULATION (EC) No 1/2005 Council Directive 94/28/EC Council Directive 90/427/EEC Council Directive 2009/156/EC Council Regulation (EC) No 1234/2007 Examination Advisory Regulatory w/scrutiny 13 14 62 0 0 0 0 0 0 55 0 23 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted Council Directive 88/407/EEC Council Directive 91/68/EEC Council Directive 64/432/EEC 2000/258/EC: Council Decision Council Directive 90/425/EEC Council Directive 2002/60/EC Regulation (EU) No 652/2014 Council Directive 2008/71/EC Council Directive 92/119/EEC C20403 Standing Committee on Plants, Animals, Food and Feed - Section: 'Animal nutrition' Regulation (EC) No 1831/2003 Directive 2002/32/EC Regulation (EC) No 178/2002 Regulation (EC) No 767/2009 Council Directive 93/74/EEC Regulation (EC) No 882/2004 Regulation (EC) No 183/2005 Examination Advisory Regulatory w/scrutiny 10 0 47 0 0 0 0 0 0 38 0 C20404 Standing Committee on Plants, Animals, Food and Feed - Section: 'Biological safety of the food chain' REGULATION (EC) No 852/2004 Regulation (EC) No 853/2004 Regulation (EC) No 854/2004 Regulation (EC) No 2160/2003 DIRECTIVE 2003/99/EC Regulation (EC) No 178/2002 Regulation (EC) No 999/2001 Regulation (EC) No 882/2004 Council Directive 89/108/EEC 2009/470/EC: Council Decision Directive 1999/2/EC Council Directive 64/432/EEC Council Directive 2004/68/EC Council Directive Examination Advisory Regulatory w/scrutiny 9 2 15 0 0 0 0 0 0 12 1 24 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted 2002/99/EC Regulation (EU) No 652/2014 Council Directive 97/78/EC C20405 Standing Committee on Plants, Animals, Food and Feed - Section: 'Controls and import conditions' Regulation (EC) No 854/2004 Regulation (EC) No 882/2004 Regulation (EC) No 853/2004 REGULATION (EC) No 852/2004 Regulation (EC) No 178/2002 Regulation (EC) No 1069/2009 Council Directive 96/23/EC Regulation (EC) No 1774/2002 Council Directive 2004/68/EC Council Directive 97/78/EC Council Directive 2009/156/EC Council Directive 92/65/EEC Council Directive 90/429/EEC Council Directive 2009/158/EC Council Directive 2002/99/EC Council Directive 89/556/EEC Council Directive 88/407/EEC Regulation (EC) No 998/2003 97/132/EC: Council Decision Council Directive 91/496/EEC Council Decision 2000/258/EC Council Directive 92/118/EEC Council Directive 2006/88/EC REGULATION (EU) No 576/2013 COUNCIL DECISION 1999/201/EC Examination Advisory Regulatory w/scrutiny 11 2 30 0 0 0 0 0 0 28 0 25 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C20406 Standing Committee on Plants, Animals, Food and Feed - Section: 'General food law' Regulation (EC) No 1924/2006 Directive 2000/13/EC Regulation (EC) No 882/2004 Regulation (EC) No 258/97 Directive 2009/39/EC Regulation (EC) No 1925/2006 Directive 2002/46/EC Regulation (EC) No 178/2002 Directive 2009/54/EC Directive 1999/4/EC Directive 2000/36/EC Regulation (EC) No 2065/2003 Council Directive 90/496/EEC Regulation (EU) No 1169/2011 Examination Advisory Regulatory w/scrutiny 8 0 18 0 0 0 0 0 0 7 9 C20407 Standing Committee on Plants, Animals, Food and Feed - Section: 'Phytopharmaceuticals - Legislation' Regulation (EC) No 178/2002 Regulation (EC) No 1107/2009 Council Directive 91/414/EEC Examination Advisory Regulatory w/scrutiny 14 0 30 0 2 2 0 0 1 32 0 C20408 Standing Committee on Plants, Animals, Food and Feed - Section: 'Toxicological safety of the food chain' Regulation (EC) No 1935/2004 Regulation (EC) No 178/2002 Regulation (EC) No 1333/2008 Regulation (EC) No 882/2004 COUNCIL REGULATION (EEC) No 315/93 Regulation (EC) No 1331/2008 Directive 2009/32/EC Directive 1999/2/EC Council Directive 96/23/EC Regulation (EC) No 1332/2008 Regulation (EC) No 1334/2008 REGULATION Examination Advisory Regulatory w/scrutiny 7 0 15 0 0 0 0 0 0 4 20 26 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted (EC) No 852/2004 Regulation (EC) No 2065/2003 C20409 Standing Committee on Plants, Animals, Food and Feed - Section on Genetically modified food and feed and environmental risk REGULATION (EC) No 1829/2003 Regulation (EC) No 178/2002 Regulation (EC) No 882/2004 Examination Advisory Regulatory w/scrutiny 5 0 1 0 3 6 0 0 0 8 0 C20410 Standing Committee on Plants, Animals, Food and Feed - section 'Plant Health' Regulation (EU) No 652/2014 2002/309/EC,Euratom: Decision Regulation (EU) No 228/2013 Council Directive 2000/29/EC Examination Regulatory w/scrutiny 10 0 17 0 0 0 0 0 0 15 0 C20411 Standing Committee on Plants, Animals, Food and Feed - section 'Propagating Material of Ornamental Plants' Council Directive 98/56/EC Examination 0 0 0 0 0 0 0 0 0 0 0 C20412 Standing Committee on Plants, Animals, Food and Feed - section 'Propagating Material and Plants of Fruit Genera and Species' Council Directive 92/34/EEC Council Directive 2008/90/EC Examination 3 0 1 0 0 0 0 0 0 0 0 C20413 Standing Committee on Plants, Animals, Food and Feed - section 'Seeds and Propagating Material for ***Agriculture*** and Horticulture' Council Directive 2002/57/EC Council Directive 66/402/EEC Council Directive 2002/56/EC Council Directive 2002/53/EC Council Directive 2002/55/EC Council Directive 2008/72/EC Council Directive 66/401/EEC Council Directive 2002/54/EC Examination Advisory 4 0 7 0 0 0 0 0 0 9 0 27 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C20414 Standing Committee on Plants, Animals, Food and Feed - section 'Forest Reproductive Material' Council Directive 1999/105/EC Examination 1 0 1 0 0 0 0 0 0 1 0 C20415 Standing Committee on Plants, Animals, Food and Feed - section Vine COUNCIL DIRECTIVE Examination 0 0 0 0 0 0 0 0 0 0 0 C20500 Standing Committee on Zootechnics Council Directive 77/504/EEC Council Directive 94/28/EC Council Directive 90/427/EEC Council Directive 2009/156/EC Examination 0 0 0 0 0 0 0 0 0 0 0 C26100 Tissues and Cells Committee Directive 2004/23/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C40200 Committee on cross-border healthcare Directive 2011/24/EU Examination 0 0 0 0 0 0 0 0 0 0 0 C40600 Committee on organ transplantation Directive 2010/53/EU Examination 0 0 0 0 0 0 0 0 0 0 0 C42300 COMMITTEE ON SERIOUS CROSS-BORDER THREATS TO HEALTH DECISION No 1082/2013/EU Examination 1 1 1 0 0 0 0 0 0 1 0 C46600 Committee of the third ***Programme*** of Community action in the field of health (2014-2020) Regulation (EU) No 282/2014 Examination 2 0 2 0 0 0 0 0 0 1 0 C47500 Committee for the adaptation to technical progress and implementation of the directive on the contained use of genetically modified micro-organisms Directive 2009/41/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C47900 Tobacco Products Committee DIRECTIVE 2014/40/EU Examination 1 4 4 0 0 0 0 0 0 1 0 Total 117 437 711 0 6 9 0 0 0 632 55 Cases referred to the appeal committee, specification of the outcome of the appeal committee vote: – C12200 - Committee for the adaptation to technical progress and implementation of the directive on the deliberate release into the environment of genetically modified organisms 28 – AC 02/06/2016 - Draft Commission Implementing Decision of XXX as regards the placing on the market of a genetically modified carnation (Dianthus caryophyllus L., line SHD-27531-4) – NO OPINION – C 20407 - Standing Committee on Plants, Animals, Food and Feed - Section: 'Phytopharmaceuticals - Legislation' – AC 24/06/2016 - Draft Commission Implementing Regulation (EU) …/... of XXX amending Implementing Regulation (EU) No 540/2011 as regards the extension of the approval period of the active substance glyphosate – NO OPINION – AC 15/09/2016 - Draft Commission Implementing Regulation (EU) …/... of XXX concerning the non-approval of the active substance tricyclazole, in accordance with Regulation (EC) No 1107/2009 of the European Parliament and of the Council concerning the placing of plant protection products on the market – NO OPINION – C20409 - Standing Committee on Plants, Animals, Food and Feed - Section on Genetically modified food and feed and environmental risk – AC 11/01/2016 - Draft Commission Implementing Decision of XXX authorising the placing on the market of products containing, consisting of, or ***produced*** from genetically modified soybean MON 87705 × MON 89788 (MON-877Ø5-6 × MON-89788-1) pursuant to Regulation (EC) No 1829/2003 of the European Parliament and of the Council – NO OPINION – AC 11/01/2016 - Draft Commission Implementing Decision of XXX authorising the placing on the market of products containing, consisting of, or ***produced*** from genetically modified soybean MON 87708 × MON 89788 (MON-877Ø8-9 × MON-89788-1) pursuant to Regulation (EC) No 1829/2003 of the European Parliament and of the Council – NO OPINION – AC 11/01/2016 - Draft Commission Implementing Decision of XXX authorising the placing on the market of products containing, consisting of, or ***produced*** from genetically modified soybean FG72 (MST-FGØ72-2) pursuant to Regulation (EC) No 1829/2003 of the European Parliament and of the Council – NO OPINION – AC 02/06/2016 - Draft Commission Implementing Decision of XXX authorising the placing on the market of products containing, consisting of, or ***produced*** from genetically modified maize Bt11 × MIR162 × MIR604 × GA21, and genetically modified maizes combining two or three of the events Bt11, MIR162, MIR604 and GA21, and repealing Decisions 2010/426/EU, 2011/892/EU, 2011/893/EU and 2011/894/EU – NO OPINION – AC 15/09/2016 - Draft Commission Implementing Decision of XXX authorising the placing on the market of products containing, consisting of, or ***produced*** from genetically modified cotton 281-24-236 × 3006-210-23 × MON 88913 (DAS-24236-5×DAS-21Ø23-5×MON-88913-8) pursuant to Regulation (EC) No 1829/2003 of the European Parliament and of the Council – NO OPINION – AC 15/09/2016 - Draft Commission Implementing Decision of XXX renewing the authorisation for the placing on the market of genetically modified maize MON 810 (MON-ØØ81Ø-6) products pursuant to Regulation (EC) No 1829/2003 of the European Parliament and of the Council – NO OPINION Oppositions by EP to the adoption of measures under RPS: – C20406 - Standing Committee on Plants, Animals, Food and Feed - Section: 'General food law' Commission Regulation (EU) amending Regulation (EU) No 432/2012 establishing a list of permitted health claims made on foods other than those referring to the reduction of disease risk and to children’s development and health. (April 2016) - Commission is currently reflecting on the next steps 29 HUMANITARIAN AID AND CIVIL PROTECTION (ECHO) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C24700 Humanitarian Aid Committee Council Regulation (EC) No 1257/96 Examination Regulatory w/scrutiny 1 4 6 0 0 0 0 0 0 4 0 C43800 Civil Protection Committee Decision No 1313/2013/EU Examination 3 0 1 0 0 0 0 0 0 0 0 Total 4 4 7 0 0 0 0 0 0 4 0 INFORMATICS (DIGIT) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C48600 Committee on Interoperability Solutions for European Public Administrations, Businesses and Citizens (ISA² Committee) Decision (EU) 2015/2240 Examination 2 0 1 0 0 0 0 0 0 1 0 Total 2 0 1 0 0 0 0 0 0 1 0 INTERNAL MARKET, INDUSTRY, ENTREPRENEURSHIP AND SMES (GROW) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C00200 Machinery Committee Directive 2006/42/EC Advisory Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C00300 Committee on the approximation of the laws of the Member States relating to medical devices Council Directive 93/42/EEC Directive 98/79/EC Council Directive 90/385/EEC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C00400 Committee for harmonisation of national regulations relating to cableway installations designed to carry persons Directive 2000/9/EC Advisory 0 0 0 0 0 0 0 0 0 0 0 30 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C00600 Committee for the adaptation to technical progress of legislation on the removal of technical barriers to trade in detergents (CATP-DETERGENTS) Regulation (EC) No 648/2004 Examination 0 0 0 0 0 0 0 0 0 0 0 C00700 Committee for the adaptation to technical progress of legislation on the removal of technical barriers to trade in fertilisers (CATP-FERTILISERS) Regulation (EC) No 2003/2003 Examination Regulatory w/scrutiny 1 0 1 0 0 0 0 0 0 0 1 C00900 Committee for the adaptation to technical progress of legislation to remove technical barriers to trade in aerosol dispensers (CATP/AEROSOLS) Council Directive 75/324/EEC Regulatory w/scrutiny 0 1 1 0 0 0 0 0 0 0 0 C01100 Committee for the adaptation to technical progress of legislation to remove technical barriers to trade in measuring instruments Council Directive 71/316/EEC Directive 2009/34/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C01400 Standing Committee on Cosmetic Products Council Directive 76/768/EEC Regulation (EC) No 1223/2009 Examination Regulatory w/scrutiny 3 1 6 0 0 0 0 0 0 0 7 C01500 Committee for the harmonisation of national legislation relating to recreational craft Directive 94/25/EC Advisory Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C02000 Committee on the harmonisation of the provisions relating to the placing on the market and supervision of explosives for civil uses (EXPLOSIVES) Council Directive 93/15/EEC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C02200 Committee on horizontal questions concerning trade in processed ***agricultural*** products not listed in Annex I Council Regulation (EC) No 3448/93 Council Regulation (EC) No 1216/2009 Examination 0 1 1 0 0 0 0 0 0 1 0 C02600 Committee on equipment and protective systems intended for use in potentially explosive atmospheres (EXAT) Directive 2014/34/EU Advisory Examination 0 0 0 0 0 0 0 0 0 0 0 C02700 Standing Committee on the approximation of the laws of the Member Directive 97/23/EC Advisory 0 0 0 0 0 0 0 0 0 0 0 31 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted States concerning pressure equipment C03000 Telecommunications Conformity Assessment and Market Surveillance Committee (TCAM) Directive 1999/5/EC Examination Advisory Regulatory w/scrutiny 3 0 0 0 0 0 0 0 0 0 0 C12900 Committee for the approximation of the laws of the Member States relating to noise emission in the environment by equipment for use outdoors Directive 2002/49/EC Directive 2000/14/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C16300 Advisory Committee for Public Contracts Directive 2004/18/EC Directive 2004/17/EC Directive 2009/81/EC Directive 2014/25/EU Directive 2014/24/EU Directive 2014/23/EU Advisory Examination Regulatory w/scrutiny 0 6 3 0 0 0 0 0 0 3 0 C16500 Committee for application of the legislation concerning common rules for the development of the internal market of Community postal services and the improvement of quality of service Directive 97/67/EC Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C16700 COMMITTEE ON IMPLEMENTATION RULES Council Regulation (EC) No 40/94 Council Regulation (EC) No 6/2002 COUNCIL REGULATION (EC) No 207/2009 Regulation (EU) 2015/2424 Examination 3 0 0 0 0 0 0 0 0 0 0 C26900 Committee on the recognition of professional qualifications Directive 2005/36/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C27100 Measuring Instruments Committee Directive 2014/32/EU Examination Advisory Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C34200 Committee established under the Regulation concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Regulation (EC) No 1272/2008 Regulation (EC) No 689/2008 Regulation (EC) No 1907/2006 Regulation (EU) No 649/2012 Examination Advisory Regulatory w/scrutiny 9 5 34 0 0 0 0 0 0 13 8 32 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted (Joint responsibility with DG ENV) C35300 Technical Committee - Motor Vehicles Directive 2007/46/EC Regulation (EC) No 79/2009 Regulation (EC) No 661/2009 Directive 97/68/EC Regulation (EC) No 715/2007 Directive 2002/24/EC Regulation (EC) No 595/2009 97/836/EC: Council Decision Regulation (EU) No 168/2013 Regulation (EU) 2015/758 Regulation (EU) 2016/1628 Examination Regulatory w/scrutiny 10 4 11 0 0 0 0 0 0 5 4 C36200 Mutual Recognition Committee Regulation (EC) No 764/2008 Advisory 1 0 0 0 0 0 0 0 0 0 0 C36300 Firearms-deactivation committee Directive 2008/51/EC Examination 1 0 0 0 0 0 0 0 0 0 0 C36800 Services Directive Committee Directive 2006/123/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C37400 Committee on EU Transfers of Defence-related Products Directive 2009/43/EC Regulatory w/scrutiny 1 1 1 0 0 0 0 0 0 0 1 C37700 Safety of toys Committee Directive 2009/48/EC Regulatory w/scrutiny 1 0 2 0 0 0 0 0 0 0 0 C38600 Committee on the placing on the market of pyrotechnic articles Directive 2007/23/EC Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C40100 Standing Committee on Construction Regulation (EU) No 305/2011 Advisory 2 0 0 0 0 0 0 0 0 0 0 C41300 Internal Market Information System Committee Regulation (EU) No 1024/2012 Examination Advisory 1 0 0 0 0 0 0 0 0 0 0 C41700 Committee on Standards Regulation (EU) No 1025/2012 Examination Advisory 3 4 6 0 0 0 0 0 0 9 0 C42506 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - Configuration ‘Space’ 2013/743/EU COUNCIL DECISION Examination 4 6 6 0 0 0 0 0 0 4 0 33 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C44000 European GNSS ***Programmes*** Committee Regulation (EU) No 1285/2013 Examination Advisory 6 3 4 0 0 0 0 0 0 3 0 C44900 (COSME) Competitiveness of Enterprises and small and medium-sized enterprises Committee (2014 - 2020) Regulation (EU) No 1287/2013 Examination 2 0 2 0 0 0 0 0 0 2 0 C45300 Technical Committee — ***Agricultural*** Vehicles Regulation (EU) No 167/2013 Examination 1 0 1 0 0 0 0 0 0 1 0 C46700 Copernicus Committee Regulation (EU) No 377/2014 Examination Advisory 4 2 3 0 0 0 0 0 0 3 0 C46800 Space Surveillance and Tracking Support Framework Committee Decision No 541/2014/EU Examination 3 1 1 0 0 0 0 0 0 1 0 C47700 Committee on Electrical Equipment Directive 2014/35/EU Examination 2 0 0 0 0 0 0 0 0 0 0 C48000 LIFTS COMMITTEE Directive 2014/33/EU Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 C48200 Committee for the harmonisation of national legislation relating to recreational craft Directive 2013/53/EU Advisory Examination 1 1 1 0 0 0 0 0 0 0 0 C48300 Committee on Electromagnetic Compatibility Directive 2014/30/EU Advisory 0 0 0 0 0 0 0 0 0 0 0 C48900 Committee on personal protective equipment Regulation (EU) 2016/425 Advisory Examination 1 0 0 0 0 0 0 0 0 0 0 Total 63 36 84 0 0 0 0 0 0 45 21 \*C42506 — Configuration ‘Space’ is a section of C42500 — The ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) reported under ‘RESEARCH AND INNOVATION (RTD)’. For other configurations of this committee, see ‘RESEARCH AND INNOVATION (RTD)’ and 'MIGRATION AND HOME AFFAIRS (HOME)'. \*\*5 measures originate from DG ENV Abolished (or transferred) committee(s): – C01500 - Committee for the harmonisation of national legislation relating to recreational craft Basic legal act: Directive 94/25/EC of the European Parliament and of the Council of 16 June 1994 on the approximation of the laws, regulations and administrative provisions of the Member States relating to recreational craft. End of validity 17/01/2016 34 INTERNATIONAL COOPERATION AND DEVELOPMENT (DEVCO) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C45600 EIDHR Committee Regulation (EU) No 235/2014 Regulation (EU) No 236/2014 Examination Advisory 1 0 1 0 0 0 0 0 0 1 0 C45700 INSC Committee Council Regulation (EURATOM) No 237/2014 Examination 1 0 1 0 0 0 0 0 0 1 0 C46000 Greenland Committee Council Decision 2014/137/EU Examination 0 1 1 0 0 0 0 0 0 1 0 C46100 IcSP Committee (Stability and Peace Instrument Committee) Regulation (EU) No 236/2014 Regulation (EU) No 230/2014 Examination Advisory 2 4 5 0 0 0 0 0 0 5 0 C46200 DCI Committee Regulation (EU) No 236/2014 Regulation (EU) No 233/2014 Examination Advisory 14 6 47 0 2 0 0 0 0 47 0 Total 18 11 55 0 2 0 0 0 0 55 0 JUSTICE AND CONSUMERS (JUST) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C19500 Committee of the Directive on General Product Safety (2001/95/EC) Directive 2001/95/EC Examination Advisory Regulatory w/scrutiny 0 2 1 0 0 0 0 0 0 1 0 C21300 Committee on the service in the Member States of judicial and extrajudicial documents in civil and commercial matters Regulation (EC) No 1393/2007 Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C21400 Advisory Committee on legal aid in cross-border disputes in civil and commercial matters Council Directive 2002/8/EC Advisory 0 0 0 0 0 0 0 0 0 0 0 C21500 Advisory Committee concerning jurisdiction, recognition and enforcement of judgments in civil and commercial matters – Brussels I Regulation (EC) No 805/2004 Council Regulation (EC) No 44/2001 Regulation (EC) No 1896/2006 Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 35 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C21800 Crime victims committee Council Directive 2004/80/EC Advisory 0 0 0 0 0 0 0 0 0 0 0 C25900 Consumer Protection Cooperation Committee (Reg. (EC) No 2006/2004) Regulation (EC) No 2006/2004 Examination 5 0 0 0 0 0 0 0 0 0 0 C26800 Committee on the Prevention of Money Laundering and Terrorist Financing Regulation (EC) No 1781/2006 Directive 2005/60/EC Regulation (EU) 2015/847 Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C27000 Committee on the protection of individuals with regard to the processing of personal data and on the free movement of such data Directive 95/46/EC Examination 10 0 3 0 0 0 0 0 0 3 0 C35200 Committee concerning applicable law, jurisdiction and enforcement in matrimonial matters, parental responsibility and maintenance obligations Council Regulation (EC) No 2201/2003 Council Regulation (EC) No 4/2009 Advisory Examination 0 0 0 0 0 0 0 0 0 0 0 C35800 Committee on cooperation between the courts of the Member States in the taking of evidence in civil or commercial matters Council Regulation (EC) No. 1206/2001 Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C39600 Committee on credit agreements for consumers Directive 2008/48/EC Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C41100 Succession committee Regulation (EU) No 650/2012 Advisory 0 0 0 0 0 0 0 0 0 0 0 C41900 Committee on mutual recognition of protection measures in civil matters Regulation (EU) No 606/2013 Examination 0 0 0 0 0 0 0 0 0 0 0 C42700 Committee on Online Dispute Resolution (Reg. (EU) No 524/2013) Regulation (EU) No 524/2013 Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 C44600 Rights, Equality and Citizenship ***Programme*** Committee Regulation (EU) No 1381/2013 Examination Advisory 1 1 0 0 0 0 0 0 0 0 0 C44700 Justice ***Programme*** Committee Regulation (EU) No 1382/2013 Examination 1 0 0 0 0 0 0 0 0 0 0 C45800 Consumer Financial ***Programme*** Committee 2014-2020 (CFPC) Regulation (EU) No 254/2014 Advisory 1 0 1 0 0 0 0 0 0 1 0 C47000 Committee on Interconnection of Central, Commercial and Companies' Registers Directive 2009/101/EC Directive 2012/17/EU Examination 0 0 0 0 0 0 0 0 0 0 0 36 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C47100 European Account Preservation Order Committee Regulation (EU) No 655/2014 Advisory 0 1 1 0 0 0 0 0 0 1 0 C48500 Committee on insolvency proceedings Regulation (EU) 2015/848 Examination Advisory 4 0 0 0 0 0 0 0 0 0 0 C49000 Committee on the protection of individuals with regard to the processing of personal data and on the free movement of such data (2018) Regulation (EU) 2016/679 Directive (EU) 2016/680 Examination 0 0 0 0 0 0 0 0 0 0 0 C49200 Property regimes of international couples: marriages Council Regulation (EU) 2016/1103 Advisory 0 0 0 0 0 0 0 0 0 0 0 C49300 Property regimes of international couples: registered partnerships Council Regulation (EU) 2016/1104 Advisory 0 0 0 0 0 0 0 0 0 0 0 Total 22 4 6 0 0 0 0 0 0 6 0 Newly created (or transferred) committee(s): – C49000 - Committee on the protection of individuals with regard to the processing of personal data and on the free movement of such data (2018) Basic legal acts: Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation). Entered into force 27/04/2016 Directive (EU) 2016/680 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties, and on the free movement of such data, and repealing Council Framework Decision 2008/977/JHA. Entered into force 27/04/2016 – C49200 - Property regimes of international couples: marriages Basic legal act: Council Regulation (EU) 2016/1103 of 24 June 2016 implementing enhanced cooperation in the area of jurisdiction, applicable law and the recognition and enforcement of decisions in matters of matrimonial property regimes. Entered into force 28/07/2016 – C49300 - Property regimes of international couples: registered partnerships Basic legal act: Council Regulation (EU) 2016/1104 of 24 June 2016 implementing enhanced cooperation in the area of jurisdiction, applicable law and the recognition and enforcement of decisions in matters of the property consequences of registered partnerships. Entered into force 28/07/2016 37 MARITIME AFFAIRS AND FISHERIES (MARE) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C16000 Management Committee for Fisheries Products (MCFP) Council Regulation (EC) No 104/2000 Examination 0 0 0 0 0 0 0 0 0 0 0 C16100 Committee for Fisheries and Aquaculture Council Regulation (EC) No 2371/2002 COUNCIL REGULATION (EC) No 1100/2007 Regulation (EU) No 1236/2010 Council Regulation (EC) No 1224/2009 COUNCIL REGULATION (EU) No 57/2011 Council Regulation (EC) No 1005/2008 Council Regulation (EU) No 43/2012 Council Regulation (EC) No 1967/2006 Council Regulation (EC) No 1098/2007 COUNCIL REGULATION (EC) No 861/2006 Council Regulation (EC) No 847/96 Council Regulation (EU) No 44/2012 Council Regulation (EU) No 39/2013 Regulation (EU) No 1026/2012 Council Regulation (EC) No 199/2008 Regulation (EU) No 1380/2013 Council Regulation (EC) No 1415/2004 Council Regulation (EU) 2015/104 Examination 4 4 10 0 0 0 0 0 0 10 0 C30700 Committee for the European Maritime and Fisheries Fund (EMFF) Council Regulation (EC) No 1198/2006 Regulation (EU) No 508/2014 Examination Advisory 2 1 4 0 0 0 0 0 0 4 0 C40400 Committee for the Integrated Maritime Policy Regulation (EU) No 1255/2011 Examination 0 0 0 0 0 0 0 0 0 0 0 Total 6 5 14 0 0 0 0 0 0 14 0 38 MIGRATION AND HOME AFFAIRS (HOME) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C20800 Committee on a uniform visa format Council Regulation (EC) No 2252/2004 Council Regulation (EC) No 1683/95 Council Regulation (EC) No 1030/2002 Examination 3 0 0 0 0 0 0 0 0 0 0 C34400 The second generation Schengen Information System and Visa Information System committee (SIS-VIS committee) Regulation (EC) No 767/2008 Regulation (EC) No 1987/2006 Council Decision 2007/533/JHA Council Decision 2008/839/JHA Council Regulation (EC) No 1104/2008 Examination 10 0 2 0 0 0 0 0 0 0 0 C35700 Schengen Borders Code Regulation (EC) No 562/2006 Examination Regulatory w/scrutiny 1 1 1 0 0 0 0 0 0 1 0 C37600 The Visa Committee Regulation (EC) N° 810/2009 Examination Regulatory w/scrutiny 3 0 3 0 0 0 0 0 0 3 0 C40500 Travel Document Committee Decision No 1105/2011/EU Advisory 1 0 0 0 0 0 0 0 0 0 0 C42000 DUBLIN III Committee REGULATION (EU) No 604/2013 Examination 0 0 0 0 0 0 0 0 0 0 0 C42400 Schengen Committee Council Regulation (EU) No 1053/2013 Examination 8 40 38 0 0 0 0 0 0 31 0 C42514 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - Configuration ‘Secure societies – Protecting Freedom and security of Europe and its citizens’ 2013/743/EU COUNCIL DECISION Examination 5 20 27 0 0 0 0 0 0 25 0 C46400 'Europe for Citizens' Committee COUNCIL REGULATION (EU) No 390/2014 Advisory 1 0 1 0 0 0 0 0 0 1 0 C46500 Asylum, Migration and Integration and Internal Security Funds Committee REGULATION (EU) No 514/2014 REGULATION (EU) No 515/2014 REGULATION (EU) No 516/2014 REGULATION (EU) No 513/2014 Examination Advisory 4 4 4 0 0 0 0 0 0 0 0 C47400 Visa reciprocity and visa suspension committee Regulation (EU) No 1289/2013 Examination 0 0 0 0 0 0 0 0 0 0 0 39 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C48800 Schengen Borders Code Regulation (EU) 2016/399 Examination 0 0 0 0 0 0 0 0 0 0 0 C49100 Committee on common protocols and data formats for transferring PNR data Directive (EU) 2016/681 Examination 0 0 0 0 0 0 0 0 0 0 0 Total 36 65 76 0 0 0 0 0 0 61 0 \*For other configurations of this committee, see 'RESEARCH AND INNOVATION (RTD)', ‘INTERNAL MARKET, INDUSTRY, ENTREPRENEURSHIP AND SMES (GROW)', and 'COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY (CNECT)' Newly created (or transferred) committee(s): – C48800 - Schengen Borders Code Basic legal act: Regulation (EU) 2016/399 of the European Parliament and of the Council of 9 March 2016 on a Union Code on the rules governing the movement of persons across borders (Schengen Borders Code). Entered into force 12/04/2016 – C49100 - Committee on common protocols and data formats for transferring PNR data Basic legal act: Directive (EU) 2016/681 of the European Parliament and of the Council of 27 April 2016 on the use of passenger name record (PNR) data for the prevention, detection, investigation and prosecution of terrorist offences and serious crime. Entered into force 24/05/2016 Abolished (or transferred) committee(s): – C35700 - Schengen Borders Code Basic legal act: Regulation (EC) No 562/2006 of the European Parliament and of the Council of 15 March 2006 establishing a Community Code on the rules governing the movement of persons across borders (Schengen Borders Code). End of validity 11/04/2016 MOBILITY AND TRANSPORT (MOVE) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C06900 Advisory Committee on application of the legislation on access for Community air carriers to intra-Community air routes Regulation (EC) No 1008/2008 Regulation (EC) No 847/2004 Regulation (EC) No 785/2004 Regulation (EC) No 868/2004 Directive 2002/30/EC Advisory Examination Regulatory w/scrutiny 0 2 2 0 0 0 0 0 0 2 0 40 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C07000 Advisory Committee on measures taken in the event of a crisis in the market in the carriage of goods by road and for laying down the conditions under which non-resident carriers may operate national road haulage services within a Member State (cabotage) Council Regulation (EEC) No 3916/90 Advisory 0 0 0 0 0 0 0 0 0 0 0 C07200 Advisory Committee on unfair pricing practices in maritime transport Council Regulation (EEC) No 4057/86 Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 C07400 Committee for the interoperability of electronic road toll systems Directive 2004/52/EC Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C07800 Committee on adaptation to technical progress and the possible adoption of a harmonised risk analysis method concerning the minimum safety requirements for tunnels in the European road network Directive 2004/54/EC Examination Regulatory w/scrutiny 1 0 0 0 0 0 0 0 0 0 0 C08000 Committee for the establishment of conditions for the interoperability of the trans-European high-speed rail system DIRECTIVE 2004/49/CE Council Directive 96/48/EC Directive 2008/57/CE Directive 2007/59/CE Directive (EU) 2016/798 Directive (EU) 2016/797 Examination Advisory Regulatory w/scrutiny 3 0 4 0 0 0 0 0 0 2 4 C08400 Committee on adaptation of the legislation concerning reciprocal recognition of national boatmasters' certificates for the carriage of goods and passengers by inland waterway Council Directive 91/672/EEC Council Directive 96/50/EC Council Directive 96/75/EC Directive 2005/44/EC 2006/87/EC Directive 2006/137/EC Directive 2016/1629 Examination Advisory Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C08600 Committee on application of the legislation on access to the groundhandling market at Community airports Council Directive 96/67/EC Advisory 0 0 0 0 0 0 0 0 0 0 0 41 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C08700 Committee on the implementation of legislation on improving ship and port installation security Regulation (EC) No 725/2004 Directive 2005/65/EC Examination Regulatory w/scrutiny 5 0 1 0 0 0 0 0 0 1 0 C08800 Committee on application of the legislation on harmonisation of technical requirements and administrative procedures in the field of civil aviation Council Regulation (EEC) No 3922/91 Regulation (EC) No 2111/2005 Directive 2004/36/CE Regulation 2014/376 Examination Advisory Regulatory w/scrutiny 2 0 2 0 0 0 0 0 0 2 0 C09100 Committee on the application of legislation and common rules on the security of civil aviation Regulation (EC) No 300/2008 Examination Regulatory w/scrutiny 5 1 2 0 0 0 0 0 0 1 1 C09200 Committee on driving licences Directive 2006/126/EC Regulatory w/scrutiny 2 1 1 0 0 0 0 0 0 0 1 C09400 Committee on Safe Seas and prevention of pollution from ships (COSS) Council Directive 96/98/EC Regulation (EC) No 789/2004 Directive 2003/25/EC Regulation (EC) No 782/2003 Directive 2002/59/EC Directive 2005/35/EC Regulation (EC) No 336/2006 Directive 2001/96/EC Council Directive 97/70/EC Council Directive 98/41/EC Council Directive 1999/35/EC Directive 2000/59/EC Directive 2009/16/EC Directive 2009/17/EC Directive 2009/15/EC Directive 2009/18/EC Directive 2009/21/EC Regulation (EC) No 392/2009 Regulation (EC) No 391/2009 Directive 2008/106/EC Regulation (EC) No 2099/2002 Council Directive 1999/32/EC Regulation (EC) No 1371/2007 Examination Advisory Regulatory w/scrutiny 3 0 3 0 0 0 0 0 0 2 2 42 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted Directive 2009/45/EC Directive 2014/90/EC Directive 2016/802/EC C09500 Committee on Road Transport Regulation (EC) No 561/2006 Directive 2006/22/EC Regulation (EC) No 1073/2009 Regulation (EC) No 1072/2009 Regulation (EC) No 1071/2009 Regulation (EU) No 165/2014 Advisory Examination Regulatory w/scrutiny 2 0 2 0 0 0 0 0 0 3 2 C09600 Committee on the transport of dangerous goods Directive 2008/68/EC Council Directive 95/50/EC Examination Regulatory w/scrutiny 2 2 2 0 0 0 0 0 0 1 1 C09800 Community/Switzerland Transport Committee (rail and road) 2002/309/EC,Euratom: Decision Examination 0 0 0 0 0 0 0 0 0 0 0 C10000 Committee for the application of common safety rules in the field of civil aviation Council Regulation (EEC) No 3922/91 Regulation (EC) No 216/2008 Regulation (EU) No 376/2014 Examination Advisory Regulatory w/scrutiny 3 4 8 0 0 0 0 0 0 1 6 C10200 Marco Polo Committee Regulation (EC) No 1692/2006 Examination 0 0 0 0 0 0 0 0 0 0 0 C10300 Single Sky Committee Council Regulation (EC) No 219/2007 Regulation (EC) No 549/2004 Regulation (EC) No 552/2004 Regulation (EC) No 551/2004 Regulation (EC) No 550/2004 Examination Advisory Regulatory w/scrutiny 6 7 8 0 5 2 0 0 2 7 0 C10400 Technical Adaptation Committee on Roadworthiness Testing Directive 2009/40/EC Directive 2000/30/EC Examination Regulatory w/scrutiny 1 0 0 0 0 0 0 0 0 0 0 C10600 Transport infrastructure charging Directive 1999/62/EC Council Decision Regulation (EEC) No 1108/70 Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 C38200 Committee for the compulsory use of safety belts and child-restraint systems in vehicles Directive 2003/20/EC Examination 0 0 0 0 0 0 0 0 0 0 0 C38300 Committee for road infrastructure safety management Directive 2008/96/EC Regulatory w/scrutiny 1 0 0 0 0 0 0 0 0 0 0 43 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C39100 Committee on application of the common rules for the allocation of slots at Community airports Council Regulation (EEC) No 95/93 Examination 0 0 0 0 0 0 0 0 0 0 0 C39400 European ITS Committee - (EIC) Directive 2010/40/EU Advisory 2 0 0 0 0 0 0 0 0 0 0 C39700 Committee on the promotion of clean and energy-efficient road transport vehicles Directive 2009/33/EC Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C41500 Single European Rail Area Committee Directive 2012/34/EU Regulation (EU) No 913/2010 Examination Advisory 3 2 7 0 0 0 0 0 0 5 0 C41800 Committee on initial qualification and periodic training of drivers of certain road vehicles for the carriage of goods or passengers Directive 2003/59/EC Examination 0 0 0 0 0 0 0 0 0 0 0 C43700 Connecting Europe Facility Coordination Committee Regulation (EU) No 1316/2013 Examination 8 6 18 0 0 0 0 0 0 17 0 C44800 Trans-European Transport Network Committee Regulation (EU) No 1315/2013 Examination 3 0 0 0 0 0 0 0 0 0 0 C49500 Committee on alternative fuels infrastructure Directive 2014/94/EU Examination 0 0 0 0 0 0 0 0 0 0 0 Total 52 25 60 0 5 2 0 0 2 44 17 Cases referred to the appeal committee, specification of the outcome of the appeal committee vote: – C10300 - Single Sky Committee – AC 30/08/2016 - Draft Implementing Decision of the Commission concerning certain revised performance targets and appropriate measures included in the national or functional airspace block ***plans*** submitted pursuant to Regulation (EC) No 549/2004 that are not adequate in respect to the Union-wide performance targets for the second reference period and setting out obligations for corrective measures – NO OPINION – AC 30/08/2016 - Draft Implementing Decision of the Commission concerning revised performance targets and appropriate measures included in the national or functional airspace block ***plan*** submitted by Switzerland pursuant to Regulation (EC) No 549/2004 that are not adequate in respect to the Union-wide performance targets for the second reference period and setting out obligations for corrective measures – NO OPINION 44 NEIGHBOURHOOD AND ENLARGEMENT NEGOTIATIONS (NEAR) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C39900 The Line Regulation Committee Council Regulation (EC) No 866/2004 Advisory 0 0 0 0 0 0 0 0 0 0 0 C45400 IPA II Committee Regulation (EU)No 231/2014 Examination 3 7 30 0 0 0 0 0 0 31 0 C45900 ENI Committee Regulation (EU) No 232/2014 Regulation (EU) No 236/2014 Examination Advisory 4 5 34 0 0 0 0 0 0 34 0 Total 7 12 64 0 0 0 0 0 0 65 0 REGIONAL AND URBAN POLICY (REGIO) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C43300 Coordination Committee for the European Structural and Investment Funds (COESIF) Regulation (EU) No 1303/2013 Advisory Examination 1 0 2 0 0 0 0 0 0 1 0 Total 1 0 2 0 0 0 0 0 0 1 0 RESEARCH AND INNOVATION (RTD) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C14400 Standing Committee on ***Agricultural*** Research (SCAR) Regulation (EEC) No 1728/74 Examination 2 0 0 0 0 0 0 0 0 0 0 C35400 Coal and Steel Committee 2008/376/EC: Council Decision Examination 1 1 1 0 0 0 0 0 0 1 0 C37900 Committee for the implementation of the Regulation on the Community legal framework for a European Research Infrastructure Council Regulation (EC) No 723/2009 Examination 4 3 3 0 0 0 0 0 0 1 0 45 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted Consortium (ERIC) C42500 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) 2013/743/EU COUNCIL DECISION Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 C42501 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - ***Strategic*** configuration 2013/743/EU COUNCIL DECISION Examination 6 17 26 0 0 0 0 0 0 16 0 C42502 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - Configuration ‘European Research Council (ERC), Future and Emerging Technologies (FET) and Marie Skłodowska-Curie Actions (MSCA) 2013/743/EU COUNCIL DECISION Examination Advisory 3 42 42 0 0 0 0 0 0 6 0 C42503 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - Configuration ‘Research infrastructures’ 2013/743/EU COUNCIL DECISION Examination 4 19 19 0 0 0 0 0 0 11 0 C42505 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2013/743/EU COUNCIL DECISION Examination 5 35 35 0 0 0 0 0 0 32 0 46 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted 2020) - Configuration ‘Nanotechnologies, Advanced materials, Biotechnology, Advanced manufacturing and processing’ C42507 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - Configuration ‘SMEs and Access to risk finance’ 2013/743/EU COUNCIL DECISION Examination 4 7 6 0 1 0 0 0 0 0 0 C42508 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - Configuration ‘Health, demographic change and well-being’ 2013/743/EU COUNCIL DECISION Examination 4 19 19 0 0 0 0 0 0 16 0 C42509 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - Configuration ‘Food security, sustainable ***agriculture*** and forestry, marine, maritime and inland water research, and the bioeconomy’ 2013/743/EU COUNCIL DECISION Examination 3 16 16 0 0 0 0 0 0 14 0 C42510 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - Configuration ‘Secure, clean and efficient energy’ Regulation (EC) No 663/2009 2013/743/EU COUNCIL DECISION Examination 5 24 24 0 0 0 0 0 0 21 0 47 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C42511 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - Configuration ‘Smart, green and integrated transport’ 2013/743/EU COUNCIL DECISION Examination 5 13 13 0 0 0 0 0 0 11 0 C42512 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - Configuration ‘Climate action, environment, resource efficiency and raw materials’ 2013/743/EU COUNCIL DECISION Examination 5 14 14 0 0 0 0 0 0 11 0 C42513 ***Programme*** Committee for the specific ***programme*** implementing Horizon 2020 - the Framework ***Programme*** for Research and Innovation (2014-2020) - Configuration ‘Europe in a changing world – Inclusive, innovative and reflective societies’ 2013/743/EU COUNCIL DECISION Examination 4 51 50 0 0 0 0 0 0 50 0 C44300 ***Programme*** Committee for the Research and Training ***Programme*** of the European Atomic Energy Community (2014-2018) complementing the Horizon 2020 Framework ***Programme*** for Research and Innovation Council Regulation (Euratom) No 1314/2013 Examination 0 0 0 0 0 0 0 0 0 0 0 C44301 ***Programme*** Committee for the Research and Training ***Programme*** of the European Atomic Energy Community (2014-2018) complementing Council Regulation (Euratom) No 1314/2013 Examination 1 0 0 0 0 0 0 0 0 0 0 48 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted the Horizon 2020 Framework ***Programme*** for Research and Innovation - Configuration ‘Fission’ C44302 ***Programme*** Committee for the Research and Training ***Programme*** of the European Atomic Energy Community (2014-2018) complementing the Horizon 2020 Framework ***Programme*** for Research and Innovation - Configuration ‘Fusion’ Council Regulation (Euratom) No 1314/2013 Examination 1 2 1 0 0 0 0 0 0 1 0 Total 57 263 269 0 1 0 0 0 0 191 0 \*For other configurations of this committee, see ‘INTERNAL MARKET, INDUSTRY, ENTREPRENEURSHIP AND SMES (GROW)’, 'MIGRATION AND HOME AFFAIRS (HOME)' and 'COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY (CNECT)'. SECRETARIAT-GENERAL (SG) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C39300 Citizens' Initiative Committee Regulation (EU) No 211/2011 Examination 0 0 0 0 0 0 0 0 0 0 0 C39800 Appeal Committee Regulation (EU) No 182/2011 Examination 5 0 0 0 11 0 0 0 11 9 0 C47800 Committee on the statute and funding of European political parties and European political foundations Regulation (EU, Euratom) No 1141/2014 Examination 0 0 0 0 0 0 0 0 0 0 0 Total 5 0 0 0 11 0 0 0 11 9 0 \* Information on the work of the appeal committee is provided under the detailed information on the relevant Commission department (Information for Mobility and Transport and Health and Food Safety) that referred an implementing act to the appeal committee. 49 SERVICE FOR FOREIGN POLICY INSTRUMENTS (FPI) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C21900 Committee for implementation of the Kimberley Process certification scheme for the international trade in rough diamonds Council Regulation (EC) No 2368/2002 Examination 3 2 0 0 0 0 0 0 0 0 0 C22000 Committee on protection against the effects of the extraterritorial application of legislation adopted by a third country, and actions based thereon or resulting there-from Council Regulation (EC) No 2271/96 Examination 0 0 0 0 0 0 0 0 0 0 0 C38100 Committee for Review of Listings under Regulation 881/2002 Council Regulation (EU) No 1286/2009 Examination 0 0 0 0 0 0 0 0 0 0 0 C46300 Partnership Instrument Committee Regulation (EU) No 236/2014 Regulation (EU) No 234/2014 Examination 2 0 2 0 0 0 0 0 0 0 0 Total 5 2 2 0 0 0 0 0 0 0 0 TAXATION AND CUSTOMS UNION (TAXUD) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C17500 Committee on Drug Precursors Council Regulation (EC) No 111/2005 Regulation (EC) No 273/2004 Examination Regulatory w/scrutiny 0 0 0 0 0 0 0 0 0 0 0 C17600 Committee for Mutual Assistance on Recovery of Claims (Assistance) Council Directive 2008/55/EC Council Directive 2010/24/EU Examination 1 0 0 0 0 0 0 0 0 0 0 C17700 Committee on Economic Outward Processing Arrangements for Textiles Council Regulation (EC) No 3036/94 Examination 0 0 0 0 0 0 0 0 0 0 0 C18000 Committee on the Movement of Air or Sea Passengers' Baggage (Principles) Council Regulation (EEC) No 3925/91 Examination 0 0 0 0 0 0 0 0 0 0 0 50 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C18100 Customs Code Committee Council Regulation (EEC) No 2913/92 Regulation (EU) No 952/2013 Advisory Examination 0 0 0 0 0 0 0 0 0 0 0 C18101 Customs Code Committee – Enforcement of Intellectual Property Rights Council Regulation (EEC) No 2913/92 Regulation (EU) No 608/2013 Regulation (EU) No 952/2013 Advisory Examination 0 0 0 0 0 0 0 0 0 0 0 C18102 Customs Code Committee - Special Procedures Council Regulation (EEC) No 2913/92 Regulation (EU) No 952/2013 Advisory Examination 3 0 0 0 0 0 0 0 0 0 0 C18103 Customs Code Committee - Customs Value Council Regulation (EEC) No 2913/92 Regulation (EU) No 952/2013 Advisory Examination 1 0 0 0 0 0 0 0 0 0 0 C18105 Customs Code Committee - Duty Relief Council Regulation (EEC) No 2913/92 Council Regulation (EC) No 1186/2009 Regulation (EU) No 952/2013 Advisory Examination 1 0 0 0 0 0 0 0 0 0 0 C18106 Customs Code Committee - Tariff and Statistical Nomenclature Council Regulation (EEC) No 2658/87 Council Regulation (EEC) No 2913/92 Regulation (EU) No 952/2013 Advisory Examination 12 11 61 0 5 0 0 0 0 59 0 C18107 Customs Code Committee - Tariff Measures Council Regulation (EEC) No 2913/92 Regulation (EU) No 952/2013 Advisory Examination 0 4 4 0 0 0 0 0 0 3 0 C18109 Customs Code Committee - General Customs Legislation Council Regulation (EEC) No 2913/92 Regulation (EU) No 952/2013 Advisory Examination 11 1 2 0 0 0 0 0 0 2 0 51 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C18111 Customs Code Committee - Origin Council Regulation (EEC) No 2913/92 COUNCIL DECISION (2001/822/EC) 2009/832/EC: Council Decision Commission Regulation (EEC) No 2454/93 Council Decision 2013/755/EU Council Regulation (EC) No 1528/2007 Regulation (EU) No 952/2013 Regulation (EU) 2016/1076 Advisory Examination 2 2 2 0 0 0 0 0 0 0 0 C18112 Customs Code Committee - Customs Debt and Guarantees Council Regulation (EEC) No 2913/92 Regulation (EU) No 952/2013 Advisory Examination 2 0 0 0 0 0 0 0 0 0 0 C18113 Customs Code Committee - Data Integration and Harmonisation Council Regulation (EEC) No 2913/92 Regulation (EU) No 952/2013 Advisory Examination 4 0 0 0 0 0 0 0 0 0 0 C18114 Customs Code Committee - Customs Status and Transit Council Regulation (EEC) No 2913/92 Regulation (EU) No 952/2013 Advisory Examination 1 0 0 0 0 0 0 0 0 0 0 C18115 Customs Code Committee - Customs Controls and Risk Management Council Regulation (EEC) No 2913/92 Regulation (EU) No 952/2013 Advisory Examination 2 0 0 0 0 0 0 0 0 0 0 C18116 Customs Code Committee - Import and Export Formalities Council Regulation (EEC) No 2913/92 Regulation (EU) No 952/2013 Advisory Examination 1 0 0 0 0 0 0 0 0 0 0 C18200 Standing Committee on Administrative Cooperation Council Regulation (EU) No 904/2010 Examination 1 0 0 0 0 0 0 0 0 0 0 C38900 Committee on the Export and Return of Cultural Goods Council Regulation (EC) No 116/2009 Council Directive 93/7/EEC Advisory 0 0 0 0 0 0 0 0 0 0 0 C39000 Committee on Excise Duty Council Directive 2003/96/EC Examination 1 4 3 2 0 0 0 0 0 0 0 52 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted Council Directive 2008/118/EC Council Regulation (EU) No 389/2012 C40300 Committee on Administrative Cooperation for Taxation Council Directive 2011/16/EU Examination 3 0 1 0 0 0 0 0 0 1 0 C44400 Fiscalis 2020 Committee Regulation (EU) No 1286/2013 Examination 2 0 1 0 0 0 0 0 0 1 0 C44500 Customs 2020 Committee Regulation (EU) No 1294/2013 Examination 2 0 1 0 0 0 0 0 0 1 0 Total 50 22 75 2 5 0 0 0 0 67 0 TRADE (TRADE) Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted C22200 Advisory Committee on the implementation of activities relating to the Community market access strategy 98/552/EC: Council Decision Advisory 11 0 0 0 0 0 0 0 0 0 0 C22600 Committee on common rules for imports of textile products from certain third countries (autonomous regime) Council Regulation (EC) No 517/94 Regulation (EU) 2015/936 Examination Advisory 1 0 1 0 0 0 0 0 0 1 0 C22700 Committee on defence against obstacles to trade which affect the market of the Community or a non-member country (TBR) Council Regulation (EC) No 3286/94 Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 C22800 Committee on harmonisation of the provisions concerning export credit insurance for transactions with medium and long-term cover Council Directive 98/29/EC Examination 0 0 0 0 0 0 0 0 0 0 0 C22900 GENERALISED PREFERENCES COMMITTEE Council Regulation (EC) No 980/2005 COUNCIL REGULATION (EC) No 732/2008 Regulation (EU) No 978/2012 Regulation (EU) No Examination Advisory 0 1 1 0 0 0 0 0 0 1 0 53 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted 512/2011 C23000 Management Committee on quantitative import or export quotas Council Regulation (EC) No 520/94 Examination 0 0 0 0 0 0 0 0 0 0 0 C23400 Committee on Access to Medicines Council Regulation (EC) No 953/2003 Examination Advisory 0 0 0 0 0 0 0 0 0 0 0 C23500 Committee on trade retaliation Council Regulation (EC) No 673/2005 Examination 0 0 0 0 0 0 0 0 0 0 0 C40700 Wood Committee REGULATION (EU) No 1217/2012 Council Decision 2012/105/EU Examination 1 0 1 0 0 0 0 0 0 1 0 C41400 Committee for Investment Agreements Regulation (EU) nº 1219/2012 Advisory 2 3 7 0 0 0 0 0 0 7 0 C44100 Trade Defence Instruments Committee Council Regulation (EC) No 1225/2009 Council Regulation (EC) No 597/2009 Council Regulation (EC) No 452/2003 Council Regulation (EC) No 1515/2001 Council Regulation (EC) No 385/96 Regulation (EU) 2015/476 Regulation (EU) 2016/1036 Regulation (EU) 2016/1037 Regulation (EU) 2015/477 Regulation (EU) 2016/1035 Advisory Examination 9 29 51 0 11 0 0 0 0 61 0 C45200 Committee on Safeguards and Common Rules for Exports Council Regulation (EC) No 1061/2009 Council Regulation (EC) No 625/2009 Council Regulation (EC) No 260/2009 Council Regulation (EC) No 594/2008 Council Regulation (EC) No 55/2008 Council Regulation (EC) No 140/2008 Council Regulation (EC) No 1528/2007 Council Regulation (EC) No 1616/2006 Regulation (EEC) No 1692/73 Regulation (EEC) No Advisory Examination 0 5 3 0 0 0 0 0 0 4 0 54 Code Committee Title Basic Legal Act Committee Procedure Meetings Written procedures Positive opinions Negative opinions No opinions Measures referred to appeal committee Positive opinion by appeal committee Negative opinion by appeal committee No opinion by appeal committee Implementing acts adopted RPS measures adopted 2843/72 Regulation (EEC) No 2841/72 Regulation (EU) No 19/2013 Regulation (EU) No 20/2013 Regulation (EU) No 511/2011 Regulation (EU) 2015/752 Regulation (EU) 2015/755 Regulation (EU) 2015/479 Regulation (EU) 2016 Regulation (EU) 2015/1145 Regulation (EU) 2015/475 Regulation (EU) 2015/938 Regulation (EU) 2015/939 Regulation (EU) 2015/940 Regulation (EU) 2015/478 Total 24 38 64 0 11 0 0 0 0 75 0

**Load-Date:** December 16, 2017

**End of Document**



[***-Bayer AG - Crop Science Division of Bayer well positioned to fulfill future customer, market and societal needs***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PHX-1JJ1-JD3Y-Y4C4-00000-00&context=1516831)

ENP Newswire

September 21, 2017 Thursday

Copyright 2017 Normans Media Limited All Rights Reserved



**Length:** 2757 words

**Body**

Monheim - Bayer remains convinced that the long term trends impacting the global ***agricultural*** sector will remain unchanged.

'Despite the current market volatility, our Crop Science business is well positioned to fulfill future customer, market and societal needs,' said Liam Condon, Bayer Management Board member and President of the Crop Science Division, on Tuesday during his presentation at the company's Future of Farming Dialog 2017 on September 18-20.

The event brings together thought leaders and stakeholders from across the ***agricultural*** industry to highlight the need for various groups - including industry, government, academic and NGO representatives and from both the public and private sectors - to cooperate to make the world's food system more sustainable and thus fit for the future.

'The global seed and crop protection market remains volatile in 2017 after a weak prior year,' Condon noted. However, high population growth, changing consumption patterns and increasing consumer demand for sustainably ***produced*** food will have a positive impact on food production, global ***agricultural*** trade and ultimately on farm income. 'Those factors combined with the steadily growing global demand for feed and biofuel feedstocks support a long-term increase in demand that will drive our business,' Condon pointed out.

Business in Brazil expected to return to normal in 2018

Short-term volatility is always possible in a business dependent on the weather as well as pest and disease prevalence, especially in tropical climates such as Brazil. 'Over the past two years, lower pest pressure and drought in key parts of the country have led to lower demand for insecticides and fungicides,' Condon explained. 'We experienced a significant decline in sales and earnings in connection with historically high channel inventories at the end of this year's harvest season in Brazil.' The elevated inventory situation affects the entire market but Bayer is likely to be more heavily affected due to its strong market position in both segments, insecticides and fungicides. Measures have been initiated in order to return to a more normal situation, for example re-allocation of products to different markets and lower sell-in.

'For 2018 overall we forecast a return to growth in Brazil,' Condon said during his keynote address at the conference. As previously indicated with the publication of the Q2 results, due to provisions for Brazil, Bayer is now anticipating sales of less than EUR 10 billion (previously: sales of more than EUR 10 billion) for its Crop Science Division in 2017. This corresponds to a low single-digit percentage decline on a currency- and portfolio-adjusted basis.

Innovation is crucial for sustainable ***agriculture***

Focusing in his speech on sustainable ***agriculture***, Liam Condon also reaffirmed the commitment of the Crop Science Division to investing in innovation and developing customized agronomic solutions for farmers that address their individual needs and challenges.

In this context, Condon emphasized that the proposed acquisition of Monsanto presents a tremendous opportunity to positively shape the future of farming. 'It is our responsibility to ensure that innovation is made available to farmers large and small, all over the world. Only then can we make a meaningful contribution to ensuring a sustainable world food system.'

Bayer is also committed to helping meet the UN Sustainable Development Goals that are related to combating hunger and poverty and promoting good health and well-being, sustainable cities and communities, responsible consumption and production patterns as well as climate action and partnering.

Progress being made in ***planned*** acquisition of Monsanto / Closing anticipated in early 2018

Regarding the process and time frame of the acquisition, Condon said that the company is making progress. In late June 2017, Bayer filed a submission to obtain antitrust approval from the European Commission. On August 22, the European Commission initiated a Phase II investigation.

In consultation with the European Commission, Bayer filed an application on Monday, September 18, to extend the review deadline by ten working days until January 22, 2018, with the aim of facilitating an appropriate evaluation given the size of the transaction. 'In view of this, an anticipated closing of the deal in early 2018 is now more likely than end of 2017,' Condon said. Bayer has submitted applications for clearance to almost all of the around 30 relevant authorities, and has already received approvals from over one-third of them.

Digital Farming products successfully rolled out in more than 30 countries

Condon also addressed the company's efforts in the field of digital technologies. 'We are committed to investing at least EUR 200 million in our Digital Farming business between 2015 and 2020.' Already today, most new farm machinery is equipped with precision ***agriculture*** features. New tools help farmers optimize inputs such as fertilizer and crop protection agents with corresponding improvements in yields and quality. 'Innovative digital farming technologies help farmers big and small grow healthier crops more efficiently and more sustainably,' Condon said.

Digital Farming solutions also help meet society's rising requirements in terms of transparency and sustainability. 'We are therefore collaborating closely with highly competent partners such as Bosch and FaunaPhotonics, universities, start-up companies and nonprofit organizations like Quantified Planet. By donating and sharing proprietary data, we are contributing to research into biodiversity for the benefit of both ***agriculture*** and civil society.'

Currently, Bayer provides digital solutions in more than 30 countries and is aiming to achieve rapid further expansion. The new technologies have huge potential not only in countries such as Canada, the United States, Brazil, Germany, France, Ukraine and Russia, but also for smallholder farmers in developing countries. Enabling smallholder farmers to reach their farming potential is key to increase ***agricultural*** productivity in a sustainable manner and to improve the lives of their families and communities.

R&D investment of approximately EUR 1 billion

During his keynote address, Condon was joined by Adrian Percy, global head of Research and Development for the Crop Science Division, who shared more information about Bayer's R&D pipeline and investments. 'At Crop Science, we've been investing approximately EUR 1 billion annually in research and development to bring new products to the market to address the major challenges affecting farmers worldwide,' Percy pointed out. 'We've made it our responsibility to listen to our customers to understand the specific issues they face from country to country and region to region, better enabling us to deliver the customized agronomic solution that fits their individual needs best.'

Crop Science R&D pipeline to bring 15 new products to farmers by 2020

'We are very proud of our innovative solutions such as our Luna and Aviator Xpro fungicides as well as our Sivanto insecticide, which are all demonstrations of our capability to innovate. Not to mention our LibertyLink soybean seeds and InVigor canola hybrid varieties with our patented pod shatter reduction technology,' Percy said. 'These products have become significant contributors to revenue within just a few years.' Bayer has a variety of biological crop protection solutions in its development pipeline, for example Poncho/VOTiVO 2.0. A second, complementary bacterium increases the productivity of soil around the root, resulting in an increase of available nutrients for the plant to use.

Percy also outlined the current Crop Science R&D pipeline with 15 active ingredients and traits / trait combinations to be launched from 2017 to 2020. The integrated pipeline also contains more than 100 life-cycle management projects as well as several hundred new seed varieties in vegetable and broad acre crops. The activities of the global R&D organization will be guided by R&D targets to address the major unmet needs of growers worldwide with future innovative solutions in chemical and biological crop protection as well as seeds and traits.

While Bayer has a world-class R&D team working internally on innovation, the company has also established a successful external innovation platform to capitalize on the expertise and strength of many institutions, organizations from academia and the industry, and start-up companies with common purposes and goals. 'Through ***strategic*** research partnerships, crowd-sourcing tools and venture capital funding, we are collaborating on multiple fronts to ensure that we can continue to pioneer innovation in ***agriculture***,' Percy stated. Recently, Bayer and Ginkgo Bioworks, Boston entered into an agreement to create a new company focused on the plant microbiome with an initial focus on nitrogen fixation. Improving the microbes' ability to make nitrogen fertilizer available for plants, offers a major potential benefit for sustainable ***agriculture*** and next-generation solutions to farmers biggest challenges.

Cost of innovation is increasing

In recent years, the average investment needed to bring a new product to market has increased, strongly driven by increasing regulatory requirements. Percy is convinced that Bayer is making a difference through cutting-edge science, and helping farmers around the world ***produce*** high-quality food, feed, fiber and biofuels in a sustainable manner.

'To safeguard these investments, we need a political and regulatory environment that fosters innovation and collaboration along the broad and multi-layered value-chain,' Percy pointed out. 'Our industry depends on scientific research to enable the transformative technologies needed for our future food security. If the public does not trust our science, then this security could be in jeopardy.'

Commitment to transparency

Percy also reiterated the company's commitment to safety and transparency with reference to a Bayer initiative to grant access to safety-relevant crop protection study information used in the registration process. To start with, safety-related study summaries for a large number of active substances will be made available via a specially designed Bayer web portal. Additional information will be provided in the form of video tutorials, infographics and further elaborated scientific material. The website will go online at the end of 2017. In the next phase, users will also be able to request access to full, in-depth safety-related study reports.

'We want everyone - from the general public to members of the scientific community - to be able to access the information they want in a way that is fast and easy to understand,' Percy said. 'We also want the public to understand why and how we perform safety studies. This is a great opportunity for a beneficial dialog with the public about how Bayer ensures the safety of its products.'

Societal acceptance is key to close the gap between ***producer*** and consumer

'We live in a post-truth era in which populism and political polarization jeopardize the acceptance of modern science,' Liam Condon noted in his opening speech to the audience. 'Well-established scientific facts are questioned by people who prefer to believe in rumors and emotional campaigns,' he continued and cited a recent Nobel Prize winner: 'Gaining consumer trust paves the way for the scientific breakthroughs needed to ensure healthy food for a growing population.'

Closing his address to the audience gathered at Crop Science's global headquarters, Percy emphasized the need for everyone in the industry to do a better job of listening to consumers' concerns and helping to answer the questions they have about ***agricultural*** innovations clearly and transparently. According to a recent global survey Bayer fielded with 10,000 people in 10 countries, more than 9 out of 10 people believe that ensuring safe, affordable and nutritious food for everyone through innovation is an urgent issue. However, many consumers remain emotionally skeptical about trusting science and research.

'Societal acceptance is key,' Percy noted and called for a multi-stakeholder approach to better engage civil society, especially younger consumers, through active listening, open dialog and better education about the benefits of innovation. 'That's why we convened such a diverse group at this year's Future of Farming Dialog - bringing key voices together.' Bayer's AgVocacy ***program***, for example, provides comprehensive training to industry stakeholders to help them confidently share and explain their work to consumers, while ***agriculture*** education ***programs*** such as BayLabs, the global Youth Ag-Summit and Making Science Make Sense help introduce the next generation to sound science. In addition, the Bayer Bee Care ***Program*** as well as the Bayer ForwardFarming initiative are important dialog platforms which help close the gap between ***producer*** and consumer.

'Without industry research, innovations in ***agriculture*** to address our future food needs would be greatly diminished. As scientists, our challenge is to effectively engage and communicate on these issues,' Percy summarized. 'The future of food depends on a stronger bond between ***agriculture*** and society.'

Bayer: Science For A Better Life

Bayer is a global enterprise with core competencies in the Life Science fields of health care and ***agriculture***. Its products and services are designed to benefit people and improve their quality of life. At the same time, the Group aims to create value through innovation, growth and high earning power. Bayer is committed to the principles of sustainable development and to its social and ethical responsibilities as a corporate citizen. In fiscal 2016, the Group employed around 115,200 people and had sales of EUR 46.8 billion. Capital expenditures amounted to EUR 2.6 billion, R&D expenses to EUR 4.7 billion.

Forward-Looking Statements

Certain statements contained in this communication may constitute 'forward-looking statements.' Actual results could differ materially from those projected or forecast in the forward-looking statements. The factors that could cause actual results to differ materially include the following: uncertainties as to the timing of the transaction; the possibility that the parties may be unable to achieve expected synergies and operating efficiencies in the merger within the expected time-frames or at all and to successfully integrate Monsanto's operations into those of Bayer; such integration may be more difficult, time-consuming or costly than expected; revenues following the transaction may be lower than expected; operating costs, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers) may be greater than expected following the announcement of the transaction; the retention of certain key employees at Monsanto; risks associated with the disruption of management's attention from ongoing business operations due to the transaction; the conditions to the completion of the transaction may not be satisfied, or the regulatory approvals required for the transaction may not be obtained on the terms expected or on the anticipated schedule; the parties' ability to meet expectations regarding the timing, completion and accounting and tax treatments of the merger; the impact of the refinancing of the loans taken out for the transaction, the impact of indebtedness incurred by Bayer in connection with the transaction and the potential impact on the rating of indebtedness of Bayer; the effects of the business combination of Bayer and Monsanto, including the combined company's future financial condition, operating results, strategy and ***plans***; other factors detailed in Monsanto's Annual Report on Form 10-K filed with the SEC for the fiscal year ended August 31, 2016 and Monsanto's other filings with the SEC, which are available at [*http://www.sec.gov*](http://www.sec.gov) and on Monsanto's website at   [*www.monsanto.com*](http://www.monsanto.com) and other factors discussed in Bayer's public reports which are available on the Bayer website at   [*www.bayer.com*](http://www.bayer.com). Bayer and Monsanto assume no obligation to update the information in this communication, except as otherwise required by law. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date.

Contact:

Tel: +49 2173 38-3125

Fax: +49 2173 38-3352

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** September 21, 2017

**End of Document**



[***Register of Commission documents:European Parliament resolution of 16 January 2018 on the implementation of EU macro-regional strategies (2017/2040(INI)) Document date: 2018-01-16 P8\_TA-PROV(2018)0002 Texts adopted (provisional edition***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RHK-RWR1-JDG9-Y4DB-00000-00&context=1516831)

Impact News Service

January 27, 2018 Saturday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 4056 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

European Parliament 2014-2019 TEXTS ADOPTED Provisional edition P8\_TA-PROV(2018)0002 Implementation of EU macro-regional strategies European Parliament resolution of 16 January 2018 on the implementation of EU macro-regional strategies (2017/2040(INI)) The European Parliament, – having regard to the Treaty on the Functioning of the European Union (TFEU) and in particular Title XVIII thereof, – 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 1083/20061 (hereinafter ‘the CPR’), – having regard to Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal2, – having regard to Regulation (EU) No 1302/2013 of the European Parliament and of the Council of 17 December 2013 amending Regulation (EC) No 1082/2006 on a European grouping of territorial cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and functioning of such groupings3, – having regard to the Council conclusions of 25 April 2017 on the implementation of EU Macro-Regional Strategies, – having regard to the Commission report of 16 December 2016 on the implementation of EU macro-regional strategies (COM(2016)0805) and the accompanying Commission staff working document (SWD(2016)0443), 1 OJ L 347, 20.12.2013, p. 320. 2 OJ L 347, 20.12.2013, p. 259. 3 OJ L 347, 20.12.2013, p. 303. – having regard to the Commission communication of 10 June 2009 concerning the European Union Strategy for the Baltic Sea Region (COM(2009)0248), – having regard to the Commission communication of 8 December 2010 entitled ‘European Union Strategy for Danube Region’ (COM(2010)0715), – having regard to the Commission communication of 17 June 2014 concerning the European Union Strategy for the Adriatic and Ionian Region (COM(2014)0357), – having regard to the Commission communication of 28 July 2015 concerning a European Union Strategy for the Alpine Region (COM(2015)0366), – having regard to the Commission report of 20 May 2014 concerning the governance of macro-regional strategies (COM(2014)0284), – having regard to the Commission communication of 14 December 2015 entitled ‘Investing in jobs and growth – maximising the contribution of European Structural and Investment Funds’ (COM(2015)0639), – having regard to its resolution of 17 February 2011 on the implementation of the EU Strategy for the Danube Region1, – having regard to its resolution of 3 July 2012 on the evolution of EU macro-regional strategies: present practice and future prospects, especially in the Mediterranean2, – having regard to its resolution of 13 September 2012 on the EU Cohesion Policy Strategy for the Atlantic Area3, – having regard to its resolution of 28 October 2015 on an EU strategy for the Adriatic and Ionian region4, – having regard to its resolution of 13 September 2016 on an EU Strategy for the Alpine region5, – having regard to the study of January 2015 entitled ‘New role of macro-regions in European Territorial Cooperation’, published by its Directorate-General for Internal Policies, Department B: Structural and Cohesion Policies, – having regard to the Interact report of February 2017 entitled ‘Added value of macro-regional strategies – ***programme*** and project perspective’, – having regard to Rule 52 of its Rules of Procedure, and Article 1(1)(e) of, and Annex 3 to, the decision of the Conference of Presidents of 12 December 2002 on the procedure for granting authorisation to draw up own-initiative reports, – having regard to the report of the Committee on Regional Development and the opinion 1 OJ C 188 E, 28.6.2012, p. 30. 2 OJ C 349 E, 29.11.2013, p. 1. 3 OJ C 353 E, 3.12.2013, p. 122. 4 OJ C 355, 20.10.2017, p. 23. 5 Texts adopted, P8\_TA(2016)0336. of the Committee on Environment, Public Health and Food Safety (A8-0389/2017), A. whereas a macro-region can be defined as a geographical area including regions from a number of different countries associated with one or more common features or challenges6; B. whereas macro-regional strategies (MRS) have been established in areas representing the natural evolution of the EU in terms of cross-border cooperation; whereas they are important, as they are able to mobilise public and private actors, civil society and academia, and to mobilise resources towards achieving common EU policy goals; C. whereas MRS provide a platform for deeper and wider interaction at cross-sectoral, regional and cross-border level between EU Member States and neighbouring countries for the purposes of addressing common challenges, joint ***planning*** and fostering cooperation between and improving the integration of different partners and policy sectors, including in the areas of environment and biodiversity protection, climate mitigation and adaptation strategies, waste treatment and water supply, maritime spatial ***planning***, and integrated coastal management systems; welcomes, in this context, the efforts made to promote cooperation between the ESI funds and the IPA; D. whereas macro-regions are involved in the implementation of relevant long-term, interconnected, cross-cutting political activities, as these macro-regions are linked to cohesion policy through the MRS objectives embedded in their OPs and set up projects through smart synergies; whereas macro-regions thereby contribute more effectively to achieving MRS goals, attracting private investment, demonstrating trust, and engaging in dialogue, cross-border cooperation and solidarity; E. whereas MRS are based on the ‘three no’s’ principle of no new funding, no new structures and no new legislation within the existing EU political framework; F. whereas pre-existing cooperation mechanisms at EU level and between Member States and regions facilitate the implementation of MRS, particularly in the early phases; G. whereas the Commission adopts a single report on the implementation of all four existing EU MRS every two years, mentioning their successes, as well as where further improvements need to be made, with the next report due by the end of 2018; whereas Parliament considers, in this framework, that an assessment is needed of the aspects pertaining to the environment, as one of the pillars of sustainable development; Macro-regional strategies as platforms for cooperation and coordination 1. Notes that the relevance of the MRS has been underlined by the globalisation process, which has rendered individual countries interdependent and necessitates solutions to the cross-border problems involved; 2. Recognises that – to a varying degree – elements on which the quality of implementation depends, such as commitment, ownership, resources and governance, remain difficult to overcome in achieving the pre-determined goals; 3. Stresses that MRS continue to make an invaluable and innovative contribution to cross- 6 Schmitt et al.

(2009), ‘EU macro-regions and macro-regional strategies – A scoping study’, Nordregio electronic working paper 2009:4. border, cross-sectoral and multi-level cooperation in Europe, the potential of which has not yet been sufficiently explored, with a view to boosting connectivity and consolidating the economic ties and knowledge transfer between regions and countries; notes, however, that – as a result of the process of agreeing on joint actions at multi-level and multi-country/regional level – access to EU funds for MRS projects remains a challenge; 4. Considers that the MRS and associated environmental ***programmes*** are useful instruments for making the benefits of European cooperation visible to citizens, and therefore urges all parties to fully commit to the strategies and play their part in their implementation; 5. Is of the opinion that multi-level governance with a proper role for the regions within its framework should be a cornerstone of any macro-regional strategy from its inception, involving regional and local communities and public-, private- and 3rd-sector stakeholders in the process; encourages the Member States and regions involved therefore to develop appropriate governance structures and working arrangements to facilitate cooperation, including joint ***planning***, boosting funding opportunities and a bottom-up approach; 6. Encourages improved coordination and better partnerships, both vertical and horizontal, between the different public and private actors, academia and NGOs, as well as international organisations operating in this field, and the various policies at EU, national, regional and local level in order to facilitate and improve the implementation of the MRS and cross-border cooperation; calls on the Commission to encourage the participation of these stakeholders, inter alia, in the MRS governing boards, while respecting the general application of EU principles; 7. Emphasises the importance of sufficient human resources and administrative capacity for the competent national and regional authorities in order to ensure that the political commitment translates into effective implementation of the strategies; highlights, in this regard, the value of the Structural Reform Support ***Programme***, which can provide assistance in capacity building and effective support for the development and financing of MRS projects upon the request of a Member State; calls, furthermore, on the Commission and the Member States to actively promote the dissemination and application of good administrative practice and experience from the successful implementation of MRS; 8. Underlines the fact that MRS must be flexible enough to be adjusted and respond effectively to unforeseen events and needs which may affect the regions involved, the Member States and the EU in general; considers that the implementation of MRS needs to take account of specific regional and local conditions; highlights the necessity of the Commission’s coordinating role in this regard, also with a view to fine-tuning the specific objectives of each strategy; The EU Strategy for the Baltic Sea Region (EUSBSR) 9. Welcomes the results achieved since the launch of the strategy in 2009, particularly with regard to the cooperation mechanisms not only between (i.e within the Council at the relevant ministerial meetings), but also within the regions and countries involved, such as within the parliament or government; notes that the EUSBSR is a stable cooperation framework with more than 100 flagship initiatives and new networks; 10. Underlines the remaining challenges, in particular those relating to the environment and connectivity; urges the participating countries to step up efforts to tackle the pollution (i.e water and air quality, and eutrophication) of the Baltic Sea, as it is one of the most polluted seas in the world; notes that achieving a good environmental status by 2020 is one of the key objectives of policy actions here; 11. Attaches importance to the possibility of connecting the Baltic region to energy networks in order to reduce and eliminate energy poverty and to increase energy security and the security of supply; The EU Strategy for the Danube Region (EUSDR) 12. Highlights the positive impact the strategy has had on cooperation between the participating countries and regions by improving mobility and interconnections for all modes of transport, promoting clean energy, culture and sustainable tourism and, in particular, enhancing direct contacts between people and achieving greater cohesion between the regions and countries participating in the strategy; 13. Considers the ‘Euro access’ project, the ‘Keep Danube clean’ initiative and the Danube Financing Dialogue clear positive examples of a way to overcome difficulties in financing the obstacles which projects of transnational and cross-border relevance often face; is of the opinion that, through this dialogue, the differences in development among regions in the Danube basin could be further reduced; considers, furthermore, that reopening a Danube Strategy Point could contribute to a smoother implementation of the strategy; 14. Stresses that preventing damage caused by severe flooding remains one of the great environmental challenges for the countries of the Danube macro-region; highlights that supplementary joint measures to prevent cross-border pollution should be considered; 15. Recalls the need for ***strategic*** projects and stresses that it is essential to maintain a high degree of political support and increase the resources and capacity of competent state authorities in order to tackle the remaining challenges; emphasises the need, therefore, to maintain the political momentum for the EUSDR and to ensure that the EUSDR Steering Group does good work; 16. Invites the participating countries, given the natural link between the Danube River and the Black Sea, to enhance coordination between the EUSDR and the Black Sea Cross Border Cooperation and to work closely to overcome shared socio-economic, environmental and transport challenges; 17. Stresses that a more integrated approach to mobility and multimodality in the Danube region would also be beneficial to the environment; The EU Strategy for the Adriatic and Ionian Region (EUSAIR) 18. Highlights the distinct nature of the EUSAIR on account of the number of potential and candidate participating countries, and considers that this format of cooperation can be a great opportunity for the entire region; takes the view that EUSAIR could give an impetus to the enlargement and integration process; 19. Notes with concern the persistent problems as regards the lack of effective linkage between the availability of resources, governance and ownership, which are preventing EUSAIR’s objectives from being fully achieved; calls on the participating countries to provide the competent authorities with support and tailored measures to implement the strategy; 20. Stresses that the region has been at the forefront of the migration crisis in recent years; considers that EUSAIR could help address such challenges with the necessary instruments and resources; welcomes, in this context, the Commission’s efforts to find solutions for the mobilisation of financial resources for migration-related activities, including cooperation with third countries; 21. Considers the Sustainable Tourism pillar of the Adriatic and Ionian region to be a positive instrument to create sustainable economic growth in the region and raise awareness of environmental challenges and the MRS; 22. Calls on the countries concerned to give priority to capacity building for the EUSAIR key implementers and the ***programme*** authorities responsible for EUSAIR-related operational ***programmes***; The EU Strategy for the Alpine Region (EUSALP) 23. Considers the EUSALP as proof that the macro-regional concept can also be applied successfully to more developed regions; calls on its stakeholders to promote environment-related investments that address the consequences of climate change; points out, furthermore, that the Alpine region is an important regional transport hub and, at the same time, one of the largest unique natural and recreational areas which needs to be preserved; stresses, therefore, that sustainable and interrelated transport strategies need to be sought after; 24. Welcomes the governance structure of the strategy which is currently being put in place, as the first steps in the implementation of the strategy have proven difficult and were governed by different structures, frameworks and timeframes; calls, therefore, on the participating countries to continue their commitment and support to EUSALP Action Group members; 25. Stresses that the EUSALP can be a good example of a template strategy for territorial cohesion, as it simultaneously incorporates different specific areas, productive areas, mountains and rural areas and some of the most important and highly developed cities in the EU, and offers a platform for jointly addressing the challenges they face (climate change, demography, biodiversity, migration, globalisation, sustainable tourism and ***agriculture***, energy supply, transport and mobility, and the digital divide); calls on the participating countries and regions to pay due attention to the use of the Interreg Alpine Space ***programme*** and other relevant funds in addressing common priorities; 26. Stresses that the Alpine region is delineated by many borders and that removing these barriers is a prerequisite for cooperation to work, especially for the labour market and economic activities related to SMEs; points out that the EUSALP can also provide the opportunity to strengthen transnational cross-border cooperation between adjacent regions, cities and local communities and to forge links and networks between people, also in terms of interconnections in transport and digital coverage; points, in addition, to the environmental fragility of this region; Macro-regional Europe after 2020? 27. Points out that MRS bear fruit if they are rooted in a long-term political perspective and organised in such a way that all public, especially regional and local authorities, and private stakeholders and civil society are effectively represented from the outset, requiring an effective exchange of information, best practices, know-how and experience between macro-regions and their regional and local authorities; considers it necessary to strengthen the multi-level governance of MRS, which should be transparent, with more effective coordination and public communication mechanisms in order to make MRS known and for them to gain acceptance in local and regional communities; 28. Believes that strategy implementation can only be successful if based on long-term vision and efficient coordination and cooperation structures with the necessary administrative capacity, as well as on shared long-term political commitment among the institutional levels concerned and if it is backed by adequate funding; highlights, therefore, the need to increase the effectiveness of the investments through seeking alignment, synergies and complementarities of regional and national funding with existing EU funding instruments, which, in addition to enhancing the ETC ***programmes***, promote cross-border projects within the ESI funds and EFSI and also through direct funding; 29. Believes that simplifying the funds and the procedures for their use within the framework of the MRS would increase their effectiveness; 30. Proposes that the participating countries make clear commitments in terms of funding and human resources for the implementation of the MRS from the outset; calls on the Commission to help to better coordinate inside the MRS, to promote good practices and to develop incentives to encourage the active participation of and coordination between all parties concerned, also with a view to strengthening the link between EU policies and implementation of MRS; encourages, moreover, MRS to make use of green public procurement in order to boost eco-innovation, the bio-economy, the development of new business models and the use of secondary raw materials, such as in the circular economy, in order to achieve higher levels of environmental and health protection and to foster close links between ***producers*** and consumers; 31. Stresses that greater result-orientation is required and concrete challenges need to be met, including in the area of environmental protection, in order to develop ***plans*** which have a real impact on the territory, and to justify the investment of resources, which should, for its part, be commensurate with the objectives set, and relate to the true needs of the territories concerned; 32. Calls for any questions about the MRS, such as on ownership and the necessary political incentives, to be addressed in accordance with a modus operandi that is agreed upon in advance by all the regions concerned; 33. Is of the opinion that the visibility and public perception of the activities of the macro-regions in the regions targeted, as well as the results achieved, need to be enhanced by carrying out information campaigns and exchanges of best practices, including through online platforms and social networks, thus making them easily accessible to the general public; 34. Emphasises that the next revision of the multiannual financial framework (MFF) constitutes an opportunity to revise the MRS objectives at the same time, in order to strengthen their link with EU priorities and consolidate associated financial commitments; 35. Calls on the Commission to submit, as part of its next revision of cohesion policy rules, proposals to promote a better implementation of MRS; 36. Calls on the Commission, as part of the next report on the implementation of MRS which is due in 2018, to undertake a more in-depth analysis, including in particular on: (a) the effectiveness of ETC transnational ***programmes*** in providing financing and ***strategic*** impetus to MRS; (b) indicators which could be integrated in each MRS in order to allow better result-orientation, monitoring and evaluation; (c) measures to strengthen the link with EU priorities; (d) the simplification of the implementation and mainstreaming of funding schemes; (e) the quality of the involvement of regional and local government in the implementation of MRS; 37. Emphasises that a call to develop new strategies such as for the Carpathians, the Atlantic, Mediterranean or Iberian regions should not divert attention from the primary objective of improved, deeper implementation of existing MRS; 38. Supports the ‘three no’s’ principle for the MRS (no new EU legislation, no new EU funding and no new EU structures); suggests, however, that the Commission evaluate the impact of these ‘no’s’ on ***programmes*** under the ESI funds in its next implementation report on MRS; 39. Highlights the need for a territorial approach in relation to cooperation activities on a case by case basis, as MRS are geared towards addressing territorial challenges that can be solved more effectively together; stresses the importance of bringing about synergies and convergence between the different components of territorial cooperation in ETC ***programmes*** and the macro-regions in order to strengthen the impact of transnational ***programmes***, pool resources, simplify the financing of MRS and enhance the outcome of their implementation and efficiency of the resources invested; 40. Reiterates the EU’s commitment to the implementation of the SDGs; stresses the importance of aligning the MRS objectives with the EU flagship initiatives, such as the Energy Union, the Paris Agreement on climate change and blue growth in marine macro-regions; draws attention to the management of environmental risks, such as preserving nature, biodiversity, and fishing stocks and combating marine litter, as well as developing sustainable and green tourism; encourages cooperation in the field of renewable energy; encourages, in this context, the use of smart specialisation strategies (S3), the strengthening of SMEs and the creation of quality jobs; 41. Stresses that Parliament from the very outset supported the macro-regions through pilot projects and preparatory actions; points, furthermore, to the experience accumulated by the Baltic Sea region which shows that long-term thinking should remain the basis for macro-regional cooperation; 42. Calls on the Commission to invite the Parliament to participate as an observer in the work of the Macro-Regional Strategies High Level Group; o o o 43. Instructs its President to forward this resolution to the Council, the Commission, the European Committee of the Regions, the European Economic and Social Committee and the governments and national and regional parliaments of the Member States and third countries participating in MRS.

**Load-Date:** January 29, 2018

**End of Document**



[***-ABcann Provides Business Update***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S94-9DG1-JD3Y-Y4XF-00000-00&context=1516831)

ENP Newswire

May 10, 2018 Thursday

Copyright 2018 Normans Media Limited All Rights Reserved



**Length:** 2158 words

**Body**

NAPANEE - ABcann Global Corporation (TSXV: ABCN) ('ABcann' or the 'Company') is pleased to provide the following business update.

'Over the past two quarters, we have enhanced our leadership team, strengthened our balance sheet, improved operational effectiveness, and made significant commercial advancements. ABcann is well-positioned, with approximately $ 130 million in cash, to accelerate the growth of our business,' commented Barry Fishman, Chief Executive Officer of ABcann.

ABcann's 2017 audited annual financial statements showed a cash balance at December 31, 2017 of $ 70.8 million, annual net sales of $ 0.9 million and operating expenses totalling $ 27.5 million. These expenses included very substantial one-time costs related to taking ABcann public and internal restructuring matters. While the restructuring continued into Q1 of 2018, the impact of these costs is expected to have a far lesser impact on the Company's financial statements for that period.

In Q1, ABcann's new management team formulated a growth strategy for 2018 that is focused on several key areas

Production Capacity and Capability

2018 capacity - 800 kilograms of indoor grown premium dry flower and 1,500 kilograms of seasonal greenhouse cannabis

2019 capacity - 1,500 kilograms of indoor grown premium bud and 14,000 kilograms of seasonal greenhouse cannabis to be used primarily in finished medical and adult-use products

Targeted for completion in late Q3 2018, the Company's Vanluven expansion includes state-of-the-art areas for cultivation, extraction, formulation and packaging. ABcann is expecting to receive GMP certification in late Q4 2018 or early Q1 2019, facilitating the export of products to certain international markets.

The Company is developing a ***plan*** for the construction of its Kimmett facility. The macro ***plan*** and budget for the facility are not expected to be completed until later this year, however the Company has developed the following three-phased approach to begin to generate revenue from the facility prior to its completion:

Phase 1, which has recently commenced, consists of the construction of seasonal greenhouses and a header house with an annual production capacity of approximately 4,000 kilograms. Subject to receipt of necessary Health Canada approvals, this innovative design is expected to result in one of the lowest capital and operating costs per gram in the industry. It is estimated that cannabis ***produced*** from these seasonal greenhouses will be ***produced*** for less than $ 0.50 per gram.

Phase 2, consisting of additional seasonal greenhouses with annual production capacity of approximately 10,000 kilograms, is expected to begin production in Q2 2019 and to bring the Company's total annual production capacity to approximately 15,500 kilograms.

Phase 3, which will include the Cannabis Wheaton expansion area, is expected to be a hybrid production facility with 17,000 kilograms of capacity and is expected to commence production in late 2019. The Company continues to work with Cannabis Wheaton on the Phase 3 facility design, with the intent of completing an agreed-upon project ***plan*** by Q3 2018, as per the amending agreement between the parties, which is further described in ABcann's management's discussion and analysis for the year ended December 31, 2017 (the 'MDA'). Upon completion of the Kimmett facility, the Company is expected to have a total annual production capacity of approximately 32,500 kilograms.

Go-to-Market Strategy

Company to be rebranded and new consumer brands to be rolled out mid-year 2018

Harvest Medicine to open second clinic in Edmonton in early Q3 2018

Harvest Medicine to launch a telemedicine platform in Q3 2018 to provide access to patients seeking medical cannabis in underserved communities.

In the near future, subject to the receipt of all necessary approvals, the Company expects to announce a new company name, a new medical brand, and two new adult-use brands, each targeting a distinct segment of the soon-to-be-legalized recreational market.

To drive revenue growth and improve the customer experience, ABcann is focused on: securing distribution agreements for its adult-use products increasing its promotional interactions with cannabis clinic prescribers increasing the frequency and impact of its marking and communications upgrading its product line and service offerings, including an innovative first-of-its-kind vaporizer access ***program*** and a Q3 2018 oils launch introducing innovative first-to-market products that meet unmet customer needs.

ABcann's current product development focus is on ***producing*** extracted oil products and the Company is targeting launch of three different formulations of oils in Q3 2018. The Company expects to expand its product offering to include soft gels, oral strips, patches, inhalers, and topical products when permitted by Health Canada.

In Q1 of 2018, the Company made two ***strategic*** investments: the acquisition of Harvest Medicine, a proven, scalable medical cannabis clinic business that is on track to add at least four additional locations over the next 12 months and an investment in Choom, a Vancouver-based company focused on retail distribution in the adult-use market. The Choom investment is accompanied by a product supply agreement for their retail operations. Additional details with respect to these investments are included in the MDA.

International Expansion

Australia sales and sales activities underway

GMP status approval, required for European sales, targeted for late 2018

ABcann has signed an agreement to supply medicinal cannabis to the Australian Medicinal Cannabis Service, as well as a research agreement with the Metro Pain Group (the 'MPG'), a prominent group of pain physicians in Melbourne. ABcann is shipping product to Australia this month that will be used in conjunction with a joint study with MPG to explore the use of cannabinoids in the management of chronic pain.

This month, ABcann will submit joint applications to the German Narcotic Agency (BfArM) and the State of Brandenburg seeking approval for a narcotic import and distribution license. This approval, expected by the end of 2018, will permit ABcann to ship medicinal cannabis to the German market. The Company aims to obtain a distribution license in Germany after GMP certification of its Vanluven facility is received and the required stability testing of its products is completed. ABcann will enter the next round of the German tender process for cultivation and continues to evaluate multiple opportunities to enter into additional European markets.

RD Initiatives

University of Guelph partnership to leverage in-house state-of-the-art research

ABcann has had an industry exclusive partnership with the University of Guelph's Controlled Environment Systems Research Facility ('CESRF') since 2015. CESRF is the world's leading controlled environment research and technology development institute. The coordinated RD ***program*** is unique to the industry and has resulted in the first peer reviewed scientific publications on cannabis cultivation in North America. The custom designed growth chamber technology currently housed at the Company's Vanluven facility, where trained plant scientists are extending the scope of cannabis production research, is state-of-the-art in this field globally.

ABcann is also working with an Ontario college, through a multifaceted partnership, on the implementation of optimized extraction methods at the Company's Napanee facilities and the development of novel differentiated product formulations. ABcann will announce further details of this partnership in the coming weeks.

Organizational Effectiveness

Through the addition of new talent with backgrounds in the beverage alcohol, pharmaceutical and ***agriculture*** industries, the Company has strengthened its leadership team. ABcann has also significantly enhanced business processes and governance across the organization. This enhanced set of internal processes and capabilities is expected to create a strong platform from which to expand, and create a foothold from which to efficiently expand globally to put ABcann at the forefront of the cannabis industry.

About ABcann

ABcann holds production and sales licenses from Health Canada. Its flagship Vanluven facility in Napanee, Ontario contains proprietary, state-of-the-art, plant-growing technology, which allows ABcann to precisely control all environmental variables to maximize yield and ***produce*** pharmaceutical-grade cannabis. This scientific approach to production will continue to be the basis of ABcann's growing philosophy in all current and future operations.

The Company is expanding its production capacity and pursuing partnership and product development opportunities domestically, as well as in select international markets, such as Germany, Australia and Israel.

Disclaimer for Forward-Looking Information

Certain statements in this news release are forward-looking statements, which are statements that are not purely historical, including statements regarding the beliefs, ***plans***, expectations or intentions of ABcann and its management regarding the future. Forward looking statements in this news release include statements relating to: ABcann's vision for the near and long-term growth and success of the Company; ABcann's ability to achieve competitive margins; ABcann's proposed re-branding and new product lines, and their respective expected launch dates; ABcann's expected timing for completion of its Vanluven expansion and three phases of its Kimmett facility, as well as the expected capacity from each; the expectation of Health Canada approval for the seasonal greenhouses; ABcann's ability to expand its medicinal business and address the adult-use market, when open; ABcann's future ***plans*** with respect to cultivation, distribution and imports into Germany, Australia and other international jurisdictions, including the timing of applications for the German market; the expected timing of receipt of the Company's GMP certification; the proposed opening of new Harvest Medicine clinics; the Company's investment in Choom; the Company's relationships with educational institutions and research activities and the Company's intent to increase shareholder value. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the forward-looking statements, including: (i) that ABcann may not be able to substantially increase its production capacity at either its current Vanluven facility or proposed Kimmett facility; (ii) that ABcann may not obtain Health Canada approval for the seasonal greenhouses or other phases of the Kimmett facility construction; (iii) that ABcann may not complete the Kimmett Phase 3 ***plan*** prior to the deadline provided in the Cannabis Wheaton agreement; (iv) that ABcann's re-branding, including the proposed change of name, may not receive the necessary approvals; (v) that the Company may not be able to launch new products in the time expected or at all; (vii) that the Company may not be able to achieve competitive margins; (vi) that ABcann may not be able to increase the sales of its products in the current domestic market or to successfully launch new product lines in the time expected or at all; (vii) that the new products, if launched, may not be accepted by the market or may become subject to product liability claims; (viii) that ABcann may not be able to obtain a distribution/import license or a cultivation license for Germany or other emerging markets it is targeting; (ix) that ABcann may not be able to serve larger and broader markets as a result of its production increase; (x) that ABcann may be unable to retain its key talent; (xi) that ABcann's management may be unsuccessful in implementing the 2018 ***strategic*** ***plan*** and (xii) other factors beyond the Company's control. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. Readers are urged to consider these factors, and the more extensive risk factors included in the Company's annual information form dated April 30, 2018, which is available on SEDAR, carefully in evaluating the forward-looking statements contained in this news release, and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by these cautionary statements. The forward-looking statements in this news release are made as of the date hereof and the Company disclaims any intent or obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws.

Contact:

Barry Fishman

Email: [*barry.fishman@abcannglobal.com*](mailto:barry.fishman@abcannglobal.com)

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** May 10, 2018

**End of Document**



[***-Bayer - Crop Science Division of Bayer well positioned to fulfill future customer, market and societal needs***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PHX-1JJ1-JD3Y-Y4FX-00000-00&context=1516831)

ENP Newswire

September 21, 2017 Thursday

Copyright 2017 Normans Media Limited All Rights Reserved



**Length:** 2753 words

**Body**

Monheim - Bayer remains convinced that the long term trends impacting the global ***agricultural*** sector will remain unchanged.

'Despite the current market volatility, our Crop Science business is well positioned to fulfill future customer, market and societal needs,' said Liam Condon, Bayer Management Board member and President of the Crop Science Division, on Tuesday during his presentation at the company's Future of Farming Dialog 2017 on September 18-20.

The event brings together thought leaders and stakeholders from across the ***agricultural*** industry to highlight the need for various groups - including industry, government, academic and NGO representatives and from both the public and private sectors - to cooperate to make the world's food system more sustainable and thus fit for the future.

'The global seed and crop protection market remains volatile in 2017 after a weak prior year,' Condon noted. However, high population growth, changing consumption patterns and increasing consumer demand for sustainably ***produced*** food will have a positive impact on food production, global ***agricultural*** trade and ultimately on farm income. 'Those factors combined with the steadily growing global demand for feed and biofuel feedstocks support a long-term increase in demand that will drive our business,' Condon pointed out.

Business in Brazil expected to return to normal in 2018

Short-term volatility is always possible in a business dependent on the weather as well as pest and disease prevalence, especially in tropical climates such as Brazil. 'Over the past two years, lower pest pressure and drought in key parts of the country have led to lower demand for insecticides and fungicides,' Condon explained. 'We experienced a significant decline in sales and earnings in connection with historically high channel inventories at the end of this year's harvest season in Brazil.' The elevated inventory situation affects the entire market but Bayer is likely to be more heavily affected due to its strong market position in both segments, insecticides and fungicides. Measures have been initiated in order to return to a more normal situation, for example re-allocation of products to different markets and lower sell-in.

'For 2018 overall we forecast a return to growth in Brazil,' Condon said during his keynote address at the conference. As previously indicated with the publication of the Q2 results, due to provisions for Brazil, Bayer is now anticipating sales of less than EUR 10 billion (previously: sales of more than EUR 10 billion) for its Crop Science Division in 2017. This corresponds to a low single-digit percentage decline on a currency- and portfolio-adjusted basis.

Innovation is crucial for sustainable ***agriculture***

Focusing in his speech on sustainable ***agriculture***, Liam Condon also reaffirmed the commitment of the Crop Science Division to investing in innovation and developing customized agronomic solutions for farmers that address their individual needs and challenges.

In this context, Condon emphasized that the proposed acquisition of Monsanto presents a tremendous opportunity to positively shape the future of farming. 'It is our responsibility to ensure that innovation is made available to farmers large and small, all over the world. Only then can we make a meaningful contribution to ensuring a sustainable world food system.'

Bayer is also committed to helping meet the UN Sustainable Development Goals that are related to combating hunger and poverty and promoting good health and well-being, sustainable cities and communities, responsible consumption and production patterns as well as climate action and partnering.

Progress being made in ***planned*** acquisition of Monsanto / Closing anticipated in early 2018

Regarding the process and time frame of the acquisition, Condon said that the company is making progress. In late June 2017, Bayer filed a submission to obtain antitrust approval from the European Commission. On August 22, the European Commission initiated a Phase II investigation.

In consultation with the European Commission, Bayer filed an application on Monday, September 18, to extend the review deadline by ten working days until January 22, 2018, with the aim of facilitating an appropriate evaluation given the size of the transaction. 'In view of this, an anticipated closing of the deal in early 2018 is now more likely than end of 2017,' Condon said. Bayer has submitted applications for clearance to almost all of the around 30 relevant authorities, and has already received approvals from over one-third of them.

Digital Farming products successfully rolled out in more than 30 countries

Condon also addressed the company's efforts in the field of digital technologies. 'We are committed to investing at least EUR 200 million in our Digital Farming business between 2015 and 2020.' Already today, most new farm machinery is equipped with precision ***agriculture*** features. New tools help farmers optimize inputs such as fertilizer and crop protection agents with corresponding improvements in yields and quality. 'Innovative digital farming technologies help farmers big and small grow healthier crops more efficiently and more sustainably,' Condon said.

Digital Farming solutions also help meet society's rising requirements in terms of transparency and sustainability. 'We are therefore collaborating closely with highly competent partners such as Bosch and FaunaPhotonics, universities, start-up companies and nonprofit organizations like Quantified Planet. By donating and sharing proprietary data, we are contributing to research into biodiversity for the benefit of both ***agriculture*** and civil society.'

Currently, Bayer provides digital solutions in more than 30 countries and is aiming to achieve rapid further expansion. The new technologies have huge potential not only in countries such as Canada, the United States, Brazil, Germany, France, Ukraine and Russia, but also for smallholder farmers in developing countries. Enabling smallholder farmers to reach their farming potential is key to increase ***agricultural*** productivity in a sustainable manner and to improve the lives of their families and communities.

R&D investment of approximately EUR 1 billion

During his keynote address, Condon was joined by Adrian Percy, global head of Research and Development for the Crop Science Division, who shared more information about Bayer's R&D pipeline and investments. 'At Crop Science, we've been investing approximately EUR 1 billion annually in research and development to bring new products to the market to address the major challenges affecting farmers worldwide,' Percy pointed out. 'We've made it our responsibility to listen to our customers to understand the specific issues they face from country to country and region to region, better enabling us to deliver the customized agronomic solution that fits their individual needs best.'

Crop Science R&D pipeline to bring 15 new products to farmers by 2020

'We are very proud of our innovative solutions such as our Luna and Aviator Xpro fungicides as well as our Sivanto insecticide, which are all demonstrations of our capability to innovate. Not to mention our LibertyLink soybean seeds and InVigor canola hybrid varieties with our patented pod shatter reduction technology,' Percy said. 'These products have become significant contributors to revenue within just a few years.' Bayer has a variety of biological crop protection solutions in its development pipeline, for example Poncho/VOTiVO 2.0. A second, complementary bacterium increases the productivity of soil around the root, resulting in an increase of available nutrients for the plant to use.

Percy also outlined the current Crop Science R&D pipeline with 15 active ingredients and traits / trait combinations to be launched from 2017 to 2020. The integrated pipeline also contains more than 100 life-cycle management projects as well as several hundred new seed varieties in vegetable and broad acre crops. The activities of the global R&D organization will be guided by R&D targets to address the major unmet needs of growers worldwide with future innovative solutions in chemical and biological crop protection as well as seeds and traits.

While Bayer has a world-class R&D team working internally on innovation, the company has also established a successful external innovation platform to capitalize on the expertise and strength of many institutions, organizations from academia and the industry, and start-up companies with common purposes and goals. 'Through ***strategic*** research partnerships, crowd-sourcing tools and venture capital funding, we are collaborating on multiple fronts to ensure that we can continue to pioneer innovation in ***agriculture***,' Percy stated. Recently, Bayer and Ginkgo Bioworks, Boston entered into an agreement to create a new company focused on the plant microbiome with an initial focus on nitrogen fixation. Improving the microbes' ability to make nitrogen fertilizer available for plants, offers a major potential benefit for sustainable ***agriculture*** and next-generation solutions to farmers biggest challenges.

Cost of innovation is increasing

In recent years, the average investment needed to bring a new product to market has increased, strongly driven by increasing regulatory requirements. Percy is convinced that Bayer is making a difference through cutting-edge science, and helping farmers around the world ***produce*** high-quality food, feed, fiber and biofuels in a sustainable manner.

'To safeguard these investments, we need a political and regulatory environment that fosters innovation and collaboration along the broad and multi-layered value-chain,' Percy pointed out. 'Our industry depends on scientific research to enable the transformative technologies needed for our future food security. If the public does not trust our science, then this security could be in jeopardy.'

Commitment to transparency

Percy also reiterated the company's commitment to safety and transparency with reference to a Bayer initiative to grant access to safety-relevant crop protection study information used in the registration process. To start with, safety-related study summaries for a large number of active substances will be made available via a specially designed Bayer web portal. Additional information will be provided in the form of video tutorials, infographics and further elaborated scientific material. The website will go online at the end of 2017. In the next phase, users will also be able to request access to full, in-depth safety-related study reports.

'We want everyone - from the general public to members of the scientific community - to be able to access the information they want in a way that is fast and easy to understand,' Percy said. 'We also want the public to understand why and how we perform safety studies. This is a great opportunity for a beneficial dialog with the public about how Bayer ensures the safety of its products.'

Societal acceptance is key to close the gap between ***producer*** and consumer

'We live in a post-truth era in which populism and political polarization jeopardize the acceptance of modern science,' Liam Condon noted in his opening speech to the audience. 'Well-established scientific facts are questioned by people who prefer to believe in rumors and emotional campaigns,' he continued and cited a recent Nobel Prize winner: 'Gaining consumer trust paves the way for the scientific breakthroughs needed to ensure healthy food for a growing population.'

Closing his address to the audience gathered at Crop Science's global headquarters, Percy emphasized the need for everyone in the industry to do a better job of listening to consumers' concerns and helping to answer the questions they have about ***agricultural*** innovations clearly and transparently. According to a recent global survey Bayer fielded with 10,000 people in 10 countries, more than 9 out of 10 people believe that ensuring safe, affordable and nutritious food for everyone through innovation is an urgent issue. However, many consumers remain emotionally skeptical about trusting science and research.

'Societal acceptance is key,' Percy noted and called for a multi-stakeholder approach to better engage civil society, especially younger consumers, through active listening, open dialog and better education about the benefits of innovation. 'That's why we convened such a diverse group at this year's Future of Farming Dialog - bringing key voices together.' Bayer's AgVocacy ***program***, for example, provides comprehensive training to industry stakeholders to help them confidently share and explain their work to consumers, while ***agriculture*** education ***programs*** such as BayLabs, the global Youth Ag-Summit and Making Science Make Sense help introduce the next generation to sound science. In addition, the Bayer Bee Care ***Program*** as well as the Bayer ForwardFarming initiative are important dialog platforms which help close the gap between ***producer*** and consumer.

'Without industry research, innovations in ***agriculture*** to address our future food needs would be greatly diminished. As scientists, our challenge is to effectively engage and communicate on these issues,' Percy summarized. 'The future of food depends on a stronger bond between ***agriculture*** and society.'

Bayer: Science For A Better Life

Bayer is a global enterprise with core competencies in the Life Science fields of health care and ***agriculture***. Its products and services are designed to benefit people and improve their quality of life. At the same time, the Group aims to create value through innovation, growth and high earning power. Bayer is committed to the principles of sustainable development and to its social and ethical responsibilities as a corporate citizen. In fiscal 2016, the Group employed around 115,200 people and had sales of EUR 46.8 billion. Capital expenditures amounted to EUR 2.6 billion, R&D expenses to EUR 4.7 billion.

Forward Looking Statements

Certain statements contained in this communication may constitute 'forward-looking statements.' Actual results could differ materially from those projected or forecast in the forward-looking statements. The factors that could cause actual results to differ materially include the following: uncertainties as to the timing of the transaction; the possibility that the parties may be unable to achieve expected synergies and operating efficiencies in the merger within the expected time-frames or at all and to successfully integrate Monsanto's operations into those of Bayer; such integration may be more difficult, time-consuming or costly than expected; revenues following the transaction may be lower than expected; operating costs, customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, customers, clients or suppliers) may be greater than expected following the announcement of the transaction; the retention of certain key employees at Monsanto; risks associated with the disruption of management's attention from ongoing business operations due to the transaction; the conditions to the completion of the transaction may not be satisfied, or the regulatory approvals required for the transaction may not be obtained on the terms expected or on the anticipated schedule; the parties' ability to meet expectations regarding the timing, completion and accounting and tax treatments of the merger; the impact of the refinancing of the loans taken out for the transaction, the impact of indebtedness incurred by Bayer in connection with the transaction and the potential impact on the rating of indebtedness of Bayer; the effects of the business combination of Bayer and Monsanto, including the combined company's future financial condition, operating results, strategy and ***plans***; other factors detailed in Monsanto's Annual Report on Form 10-K filed with the SEC for the fiscal year ended August 31, 2016 and Monsanto's other filings with the SEC, which are available at [*http://www.sec.gov*](http://www.sec.gov) and on Monsanto's website at   [*www.monsanto.com*](http://www.monsanto.com) and other factors discussed in Bayer's public reports which are available on the Bayer website at   [*www.bayer.com*](http://www.bayer.com). Bayer and Monsanto assume no obligation to update the information in this communication, except as otherwise required by law. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date.

Contact:

Tel: +49 214 30-1

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** September 21, 2017

**End of Document**



[***Supporting data driven progress towards SDGs in Pacific Agriculture and Fisheries***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RYH-T7J1-F0YC-N06Y-00000-00&context=1516831)

Impact News Service

March 23, 2018 Friday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 587 words

**Body**

Bonn: Nauru Bureau of Statistics has issued the following news release:

Policy decisions relating to food security and sustainable ***agricultural*** development can now be made more effectively based on high quality, timely and relevant statistics. This is the vision of the Pacific ***Strategic*** ***Plan*** for ***Agricultural*** and Fisheries Statistics (P-SPAFS), launched on Monday during the 27th meeting of the Asia-Pacific Commission on ***Agricultural*** Statistics. The meeting is taking place this week in Nadi, Fiji.

The implementation of P-SPAFS over ten years will ***produce*** regular, reliable statistics for ***agriculture***; fisheries; rural development; food security, and natural resources. The ***plan*** will enhance data comparability in these sectors, across Pacific Small Island Developing States. Promoting the use of standard methods of data collection makes statistical analysis becomes very cost effective.

The development of P-SPAFS was supported by the Global Strategy to Improve ***Agricultural*** and Rural Statistics in Asia Pacific, and the United Nations Food and ***Agriculture*** Organisation (FAO) Pacific regional ***programme***; in partnership with the Pacific Community (through its Statistics for Development Division, and the European Union supported Intra ACP Pacific ***Agriculture*** Policy Project).

Speaking at the launch of the ten-year ***strategic*** ***plan***, the Pacific Community (SPC) Deputy Director General, Dr Audrey Aumua said, “P-SPAFS is an exemplar of a successful partnership between FAO and SPC, which brings together their comparative advantages. With this strategy, we hope to improve the quality of ***agricultural*** statistics in the Pacific sub-region. However, our work does not stop here. We need to channel effective investment in the implementation of the strategy for it to be a success”.

Three quarters of the Pacific population live in rural areas and are largely reliant on ***agriculture*** and fisheries based livelihoods. While both sectors remain a priority for development, effective decision making at the national level requires evidence. Examples of sector specific information that can support decision-making include land in production; crops being grown; costs of production; fish capture data; dependence of families on farming and fishing; and age of farmers or fishers.

According to Mr Mukesh Kumar Srivastava, APCAS Secretary / Senior Statistician, FAO Regional Office for Asia and the Pacific, ‘the strategy will help to draw attention of the global community towards the unique challenges of Pacific SIDS such as geographical remoteness, cropping patterns, limited statistical infrastructure and availability of human and financial resources for the production of ***agricultural*** and rural statistics. This ***strategic*** ***plan*** will establish the path for development of sustainable statistical systems for management of ***agriculture*** and fisheries sector in the Pacific countries as per their local conditions. It will also advocate for additional targeted donor funding for Pacific SIDS.’

P-SPAFS provides a framework to bring together users and ***producers*** of statistics to ensure the data is relevant. This will improve ***agriculture*** and fisheries decisions, because they are informed by survey information.

P-SPAFS was initiated in 2015 through a regional meeting of more than 50 ***agricultural*** statisticians and planners from 14 Pacific islands. It was then developed under the guidance of a Technical Working Group consisting of representatives from ***agriculture***, forestry, fisheries and statistics from 6 Pacific states; FAO and SPC.

**Load-Date:** March 26, 2018

**End of Document**



[***FEDERAL REGISTER: Semiannual Regulatory Agenda Pages 40368 - 40379 [FR DOC # 2017-17028]***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PBB-4221-JDG9-Y1TW-00000-00&context=1516831)

Impact News Service

August 24, 2017 Thursday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 14205 words

**Body**

Washington: Office of the Federal Register has issued the following notice:

Department of Defense General Services Administration National Aeronautics and Space Administration ----------------------------------------------------------------------- Semiannual Regulatory Agenda Federal Register / Vol. 82 , No. 163 / Thursday, August 24, 2017 / Unified Agenda [[Page 40368]] ----------------------------------------------------------------------- DEPARTMENT OF DEFENSE GENERAL SERVICES ADMINISTRATION NATIONAL AERONAUTICS AND SPACE ADMINISTRATION 48 CFR Ch. 1 Semiannual Regulatory Agenda AGENCY: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA). ACTION: Semiannual regulatory agenda. ----------------------------------------------------------------------- SUMMARY: This agenda provides summary descriptions of regulations being developed by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council in compliance with Executive Order 12866 ``Regulatory ***Planning*** and Review.'' This agenda is being published to allow interested persons an opportunity to participate in the rulemaking process.

The Regulatory Secretariat Division has attempted to list all regulations pending at the time of publication, except for minor and routine or repetitive actions; however, unanticipated requirements may result in the issuance of regulations that are not included in this agenda. There is no legal significance to the omission of an item from this listing. Published proposed rules may be reviewed in their entirety at the Government's rulemaking Web site at [*http://www.regulations.gov*](http://www.regulations.gov) FOR FURTHER INFORMATION CONTACT: Joanne Sosa, Regulatory Secretariat Division, 1800 F Street NW., Washington, DC 20405, or via telephone at 202-501-4755. SUPPLEMENTARY INFORMATION: DoD, GSA, and NASA, under their several statutory authorities, jointly issue and maintain the FAR through periodic issuance of changes published in the Federal Register and ***produced*** electronically as Federal Acquisition Circulars (FACs). The electronic version of the FAR, including changes, can be accessed on the FAR Web site at   [*http://www.acquisition.gov/far*](http://www.acquisition.gov/far). Dated: March 31, 2017. William F. Clark, Director, Office of Government-Wide Acquisition Policy, Office of Acquisition Policy, Office of Government-Wide Policy. DOD/GSA/NASA (FAR)--Proposed Rule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 216....................... Federal Acquisition 9000-AM94 Regulation (FAR); FAR Case 2015-021; Determination of Fair and Reasonable Prices on Orders Under Multiple Award Contracts. 217....................... Federal Acquisition 9000-AN03 Regulation (FAR); FAR Case 2015-014; Prohibition on Providing Funds to the Enemy. 218....................... FAR Acquisition Regulation 9000-AN31 (FAR); FAR Case 2015-038, Reverse Auction Guidance. 219....................... Federal Acquisition 9000-AN32 Regulation (FAR); FAR Case 2017-005, Whistleblower Protection for Contractor Employees. 220....................... Federal Acquisition 9000-AN33 Regulation (FAR); FAR Case 2015-031, Policy on 8(a) Joint Ventures. 221....................... Federal Acquisition 9000-AN34 Regulation; FAR Case 2016- 002, Applicability of Small Business Regulations Outside the United States. 222....................... Federal Acquisition 9000-AN36 Regulation (FAR); FAR Case 2017-008, Duties of Office of Small and Disadvantaged Business Utilization. 223....................... Federal Acquisition 9000-AN38 Regulation (FAR); FAR Case 2016-013, Tax on Certain Foreign Procurement. 224....................... Federal Acquisition 9000-AN39 Regulation (FAR); FAR Case 2017-003; Alternatives in Lieu of Corporate or Individual Sureties. 225....................... Federal Acquisition 9000-AN40 Regulations (FAR); FAR Case 2015-002, Requirements for DD Form 254, Contract Security Classification Specification. 226....................... Federal Acquisition 9000-AN43 Regulation (FAR); FAR Case 2017-014, Acquisition 360. 227....................... Federal Acquisition 9000-AN44 Regulation (FAR); FAR Case 2017-013, Breaches of Personally Identifiable Information. 228....................... Federal Acquisition 9000-AN46 Regulation (FAR); FAR Case 2017-011, Section 508-Based Standards in Information and Communication Technology. 229....................... Federal Acquisition 9000-AN47 Regulation (FAR); FAR Case 2016-012, Incremental Funding of Fixed-Price Contracting Actions. 230....................... Federal Acquisition 9000-AN48 Regulation (FAR); FAR Case 2015-037, Definition of ``Information Technology''. 231....................... Federal Acquisition 9000-AN49 Regulation (FAR); FAR Case 2015-028, Performance-Based Payments. 232....................... Federal Acquisition 9000-AN51 Regulation (FAR); Far Case 2015-004, Provisions and Clauses for Acquisitions of Commercial Items and Acquisitions That do not Exceed the Simplified Acquisition Threshold (SAT). 233....................... Federal Acquisition 9000-AN53 Regulation (FAR); FAR Case 2017-006, Exception From Certified Cost or Pricing Data Requirements--Adequate Price Competition. 234....................... Federal Acquisition 9000-AN54 Regulation (FAR); FAR Case 2017-010, Evaluation Factors for Multiple- Award Contracts. 235....................... Federal Acquisition 9000-AN55 Regulation (FAR); FAR Case 2015-026, Contractor Use of Mandatory Sources of Supply in Service Contracts. 236....................... Federal Acquisition 9000-AN56 Regulation (FAR); FAR Case 2017-016, Controlled Unclassified Information (CUI). ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Final Rule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 237....................... Federal Acquisition 9000-AM89 Regulation (FAR); FAR Case 2015-015; ***Strategic*** Sourcing Documentation. 238....................... Federal Acquisition 9000-AM90 Regulation (FAR); FAR Case 2013-018; Clarification of Requirement for Justifications for 8(a) Sole Source Contracts. 239....................... Federal Acquisition 9000-AM93 Regulation (FAR); FAR Case 2014-002; Set-Asides Under Multiple Award Contracts. [[Page 40369]] 240....................... Federal Acquisition 9000-AN02 Regulation (FAR); FAR Case 2015-017; Combating Trafficking in Persons-- Definition of ``Recruitment Fees''. 241....................... Federal Acquisition 9000-AN10 Regulation (FAR); FAR Case 2016-007, Non- Retaliation for Disclosure of Compensation Information. 242....................... Federal Acquisition 9000-AN19 Regulation (FAR); FAR Case 2015-005, System for Award Management Registration. 243....................... Federal Acquisition 9000-AN26 Regulation (FAR); FAR Case 2015-039, Audit of Settlement Proposals. 244....................... Federal Acquisition 9000-AN27 Regulation (FAR); FAR Case 2017-001, Paid Sick Leave for Federal Contractors. 245....................... Federal Acquisition 9000-AN28 Regulation (FAR); FAR Case 2015-033, Sustainable Acquisition. 246....................... Federal Acquisition 9000-AN29 Regulation: FAR Case 2016- 005; Effective Communication Between Government and Industry. 247....................... Federal Acquisition 9000-AN35 Regulation (FAR); FAR Case 2016-011, (S) Revision of Limitations on Subcontracting. 248....................... Federal Acquisition 9000-AN37 Regulation (FAR); FAR Case 2017-004, Rate Adjustment of Liquidated Damages. 249....................... Federal Acquisition 9000-AN41 Regulation (FAR); FAR Case 2017-007, Task- and Delivery-Order Protests. 250....................... Federal Acquisition 9000-AN45 Regulation (FAR); FAR Case 2017-009, Special Emergency Procurement Authority. 251....................... Federal Acquisition 9000-AN50 Regulation (FAR); FAR Case 2017-012, Increased Micro-Purchase Threshold for Certain Procurement Activities. 252....................... Federal Acquisition 9000-AN52 Regulation (FAR); FAR Case 2017-015, Removal of Fair Pay and Safe Workplaces Rule. ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Long-Term Actions ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 253....................... Federal Acquisition 9000-AM58 Regulation (FAR); FAR Case 2013-002; Expanded Reporting of Nonconforming Supplies. ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Completed Actions ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 254....................... Federal Acquisition 9000-AM02 Regulation (FAR); FAR Case 2010-013; Privacy Training. 255....................... Federal Acquisition 9000-AM39 Regulation (FAR); FAR Case 2012-025; Applicability of the Senior Executive Compensation Benchmark. 256....................... Federal Acquisition 9000-AM68 Regulation (FAR); FAR Case 2012-022; Contracts Under the Small Business Administration 8(a) ***Program***. 257....................... Federal Acquisition 9000-AM73 Regulation (FAR); FAR Case 2013-014; Uniform Use of Line Items. 258....................... Federal Acquisition 9000-AM91 Regulation (FAR); FAR Case 2014-003; Small Business Subcontracting Improvements. 259....................... Federal Acquisition 9000-AM97 Regulation (FAR); FAR Case 2015-016; Prohibition on Reimbursement for Congressional Investigations and Inquiries. 260....................... Federal Acquisition 9000-AM98 Regulation (FAR); FAR Case 2014-004; Payment of Subcontractors. 261....................... Federal Acquisition 9000-AN04 Regulation (FAR); FAR Case 2015-012; Contractor Employee Internal Confidentiality Agreements. 262....................... Federal Acquisition 9000-AN18 Regulation (FAR); FAR Case 2016-004; Acquisition Threshold for Special Emergency Procurement Authority. 263....................... Federal Regulation 9000-AN20 Acquisition (FAR); FAR Case 2015-024, Public Disclosure of Greenhouse Gas Emissions and Reduction Goals- Representation. 264....................... Federal Acquisition 9000-AN23 Regulation (FAR); FAR Case 2015-035, Removal of Regulations Relating to Telegraphic Communication. ------------------------------------------------------------------------ [[Page 40370]] DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR) Proposed Rule Stage 216. Federal Acquisition Regulation (FAR); FAR Case 2015-021; Determination of Fair and Reasonable Prices on Orders Under Multiple Award Contracts Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA and NASA are proposing to amend the FAR to direct contracting officers to make a determination of fair and reasonable pricing when using GSA's Federal Supply Schedules (FSS). The Federal Acquisition Streamlining Act (FASA) of 1994 established a preference for the types of information used to assess price reasonableness. Fair and reasonable price determinations are used for evaluating quotations, bids, and proposals for the source selection decision and during sole-source negotiations with the goal of promoting a healthy and efficient competitive sourcing environment. This rule will ensure uniform implementation of this FAR change across government contracts and avoid the proliferation of agency actions (e.g revisions to FAR supplements or issuance of policy guidance) implementing this requirement. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 10/00/17 ....................... NPRM Comment Period End............. 12/00/17 ....................... ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AM94 217. Federal Acquisition Regulation (FAR); FAR Case 2015-014; Prohibition on Providing Funds to the Enemy Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to prevent the flow of funds to persons or entities that are actively opposing United States or coalition forces involved in a contingency operation. This rule implements subtitle E of title VIII of the Carl Levin and Howard P. Buck'' McKeon National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2015, which prohibits providing funds to the enemy. The statute does not apply to contracts that are equal to or less than $50,000, contracts performed inside the United States, or contracts subject to a national security exception. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 08/00/17 ....................... NPRM Comment Period End............. 10/00/17 ....................... ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov) RIN: 9000-AN03 218.  FAR Acquisition Regulation (FAR); FAR Case 2015-038, Reverse Auction Guidance

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to implement policies addressing the effective use of reverse auctions. Reverse auctions involve offerors lowering their pricing over rounds of bidding in order to win federal contracts This change will incorporates guidance from the OFPP memorandum, ``Effective Use of Reverse Auctions,'' which was issued in response to recommendations from the GAO report, Reverse Auctions: Guidance is Needed to Maximize Competition and Achieve Cost Savings (GAO-14-108).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/00/17  ....................... NPRM Comment Period End.............   01/00/18  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN31

219.  Federal Acquisition Regulation (FAR); FAR Case 2017-005, Whistleblower Protection for Contractor Employees

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to implement 41 U.S.C 4712, Enhancement of contractor protection from reprisal for disclosure of certain information and makes the pilot ***program*** permanent. The pilot was enacted on January 2, 2013, by section 828 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013. This statute also clarifies that the cost principles at 10 U.S.C 2324(k) and 41 U.S.C 4304 and 4310 apply to costs incurred by a contractor, subcontractor, or personal services contractor.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   07/00/17  ....................... NPRM Comment Period End.............   09/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN32

220.  Federal Acquisition Regulation (FAR); FAR Case 2015-031, Policy on 8(a) Joint Ventures

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to be consistent with the guidance in SBA regulations at 13 CFR 124 8(A) Business Development/Small Disadvantaged Business Status Determinations > These clarifications are expected to relieve burden on both industry and government by reducing the number of protests related to inappropriate elimination from competition of offers from 8(a) joint ventures and inappropriate awards to ineligible 8(a) joint ventures. This will reduce the risk for fraud by clarifying the role of SBA as the authority for making eligibility determination. The rule is also expected to facilitate competition by clarifying the circumstances under which a joint venture is eligible for award under the 8(a) ***program***.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   09/00/17  ....................... NPRM Comment Period End.............   11/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA

[[Page 40371]]

(FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN33

221.  Federal Acquisition Regulation; FAR Case 2016-002, Applicability of Small Business Regulations Outside the United States

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) consistent with SBA's final rule at 13 CFR 125.2 as finalized in their rule Acquisition Process: Task and Delivery Order Contracts, Bundling, Consolidation'' issued on October 2, 2013 to clarify that overseas contracting is not excluded from agency responsibilities to foster small business participation.     In its final rule, SBA has clarified that, as a general matter, its small business contracting regulations apply regardless of the place of performance. In light of these changes, there is a need to amend the FAR both to bring its coverage into alignment with SBA's regulation and to give agencies the tools they need especially the ability to use set- asides to maximize opportunities for small businesses overseas.     SBA intends to include contracts performed outside of the United States in agencies' prime contracting goals beginning in FY 2016. Although inclusion for goaling purposes is not dependent on FAR changes, amending FAR part 19 will allow agencies to take advantage of the tools authorized for providing small business opportunities for contracts awarded outside of the United States.     This rule will allow agencies to take advantage of the tools authorized for providing small business opportunities for contracts awarded outside of the United States. This will make it easier for small businesses to receive additional opportunities for contracts performed outside of the United States.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17  ....................... NPRM Comment Period End.............   12/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN34

222.  Federal Acquisition Regulation (FAR); FAR Case 2017-008, Duties of Office of Small and Disadvantaged Business Utilization

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to provide additional duties for the Office of Small and Disadvantaged Business Utilization (OSDBU), or for DoD, the Office of Small Business ***Programs*** (OSBP). Additionally the rule will include existing OSDBU duties that are not currently listed in the FAR.     This rule implements sections 1812, paragraph (a) of section 1813 and paragraph (b) of section 1821 of the National Defense Authorization Act of Fiscal Year 2017, which amends section 15(k) of the Small Business Act (15 U.S.C 644(k)). Additionally the rule will include existing duties prescribed in section 15(k) of the Small Business Act that are not currently listed in the FAR.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17  ....................... NPRM Comment Period End.............   12/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Janet Fry, ***Program*** Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-3167, Email: [*janet.fry@gsa.gov*](mailto:janet.fry@gsa.gov)     RIN: 9000-AN36

223.  Federal Acquisition Regulation (FAR); FAR Case 2016-013, Tax on Certain Foreign Procurement

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 37; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to implement a final rule issued by the Department of the Treasury (published at 81 FR 55133) that implements section 301 of the James Zadroga 9/11 Health and Compensation Act of 2010, Public Law 111347. This section imposes on any foreign person that receives a specified Federal procurement payment a tax equal to 2 percent of the amount such payment. This rule applies to Federal government contracts for goods or services that are awarded to foreign persons.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   08/00/17  ....................... NPRM Comment Period End.............   10/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN38

224.  Federal Acquisition Regulation (FAR); FAR Case 2017-003; Alternatives in Lieu of Corporate or Individual Sureties

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are is proposing to amend the Federal Acquisition Regulation (FAR) to change the kinds of assets that individual sureties must use as security for their individual surety bonds. This change will implement section 874 of the NDAA for FY 2016 (Pub. L. 114-92).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17  ....................... NPRM Comment Period End.............   12/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN39

225.  Federal Acquisition Regulations (FAR); FAR Case 2015-002, Requirements for DD Form 254, Contract Security Classification Specification

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to require the use of Wide Area Workflow (WAWF) for the submission of the DD Form 254, Contract Security Classification Specification. This form is used to convey security requirements regarding classified information to contractors and subcontractors and must be submitted to the Defense Security Services (DSS) when contractors or subcontractors require access to classified information under contracts awarded by agencies covered by the National Industrial Security ***Program*** (NISP).

[[Page 40372]]

    The NISP Contracts Classification System (NCCS) is being deployed as a module within the existing WAWF platform to provide a centralized repository for classified contract security requirements and automate the DD Form 254 processes and workflows. The rule also clarifies that a unique CAGE code is required for each location of performance listed on a DD Form 254 and that System for Award Management (SAM) registration is only required for the business location listed on the contract. The DD Form 254 is used to convey security requirements regarding classified information to contractors and subcontractors and must be submitted to DSS when contractors or subcontractors require access to classified information. On average, approximately 130,000 forms are received each year from 61 agencies and components. These forms are submitted manually and there is no central repository for the form. The rule will provide a centralized repository for classified contract security requirements and supporting data while automating the DD Form 254 processes and workflows. By using this form, burden will reduce.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   08/00/17 NPRM Comment Period End.............   10/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E. Glover, Sr., Procurement Analyst, DOD/ GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501-1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN40

226.  Federal Acquisition Regulation (FAR); FAR Case 2017-014, Acquisition 360

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to address the solicitation of contractor feedback on both contract formation and contract administration activities. Agencies would consider this feedback, as appropriate, to improve the efficiency and effectiveness of their acquisition activities. The rule would create FAR policy to encourage regular feedback in accordance with agency practice (both on contract formation and administration activities) and a standard FAR solicitation provision to support a sustainable model for broadened use of Acquisition 360 survey to elicit feedback on the pre-award and debriefing processes in a consistent and standardized manner. Agencies would be able to use the solicitation provision to notify interested sources that a procurement is part of the Acquisition 360 survey and encourage stakeholders to voluntarily provide feedback on their experiences on the pre-award process.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E. Glover, Sr., Procurement Analyst, DOD/ GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501-1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN43

227.  Federal Acquisition Regulation (FAR); FAR Case 2017-013, Breaches of Personally Identifiable Information

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to revise the Federal Acquisition Regulation (FAR) to create and implement appropriate contract clauses and regulatory coverage to address contractor requirements for breach response consistent with the requirements. This FAR change will implement the requirements outlined in Office of Management and Budget (OMB) Memorandum, M-17-12 ``Preparing for and Responding to a Breach of Personally Identifiable Information'' section V part B.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/00/17 NPRM Comment Period End.............   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN44

228.  Federal Acquisition Regulation (FAR); FAR Case 2017-011, Section 508-Based Standards in Information and Communication Technology

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to incorporate revisions and updates to standards in Section 508 of the Rehabilitation Act of 1973, developed by the Architectural and Transportation Barriers Compliance Board (also referred to as the ``Access Board''). This FAR change incorporates the U.S Access Board's final rule 82 FR 5790, Information and Communication Technology (ICT) Standards and Guidelines, published on January 18, 2017 , which implemented revisions and updates to the section 508-based standards and section 255-based guidelines.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN46

229.  Federal Acquisition Regulation (FAR); FAR Case 2016-012, Incremental Funding of Fixed-Price Contracting Actions

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to allow for incrementally funding of certain fixed-price contracting action to help minimize disruptions to agency operations, and provide Federal acquisition professionals with new funding flexibility for fixed-price contracting actions. The importance of incremental funding policy is driven, in large part, by chronic impediments to the timely passage of the Federal budget. Because the FAR is silent on the incremental funding of fixed-price contracts; however, in many cases, full funding (due to budgetary uncertainties) is not possible. There is potential for benefits to be realized through creating consistent language in the FAR. The flexibility to incrementally fund fixed-price contracts will enable acquisition professionals more efficiently get contracts underway.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/00/17 NPRM Comment Period End.............   01/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.

[[Page 40373]]

    Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN47

230.  Federal Acquisition Regulation (FAR); FAR Case 2015-037, Definition of ``Information Technology''

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to revise the FAR to update the definition of ``information technology,'' as directed in the Office of Management and Budget Memo, M-15-14, entitled Management Oversight of Federal Information Technology.'' Specifically, the rule broadens the definition of information technology to include services such as cloud computing and to remove an exemption for information technology embedded in other systems.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN48

231.  Federal Acquisition Regulation (FAR); FAR Case 2015-028, Performance-Based Payments

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA are proposing to amend the FAR to harmonize the policy on flowdown requirements at FAR 32.504 with FAR clause 52.232-32 for the financing of subcontracts through performance- based payments. FAR 32.504(f) states that ``When financing payments are in the form of performance-based payments, the Performance-Based Payments clause at 52.232-32 requires that the subcontract terms include the substance of the Performance-Based Payments clause, modified to indicate that the contractor, not the Government, awards the subcontract and administers the performance-based payments . . .'' However, FAR clause 52.232-32 does not include instructions to the contractor to flowdown the requirements to the subcontractor. The FAR recognizes that prudent contract financing can be a useful working tool in Government acquisition. Performance-based payments are a form of contract financing authorized by the FAR under certain conditions. The proposed rule would merely make it clear to the contractor under which circumstances the substance of this form of contract financing is required to flow down to the subcontractor, when FAR 52.232-32 is included in its contract.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN49

232.  Federal Acquisition Regulation (FAR); FAR Case 2015-004, Provisions and Clauses for Acquisitions of Commercial Items and Acquisitions That Do Not Exceed the Simplified Acquisition Threshold (SAT)

    Legal Authority: Not Yet Determined     Abstract: DoD, GSA, and NASA are proposing to revise the FAR with an internal administrative change to support the use of automated contract writing systems and reduce FAR maintenance when clauses are updated. Currently, the FAR provides a single, consolidated list of all provisions and clauses applicable to the acquisition of commercial items. When new clauses applicable to commercial items are added the FAR, a manual process of cross checking and renumbering of the list is employed the conform the FAR, The process is cumbersome and inefficient, and challenging to maintain, especially for contract writing systems. The propose rule would propose a change to each clause prescription and each clause flowdown for commercial items to specify required information within the prescription/clause itself, without having to cross-check another clause, list or other parts of the FAR.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN51

233.  Federal Acquisition Regulation (FAR); FAR Case 2017-006, Exception From Certified Cost or Pricing Data Requirements--Adequate Price Competition

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement section 822 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017 (Pub. L. 114-328). This addresses the exception from certified cost or pricing data requirements when price is based on adequate price competition. It also limits the exception for price based on adequate price competition to circumstances in which there is adequate competition that results in at least two or more responsive and viable competing bids.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   08/00/17 NPRM Comment Period End.............   10/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN53

234.  Federal Acquisition Regulation (FAR); FAR Case 2017-010, Evaluation Factors for Multiple-Award Contracts

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement section 825 of the NDAA for FY 17 (Pub. L. 114-328) which changes the requirement regarding the consideration of cost or price to the Government as a factor in the evaluation of proposals for certain multiple-award task order contracts. At the Government's discretion, solicitations for multiple- award contracts, which intend to award the same or similar services to each qualifying offeror, do not require price or cost as an evaluation factor for the base contract award. This exception does not apply to

[[Page 40374]]

solicitations for multiple-award contracts that provide for sole source orders pursuant to section 8(a) of the Small Business Act (15 U.S.C 637(a)). When cost or price is not considered in evaluation of the base award, the contracting officer must consider price or cost as one of the factors in the selection decision for each order.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   09/00/17 NPRM Comment Period End.............   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN54

235.  Federal Acquisition Regulation (FAR); FAR Case 2015-026, Contractor Use of Mandatory Sources of Supply in Service Contracts

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) clause associated with the AbilityOne ***Program***. These revisions respond to concerns raised by the Committee for Purchase From People Who Are Blind or Severely Disabled (Committee) that a FAR clarification is necessary for situations when Government agencies contract with commercial sources to perform an agency's service function. The Committee believes that reductions in procurement of several service-related supplies has adversely affected employment of people who are blind or have significant disabilities because of the lack of this clarification.     The proposed revision will emphasize that contractors must use mandatory sources of supply in service contracts and to update the procedures associated with purchases made through the AbilityOne ***Program*** to conform to the current Committee regulatory administration of this statutory ***program***. The rule will clarify the obligation for Government agencies to satisfy their requirements for certain supplies and services from the Procurement List maintained by the Committee.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN55

236.  Federal Acquisition Regulation (FAR); FAR Case 2017-016, Controlled Unclassified Information (CUI)

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement the National Archives and Records Administration (NARA) Controlled Unclassified Information (CUI) ***program*** of Executive Order 13556 of Nov 4, 2010. As the executive agent designated to oversee the governmentwide CUI ***program***, NARA issued implementing regulations in late 2016 designed to address agency policies for designating, safeguarding, disseminating, marking, decontrolling and disposing of CUI. The NARA rule affects contractors that handle, possess, use, share or receive CUI. The NARA regulation is codified at 32 CFR 2002. This FAR rule is necessary to ensure uniform implementation of the requirements of the CUI ***program*** in contracts across the government, thereby avoiding potentially inconsistent agency-level action.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/00/17 NPRM Comment Period End.............   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN56

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Final Rule Stage

237. Federal Acquisition Regulation (FAR); FAR Case 2015-015; ***Strategic*** Sourcing Documentation

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement a section of the Carl Levin and Howard P. Buck'' McKeon National Defense Authorization Act for Fiscal Year 2015. This section requires the contract file shall contain certain documentation if the Federal Government makes a purchase of supplies and services offered under the Federal ***Strategic*** Sourcing Initiative (FSSI), but the FSSI is not used. The contract file for the purchase shall include a brief analysis of the comparative value, including price and non-price factors, between the supplies and services offered under the FSSI and those offered under the source(s) to be used for the purchase.     While all action involved on the rule is internal to the Government, the documentation requirement ensures a contracting officer considers contract vehicles under the Federal ***Strategic*** Sourcing Initiative (FSSI). In doing so, the rule will raise the visibility of these ***strategic*** sourcing solutions, promote their use, and help to better leverage the Government's buying power.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/20/16  81 FR 39883 NPRM Comment Period End.............   08/19/16 Final Rule..........................   10/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AM89

238. Federal Acquisition Regulation (FAR); FAR Case 2013-018; Clarification of Requirement for Justifications for 8(A) Sole Source Contracts

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are implementing a final rule to amend the Federal Acquisition Regulation to clarify the guidance for sole source 8(a) contract awards exceeding $22 million. This rule implements guidance from a Government Accountability Office report entitled Federal Contracting: Slow Start to Implementation of Justifications for 8(a) Sole-Source Contracts'' (GA0-13-118, December 2012). Sole-source contracting regulations are statutory and are found in section 811 of the National Defense

[[Page 40375]]

Authorization Act for Fiscal Year 2010 (Pub. L. 11184) (see 77 FR 23369). These clarifications improve the contracting officer's ability to comply with the sole source contracts statutory requirements.     The GAO report indicates that the FAR needed additional clarification of justification to help ensure that agencies are applying the requirement consistently. This rule provides such guidance, including when justification is necessary, how contracting officers should comply, and when a separate sole-source justification is necessary for out-of-scope modifications to 8(a) sole-source contracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/15/16  81 FR 80012 NPRM Comment Period End.............   01/17/17 Final Rule..........................   10/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM90

239. Federal Acquisition Regulation (FAR); FAR Case 2014-002; Set- Asides Under Multiple Award Contracts

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the FAR to implement regulatory changes regarding procedures for the use of small business partial set-asides, reserves, and orders placed under multiple-award contracts. This rule incorporates statutory requirements discussed at section 1331 of the Small Business Jobs Act of 2010 (15 U.S.C 644(r)) and the Small Business Administration's final rule at 78 FR 61114, dated October 2, 2013.     The rule increases small business participation in Federal prime contracts by ensuring that small businesses have greater access to multiple award contracts and clarifying the procedures for submitting proposals for partial set-asides, reserves, and orders placed under such contracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/06/16  81 FR 88072 NPRM Comment Period End.............   02/06/17 Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM93

240. Federal Acquisition Regulation (FAR); FAR Case 2015-017; Combating Trafficking in Persons--Definition of ``Recruitment Fees''

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to revise the FAR to implement Executive Order (E.O ) 13627, Strengthening Protections Against Trafficking in Persons in Federal Contracts, and title XVII of the National Defense Authorization Act for Fiscal Year 2013, which became effective on March 2, 2015. The rule adds a definition of ``recruitment fees'' to subpart 22.17, Combating Trafficking in Persons, and the associated clause in order to clarify how the Government treats this prohibited practice that has been associated with labor trafficking under contracts and subcontracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   05/11/16  81 FR 29244 NPRM Comment Period End.............   07/11/16 Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN02

241. Federal Acquisition Regulation (FAR); FAR Case 2016-007, Non- Retaliation for Disclosure of Compensation Information

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to adopt as final, without change, an interim rule amending the Federal Acquisition Regulation (FAR) to implement Executive Order (E.O ) 13665, entitled ``Non- Retaliation for Disclosure of Compensation Information.'' signed April 8, 2014, (79 FR 20749) and the final rule issued by the Office of Federal Contract Compliance ***Programs*** (OFCCP) of the Department of Labor (DOL) at 80 FR 54934, on September 11, 2015, entitled `Government Contractors, Prohibitions Against Pay Secrecy Policies and Actions.'     This rule provides for a uniform policy for the Federal Government to prohibit Federal contractors from discriminating against employees and job applicants who inquire about, discuss, or disclose their own compensation or the compensation of other employees or applicants.     Timetable:

  ------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   09/30/16  81 FR 67732 Interim Final Rule Comment Period      11/29/16  End. Final Rule..........................   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN10

242. Federal Acquisition Regulation (FAR); FAR Case 2015-005, System for Award Management Registration

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amends the Federal Acquisition Regulation (FAR) to update the instructions for System for Award Management (SAM) registration requirements and to correct an inconsistency with offeror representation and certification requirements. This rule makes consistent the language regarding offerors' registration in SAM prior to submitting an offer or prior to award. The instructions clarify that once a business is registered in the SAM database, it is only required to update the SAM database registration in accordance with the clause 52.204-7 or if there are new decisions on its labor violations at clause 52.222-59.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   05/20/16  81 FR 31895 NPRM Comment Period End.............   07/19/16 Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN19

[[Page 40376]]

243. Federal Acquisition Regulation (FAR); FAR Case 2015-039, Audit of Settlement Proposals

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amends the Federal Acquisition Regulation (FAR) to raise the dollar threshold requirement for the audit of prime contract settlement proposals and subcontract settlements from $100,000 to the Truth In Negotiation Act (TINA) threshold of $750,000 to help alleviate the backlog of contract close-outs and to enable contracting officers to more quickly deobligate excess funds from terminated contracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   09/14/16  81 FR 63158 NPRM Comment Period End.............   11/14/16 Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN26

244. Federal Acquisition Regulation (FAR); FAR Case 2017-001, Paid Sick Leave for Federal Contractors

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to finalize an interim rule amending the Federal Acquisition Regulation (FAR) requiring Federal Government contractors to ensure that employees on those contracts can earn up to 7 days or more of paid sick leave annually, including paid sick leave for family care. This rule implements the objective of E.O 13706, Establishing Paid Sick Leave for Federal Contractors and Department of Labor's final rule codified at 29 CFR part 13.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   12/16/16  81 FR 91627 Interim Final Rule Effective........   01/01/17 Interim Final Rule Comment Period      02/14/17  End. Final Rule..........................   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN27

245.  Federal Acquisition Regulation (FAR); FAR Case 2015-033, Sustainable Acquisition

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA ***plan*** to issue a final rule to amends the FAR to add a new definition for sustainable products and services and update several existing definitions germane to sustainable acquisition. This rule will also provide two new Web sites to help contractors understand the sustainable acquisition requirements and gain access to a listing of sustainable products and services as determined by the Federal Government. The rule implements Executive Order 13693, ***Planning*** for Federal Sustainability in the Next Decade (supersedes E.O.s 13423 and 13514), and the biobased product acquisition provisions of the ***Agricultural*** Act of 2014 (also known as the 2014 Farm Bill).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   01/18/17  82 FR 5490 NPRM Comment Period End.............   03/20/17 Final Rule..........................   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 795-6328, Email: [*chuck.gray@gsa.gov*](mailto:chuck.gray@gsa.gov)     RIN: 9000-AN28

246.  Federal Acquisition Regulation: FAR CASE 2016-005; Effective Communication Between Government and Industry

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: The Council amends the FAR to implement section 887 of the NDAA for FY 2016 (Pub. L. 114-92), which provides that agency acquisition personnel are permitted and encouraged to engage in responsible and constructive exchanges with industry.     The rule clarifies agency acquisition personnel are permitted and encouraged to engage in responsible and constructive exchanges with industry, in a manner consistent with existing law and regulation and without promoting an unfair competitive advantage.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/29/16  81 FR 85914 NPRM Comment Period End.............   03/02/17 Final Rule..........................   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN29

247.  Federal Acquisition Regulation (FAR); FAR Case 2016-011, (S) Revision of Limitations on Subcontracting

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing an interim rule is to amend the Federal Acquisition Regulation (FAR) to revise and standardize the limitations on subcontracting (LOS), including the nonmanufacturer rule (NMR), which apply to small business concerns under FAR part 19 procurements. This FAR change incorporates SBA final rule which implemented the statutory requirements of section 1651 of the National Defense Authorization Act for Fiscal Year 2013. This action is necessary to meet the Congressional intent of clarifying the limitations on subcontracting with which small businesses must comply, as well as the ways in which they can comply. Failure to implement section 1651 promptly will prevent small businesses from taking advantage of subcontracts with similarly situated entities. As a result, small businesses may be unable to compete for larger contracts, which would adversely affect their potential for growth as well as that of their potential subcontractors.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   08/00/17 Interim Final Rule Comment Period      10/00/17  End. ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN35

[[Page 40377]]

248.  Federal Acquisition Regulation (FAR); FAR Case 2017-004, Rate Adjustment of Liquidated Damages

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to issue a final rule amending the Federal Acquisition Regulation (FAR) to adjust the civil monetary penalties for inflation pursuant to the Inflation Adjustment Act Improvements Act. This Act requires agencies to adjust the levels of civil monetary penalties with an initial catch-up adjustment, followed by the annual adjustment for inflation.     This rule implements the Department of Labor (DOL) interim final rule published in the Federal Register at 81 FR 43430 on July 1, 2016, finalized at 82 FR 5373 on January 18, 2017. The DOL rule adjusted the civil monetary penalties for inflation pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Sec. 701 of Pub. L. 114-74).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN37

249.  Federal Acquisition Regulation (FAR); FAR Case 2017-007, Task- and Delivery-Order Protests

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to issue a final rule to raise the threshold for task- and delivery-order protests from $10 million to $25 million for DoD and make permanent the General Accountability Office's authority to hear protests on civilian task or delivery contracts valued in excess of $10 million. The rule implements sections 835 of the National Defense Authorization Act for FY 2017 (Pub. L. 114- 328) and Public Law 114-260 835(a). Implementation of the Act reinforces the importance of bid protests in the procurement process as it provides relief to protestors either a sustain'' decision or voluntary agency corrective action.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 795-6328, Email: [*chuck.gray@gsa.gov*](mailto:chuck.gray@gsa.gov)     RIN: 9000-AN41

250.  Federal Acquisition Regulation (FAR); FAR Case 2017-009, Special Emergency Procurement Authority

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: The Council is proposing to amend the Federal Acquisition Regulation (FAR) to implement sections 816 and 1641 of the National Defense Authorization Act for Fiscal Year 2017 (Pub. L. 114-328). Section 816 adds international disaster assistance under the Foreign Assistance Act of 1961 and emergency or disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Section 1641 adds special emergency procurement authority to facilitate defense against or recovery from a cyber-attack.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   08/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN45

251.  Federal Acquisition Regulation (FAR); FAR Case 2017-012, Increased Micro-Purchase Threshold for Certain Procurement Activities

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to issue a final rule to implement section 217(b)(1) of the NDAA for FY 2017 (Pub. L. 114-328). This section provide a micro-purchase threshold of $10,000 or a higher amount, as determined appropriate by the head of the executive agency and consistent with clean audit findings under chapter 75 of title 31, internal institutional risk assessment, or state law. This new threshold applies to awards to institutions of higher education or related or affiliated nonprofit entities, or to nonprofit research organizations or independent research institutes.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   08/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN50

252.  Federal Acquisition Regulation (FAR); FAR Case 2017-015, Removal of Fair Pay and Safe Workplaces Rule

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA ***plan*** to issue a final rule to repeal the implementation of Executive Order 13673 on Fair Pay and Safe Workplaces since Executive Order 13673 was officially nullified on March 27, 2017 (see Pub. L. 115-11). Additionally, Executive Order 13782 of March 30, 2017, revoked Executive Order 13673, section 3 of Executive Order 13683 of December 11, 2014, and Executive Order 13738 of August 23, 2016. This action was made to have no force or effect by an enacted joint resolution of disapproval under the Congressional Review Act, H.J Res. 37 (Pub. L. 115-11).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule, CRA Revocation..........   06/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN52

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Long-Term Actions

253. Federal Acquisition Regulation (FAR); FAR Case 2013-002; Expanded Reporting of Nonconforming Supplies

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to expand

[[Page 40378]]

Government and contractor requirements for reporting of nonconforming items. This rule partially implements section 818 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2012 and implement requirements of the Office of Federal Procurement Policy (OFPP) Policy Letter 91-3, entitled ``Reporting Nonconforming Products,'' dated April 9, 1991.     This change will help mitigate the growing threat that counterfeit items pose when used in systems vital to an agency's mission. The primary benefit of this rule is to reduce the risk of counterfeit items entering the supply chain by ensuring that contractors report suspect items to a widely available database.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/10/14  79 FR 33164 NPRM Comment Period End.............   08/11/14 Final Rule..........................   06/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AM58

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Completed Actions

254. Federal Acquisition Regulation (FAR); FAR Case 2010-013; Privacy Training

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA issued a final rule to amend the Federal Acquisition Regulation (FAR) to ensure all contractors are required to complete training in the protection of privacy and the handling and safeguarding of Personally Identifiable Information (PII). The proposed FAR language provides flexibility for agencies to conduct the privacy training or require the contractor to conduct the privacy training.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   12/20/16  81 FR 93476 Final Rule Effective................   01/19/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Phone: 202 795-6328, Email: [*charles.gray@gsa.gov*](mailto:charles.gray@gsa.gov)     RIN: 9000-AM02

255. Federal Acquisition Regulation (FAR); FAR Case 2012-025; Applicability of the Senior Executive Compensation Benchmark

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: Withdrawal Justification: The NDAA for FY 17 repealed the retroactive applicability of the cap on contractor employee compensation (for allowability purposes), set forth in section 803(c) of the NDAA for FY 12 (Pub. L. 11281; 125 Stat. 1485; 10 U.S.C 2324 note). Accordingly, the case was closed once the NDAA for FY 17 was signed into law.)     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Withdrawn...........................   03/15/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AM39

256. Federal Acquisition Regulation (FAR); FAR Case 2012-022; Contracts Under the Small Business Administration 8(a) ***Program***

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to implement revisions made by the Small Business Administration to its regulations implementing section 8(a) of the Small Business Act, and to provide additional FAR coverage regarding protesting an 8(a) participant's eligibility or size status, procedures for releasing a requirement for non-8(a) procurements, and the ways a participant could exit the 8(a) Business Development ***program***.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4724 Final Rule Effective................   01/13/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM68

257. Federal Acquisition Regulation (FAR); FAR Case 2013-014; Uniform Use of Line Items

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation to establish and require a uniform use of a line item identification structure in Federal procurement. The system is designed to improve the accuracy, traceability, and usability of procurement data.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4709 Final Rule Effective................   01/13/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis; Phone: 202 550-0935; Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AM73

258. Federal Acquisition Regulation (FAR); FAR Case 2014-003; Small Business Subcontracting Improvements

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to implement regulatory changes made by the Small Business Administration (SBA) in its final rule, concerning small business subcontracting. Among other things, SBA's final rule implements the statutory requirements set forth at sections 1321 and 1322 of the Small Business Jobs Act of 2010.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule Effective................   11/01/16 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM91

259. Federal Acquisition Regulation (FAR); FAR Case 2015-016; Prohibition on Reimbursement for Congressional Investigations and Inquiries

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition

[[Page 40379]]

Regulation (FAR) to implement section 857 of the Carl Levin and Howard P. `Buck' McKeon National Defense Authorization Act for Fiscal Year 2015. This section provides additional requirements relative to the allowability of costs incurred by a contractor in connection with a congressional investigation or inquiry.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4732 Final Rule Effective................   01/13/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AM97

260. Federal Acquisition Regulation (FAR); FAR Case 2014-004; Payment of Subcontractors

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to implement a section of the Small Business Jobs Act of 2010. This statute requires contractors to notify the contracting officer in writing if the contractor pays a reduced price to a small business subcontractor, or if the contractor's payment to a small business contractor is more than 90 days past due. Additional information is located in the FAR final ***plan*** (2016), available at: [*https://www.acquisition.gov/*](https://www.acquisition.gov/).     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   12/20/16  81 FR 93481 Final Rule Effective................   01/19/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E Glover, Phone: 202 501-1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AM98

261. Federal Acquisition Regulation (FAR); FAR Case 2015-012; Contractor Employee Internal Confidentiality Agreements

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to implement a section of the Consolidated and Further Continuing Appropriations Act, 2015, that prohibits the use of funds, appropriated or otherwise made available, for a contract with an entity that requires employees or subcontractors to sign an internal confidentiality agreement that restricts such employees or subcontractors from lawfully reporting waste, fraud, or abuse to a designated Government representative authorized to receive such information.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4717 Final Rule Effective................   01/19/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L Davis, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN04

262. Federal Acquisition Regulation (FAR); FAR Case 2016-004; Acquisition Threshold for Special Emergency Procurement Authority

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the FAR to implement section 816 of the National Defense Authorization Act for Fiscal Year 2016 to raise the simplified acquisition threshold for special emergency procurement authority from $300,000 to $750,000 (within the United States) and from $1 million to $1.5 million (outside the United States). The threshold is used to support contingency operations or to facilitate defense against or recovery from nuclear, biological, chemical, or radiological attack.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4716 Final Rule Effective................   01/13/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN18

263. Federal Regulation Acquisition (FAR); FAR Case 2015-024, Public Disclosure of Greenhouse Gas Emissions and Reduction Goals- Representation

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to create an annual representation within the System for Award Management for vendors to indicate if and where they publicly disclose greenhouse gas emissions and greenhouse gas reduction goals or targets. This information will help the Government assess supplier greenhouse gas management practices and assist agencies in developing strategies to engage with contractors to reduce supply chain emissions, as directed in the Executive Order on ***Planning*** for Federal Sustainability in the Next Decade.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   11/18/16  81 FR 83092 Final Rule Effective................   12/19/16 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Phone: 703 795-6328, Email: [*charles.gray@gsa.gov*](mailto:charles.gray@gsa.gov)     RIN: 9000-AN20

264. Federal Acquisition Regulation (FAR); FAR Case 2015-035, Removal of Regulations Relating to Telegraphic Communication

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to delete the use of telegram, telegraph , and related terms. The objective is to delete reference to obsolete technologies no longer in use and replace with references to electronic communications. In addition, conforming changes are proposed covering expedited notice of termination and change orders.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   11/18/16  81 FR 83097 Final Rule Effective................   12/19/16 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN23

[FR Doc. 2017-17028 Filed 8-23-17; 8:45 am]  BILLING CODE 6820-EP-P

**Load-Date:** August 26, 2017

**End of Document**



[***FEDERAL REGISTER: Semiannual Regulatory Agenda Pages 40368 - 40379 [FR DOC # 2017-17028]***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PBB-4221-JDG9-Y1WJ-00000-00&context=1516831)

Impact News Service

August 24, 2017 Thursday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 14205 words

**Body**

Washington: Office of the Federal Register has issued the following notice:

Department of Defense General Services Administration National Aeronautics and Space Administration ----------------------------------------------------------------------- Semiannual Regulatory Agenda Federal Register / Vol. 82 , No. 163 / Thursday, August 24, 2017 / Unified Agenda [[Page 40368]] ----------------------------------------------------------------------- DEPARTMENT OF DEFENSE GENERAL SERVICES ADMINISTRATION NATIONAL AERONAUTICS AND SPACE ADMINISTRATION 48 CFR Ch. 1 Semiannual Regulatory Agenda AGENCY: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA). ACTION: Semiannual regulatory agenda. ----------------------------------------------------------------------- SUMMARY: This agenda provides summary descriptions of regulations being developed by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council in compliance with Executive Order 12866 ``Regulatory ***Planning*** and Review.'' This agenda is being published to allow interested persons an opportunity to participate in the rulemaking process.

The Regulatory Secretariat Division has attempted to list all regulations pending at the time of publication, except for minor and routine or repetitive actions; however, unanticipated requirements may result in the issuance of regulations that are not included in this agenda. There is no legal significance to the omission of an item from this listing. Published proposed rules may be reviewed in their entirety at the Government's rulemaking Web site at [*http://www.regulations.gov*](http://www.regulations.gov) FOR FURTHER INFORMATION CONTACT: Joanne Sosa, Regulatory Secretariat Division, 1800 F Street NW., Washington, DC 20405, or via telephone at 202-501-4755. SUPPLEMENTARY INFORMATION: DoD, GSA, and NASA, under their several statutory authorities, jointly issue and maintain the FAR through periodic issuance of changes published in the Federal Register and ***produced*** electronically as Federal Acquisition Circulars (FACs). The electronic version of the FAR, including changes, can be accessed on the FAR Web site at   [*http://www.acquisition.gov/far*](http://www.acquisition.gov/far). Dated: March 31, 2017. William F. Clark, Director, Office of Government-Wide Acquisition Policy, Office of Acquisition Policy, Office of Government-Wide Policy. DOD/GSA/NASA (FAR)--Proposed Rule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 216....................... Federal Acquisition 9000-AM94 Regulation (FAR); FAR Case 2015-021; Determination of Fair and Reasonable Prices on Orders Under Multiple Award Contracts. 217....................... Federal Acquisition 9000-AN03 Regulation (FAR); FAR Case 2015-014; Prohibition on Providing Funds to the Enemy. 218....................... FAR Acquisition Regulation 9000-AN31 (FAR); FAR Case 2015-038, Reverse Auction Guidance. 219....................... Federal Acquisition 9000-AN32 Regulation (FAR); FAR Case 2017-005, Whistleblower Protection for Contractor Employees. 220....................... Federal Acquisition 9000-AN33 Regulation (FAR); FAR Case 2015-031, Policy on 8(a) Joint Ventures. 221....................... Federal Acquisition 9000-AN34 Regulation; FAR Case 2016- 002, Applicability of Small Business Regulations Outside the United States. 222....................... Federal Acquisition 9000-AN36 Regulation (FAR); FAR Case 2017-008, Duties of Office of Small and Disadvantaged Business Utilization. 223....................... Federal Acquisition 9000-AN38 Regulation (FAR); FAR Case 2016-013, Tax on Certain Foreign Procurement. 224....................... Federal Acquisition 9000-AN39 Regulation (FAR); FAR Case 2017-003; Alternatives in Lieu of Corporate or Individual Sureties. 225....................... Federal Acquisition 9000-AN40 Regulations (FAR); FAR Case 2015-002, Requirements for DD Form 254, Contract Security Classification Specification. 226....................... Federal Acquisition 9000-AN43 Regulation (FAR); FAR Case 2017-014, Acquisition 360. 227....................... Federal Acquisition 9000-AN44 Regulation (FAR); FAR Case 2017-013, Breaches of Personally Identifiable Information. 228....................... Federal Acquisition 9000-AN46 Regulation (FAR); FAR Case 2017-011, Section 508-Based Standards in Information and Communication Technology. 229....................... Federal Acquisition 9000-AN47 Regulation (FAR); FAR Case 2016-012, Incremental Funding of Fixed-Price Contracting Actions. 230....................... Federal Acquisition 9000-AN48 Regulation (FAR); FAR Case 2015-037, Definition of ``Information Technology''. 231....................... Federal Acquisition 9000-AN49 Regulation (FAR); FAR Case 2015-028, Performance-Based Payments. 232....................... Federal Acquisition 9000-AN51 Regulation (FAR); Far Case 2015-004, Provisions and Clauses for Acquisitions of Commercial Items and Acquisitions That do not Exceed the Simplified Acquisition Threshold (SAT). 233....................... Federal Acquisition 9000-AN53 Regulation (FAR); FAR Case 2017-006, Exception From Certified Cost or Pricing Data Requirements--Adequate Price Competition. 234....................... Federal Acquisition 9000-AN54 Regulation (FAR); FAR Case 2017-010, Evaluation Factors for Multiple- Award Contracts. 235....................... Federal Acquisition 9000-AN55 Regulation (FAR); FAR Case 2015-026, Contractor Use of Mandatory Sources of Supply in Service Contracts. 236....................... Federal Acquisition 9000-AN56 Regulation (FAR); FAR Case 2017-016, Controlled Unclassified Information (CUI). ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Final Rule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 237....................... Federal Acquisition 9000-AM89 Regulation (FAR); FAR Case 2015-015; ***Strategic*** Sourcing Documentation. 238....................... Federal Acquisition 9000-AM90 Regulation (FAR); FAR Case 2013-018; Clarification of Requirement for Justifications for 8(a) Sole Source Contracts. 239....................... Federal Acquisition 9000-AM93 Regulation (FAR); FAR Case 2014-002; Set-Asides Under Multiple Award Contracts. [[Page 40369]] 240....................... Federal Acquisition 9000-AN02 Regulation (FAR); FAR Case 2015-017; Combating Trafficking in Persons-- Definition of ``Recruitment Fees''. 241....................... Federal Acquisition 9000-AN10 Regulation (FAR); FAR Case 2016-007, Non- Retaliation for Disclosure of Compensation Information. 242....................... Federal Acquisition 9000-AN19 Regulation (FAR); FAR Case 2015-005, System for Award Management Registration. 243....................... Federal Acquisition 9000-AN26 Regulation (FAR); FAR Case 2015-039, Audit of Settlement Proposals. 244....................... Federal Acquisition 9000-AN27 Regulation (FAR); FAR Case 2017-001, Paid Sick Leave for Federal Contractors. 245....................... Federal Acquisition 9000-AN28 Regulation (FAR); FAR Case 2015-033, Sustainable Acquisition. 246....................... Federal Acquisition 9000-AN29 Regulation: FAR Case 2016- 005; Effective Communication Between Government and Industry. 247....................... Federal Acquisition 9000-AN35 Regulation (FAR); FAR Case 2016-011, (S) Revision of Limitations on Subcontracting. 248....................... Federal Acquisition 9000-AN37 Regulation (FAR); FAR Case 2017-004, Rate Adjustment of Liquidated Damages. 249....................... Federal Acquisition 9000-AN41 Regulation (FAR); FAR Case 2017-007, Task- and Delivery-Order Protests. 250....................... Federal Acquisition 9000-AN45 Regulation (FAR); FAR Case 2017-009, Special Emergency Procurement Authority. 251....................... Federal Acquisition 9000-AN50 Regulation (FAR); FAR Case 2017-012, Increased Micro-Purchase Threshold for Certain Procurement Activities. 252....................... Federal Acquisition 9000-AN52 Regulation (FAR); FAR Case 2017-015, Removal of Fair Pay and Safe Workplaces Rule. ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Long-Term Actions ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 253....................... Federal Acquisition 9000-AM58 Regulation (FAR); FAR Case 2013-002; Expanded Reporting of Nonconforming Supplies. ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Completed Actions ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 254....................... Federal Acquisition 9000-AM02 Regulation (FAR); FAR Case 2010-013; Privacy Training. 255....................... Federal Acquisition 9000-AM39 Regulation (FAR); FAR Case 2012-025; Applicability of the Senior Executive Compensation Benchmark. 256....................... Federal Acquisition 9000-AM68 Regulation (FAR); FAR Case 2012-022; Contracts Under the Small Business Administration 8(a) ***Program***. 257....................... Federal Acquisition 9000-AM73 Regulation (FAR); FAR Case 2013-014; Uniform Use of Line Items. 258....................... Federal Acquisition 9000-AM91 Regulation (FAR); FAR Case 2014-003; Small Business Subcontracting Improvements. 259....................... Federal Acquisition 9000-AM97 Regulation (FAR); FAR Case 2015-016; Prohibition on Reimbursement for Congressional Investigations and Inquiries. 260....................... Federal Acquisition 9000-AM98 Regulation (FAR); FAR Case 2014-004; Payment of Subcontractors. 261....................... Federal Acquisition 9000-AN04 Regulation (FAR); FAR Case 2015-012; Contractor Employee Internal Confidentiality Agreements. 262....................... Federal Acquisition 9000-AN18 Regulation (FAR); FAR Case 2016-004; Acquisition Threshold for Special Emergency Procurement Authority. 263....................... Federal Regulation 9000-AN20 Acquisition (FAR); FAR Case 2015-024, Public Disclosure of Greenhouse Gas Emissions and Reduction Goals- Representation. 264....................... Federal Acquisition 9000-AN23 Regulation (FAR); FAR Case 2015-035, Removal of Regulations Relating to Telegraphic Communication. ------------------------------------------------------------------------ [[Page 40370]] DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR) Proposed Rule Stage 216. Federal Acquisition Regulation (FAR); FAR Case 2015-021; Determination of Fair and Reasonable Prices on Orders Under Multiple Award Contracts Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA and NASA are proposing to amend the FAR to direct contracting officers to make a determination of fair and reasonable pricing when using GSA's Federal Supply Schedules (FSS). The Federal Acquisition Streamlining Act (FASA) of 1994 established a preference for the types of information used to assess price reasonableness. Fair and reasonable price determinations are used for evaluating quotations, bids, and proposals for the source selection decision and during sole-source negotiations with the goal of promoting a healthy and efficient competitive sourcing environment. This rule will ensure uniform implementation of this FAR change across government contracts and avoid the proliferation of agency actions (e.g revisions to FAR supplements or issuance of policy guidance) implementing this requirement. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 10/00/17 ....................... NPRM Comment Period End............. 12/00/17 ....................... ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AM94 217. Federal Acquisition Regulation (FAR); FAR Case 2015-014; Prohibition on Providing Funds to the Enemy Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to prevent the flow of funds to persons or entities that are actively opposing United States or coalition forces involved in a contingency operation. This rule implements subtitle E of title VIII of the Carl Levin and Howard P. Buck'' McKeon National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2015, which prohibits providing funds to the enemy. The statute does not apply to contracts that are equal to or less than $50,000, contracts performed inside the United States, or contracts subject to a national security exception. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 08/00/17 ....................... NPRM Comment Period End............. 10/00/17 ....................... ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov) RIN: 9000-AN03 218.  FAR Acquisition Regulation (FAR); FAR Case 2015-038, Reverse Auction Guidance

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to implement policies addressing the effective use of reverse auctions. Reverse auctions involve offerors lowering their pricing over rounds of bidding in order to win federal contracts This change will incorporates guidance from the OFPP memorandum, ``Effective Use of Reverse Auctions,'' which was issued in response to recommendations from the GAO report, Reverse Auctions: Guidance is Needed to Maximize Competition and Achieve Cost Savings (GAO-14-108).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/00/17  ....................... NPRM Comment Period End.............   01/00/18  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN31

219.  Federal Acquisition Regulation (FAR); FAR Case 2017-005, Whistleblower Protection for Contractor Employees

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to implement 41 U.S.C 4712, Enhancement of contractor protection from reprisal for disclosure of certain information and makes the pilot ***program*** permanent. The pilot was enacted on January 2, 2013, by section 828 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013. This statute also clarifies that the cost principles at 10 U.S.C 2324(k) and 41 U.S.C 4304 and 4310 apply to costs incurred by a contractor, subcontractor, or personal services contractor.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   07/00/17  ....................... NPRM Comment Period End.............   09/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN32

220.  Federal Acquisition Regulation (FAR); FAR Case 2015-031, Policy on 8(a) Joint Ventures

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to be consistent with the guidance in SBA regulations at 13 CFR 124 8(A) Business Development/Small Disadvantaged Business Status Determinations > These clarifications are expected to relieve burden on both industry and government by reducing the number of protests related to inappropriate elimination from competition of offers from 8(a) joint ventures and inappropriate awards to ineligible 8(a) joint ventures. This will reduce the risk for fraud by clarifying the role of SBA as the authority for making eligibility determination. The rule is also expected to facilitate competition by clarifying the circumstances under which a joint venture is eligible for award under the 8(a) ***program***.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   09/00/17  ....................... NPRM Comment Period End.............   11/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA

[[Page 40371]]

(FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN33

221.  Federal Acquisition Regulation; FAR Case 2016-002, Applicability of Small Business Regulations Outside the United States

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) consistent with SBA's final rule at 13 CFR 125.2 as finalized in their rule Acquisition Process: Task and Delivery Order Contracts, Bundling, Consolidation'' issued on October 2, 2013 to clarify that overseas contracting is not excluded from agency responsibilities to foster small business participation.     In its final rule, SBA has clarified that, as a general matter, its small business contracting regulations apply regardless of the place of performance. In light of these changes, there is a need to amend the FAR both to bring its coverage into alignment with SBA's regulation and to give agencies the tools they need especially the ability to use set- asides to maximize opportunities for small businesses overseas.     SBA intends to include contracts performed outside of the United States in agencies' prime contracting goals beginning in FY 2016. Although inclusion for goaling purposes is not dependent on FAR changes, amending FAR part 19 will allow agencies to take advantage of the tools authorized for providing small business opportunities for contracts awarded outside of the United States.     This rule will allow agencies to take advantage of the tools authorized for providing small business opportunities for contracts awarded outside of the United States. This will make it easier for small businesses to receive additional opportunities for contracts performed outside of the United States.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17  ....................... NPRM Comment Period End.............   12/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN34

222.  Federal Acquisition Regulation (FAR); FAR Case 2017-008, Duties of Office of Small and Disadvantaged Business Utilization

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to provide additional duties for the Office of Small and Disadvantaged Business Utilization (OSDBU), or for DoD, the Office of Small Business ***Programs*** (OSBP). Additionally the rule will include existing OSDBU duties that are not currently listed in the FAR.     This rule implements sections 1812, paragraph (a) of section 1813 and paragraph (b) of section 1821 of the National Defense Authorization Act of Fiscal Year 2017, which amends section 15(k) of the Small Business Act (15 U.S.C 644(k)). Additionally the rule will include existing duties prescribed in section 15(k) of the Small Business Act that are not currently listed in the FAR.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17  ....................... NPRM Comment Period End.............   12/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Janet Fry, ***Program*** Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-3167, Email: [*janet.fry@gsa.gov*](mailto:janet.fry@gsa.gov)     RIN: 9000-AN36

223.  Federal Acquisition Regulation (FAR); FAR Case 2016-013, Tax on Certain Foreign Procurement

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 37; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to implement a final rule issued by the Department of the Treasury (published at 81 FR 55133) that implements section 301 of the James Zadroga 9/11 Health and Compensation Act of 2010, Public Law 111347. This section imposes on any foreign person that receives a specified Federal procurement payment a tax equal to 2 percent of the amount such payment. This rule applies to Federal government contracts for goods or services that are awarded to foreign persons.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   08/00/17  ....................... NPRM Comment Period End.............   10/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN38

224.  Federal Acquisition Regulation (FAR); FAR Case 2017-003; Alternatives in Lieu of Corporate or Individual Sureties

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are is proposing to amend the Federal Acquisition Regulation (FAR) to change the kinds of assets that individual sureties must use as security for their individual surety bonds. This change will implement section 874 of the NDAA for FY 2016 (Pub. L. 114-92).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17  ....................... NPRM Comment Period End.............   12/00/17  ....................... ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN39

225.  Federal Acquisition Regulations (FAR); FAR Case 2015-002, Requirements for DD Form 254, Contract Security Classification Specification

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to require the use of Wide Area Workflow (WAWF) for the submission of the DD Form 254, Contract Security Classification Specification. This form is used to convey security requirements regarding classified information to contractors and subcontractors and must be submitted to the Defense Security Services (DSS) when contractors or subcontractors require access to classified information under contracts awarded by agencies covered by the National Industrial Security ***Program*** (NISP).

[[Page 40372]]

    The NISP Contracts Classification System (NCCS) is being deployed as a module within the existing WAWF platform to provide a centralized repository for classified contract security requirements and automate the DD Form 254 processes and workflows. The rule also clarifies that a unique CAGE code is required for each location of performance listed on a DD Form 254 and that System for Award Management (SAM) registration is only required for the business location listed on the contract. The DD Form 254 is used to convey security requirements regarding classified information to contractors and subcontractors and must be submitted to DSS when contractors or subcontractors require access to classified information. On average, approximately 130,000 forms are received each year from 61 agencies and components. These forms are submitted manually and there is no central repository for the form. The rule will provide a centralized repository for classified contract security requirements and supporting data while automating the DD Form 254 processes and workflows. By using this form, burden will reduce.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   08/00/17 NPRM Comment Period End.............   10/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E. Glover, Sr., Procurement Analyst, DOD/ GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501-1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN40

226.  Federal Acquisition Regulation (FAR); FAR Case 2017-014, Acquisition 360

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the FAR to address the solicitation of contractor feedback on both contract formation and contract administration activities. Agencies would consider this feedback, as appropriate, to improve the efficiency and effectiveness of their acquisition activities. The rule would create FAR policy to encourage regular feedback in accordance with agency practice (both on contract formation and administration activities) and a standard FAR solicitation provision to support a sustainable model for broadened use of Acquisition 360 survey to elicit feedback on the pre-award and debriefing processes in a consistent and standardized manner. Agencies would be able to use the solicitation provision to notify interested sources that a procurement is part of the Acquisition 360 survey and encourage stakeholders to voluntarily provide feedback on their experiences on the pre-award process.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E. Glover, Sr., Procurement Analyst, DOD/ GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501-1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN43

227.  Federal Acquisition Regulation (FAR); FAR Case 2017-013, Breaches of Personally Identifiable Information

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to revise the Federal Acquisition Regulation (FAR) to create and implement appropriate contract clauses and regulatory coverage to address contractor requirements for breach response consistent with the requirements. This FAR change will implement the requirements outlined in Office of Management and Budget (OMB) Memorandum, M-17-12 ``Preparing for and Responding to a Breach of Personally Identifiable Information'' section V part B.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/00/17 NPRM Comment Period End.............   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN44

228.  Federal Acquisition Regulation (FAR); FAR Case 2017-011, Section 508-Based Standards in Information and Communication Technology

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to incorporate revisions and updates to standards in Section 508 of the Rehabilitation Act of 1973, developed by the Architectural and Transportation Barriers Compliance Board (also referred to as the ``Access Board''). This FAR change incorporates the U.S Access Board's final rule 82 FR 5790, Information and Communication Technology (ICT) Standards and Guidelines, published on January 18, 2017 , which implemented revisions and updates to the section 508-based standards and section 255-based guidelines.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN46

229.  Federal Acquisition Regulation (FAR); FAR Case 2016-012, Incremental Funding of Fixed-Price Contracting Actions

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to allow for incrementally funding of certain fixed-price contracting action to help minimize disruptions to agency operations, and provide Federal acquisition professionals with new funding flexibility for fixed-price contracting actions. The importance of incremental funding policy is driven, in large part, by chronic impediments to the timely passage of the Federal budget. Because the FAR is silent on the incremental funding of fixed-price contracts; however, in many cases, full funding (due to budgetary uncertainties) is not possible. There is potential for benefits to be realized through creating consistent language in the FAR. The flexibility to incrementally fund fixed-price contracts will enable acquisition professionals more efficiently get contracts underway.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/00/17 NPRM Comment Period End.............   01/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.

[[Page 40373]]

    Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN47

230.  Federal Acquisition Regulation (FAR); FAR Case 2015-037, Definition of ``Information Technology''

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to revise the FAR to update the definition of ``information technology,'' as directed in the Office of Management and Budget Memo, M-15-14, entitled Management Oversight of Federal Information Technology.'' Specifically, the rule broadens the definition of information technology to include services such as cloud computing and to remove an exemption for information technology embedded in other systems.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN48

231.  Federal Acquisition Regulation (FAR); FAR Case 2015-028, Performance-Based Payments

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA are proposing to amend the FAR to harmonize the policy on flowdown requirements at FAR 32.504 with FAR clause 52.232-32 for the financing of subcontracts through performance- based payments. FAR 32.504(f) states that ``When financing payments are in the form of performance-based payments, the Performance-Based Payments clause at 52.232-32 requires that the subcontract terms include the substance of the Performance-Based Payments clause, modified to indicate that the contractor, not the Government, awards the subcontract and administers the performance-based payments . . .'' However, FAR clause 52.232-32 does not include instructions to the contractor to flowdown the requirements to the subcontractor. The FAR recognizes that prudent contract financing can be a useful working tool in Government acquisition. Performance-based payments are a form of contract financing authorized by the FAR under certain conditions. The proposed rule would merely make it clear to the contractor under which circumstances the substance of this form of contract financing is required to flow down to the subcontractor, when FAR 52.232-32 is included in its contract.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN49

232.  Federal Acquisition Regulation (FAR); FAR Case 2015-004, Provisions and Clauses for Acquisitions of Commercial Items and Acquisitions That Do Not Exceed the Simplified Acquisition Threshold (SAT)

    Legal Authority: Not Yet Determined     Abstract: DoD, GSA, and NASA are proposing to revise the FAR with an internal administrative change to support the use of automated contract writing systems and reduce FAR maintenance when clauses are updated. Currently, the FAR provides a single, consolidated list of all provisions and clauses applicable to the acquisition of commercial items. When new clauses applicable to commercial items are added the FAR, a manual process of cross checking and renumbering of the list is employed the conform the FAR, The process is cumbersome and inefficient, and challenging to maintain, especially for contract writing systems. The propose rule would propose a change to each clause prescription and each clause flowdown for commercial items to specify required information within the prescription/clause itself, without having to cross-check another clause, list or other parts of the FAR.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN51

233.  Federal Acquisition Regulation (FAR); FAR Case 2017-006, Exception From Certified Cost or Pricing Data Requirements--Adequate Price Competition

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement section 822 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017 (Pub. L. 114-328). This addresses the exception from certified cost or pricing data requirements when price is based on adequate price competition. It also limits the exception for price based on adequate price competition to circumstances in which there is adequate competition that results in at least two or more responsive and viable competing bids.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   08/00/17 NPRM Comment Period End.............   10/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN53

234.  Federal Acquisition Regulation (FAR); FAR Case 2017-010, Evaluation Factors for Multiple-Award Contracts

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement section 825 of the NDAA for FY 17 (Pub. L. 114-328) which changes the requirement regarding the consideration of cost or price to the Government as a factor in the evaluation of proposals for certain multiple-award task order contracts. At the Government's discretion, solicitations for multiple- award contracts, which intend to award the same or similar services to each qualifying offeror, do not require price or cost as an evaluation factor for the base contract award. This exception does not apply to

[[Page 40374]]

solicitations for multiple-award contracts that provide for sole source orders pursuant to section 8(a) of the Small Business Act (15 U.S.C 637(a)). When cost or price is not considered in evaluation of the base award, the contracting officer must consider price or cost as one of the factors in the selection decision for each order.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   09/00/17 NPRM Comment Period End.............   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN54

235.  Federal Acquisition Regulation (FAR); FAR Case 2015-026, Contractor Use of Mandatory Sources of Supply in Service Contracts

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) clause associated with the AbilityOne ***Program***. These revisions respond to concerns raised by the Committee for Purchase From People Who Are Blind or Severely Disabled (Committee) that a FAR clarification is necessary for situations when Government agencies contract with commercial sources to perform an agency's service function. The Committee believes that reductions in procurement of several service-related supplies has adversely affected employment of people who are blind or have significant disabilities because of the lack of this clarification.     The proposed revision will emphasize that contractors must use mandatory sources of supply in service contracts and to update the procedures associated with purchases made through the AbilityOne ***Program*** to conform to the current Committee regulatory administration of this statutory ***program***. The rule will clarify the obligation for Government agencies to satisfy their requirements for certain supplies and services from the Procurement List maintained by the Committee.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   10/00/17 NPRM Comment Period End.............   12/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN55

236.  Federal Acquisition Regulation (FAR); FAR Case 2017-016, Controlled Unclassified Information (CUI)

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement the National Archives and Records Administration (NARA) Controlled Unclassified Information (CUI) ***program*** of Executive Order 13556 of Nov 4, 2010. As the executive agent designated to oversee the governmentwide CUI ***program***, NARA issued implementing regulations in late 2016 designed to address agency policies for designating, safeguarding, disseminating, marking, decontrolling and disposing of CUI. The NARA rule affects contractors that handle, possess, use, share or receive CUI. The NARA regulation is codified at 32 CFR 2002. This FAR rule is necessary to ensure uniform implementation of the requirements of the CUI ***program*** in contracts across the government, thereby avoiding potentially inconsistent agency-level action.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/00/17 NPRM Comment Period End.............   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN56

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Final Rule Stage

237. Federal Acquisition Regulation (FAR); FAR Case 2015-015; ***Strategic*** Sourcing Documentation

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement a section of the Carl Levin and Howard P. Buck'' McKeon National Defense Authorization Act for Fiscal Year 2015. This section requires the contract file shall contain certain documentation if the Federal Government makes a purchase of supplies and services offered under the Federal ***Strategic*** Sourcing Initiative (FSSI), but the FSSI is not used. The contract file for the purchase shall include a brief analysis of the comparative value, including price and non-price factors, between the supplies and services offered under the FSSI and those offered under the source(s) to be used for the purchase.     While all action involved on the rule is internal to the Government, the documentation requirement ensures a contracting officer considers contract vehicles under the Federal ***Strategic*** Sourcing Initiative (FSSI). In doing so, the rule will raise the visibility of these ***strategic*** sourcing solutions, promote their use, and help to better leverage the Government's buying power.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/20/16  81 FR 39883 NPRM Comment Period End.............   08/19/16 Final Rule..........................   10/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AM89

238. Federal Acquisition Regulation (FAR); FAR Case 2013-018; Clarification of Requirement for Justifications for 8(A) Sole Source Contracts

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are implementing a final rule to amend the Federal Acquisition Regulation to clarify the guidance for sole source 8(a) contract awards exceeding $22 million. This rule implements guidance from a Government Accountability Office report entitled Federal Contracting: Slow Start to Implementation of Justifications for 8(a) Sole-Source Contracts'' (GA0-13-118, December 2012). Sole-source contracting regulations are statutory and are found in section 811 of the National Defense

[[Page 40375]]

Authorization Act for Fiscal Year 2010 (Pub. L. 11184) (see 77 FR 23369). These clarifications improve the contracting officer's ability to comply with the sole source contracts statutory requirements.     The GAO report indicates that the FAR needed additional clarification of justification to help ensure that agencies are applying the requirement consistently. This rule provides such guidance, including when justification is necessary, how contracting officers should comply, and when a separate sole-source justification is necessary for out-of-scope modifications to 8(a) sole-source contracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/15/16  81 FR 80012 NPRM Comment Period End.............   01/17/17 Final Rule..........................   10/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM90

239. Federal Acquisition Regulation (FAR); FAR Case 2014-002; Set- Asides Under Multiple Award Contracts

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the FAR to implement regulatory changes regarding procedures for the use of small business partial set-asides, reserves, and orders placed under multiple-award contracts. This rule incorporates statutory requirements discussed at section 1331 of the Small Business Jobs Act of 2010 (15 U.S.C 644(r)) and the Small Business Administration's final rule at 78 FR 61114, dated October 2, 2013.     The rule increases small business participation in Federal prime contracts by ensuring that small businesses have greater access to multiple award contracts and clarifying the procedures for submitting proposals for partial set-asides, reserves, and orders placed under such contracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/06/16  81 FR 88072 NPRM Comment Period End.............   02/06/17 Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM93

240. Federal Acquisition Regulation (FAR); FAR Case 2015-017; Combating Trafficking in Persons--Definition of ``Recruitment Fees''

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to revise the FAR to implement Executive Order (E.O ) 13627, Strengthening Protections Against Trafficking in Persons in Federal Contracts, and title XVII of the National Defense Authorization Act for Fiscal Year 2013, which became effective on March 2, 2015. The rule adds a definition of ``recruitment fees'' to subpart 22.17, Combating Trafficking in Persons, and the associated clause in order to clarify how the Government treats this prohibited practice that has been associated with labor trafficking under contracts and subcontracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   05/11/16  81 FR 29244 NPRM Comment Period End.............   07/11/16 Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN02

241. Federal Acquisition Regulation (FAR); FAR Case 2016-007, Non- Retaliation for Disclosure of Compensation Information

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to adopt as final, without change, an interim rule amending the Federal Acquisition Regulation (FAR) to implement Executive Order (E.O ) 13665, entitled ``Non- Retaliation for Disclosure of Compensation Information.'' signed April 8, 2014, (79 FR 20749) and the final rule issued by the Office of Federal Contract Compliance ***Programs*** (OFCCP) of the Department of Labor (DOL) at 80 FR 54934, on September 11, 2015, entitled `Government Contractors, Prohibitions Against Pay Secrecy Policies and Actions.'     This rule provides for a uniform policy for the Federal Government to prohibit Federal contractors from discriminating against employees and job applicants who inquire about, discuss, or disclose their own compensation or the compensation of other employees or applicants.     Timetable:

  ------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   09/30/16  81 FR 67732 Interim Final Rule Comment Period      11/29/16  End. Final Rule..........................   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN10

242. Federal Acquisition Regulation (FAR); FAR Case 2015-005, System for Award Management Registration

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amends the Federal Acquisition Regulation (FAR) to update the instructions for System for Award Management (SAM) registration requirements and to correct an inconsistency with offeror representation and certification requirements. This rule makes consistent the language regarding offerors' registration in SAM prior to submitting an offer or prior to award. The instructions clarify that once a business is registered in the SAM database, it is only required to update the SAM database registration in accordance with the clause 52.204-7 or if there are new decisions on its labor violations at clause 52.222-59.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   05/20/16  81 FR 31895 NPRM Comment Period End.............   07/19/16 Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN19

[[Page 40376]]

243. Federal Acquisition Regulation (FAR); FAR Case 2015-039, Audit of Settlement Proposals

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amends the Federal Acquisition Regulation (FAR) to raise the dollar threshold requirement for the audit of prime contract settlement proposals and subcontract settlements from $100,000 to the Truth In Negotiation Act (TINA) threshold of $750,000 to help alleviate the backlog of contract close-outs and to enable contracting officers to more quickly deobligate excess funds from terminated contracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   09/14/16  81 FR 63158 NPRM Comment Period End.............   11/14/16 Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN26

244. Federal Acquisition Regulation (FAR); FAR Case 2017-001, Paid Sick Leave for Federal Contractors

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to finalize an interim rule amending the Federal Acquisition Regulation (FAR) requiring Federal Government contractors to ensure that employees on those contracts can earn up to 7 days or more of paid sick leave annually, including paid sick leave for family care. This rule implements the objective of E.O 13706, Establishing Paid Sick Leave for Federal Contractors and Department of Labor's final rule codified at 29 CFR part 13.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   12/16/16  81 FR 91627 Interim Final Rule Effective........   01/01/17 Interim Final Rule Comment Period      02/14/17  End. Final Rule..........................   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN27

245.  Federal Acquisition Regulation (FAR); FAR Case 2015-033, Sustainable Acquisition

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA ***plan*** to issue a final rule to amends the FAR to add a new definition for sustainable products and services and update several existing definitions germane to sustainable acquisition. This rule will also provide two new Web sites to help contractors understand the sustainable acquisition requirements and gain access to a listing of sustainable products and services as determined by the Federal Government. The rule implements Executive Order 13693, ***Planning*** for Federal Sustainability in the Next Decade (supersedes E.O.s 13423 and 13514), and the biobased product acquisition provisions of the ***Agricultural*** Act of 2014 (also known as the 2014 Farm Bill).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   01/18/17  82 FR 5490 NPRM Comment Period End.............   03/20/17 Final Rule..........................   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 795-6328, Email: [*chuck.gray@gsa.gov*](mailto:chuck.gray@gsa.gov)     RIN: 9000-AN28

246.  Federal Acquisition Regulation: FAR CASE 2016-005; Effective Communication Between Government and Industry

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: The Council amends the FAR to implement section 887 of the NDAA for FY 2016 (Pub. L. 114-92), which provides that agency acquisition personnel are permitted and encouraged to engage in responsible and constructive exchanges with industry.     The rule clarifies agency acquisition personnel are permitted and encouraged to engage in responsible and constructive exchanges with industry, in a manner consistent with existing law and regulation and without promoting an unfair competitive advantage.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/29/16  81 FR 85914 NPRM Comment Period End.............   03/02/17 Final Rule..........................   11/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN29

247.  Federal Acquisition Regulation (FAR); FAR Case 2016-011, (S) Revision of Limitations on Subcontracting

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing an interim rule is to amend the Federal Acquisition Regulation (FAR) to revise and standardize the limitations on subcontracting (LOS), including the nonmanufacturer rule (NMR), which apply to small business concerns under FAR part 19 procurements. This FAR change incorporates SBA final rule which implemented the statutory requirements of section 1651 of the National Defense Authorization Act for Fiscal Year 2013. This action is necessary to meet the Congressional intent of clarifying the limitations on subcontracting with which small businesses must comply, as well as the ways in which they can comply. Failure to implement section 1651 promptly will prevent small businesses from taking advantage of subcontracts with similarly situated entities. As a result, small businesses may be unable to compete for larger contracts, which would adversely affect their potential for growth as well as that of their potential subcontractors.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   08/00/17 Interim Final Rule Comment Period      10/00/17  End. ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN35

[[Page 40377]]

248.  Federal Acquisition Regulation (FAR); FAR Case 2017-004, Rate Adjustment of Liquidated Damages

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to issue a final rule amending the Federal Acquisition Regulation (FAR) to adjust the civil monetary penalties for inflation pursuant to the Inflation Adjustment Act Improvements Act. This Act requires agencies to adjust the levels of civil monetary penalties with an initial catch-up adjustment, followed by the annual adjustment for inflation.     This rule implements the Department of Labor (DOL) interim final rule published in the Federal Register at 81 FR 43430 on July 1, 2016, finalized at 82 FR 5373 on January 18, 2017. The DOL rule adjusted the civil monetary penalties for inflation pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Sec. 701 of Pub. L. 114-74).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN37

249.  Federal Acquisition Regulation (FAR); FAR Case 2017-007, Task- and Delivery-Order Protests

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to issue a final rule to raise the threshold for task- and delivery-order protests from $10 million to $25 million for DoD and make permanent the General Accountability Office's authority to hear protests on civilian task or delivery contracts valued in excess of $10 million. The rule implements sections 835 of the National Defense Authorization Act for FY 2017 (Pub. L. 114- 328) and Public Law 114-260 835(a). Implementation of the Act reinforces the importance of bid protests in the procurement process as it provides relief to protestors either a sustain'' decision or voluntary agency corrective action.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   09/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 703 795-6328, Email: [*chuck.gray@gsa.gov*](mailto:chuck.gray@gsa.gov)     RIN: 9000-AN41

250.  Federal Acquisition Regulation (FAR); FAR Case 2017-009, Special Emergency Procurement Authority

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: The Council is proposing to amend the Federal Acquisition Regulation (FAR) to implement sections 816 and 1641 of the National Defense Authorization Act for Fiscal Year 2017 (Pub. L. 114-328). Section 816 adds international disaster assistance under the Foreign Assistance Act of 1961 and emergency or disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Section 1641 adds special emergency procurement authority to facilitate defense against or recovery from a cyber-attack.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   08/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN45

251.  Federal Acquisition Regulation (FAR); FAR Case 2017-012, Increased Micro-Purchase Threshold for Certain Procurement Activities

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA ***plan*** to issue a final rule to implement section 217(b)(1) of the NDAA for FY 2017 (Pub. L. 114-328). This section provide a micro-purchase threshold of $10,000 or a higher amount, as determined appropriate by the head of the executive agency and consistent with clean audit findings under chapter 75 of title 31, internal institutional risk assessment, or state law. This new threshold applies to awards to institutions of higher education or related or affiliated nonprofit entities, or to nonprofit research organizations or independent research institutes.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   08/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN50

252.  Federal Acquisition Regulation (FAR); FAR Case 2017-015, Removal of Fair Pay and Safe Workplaces Rule

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA ***plan*** to issue a final rule to repeal the implementation of Executive Order 13673 on Fair Pay and Safe Workplaces since Executive Order 13673 was officially nullified on March 27, 2017 (see Pub. L. 115-11). Additionally, Executive Order 13782 of March 30, 2017, revoked Executive Order 13673, section 3 of Executive Order 13683 of December 11, 2014, and Executive Order 13738 of August 23, 2016. This action was made to have no force or effect by an enacted joint resolution of disapproval under the Congressional Review Act, H.J Res. 37 (Pub. L. 115-11).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule, CRA Revocation..........   06/00/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN52

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Long-Term Actions

253. Federal Acquisition Regulation (FAR); FAR Case 2013-002; Expanded Reporting of Nonconforming Supplies

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to expand

[[Page 40378]]

Government and contractor requirements for reporting of nonconforming items. This rule partially implements section 818 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2012 and implement requirements of the Office of Federal Procurement Policy (OFPP) Policy Letter 91-3, entitled ``Reporting Nonconforming Products,'' dated April 9, 1991.     This change will help mitigate the growing threat that counterfeit items pose when used in systems vital to an agency's mission. The primary benefit of this rule is to reduce the risk of counterfeit items entering the supply chain by ensuring that contractors report suspect items to a widely available database.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/10/14  79 FR 33164 NPRM Comment Period End.............   08/11/14 Final Rule..........................   06/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW., Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AM58

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Completed Actions

254. Federal Acquisition Regulation (FAR); FAR Case 2010-013; Privacy Training

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA issued a final rule to amend the Federal Acquisition Regulation (FAR) to ensure all contractors are required to complete training in the protection of privacy and the handling and safeguarding of Personally Identifiable Information (PII). The proposed FAR language provides flexibility for agencies to conduct the privacy training or require the contractor to conduct the privacy training.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   12/20/16  81 FR 93476 Final Rule Effective................   01/19/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Phone: 202 795-6328, Email: [*charles.gray@gsa.gov*](mailto:charles.gray@gsa.gov)     RIN: 9000-AM02

255. Federal Acquisition Regulation (FAR); FAR Case 2012-025; Applicability of the Senior Executive Compensation Benchmark

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: Withdrawal Justification: The NDAA for FY 17 repealed the retroactive applicability of the cap on contractor employee compensation (for allowability purposes), set forth in section 803(c) of the NDAA for FY 12 (Pub. L. 11281; 125 Stat. 1485; 10 U.S.C 2324 note). Accordingly, the case was closed once the NDAA for FY 17 was signed into law.)     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Withdrawn...........................   03/15/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AM39

256. Federal Acquisition Regulation (FAR); FAR Case 2012-022; Contracts Under the Small Business Administration 8(a) ***Program***

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to implement revisions made by the Small Business Administration to its regulations implementing section 8(a) of the Small Business Act, and to provide additional FAR coverage regarding protesting an 8(a) participant's eligibility or size status, procedures for releasing a requirement for non-8(a) procurements, and the ways a participant could exit the 8(a) Business Development ***program***.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4724 Final Rule Effective................   01/13/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM68

257. Federal Acquisition Regulation (FAR); FAR Case 2013-014; Uniform Use of Line Items

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation to establish and require a uniform use of a line item identification structure in Federal procurement. The system is designed to improve the accuracy, traceability, and usability of procurement data.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4709 Final Rule Effective................   01/13/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis; Phone: 202 550-0935; Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AM73

258. Federal Acquisition Regulation (FAR); FAR Case 2014-003; Small Business Subcontracting Improvements

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to implement regulatory changes made by the Small Business Administration (SBA) in its final rule, concerning small business subcontracting. Among other things, SBA's final rule implements the statutory requirements set forth at sections 1321 and 1322 of the Small Business Jobs Act of 2010.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule Effective................   11/01/16 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM91

259. Federal Acquisition Regulation (FAR); FAR Case 2015-016; Prohibition on Reimbursement for Congressional Investigations and Inquiries

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition

[[Page 40379]]

Regulation (FAR) to implement section 857 of the Carl Levin and Howard P. `Buck' McKeon National Defense Authorization Act for Fiscal Year 2015. This section provides additional requirements relative to the allowability of costs incurred by a contractor in connection with a congressional investigation or inquiry.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4732 Final Rule Effective................   01/13/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AM97

260. Federal Acquisition Regulation (FAR); FAR Case 2014-004; Payment of Subcontractors

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to implement a section of the Small Business Jobs Act of 2010. This statute requires contractors to notify the contracting officer in writing if the contractor pays a reduced price to a small business subcontractor, or if the contractor's payment to a small business contractor is more than 90 days past due. Additional information is located in the FAR final ***plan*** (2016), available at: [*https://www.acquisition.gov/*](https://www.acquisition.gov/).     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   12/20/16  81 FR 93481 Final Rule Effective................   01/19/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E Glover, Phone: 202 501-1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AM98

261. Federal Acquisition Regulation (FAR); FAR Case 2015-012; Contractor Employee Internal Confidentiality Agreements

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to implement a section of the Consolidated and Further Continuing Appropriations Act, 2015, that prohibits the use of funds, appropriated or otherwise made available, for a contract with an entity that requires employees or subcontractors to sign an internal confidentiality agreement that restricts such employees or subcontractors from lawfully reporting waste, fraud, or abuse to a designated Government representative authorized to receive such information.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4717 Final Rule Effective................   01/19/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L Davis, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN04

262. Federal Acquisition Regulation (FAR); FAR Case 2016-004; Acquisition Threshold for Special Emergency Procurement Authority

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the FAR to implement section 816 of the National Defense Authorization Act for Fiscal Year 2016 to raise the simplified acquisition threshold for special emergency procurement authority from $300,000 to $750,000 (within the United States) and from $1 million to $1.5 million (outside the United States). The threshold is used to support contingency operations or to facilitate defense against or recovery from nuclear, biological, chemical, or radiological attack.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   01/13/17  82 FR 4716 Final Rule Effective................   01/13/17 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN18

263. Federal Regulation Acquisition (FAR); FAR Case 2015-024, Public Disclosure of Greenhouse Gas Emissions and Reduction Goals- Representation

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to create an annual representation within the System for Award Management for vendors to indicate if and where they publicly disclose greenhouse gas emissions and greenhouse gas reduction goals or targets. This information will help the Government assess supplier greenhouse gas management practices and assist agencies in developing strategies to engage with contractors to reduce supply chain emissions, as directed in the Executive Order on ***Planning*** for Federal Sustainability in the Next Decade.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   11/18/16  81 FR 83092 Final Rule Effective................   12/19/16 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Phone: 703 795-6328, Email: [*charles.gray@gsa.gov*](mailto:charles.gray@gsa.gov)     RIN: 9000-AN20

264. Federal Acquisition Regulation (FAR); FAR Case 2015-035, Removal of Regulations Relating to Telegraphic Communication

    Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA amended the Federal Acquisition Regulation (FAR) to delete the use of telegram, telegraph , and related terms. The objective is to delete reference to obsolete technologies no longer in use and replace with references to electronic communications. In addition, conforming changes are proposed covering expedited notice of termination and change orders.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   11/18/16  81 FR 83097 Final Rule Effective................   12/19/16 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN23

[FR Doc. 2017-17028 Filed 8-23-17; 8:45 am]  BILLING CODE 6820-EP-P

**Load-Date:** August 26, 2017

**End of Document**



[***Ireland to fund new food innovation hub***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PRF-RRV1-DYG0-71P2-00000-00&context=1516831)

MarketLine NewsWire (Formerly Datamonitor)

October 16, 2017 Monday 7:45 AM GMT

Copyright 2017 MarketLine All Rights Reserved



**Section:** FOOD

**Length:** 392 words

**Highlight:** The Ireland Government said it will spend 8.8m to establish a new food innovation hub, aimed to help the country's food industry deal as it prepares for Brexit.

**Body**

Ireland's Department of ***Agriculture***, Food and the Marine will fund the development of National Food Innovation Hub which has been ***planned*** to come up at the Teagasc Moorepark Campus in Fermoy.According to the Irish government, the food innovation hub will mainly strive to create a business innovation network. This would involve dairy ***producers***, Moorepark Technology (MTL), incubator firms and public-private partnership based research and development ***programmes***.The research at the National Food Innovation Hub would focus on food processing, nutrition and quality.Ireland Taoiseach Leo Varadkar said: "Small and medium sized agri-food businesses are already preparing for Brexit by taking an innovative approach and opening up new European and international markets outside of the UK."This new National Food Innovation Hub will help Irish businesses to innovate and expand, keeping our agri-food sector competitive and attracting investment in a post-Brexit world."As part of the project, up to 12 customer application suites equipped with office and laboratory spaces will be constructed. The suites will enable companies to have a presence on the campus to carry out new-product development among other innovations.The new food innovation hub is being ***planned*** to be linked directly to the Teagasc Food Research Centre and MTL.

Through this, the government expects a closer collaboration between the research centres and the food firms based on the Moorepark campus.The food cluster is expected to promote intensive collaboration between firms and Teagasc researchers to develop a platform for innovation, economic growth and job creation.Ireland ***Agriculture***, Food and the Marine Minister Michael Creed said: "Food Wise 2025 identified Research, Development and Innovation as key drivers of competiveness in the agri-food sector."In this context, it recommended collaboration between industry and the research community to advance research and new product innovation. The National Food Innovation Hub is key to implementing this ***strategic*** recommendation."Image: Ireland Taoiseach Leo Varadkar (center) along with Minister Michael Creed (right) and Teagasc research director Dr. Frank O&#39;Mara (left). Photo: courtesy of Ireland Department of ***Agriculture***, Food and the Marine. Photo: courtesy of Ireland Department of ***Agriculture***, Food and the Marine.

**Load-Date:** October 23, 2017

**End of Document**



[***DGAP-News: Ekosem-Agrar takes advantage of good environment in Russia to further boost its growth***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PYC-J0M1-F022-H28G-00000-00&context=1516831)

EQS Newsfeed (English)

November 14, 2017 Tuesday 10:36 AM GMT

Copyright 2017 EQS Group AG All Rights Reserved



**Length:** 1111 words

**Body**

|  |
| --- |
| DGAP-News: Ekosem-Agrar GmbH / Key word(s): ***Strategic*** Company Decision/BondEkosem-Agrar takes advantage of good environment in Russia to further boost its growth 14.11.2017 / 10:36 The issuer is solely responsible for the content of this announcement.EkoNiva Group at Agritechnica 2017 in Hanover:Ekosem-Agrar takes advantage of good environment in Russia to further boost its growth Walldorf, 14 November 2017 - The year 2017 saw Ekosem-Agrar GmbH, the German holding company of Russian milk ***producer*** Ekoniva Group, continue its growth amidst a very good environment, especially for milk production. In the course of 2017, the dairy cow herd increased to roughly 39,400 animals (+44%) with a daily milk output of over 900 tons (+50 %). The milk price recovered notably and currently stands at approx. EUR 0.44, i.e. a good 25% above the previous year's average price. The Russian government's subsidies and Russian banks' increased interest in the domestic ***agricultural*** sector also make for a good investment and financing environment. Moreover, the general economic and political situation in Russia is showing a very positive trend. The political focus primarily rests on the subsidization of investments in dairy cow facilities. Thanks to the very good support in the form of low-interest loans and non-repayable investment grants in combination with the positive market situation in the dairy sector, new operations are able to generate positive cash flow after a short time. Ekosem-Agrar therefore decided to take advantage of the favorable conditions and to make further investments in the construction of dairy cow facilities. For the full year, Ekosem-Agrar ***plans*** to complete three dairy cow facilities for a total of approx. 8,800 dairy cows with a daily milk output of 240 tons in the Kaluga, Voronezh and Novosibirsk regions. Another four plants with a total capacity of approx. 14,400 dairy cows (approx. 400 tons of milk per day) are already under construction in these regions and will be completed in 2018. The company's dairy cow herd is expected to grow to roughly 60,000 animals by the end of 2018. The expansion is supported by a very strong team, which has grown by 22% to roughly 5,000 employees since the beginning of the year. The in-house training ***program*** launched four years ago helps leverage the huge potential of young and motivated staff. Together with many experienced skilled workers, this puts Ekosem-Agrar in an excellent position, also in manpower terms, to push ahead with the company's growth. Russia continues to be characterized by a strong structural change where very large ***agricultural*** enterprises buy many small and medium-sized businesses. However, the good economic conditions for large ***agricultural*** enterprises have also led to strongly increased land prices. To keep up with this trend, Ekosem-Agrar has already taken over some existing farms this year and is in talks about further takeovers. Against the background of the good financing opportunities, the Group has been able to increase its ***agricultural*** land by a total of 48,000 hectares to approx. 248,000 hectares (+24%) this year. Further takeovers are currently under discussion. Following some initial successes in milk processing and marketing, the management has decided to expand these activities as well and seized opportunities to invest in two existing processing companies located close to the Ekosem-Agrar locations. In October, the Group acquired a dairy including some 12,000 hectares of ***agricultural*** land and a dairy cow facility with roughly 3,000 cows in the Kaluga region. The takeover of another dairy in the Voronezh region is underway. Having its own milk processing resources for butter, milk powder and long-life milk allows Ekosem-Agrar to respond flexibly to fluctuations in the raw milk market and to play an even more active role to strengthen its position in negotiations with food retailers. The takeovers will increase the company's proceeding capacity from 40 tons to 390 tons per day. Stefan Dürr, main shareholder and Managing Director of Ekosem-Agrar GmbH: "We are very satisfied with the way our company has evolved. We are taking advantage of the good conditions for ***strategic*** investments with sound judgment to continue our growth and expand our market leadership. In spite of our many ***plans*** and projects, we never lose sight of the repayment of our two bonds in 2021 and 2022. We are convinced that the additional cash flows generated as a result of the investments will make it easier for us to repay the bonds." About Ekosem-Agrar Ekosem-Agrar GmbH Walldorf, Germany is the German holding company in the Ekoniva Group, one of the largest Russian ***agricultural*** companies. With over 89,620 head of cattle (thereof approx. 39,400 dairy cows) and an average milk production of more than 900 tonnes per day, the company is the largest milk ***producer*** in the country. The group has approx. 248,000 hectares of farmland and is also one of the leading seed ***producers*** in Russia. Stefan Duerr, founder and Managing Director of the company, has been active in Russian ***agriculture*** since the 80s and has played a decisive role in its modernisation over the past two decades. In 2009, he was awarded the German Federal Cross of Merit for his contribution within the German-Russian ***Agricultural*** and Political Dialogue Project. The corporate group has about 5,000 employees at seven locations in six regions in Russia and achieved a total output of EUR 149.2 million and an EBIT of EUR 31.9 million in fiscal year 2016. For further information visit: Contact Adrian Schairer // Ekosem-Agrar GmbH // T: +7 920 449 17 12 // E: [*adrian.schairer@ekosem-agrar.de*](mailto:adrian.schairer@ekosem-agrar.de) Irina Makey // Ekosem-Agrar GmbH // Johann-Jakob-Astor-Str. 49 // 69190 Walldorf // T: +49 (0) 6227 3585 919 // E: [*irina.makey@ekosem-agrar.de*](mailto:irina.makey@ekosem-agrar.de) // [*www.ekosem-agrar.de*](http://www.ekosem-agrar.de) Media / Investor Relations Fabian Kirchmann // IR.on AG // T: +49 (0) 221 9140 970 // E: [*presse@ekosem-agrar.de*](mailto:presse@ekosem-agrar.de) 14.11.2017 Dissemination of a Corporate News, transmitted by DGAP - a service of EQS Group AG.The issuer is solely responsible for the content of this announcement.The DGAP Distribution Services include Regulatory Announcements, Financial/Corporate News and Press Releases. Archive at   [*www.dgap.de*](http://www.dgap.de) |

|  |  |
| --- | --- |
| Language: | English |
| Company: | Ekosem-Agrar GmbH |
|  | Johann-Jakob-Astor-Str. 49 |
|  | 69190 Walldorf |
|  | Germany |
| Phone: | +49 (0)6227 358 59 33 |
| Fax: | +49 (0)6227 358 59 18 |
| E-mail: | [*info@ekosem-agrar.de*](mailto:info@ekosem-agrar.de) |
| Internet: | [*www.ekosem-agrar.de*](http://www.ekosem-agrar.de) |
| ISIN: | DE000A1MLSJ1, DE000A1R0RZ5 |
| WKN: | A1MLSJ, A1R0RZ |
| Listed: | Regulated Unofficial Market in Berlin, Dusseldorf, Frankfurt, Hamburg, Hanover, Stuttgart (bondm) |
|  |  |

|  |
| --- |
|  |

|  |  |
| --- | --- |
|  | |
| End of News | DGAP News Service |

|  |
| --- |
|  |

628835  14.11.2017

**Load-Date:** November 14, 2017

**End of Document**



[***Register of Commission documents: Challenges for EU cohesion policy: Issues in the forthcoming post-2020 reform Document date: 2018-02-16 EPRS\_BRI(2018)614703 Briefing***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RRR-NPX1-F0YC-N21P-00000-00&context=1516831)

Impact News Service

February 24, 2018 Saturday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 7280 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

Briefing February 2018 EPRS | European Parliamentary Research Service Author: Vasilis Margaras Members' Research Service PE 614.703 EN Challenges for EU cohesion policy Issues in the forthcoming post-2020 reform SUMMARY The departure of the United Kingdom from the EU will have a significant impact on the EU budget. The next Multiannual Financial Framework, to be presented in May 2018, could make fewer resources available for cohesion policy in the post-2020 period. At this critical juncture, the discussion amongst policy-makers on the future priorities of cohesion policy is now heating up. Among the topics widely debated are the need to make cohesion funds simpler and more flexible for beneficiaries to use, while also strengthening the contribution of cohesion policy to the EU's economic governance and increasing its added value. One point of the debate relates to the way cohesion policy addresses new or growing challenges such as migration, environment and digitalisation.

Yet another includes finding the most efficient form of support for beneficiaries: should it be grants, financial instruments, or possibly a mix of all of these? Other specific matters raised relate to the urban dimension in cohesion policy and the impact that the policy can have upon growth, jobs and innovation in rural areas, regions lagging behind, as well as regions with special geographical characteristics. Last but not least, the relationship between cohesion policy and the European Fund for ***Strategic*** Investment is much debated. The European Commission (EC) has published a number of white papers on the future of the EU that provide further ideas for reflection on the priorities of the Union. These reflections also have repercussions for cohesion policy. In addition, the 7th EC Report on Economic, Social and Territorial Cohesion also provides insights into the direction cohesion policy is likely to take. This briefing is an update of an earlier edition, published in September 2017. In this briefing:  Introduction to cohesion policy  The post 2020 multiannual financial framework and possible impact of Brexit  Economic governance and structural reform  Flexibility: focus on new policy challenges  Performance and simplification  Financial instruments and the European Fund for ***Strategic*** Investment  The urban agenda for the EU – regions lagging behind and areas with special geographic characteristics  Alternative indicators to gross domestic product  The view of the European Parliament  The view of the Committee of the Regions  Outlook EPRS Challenges for EU cohesion policy Members' Research Service Page 2 of 12 Introduction to cohesion policy Article 174 of the Treaty on the Functioning of the European Union (TFEU) (introduced by the 2009 Lisbon Treaty) states that: 'in order to promote its overall harmonious development, the Union shall develop and pursue its actions leading to the strengthening of its economic, social and territorial cohesion. In particular, the Union shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions'. Cohesion policy covers funds such as the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund. Along with the European ***Agricultural*** Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF), they constitute the European Structural and Investment Funds (ESI funds). Funding for regional and cohesion policy in the 2014-2020 period amounts to €351.8 billion and constitutes 32.5 % of the EU budget. It provides support for all European regions. The current ***programming*** period ends in 2020 and discussions have already begun about the future of post-2020 cohesion policy. Some of the most prominent policy questions regarding the future of cohesion policy will be analysed below. The post-2020 multiannual financial framework and possible impact of Brexit As the Article 50 procedure has been triggered by the United Kingdom, the budgetary relations between the EU and the UK will need to be settled. The various scenarios evoked range from an exit bill covering outstanding liabilities under the common budget with no further participation in EU activities, to continued participation in a number of activities and associated contributions. Various academic studies provide accounts of the issues raised with the departure of the UK, and sketch out different budgetary scenarios for such a departure.1 Depending on the final scenario, some outcomes from the Brexit process would have a serious impact on the EU budget, whereas others would have a more manageable one. In addition, the 7th Report on economic, social and territorial cohesion (from now on: 7th Cohesion Report) suggests that the levels of national co-financing for cohesion policy could be increased. A 2018 Commission communication on the future MFF provides different scenarios for cohesion policy depending on the state of coverage of EU regions. The first scenario envisages coverage of all EU regions. The second focuses on the more developed and transition regions, which would amount to a reduction of approximately €95 billion over the period, accounting for more than a quarter of current allocations from those funds. Under this scenario, support for regions in Austria, Belgium, Denmark, Finland, mainland France, Germany, Ireland, the Netherlands, Sweden and many regions in Italy and Spain, would be discontinued. With the third scenario, support is limited even further to cohesion countries, and investment for less developed regions in France, Italy and Spain would also need to be discontinued. This would amount to a reduction of approximately €124 billion over the period, accounting for around 33 % of the current allocations. Economic governance and structural reform Since its inception, cohesion policy has been aimed at closing the gap between poor and rich European regions. However, it may be suggested that the focus of discourse on competitiveness – and the policy instruments that this brings – tends to favour already dynamic regions and metropolitan poles of growth.2 In contrast, a discourse on cohesion may take into account various structural problems that regions face, such as high EPRS Challenges for EU cohesion policy Members' Research Service Page 3 of 12 unemployment, social inequalities, geographical location-related handicaps (experienced for instance by mountainous and insular regions) and remoteness from major cities. Although cohesion remains an important element in the regional policy of the EU, the 2014-2020 legislative framework has strengthened links with issues related to economic governance and cohesion policy has been linked more closely with the priorities of the European Semester. The European Semester determines the goals to be pursued in the upcoming year for the whole of the EU, and also delivers a set of country-specific recommendations that address key socio-economic challenges in each Member State. The reflection paper on the future of EU finances also claims that the link with economic governance and the European Semester may need to be strengthened even further. A further linkage with the economic priorities of the EU is provided by Article 23 of the Common Provisions Regulation (CPR), which covers macroeconomic conditionality. It mentions that sanctions such as the suspension of cohesion funds can be used in order to reinforce compliance with excessive debt or budget inconsistencies by the Member States. Suspension of payments can be decided by the Council of the European Union on the basis of a proposal from the European Commission in the event that the Member State concerned fails to take effective action. For instance, in 2016, the Commission proposed to take measures against Spain and Portugal due to those countries' failure to address the excessive government deficit. However, no sanctions were levied and the proposal was shelved in November 2016. The issue of macroeconomic conditionality has proved to be a divisive one as it has brought to the fore tensions between net contributor and net recipient Member States. Poorer Member States suggest that it is essential that the EU does not lose sight of the original role and objectives of cohesion policy and its importance as an instrument for maintaining investment in Europe's regions, particularly in times of economic crisis and instability. The 7th Cohesion Report points out that, in general, the ***programmes*** financed through the ESI funds are very closely aligned with the country-specific recommendations made as part of the European Semester process. It states that the provisions linking these funds to sound economic governance, and to Member States responding to the recommendations, have given an incentive for national governments to comply with the budget targets. It also claims that the Commission review of Article 23 suggests that there is no need for any further legislation at this stage. Nevertheless, structural reforms may also be read more widely as reforms in the governance of cohesion policy. For instance, when it comes to 'ownership', Member States could receive more powers in managing funds and projects. Other ideas on the table suggest adopting differentiation management for each EU country that would take into account its own needs and specificities. In this respect, questions regarding the subsidiarity of the ESI funds may emerge. In theory, local and regional actors have seen their role enhanced through the legislation on the partnership agreements. These agreements are negotiated between the Commission and the national authorities, following consultations with various levels of governance, representatives from interest groups, civil society and local and regional representatives. However, various Member States are still not keen to explore this instrument fully. Flexibility: focus on new policy challenges A number of new policy challenges such as immigration may weigh heavily on the future priorities of cohesion policy. The white paper on the future of Europe claims that digital revolution, globalisation, demographic change, social cohesion, economic convergence and climate change are to remain high on the EU agenda. However, a key question is EPRS Challenges for EU cohesion policy Members' Research Service Page 4 of 12 whether any specific amounts will be clearly earmarked for all the above-mentioned challenges in the post-2020 cohesion policy. The 7th Cohesion Report states that an unallocated proportion of funding could make cohesion policy more flexible and able to respond to new challenges more quickly. As happens with any re-allocation of resources, the justification for their scope is not an easy task as it can only be achieved after reaching broad political consensus. Promoting resilient economies in a globalised era through digitalisation and innovation is another EU priority. In 2015, the Commission presented the Digital Single Market strategy, which aims to open up digital opportunities for people and businesses. According to this strategy, regions and cities can explore various ICT initiatives and become active in ***planning*** and pursuing their own digital strategies. However, there are still considerable differences in digital performance amongst EU Member States and regions, with many eastern and southern regions scoring low on the EU's Digital Agenda Scoreboard, which measures connectivity, human capital, use of internet, integration of digital technology and digital public spaces. Related to digital innovation is also smart specialisation, which provides a path for innovation-driven differentiation and economic transformation, building on local assets and comparative strengths. However, although having in place a research and innovation strategy for smart specialisation (RIS3) has become a prerequisite for receiving ERDF funding, not all EU regions have managed to explore smart specialisation opportunities successfully. The EU Regional Innovation Scoreboard suggests that innovation excellence continues to remain concentrated in only a small number of regions. Globalisation has various positive and negative aspects. On the positive side, economic opportunities may emerge. Exports may blossom, companies may find new global customers and trade may flourish, thus stimulating economic growth. However, globalisation may also have disadvantages which have to be addressed. For instance, various industries (e.g the coal, steel, iron, shipbuilding, automotive and textile industries) have been affected by global competition and had to downsize their activities in Europe. Cheap imports of non-EU manufacturing goods have led to the decline of various sectors of EU industries, relocations, closures and redundancies. In addition, globalisation has an environmental, demographic, technological and cultural dimension. The impact of globalisation therefore affects the development of regional and local entities within the EU. In order to address all of these issues, the Commission has presented its reflection paper on harnessing globalisation, which attributes a key role to local and regional authorities. In terms of funding, the European Globalisation Adjustment Fund is the only one that is clearly destined to tackle the negative impact of globalisation directly, although the ESI funds may also contribute to creating resilient regions. Nevertheless, according to a study prepared for the European Parliament, the reconversion of old industrialised areas has slipped down the list of EU policy priorities. The same study also suggests that focus on regional investments has gradually shifted from industrial regions to other areas that may offer more stable growth prospects. When it comes to demographic challenges, there is no specific EU fund that addresses issues of demographic importance. However, the EU's sparsely populated areas may benefit from a special status. Territorial areas that are affected by demographic issues will have to find ways of maintaining their populations and enhancing their opportunities in life. Childcare provisions are important in order to maintain the participation of women in the labour market. Teleworking, promoting work-life balance, and enhancing job opportunities for people with reduced mobility may also help to encourage sections of EPRS Challenges for EU cohesion policy Members' Research Service Page 5 of 12 the population to remain professionally active. In addition, maintaining the younger more vibrant elements of their population may prove challenging unless they offer them new opportunities. In this respect, synergies with the private sector and the adoption of new technologies may help. The integration of migrants in society may be another solution to the problem of demographic ageing and depopulation. Issues of immigration and depopulation may also be of importance to cross-border areas that could explore opportunities for cross-border cooperation with other neighbouring territories. While competencies regarding immigration lie primarily with the Member States, the EU can also support Member States, local authorities and civil society organisations in dealing with such issues. Various EU border and peripheral regions have been severely affected by immigration trends. Therefore, cohesion policy may be an important source of financial support for the effective integration of immigrants, as shown by the implementation of various schemes covering education, employment, housing and non-discrimination activities. The ESF and the ERDF can also provide support. Furthermore, financial support for emergency measures, such as setting up reception centres and mobile hospitals, or providing tents and containers, primarily falls under the scope of the Asylum, Migration and Integration Fund (AMIF) ***programmes***. Coordination mechanisms between funding sources such as the AMIF, the Internal Security Fund (ISF) and the ESI funds can be established in order to reinforce synergies. Social cohesion and economic convergence are very much interlinked with cohesion policy. The 2017 Commission reflection paper on the future of EU finances offers various scenarios for the post-2020 EU budget and refers to cohesion policy. It recognises that the current generation of ***programmes*** have incorporated important reforms. It claims that the overall economic, legal and institutional framework for investment has improved. It also recognises that the policy has established a close link between the investment co-financed and the broader economic governance agenda and structural reforms. Nevertheless, it claims that the resulting higher EU budget co-financing rates have reduced the overall investment effort. It also states that there is a need to review how cohesion policy can better prepare and react to unexpected developments, crises and societal changes. When it comes to the environment, the reflection paper on harnessing globalisation emphasises the need: 'to further strengthen the European transition towards a digital, decarbonised and more circular European economy'. The global deterioration of the climate will also have an impact on the number of natural disasters that affect EU territories. Physical disasters management will be an area in which LRAs will be called to assume a more active role. In this respect, the Commission adopted an EU adaptation strategy in April 2013. Adaptation means anticipating the adverse effects of climate change and taking appropriate action to prevent or minimise the damage they can cause, or taking advantage of opportunities that may arise. The varying severity and nature of climate impacts between regions in Europe means that most adaptation initiatives will have to be taken at regional or local level. Improving waste management could also deliver positive effects for the economy. As part of a shift towards a circular economy, the Commission has made four legislative proposals introducing new waste management targets regarding reuse, recycling and landfill, strengthening provisions on waste prevention and extended ***producer*** responsibility, and streamlining definitions, reporting obligations and calculation EPRS Challenges for EU cohesion policy Members' Research Service Page 6 of 12 methods for targets. Quite a lot of this legislation will affect the way LRAs collect and process waste. Networks of cities and regions can work together in order to learn from each other and to exchange good positive examples. They can form common initiatives, for instance, in order to protect the environment. Linked to the issue of the environment, the Energy Union strategy, which was launched in February 2015, set out the EU's main ambitions in the field of energy, involving a major shift towards renewable energy sources and sustainable energy use, among other things. Cohesion policy also plays a part in this scenario: over the 2014-2020 ***programming*** period, €38 billion will be available under the ERDF and the Cohesion Fund to support investment in the low-carbon economy. ERDF rules for the same period require mandatory minimum spending from Member States in this particular field. It remains to be seen whether more ambitious targets will be set in environmental protection through the use of the ESI funds. The 7th Cohesion Report highlights the priorities set out in the reflection paper on EU finances, according to which EU funding needs to focus on areas where the highest EU added value can be achieved. Social inclusion, employment, skills, research and innovation, climate change energy and environmental transition are identified as areas that cohesion policy needs to invest in. Addressing migration and globalisation are also mentioned in these two documents. Performance and simplification As mentioned by Commissioner Creţu in various speeches, the future of cohesion policy will depend on providing convincing arguments regarding the added value of the policy and its results. Therefore, performance is a key element in order to convince sceptics, and to safeguard the financial resources that the policy has obtained thus far. However, opinions on what cohesion policy should deliver vary from one policy actor to another. Some Member States would like to see cohesion policy closely linked to issues of economic objectives whereas others tend to emphasise the cohesion aspects of the policy. Already, cohesion policy has quite an ambitious role as it aims at addressing the cohesion gap, to contribute to macroeconomic stability and even to address new policy challenges such as immigration. Nevertheless, multiple conflicting priorities may overburden it. In addition, when it comes to more tangible effects, it is not always easy to measure the impact of cohesion policy on certain domains. The Commission provided figures regarding the positive impact of cohesion policy in various fields regarding the 2007-2013 period. However, few results can yet be reported from the 2014-2020 period due to the usual delay in the start of the ***programmes*** in the first ***programming*** years. Nevertheless, the 7th Cohesion Report states that investment for the 2007-2013 period is estimated to have increased GDP in the EU-12 by nearly 3 % and by a similar amount for the (now EU-13) in the 2014- 2020 period. Various ideas such as focusing on the quality of implemented projects rather than on absorption of funds, and easing the administrative burden of the policy through simplification may enhance the performance of cohesion policy. Simplification Thematic concentration was an issue in the previous ***programming*** period (2007-2013) and led to the establishment of core thematic objectives that derived from the Europe 2020 strategy and linked to a set of headline targets. It may be the case that efforts to increase concentration in fewer thematic areas will persist in the post-2020 period. However, although thematic concentration may be seen as a way to increase the EPRS Challenges for EU cohesion policy Members' Research Service Page 7 of 12 effectiveness of funds, it also leads to re-allocation of resources, which always requires careful ***planning***. Under the 2007-2013 ***programming*** period, separate sets of ***strategic*** guidelines coexisted for cohesion policy, rural development, and fisheries and maritime policy. Member States tried to simplify procedures by setting up the common ***strategic*** framework for the 2014-2020 period. The common ***strategic*** framework also represents the single European reference frame for better coordination between the European structural and investment funds and other EU instruments. However, receivers and managing authorities of EU funds tend to complain that handling them can be quite complicated as they are tied to burdensome bureaucratic requirements. EU funds are still bound to various EU and Member State rules, which occasionally makes their administration a cumbersome exercise. In order to tackle these issues, in 2015 the Commission set up a high-level group with the main task of advising the Commission on how to simplify and reduce the administrative burden for the beneficiaries of the five ESI funds. The group made recommendations on improving the implementation of simplification measures for the post-2020 period. With the omnibus regulation, the Commission proposes to roll out a single act for making a revision of the general financial rules, accompanied by corresponding changes to the sectorial financial rules set out in different legislative acts concerning multiannual ***programmes***. In simplifying and making EU financial rules more flexible, this proposal paves the way for the preparation of the next post-2020 generation of spending ***programmes***. Financial instruments and the European Fund for ***Strategic*** Investment Regulations provide flexibility for Member States and managing authorities when designing ***programmes***, both to choose between delivering investment through grants and financial instruments (FIs), and to select the most suitable financial instrument. Financial instruments provide support for investment by way of loans, guarantees, equity and other risk-bearing mechanisms, possibly combined with technical support, interestrate subsidies or guarantee-fee subsidies within the same operation. The 7th Cohesion Report states that financial instruments are also important in the context of several strategies or certain specific types of investment, such as improving energy efficiency. Although the Commission is highly supportive of using financial instruments, some academic sources are more reserved when it comes to the benefits they offer. For instance, an EPRC study points to the fact that these instruments can be burdensome and difficult for regional authorities to manage. According to the same study, these instruments are perceived as less useful in small projects and in certain areas (for instance, in sparsely populated areas). Furthermore, the potential of these instruments to leverage private-sector funding is also questioned. An EPRS briefing notes the various bureaucratic hurdles that need to be addressed so that FIs can be explored sufficiently by the Member States. In its reflection paper on the future of EU finances, the Commission suggests that financial instruments can play an important role in allowing the EU to 'do more with less'. It suggests that FIs are only appropriate for revenue-generating projects. It states that grants and subsidies will therefore continue to be needed for projects that do not generate revenues (e.g basic research, certain types of infrastructure, investment in the social domain, or people-based investments such as Erasmus+ or Marie Sklodowska-Curie grants). It recognises that the number of EU-level instruments and the rules applying to them is an obstacle to their efficient use. The 7th Report on economic, EPRS Challenges for EU cohesion policy Members' Research Service Page 8 of 12 social and territorial cohesion also points out that complementarity between financial instruments could be enhanced. The EFSI-ESI fund relationship Another related issue is the functioning of the European Fund for ***Strategic*** Investment (EFSI), which aims to mobilise €315 billion in additional investment in the real economy, and its relationship with the EU's regional policy. EFSI has been one of the main priorities of the Commission which proposed an extension of its duration until 31 December 2020. It provides funding based on a competitive selection procedure and does not have any pre-defined geographical allocations the way cohesion policy does. It is not a cohesion policy funding element, but rather, a Commission initiative for encouraging investment. Certain issues stemming from EFSI may cause a conflictual and competitive relationship with the ESI funds. Although in theory there are synergies between the ESI funds and ESIF, a lot remains to be done in practice to achieve further interoperability and complementarity. So far, the combination of ESI funds with EFSI has been minimal, owing to the technicalities involved, undermining their complementarity. In addition, EFSI's geographical and thematic concentration may run counter to the scope of the ESI funds and to the aim of territorial cohesion. The various priorities that characterise EFSI operations may also contradict the EU's regional policy objectives, as implemented through the ESI funds. In addition, the prioritisation of EFSI, and its high profile on the EU agenda, may further undermine the prestige of EU regional policy. The urban agenda for the EU, regions lagging behind and areas with special geographic characteristics The urban agenda Cities, towns and suburbs are home to more than 70 % of the EU's population, and constitute major hubs of economic growth. For this reason, at least 50 % of the ERDF resources for the 2014-2020 period will be invested in urban areas. Various policy innovations in this ***programming*** period also highlight the important role of urban areas for the EU. For instance, Article 7 of the ERDF Regulation provides that at least 5 % of ERDF resources allocated at national level under the investment for jobs and growth goal must be earmarked for integrated actions for sustainable urban development. Certain EU policy targets, such as the Europe 2020 ones for smart, green and inclusive growth, rely heavily on the involvement of urban areas in implementing them. In addition, the 7th Cohesion Report mentions urban areas in many of its policy recommendations. However, as there is no legal basis for urban policy in the EU Treaties, discussions on urban development at EU level have primarily taken place within the framework of intergovernmental cooperation. An agreement between the Member States led to the conclusion of the Pact of Amsterdam on the Urban Agenda for the EU in May 2016. The core objective of the Urban Agenda for the EU will be to improve the implementation of EU and national policies on the ground, by involving cities in the design and implementation of urban-related policies as a way of making them more effective, efficient and inexpensive. Momentum has been gathering for the implementation of such an agenda. The first pilot partnerships between the Commission, Member States, cities and stakeholders have been created as the key delivery mechanism for integrating cities into EU policy-making. The partnerships have to prepare and implement an action ***plan*** with concrete actions at EU, national and local level. Bridging the rural-urban divide is also a point of concern for various cohesion policy-makers. EPRS Challenges for EU cohesion policy Members' Research Service Page 9 of 12 Regions lagging behind So far, cohesion policy has benefited all EU regions, while offering additional support to regions with lower-than-EU-average gross domestic product rates. As such, it is a universal policy that covers – albeit to different degrees – all EU citizens. Most EU cohesion funding is addressed to less developed and transition regions. Nevertheless, some EU regions have not been able to fully grasp the advantages of the investment opportunities on account of effects of the economic crisis and structural problems. Regions that are lagging behind or suffering low growth are usually regions from eastern or southern European countries. The latter have lower than EU average GDP, despite benefiting from many years of European and national funding. Many of them have also been hard hit by austerity policies aimed at bringing the economies of their respective countries into shape. While increasing their funding allocations seems like a logical solution, it is not a panacea for all their problems. An analysis by Willem Molle (Erasmus Universiteit Rotterdam) suggests that southern European regions will have sluggish growth on account of a lack of proper governance, or their predominant investment choices (for instance, heavy investment in roads and/or infrastructure). The 7th Cohesion Report also stresses the impact of quality of government as an important determinant of regional growth. It also states that in many regions across the EU, public procurement is open to the risk of corruption. The Commission has launched an initiative to help these less-developed regions catch up. Its aim is to analyse what holds back growth in lessdeveloped regions and to provide recommendations and assistance on how to unlock their growth potential. Regions with special geographic characteristics The geographic characteristics of certain regions may prevent them from competing with other regions on an equal basis. Article 174 TFEU states that: 'among the regions concerned, particular attention shall be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as northernmost regions with very low population density and island, cross border and mountainous regions'. Some of these regions may thus require additional assistance. The Common Provisions Regulation (1303/2013), which sets out the rules for

the ESI funds, offers these regions various forms of assistance that have either not been put in place or have so far had limited application. Various European territorial associations (such as the CPMR and Euromontana) have criticised the limited provisions that cohesion policy offers these regions. EPRS has ***produced*** specialised briefings on the issue of islands of the EU as well as on that of sparsely populated and under-populated areas. Various Parliament resolutions on island territories and mountainous regions have meanwhile taken a positive view on special measures for such regions. In addition, Article 349 TFEU also addresses the issue of the EU's outermost regions, which are mentioned several times in the 7th Cohesion Report. Alternative indicators to GDP The use of indicators is of extreme importance as it determines who benefits from cohesion policy funding. Until now, cohesion policy funds have been allocated through a system of calculation of regional GDP per head rather than on the basis of other indicators capturing social progress. Figure 1 shows the EU NUTS regions according to GDP level. The NUTS classification is used for defining regional boundaries and determining geographic eligibility for structural and investment funds. Regional eligibility for ERDF and ESF funding during the 2014-2020 ***programming*** period was calculated on the basis of regional GDP per inhabitant (averaged over the 2007–2009 period). In addition, the EPRS Challenges for EU cohesion policy Members' Research Service Page 10 of 12 Cohesion Fund covers Member States whose gross national income (GNI) per inhabitant is less than 90 % of the EU average.3 NUTS 2 regions were ranked and split into three groups:  less developed regions (where GDP per inhabitant was less than 75 % of the EU-27 average); (yellow on the map)  transition regions (where GDP per inhabitant was between 75 % and 90 % of the EU-27 average); (light blue on the map), and  more developed regions (where GDP per inhabitant was more than 90 % of the EU-27 average (dark blue on the map). Changes in Member States' GDP levels have had a serious impact on the regions, some of which have suffered significantly.4 The recent changes in regional GDP levels may be another incentive to suggest that alternative indicators are necessary in order to depict the real issues and problems that European regions are facing. Various methods complementary to GDP have been presented. The draft version of the EU regional Social Progress Index (SPI), released in October 2016, aims to measure the social progress of 272 European regions as a complement to traditional measures of economic progress. Similarly, in a speech in February 2016, Commissioner Creţu supported the idea of including new indicators in cohesion policy, in addition to that of GDP. In particular, she mentioned the Europe 2020 index, the OECD indicators on wellbeing, those on regional competitiveness, as well as the Human Development Index (HDI). The 7th Cohesion Report also points out that the allocation of funds could be revised by adding criteria linked to the challenges the EU faces, from demographics and unemployment to social inclusion and migration, and from innovation to climate change. The view of the European Parliament In June 2017, the European Parliament adopted a resolution (2016/2326) on building blocks for a post-2020 EU cohesion policy (rapporteur: Kerstin Westphal, S&D, Germany). The Parliament considers it essential that cohesion policy should have an adequate budget and that the consequences of Brexit should not lead to its weakening. It strongly opposes any scenario that would scale down the EU's efforts in relation to cohesion policy. It stresses the importance of shared management under the partnership principle and regrets the late adoption of various operational ***programmes***. It notes that the current European territorial cooperation budget does not match the great challenges facing Interreg ***programmes***, nor does it effectively support cross-border cooperation. Parliament underlines that the current categorisation of regions demonstrates the value of cohesion policy. It considers the creation of a reserve to be an interesting option to address major unforeseen events. The importance of ex-ante conditionalities, such as Figure 1 – NUTS 2 regions by gross domestic product Source: Eurostat regional yearbook, 2015. EPRS Challenges for EU cohesion policy Members' Research Service Page 11 of 12 research and innovation strategies for smart specialisation, is also highlighted. Parliament opposes macro-economic conditionality and highlights that the link between cohesion policy and economic governance processes within the European Semester must be balanced. It mentions the need to simplify cohesion policy's overall management system. The EP believes that grants should remain the basis of the financing of cohesion policy and calls on the Commission to ensure better synergies and communication between and about the ESI funds and other Union funds and ***programmes***, including EFSI. In the resolution, Parliament also states that combating unemployment remains a priority. Cohesion policy should continue to care for the vulnerable and marginalised, addressing growing inequalities and building solidarity through investments in education, training and culture. Partnerships between rural and urban areas, RIS3 and climate change mitigation are also seen as issues that can be tackled through cohesion policy. The resolution welcomes the Pact of Amsterdam and the recognition accorded to cities in European policy-making. It considers that the reception of migrants and refugees, as well as their social and economic integration, should also be addressed through current and future EU cohesion policy. Lastly, Parliament calls on the Commission to start preparing the new legislative framework in good time so that it can be implemented at the start of the new ***programming*** period. Parliament is expected to adopt a resolution on the 7th Report on economic, social and territorial cohesion in 2018 on the basis of an own-initiative report prepared by its Committee on Regional Development (rapporteur: Marc Joulaud, EPP, France). The view of the Committee of the Regions In its 2017 opinion, the Committee of the Regions (CoR) points out that the policy for strengthening economic, social and territorial cohesion is one of the most important and comprehensive EU policies. The basic structure of cohesion policy with its three categories (most developed regions, transition regions and less developed regions) should be retained. It calls for cohesion policy to become more flexible in the next funding period and claims that it is important for it to have adequate funding. Therefore, the percentage share of budget allocated to it should remain the same. The opinion considers it essential to guarantee the functioning of multi-level governance and the bottom-up approach through shared management and in full compliance with the principle of subsidiarity. It calls for increasing the visibility of cohesion policy through appropriate communication tools. In a 2018 resolution, the CoR declared it would go to the European Court of Justice if Commission proposals to offer Member States the possibility to use EU cohesion funds for supporting structural reforms are agreed. The CoR argues that the Commission's ***plan*** contravenes the principles of subsidiarity, multi-level governance, co-financing and shared management. Outlook Some of the issues mentioned in this briefing require changes in the technical procedures of cohesion policy, whereas others are of a more political nature and may lead to intensive debates. Already, certain sceptical European actors question the utility of cohesion policy. The post-2020 MFF will show which will be the main priorities in the field of regional policy. For the time being, it is foreseen that cohesion policy will experience budgetary EPRS Challenges for EU cohesion policy Members' Research Service Page 12 of 12 reductions. In addition, the appearance of new political priorities means that further flexibility in funding may be required in cases of emergency – for instance, the adoption of urgent measures to deal with immigration flows that may lead to a quantitative change in the ESI funds. However, possible reallocations of funds through a re-prioritisation of policy targets may open up the debate between net contributing and net receiving Member States, or between different political agents who would like to defend their domains from a possible loss of funds. Furthermore, by allowing transfers of funds, cohesion policy may be seen as a flexible source of money that can easily be re-directed to new issues every time political priorities are altered. The question of simplifying access to funds will be of considerable importance. In addition, the use of new, complementary to GDP indicators for the allocation of those funds, is also an issue to be followed up. Main references Bachtler J., Mendez C. and Wishlade F., Evolution or revolution? Exploring new ideas for cohesion policy 2020+, EoRPA Paper 16/4, EPRC, 2016. Margaras V., EFSI and ESI funds – Complementarity or contradiction?, EPRS, 2017. McCann P., The Regional and Urban Policy of the European Union, Edward Elgar Publishing, 2015. Molle W., Cohesion and growth: The theory and practice of European policy making, Abingdon, Routledge, 2015. Endnotes 1 See: J. Bachtler, C. Mendez and F. Wishlade, Evolution or revolution? Exploring new ideas for cohesion policy 2020+, EoRPA Paper 16/4, EPRC, 2016 and J. Woolford, Implications of Brexit for UK ESI Fund ***programming*** and future regional policy, EStIF, No 3, 2016. 2 See for instance, an analysis by Vasilis Avdikos and Anastassios Chardas, 'European Union cohesion policy post 2014: More (place-based and conditional) growth – less redistribution and cohesion', Territory, Politics, Governance, Vol. 4, No 1, 2016, pp. 97-117. 3 It aims to reduce economic and social disparities and to promote sustainable development and funds projects in the field of transport and environmental infrastructure. The Member States covered by this particular fund are: Bulgaria, the Czech Republic, Estonia, Greece, Croatia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Portugal, Romania, Slovakia and Slovenia. 4 When it comes to cohesion policy, Article 7 of the Multiannual Financial Framework Regulation provided for an adjustment for the years 2017 to 2020, to be based on updated statistical data available in 2016. This led to a rebalancing of funding to the countries deemed to have suffered more from the crisis. Disclaimer and Copyright This document is prepared for, and addressed to, the Members and staff of the European Parliament as background material to assist them in their parliamentary work. The content of the document is the sole responsibility of its author(s) and any opinions expressed herein should not be taken to represent an official position of the Parliament. Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy. © European Union, 2018. Photo credits: © Stockfotos-MG / Fotolia. [*eprs@ep.europa.eu*](mailto:eprs@ep.europa.eu) [*http://www.eprs.ep.parl.union.eu*](http://www.eprs.ep.parl.union.eu) (intranet)   [*http://www.europarl.europa.eu/thinktank*](http://www.europarl.europa.eu/thinktank) (internet)   [*http://epthinktank.eu*](http://epthinktank.eu) (blog)

**Load-Date:** February 27, 2018

**End of Document**



[***Catalonia t=""o create food innovation hub for nutrition, safety and sustainability***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5ST7-J2H1-JC6M-X2P2-00000-00&context=1516831)

FoodNavigator.com

Jun 2018 8:02 AM GMT+1

Copyright William Reed Business Media Ltd. All Rights Reserved

**Section:** SCIENCE

**Length:** 493 words

**Byline:** Katy Askew, , [*Katy.Askew@wrbm.com*](mailto:Katy.Askew@wrbm.com)

**Body**

Catalonian a=""re launching an initiative to transform and revitalise the regional agri-food sector and create a new food valley in southern Europe.

The project, S=""pecialization and Competitiveness Project (PECT NUTRISALT), was unveiled today (26 June) at the head offices of EURECAT, the technology centre of Catalonia.

It a="" collaboration between EURECAT and the Reus City Council as well as other regional research and development organisations. Agri-food research institute IRTA, which is related to the Catelonia Department of ***Agriculture*** (DARP), Rovira i Virgili University (URV) and the URV Foundation are also participating.

The i=""s focusing on the Reus and the Camp de Tarragona area. It will focus on the development of innovative, safe, healthy and sustainable food .

PECT h=""as a budget of 1.93m through to 2020, with 50% of its funding coming from the ERDF Operational ***Programme*** for Catalonia and 25% from Tarragona Provincial Council.

Three o=""f innovation

PECT w=""ill focus on what has been identified as three work areas that the project structure is targeting.

Researchers d=""evelop approach technologies to add value to existing products and create new food products that are close to the consumer and support health.

In f=""ield of animal husbandry, PECT has been tasked with developing technology and support platforms in areas such as animal nutrition and rearing that will safeguard food safety, reduce the environmental impact of animal farming and provide regional support structures to ***producers***.

Finally, p=""roject is required to ***plan*** the future regional development and provide support to the competitiveness of companies and agri-food products . PECT will facilitate the commercialisation and internationalisation of the regional agri-food sector. It will also provide practical support to start-ups and develop an ecosystem that provides space for the co-creation of products and new business models .

Leading R&I s=""outhern Europe

The i=""s that this investment in innovation and research capabilities will help transform the region into an international hub of nutrition and health .

By a="" specialised innovation hub, it is hoped that the area will become the southern European equivalent of the Food Valley in Wageningen, Holland, which is viewed as a European benchmark in this field.

PECT c=""omplementary to several local and regional ***strategic*** ***plans***, such as the the Regional Smart Specialization Strategy (RIS3CAT), which identifies the food sector as the primary ***strategic*** sector for the Catalan economy.

The N=""UTRISALT project integrates and complements the objectives of the participating institutions and constitutes an opportunity to move forward as a region, IRTA said in a statement.

As o=""f the project, IRTA ***plans*** to construct the Cooking Lab, an experimental kitchen that will specialise in oils and nuts. The facility will be located in the IRTA Mas Bové centre in Constantí.

**Load-Date:** July 15, 2018

**End of Document**



[***Huaphan farmers move from opium cultivation to coffee growing***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S2R-VM61-F17J-S3YP-00000-00&context=1516831)

Asia News Network

July 12, 2017 Wednesday

Copyright 2017 Asia News Network All Rights Reserved



**Length:** 425 words

**Byline:** News Desk

**Body**

Local authorities are actively supporting the “Alternative Development in Huaphan province” project and staff from the ***agriculture*** and forestry offices in Kuan, Xamtay and Xon districts to provide daily supervision and guidance to the coffee farmers.

Since November last year, farmers from opium-growing communities in the target area have been introduced to coffee as an alternative crop, according to UNODC. Last week, a milestone was reached in the project when 250 farmers planted their first coffee seedlings.

The event was marked by ceremonies arranged by authorities in Kuan, Xamtay and Xon districts. During the events, farmers held discussions with government and project officials and planted seedlings in their coffee plantations.

“We believe coffee has great potential not only for the villages that are already included in the project, but also for other villages in our district” MsSengphetLukham-in from Xamtay district authority said in her remarks at the event.

Similarly, Xon district authority official, MrVonesengHouangphanxay, said coffee is a ***strategic*** crop, prioritised by the district, as it provides an international market and an alternative to the environmentally destructive shifting cultivation currently practiced by many farmers.

The Kuan district Governor, MrMaikhamPhimmasone, urged farmers to follow technical advice given by the coffee experts.

All districts highlighted that they consider coffee a priority crop, following local socio-economic development ***plans***.

“Coffee is a high-value cash crop with a potential to replace opium cultivation in these areas,” said MrPhathMarnachith, the official from the provincial Commission for Drug Control and Supervision.

“Opium farmers are generally poor and marginalised,” UNODC’s ***Programme*** Manager, ErlendAudunsonFalch, added. “They need alternative and sustainable sources of income, and we are trying to help them with that.”

Through the project, funded by the United States and Luxembourg, the farmers are provided material inputs and technical guidance needed to establish coffee plantations of one hectare each. The project also ***plans*** to help farmers establish a farmers’ organisation and it is also assisting them with livestock development and detoxification.

 Poor and marginalised farmers in the Golden Triangle currently ***produce*** around one-fifth of the world’s opium, according to UNODC.

 In the Lao PDR, where close to 6,000 hectares are used for cultivating the crop, production is concentrated in the highlands in the north of the country.

**Source:** Vientiane Times (Laos)

**Load-Date:** May 11, 2018

**End of Document**



[***DGAP-News: Ekosem-Agrar takes advantage of good environment in Russia to further boost its growth (english)***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PYF-HF81-DXCW-C358-00000-00&context=1516831)

dpa-AFX International ProFeed

November 14, 2017 Tuesday 10:36 AM GMT

Copyright 2017 dpa-AFX Wirtschaftsnachrichten GmbH All Rights Reserved



**Length:** 1221 words

**Body**

Ekosem-Agrar takes advantage of good environment in Russia to further boost its growth ^ DGAP-News: Ekosem-Agrar GmbH / Key word(s): ***Strategic*** Company Decision/Bond Ekosem-Agrar takes advantage of good environment in Russia to further boost its growth 14.11.2017 / 10:36 The issuer is solely responsible for the content of this announcement. --------------------------------------------------------------------------- EkoNiva Group at Agritechnica 2017 in Hanover: Ekosem-Agrar takes advantage of good environment in Russia to further boost its growth Walldorf, 14 November 2017 - The year 2017 saw Ekosem-Agrar GmbH, the German holding company of Russian milk ***producer*** Ekoniva Group, continue its growth amidst a very good environment, especially for milk production. In the course of 2017, the dairy cow herd increased to roughly 39,400 animals (+44%) with a daily milk output of over 900 tons (+50 %). The milk price recovered notably and currently stands at approx.

EUR 0.44, i.e. a good 25% above the previous year's average price. The Russian government's subsidies and Russian banks' increased interest in the domestic ***agricultural*** sector also make for a good investment and financing environment. Moreover, the general economic and political situation in Russia is showing a very positive trend. The political focus primarily rests on the subsidization of investments in dairy cow facilities. Thanks to the very good support in the form of low-interest loans and non-repayable investment grants in combination with the positive market situation in the dairy sector, new operations are able to generate positive cash flow after a short time. Ekosem-Agrar therefore decided to take advantage of the favorable conditions and to make further investments in the construction of dairy cow facilities. For the full year, Ekosem-Agrar ***plans*** to complete three dairy cow facilities for a total of approx. 8,800 dairy cows with a daily milk output of 240 tons in the Kaluga, Voronezh and Novosibirsk regions. Another four plants with a total capacity of approx. 14,400 dairy cows (approx. 400 tons of milk per day) are already under construction in these regions and will be completed in 2018. The company's dairy cow herd is expected to grow to roughly 60,000 animals by the end of 2018. The expansion is supported by a very strong team, which has grown by 22% to roughly 5,000 employees since the beginning of the year. The in-house training ***program*** launched four years ago helps leverage the huge potential of young and motivated staff. Together with many experienced skilled workers, this puts Ekosem-Agrar in an excellent position, also in manpower terms, to push ahead with the company's growth. Russia continues to be characterized by a strong structural change where very large ***agricultural*** enterprises buy many small and medium-sized businesses. However, the good economic conditions for large ***agricultural*** enterprises have also led to strongly increased land prices. To keep up with this trend, Ekosem-Agrar has already taken over some existing farms this year and is in talks about further takeovers. Against the background of the good financing opportunities, the Group has been able to increase its ***agricultural*** land by a total of 48,000 hectares to approx. 248,000 hectares (+24%) this year. Further takeovers are currently under discussion. Following some initial successes in milk processing and marketing, the management has decided to expand these activities as well and seized opportunities to invest in two existing processing companies located close to the Ekosem-Agrar locations. In October, the Group acquired a dairy including some 12,000 hectares of ***agricultural*** land and a dairy cow facility with roughly 3,000 cows in the Kaluga region. The takeover of another dairy in the Voronezh region is underway. Having its own milk processing resources for butter, milk powder and long-life milk allows Ekosem-Agrar to respond flexibly to fluctuations in the raw milk market and to play an even more active role to strengthen its position in negotiations with food retailers. The takeovers will increase the company's proceeding capacity from 40 tons to 390 tons per day. Stefan D\xFCrr, main shareholder and Managing Director of Ekosem-Agrar GmbH: 'We are very satisfied with the way our company has evolved. We are taking advantage of the good conditions for ***strategic*** investments with sound judgment to continue our growth and expand our market leadership. In spite of our many ***plans*** and projects, we never lose sight of the repayment of our two bonds in 2021 and 2022. We are convinced that the additional cash flows generated as a result of the investments will make it easier for us to repay the bonds.' About Ekosem-Agrar Ekosem-Agrar GmbH Walldorf, Germany is the German holding company in the Ekoniva Group, one of the largest Russian ***agricultural*** companies. With over 89,620 head of cattle (thereof approx. 39,400 dairy cows) and an average milk production of more than 900 tonnes per day, the company is the largest milk ***producer*** in the country. The group has approx. 248,000 hectares of farmland and is also one of the leading seed ***producers*** in Russia. Stefan Duerr, founder and Managing Director of the company, has been active in Russian ***agriculture*** since the 80s and has played a decisive role in its modernisation over the past two decades. In 2009, he was awarded the German Federal Cross of Merit for his contribution within the German-Russian ***Agricultural*** and Political Dialogue Project. The corporate group has about 5,000 employees at seven locations in six regions in Russia and achieved a total output of EUR 149.2 million and an EBIT of EUR 31.9 million in fiscal year 2016. For further information visit: [*http://www.ekosem-agrar.de/en*](http://www.ekosem-agrar.de/en) Contact Adrian Schairer // Ekosem-Agrar GmbH // T: +7 920 449 17 12 // E: [*adrian.schairer@ekosem-agrar.de*](mailto:adrian.schairer@ekosem-agrar.de) Irina Makey // Ekosem-Agrar GmbH // Johann-Jakob-Astor-Str. 49 // 69190 Walldorf // T: +49 (0) 6227 3585 919 // E: [*irina.makey@ekosem-agrar.de*](mailto:irina.makey@ekosem-agrar.de) //   [*www.ekosem-agrar.de*](http://www.ekosem-agrar.de) Media / Investor Relations Fabian Kirchmann // IR.on AG // T: +49 (0) 221 9140 970 // E: [*presse@ekosem-agrar.de*](mailto:presse@ekosem-agrar.de) --------------------------------------------------------------------------- 14.11.2017 Dissemination of a Corporate News, transmitted by DGAP - a service of EQS Group AG. The issuer is solely responsible for the content of this announcement. The DGAP Distribution Services include Regulatory Announcements, Financial/Corporate News and Press Releases. Archive at   [*www.dgap.de*](http://www.dgap.de) --------------------------------------------------------------------------- Language: English Company: Ekosem-Agrar GmbH Johann-Jakob-Astor-Str. 49 69190 Walldorf Germany Phone: +49 (0)6227 358 59 33 Fax: +49 (0)6227 358 59 18 E-mail: [*info@ekosem-agrar.de*](mailto:info@ekosem-agrar.de) Internet:   [*www.ekosem-agrar.de*](http://www.ekosem-agrar.de) ISIN: DE000A1MLSJ1, DE000A1R0RZ5 WKN: A1MLSJ, A1R0RZ Listed: Regulated Unofficial Market in Berlin, Dusseldorf, Frankfurt, Hamburg, Hanover, Stuttgart (bondm) End of News DGAP News Service --------------------------------------------------------------------------- 628835 14.11.2017 \xB0

**Load-Date:** November 14, 2017

**End of Document**



[***Australasia - Plans and promises.***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5R5J-Y7D1-F0PT-M189-00000-00&context=1516831)

Water Power & Dam Construction

December 1, 2017

Copyright 2017 Wilmington Publishing Limited All Rights Reserved

**Section:** Pg. 16

**Length:** 2409 words

**Highlight:** Refurbishment projects, ***plans*** for pumped storage and promises for new build have been the subjects of discussions in the hydropower sector in Australia and New Zealand.

**Body**

A number of new dams could be built in Queensland, Australia, if the Liberal National Party (LNP) has any say.

In its election campaign, the LNP announced ***plans*** to build more than $1.3 billion worth of critical water infrastructure and dams across the state, with ***plans*** to set up a Queensland Dam Company to oversee these developments. As we go to press, however, it looked like Labour were on course to win a majority leadership - obviously having an impact on any dam promises.

The LNP put the focus on the Urannah Dam, Nullinga Dam, Rookwood Weir and raising of the Burdekin Falls Dam in its campaign.

"We will fund and complete the ***planning*** and Environmental Impact Studies for Urannah, Nullinga and the Burdekin Falls Dam projects to get them shovel-ready," LNP Leader Tim Nicholls said. "We will also upgrade the Haughton Channel in Townsville and duplicate the Ross River Dam Pipeline.

"We will build the Rookwood Weir and once the EIS and feasibility study for Urannah is finished, we will build it too. This is our ***plan*** for water security in Queensland."

The ***plans*** for the Queensland Dam Company would see the firm set up in regional Queensland, according to Deputy LNP Leader and Shadow Infrastructure Minister Deb Frecklington.

"The Dam Co will be Queensland's version of the Snowy Hydro Authority, the company set up nearly 70 years ago to sort out and deliver the Snowy Hydro Scheme, a project which changed this country," she said. "It will allow for investment in our dams by the Federal Government, which has billions of dollars ready and available for dams and water infrastructure - we need to get our share."

LNP Shadow ***Agriculture*** Minister and Burdekin MP Dale Last added that the LNP's dam ***plan*** would be a game-changer for central and north Queensland.

"Not only will these dams support thousands of jobs across the state, they will also bring a massive economic boost to towns and cities doing it tough like such as Proserpine, Bowen, Ayr and Mackay," Last said. "The last dam built in regional Queensland was the Paradise Dam near Bundaberg more than 12 years ago."

But if Labour do indeed win the election as predicted as we went to press, will any of this come to fruition? In their election manifesto it states: "Labor will ensure that new dams are only supported where there is a recognised need that cannot be met by alternative options, and where the impact to the environment can be avoided or minimised and, if there are no alternatives, offset." While this does not rule dam development, it would certainly not be on the scale ***planned*** by the LNP.

Major milestones for pumped storage

South Australia has also seen ***plans*** for new hydropower development progress. A proposed Australian-first seawater pumped hydro project has passed a major milestone with an initial feasibility report finding no "show stoppers" to the development.

EnergyAustralia, together with consortium partners Arup Group and Melbourne Energy Institute, said the 225MW energy storage project at Cultana in the Spencer Gulf could now proceed to the next stage, including engineering design, ***planning*** approvals and more detailed financial modelling.

EnergyAustralia Managing Director Catherine Tanna said pumped hydro was really a way of storing energy so it can be used when it's needed, typically when renewables are not available. She said pumped hydro was an ideal technology for balancing renewables with firm energy supply - a key recommendation of the Finkel report on the Future Security of the National Electricity Market.

"Pumped hydro has great potential to solve one of the most pressing energy issues we face - integrating intermittent renewable supply into the grid in a way that delivers reliable, affordable power," Ms Tanna said. "The project we're investigating would be capable of ***producing*** 225 MW of electricity with around eight hours of storage. It's the equivalent of installing 126,000 home battery storage systems, but at a third of the cost.

"We still have a lot of hard work ahead of us before we can commit to a project. But based on the studies we've done these past six months we're optimistic seawater pumped hydro can play an important role in a new, modern Australian energy system," Ms Tanna said.

In early 2017, the consortium was awarded $453,000 by the Australian Renewable Energy Agency to partially fund the feasibility study.

Mike Straughton, Regional Leader Environment and Resources Arup Australasia, said large scale storage will play a significant role in providing resilience to the National Electricity Market as generation capacity transitions towards greater intermittent technology.

"Arup is committed to remaining at the forefront of projects such as Cultana, which support the market in the transition to a lower carbon future, and is excited to be working with EnergyAustralia as the project progresses," Mr Straughton said.

Professor Michael Brear, Director of the Melbourne Energy Institute at the University of Melbourne, added that pumped hydro storage in South Australia is a great example of industry, government and academia coming together.

"We're delighted to be involved in this collaboration to develop innovative technologies and help make possible the transition to a low-cost, low-carbon energy system," Professor Brear said.

While pumped hydro isn't new technology, the project proposed for Cultana would be the first in Australia to use seawater rather than freshwater, a key consideration for a dry state like South Australia.

As the consortium moves ahead with its assessment it will also begin another round of community consultation. "The reality is major projects don't proceed without the public's support," Ms Tanna said.

With construction expected to take around three years, a seawater pumped hydro project at Cultana could be operational and supporting the South Australian energy grid by 2022.

Pumped storage is also hitting the headlines in Queensland. At the end of November Genex Power Limited announced it has secured further Federal Government funding of up to $5 million via a funding agreement with the Australian Renewable Energy Agency (ARENA) for the Kidston Stage 2 Project (K2) at Kidston, North Queensland.

The K2 Project comprises the 250MW Kidston pumped storage hydro project (K2-Hydro), and the co-located 270MW solar PV Project (K2-Solar).

"Genex is pleased to continue its partnership with ARENA for the Kidston Stage 2 Project," said Genex Managing Director, Michael Addison. "The continued support from ARENA is testament to the innovative nature of the Project, and the growing importance of large-scale energy storage in the context of the increasing penetration of renewable energy in the National Electricity Market. It also represents a vote of confidence in the pathway Genex has outlined to financial close.

"Following publication of our optimised technical feasibility study and the appointment of an ECI contractor for the K2-Hydro Project, the ARENA funding will be applied towards Genex's project financing and EPC finalisation activities as the Company continues its engagement with EPC contractors, energy partners and debt and equity providers," he added. "This additional funding serves to strengthen Genex's financial position as the Company advances the Kidston Stage 2 Project to financial close in 2018."

Following a detailed review of the studies undertaken to date, it was concluded that an augmented design utilising the two existing mine pits as the upper (Wises pit) and lower (Eldridge pit) reservoirs, was the optimal choice for 250MW of installed capacity, in place of the Turkey's Nest design under the TFS. In a statement, Genex said it had decided to delete the Turkey's Nest design because it's proposal was premised upon a larger storage requirement, given the initial preferred project configuration of 450MW for five hours - with the new optimised design of 250MW, the Wises pit can now be utilised as the upper reservoir for lower capital cost; and with minor excavation and dam works, the TFS Optimisation design provides for a channel connecting the modified Wises pit to the existing proposed location for the underground power station cavern, which was subject to detailed drilling and geotechnical studies as part of the original TFS.

Upgrade work

As well as the ***plans*** for new projects, upgrade work is being carried out on a number of existing hydropower and dam projects. Snowy Hydro, working with Andritz Hydro, is about to commence detailed design work for the replacement of the generator in unit one at Guthega Power Station. After more than 60 years of reliable operation this is the first time any generator across the Snowy Scheme has needed to be replaced.

The generator is connected to the turbine and is the part of the machine that converts the power ***produced*** by the spinning turbine into electrical energy for consumers. This project is certainly not your average flat pack. The generator will be assembled from thousands of individual pieces and weighing in at 230 tonnes it will need specialised trucks and trailers to get it on site.

Paul Broad, CEO of Snowy Hydro said this $13 million replacement project was the latest example of the company's ***strategic*** investment in the Snowy Scheme.

"It's not just Guthega Power Station we're investing in. We have a thorough asset maintenance and modernisation ***program*** that upgrades our power stations and the water infrastructure across the Snowy Scheme.

"We've undertaken asset improvements that have actually increased the Scheme's total generation capacity".

"We've also implemented new technologies that allow us to start our generators faster, respond more quickly to changing market conditions and run our power stations remotely through our central control centre", Mr Broad said.

The new generator will have a higher design rating (40MW) than the existing unit to match the previously upgraded turbine. Every generator across the Scheme can be used independently and therefore each unit wears differently and is replaced based on its condition rather than age.

After undertaking a competitive tender process Snowy Hydro appointed Andritz Hydro to undertake the design, fabrication, install and commissioning of the generator. Andritz Hydro is a global supplier of electromechanical systems and services for hydropower plants and hydraulic power generation. The detailed design process and unit fabrication is expected to take around 12 months.

The Guthega Power Station houses two 30MW hydroelectric generating units and was the first power station built with construction starting in 1951. It's on the Snowy River, just 12km from the summit of Mount Kosciuszko and sitting at 1330m asl, it is the highest power station in the Snowy Scheme.

Aurecon and Entura also recently announced they are partnering to deliver detailed design advisory services to Queensland bulk water authority Seqwater for a project to upgrade Sideling Creek Dam. The firms' appointment follows a dam safety review and recent completion of complementary investigations and preliminary design of the upgrade work.

Sideling Creek Dam is located in the Moreton Bay regional area, approximately 24 km north of Brisbane. The 23m high zoned earthfill dam was built in 1969 and upgraded in 1984. It consists of a 500m long embankment main dam and an 8m high, 70m long embankment saddle dam.

"The Sideling Creek Dam upgrade is a critical part of Seqwater's Dam Improvement ***Program*** and we're pleased to have the ongoing support of Aurecon and Entura," said Colin Thompson, Seqwater's Project Manager.

"The approved option for the upgrade involves strengthening the main dam and spillway and will allow the dam to be restored to its original full supply level once the upgrade is complete."

"We're delighted to be partnering with Seqwater on the Sideling Creek Dam upgrade to ensure it meets the Queensland dam safety guidelines into the future," commented Aurecon-Entura Project Director, David Thomas.

Entura and Aurecon have been involved in other upgrade projects for Seqwater including Cooloolabin and Moogerah Dam upgrades.

Moving on from Ruataniwha

Its not all good news for dam development however. In August, Hawke's Bay Regional Council announced it had voted unanimously to move on from the Ruataniwha Water Storage Scheme and focus its efforts on other priorities.

The ability for the scheme to proceed remains uncertain in light of a decision by the Supreme Court not to allow the Department of Conservation land swap necessary for the construction of the proposed Ruataniwha dam.

The Council's Chief Executive James Palmer said at the time that there has been considerable effort expended to deliver the scheme, against a backdrop of differing community views and a number of obstacles. He said the Council has formally decided to stop investing in the development of the scheme: "The Regional Council has a number of priorities to address. To support this the Council has initiated a capital structure review on the Council's entire balance sheet, which includes the best use for the $66 million investment presently allocated to the now uncertain Ruataniwha scheme."

HBRIC Ltd Chief Executive Blair O'Keeffe added that HBRIC Ltd has agreed that, if the scheme is to proceed in some form, it is best led by other investors, which has proven successful elsewhere.

The Council authorised HBRIC to sell any assets or intellectual property developed to date in connection with the Ruataniwha scheme.

"A consequence of ongoing delays and impediments to the scheme progressing is the need to address the book value of $14 million, which was advanced to HBRIC Ltd to develop the scheme. Council has agreed to write these funds off, given the uncertainty of its investment," said Palmer.

He says both the Council and HBRIC Ltd now need to focus their energies on new priorities.

The Ruataniwha Water Storage Scheme was described as a long-term sustainable water supply solution for Central Hawke's Bay. It is part of a wider ***programme*** to better manage water resources in the Tukituki Catchment.

The scheme was to consist of a 93 million m3 storage reservoir located in the upper Makaroro river, storing water during periods of high flow and over winter. Water from the scheme can then be released improving river flows in the Tukituki Catchment through summer for river life and other river users, while at the same time providing secure water to irrigators. The scheme was ***planned*** to be funded by both the public and private sector.

**Load-Date:** December 13, 2017

**End of Document**



[***-Tyson Foods Boosts FY2017 EPS Guidance on Strong Beef Segment Performance; Another record year projected for FY18; net cost savings targets announced***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PM6-R4G1-JD3Y-Y0WJ-00000-00&context=1516831)

ENP Newswire

October 2, 2017 Monday

Copyright 2017 Normans Media Limited All Rights Reserved



**Length:** 1978 words

**Body**

Springdale, Ark- Tyson Foods, Inc. (NYSE: TSN) today announced increased adjusted guidance for fiscal 2017, adjusted guidance for fiscal 2018 and cost savings targets for 2018-2020.

Adjusted earnings guidance for the 2017 fiscal year, which ends Saturday, has been increased to an adjusted $ 5.20-5.30 per share, up from $ 4.95-5.05, primarily due to much better than expected earnings in the Beef segment.

Guidance for fiscal 2018 is an adjusted $ 5.70-5.85 earnings per share, which would be the seventh consecutive year of record adjusted EPS.

The company ***plans*** to provide GAAP results for its fourth quarter and full-year 2017 in its fourth quarter earnings report scheduled for Nov. 13; however, at this time the company is unable to reconcile its full-year fiscal 2017 and 2018 adjusted EPS guidance to its full-year fiscal 2017 and 2018 projected GAAP guidance because certain information necessary to calculate such measures on a GAAP basis is unavailable or dependent on the timing of future events outside of our control. These potential items include, but are not limited to, the potential impairment of a non-protein business classified as an asset held for sale and any gains or losses upon the completion of the sale of three non-protein businesses, potential impairments of long-lived assets and intangible assets, and additional expense or modifications to its restructuring ***plan*** and other charges. Therefore, because of the uncertainty and variability of the nature of the amount of future adjustments, which could be significant, the company is unable to provide a reconciliation of this measure without unreasonable efforts. Adjusted EPS should not be considered a substitute for net income per share attributable to Tyson or any other measure of financial performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions.

Tom Hayes, Tyson's president and chief executive officer, said the company is implementing its previously announced 'Financial Fitness' ***plans***. 'We are creating momentum behind our continuous improvement agenda as we know we can be even more efficient operators,' he said. 'We are a good partner for growth for our customers and are constantly challenging ourselves to identify opportunities to create value for our consumers, customers and shareowners.'

Through a combination of synergies from the integration of AdvancePierre Foods acquired in June, and additional eliminations of non-value-added costs, the company expects cumulative net savings of $ 200 million, $ 400 million and $ 600 million over fiscal years 2018, 2019 and 2020, respectively. These savings primarily will impact the Prepared Foods and Chicken segments, focusing on three areas:

The company ***plans*** to reduce headcount by approximately 450 positions across several areas and job levels. Most of the eliminated positions will come from the corporate offices in Springdale, Chicago and Cincinnati.

'We're grateful to everyone who has contributed to the company's success, and we're thankful for their time with Tyson Foods,' Hayes said. 'These are hard decisions, but I believe our customers and consumers will benefit from our more agile, responsive organization as we grow our business through differentiated capabilities, deliver ongoing financial fitness through continuous improvement and sustain our company and our world for future generations.'

In its fiscal fourth quarter earnings report, Tyson Foods ***plans*** to report restructuring and other charges of approximately $ 140 - $ 150 million, composed of an approximately $ 70 million impairment for costs related to in-process software implementations, $ 45 - $ 50 million in employee termination costs and $ 25 - $ 30 million in contract termination costs.

The company ***plans*** to provide a reconciliation of its fourth quarter adjusted EPS and its full-year fiscal 2017 adjusted EPS guidance to its fourth quarter GAAP EPS and its full-year fiscal 2017 GAAP guidance in its fourth quarter earnings report scheduled for Nov. 13. The company last provided a reconciliation of adjusted EPS and GAAP EPS in its third quarter earnings release. For a reconciliation of the company's third quarter adjusted EPS and its nine-months ended adjusted EPS to its third quarter and nine-months ended GAAP EPS, respectively, see the company's Current Report on Form 8-K filed with the SEC on August 7, 2017.

Adjusted net income per share attributable to Tyson (adjusted EPS) is a supplementary measure of our financial performance that is not required by, or presented in accordance with, GAAP. We use adjusted EPS as an internal performance measurement and as one criterion for evaluating our performance relative to that of our peers. We believe adjusted EPS is meaningful to our investors to enhance their understanding of our financial performance and is frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report adjusted EPS. Further, we believe that adjusted EPS is a useful measure because it improves comparability of results of operations from period to period. Adjusted EPS should not be considered a substitute for net income per share attributable to Tyson or any other measure of financial performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of adjusted EPS may not be comparable to similarly titled measures reported by other companies.

The company will host a conference call with analysts to discuss these announcements at 9 a.m. EDT Friday, Sept. 29, 2017. Participants may pre-register for the call at [*http://dpregister.com/10112611*](http://dpregister.com/10112611). Callers who pre-register will be given a conference passcode and unique PIN to gain immediate access to the call and bypass the operator. Participants may pre-register at any time, including up to and after the call start time. Those without internet access or who are unable to pre-register may dial-in by calling toll free 1-844-890-1795 or international toll 1-412-717-9589.

A live webcast, including slides, will be available on the Tyson Foods Investor Relations website at   [*http://ir.tyson.com*](http://ir.tyson.com). The webcast also can be accessed by using the direct link   [*https://event.on24.com/wcc/r/1517267/0A51C0B8DD32E46218B1A4E8572833A7*](https://event.on24.com/wcc/r/1517267/0A51C0B8DD32E46218B1A4E8572833A7).

A replay of the call will be available until Oct. 29, 2017, toll free at 1-877-344-7529, international toll 1-412-317-0088 or Canada toll free 855-669-9658. The replay access code is 10112611. Financial information, such as this news release, can be accessed from the Company's web site at   [*http://ir.tyson.com*](http://ir.tyson.com).

To download the free Tyson IR App, which offers access to SEC filings, news releases, transcripts, webcasts and presentations, please visit the App Store for iPhone and iPad or Google Play for Android mobile devices.

About Tyson Foods

Tyson Foods Inc. (NYSE: TSN) is one of the world's largest food companies and a recognized leader in protein. Founded in 1935 by John W. Tyson and grown under three generations of family leadership, the company has a broad portfolio of products and brands like Tyson, Jimmy Dean, Hillshire Farm, Ball Park, Wright, Aidells, ibp and State Fair. Tyson Foods innovates continually to make protein more sustainable, tailor food for everywhere it's available and raise the world's expectations for how much good food can do. Headquartered in Springdale, Arkansas, the company has 114,000 team members. Through its Core Values, Tyson Foods strives to operate with integrity, create value for its shareholders, customers, communities and team members and serve as stewards of the animals, land and environment entrusted to it. Visit   [*www.tysonfoods.com*](http://www.tysonfoods.com).

Forward-Looking Statements

Certain information contained in this news release may constitute forward-looking statements, including but not limited to statements relating to expected performance, statements relating to adjusted EPS guidance and synergies estimates, and statements relating to impairment and other charges regarding restructuring and other termination actions. These forward-looking statements are subject to a number of factors and uncertainties which could cause our actual results and experiences to differ materially from the anticipated results and expectations expressed in such forward-looking statements. We wish to caution readers not to place undue reliance on any forward-looking statements, which speak only as of the date made. Among the factors that may cause actual results and experiences to differ from anticipated results and expectations expressed in such forward-looking statements are the following: (i) the effect of, or changes in, general economic conditions; (ii) fluctuations in the cost and availability of inputs and raw materials, such as live cattle, live swine, feed grains (including corn and soybean meal) and energy; (iii) market conditions for finished products, including competition from other global and domestic food processors, supply and pricing of competing products and alternative proteins and demand for alternative proteins; (iv) successful rationalization of existing facilities and operating efficiencies of the facilities; (v) risks associated with our commodity purchasing activities; (vi) access to foreign markets together with foreign economic conditions, including currency fluctuations, import/export restrictions and foreign politics; (vii) outbreak of a livestock disease (such as avian influenza (AI) or bovine spongiform encephalopathy (BSE)), which could have an adverse effect on livestock we own, the availability of livestock we purchase, consumer perception of certain protein products or our ability to access certain domestic and foreign markets; (viii) changes in availability and relative costs of labor and contract growers and our ability to maintain good relationships with employees, labor unions, contract growers and independent ***producers*** providing us livestock; (ix) issues related to food safety, including costs resulting from product recalls, regulatory compliance and any related claims or litigation; (x) changes in consumer preference and diets and our ability to identify and react to consumer trends; (xi) significant marketing ***plan*** changes by large customers or loss of one or more large customers; (xii) adverse results from litigation; (xiii) impacts on our operations caused by factors and forces beyond our control, such as natural disasters, fire, bioterrorism, pandemics or extreme weather; (xiv) risks associated with leverage, including cost increases due to rising interest rates or changes in debt ratings or outlook; (xv) compliance with and changes to regulations and laws (both domestic and foreign), including changes in accounting standards, tax laws, environmental laws, ***agricultural*** laws and occupational, health and safety laws; (xvi) our ability to make effective acquisitions or joint ventures and successfully integrate newly acquired businesses into existing operations; (xvii) cyber incidents, security breaches or other disruptions of our information technology systems; (xviii) effectiveness of advertising and marketing ***programs***; (xix) our ability to fully realize expected cost savings or operating efficiencies associated with our ***strategic*** initiatives or restructuring ***programs***; and (xx) those factors listed under Item 1A. 'Risk Factors' included in our Annual Report filed on Form 10-K for the period ended October 1, 2016 and subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

Media Contact:

Gary Mickelson, 479-290-6111, [*gary.mickelson@tyson.com*](mailto:gary.mickelson@tyson.com)

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** October 2, 2017

**End of Document**



[***Anglo Asian Mining announces final audited results for year ended December 31, 2017***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5SDC-B8W1-JC0X-H4JR-00000-00&context=1516831)

MarketLine NewsWire (Formerly Datamonitor)

May 24, 2018 Thursday 12:00 AM GMT

Copyright 2018 MarketLine All Rights Reserved



**Section:** METALS AND MINING

**Length:** 1936 words

**Highlight:** Anglo Asian Mining (Anglo Asian) has announced its final audited results for the year ended December 31, 2017 (FY 2017).

**Body**

Highlights:Achieved FY 2017 production in the top quartile of the Company forecast - 71,461 gold equivalent ounces ("GEOs") ***produced*** compared to forecast of 64,000 to 72,000 GEOs:Total production for FY 2017 was 71,461 GEOs (FY 2016: 72,304 GEOs)Gold production for FY 2017 of 59,617 ounces (FY 2016: 65,394 ounces)Copper production for FY 2017 of 1,991 tonnes (FY 2016: 1,941 tonnes)Silver production for FY 2017 of 172,853 ounces (FY 2016: 165,131 ounces)Solid production despite significant exploration and optimisation initiatives during the year which impacted operations - foundations laid for increased production in FY 2018 with total production target of between 78,000 and 84,000 GEOsGold bullion sales in FY 2017 of 43,496 ounces (FY 2016: 53,281 ounces) completed at an average of $1,265 per ounce (FY 2016: $1,253 per ounce)All in sustaining cost of gold production further decreased in the lowest quartile to $604 per ounce (2016: $616 per ounce)Directors are ***planning*** for the payment of a maiden dividendFinancialsTotal revenues in 2017 of $71.8 million (2016: $79.2 million)Profit before taxation in 2017 of $5.7 million (2016: $6.8 million)Operating cash flow before movements in working capital of $32.2 million (2016: $33.9 million)Net debt reduced to $18.1 million at 31 December 2017 (31 December 2016: $34.6 million) calculated as aggregate of loans and borrowings less cash and cash equivalentsCash position of $2.5 million as at 31 December 2017 (31 December 2016: $1.4 million)Chairman&#39;s statement:2017 has been another profitable year for Anglo Asian during which time your Company has also been transitioning into a sustainable mining business.

Our ***strategic*** review in early 2017 set down clear objectives for the year to ensure long-term production at Gedabek. These included commencing production from a new open pit at Ugur in late 2017 together with other production and optimisation initiatives. These objectives were successfully executed during the year. I am especially pleased to report the publication of the JORC resource for the Ugur deposit in August 2017 and the commencement of gold dorÃ© production from its open pit mine the following month, less than a year after the deposit&#39;s discovery.I am pleased to report that total production in 2017 was broadly in line with 2016. The reduction in mining and resulting lower production, due to the ***strategic*** review, was offset by better than anticipated production from Ugur. The Company is now benefitting from those optimisation initiatives and we have set a production target for 2018 significantly higher than 2017. The financial position of Anglo Asian has also improved materially with net debt almost halving in the year which significantly lowered interest costs. The progress achieved by the Company during the year, together with the recently started three-year ***programme*** of geological exploration, will all further advance the delivery of long-term value to shareholders and provide a sound basis for our short-term objective of paying a maiden dividend.Anglo Asian ***produced*** a total of 71,461 gold equivalent ounces ("GEOs") of metal in 2017, marginally less than 72,304 GEOs ounces in 2016. Total gold production was 59,617 ounces in 2017 compared to 65,394 ounces in 2016. However, this was offset by a combination of higher production and selling prices for copper and also higher silver production. Copper production in 2017 was 1,991 tonnes, a 2.6 per cent. increase over 2016 of 1,941 tonnes and silver production in 2017 was 172,853 ounces compared to 165,131 ounces in 2016.Gold bullion production in 2017 at 52,534 ounces was lower by 8,398 ounces compared to 60,932 ounces in 2016. This was a result of lower output in the first nine months of the year following implementation of the production optimisation strategy, which was then partially offset by strong production in the last quarter, due to the commencement of mining at the Ugur deposit.Revenues in 2017 at $71.8 million were $7.4 million lower than 2016. The lower revenues in 2017 were due to an increase in gold dorÃ© inventory at the end of 2017 compared to 2016 of just over two thousand ounces and because a higher proportion of our gold was sold as concentrate which achieves a lower sales value. The average gold price in 2017 was marginally higher at $1,258 per ounce compared to $1,253 per ounce in 2016 and the Company also benefitted from higher copper prices with an average price of $6,200 per metric tonne in 2017, being 27 per cent. higher than 2016. The Company continued to be subject to an effective royalty on its revenues in 2017 of 12.75 per cent. of the value of its production under the terms of its Production Sharing Agreement.The basis of this royalty is explained in the financial review below. The Company will continue to be subject to this effective royalty of 12.75 per cent. until all its unrecovered costs for Gedabek are utilised in accordance with the Production Sharing Agreement. Unrecovered costs for Gedabek at the end of 2017 totalled $95 million (2016: $100 million) and our current business ***plans*** indicate that these costs will not be fully recovered until at least 2023 and the effective royalty of 12.75 per cent. will therefore continue until then.The Company&#39;s all in sustaining cost ("AISC") per ounce of gold ***produced*** marginally reduced to $604 in 2017 compared to $616 in 2016. This partially offset the reduction in revenue and the operating profit in 2017 was $9.2 million compared to $11.7 million in 2016.Cash from operations, despite the impact of the optimisation initiatives in the year, increased marginally to $29.8 million from $29.6 million in 2016. We continued to service our debt on time and net debt reduced from $34.6 million at the end of 2016 to $18.1 million at the end of 2017. The Company also refinanced $13.5 million of its debt in early 2018 with a two-year syndicated loan from banks primarily in Azerbaijan.This is a sign of the confidence that Azeri banks have in our business and the new loan substantially reduced our borrowing costs. It also resulted in the release of $8.4 million in 2018 by extending the repayment of debt principal into 2019. The new loan has no financial covenants and is unsecured. We were pleased to repay in full the loan from our chief executive, Reza Vaziri in March 2018 and I would like to thank Reza for his confidence and commitment to the Company which has proved to be amply justified.The start of production from the new Ugur open pit mine in September 2017 was a very significant milestone for the Company. The discovery of the deposit, which is located three kilometres north-west from our processing facilities at Gedabek, was announced in October 2016. That we were able to bring the mine into production in around one year was a tremendous success and demonstrates our ability to rapidly exploit any future opportunities which may arise.The start of production from Ugur required the construction of a 4.6 kilometre access road through very hilly terrain. The JORC (2012) resource estimation for the Ugur gold deposit released in August 2017 shows a mineral resource of 199,000 ounces of gold which is a valuable addition to our resources and further advances the sustainability of the Company.The versatility of our processing facilities also proved valuable in 2017 in helping to maintain production whilst the ***strategic*** review was implemented. Initially in 2017, we used both crushed ore as feedstock for the agitation leaching plant, with the tailings treated by flotation and the reverse configuration with crushed ore feedstock initially treated by flotation followed by leaching. Following the start of mining from Ugur, the flotation plant was temporarily placed on care and maintenance, as the Ugur oxide-rich ores do not contain copper and only require treatment by agitation leaching.To increase the overall utilisation of the Company&#39;s processing facilities, a dedicated independent crusher line for the flotation plant is being commissioned in the current quarter of 2018. This will enable the two main plants to operate independently of each other and will increase both the flexibility and capacity of our processing facilities.The Company continues to invest in infrastructure and plant to reduce costs and improve both the productivity and sustainability of its operations especially given the scarce water resources of the region. During 2017, the construction and commissioning of a water treatment plant at a cost of $3 million was completed which uses the latest reverse osmosis technology. In the last few years, Gedabek village has experienced water shortages in the summer and this plant reduces to the absolute minimum the consumption of fresh water required by the Company.The plant is now ***producing*** around 200,000 litres of purified water per day which is being used in Gedabek&#39;s processing facilities. Additionally, the tailings dam wall was raised by six metres, which gives the tailings dam sufficient capacity for the next two to three years. We also completed a second pipeline between our processing facilities and the tailings dam to increase the volume of tailings which can be discharged.The Company&#39;s main operation is located at the village of Gedabek in north-west Azerbaijan. The economy of the village and the surrounding area has benefitted enormously over the years from our operations. Gedabek village has been transformed with the construction of much new infrastructure and many new buildings including a new civic centre. New shops and restaurants are opening in the village.The Company takes its corporate and social responsibilities very seriously and in our 2017 annual report we describe some of our initiatives to help the local community. These include improving local water supplies, ***agricultural*** initiatives, sporting enterprises and education with the construction of a kindergarten. Including contractors, our operation now employs over one thousand people in the local area.The Gedabek site is now connected to the national electricity power grid, and together with good road access, this provides Gedabek with excellent infrastructure. The financial benefits of our investments in infrastructure were evident in 2017 with fuel and electricity costs $2 million lower in total than 2016 due to the connection to the power grid. The Company&#39;s health and safety record continues to improve with a reduction in the lost time injury rate in 2017. We also expanded the health, safety and environmental ("HSE") department in 2017.We undertook significant geological exploration in 2017 as described in the ***Strategic*** Report below and in March 2018 we announced a significant three-year geological exploration ***programme***. This will build upon previous geological work and includes near mine, brownfield and greenfield exploration. In 2018, it is anticipated that 12,000 metres of reverse circulation, 17,500 metres of surface core and 14,000 metres of underground core drilling will be carried out. A heli-borne electromagnetic survey is also ***planned*** covering the entire Gedabek contract area and the further potential of Gosha and Ordubad will be investigated.The expected cost of the ***programme*** in 2018 is around $6 million, which will be funded from internal resources. Gedabek has numerous known mineral occurrences and our existing mines have further development potential. We have also previously made significant finds of commercially exploitable minerals. We therefore believe this ***programme*** has the potential to significantly add value to your Company.

**Load-Date:** June 7, 2018

**End of Document**



[***Council of the European Union: Eighth meeting of the EU-Montenegro Stabilisation and Association Council (Luxembourg, 20 June 2017) ST 3604 2017 INIT***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P80-9YV1-F0YC-N1K6-00000-00&context=1516831)

Impact News Service

August 12, 2017 Saturday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 14875 words

**Body**

Brussels: Council of the European Union has issued the following document:

UE-ME 3604/17 EN STABILISATION AND ASSOCIATION BETWEEN THE EUROPEAN UNION AND MONTENEGRO —————— The Stabilisation and Association Council Brussels, 27 June 2017 (OR. en) UE-ME 3604/17 COVER NOTE Subject: Eighth meeting of the EU-Montenegro Stabilisation and Association Council (Luxembourg, 20 June 2017) Delegations will find attached the position paper of Montenegro tabled on the occasion of the 8th meeting of the Stabilisation and Association Council between the European Union and Montenegro. UE-ME 3604/17 1 EN Ministry of European Affairs No: Podgorica, 12 June 2017 POSITION OF MONTENEGRO FOR THE 8TH MEETING OF THE EU-MONTENEGRO STABILISATION AND ASSOCIATION COUNCIL (Luxembourg, 20 June 2017) Montenegro welcomes the holding of the eighth meeting of the EU-Montenegro Stabilisation and Association Council and considers it to be an excellent opportunity to present progress accomplished after announcement of the Report on Montenegro for 2016, the last meeting of the Stabilisation and Association Council in December 2016, and the regular subcommittee meetings. Montenegro indicates that smooth implementation of the SAA commitments in line with established dynamics is maintained and that the country continued to conduct and develop institutionalised political dialogue with the European Union. 3.1 Enlargement strategy and the EC Report on Montenegro for 2016. Five years of the negotiating process will be completed on 29 June 2017, and within that period Montenegro opened negotiations in 26 negotiating chapters, two of which have been provisionally closed.

At the last Intergovernmental Conference in Brussels held on 13 December 2016, negotiations were opened on Chapter 11 – ***Agriculture*** and Rural Development and Chapter 19 – Social Policy and Employment. Item 3. Relations under the Stabilisation and Association Process UE-ME 3604/17 2 EN Montenegro is working diligently on the realisation of 83 interim benchmarks in Chapters 23 - Judiciary and Fundamental Rights and 24 - Justice, Freedom and Security, which make the backbone of the negotiating process. Besides, Montenegro intensively implements activities in other negotiating chapters as well. Out of 13 chapters with defined opening benchmarks, Montenegro fulfilled the benchmarks in 12 chapters. Soon we expect fulfilment of the last of five proposed opening benchmarks in chapter 8 – Competition which would round off the work on all opening benchmarks. Furthermore, we are dedicated to the realisation of proposed closing benchmarks in those areas where negotiations are in progress. The government appreciates cooperation with nongovernmental organisations within the negotiating structure and SAA mechanisms. The last meeting of the Joint Consultative Committee with the civil society was held on 8-9 June 2017 in Montenegro. As regards the cooperation with the civil sector, on 29 September 2016 the Government endorsed the Regulatory Impact Analysis of the Strategy for NGO Development 2014-2016, and on 30 March 2017 adopted the Proposal for Law Amending the Law on Nongovernmental Organisations which was passed in the Parliament on 2 June 2017. Montenegro’s ***Programme*** of Accession to the European Union (MPA) for the period 2017 – 2018, adopted on 27 January 2017, stipulates altogether 819 commitments, including 82 in the ***strategic*** and 737 in the legislative part. Out of 76 ***planned*** obligations for the first quarter 2017, 62 (82%) obligations are completed. In 2016, out of 344 ***planned*** obligations from MPA 2016-2018, 247 (72%) are completed. Strategy for informing the public about Montenegro's accession to the European Union 2014-2018 is implemented successfully. On 23 March 2017 the Government endorsed the Report on the realisation of the Action ***Plan*** for 2016 with the realisation rate of 88% and adopted the fourth Action ***Plan*** for 2017 which provides for 154 activities. UE-ME 3604/17 3 EN The last research showed that the Montenegrin citizens’ opinion about the EU is dominantly positive, and the trends show slight increase of 4% in the positive attitude towards the EU compared to the research in 2015. The research shows that the number of those who support the integration process, as well as of those who believe that Montenegro will become a Member State is growing. Even 68.7% of citizens think that Montenegro will become an EU Member State, while 62.4% of them absolutely or generally support the EU membership. The data also show that the turnout rate at the referendum on the membership of Montenegro in the EU would be circa 78%, so that 76.3% of voters would support the EU membership. Political criteria Regular parliamentary elections were held on 16 October 2016. The elections were preceded by the establishment of the Government of electoral trust which, in a sense of the electoral process, was supposed to eliminate all doubts of the opposition regarding the transparency and legality of work of public bodies and local self-government. However, although OEBS and the Council of Europe assessed that the last parliamentary elections were the best prepared and realised elections in Montenegro thus far, with the turnout rate over 73%, the opposition does not recognise the elections and continues the boycott of work of the Parliament of Montenegro and of its working bodies. Several times the Prime Minister invited the opposition parties to return to the legislative body, as well as to the Government if they want, and participate responsibly in the political life. The election results unmistakably showed that the Montenegrin citizens confirmed the previous opinion that the country’s future lies with the EU and NATO, therefore more concrete support of the EU and its members represents an additional impetus for further reforms. After the State Electoral Commission established the final results on 29 October 2016, the constitutive session of the Parliament was held on 7 and 24 November 2016. Local elections in Budva, Kotor, Gusinje and Andrijevica were held on 16 October 2016, in Nikšić on 12 March 2017 and in Herceg-Novi on 7 May 2017. UE-ME 3604/17 4 EN Because of the series of attempts of jeopardising the legal system on the day of parliamentary elections, when the authorities prevented the criminal act of the creation of a criminal organisation and attempted terrorism, as well as hacker attacks on a great number of portals and sending of messages with political content via Viber and WhatsApp, the Prosecution Office carries out its activities without pressures, respecting the presumption of innocence and independence of the authority. The previous activities in this case showed that Montenegro is building a quality judicial and prosecutorial system, which will work to the benefit of justice and equity and protect the Constitution of Montenegro and fundamental values defined by it. Based on suspicion of committing a criminal offence of creation of a criminal organisation and attempted terrorism during the elections, on 8 June 2017 the High Court in Podgorica confirmed the indictment against 14 persons including two MPs whose immunity was previously lifted by the Parliament. Montenegro continues the implementation of the Acton ***Plans*** for chapters 23 and 24. The last semi-annual reports were adopted on 19 January 2017, and the realisation rate was 81% for chapter 23 and 75% for chapter 24. Montenegro continues to improve track record particularly in the field of fight against corruption and organised crime. As regards freedom of the media, in June 2016 the Government adopted the Decision on forming another Commission for monitoring the actions of competent bodies in the investigation of cases of threats and violence against journalists and attacks against the property of media. The Commission started to work in September 2016, and it is composed of the president and eight members. The Police Administration and the prosecution office continue to work on cases of attacks against journalists and media companies. Out of seven reported cases one event remained unsolved, whereas the rest of them have been processed which resulted in one criminal report, four requests for the launching misdemeanour procedure and one filed case. The Montenegrin courts decided in altogether three cases against four persons where the injured parties were journalists. The courts passed one verdict of release for two persons and two convicting verdicts against two persons (conditional sentences). All three decisions are final and enforceable. In 2017 there were no cases of violence against journalists before courts. UE-ME 3604/17 5 EN As regards the public administration, on 28 July 2016 the Government adopted the Public Administration Reform Strategy 2016-2020 with the Action ***Plan***. The report on the realisation of the Action ***Plan*** for 2016 was adopted on 30 March 2017. On 16 March 2017 the Government adopted the Decree Amending the Decree on the Criteria for the Internal Organisation and Job Descriptions in Public Administration Bodies. According to the Decree Amending the Decree on the Organisation and Work of the Public Administration, adopted by the Government in November 2016, the political support for the public administration reform is expressed through the creation the Ministry of Public Administration which is the main responsible entity and coordinator of the public administration reform. For the purpose of efficient monitoring of the public administration reform and strengthening of coordination of institutions responsible for its implementation, on 23 March 2017 the Government formed the Public Administration Reform Council which is chaired by the Deputy Prime Minister for political system, internal and external policy. Furthermore, the Council membership is also ensured for two NGO representatives for the purpose of strengthening the transparency of the process. On 30 July 2016 the Parliament adopted the Law on Administrative Dispute which going to be applied as of 1 July 2017. On 27 April 2017 the Parliament adopted the Law Amending the Law on the Capital City. Law amending the Law on Non-governmental Organisations was adopted in the Parliament on 2 June 2017, and the Law Amending the Law on Territorial Organisation of Montenegro was passed on 27 April 2017. In order to have more efficient, merit based management of human resources, the Ministry of Public Administration is in the final phase of preparation of amendments to the Law on Civil Servants and Public Employees, as well as the Law on Local Self-Government. UE-ME 3604/17 6 EN Regarding the management of public finances, on 27 January 2017, the Government adopted the ***Programme*** of Economic Reforms for Montenegro for 2017-2019 which is the most important economic document in the country and represents a mid-term economic policy and the basis for economic dialogue with Brussels, structured in line with requirements and methodology of European Commission. The goal of economic policy until 2019 is sustainable and inclusive economic growth which would contribute to the reduction of development gap of the country related to the EU average and increase of living standard of population. On 9 June 2017, the Government endorsed the Proposal for the Law on Annual Statement on Accounts of the Budget for 2016, Proposal of the Law Amending the Law on Tax Administration and Fiscal Strategy of Montenegro 2017-2020 which set the goals and priorities of economic policy and indicate challenges for sustainable growth and prosperity, that is, models for its reduction and finally, elimination, while the Action ***Plan*** for Eradication of the Grey Economy has been adopted. On 28 April 2017, The Parliament adopted the Law on Ratification of the North Atlantic Treaty and Protocol with North Atlantic Treaty on accession of Greece and Turkey. On 5 June 2017, by submitting the ratification instrument, Montenegro has formally become the 9th member of NATO. Montenegro is continuously dedicated to regional cooperation and has active role in development of more stable and safer region through involvement in over 30 regional organisations and initiatives. From January to December 2016 Montenegro was chairing CEFTA. The state continues to support bilateral and multilateral platforms for the exchange of experiences important for the European path of the countries involved in the Stabilization and Association Process. Montenegro initialled the Draft of the Treaty on Establishment of Transportation Community and is ready to sign it. After it ratified the Agreement on Establishment of the Regional Office for Cooperation of Youth from Western Balkans (RYCO), which was signed on 4 July 2016 in Paris, Montenegro appointed a representative for the office’s governing board, secured funding for the contribution to the office’s budget and actively participated in promotional activities in the region. UE-ME 3604/17 7 EN Also, Montenegro maintains good bilateral relations with its neighbours and resolves border issues with respect to international law and good relations. We hope that the agreement on demarcation will be ratified after the establishment of the new Parliament of Kosovo\*, while the Agreement with Bosnia and Herzegovina came into force in April 2016. Alternative roads for illegal border crossings between Montenegro, Bosnia and Herzegovina and Albania are demolished, while the ***plans*** have been prepared in relation to Serbia and Kosovo. According to Article 15 of the Stabilisation and Association Agreement, Agreement on Cooperation of Government of Montenegro and the Council of Ministers of Bosnia and Herzegovina in the Process of the Accession to the EU was signed on 14 February 2017 and came into force in Montenegro on 23 March 2017. Following the obligations from these bilateral conventions, the meeting of the Joint Committee with Serbia and Albania was held on 4 November 2016 and 7 April 2017. Albania – Legal basis for cooperation is enhanced by signing the Agreement on Cooperation in the area of healthcare on 3 March 2017, Protocol between Customs Administration of Montenegro and the Customs Directorate of the Republic of Albania on the implementation of the Agreement between the Government of Montenegro and the Council of Ministers of the Republic of Albania on implementation of border transportation on 20 June 2016, Protocol between the Ministry of ***Agriculture*** and Rural Development of Montenegro and the Ministry of ***Agriculture***, Rural Development and Water Management of the Republic of Albania on implementation of the Agreement of Government of Montenegro and the Council of Ministers of the Republic of Albania on the organization of border railroad traffic on 20 June 2016. Former Yugoslav Republic of Macedonia – Montenegro and the former Yugoslav Republic of Montenegro developed great and dynamic cooperation in the area of defence, which is confirmed by signing the ***Plan*** for Bilateral Cooperation for 2017 during bilateral consultations with representatives of the Ministry of Defence on 14 – 16 February 2017. ∗ This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence. UE-ME 3604/17 8 EN Bosnia and Herzegovina - Memorandum of Understanding has been signed between the Ministry of ***Agriculture*** and Rural Development of Montenegro and the Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina on cooperation in the implementation of the Project “Western Balkans Drina River Basin Management”, signed in Sarajevo on 8 May 2017. Republic of Serbia – In the beginning of 2017, the ministers of education of the two countries have signed the Agreement on Cooperation in the area of education. A Memorandum between the Ministry of Sustainable Development of Montenegro and the Ministry of Trade, Tourism and Telecommunications of the Republic of Serbia on Cooperation in the area of tourism was signed on 23 February 2017 in Belgrade. Second meeting of negotiations teams, as well as meeting of the negotiations teams of Serbia and Montenegro for Chapter 19 – Social Policy and Employment were held in October 2016. Kosovo - The relations between the two countries were improved by the appointment of Ambassadors. The Ambassador of Kosovo assumed the duty on 26 July 2016 and the Ambassador of Montenegro on 24 October 2016. On 22 March 2017, the Government of Kosovo adopted the Strategy for the Affirmation and Integration of the Montenegrin community in Kosovo 2016-2021. The Agreement on Cooperation in the area of culture between Montenegro and Kosovo was signed on 27 April 2017. Montenegro is implementing all restrictive measures of the United Nations Security Council and the EU. Regarding Common Foreign and Security Policy of the EU, Montenegro unreservedly joins the common positions of the EU, statement/declarations, communications and demarches (level of concordance 100%). Within the Berlin process we support the decision of the Italian presidency to steer the Western Balkans Summit in Trieste in July 2017 toward the promotion of unambiguous political support to the countries of the Region in their EU path, through decisions on financial support for the projects of national and regional importance within the Connectivity Agenda and further integration of the countries of the region in the EU market in the area of energy and transportation. UE-ME 3604/17 9 EN In 2016, the preliminary source revenues of the budget amounted to EUR 1486.5 million, meaning that they increased by 12% when compared with 2015, as a result of increase of the following: VAT by 9.5%, due to increase of import VAT, and personal income tax by 17.5%, as a result of the enforcement of the Law on Salaries of Employees in the Public Sector. In 2016, the preliminary budgetary expenditures amounted to EUR 1.615,9 million and they were 0.1% lower, due to weaker dynamics of the construction of the Bar-Boljare highway's priority section. However, a strong pressure on the budgetary expenditures, due to amendments to the legislative framework in the segment of salaries and social allowances, resulted in increase in the current budgetary expenditures by 11.6%. In 2016, the budget deficit was 3.4% and it is 2.5 times lower when compared with 2015. In 2016, according to records of the MONSTAT, the number of employed persons was 177,473 and it is 2.9% higher in comparison with 2015. In 2016, the average gross salary was EUR 751, which is 3.4% higher than the average gross salary in 2015. The average net salary in 2016 was EUR 490, which is 4% higher than the average net salary in 2015. In 2016, the external sector was characterised by increase in the current account deficit to the level of 19.1% of GDP, which is a result of increase in trade deficit, expenditures from services and payment of dividends to non-resident investors. The current account deficit amounted to EUR 714.9 million and it increased by 48.1% in comparison with 2015. The net inflow of foreign direct investments (FDI) is financing 52.2% of the current account deficit. During 2016, the net foreign direct investments amounted to EUR 371.6 million, which represents 40% decrease in comparison with the same period of 2015. The Government of Montenegro prepared the Recovery ***Plan*** for the budget deficit and public debt for the period 2017-2020, as an integral part of the Budget Law for 2017, which was adopted by the Parliament of Montenegro in December 2016. The first results of the fiscal consolidation can be seen in the increase of source budgetary revenues; they amounted to EUR 297.7 million in the first quarter of 2017, which is 4.6% higher when compared with the same period of the previous year; that was the result of the increase of excise duties (21.9%), excise duties on mineral oils, Value Added Tax (5.0%), economic activity and personal income tax (17.5%), as a result of the enforcement of the Law on Salaries of Employees in the Public Sector. UE-ME 3604/17 10 EN On 9 June 2017, the Government adopted the Proposal for the Fiscal Strategy of Montenegro for the period 2017-2020, which contains the measures for collecting the remaining tax debt, fiscal discipline measures and measures for the improvement of environment for investments and development. The proposed activities were supported by the IMF and the World Bank. In the observed period of 2017, the budgetary expenditures were EUR 368.2 million and they are 13.3% lower when compared with the ***plan***, due to the decrease of the capital budget, which is a result of inappropriate dynamics of the construction of the highway. In the same period of the current year, the budget deficit was EUR 70.5 million and it is 1.8% lower in comparison with the same period of the previous year. The beginning of 2017 was also characterised by a positive trend of macroeconomic indicators. In the first three months of 2017, the total employment increased by 4.2%. The average gross salary for the first three months of 2017 was EUR 765 and it is 3.8% higher in comparison with the same period of the previous year. The average salary without taxes and contributions for the first three months of 2017 was EUR 510 and it is 4.1% higher when compared with the same period of the previous year. The number of pensioners in March 2017 was 108,824 or 0.07% less than in the same month of the previous year. In March 2017, the average pension amounted to EUR 285, and it was 3.4% higher when compared with March 2016. In the first quarter of 2017, the foreign trade exchange was characterised by the increase in export, primarily export of aluminium and mineral ores. When compared with the same period of the previous year, the export was 39.3% higher, while import was 19.6% higher. According to preliminary data, in the period January-March 2017, the net foreign direct investments amounted to EUR 102.6 million, which represents an increase of 46.7% when compared with the same period of the previous year. UE-ME 3604/17 11 EN Development of the financial sector The banking system is adequately capitalised and liquid. The banking system recovery is primarily reflected in a decline in the share of non-performing loans in total loans below 10%, as well as in increased lending activity. Montenegrin banking system consists of 15 banks. Banking operations in the observed period were characterised by an increase in the key balance sheet positions: loans to and receivables from banks and clients, assets, deposits and capital. Banks’ total assets at the end of April 2017 amounted to EUR 3.840,9 million, while, at the end of June 2016, they amounted to EUR 3.511,8 million. The most important item of the banks’ aggregate balance sheet consists of loans and claims from the banks and clients in the total amount of EUR 2.444,9 million or 63.65%. When compared with June 2016, they recorded an increase of EUR 192.3 million or 8.54%. Lending activity of banks during the first four months of 2017 reached EUR 399.7 million, which is 12.41% higher when compared with the same period of the previous year, when newly approved loans amounted to EUR 355.6 million. The total deposits (including funds in escrow accounts, interests and prepayments, as well as accruals) on 30 April 2017 amounted to EUR 2.878,9 million, while on 30 June 2016 they amounted to EUR 2.643,1 million. Gross non-performing assets (C, D and E), which include loans and receivables and other assets and off-balance sheet items, amounted to EUR 305.4 million at the banking system level at the end of April 2017, which represents 7.95% of total assets. Gross non- performing assets (C, D and E) at the banking system level recorded 9.74% decline when compared with June 2016, when it amounted to EUR 338.4 million, i.e 9.64% of total assets. On 30 April 2017, the total capital of banks amounted to EUR 500.7 million and it increased by 2.49% when compared with the end of June. At the end of the first quarter of 2017, the solvency indicator of all banks is below the regulatory minimum of 10% and it amounts to 15.90% at the aggregate level. UE-ME 3604/17 12 EN Acquis Montenegro achieved progress and it will continue aligning its legislative and institutional capacities with European standards in accordance with commitments defined by the trade- related provisions of the Stabilisation and Association Agreement. In that regard, Montenegro actively works on filling in of the administrative capacities for the efficient implementation of the acquis. In the field of free movement of goods, activities have been continued as regards the alignment of the national regulations with the acquis. In that regard, in June 2016, Montenegro prepared the updated version of the Strategy for the implementation of the acquis in the field of free movement of goods and the accompanying Action ***Plan***. The mentioned action ***plan*** defines the deadlines for the adoption of the national regulations with a view to aligning with EU legal acts. The intensive process of adoption of standards has been continued, particularly the adoption of harmonised standards that represent one of the basis of technical legislation. In the field of accreditation, in the reporting period, the number of requests for accreditation of conformity assessment bodies has been increased, while the Metrology Office continued with development of the national calibration laboratories, which resulted in awarding of certificates by the Accreditation Body of Montenegro and Croatian Accreditation Agency. Relevant certificates enabled laboratories of the Metrology Office to provide their services outside Montenegro. UE-ME 3604/17 13 EN In the field of right to establishment and freedom to provide services, when it comes to transposition of the Services Directive, the Report on the implementation of the Action ***Plan*** for transposition of the Services Directive into the national legislation for 2015 was adopted on 15 September 2016, while the horizontal Law on Services is being finalised. In order to further implement the activities provided for by the National ***Plan*** for developing qualifications for regulated professions with the Action ***Plan*** for the period 2013 – 2018, it is expected that the Law on Recognition of Professional Qualifications for Regulated Professions will be adopted in the forthcoming period. The mentioned law is in the final stage of preparation. Development of the List of regulated professions was initiated in the reporting period. Dynamics has been determined and the competent institutions completed transparency exercises, in accordance with submitted template. On 11 May 2017, the High Education Council issued certificates on the accreditation of study ***programmes*** Medicine, Pharmacy, Dentistry, High Medical School, which are aligned with Directive 2005/36/EC and amendments to Directive 2013/55/EC. When it comes to postal services, on 22 July 2016 the Parliament of Montenegro adopted the Law Amending the Law on Postal Services. In the field of public procurement, on 18 May 2017, the Government endorsed the Proposal for the Law Amending the Law on Public Procurement, which eliminates the barriers related to enforcement of the law that were previously identified both by the public authorities and business community. The law contributes to simplification of the procedures, provision of more quality, more efficient and more cost-effective mechanisms for the protection of rights and legal interests of parties involved in public procurement procedure, as well as to protection of public interest. As regards the adoption of the new Law on Public Procurement, the Working Group prepared the first draft of the new law. The law will be completely aligned with the acquis. The Proposal for the Law on Public-Private Partnership has been drafted, and its adoption is expected until the end of the second quarter of 2017. The Law on Concessions is in the final stage and it is expected that it will be discussed before the Parliament during the following three months. UE-ME 3604/17 14 EN When it comes to administrative capacities, during 2016, two new employees were recruited in the Public Procurement Administration, while the Administration for Inspection Affairs recruited three new public procurement inspectors. The new act on job descriptions and working tasks of the public procurement inspectorate provides for the recruitment of five new inspectors, whose hiring has been ***planned*** during 2017 and 2018. As regards the remaining activities related to recruitment in the period 1 July 2016 – 1 May 2017, it should be indicated that, on 23 February 2017, two members of the State Commission were reappointed following termination of their previous offices, and that one new member was elected due to the fact that the State Commission operated without one member who assumed another position from December 2016. Furthermore, two working positions were filled in the mentioned period, thus there are 10 employees in the Professional Service of the State Commission, including the secretary. (Information of 1 May 2017) As regards the e-procurement, the second project ‘’Implementation of the e-public procurement system“resulted in approval of funds for the implementation of e- procurement in Montenegro. Montenegrin institutions completed the ‘’license’’ procedure, and announcing of the tender procedure for the election of the most favourable bidder can be expected during this month. In the field of intellectual property law, Montenegro recorded substantial activity – passed the following laws: Law Amending the Law on Trademarks (17 June 2016); Law Amending the Law on the Protection of Topographies of Semiconductor (17 June 2016); Law Amending the Law on Copyright and Related Rights (22 July 2016); Law Amending the Law on Trademarks (29 December 2016); Law Amending the Law on the Legal Protection of Industrial Design (29 December 2016), as well as the Law Amending the Law on Patents (29 December 2016), in order to achieve complete alignment of this field with the acquis. In order to promote and strengthen cooperation between the authorities in charge of the protection and exercise of intellectual property rights, on 29 March 2017, the Ministry of Economy passed the decision establishing Coordinating authority for exercising intellectual property rights, which conducts its meetings when necessary, at least two times a year. UE-ME 3604/17 15 EN In the field of competition policy, Montenegro completed preparations of the Draft Law Amending the Law on the Protection of Competition, as well as the Draft Law on the Control of the State Aid. The mentioned legislative activities are carried out with a view to enabling conferral of competences in the field of the state aid to the Agency for the Protection of Competition, thus providing independent control of awarding of the state aid, and improving the quality of implementation of the acquis under Chapter 8 – Competition. In the field of financial services, based on experiences in the implementation of the Law on Consensual Financial Restructuring of Debts to Financial Institutions, which was passed in 2015, amendments to this law have been prepared with a view to encouraging financial restructuring of sustainable economic operators, which should be provided through additional incentives to participants of the restructuring and laying down simplified procedures that are implemented under the process of financial restructuring of debts to financial institutions. The Law was submitted to the Parliament of Montenegro and its adoption is expected in the nearest future. A new Law on Banks and a set of bylaws for the alignment of the national legislation with Directive 2013/36 EC and Regulation 575/2013 will be prepared under the twinning project of support to financial services. It was concluded that the ***plan*** for preparing regulations should be amended by preparing the Law on the Recovery of Banks, which will enable alignment of regulations with Directive 2014/49EC (EU Bank Recovery and Resolution Directive), whose preparation has been ***planned*** for 2018 according to Montenegro`s ***Programme*** of Accession to the European Union 2017-2018. The Central Bank of Montenegro prepared the draft version of the law on bankruptcy procedure in banks, which will soon be submitted to the Ministry of Finance for further procedure. Furthermore, the draft version of the law amending the Law on B

anks has been prepared in the segment by which the alignment with the BRRD is carried out (bank recovery ***plans***, early ***intervention*** measures, and financial assistance within the group). UE-ME 3604/17 16 EN Also, the draft version of the law which regulates the establishment, business operations and control of business operations of certain financial institutions (leasing companies, factoring companies, microcredit financial institutions and legal persons dealing with credit-guarantee operations) has been prepared. Regulating and supervision of these financial institutions will create preconditions for further development of this segment of financial services, provision of more comprehensive database on business operations of entities providing financial services, and which will be used for statistical and other purposes, improvement of the Credit registry maintained by the Central Bank, as well as improvement of protection of consumers – beneficiaries of services provided by these financial institutions. In August 2016, the Law Amending the Law on Insurance entered into force. In April 2017, the Council of the Insurance Supervision Agency adopted the Law Amending the Law on Mandatory Insurance, in the form of a draft, and it was submitted to the Ministry of Finance for further procedure. In line with comments and suggestions of the European Commission, the Securities Commission completed the process of preparation of innovated version of the Proposal for the Law on Capital Market and it is currently being agreed between the relevant line ministries. In October 2016, in Ljubljana, representatives of the Securities Commission signed the Declaration on Cooperation with capital market regulators from the region (Slovenia, Croatia, Bosnia and Herzegovina, Republic of Srpska, Serbia and the fYR of Macedonia). The basic goal of the Declaration is to establish and maintain fair, efficient and stable capital markets and it also provides for establishment of the Permanent conference of national capital market regulators and forming of the permanent working groups that will deal with current issues related to capital market. UE-ME 3604/17 17 EN In the field of information society and media, the Strategy for development of information society until 2020 was passed on 21 July 2016, while the Action ***Plan*** for the implementation of the Strategy was adopted on 10 March 2017. ***Strategic*** goals for development of information society in Montenegro have been harmonised with the Digital Agenda for Europe and the Digital Single Market Strategy. In November 2016, in order to perform reorganisation of the public administration, the Ministry for Information Society and Telecommunications ceased to exist and the Ministry for Public Administration was established. The mentioned ministry is in charge of electronic government and cyber security. Competences of the Directorate for Electronic Communications, Postal Services and Radio Spectrum were assumed by the Ministry of Economy. Law Amending the Law on Electronic Media and the Law Amending the Law on Public Broadcasting Services were passed on 30 July 2016. Law Amending the Law on Electronic Communications was passed on 29 December 2016, and it improves the issue of independence of regulators, as well as the alignment with the state aid rules. Two Rulebooks have been passed for the purpose of aligning with the law - Rulebook amending the Rulebook on the types of benefits and special measures for access to public electronic communications services for persons with reduced mobility and persons with disabilities, as well as the Rulebook amending the Rulebook on providing access to persons with reduced mobility and persons with disabilities to number 112 and emergency service number. Law Amending the Law on Free Access to Information and the Law on Electronic Identification and Electronic Signature were passed on 27 April 2017. In the field of ***agriculture*** and rural development, Montenegro continued with fulfilment of obligations from the Action ***Plan*** for the alignment with the acquis. In that context, the following laws have been passed: Law on Wine, which was passed by the Parliament of Montenegro on 28 June 2016, Law Amending the Law on Olive Growing and Olive Oil, which was passed by the Parliament on 17 June 2016, Law on Quality Schemes for Food and ***Agricultural*** Products, which was passed by the Parliament on 28 March 2017 and the Law on Ratification of the International Agreement on Olive Oil and Table Olives 2015, which was passed by the Parliament of Montenegro on 25 April 2017. Twelve more bylaws were passed besides the abovementioned laws. UE-ME 3604/17 18 EN During 2016, strengthening of the capacities of the IPARD Operational Structure has been continued through the implementation of grant schemes of IPARD-like ***programmes***. Through public calls under IPARD-like ***programmes***, measures subject to accreditation were implemented as well: Investments into ***agricultural*** holdings and processing and marketing of ***agricultural*** and fish products. In order to achieve better preparation for the implementation of IPARD, these calls were useful for testing the procedures subject to accreditation and cooperation with technical authorities. In the field of food safety, veterinary and phytosanitary control, Montenegro worked intensively on further implementation of the adopted Strategy of Montenegro for transposition and implementation of the acquis under Chapter 12, with the General Action ***Plan*** and the Special Action ***Plan*** for suppressing and eradicating classical swine fever. As regards the alignment with the acquis, 95 bylaws were passed for that purpose. In order to achieve the goals defined by the Strategy, the Ministry of ***Agriculture*** and Rural Development and the Administration for Food Safety, Veterinary and Phytosanitary Affairs initiated and conducted the procedure for taking over inspection services. In the reporting period, following categorisation, entities dealing with food preparation were classified into categories 1, 2 and 3. Entitles classified into category 1 (EU standards) were granted the approval for performing their operations. Entities classified into category 2 were granted temporary approvals and they are obliged to remove identified irregularities within 6 months. Entities classified into category 3 were granted temporary approvals following previously submitted and approved Improvement ***Plans***. All entities dealing with food of animal origin were classified into categories 1 or 3, and the process of monitoring of improvement of non-compliant entities is underway. Montenegro prepared the draft national ***plan*** for the improvement of non-compliant entities. UE-ME 3604/17 19 EN In the field of fisheries, on 6 March 2017, the Parliament passed the Law on the Ratification of the Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing, whose implementation will improve the control of illegal, unreported and unregulated fishing and damage it inflicts to marine resources, marine ecosystems and livelihood of persons involved in legal fishing. One bylaw has been passed, i.e the Rulebook on the method and requirements for issuing catch certificate and list of fish and other marine organisms of 3 June 2016. The Annual ***programme*** for collecting the data on fisheries in Montenegro (DCF - DCRF) has been prepared, and provides the framework for collecting biological, ecological, technical and socio-economic data required for fisheries management on sustainable grounds; it is aligned with the EU legal framework and recommendations of the General Fisheries Commission for the Mediterranean. Implementation of the ***Plan*** started on 1 April 2017. Activities have been continued as regards collection of biological data on economically important species in pelagic, demersal and small-scale coastal fishing. Implementation of the technical assistance project IPA II 2014 ‘’Strengthening fisheries management and control” started through development of the Fisheries Information System – FIS. The goal of the project is to improve control and management in marine fisheries, through provision of support to harmonisation of collection of electronic data in fisheries with EU requirements and support to establishment of the system for automatic locating and identification on vessels for the purpose of improving fishermen safety. The Directorate for Fisheries was established for the purpose of strengthening administrative capacities, and the person in charge was appointed by the Government on 25 May 2017. Two working positions are being advertised, and after completion of the recruitment procedure, the Directorate will have seven employees, including director general. UE-ME 3604/17 20 EN In the field of transport, on 22 July 2016, the Parliament of Montenegro passed the Law on Security Protection of Ships and Ports, while the Law Amending the Law on Transport was passed on 27 April 2017. Based on the original Law on Air Transport, Montenegro adopted 6 rulebooks and 9 amendments to rulebooks, for the purpose of continuous aligning with EU regulations in this field. In line with the Law on Safety, Organisation and Efficiency of the Railway Transport, five rulebooks have been published, providing the additional harmonisation of the national legislation with EU requirements in the field of safety and interoperability of the railway transport. Based on the Law on Railway, the Strategy for Development of the Railway for the period 2017-2027 was adopted on 30 March 2017. In the area of energy, on 28 June 2016, the Parliament passed the Law on Cross-Border Exchange of Electricity and Natural Gas, transposing the regulations of the Third Energy Package. In line with the provisions of the Law on Energy, in June 2016, legal and functional separation took place of the electricity distribution system operator from the Electric Power Utility of Montenegro JSC (Elektroprivreda) and the Limited Liability Company Montenegrin Electricity Distribution System (CEDIS) was founded. In November 2016, the Agency issued the licence to CEDIS for dealing with distribution of electricity. In the same period, in addition to the existing suppliers, three new licenced suppliers to end users appeared on the retail market. On the basis of the Law on Efficient Use of Energy, four bylaws were passed detailing certain obligations prescribed by the law and further transposing the requirements of EU directives, while the third action ***plan*** for energy efficiency was also adopted for the period 2016-2018. On 22 July 2016, the Parliament passed the Law amending the Law on Ionising Radiation Protection and Radiation Safety, and on 30 July 2016 it passed the Law amending the Law on Protection and Rescue. On 8 September 2016, the Government adopted the Strategy for Non-Proliferation of Weapons of Mass Destruction for 2016-2020, and on 29 December 2016 it adopted the Strategy for Ionising Radiation Protection, Radiation Safety, and Radioactive Waste Management for 2017-2021, along with the Action ***Plan*** for 2017-2021. On 6 March 2017, the Parliament passed the Law on Ratification of the Agreement between the European Atomic Energy Community (EURATOM) and non-Member States of the European Union on the participation of the latter in the Community arrangements for the early exchange of information in the event of radiological emergency (ECURIE), after which instruments of ratification were sent to the European Commission. UE-ME 3604/17 21 EN The Connectivity Agenda afforded a new perspective to big infrastructure projects, for which the region is in dire need. The Trans-Balkan Electricity Corridor - section Montenegro is the first project under the Berlin Process approved in 2015, for which the EU, via the Western Balkans Investment Fund, allocated EUR 25 million in grants, while the total value of the project is EUR 127 million. As regards customs and taxation, in the area of customs, on 7 July 2016, the Government of Montenegro adopted the Decree amending the Decree on Customs Tariff for 2016, in line with the obligations laid down in the Ministerial declaration on trade in information technology products (ITA 2 Agreement) and Protocol on trade in civil aircraft, which achieved liberalisation of customs rates for certain products. On the same day, the Government adopted the Decree on the Customs Authority Treatment of Goods under Reasonable Suspicion of Infringing Intellectual Property Rights, which is being applied as of 1 January 2017. On 29 December 2016, the Government of Montenegro adopted the Decree on Customs Tariff for 2017, which is being applied as of 1 January 2017. On 9 June, the Government of Montenegro adopted the Decree amending the Decree for implementation of the Customs Law with a view to regulating procedures related to express shipment, as well as creating conditions for IT implementation of these procedures. On 27 December 2016, the Ministry of Finance adopted the Rulebook on the Actions of Customs Authorities in Customs Procedures related to Arms and Military Equipment, which came into force on 6 January 2017. In addition, the Ministry of Finance also adopted five new rulebooks with a view to implementing the Law on Customs Service. The Customs Administration adopted the Competency Dictionary of the Customs Administration of Montenegro, thus continuing the activities on carrying out the process of implementation of the EU Competency Framework. On 29 December 2016, the Customs Administration adopted the Training Strategy of the Customs Administration for 2016-2018, and on 8 June 2016 it adopted the Public Relations Strategy of the Customs Administration for 2016-2018. UE-ME 3604/17 22 EN As regards taxation, the Law amending the Law on Value-Added Tax, passed by the Parliament on 29 December 2016 and applied as of 9 January 2017, achieved alignment with Article 98 paragraph 2 and Annex III to Council Directive 2006/112/EC stipulating that the lower rate shall not be applied to supply of certain products and services, among other things, to supply of computer equipment. According to the new legal solutions, computer equipment is taxed at the general rate of 19%. The Law amending the Law on Excises, passed by the Parliament on 29 December 2016 and applied as of 9 January 2017, increased the excise on leaded and unleaded petrol and on gas oils, as well as achieved further alignment with Council Directive 2003/96/EEC in the area of taxation of energy products by introducing natural gas into the excise system. The Law amending the Law on Personal Income Tax, passed by the Parliament on 29 October 2016 and applied as of 1 January 2017, extended the application of the tax rate of 11% to personal income in gross amount above the average income in Montenegro, i.e , above EUR 751. On 9 June, the Government of Montenegro passed the Proposal for the Law amending the Law on Tax Administration with a view to achieving its alignment with the new Law on Administrative Procedure, whose solutions will be applied as of 1 July 2017. The Customs Administration started the development of software for automatic risk analysis and it applies application for monitoring the work of customs inspectors. In addition, services were established for automatic exchange of information with the MI, Health Fund, Customs Administration, and previously with the Ministry of Labour and Social Welfare. An application solution is being applied for enforcement of collection measures, which will enable data on measures taken for collection for each taxpayer by the tax type. UE-ME 3604/17 23 EN In the area of statistics, the Statistical Office calculated and published the results of annual Gross Domestic Product (GDP) and Gross National Income (GNI) for 2015, by production and expenditure method. The document GNI Inventory is currently being drafted, and its drafting is defined by the closing benchmark for the negotiating chapter 18. With the implementation of activities contributing to the fulfilment of closing benchmarks for the negotiating chapter 18, in the area of statistics of prices, work started on the implementation of the pilot survey “Housing market price index”. Harmonisation of ***agriculture*** statistics continued, by way of conducting the Survey on the structure of ***agricultural*** holdings in November 2016, in line with Regulation 1166/2008. In addition, a system of economic accounts in ***agriculture*** was finalised, in line with Regulation 138/2004, as was the system of absolute ***agricultural*** prices and price index (2012-2015) in line with the Rulebook for prices in ***agriculture*** of 2008. In the area of short-term statistics, for the first time ever the Statistical Office received the medium compliance assessment. A number of missing variables has been processed and sent to EUROSTAT. For the first time, calendar and seasonally adjusted data series were sent to EUROSTAT in March 2017 (area of construction). In 2016, a survey on national tourism was conducted for the first time (tourist activity of Montenegrin population), which is fully aligned with Annex II to Regulation 692/2011. In February 2017, a variable regarding net occupancy rate of bedrooms was processed for the first time for group 55.1 Hotels and similar accommodations (NACE Rev.2) and the data was submitted to EUROSTAT. In the reporting period, the annual energy statistics were fully aligned with the EU acquis, on the basis of which, for the first time, EUROSTAT published SHARES statistics data in March 2017 (Short Assessment of Renewable Energy Sources) for Montenegro. In addition, an electronic questionnaire was created for short-term statistics of petroleum products. In the reporting period, the aviation statistics were fully aligned with the EU acquis. The data were ***produced*** in accordance with Regulation 437/2003 and submitted for the first time to EUROSTAT in July 2016. UE-ME 3604/17 24 EN In 2016, the Statistical office intensified cooperation with holders of administrative data sources from various statistical areas. During the year, four agreements were signed, which makes for a total of 18 signed agreements on cooperation from various statistical areas. All available data from 40 domains were sent via Edamis portal. In total, 222 different datasets were submitted, which is an increase compared to the previous period. In the reporting period, procedure was launched was hiring five new employees, and the process is currently in its final stage. In the area of social policy and employment, the Strategy for improvement of protection and health at workplace was adopted in July 2016 for the period 2016-2020, along with the Action ***Plan***. The Ministry of Labour and Social Welfare adopted a set of rulebooks relating to the area of protection and health at the workplace. The second annual Action ***Plan*** for employment and human resources development for 2017, implementing Strategy for employment and human resources development 2016-2020 was adopted in December 2016. In April 2017, the Report on implementation of the Action ***Plan*** for employment and human resources development for 2016 was adopted. The social platform with representatives of the International Labour Organisation and EU experts took place in the period 9-10 May 2017. The Law amending the Law on Pension and Disability Insurance was passed on 28 June 2016. The Law amending the Law on Pension and Disability Insurance was passed on 22 July 2016. The Strategy for Integration of Persons with Disabilities in Montenegro 2016- 2020 was adopted in 2016, along with the Action ***Plan*** for implementation of the strategy for 2016 and 2017. The Strategy for Prevention and Protection of Children against Violence with the Action ***Plan*** 2017-2021 and the Strategy for Permanent Solution for Displaced and Internally Displaced Persons in Montenegro, with particular emphasis on Konik camp for the period 2017-2019 were adopted in the first quarter of 2017. UE-ME 3604/17 25 EN In the course of 2016, the Ministry for Human and Minority Rights signed five Memorandums of Understanding regarding the measures in the fight against discrimination based on sexual orientation or gender identity and promotion of tolerance towards sexual minorities with the municipalities Nikšić, Berane, Danilovgrad, Kolašin, and Mojkovac. Thus the total number of signed memorandums reached 14. In the course of 2016, the sixth cycle of education of social work centres representatives took place regarding the implementation of anti-discrimination legislation. External evaluation was done of the previous ***Plan*** of activities for achieving gender equality 2013-2017. In March 2017, the Report on implementation of the ***Plan*** of activities for achieving gender equality for 2016 was adopted, as was the third ***Plan*** of activities for achieving gender equality in Montenegro 2017-2021, along with the Implementation ***Programme*** 2017-2018. Campaigns and education regarding the issue of violence against women and forced marriages of Roma and Egyptian girls were organised in Roma settlements in seven Montenegrin cities. In cooperation with Roma Education Fund (REF) and the Education Office, scholarship activities continued for high school pupils and students of RE population for 2016/2017. Funds are allocated each year for the purposes of provision of free sets of textbooks for elementary school pupils of Roma and Egyptian population of first, second, and third grade. For the purpose of judicial reform, on 22 July 2016, the Parliament passed the Law on Interns in Courts and Public Prosecution Offices and Bar Exam, Law on Court Expert Witnesses, Law amending the Law on Notaries, Law amending the Family Law, and the. On 30 July 2016, the Parliament passed the Law on Administrative Dispute, as well as the Law amending the Law on Special Public Prosecutor’s Office, expanding the jurisdiction of the Special Public Prosecutor’s Office related to criminal offences in the area of violation of election rights laid down by the Criminal Code. At the same session, the Parliament passed the Law on Court Interpreters. On 28 March 2017, the Parliament passed the following: Law amending the Law on Enforcement and Security, Law amending the Law on Public Bailiffs, Law amending the Law on Obligations, and the Law amending the Law on Advocacy. UE-ME 3604/17 26 EN Administrative capacities of key institutions in this area were reinforced with the employment of five new employees in the Secretariat of the Judicial Council and five in the Secretariat of the Prosecutorial Council. Out of the ***planned*** 19 positions in the Judicial Training Centre, nine have been filled so far. The procedure of election of judges and prosecutors following a public announcement and in line with the new system was carried out, and three candidates were elected as judges of basic courts and one judge for a misdemeanour court, and they were deployed to mandatory initial education. Following the internal announcement, the Judicial Council made a decision on 9 June 2016 by which one public prosecutor from the Basic Public Prosecutor’s office in Berane was voluntarily transferred to the Basic Public Prosecutor’s Office in Bijelo Polje. For the purpose of strengthening liability of the judiciary, a disciplinary procedure was initiated in the first half of 2017 against one judge and it is pending. Since June 2016, the Commission for the Ethical Code of Judges has had a total of 17 pending reports, out of which 16 have been resolved. On 24 March 2017, the Prosecutorial Council adopted the Report on the work of the Commission for the Ethical Code of Public Prosecutors for 2016. In the course of 2016, two decisions were adopted upon initiatives for assessment whether a certain conduct of public prosecutors was in line with the Ethical Code, of which in one case violation of the Ethical Code of public prosecutors was found. One disciplinary procedure was launched, against a public prosecutor, which resulted in a disciplinary liability and imposition of a disciplinary sanction (fine). In addition, the Commission for the Ethical Code drafted the Report on the analysis of conformity with the Ethical Code of public prosecutors and rules regarding conflict of interest for the period from 1 November 2015 to 30 November 2016. As regards the strengthening of professionalism and expertise, following the completed assessment in the pilot Public Prosecutor’s Office, the Rules for evaluation of public prosecutors and heads of public prosecutor’s offices were amended, and there was an extraordinary assessment that took place in November 2016 of the work of candidates who applied for the election of three public prosecutors in the High Public Prosecutor’s Office in Podgorica by way of the system of promotion. Pilot evaluation was completed in the Basic Court in Nikšić, and the Evaluation Commission adopted the evaluations at the second session that took place on 18 November 2016. UE-ME 3604/17 27 EN As regards the strengthening of efficiency of the judiciary, on 17 June 2016, the Government adopted the Strategy for Information and Communications Technologies in the Judiciary for 2016-2020 and on 22 September 2016 the accompanying Action ***Plan***, in accordance with which the Commission for Oversight and Coordination of Implementation of the Strategy will carry out control over implementation of the Action ***Plan*** measures. On 11 July 2016, the Government adopted the Strategy for management and human resources development in judicial institutions for 2016-2018, while the Mid- Term ***Plan*** of Rationalisation of Judicial Network (2017-2019) was adopted on 22 September 2016. On 30 November 2016, the Judicial Council adopted the Methodology of framework benchmarks of workload for determining the required number of judges and the balanced workload of judges. With regard to the proceedings in the war crimes cases, based on the Strategy for investigation of war crimes, the Special Public Prosecutor’s Office established cooperation with prosecutor’s offices in the countries of the region, with the aim of identification of perpetrators of war crimes who were Montenegrin citizens and possible transfer of the cases built by those prosecutor’s offices, where Montenegrin citizens are perpetrators. Eight cases were developed and charges were brought in one case, while the others are in the phase of investigation. With regard to reparations to the victims of war crimes, in the case of Morinj, 131 decisions are res judicata, rendering payment of EUR 1,245,427.84, while decision on 27 cases demanding EUR 191,265.60 are not yet legally binding. One court decision rejected grounds for charges brought, four proceedings were terminated and charges were withdrawn in six cases. Besides legally non-binding decisions, one additional case is active. With regard to the prevention of corruption, the Anti-Corruption Agency adopted all ***planned*** bylaws and internal acts related to the implementation of its activities during 2016. The new Rulebook on internal organisation and job descriptions was adopted in January 2017 and two new departments were established: the Department for Auditing of Income and Assets of Public Officials is obliged to report on income and assets and the Department for Education, Research, Campaign and Analysis. The new Rulebook increases the number of staff from 55 to 60 employees. The Agency currently employs 50 people with the vacation notices for additional four positions in their final phase. UE-ME 3604/17 28 EN The work on education of the staff goes continuously along with the upgrade of the IT system, while additional modules for lobbying and whistle-blowers are enabled. The improvement of modules for observation of elections is ***planned*** though Horizontal ***programme*** of support for Western Balkans and Turkey. The data exchange with MOI (access to databases of weapons and vehicles) has been established, and also with the Tax Administration, Real-estate Administration and creation of connection with the Central registry of Economic Entities is ongoing. The Agreement with the Securities Commission was signed in February, enabling access to data on stocks and securities owned by public officials. The auditing of data on assets of the public officials in real time is enabled. Regarding obligations of Montenegro in the area of fulfilment of GRECO recommendations, Montenegro is going through the 4th round of evaluation and the Agency coordinates the process of provision of data. In that regard, the answers of relevant institutions and complete report were submitted in envisaged time – 1 May 2017. In the area of suppression of corruption and fight against organised crime, the Parliament adopted the Law amending the Law on Criminal Liability of Legal Entities on 17 June 2016. On 28 July 2016, the Government adopted Operative document for prevention of corruption in areas of special risk. The remaining two Special State Prosecutors were appointed in June 2016. Within the new Rulebook on Internal Organisation and Job Descriptions of the Special State Prosecutor’s Office (in force since 31 March 2017), 23 positions were systematised for 37 professionals. 28 officials were employed and the procedure for engagement of additional nine officials is in process through already advertised vacation notice. Special police department has been operational since 2016 and is staffed with all of ***planned*** 20 officials. Through employment of financial experts in ***planned*** numbers and through the establishment of the functional network with public organs holding data on assets that are subject to financial investigation, the conditions for improvement in financial investigations have been met. UE-ME 3604/17 29 EN Ten new investigations against 40 natural persons and two legal entities related to the corruption have been launched. Of that number, in one case against one natural person charges were brought, while the cases against remaining 39 natural persons and two legal entities are in the investigation phase. Additionally, two charges were brought against three subjects for whom the investigation was launched in the previous period, as well as charge sheet against one subject. One direct charge was brought against one subject in a case developed at the end of 2015. A financial investigation was launched against 13 natural persons. In two cases that rendered verdicts based on a plea agreement, the confiscation of assets in the total value of EUR 23,482,545 was ordered, and collection was secured by placing a mortgage on seized non-movable assets. In one case, upon res judicata of the verdict and after the end of financial investigation that failed to prove legality of the ownership, the application for confiscation of assets in amount of 11 real-estates was submitted. With regard to the enforcement of penalty sanctions for 50 subjects with res judicata sentences during 2016 and 2017, 27 subjects started serving sentences, 8 had served their sentences, while 15 subjects received calls to start serving their sentences. Of those 15, international arrest warrant was filed for two, while the others must come into custody in May 2017. In 2016/2017, three court processes for permanent seizure of assets were led before the High Court in Podgorica. One case rendered sentence for permanent confiscation of assets and became res judicata in February 2017, while rendering of decision in the other two is in process. With regard to the fundamental rights, legal framework was improved with the adoption of the Law amending the Law on Minority Rights and Freedoms on 27 April 2017 and with creation of the Proposal for the Law amending the Non-discrimination Law on 8 June 2017. The Government improved the ***strategic*** framework by adopting: Strategy for Execution of Criminal Sanctions 2017-2021 (29 December 2016), Action ***Plan*** for Implementation of the Strategy for Execution of Criminal Sanctions 2017-2021 (30 March 2017); ***Plan*** of activities for achievement of Gender Equality in Montenegro 2017-2021 with Action ***plan*** for implementation 2017-2018 (March 2017); Strategy for Integration of Persons with Disabilities in Montenegro 2016-2020 with Action ***plan*** for implementation 2016 - 2017 (September 2016); Strategy for Protection of Persons with Disabilities against Discrimination and Promotion of Equality for 2017-2021 with Action ***plan*** 2017-2018 (15 December 2016); Action ***plan*** for Implementation of the Strategy of Enhancement of Quality of Living of LGBT persons in Montenegro 2013-2018 for 2017 (2 March 2017). UE-ME 3604/17 30 EN With regard to the prohibition of torture, the Ministry of Justice – Direction for probation became member of Confederate of European Probation Offices (CEP) on 6 October 2016. The internal Guide on Healthcare of sentenced and persons under custody in the Institution for Enforcement of Criminal Sanctions has been adopted. The Institution for Enforcement of Criminal Sanctions developed idea for creation of Special detainment facility within the Institution, and through Horizontal project of Council of Europe “Enhancing human rights protection for detained and sentenced persons in Montenegro” development of feasibility study on construction of the Special detainment facility within the Institution for Enforcement of Criminal Sanctions is in process. Regarding identification of the Police officers, the development of the new Law on Internal Affairs is in process aiming at establishment of more quality normative framework which shall, among other things, facilitate identification of Police officers, in particular of members of the Special Forces. With regard to the rights of the persons with disabilities, on 22 December 2016, the Government adopted the Analysis of alignment of legislation in Montenegro with the Law Prohibiting Discrimination of Persons with Disabilities and UN Convention on Rights of the Persons with Disabilities with recommendations for harmonization. During 2016, the following facilities were adjusted: Health Insurance Fund in Podgorica, Basic Court in Podgorica, and Faculty of Economics in Podgorica. The tender procedures were finished and best offers accepted for modification of the following institutions: Hospital in Niksic, Community health centre in Niksic, Hospital for respiratory deceases – Brezovik, in Niksic, Community health centre “Dr. Niko Labovic” in Berane and Hospital in Berane. Regarding gender equality and domestic violence, two municipalities adopted Decision on Gender Equality, while another established the Council for Gender Equality. The Coordinative Board for Coordination, Implementation, Monitoring and Evaluation of Policies and Measures for Prevention and Fight against all forms of Violence covered with the Council of Europe Convention on Prevention and Suppression of Violence against Women and Domestic Violence (Istanbul Convention) has been established. Montenegro will present the Report on implementation of Convention to CEDAW Committee on 11 July 2017. UE-ME 3604/17 31 EN Regarding protection of the rights of sexual minorities, another Gay Pride was successfully held in December 2016. Awareness raising on local level continues and memorandums of understanding were signed between the Ministry for Human and Minority rights and two additional municipalities, Kolašin on 18 July and Mojkovac on 4 August 2016. Regarding migrations, with the aim of further alignment of national legislation with the EU acquis, the new Law on Foreigners was ***planned*** to be adopted in the third quarter of 2017. Cross-sectorial work group for development of this Law was formed on 13 May 2016, the Draft Law was created and it is undergoing public debate at the moment. On ***strategic*** ***plan***, on 23 February 2017, the Government adopted the Strategy for Integrated Management of Migrations in Montenegro 2017-2020, with the Action ***plan*** for 2017. Regarding asylum, on 29 December 2016, the Parliament adopted the Law on International and Temporary Protection of Foreigners in line with the contemporary standards in this area. The development of bylaws necessary for implementation of the Law is ongoing and deadline for their adoption is third quarter of 2017. Regarding external borders and Schengen, on 23 February 2017 the Government adopted Schengen Action ***Plan*** which defines ***plans*** for modernisation of border crossings and alignment with Schengen standards in management and surveillance of the border. Regarding fight against corruption on the border, Common ***Plan*** of Measures for Prevention and Suppression of Corruption on Border Crossings for all involved institutions was adopted on 27 February 2017. The Joint Centre for Police Cooperation between Montenegro and Albania was opened in Plav on 30th May 2017. Regarding judicial cooperation in civil and criminal matters, the Draft Law on Judicial Cooperation in Civil and Criminal Matters with EU member states was prepared and submitted to TAIEX for expertise. Deadline for adoption of this Drat Law is the third quarter of 2017. The Hague Convention on International Recovery of Child Support from 2007 came into force in January 2017. The Law of ratification of the Agreement on Cooperation between EUROJUST and Montenegro was published in the Official Gazette of Montenegro (no. 001/17) on 16 January 2017, which completed national procedures for implementation of the Law. The 2017 Budget provides funds for State Prosecutors who will be sent to EUROJUST, in line with the agreement. UE-ME 3604/17 32 EN With regard to police cooperation, with the aim of comprehensive police reform, the work on the Law on Internal Affairs which will, among other things, define issues of transparency, merit based engagement and professional advancement within the Police Administration. Continual implementation of the Agreement with INTERPOL is visible in practice through intensive exchange of information whose number has been constantly growing since the signing of the agreement. Regarding the fight against trafficking in human beings, Montenegro continues implementation of the Strategy for fight against trafficking in human beings. On 2 February 2017, the Government of Montenegro adopted the Action ***plan*** for Implementation of the Strategy for 2017-2018. Regarding fight against terrorism, Montenegro continues implementation of the Strategy for Prevention and Suppression of Terrorism, Money Loundering and Financing of Terrorism 2015-2018. Hence, on 28 July 2016, the 10th Report on implementation of the Strategy with review of realised measures from the AP 2005-2016 for the reporting period January-June 2016 was adopted. Afterwards, on 23 March 2017, 11th Report on implementation of the Strategy with review of realised measures from the AP 2005-2016 for the reporting period July-December 2016 was adopted. On 4 October 2016, Montenegro signed Additional Protocol accompanying Council of Europe Convention on prevention of Terrorism. Regarding cooperation in the field of drugs, Montenegro is continuously implementing Strategy for Prevention of Drugs Abuse 2013-2020. After conducting mid-term external evaluation of Strategy by the TAIEX team for Drugs policies, the Government adopted the new Action ***Plan*** for Implementation of Strategy 2017-2018 on 16 February 2017, in line with the recommendations. UE-ME 3604/17 33 EN Regarding science and research, on 28 July 2016, the Strategy for Innovative Activities and the Law on Innovative Activities were adopted. Government of Montenegro is among the first countries in the Region that supported Initiative for establishment of International Institute for Sustainable Technologies in South East Europe region with the mission – Science for Peace, based on common interests, considering economic, cultural and social aspects. The system of national contact persons and delegates and ***programme*** boards for Horizon 2020 ***programme*** was established. Innovative- entrepreneurship Centre „Tehnopolis“ in Nikšić, where services of pre-incubation and incubation with incentive measures have been provides was opened on 17 November 2016. Within „INVO“ project, following activities are being financed: Centre for Excellence in Bioinformatics with 3.4 million euro, 8 large research grants with 26 million euro and National ***Programme*** of Scholarships for Excellence that funds 32 PhDs (25 abroad and 7 at the University of Montenegro) and 14 post-doctoral fellows abroad with EUR 568,000. The Ministry of Science published on 7 March 2017 preliminary results of statistics for I&R for 2015. In line with the law, final results are submitted to EUROSTAT in June 2017. Key results for 2015 research shows that total domestic expenditure on I&R amounts to 0.38% of the GDP, that is, gross expenditures for I&R totalled to EUR 13,667,834. Even though the nominal amount was bigger than in 2014, the percentage of expenditures didn’t increase significantly because Montenegrin GDP in 2015 also increased comparing to previous year. In the field of education and culture, the Government of Montenegro adopted the Strategy for development of higher education in Montenegro (2016–2020) with the Action ***Plan***, as well as the Strategy for the Education of Teachers (2017-2024) with Action ***Plan*** for its implementation for 2017 and 2018. The Government of Montenegro, i.e the Ministry of Education prepared a set of amendments to the laws in the field of education which should be adopted by the end of July with the aim of improving the quality of education better alignment of education with the needs of the labour market and production of competitive labour force. The law amendments are also related to the improvement of practical skills at all levels, as well as the improvement of knowledge of foreign languages, so the English language will be thought already in preschool institutions. The new General Part of the curriculum for elementary education, the application of which will start as of the school year 2017/18, the overall number of classes has been reduced by 10%, which represents one of the elements of the educational reform. UE-ME 3604/17 34 EN The most important amendments in the field of professional education concern the creation of conditions for a more active involvement of employers in the realisation of practical education and implementation of dual education. Adoption of amendments to the Law on Higher Education endorsed by the Government on 15 June 2017 is pending. Crucial changes concern the introduction of the 3+2+3 studying model instead of the existing model 3+1+1+3, except for the regulated professions; establishment of the Agency for ensuring the quality of higher education; introduction of a new model of higher education financing, the so called contractual model of financing based on the performance indicators; introduction of free studies for students of the first and second cycle of studies in public institutions; as well as the introduction of mandatory practical classes as an integral part of curriculum which will make at least 25% of the total student’s workload per each subject in a year. For the purpose of the reduction of unemployment and ensuring easier transition from the world of education to the world of employment, fifth year in a row Montenegro implements the ***Programme*** of professional training of persons with higher education. In the field of environment and climate change, on 28 July 2016 the Government adopted the National Strategy for transposition, implementation and application of the EU acquis in the field of environment and climate change with the Action ***Plan*** for the period 2016-2020 and thus responded to the opening benchmark requirements and fulfilled the condition for opening negotiations on Chapter 27–Environment and Climate Change. In June 2016 the Parliament of Montenegro adopted the Law on Environment, the Law on Waste Management, the Law on Nature Protection and the Law on Biocidal Products. In December 2016 the Parliament of Montenegro adopted the Law on Communal Wastewater Treatment. Based on the State ***Plan*** for Waste Management the competent authorities approved 20 local ***plans***, 15 of which were published in the Official Gazette of Montenegro. In these ***plans*** particular accent was put on setting up the system for primary waste selection and increase of reusing and recycling of paper, metal, plastic and glass. On 20 April 2017 the Government adopted the Fourth Report on the implementation of the National Strategy for Air Quality Management with the Action ***Plan*** for 2017-2020. UE-ME 3604/17 35 EN The realisation of the IPA project “Establishment of the NATURA 2000 Network” which was launched on 26 April 2016 is in progress, and the project will be completed by June 2019. Significant activities concerning the preservation and protection of the Ulcinj Salt Works have been launched and realised. On 18 July 2016, based on the public call the bankruptcy manager of the Salt Works concluded the Contract on leasing the property of JSC Bajo Sekulić Salt Works with the Public Enterprise of National Parks for a one year period (until August 2017). During May 2017, Public Enterprise of National Parks of Montenegro completed the repair and enabled the functioning of pump engine of the Ulcinj Salt Works and thus provided pumping of water into the pools of the Salt Works. On 23 February 2017 the Government adopted the Urbanist ***Plan*** for the municipality of Ulcinj. This ***plan*** suggests the proclamation of a nature park on the entire area of the Salt Works (1,419.85ha). The realisation of the project “Finalisation of the Study on Protection of the Ulcinj Salt Works” financed from the European Integration Fund started in February 2017. The ***Programme*** of Establishment of Eco Fund is launched in cooperation with the UNDP. The proposal for the optimum model of Eco Fund for Montenegro will be prepared by the end of 2017 and activities concerning the establishment of this institution will be started based on the ***plan***. As regards the area of consumer and health protection, Montenegro adopted the Law on Misleading Advertising and the Rulebook on the list of products, manner of displaying and the type of objects where product declarations are displayed in Braille as of 9 May 2017. Montenegro adopted the ***Plan*** of activities on raising the level of protection of consumers in local self-government units, as well as the Action ***Plan*** for the implementation of Regulation 2006/2004 on cooperation between the national bodies responsible for the implementation of consumer protection law. The Action ***Plan*** for the National ***Programme*** on Consumer Protection (2015-2018) for the period July 2016 - June 2017 was adopted on 29 September 2016. The Annual Report on the realisation of the National ***Programme*** for Consumer Protection (2015-2018), for the period July 2015 - June 2016 was adopted on 28 March 2017. The General ***Programme*** for the control of products on the market for 2017 was also adopted and published on 30 December 2016 on the site of the Administration for Inspection Affairs together with the report on its realisation. UE-ME 3604/17 36 EN As regards the area of public health, in particular the field of blood, four rulebooks have been amended. In the field of human organs, the Parliament adopted the Law on Taking and Transplantation of Human Organs for the Purposes of Medical Treatment, which entered into force in July 2016, whereas there are nine adopted Rulebooks for its implementation. Furthermore, the Parliament adopted the Law on Health Inspection which entered into force in May 2017. In the field of infectious diseases, the competent bodies are working intensively on drafting the Law on the Protection of Population from Infectious Diseases, as well as the Action ***Plan*** for improvement of the surveillance system and response to infectious diseases. Furthermore, Montenegro also adopted the National Strategy for the control of resistance of bacteria to antibiotics for the period from 2017 to 2021, with the Action ***Plan*** for 2017 and 2018. As regards the field of financial control, the Ministry of Finance in cooperation with the Human Resource Administration has implemented trainings ***planned*** for 2016, according to the Training ***Programme*** for the system of internal financial control in the public sector of Montenegro. On 29 December 2016 the Government endorsed the Decree Amending the Decree on the Establishment of Internal Audit in the Public Sector. The Decree stipulates that the Ministry of Public Administration establishes based on an act on internal organisation and systematisation a special organisational unit for the internal audit of information systems formed within the public administration bodies. As regards the external audit, the internal control of the realisation of the SAI recommendations has been improved and the newly introduced obligation is the submission of the Action ***Plan*** by audit entities and bodies responsible for the realisation of recommendation. On 31 October 2016 the Public Audit Institution submitted to the Parliament the Annual Report on realised audits and activities of the institution for the period October 2015 - October 2016, which contains information on the implementation of the Annual ***Plan*** of Audits for 2016. As regards the protection of financial interests of the EU, Montenegro got access to the Irregularities Management System which is the platform for electronic reporting of irregularities and frauds. UE-ME 3604/17 37 EN Under the Instrument for Pre-accession Assistance (IPA), Montenegro is finalising the implementation of projects within the financial perspective 2007-2013 (IPA I) under the first two components: I – Transition Assistance and Institution Building and Cross–Border Cooperation. All project included in Component I were successfully contracted until 26 April 2016 which was the deadline for contracting projects under IPA 2013. As regards Component III – Regional Development and Component IV – Human Resource Development, in the reporting period Montenegro successfully worked on contracting projects, which is mostly completed. Efforts of the operational structures will in the following period be directed at successful implementation of the ***programmes***. Preconditions for closing the ***programmes*** are partially met after the Government of Montenegro accepted amendments of financial agreements for these two components, after which the National IPA Coordinator signed both financial agreements on 24 February 2017. Concerning the new financial perspective 2014-2020 (IPA II), ***programming*** of the assistance is completed concluding with the allocation for the ***programme*** 2017. The structures formed for ***programming*** continued their work on revision of sectoral ***plan*** documents, which will considerably improve the multiannual ***strategic*** ***planning*** and interinstitutional ***planning*** under the sectoral approach. In line with the consigned execution of the budget tasks, the structures for indirect management in Montenegro continued their work on the preparation of tender documentation and contracting projects from the ***programmes*** IPA 2014 and IPA 2015. Decision on consigning the execution of budget tasks for the IPARD II ***programme*** has been postponed for 2017. Strengthening capacities will remain one of the main priorities in the following period. UE-ME 3604/17 38 EN Montenegro ensured an efficient implementation of the SAA and commitments within the ***planned*** deadlines, as well as the implementation of the SAA according to the defined dynamics. Furthermore, Montenegro is continuing the process of comprehensive political, economic, legal, institutional and structural reforms. The sixth meeting of the Stabilisation and Association Committee was held in Brussels on 19 December 2016. Meetings of joint committees with countries from the region According to Article 15 of the Stabilisation and Association Agreement, the Agreement on Cooperation between the Government of Montenegro and the Council of Ministers of Bosnia and Herzegovina in the process of accession to the EU was signed on 14 February 2017, and in Montenegro it entered into force on 23 March 2017. The second Consultative Committee between Montenegro and the Republic of Serbia was held on 4 November 2016 in Belgrade. The Agreement on Cooperation between the Government of Montenegro and the Government of the Republic of Serbia in the context of accession to the European Union was concluded in line with Article 15 of the Stabilisation and Association Agreement and entered into force on 23 September 2014. The second Joint Committee between Montenegro and the Republic of Albania was held on 7 April 2017 in Tirana. The Joint Committee was established based on the Agreement on Cooperation between the Government of Montenegro and the Government of the Republic of Albania in the context of accession to the EU which was signed on 22 May 2015 and entered into force on 16 December 2015. Joint Consultative Committees At the seventh meeting of the Joint Consultative Committee between the Committee of the Regions and Montenegro held in Sutomore on 15 September 2016 the participants considered basic challenges of local administrations in the accession process. 3.2 Bilateral relations under the Stabilisation and Association Agreement UE-ME 3604/17 39 EN The eighth session of the Joint Consultative Committee between the Committee of the Regions and Montenegro was held in Brussels on 31 May – 1 June 2017. The seventh meeting of the Joint Consultative Committee for Civil Society between Montenegro and the European Union was held in Brussels on 8 July 2016; The eighth meeting of the Joint Consultative Committee for Civil Society between Montenegro and the European Union was held on 8 November 2016 in Budva. The ninth meeting of the Joint Consultative Committee for Civil Society between Montenegro and the European Union was held on 8-9 June 2017 in Bečići; the participants confirmed the importance of engagement of civil society in the negotiation process and considered the topics concerning health and movement of goods. The eighth meeting of the EU-Montenegro Parliamentary Stabilisation and Association Committee was held on 14 June 2017 in Strasbourg. The fourth meeting of the Special Group for Public Administration Reform was held in Podgorica on 16-17 June 2016. Sectoral subcommittees There were 9 regular annual meetings of sectoral subcommittees between Montenegro and the European Union. The following meeting were held in Brussels: the ninth meeting of the Subcommittee for Transport, Energy, Environment and Regional Development on 14 June 2016, the ninth meeting of the Subcommittee for Industry, Trade, Customs, Taxes and Cooperation with Other Candidate Countries on 16 June 2016; the eight meeting of the Subcommittee for Economic and Financial Matters and Statistics on 21 Number 2016; the eighth meeting of the Subcommittee for Innovations, Human Resources, Information Society and Social Policy on 24-25 April 2017. The following meetings were held in Podgorica: the seventh meeting of the Subcommittee for Innovations, Human Resources, Information Society and Social Policy on 6-7 July 2016; the ninth meeting of the Subcommittee for ***Agriculture*** and Fisheries on 21 September 2016; the seventh meeting of the Subcommittee for Justice, Freedom and Security on 14-15 March 2017, the tenth meeting of the Subcommittee for Transport, Energy, Environment and Regional development on 7 June 2017; the eighth meeting of the Subcommittee for Internal Market and Competition on 8 June 2017. UE-ME 3604/17 40 EN Montenegro continues the participation in the EU ***programmes*** envisaged for the period 2014-2020: Horizon 2020, COSME, Creative Europe (with the MEDIA Sub-***programme*** since 2015), Europe for Citizens, Erasmus +, Customs, Fiscalis, for which entry tickets can be partially refunded from the IPA resources. Bearing in mind the present phase of the European integration process and the increasingly complex and demanding obligations stemming from the negotiation process, the process of alignment of the national legislation with the EU acquis and fulfilment of SAA obligations, Montenegro expresses its satisfaction with the continuity of economic and political dialogue with the EU. Montenegro is dedicated to the development of good neighbourly relations and is determined in its intention to contribute to the preservation of stability in the region. In the new capacity of a NATO member state and the mostadvanced country in the EU negotiation process, we continue to share knowledge and experience obtained in the accession processes. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Item 4. Exchange of opinions regarding the situation in the Western Balkans

**Load-Date:** August 15, 2017

**End of Document**



[***-Tyson Foods Boosts FY2017 EPS Guidance on Strong Beef Segment Performance; Another record year projected for FY18; net cost savings targets announced***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PKJ-TG81-F0K1-N04G-00000-00&context=1516831)

ENP Newswire

September 29, 2017 Friday

Copyright 2017 Normans Media Limited All Rights Reserved



**Length:** 1983 words

**Body**

Springdale, Ark - Tyson Foods, Inc. (NYSE: TSN) today announced increased adjusted guidance for fiscal 2017, adjusted guidance for fiscal 2018 and cost savings targets for 2018-2020.

Adjusted earnings guidance for the 2017 fiscal year, which ends Saturday, has been increased to an adjusted $ 5.20-5.30 per share, up from $ 4.95-5.05, primarily due to much better than expected earnings in the Beef segment.

Guidance for fiscal 2018 is an adjusted $ 5.70-5.85 earnings per share, which would be the seventh consecutive year of record adjusted EPS.

The company ***plans*** to provide GAAP results for its fourth quarter and full-year 2017 in its fourth quarter earnings report scheduled for Nov. 13; however, at this time the company is unable to reconcile its full-year fiscal 2017 and 2018 adjusted EPS guidance to its full-year fiscal 2017 and 2018 projected GAAP guidance because certain information necessary to calculate such measures on a GAAP basis is unavailable or dependent on the timing of future events outside of our control. These potential items include, but are not limited to, the potential impairment of a non-protein business classified as an asset held for sale and any gains or losses upon the completion of the sale of three non-protein businesses, potential impairments of long-lived assets and intangible assets, and additional expense or modifications to its restructuring ***plan*** and other charges. Therefore, because of the uncertainty and variability of the nature of the amount of future adjustments, which could be significant, the company is unable to provide a reconciliation of this measure without unreasonable efforts. Adjusted EPS should not be considered a substitute for net income per share attributable to Tyson or any other measure of financial performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions.

Tom Hayes, Tyson's president and chief executive officer, said the company is implementing its previously announced 'Financial Fitness' ***plans***. 'We are creating momentum behind our continuous improvement agenda as we know we can be even more efficient operators,' he said. 'We are a good partner for growth for our customers and are constantly challenging ourselves to identify opportunities to create value for our consumers, customers and shareowners.'

Through a combination of synergies from the integration of AdvancePierre Foods acquired in June, and additional eliminations of non-value-added costs, the company expects cumulative net savings of $ 200 million, $ 400 million and $ 600 million over fiscal years 2018, 2019 and 2020, respectively. These savings primarily will impact the Prepared Foods and Chicken segments, focusing on three areas:

Supply Chain

Procurement

Overhead

The company ***plans*** to reduce headcount by approximately 450 positions across several areas and job levels. Most of the eliminated positions will come from the corporate offices in Springdale, Chicago and Cincinnati.

'We're grateful to everyone who has contributed to the company's success, and we're thankful for their time with Tyson Foods,' Hayes said. 'These are hard decisions, but I believe our customers and consumers will benefit from our more agile, responsive organization as we grow our business through differentiated capabilities, deliver ongoing financial fitness through continuous improvement and sustain our company and our world for future generations.'

In its fiscal fourth quarter earnings report, Tyson Foods ***plans*** to report restructuring and other charges of approximately $ 140 - $ 150 million, composed of an approximately $ 70 million impairment for costs related to in-process software implementations, $ 45 - $ 50 million in employee termination costs and $ 25 - $ 30 million in contract termination costs.

The company ***plans*** to provide a reconciliation of its fourth quarter adjusted EPS and its full-year fiscal 2017 adjusted EPS guidance to its fourth quarter GAAP EPS and its full-year fiscal 2017 GAAP guidance in its fourth quarter earnings report scheduled for Nov. 13. The company last provided a reconciliation of adjusted EPS and GAAP EPS in its third quarter earnings release. For a reconciliation of the company's third quarter adjusted EPS and its nine-months ended adjusted EPS to its third quarter and nine-months ended GAAP EPS, respectively, see the company's Current Report on Form 8-K filed with the SEC on August 7, 2017.

Adjusted net income per share attributable to Tyson (adjusted EPS) is a supplementary measure of our financial performance that is not required by, or presented in accordance with, GAAP. We use adjusted EPS as an internal performance measurement and as one criterion for evaluating our performance relative to that of our peers. We believe adjusted EPS is meaningful to our investors to enhance their understanding of our financial performance and is frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report adjusted EPS. Further, we believe that adjusted EPS is a useful measure because it improves comparability of results of operations from period to period. Adjusted EPS should not be considered a substitute for net income per share attributable to Tyson or any other measure of financial performance reported in accordance with GAAP. Investors should rely primarily on our GAAP results and use non-GAAP financial measures only supplementally in making investment decisions. Our calculation of adjusted EPS may not be comparable to similarly titled measures reported by other companies.

The company will host a conference call with analysts to discuss these announcements at 9 a.m. EDT Friday, Sept. 29, 2017. Participants may pre-register for the call at [*http://dpregister.com/10112611*](http://dpregister.com/10112611). Callers who pre-register will be given a conference passcode and unique PIN to gain immediate access to the call and bypass the operator. Participants may pre-register at any time, including up to and after the call start time. Those without internet access or who are unable to pre-register may dial-in by calling toll free 1-844-890-1795 or international toll 1-412-717-9589.

A live webcast, including slides, will be available on the Tyson Foods Investor Relations website at   [*http://ir.tyson.com*](http://ir.tyson.com). The webcast also can be accessed by using the direct link   [*https://event.on24.com/wcc/r/1517267/0A51C0B8DD32E46218B1A4E8572833A7*](https://event.on24.com/wcc/r/1517267/0A51C0B8DD32E46218B1A4E8572833A7).

A replay of the call will be available until Oct. 29, 2017, toll free at 1-877-344-7529, international toll 1-412-317-0088 or Canada toll free 855-669-9658. The replay access code is 10112611. Financial information, such as this news release, can be accessed from the Company's web site at   [*http://ir.tyson.com*](http://ir.tyson.com).

To download the free Tyson IR App, which offers access to SEC filings, news releases, transcripts, webcasts and presentations, please visit the App Store for iPhone and iPad or Google Play for Android mobile devices.

About Tyson Foods

Tyson Foods Inc. (NYSE: TSN) is one of the world's largest food companies and a recognized leader in protein. Founded in 1935 by John W. Tyson and grown under three generations of family leadership, the company has a broad portfolio of products and brands like Tyson, Jimmy Dean, Hillshire Farm, Ball Park, Wright, Aidells, ibp and State Fair. Tyson Foods innovates continually to make protein more sustainable, tailor food for everywhere it's available and raise the world's expectations for how much good food can do. Headquartered in Springdale, Arkansas, the company has 114,000 team members. Through its Core Values, Tyson Foods strives to operate with integrity, create value for its shareholders, customers, communities and team members and serve as stewards of the animals, land and environment entrusted to it. Visit   [*www.tysonfoods.com*](http://www.tysonfoods.com).

Forward-Looking Statements

Certain information contained in this news release may constitute forward-looking statements, including but not limited to statements relating to expected performance, statements relating to adjusted EPS guidance and synergies estimates, and statements relating to impairment and other charges regarding restructuring and other termination actions. These forward-looking statements are subject to a number of factors and uncertainties which could cause our actual results and experiences to differ materially from the anticipated results and expectations expressed in such forward-looking statements. We wish to caution readers not to place undue reliance on any forward-looking statements, which speak only as of the date made. Among the factors that may cause actual results and experiences to differ from anticipated results and expectations expressed in such forward-looking statements are the following: (i) the effect of, or changes in, general economic conditions; (ii) fluctuations in the cost and availability of inputs and raw materials, such as live cattle, live swine, feed grains (including corn and soybean meal) and energy; (iii) market conditions for finished products, including competition from other global and domestic food processors, supply and pricing of competing products and alternative proteins and demand for alternative proteins; (iv) successful rationalization of existing facilities and operating efficiencies of the facilities; (v) risks associated with our commodity purchasing activities; (vi) access to foreign markets together with foreign economic conditions, including currency fluctuations, import/export restrictions and foreign politics; (vii) outbreak of a livestock disease (such as avian influenza (AI) or bovine spongiform encephalopathy (BSE)), which could have an adverse effect on livestock we own, the availability of livestock we purchase, consumer perception of certain protein products or our ability to access certain domestic and foreign markets; (viii) changes in availability and relative costs of labor and contract growers and our ability to maintain good relationships with employees, labor unions, contract growers and independent ***producers*** providing us livestock; (ix) issues related to food safety, including costs resulting from product recalls, regulatory compliance and any related claims or litigation; (x) changes in consumer preference and diets and our ability to identify and react to consumer trends; (xi) significant marketing ***plan*** changes by large customers or loss of one or more large customers; (xii) adverse results from litigation; (xiii) impacts on our operations caused by factors and forces beyond our control, such as natural disasters, fire, bioterrorism, pandemics or extreme weather; (xiv) risks associated with leverage, including cost increases due to rising interest rates or changes in debt ratings or outlook; (xv) compliance with and changes to regulations and laws (both domestic and foreign), including changes in accounting standards, tax laws, environmental laws, ***agricultural*** laws and occupational, health and safety laws; (xvi) our ability to make effective acquisitions or joint ventures and successfully integrate newly acquired businesses into existing operations; (xvii) cyber incidents, security breaches or other disruptions of our information technology systems; (xviii) effectiveness of advertising and marketing ***programs***; (xix) our ability to fully realize expected cost savings or operating efficiencies associated with our ***strategic*** initiatives or restructuring ***programs***; and (xx) those factors listed under Item 1A. 'Risk Factors' included in our Annual Report filed on Form 10-K for the period ended October 1, 2016 and subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

Media Contact:

Gary Mickelson, 479-290-6111, [*gary.mickelson@tyson.com*](mailto:gary.mickelson@tyson.com)

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** September 29, 2017

**End of Document**



[***Broader Market Shifts Send Lithium Demand Over the Top; NetworkNewsWire Editorial Coverage***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RCX-5VJ1-JB72-12JK-00000-00&context=1516831)

PR Newswire Europe

January 11, 2018 Thursday 8:30 AM EST

Copyright 2018 PR Newswire Europe Limited All Rights Reserved

**Length:** 3079 words

**Dateline:** NEW YORK, January 11, 2018

**Body**

Tesla CEO Elon Musk in December made true hispromiseto build in South Australia the world's biggest lithium ion battery. "The world's largest lithium ion battery will be an important part of our energy mix, and it sends the clearest message that South Australia will be a leader renewable energy with battery storage," Australian Premier Jay Weatherill said in statement ([*http://nnw.fm/m2Lzh*](http://nnw.fm/m2Lzh))." Musk's vow came after a challenge for Tesla to address power blackouts and energy shortages in South Australia. In tandem with Weatherill's enthusiasm over the success of the project, the achievement reveals a broader, global push to increase the use of lithium as a power source. Several companies are poised to scale up their production efforts and capitalize on the resulting global demand for lithium and cobalt, which is essential to lithium-ion battery operation. They includeStandard Lithium Ltd.(OTC: STLHF) (TSX-V: SLL) (FRA: S5L)(STLHF Profile),Sociedad Quimica y Minera de Chile S.A.(NYSE: SQM),NRG Metals, Inc.(TSX-V: NGZ),FMC Corp.(NYSE: FMC) andeCobalt Solutions,Inc.(TSX: ECS).

China Boosts Potential for Lithium Companies

China has the largest automotive industry in the world and it is estimated that cars running on combustion engines account for around 30 percent of the country's air pollution. The government's decision to phase out vehicles operating on fossil fuels has been welcomed by environmentalists.

The Chinese government aims to ***produce*** 7 million EVs and hybrid vehicles by 2025, and Goldman Sachs has estimated that China will account for 60 percent of all global EV sales by 2030.

China's ***plans*** may appear ambitious, but it already has two of the top five lithium-ion battery manufacturers in the world, BYD and CATL. Some critics have pointed out that lithium-ion batteries are heavy and expensive, accounting for 33 percent of the cost of EV manufacture. However, Bloomberg reports that the price of these batteries is decreasing and predicts that EVs will be as affordable as vehicles powered by combustion engines by 2022 ([*http://nnw.fm/8iRER*](http://nnw.fm/8iRER)). As a result, demand for lithium and cobalt is skyrocketing, paving the way for companies in the industry to expand operations and increase production of the two minerals.

Standard Lithium, Gears Up to Service Global Demand

Based in Vancouver, Canada,Standard Lithium Ltd. (OTCQX: STLHF) (TSX.V: SLL) (FRA: S5L)is focusing its efforts on developing existing large-scale lithium brine resources in the United States that can be brought quickly into production. To this end, the company is exploring and developing its California Lithium Project, which includes the Bristol Dry Lake and Cadiz Dry Lake lithium brine properties in the Mojave area of San Bernardino County in California. Standard Lithium has agreements in place with both of the regions permitted brine processor's, National Chloride Corporation of America and TETRA Technologies.

Under the recently announced agreement with TETRA Technologies, Inc., Standard Lithium has increased the project scope to roughly 48,000 acres of mixed private, patented and placer claim land in the Bristol Dry Lake and Cadiz Dry Lake basins that allow for exclusive lithium brine exploration and processing. This agreement marked an extension of Bristol Dry Lake's potential, and positioned Standard Lithium to fully leverage its working relationship with TETRA.

"Since day one we have recognized the bigger opportunity with respect to expanding the resource base and strengthening project economics at Bristol Dry Lake by securing the rights for lithium development over the entire basin.  By inking an agreement with TETRA, the only other permitted operator in the area, we have now effectively achieved that.  This is a significant and ***strategic*** move for Standard, but has only been made possible by the excellent relationships we have developed with the permitted brine operators in the region.  Gaining access to the adjacent Cadiz Dry Lake operating project is an additional benefit to our relationship with TETRA," Standard Lithium CEO Robert Mintak noted in a press release announcing the deal ([*http://nnw.fm/4yD4U*](http://nnw.fm/4yD4U)).

Part of the allure of the Bristol Dry Lake project in particular is that it is currently permitted for brine extraction and processing activities; has significant production infrastructure in place; and is serviced by major highways, power and a dedicated rail siding and loading spur.  Located 20 km (just under 12.5 miles) southeast of Bristol Dry Lake is the Cadiz Dry Lake Property, of which three initial grab samples of brine wells showed lithium concentrations in pumped brine ranging between 112-139 mg/L.

"These concentrations from relatively shallow wells suggests that there is a potentially significant lithium brine deposit present in the Cadiz Dry Lake basin.  Our technical team is currently performing due-diligence on all available data for the Cadiz Dry Lake basin and will be laying out a ***plan*** for new data collection over the coming months.  Additional investigation of TETRA's properties in both Bristol Dry Lake and Cadiz Dry Lake will be performed concurrently with our existing resource definition ***program***, and as such, we should be able to significantly expand our resource base as we move towards ***producing*** maiden lithium resource estimates for the Mojave projects," Standard Lithium president and COO Dr. Andy Robinson.

In a development updated issued in December 2017, Standard Lithium reported that six new separate evaporation ponds were installed on the Bristol Dry Lake Property, allowing the company to further assess the potential role of short-duration passive solar evaporation in processing the lithium brines encountered at the project.

Following previous work showing the possibility to concentrate brines from initial lithium concentrations of 146 mg/L to concentrations of 686 mg/L in roughly seven weeks, Standard Lithium is conducting additional evaporation tests to assess season variations and ***produce*** large volumes of pre-concentrated brine that will be shipped to the company's North American testing facilities for use in ongoing selective lithium extraction processing work. A bulk raw-brine sample from the Cadiz Dry Lake project will also be transported to the evaporation ponds to assess the pre-concentration of lithium brine from the project.

With official approval of the lithium brine sampling ***program*** at Bristol Dry Lake, Standard Lithium said it expects the development will be finished by the end of January.

The company's other significant project is its Smackover Lithium Brine Project. As announced earlier this week, Standard Lithium furthered its existing partnership with TETRA with an option agreement to acquire the rights to conduct exploration, production and lithium extraction activities in a highly productive area of Southern Arkansas' Smackover Formation.

According to the Arkansas Oil and Gas Commission, Arkansas ***produces*** on average more than 9 billion gallons of brine per year, mostly from the Smackover Formation. Standard Lithium's brine leases, which covers an area of up to 33,000 acres of brine leases. have extensive resource potential, with well-studied and documented geology and hydrogeology. According to the company, this makes the Smackover deposit one of the most promising in the lithium industry, which has the benefit of existing regional large-scale brine extraction, processing and brine re-injection facilities. Historical data from Standard Lithium's lease area indicates lithium content of 370-424 mg/L in these brines.

"The Company chose the Smackover Formation as a key development target, precisely because it combines a very large resource potential, with well-studied and documented geology and hydrogeology, along with a permitting regime that has a long history of approving operations that remove, process and re-inject massive volumes of brine.  Combined with a wealth of existing infrastructure in the project area (power, rail, gas, water, trained workforce, cheap reagents etc.), this makes Standard Lithium's new opportunity in Southern Arkansas the perfect location to locate a modern lithium brine processing operation.  Due to the wealth of already-available data from our new project area, we can start the process of compiling a maiden resource estimate for this large lease package extremely quickly, with a minimum of additional intrusive investigation," president and Chief Operating Officer Dr. Andy Robinson stated in the press release announcing the option agreement ([*http://nnw.fm/q1Pw8*](http://nnw.fm/q1Pw8)).

As Standard Lithium expands its project portfolio, management continues to invest in the company itself with the inclusion of industry professionals to its team.

In November 2017, Standard Lithium named Craig J. Brown, P. Eng. and a qualified Chemical Engineer, to its Scientific Advisory Council, as well as announced that that John E. Young, P. Eng. would join the company as senior corporate development officer.

Brown is widely respected as a hydrometallurgical expert and played a central role in the development of ion exchange technology. He has more than 45 years of experience in developing processes for the separation of a wide range of chemicals from aqueous solutions. The company intends to utilize Brown's expertise in selective ion-exchange and hydrometallurgical technologies to improve its lithium extraction processes. Standard Lithium also announced that it had begun test work on a new lithium-selective Ion Exchange resin that has been in development for some years by one of the largest suppliers of these resins in the world. This shows the company's commitment to expand its testing ***program*** to include cutting-edge technology in its drive to develop optimal process solutions for its lithium brine projects.

Young's mandate will be to head up the company's acquisition and development activities, while expanding and managing ***strategic*** partnerships and alliances, focusing on the southern U.S. region. He has more than 35 years of experience in reservoir engineering, economic evaluation, project development and property acquisition. As a registered professional engineer, Young holds a degree in petroleum engineering, as well as membership of the Society of Petroleum Engineers and the Society of Petroleum Evaluation Engineers. Previously, he held the position of director of business development for Legacy Reserves, LP.

Potential Comparable Companies

Sociedad Quimica y Minera de Chile S.A.(NYSE: SQM): Headquartered in Santiago, Chile, SQM ***produces*** and markets industrial chemicals, specialty plant nutrients, potassium, iodine and derivatives, as well as lithium and derivatives. SQM is the world's largest lithium ***producer***, supplying lithium carbonates, hydroxides and chlorides for a wide range of applications. Its lithium carbonate is used as electrochemical material in batteries, and lithium hydroxide for battery cathodes.

NRG Metals(TSX-V: NGZ): NRG Metals is an exploration company with a focus on lithium brine projects in Argentina. The company is drilling its Salar Escondito Lithium Project, a 29,000-hectare area that has shown results of 227ppm lithium. It is also evaluating the Hombre Muerto North Lithium Project, a 3,287-hectare site in Salta province. An Environmental Impact Study has been filed and the company has applied for permits to drill.

FMC Corp.(NYSE: FMC): Based in Philadelphia, Pennsylvania, FMC Corporation is a company that provides solutions and products for applications in the global consumer, ***agricultural*** and industrial markets. Through its subsidiary, FMC Lithium, the company markets lithium for use in batteries, pharmaceuticals, polymers, glass, ceramics, greases and lubricants.

eCobalt Solutions(TSX: ECS):eCobalt is a Canadian company which focuses its cobalt ***producing*** operations on its mineral rights in Cobalt Camp, Ontario. The company has merged with CobalTech and Cobalt One, giving it control over 10,000 hectares of unconsolidated land for prospecting. The company is currently developing historic mines in this area, including the Keeley-Frontier, Silver Banner and Bellellen mines.

With the global demand for lithium and cobalt predicted to grow exponentially over the next two decades, companies such asStandard Lithium Ltd. (OTCQX: STLHF) (TSX.V: SLL) (FRA: S5L),Sociedad Quimica y Minera de Chile S.A. (NYSE: SQM),NRG Metals, Inc. (TSXV: NGZ),FMC Corp. (NYSE: FMC)andeCobalt Solutions,Inc. (TSE: ECS)are uniquely positioned to expand exploration and production capabilities to establish themselves as leaders on the international lithium market.

For more information on Standard Lithium, visitStandard Lithium Ltd. (OTCQX: STLHF) (TSX.V: SLL) (FRA: S5L)

For a more in-depth look intoStandard Lithium (TSX-V: SLL) (FRA: S5L) (OTCQX: STLHF)you can view the full report onStreetsignals.com.

About NetworkNewsWire

NetworkNewsWire (NNW) is an information service that provides (1) access to our news aggregation and syndication servers, (2)NetworkNewsBreaksthat summarize corporate news and information, (3) enhanced press release services, (4) social media distribution and optimization services, and (5) a full array of corporate communication solutions. As a multifaceted financial news and content distribution company with an extensive team of contributing journalists and writers, NNW is uniquely positioned to best serve private and public companies that desire to reach a wide audience of investors, consumers, journalists and the general public. NNW has an ever-growing distribution network of more than 5,000 key syndication outlets across the country. By cutting through the overload of information in today's market, NNW brings its clients unparalleled visibility, recognition and brand awareness. NNW is where news, content and information converge.

Please see full terms of use and disclaimers on the NetworkNewsWire website applicable to all content provided by NNW, wherever published or re-published:[*http://NNW.fm/Disclaimer*](http://NNW.fm/Disclaimer)

DISCLAIMER: NetworkNewsWire (NNW) is the source of the Article and content set forth above. References to any issuer other than the profiled issuer are intended solely to identify industry participants and do not constitute an endorsement of any issuer and do not constitute a comparison to the profiled issuer. FN Media Group (FNM) is a third-party publisher and news dissemination service provider, which disseminates electronic information through multiple online media channels. FNM is NOT affiliated with NNW or any company mentioned herein. The commentary, views and opinions expressed in this release by NNW are solely those of NNW and are not shared by and do not reflect in any manner the views or opinions of FNM. Readers of this Article and content agree that they cannot and will not seek to hold liable NNW and FNM for any investment decisions by their readers or subscribers. NNW and FNM and their respective affiliated companies are a news dissemination and financial marketing solutions provider and are NOT registered broker-dealers/analysts/investment advisers, hold no investment licenses and may NOT sell, offer to sell or offer to buy any security.

The Article and content related to the profiled company represent the personal and subjective views of the Author, and are subject to change at any time without notice. The information provided in the Article and the content has been obtained from sources which the Author believes to be reliable. However, the Author has not independently verified or otherwise investigated all such information. None of the Author, NNW, FNM, or any of their respective affiliates, guarantee the accuracy or completeness of any such information. This Article and content are not, and should not be regarded as investment advice or as a recommendation regarding any particular security or course of action; readers are strongly urged to speak with their own investment advisor and review all of the profiled issuer's filings made with the Securities and Exchange Commission before making any investment decisions and should understand the risks associated with an investment in the profiled issuer's securities, including, but not limited to, the complete loss of your investment.

NNW & FNM HOLDS NO SHARES OF ANY COMPANY NAMED IN THIS RELEASE.

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, ***plans***, results, or strategies and are generally preceded by words such as "may", "future", "***plan***" or "***planned***", "will" or "should", "expected," "anticipates", "draft", "eventually" or "projected". You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements, including the risks that actual results may differ materially from those projected in the forward-looking statements as a result of various factors, and other risks identified in a company's annual report on Form 10-K or 10-KSB and other filings made by such company with the Securities and Exchange Commission. You should consider these factors in evaluating the forward-looking statements included herein, and not place undue reliance on such statements.  The forward-looking statements in this release are made as of the date hereof and NNW and FNM undertake no obligation to update such statements.

NetworkNewsWire (NNW) is affiliated with the Investor Based Brand Network (IBBN).

About IBBN

Over the past 10+ years we have consistently introduced new network brands, each specifically designed to fulfil the unique needs of our growing client base and services. Today, we continue to expand our branded network of highly influential properties, leveraging the knowledge and energy of specialized teams of experts to serve our increasingly diversified list of clients.

Please feel free to visit the Investor Based Brand Network (IBBN)[*http://www.InvestorBasedBrandNetwork.com*](http://www.InvestorBasedBrandNetwork.com)

Corporate Communications Contact:

NetworkNewsWire (NNW)

New York, New York

[*http://www.NetworkNewsWire.com*](http://www.NetworkNewsWire.com)

+212-418-1217 Office

[*Editor@NetworkNewsWire.com*](mailto:Editor@NetworkNewsWire.com)

Media Contact:

FN Media Group, LLC

[*NNW@FinancialNewsMedia.com*](mailto:NNW@FinancialNewsMedia.com)

+1-(954)345-0611

**Load-Date:** January 11, 2018

**End of Document**



[***Register of Commission documents: Commission Work Programme 2018 Document date: 2017-06-30 P8\_B(2017)0450 Motions for resolutions/decisions***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P80-9SD1-JDG9-Y4SR-00000-00&context=1516831)

Impact News Service

August 10, 2017 Thursday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 5731 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

RE\1129855EN.docx PE605.575v01-00 EN United in diversity EN European Parliament 2014-2019 Plenary sitting B8-0451/2017 30.6.2017 MOTION FOR A RESOLUTION to wind up the debate on the statement by the Commission pursuant to Rule 37(3) of the Rules of Procedure and the Framework Agreement on relations between the European Parliament and the Commission on the European Parliament’s priorities for the Commission Work ***Programme*** 2018 (2017/2699(RSP)) Bas Eickhout on behalf of the Verts/ALE Group PE605.575v01-00 2/12 RE\1129855EN.docx EN B8-0451/2017 European Parliament resolution on the European Parliament’s priorities for the Commission Work ***Programme*** 2018 (2017/2699(RSP)) The European Parliament, – having regard to the Framework Agreement on relations between the European Parliament and the Commission1, in particular Annex IV thereto, – having regard to its resolution of 6 July 2016 on the ***strategic*** priorities for the Commission Work ***Programme*** 20172, – having regard to the Commission communication of 25 October 2017 entitled ‘Commission Work ***Programme*** 2017 – Delivering a Europe that protects, empowers and defends’3 and its annexes, – having regard to Joint Declaration on the EU’s legislative priorities for 20174, – having regard to the Commission’s White Paper on the future of Europe of 1 March 2017 and the reflection papers on the social dimension of Europe, harnessing globalisation, completing the Economic and Monetary Union, EU defence and the future of EU finances, – having regard to the Rome Declaration of the leaders of 27 member states and of the European Council, the European Parliament and the European Commission of 25 March 2017, – having regard to Rule 37(3) of its Rules of Procedure, A. whereas the European integration process has brought peace and contributed to security and prosperity in Europe over decades; whereas the outcomes of this last decade’s democratic consultations must be the opportunity to reflect on our common European project, its actual benefits, current shortcomings and renewed purpose; B. whereas the consequences of globalisation are increasingly stirring anxieties and euroscepticism amongst European citizens; whereas the EU should deliver reassurance and protection against these consequences; C. whereas European integration can no longer let itself be reduced to a mere economic project and must urgently win back the hearts of Europeans for the European project, with a serious change of course in EU policies; D. whereas in spite of its own shortcomings, Parliament has a particular responsibility in 1 OJ L 304, 20.11.2010, p. 47. 2 Texts adopted, P8\_TA(2016)0312. 3 COM(2016)0710. 4 OJ C 484, 24.12.2016, p. 7-8. RE\1129855EN.docx 3/12 PE605.575v01-00 EN the definition of our common European interest and should contribute to overcoming the current divisions in the Council, too often stalled by national haggles and ‘zero-sum game’ mentalities; E. whereas the general interest of the European citizens should always prevail over the defence of national or corporate interests; F. whereas we, as Europeans, choose a common future, as a true community based on shared values and objectives; whereas local, regional and national identities are not mutually exclusive and contribute to our broader European identity; G. whereas the current cumulated crises require genuine European solutions; whereas we want the European Union to play its role and take up its responsibility on the international stage, committed to solidarity, multilateralism and our external partnerships, and to promoting global convergence on higher standards; whereas we want to secure our common project of shared peace, prosperity and democracy, creating an appealing future for all generations; Our scenario for Europe: A space of freedom, security, democracy, social justice, ecology and human rights 1. Considers that none of the five scenarios formulated in the Commission’s White Paper presents a convincing vision for the future of Europe since they all follow the same pattern of reform that has been dominant in the EU over the past decades; 2. Believes that the strong focus on budgetary discipline and austerity in recent years, the promotion of empty concepts such as ‘better law making’ or ‘being big on big things and small on small things’ has only led to inefficiency and an inability to deliver, and ultimately to the distrust of citizens towards the EU; 3. Underlines, therefore, that the EU must profoundly revise its objectives, working methods and organisation if it is to address the challenges of the 21st century and meet the concerns of its citizens; underlines in this respect that the goals and purpose of the European integration process should be fully and explicitly defined, shared and democratically acknowledged; 4. Believes that the defiance currently shown towards the European idea should be addressed as a first priority; suggests that this could be done, in the first instance, through the democratisation of the European decision-making process and greater inclusion of citizens in our common political project; 5. Believes that the EU should become a space in which wealth is better distributed, where the permanent search for a proper balance between the economic, environmental and social sphere – the three pillars of sustainable development – would guide all public policies, and rights and freedoms would be enlarged rather than restricted; The Europe we want: main priorities Improving working and living conditions of European citizens PE605.575v01-00 4/12 RE\1129855EN.docx EN 6. Recalls that the EU’s current economic recovery is modest and unbalanced, with many regions still experiencing unacceptable levels of unemployment, poverty, inequality and a severe lack of perspective for younger generations; insists, therefore, that the EU’s core economic and social agenda must include measures aimed at reducing social inequalities and promoting gender equality and quality jobs for all, while stepping up investments in the education system; 7. Recalls that reducing regional disparities and promoting economic, social and territorial cohesion among all regions across the EU is an Treaty objective; stresses that preparations for the post-2020 cohesion policy are a political priority; highlights the important role of the forthcoming Seventh Report on Economic, Social and Territorial Cohesion in this regard; calls on the Commission to accelerate its efforts and submit concrete proposals in this respect; considers that all regions, as defined in Articles 174 and 349 TFEU, should benefit from the cohesion policy; 8. Notes that the cohesion policy is the EU’s main investment policy and must take into account the EU’s overall political objectives, including the digital agenda, the energy union, climate policy, a high level of protection of the environment, sound and sustainable economic development, gender equality and the social pillar; emphasises the crucial importance of the participation of, and engagement and dialogue with, regional and local authorities, economic and social partners, and civil society for the quality of ***programmes*** and projects and the achievement of objectives; calls, therefore, on the Commission to strengthen the partnership principle in the future, including through approaches such as community-led local development (CLLD); 9. Calls on the Commission to improve workers’ occupational health and safety, including the proper enforcement of the Working Time Directive, and to consider appropriate ways to address its shortcomings, as well as to present without delay the third batch of substances under the revision of the Carcinogens and Mutagens Directive and to include limit values on reprotoxic substances based on scientific and technical data as well as an impact assessment; 10. Notes the presentation of the work-life balance package; regrets that maternity leave is not included in the package; calls on the Commission to ensure that legislation and policies on work-life balance, including the policy implemented in the EU institutions, take into account people in vulnerable situation, such as single parents, parents with disabilities and parents who have children with disabilities; calls on the Commission to ensure relevant policies and measures take account of the increasing diversity of family relationships, including civil partnerships, and parenting and grandparenting arrangements, as well as the diversity of society as a whole, in particular to guarantee that a child is not discriminated against because of its parents’ marital status or family constitution; 11. Calls on the Commission to tackle the multidimensionality of poverty and inequalities and to propose an integrated anti-poverty strategy in order to achieve the Europe 2020 targets; recommends the Commission to promote adequate minimum incomes schemes in all Member States based on an impact assessment and in line with national law and practice, while providing opportunities to prevent long-term dependency on minimum income; reiterates its call for a green paper on inequalities and how they hamper the RE\1129855EN.docx 5/12 PE605.575v01-00 EN economic recovery; calls on the Commission to step up its work on, and monitoring of, the implementation of the Recommendation on Investing in Children; reiterates its call on the Commission and the Member States to provide a child guarantee that places children in the centre of existing poverty alleviation policies and ensures special dedicated resources necessary for its full implementation; A European strategy for sustainable development 12. Considers that economic models purely based on GDP growth and continuous over-exploitation of natural resources and financialisation have reached their limits; considers that, henceforth, the EU needs to make sustainability the core of any sound, future-oriented and crisis-solving economic policy; 13. Notes the human and economic consequences of climate disasters in Europe and worldwide; highlights the importance of continuing to address the root causes of climate change while ensuring competitiveness of our industry, with an ambitious climate strategy, consistent with the Union commitments under the Paris Agreement to pursue effort to limit the temperature increase to 1.5 °C; underlines that regulatory standards need to be updated and relevant financial instruments introduced; calls on the Commission to evaluate the consistency and coherence of current EU policies in relation to the commitments under the Paris Agreement; 14. Supports, in this context, the Council’s call on the Commission to provide a holistic EU industrial policy strategy for the future that would address key priorities, such as the transition towards an energy-efficient and renewables-based economy, adaptation to and mitigation of climate change, a non-toxic future, digital connectivity for all, realising the potential of Europe’s creative industries, making cities more sustainable and implementing the circular economy agenda; 15. Urges the Commission to stop using EU funds to subsidise fossil fuel and to coordinate efforts of Member States to swiftly phase out national fossil subsidies; asks as well the Commission to ensure that no national or EU subsidies will be used to finance new nuclear reactors and to urge Member States to abandon ***planned*** life-time extensions of existing nuclear power plants; 16. Expects the Commission to come forward in 2018 with a carbon budget for the Union that is consistent with the commitments made under the Paris Agreement; expects the Commission to develop and implement relevant policy options for rapidly addressing methane emissions through a Union Methane Strategy; calls on the Commission to identify and support the development of renewable energy projects within the framework of the Energy Union; 17. Recalls that efforts must be stepped up to achieve the Energy Union, guaranteeing energy security, and affordable and sustainable energy, for all citizens and businesses; expects the Commission, in this regard, to further address energy poverty through a concrete action ***plan*** to eradicate energy poverty and ensure access to affordable energy for all EU citizens; 18. Considers it crucial that emissions in the transport sector are addressed; urges the Commission to complete its already delayed review of the legislation on CO2 emissions PE605.575v01-00 6/12 RE\1129855EN.docx EN from cars and vans, and from heavy-duty vehicles, and to table adequately ambitious legislative proposals for a fleet average target for 2025 that is in line with the commitments made in the context of the agreement reached in 2013; calls on the Commission to come forward with a proposal for technology-neutral Euro7 limits applicable by 2025 for all M1 and N1 vehicles placed on the Union market, with a view to improving air quality in the Union and to achieving the Union ambient air quality limits, as well as the WHO-recommended levels; 19. Expects the Commission proposals for a Common ***Agricultural*** Policy post-2020 to be based on corrective public ***intervention***, inter alia with regard to the volatility of ***agricultural*** markets and fair remunerative prices for farmers’ ***produce***, in order to ensure secure sustainable food production and supply; calls for proposals enabling achievement of the Sustainable Development Goals that ensure a living countryside; calls for a substantially increased focus on delivering on biodiversity, environment and climate change objectives, including by: giving priority to a transition to sustainable ***agricultural*** practices that allow more carbon sinking in terrestrial ecosystems, especially in living, healthy soils; limiting emissions of greenhouse gases; halting biodiversity loss; pursuing agroecological approaches to ensure long-term fertility and productivity; and replacing chemical pesticides with alternative solutions; reiterates its call on the Commission to put forward legislative proposals to tackle the issue of antimicrobial resistance, and calls on the Council to re-prioritise the Veterinary Medicines and Medicated Feed regulations; 20. Expects the Commission to submit, in the context of the new Multiannual Financial Framework (MFF), the proposal for a new and ambitious Connecting Europe Facility (CEF) early enough in 2018 for Parliament to formulate its opinion, and for the ***programme*** be operational by 2021; calls for the CEF-energy budget to be allocated to Projects of Common Interest exclusively in the electricity sector (including smart grids) supporting the expansion of renewables and the ‘energy efficiency first’ principle; calls for a majority of budget allocations in the ICT sector to be devoted to the financing of broadband infrastructure; 21. Expects the Commission to clarify its ambition for the next MFF, and to submit its proposal for the 9th Framework ***Programme*** for Research (FP9), early enough in 2018 for Parliament to formulate its position, and for FP9 to be operational from 2021 onwards; recalls that the EU needs to fully use all Member States’ existing R&I potential and to provide adequate and equal opportunities for the scientific development of scientists and researchers across the EU; expects, therefore, an increase in FP9 funding; Fair taxation policies for adequate resources 22. Stresses that the urgency has never been greater to step-up the fight against tax evasion and tax avoidance, which account for income lost to national budgets to the value of hundreds of billions of euro annually; points out that these resources could have been spent to invest in the future, boost employment and reduce inequalities; 23. Considers it vital, in this regard, that Parliament and Council swiftly agree on comprehensive requirements for mandatory, public, country-by-country reporting by multinational enterprises, without exemptions, building on the Commission’s 2016 RE\1129855EN.docx 7/12 PE605.575v01-00 EN proposal1; requests that the Commission allocate additional resources to measures to prevent financial crimes, in particular the development of an EU roadmap to list countries at high risk of money laundering; requests that the Commission present a legislative proposal for strong and automatic sanctions against non-cooperative jurisdictions blacklisted by the EU; 24. Asks the Commission to present a tax enforcement proposal to foster greater tax cooperation between Member States, including information sharing, with a view to holding tax evaders accountable across European borders; calls on the Commission to consider presenting legislative proposals pursuant to article 116 TEU to address harmful tax practices that distort competition; Strengthening the EU budget and reforming the Stability and Growth Pact 25. Reiterates that the 2014-20 MFF has proven too small and insufficiently flexible to ensure that the European Union is able to respond to the shared challenges it faces; reiterates its position that the duration of the MFF should be aligned with the political cycle of both Parliament and the Commission, thus making the European elections a forum for debate on future spending priorities; 26. Urges the Commission and the Member States to refrain from formulating arbitrary ceilings regarding the post-2020 MFF, and to base its design instead on a consideration of the EU’s common needs, common choices and the added value of acting at a large scale; underlines that the current low ceiling on payment appropriations has been a continuous drag on the Union’s credibility and capacity to act; highlights the need for greater flexibility of the MFF; 27. Considers that the post-2020 EU budget should make a strong contribution to the implementation of the Paris climate accord, both on the revenue side and the expenditure side; considers, in particular, that a reformed system of taxation of sources of greenhouse gases should provide revenue for the EU budget, while stronger EU support should be provided for transition towards a greener economy; calls on the Commission to increase the share of climate-related spending up to 40 % for the post-2020 MFF; 28. Asks the Commission to follow up on the reflection paper on the future of EU finances with ambitious proposals, building on the report of the High-Level Group on Own Resources, with particular focus on ecological own resources, taxation on financial transactions and corporate taxation; 29. Calls for the establishment of a eurozone fiscal capacity, in addition to the full use of the European Fund for ***Strategic*** Investments and the European Structural and Investment Funds; reiterates that the eurozone fiscal capacity should aim to promote upward socio-economic convergence and cushion economic shocks; notes that the eurozone budgetary capacity should comprise new instruments within the EU budget (above EU MFF ceilings), as well as a reformed European Stability Mechanism, 1 Proposal for a Directive of the European Parliament and of the Council amending Directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches (COM/2016/0198 – 2016/0107 (COD)). PE605.575v01-00 8/12 RE\1129855EN.docx EN incorporated into the EU’s legal framework and subjected to democratic oversight; underlines that the eurozone fiscal capacity should be open to non-euro area countries wishing to join; 30. Calls for the introduction of a ‘golden rule for investment’ allowing the accounting of capital expenditures made by the public sector in sustainable sectors to be spread over the life-cycle of these investments, and for the incorporation of sustainable development indicators in the Stability and Growth Pact to ensure a healthy level, and good quality, of investment in future prosperity; Europe as a leading global actor 31. Considers that the effectiveness of the Common Foreign and Security Policy (CFSP) relies on in-depth cooperation between Member States, and on their contributions to both civilian missions and military operations; calls on the Member States to deepen cooperation in order to generate relevant capacities; believes that a more responsible arms exports policy on the part of the Member States would contribute to achieving the Union’s foreign policy objectives, and calls on the Member States to significantly improve consistency in the implementation of Common Position 2008/944/CFSP; 32. Considers that the Common Security and Defence Policy (CSDP) should be rendered more democratic and more efficient, including through the mechanism of permanent structured cooperation, a significant increase of pooling and sharing projects between Member States; believes that the CSDP could be made more effective through joint operational ***planning*** and conduct, also with regards to military operations; recalls the crucial role that the Union already today is playing in terms of civilian conflict prevention, conflict resolution and peacebuilding around the world, and calls on the Union to boost relevant resources; calls for full democratic accountability and transparency of the CSDP; 33. Underlines the Commission’s recent statement that between EUR 25 and 100 billion could be saved annually with regard to national defence spending among the 28 Member States; urges the Commission to assist Member States in making such savings possible via pooling of national defence budgets, in particular as regards research, development, procurement, maintenance and training; believes that such pooled national resources could be transformed into one or several European defence funds; 34. Urges the Commission to focus its attention on, in particular, applicable EU laws in the defence sector, and stresses the urgent need to enforce relevant internal market rules, such as laid down in the Defence Procurement Directive, which could potentially reduce inefficiencies, lack of transparency and corruption; 35. Strongly rejects the multiple attempts of the Commission to reduce and divert financial resources from existing civilian EU budget lines and financial instruments in order to fund the European defence industry via a future European Defence Fund and the European Defence Industrial ***Programme***; believes that such transfers from the civilian sector to the defence industrial sector will weaken the European economy while, at the same time, not solving the structural problems of the European defence industrial sector, which is characterised by high inefficiency, duplication, industrial overcapacities, poor transparency and fragmentation; strongly rejects the proposals RE\1129855EN.docx 9/12 PE605.575v01-00 EN made by the Commission in the context of its Communication on the European Defence Action ***Plan*** in November 2016, and in the context of its 7 June 2017 Defence Package with regard to the use of European Regional Development Funds (ERFD), European Structural and Investments Funds (EFSI), the ***programme*** for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME), the Connecting Europe facility, the European Satellite Navigation ***Programmes***, the European Earth Observation ***programme***, ERASMUS+ and loans of the European investment Bank (EIB) for strengthening defence industrial capacities; equally rejects the Commission’s proposal of 6 July 2016 to use – in the context of the Instrument contributing to Stability and Peace – heading 4 funds, in particular ENPI and DCI funds, for military capacity-building ***programmes*** and the provision of military equipment to third countries; 36. Asks that the Union’s trade defence instruments be modernised and that trade policies be designed in coherence with the EU’s development goals, climate targets, environmental priorities as well as social and human rights standards; highlights the fact that European citizens are increasingly critical of the actual impact of free-trade agreements, as they can also have undesired consequences for employment, competitiveness and EU standards of human rights and sustainable development; insists that further steps be taken to increase the transparency of EU trade negotiations, with Parliament consulted at each stage of the negotiation and implementation processes, and that negotiation documents be published; 37. Calls on the Commission to present a legislative proposal for the accompanying measures to the Conflict Minerals Regulation; 38. Calls on the Commission to present an action ***plan*** to combat land grabbing in developing countries, including through concrete options to ensure land tenure security, in accordance with international human rights law and the standards set out in the FAO guidelines on the responsible governance of tenure of land, fisheries and forests; 39. Calls on the Commission to present an EU action ***plan*** on deforestation and forest degradation, including concrete regulator measures on supply chains and financial transactions; Building a real European asylum and migration policy 40. Is of the opinion that the European Union must work out concrete solutions to address the refugee and migrant issue, in particular by addressing its root causes, through holistic policy responses that encompass policy coherence for development, trade, climate and investment policies, while ensuring safe and regular access for those seeking international protection, and realistic and accessible channels for legal migration; 41. Is of the opinion that resettlement should be preserved as one of the durable solutions to refugee displacement and as an unconditional instrument of international solidarity; calls for the creation of increased resettlement opportunities, to enable the resettlement of at least 500 000 refugees per year from the countries of origin and transit, which, if properly distributed, would result in entirely manageable numbers for the EU; PE605.575v01-00 10/12 RE\1129855EN.docx EN 42. Calls for a reform of the current Dublin Regulation, with a new system that is based on a fair allocation of asylum seekers across the Member States, with objective criteria; that is built around the existing ties and preferences of asylum seekers to certain Member States; and that is binding on all Member States and based on incentives rather than on coercive measures; 43. Calls for coordinated action on legal migration with a view to providing additional and more flexible routes for legal migration, including for family reunification and work in low and medium-wage sectors, strengthening mobility partnerships with third countries and developing EU-wide mobility packages with adequate safeguards, inter alia regarding working and living conditions; 44. Calls on the Commission to review compliance with international humanitarian and human rights law by all actors involved in the guarding of the Union’s external borders, and in the reception of asylum seekers, with a view to upholding human rights and improving the protection of vulnerable people; calls for a clarification of the distinction between illegal smuggling activity and the activities of ordinary citizens and civil society organisations helping people in need, and for humanitarian assistance never to be criminalised; 45. Calls on the Commission to put forward a legislative proposal on humanitarian visas; Addressing the citizens’ security concerns 46. Calls on the Commission to make proposals to improve the exchange of law enforcement information, and increase operational cooperation, between Member States and with EU agencies, with a view to ensuring mandatory exchanges of information for the purpose of combating serious transnational crime; 47. Calls on the Commission to assess the uses of the ‘internal security’ or ‘national security’ exceptions by Member States, notably in Title V TFEU, which excludes EU competence and maintains Member States’ sovereignty, and which further weakens the EU’s efficiency in finding common solutions to a common problem; calls on the Commission to come up with EU definitions of the notions of ‘national security’ and ‘internal security’ in order to ensure legal certainty in the fight against terrorism; 48. Reiterates that putting in place repressive but mostly ineffective mass surveillance and border control measures that threaten civil liberties, fundamental rights and the principle of free movement is not the right answer; 49. Reiterates the importance of the Schengen Area of free movement; underlines the need for the effective management of the Union’s external borders, based on the normative framework of human rights and on full respect for international and European law; Strengthening fundamental rights and democracy 50. Is concerned that the cumulated crises have not only damaged the cohesion of European societies, but they have also shaken the faith of European citizens in their democratic institutions at EU and, sometimes, national level; believes, therefore, that enhancing the EU’s democratic legitimacy, and restoring the trust in its capacity to serve the interests RE\1129855EN.docx 11/12 PE605.575v01-00 EN of citizens, must be the Union’s highest priority; 51. Calls on the Commission to put forward a proposal for a democracy, rule of law and fundamental rights pact in the form of an inter-institutional agreement, along the lines of the recommendation made by Parliament in its legislative own-initiative report1; 52. Calls on the Commission to take urgent action to bring forward a legislative proposal for an EU-wide legislation on whistle-blower protection, with a broad scope and an appropriate legal basis, in order to ensure horizontal protection for all categories of whistle-blowers; 53. Repeats its call on the Commission to come up with a proposal to revise the Regulation on the European Citizens Initiative along the lines proposed by Parliament in its resolution of 28 October 20152; 54. Expects the Commission to modify the Code of Conduct for Commissioners, as promised by President Juncker, concerning the extension of the cooling-off period for former commissioners; 55. Calls on the Commission to put forward an initiative for protecting media freedom and pluralism, tackling disinformation and hate speech, and cultivating a fact-based democratic discourse even in the age of social media; 56. Calls on the Commission to publish its long-awaited 2nd ‘EU anti-corruption’ report, and to join the anti-corruption review mechanisms of the UN Convention against Corruption and of the Council of Europe’s Group of States against Corruption (GRECO); 57. Calls again on the Commission to adopt the proposal for a regulation on open, efficient and independent European administration; 58. Urges the Commission to take more decisive action towards eliminating the persistent gender pay gap by proposing a directive building on the 2014 Commission recommendation on pay transparency; calls on the Commission and the Council to step up efforts for a political agreement on the proposal for a directive on improving the gender balance among directors of companies listed on stock exchanges3; How should Europe work better together?

59. Recalls that from climate change to asylum and migration, from financial markets to multinational corporate firms, from terrorist networks to failed and rogue states, many of today’s challenges are transnational and borderless, and require counterbalances and responses at that level; 60. Calls for ***programmes*** that promote contacts and cultural exchanges among European citizens to be reinforced; finds that dialogue between European institutions and citizens needs to be stepped up further; considers that information about EU policies and politics 1 Texts adopted, P8\_TA(2016)0409. 2 Texts adopted, P8\_TA(2015)0382. 3 COM/2012/0614- 2012/0299 (COD). PE605.575v01-00 12/12 RE\1129855EN.docx EN needs to be made better accessible and understandable to citizens across the Union; calls for relevant educational and media initiatives helping citizens to make informed choices in the 2019 European elections; 61. Calls on all EU institutions, given that non-transparent, one-sided lobbying poses a significant threat to policy-making and to the public interest, to strive for the highest possible standards of transparency, accountability and integrity, and relen

tlessly to fight tendencies to overlook conflicts of interest that are detrimental to the efficiency, fairness and reliability of the decision-making process; 62. Reiterates that the functioning of the EU can be improved significantly on the basis of the Lisbon Treaty, notably through the full use of the ordinary legislative procedure and qualified majority voting in the Council; advocates, in this regard, the general use of the ‘passerelle clause’ enshrined in Article 48(7) TEU; recalls that the mechanism of enhanced cooperation can also be used, notably for deepening the EMU, for doing more in the field of the CFSP and for achieving stronger cooperation in the area of Justice and Home Affairs; 63. Stresses that the Community method is best suited for the functioning of the Union, as it is the only method that allows for transparency, efficiency and qualified majority voting in the Council, and the equal right of co-legislation by Parliament and the Council, as well as for preventing a fragmentation of institutional responsibilities and the development of competing institutions; 64. Considers that the tendency of the European Council in the recent years to resort to intergovernmental expedients jeopardises the ‘Community method’ and that it is in breach of the Treaties; recalls that, under the Treaty of Lisbon, while members of the European Council are accountable individually to their own national parliaments but accountable collectively only to themselves, national Parliaments must be aware of their specific political responsibility to exert full democratic control over their representatives in the European Council; 65. Underlines that, in the end, creating the necessary conditions for a democratic and effective functioning of the EU requires a genuine Treaty revision; 66. Is committed to using all its tools and resources to act as a driving force in a renewed democratic process towards the reform of the European Union; ° ° ° 67. Instructs its President to forward this resolution to the Council, the Commission, and the governments and parliaments of the Member States.

**Load-Date:** August 15, 2017

**End of Document**



[***Market segmentation in container shipping services: a qualitative study***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5YJX-P231-DY4C-F0YM-00000-00&context=1516831)

Management Research Review

October 16, 2017

Copyright 2017 Emerald Publishing Limited All Rights Reserved



**Section:** Pg. 1100-1116; Vol. 40; No. 10; ISSN: 2040-8269

**Length:** 7917 words

**Byline:** Gökcay Balci, Ismail Bilge Cetin.

**Body**

**ABSTRACT**

Purpose

Container shipping is a standardized business-to-business service market where carriers need to stay customer focused to survive. Market segmentation is an ideal solution to develop customized marketing ***programs*** for each segment, but container lines need personalized marketing ***programs*** for each customer. Hence, the purpose of this study is to develop a segmentation framework that can help container lines to profile each customer more efficiently considering their needs, ***strategic*** importance and demographics.

Design/methodology/approach

This study has adopted an exploratory approach. Semi-structured interviews were conducted with managers of container lines.

Findings

Segmentation bases are the type of customer, container volume, loyalty, seasonality, decision maker, the industry of shipper, cargo characteristics, container type, destination region and export/import. Market segmentation in container shipping can be helpful in developing effective customized marketing offering, including effective price discrimination and customized marketing communications.

Practical implications

A port-specific segmentation approach was adopted and a flexible segmentation framework was proposed for container lines to adapt in different hinterlands.

Originality/value

Unlike the literature, this study suggests market segmentation can be very helpful in customized marketing in business-to-business services like container shipping industry. This study also suggests port-specific market segmentation for container lines instead of route-specific.

**Introduction**

Container lines are crucial for international trade and global supply chains. The business of container shipping companies is quite challenging considering the cost structure of the industry, escalating competition, and shippers’ expectations due to advancements in logistics systems. Container lines have started to employ larger vessels and form cooperative agreements, to minimize costs and use operating resources more efficiently (Lim, 1998). However, cost minimization and resource allocation alone are not sufficient to survive in this market. Delivering superior transport service quality is also the key to survive in fierce competition (Thai, 2008). Carriers also adopt novel service concepts, such as door-to-door transport (Heaver, 2002), and maintain their customer relations.

Achieving high levels of vessel capacity utilization is probably the industry’s major challenge. In addition to various methods of capacity utilization, such as optimal scheduling and route ***planning*** (Ting and Tzeng, 2003), long-term relationships and effective management of profitable customers are also necessary. Understanding the characteristics and needs and wants of shippers is quite important to develop new services, create differentiation and maintain customer relations. However, is it easy to understand the needs of each shipper and fulfill each of their requirements? There are thousands of shippers with different demographics, product characteristics and different destinations or service needs. Moreover, some shippers may transport just a few hundred containers per year, whereas others might ship some hundreds of thousands. Some of the customers demand door-to-door services, whereas others only require port-to-port transport. If not carefully ***planned*** and assessed, the marketing efforts and resources allocated to understanding the needs of each single customer could well exceed any profits from marketing.

One solution to cope with this problem is market segmentation. Segmenting customers into meaningful homogenous groups may help carriers in knowing their customers better, understand specific requirements of each cluster and differentiate their service or develop new services based on segments (Murphy and Daley, 1994). Segmentation is also important in regards to identifying and profitably managing customers by efficient use of resources. However, the segmentation decision is not simple: Should customers be segmented based on their profiles, industries, destinations or product characteristics? And what is the primary purpose of market segmentation?

Although market segmentation is still studied by researchers both in consumer (Lord *et al.*, 2016) and industrial markets (Thomas, 2016), it has been challenged by current marketing concepts such as mass customization and one-to-one marketing. Some authors believe that customer-centric marketing strategies, relationship marketing and micro marketing concepts have replaced segmentation (Grönroos, 1999, Kara and Kaynak, 1997; Sheth *et al.*, 2000). However, as Jiang (2000) also suggests, market segmentation does not contradict the aforesaid recent marketing concepts, but instead can be used as a first step to implement them. A thoroughly designed segmentation model can assist companies to profile each of their customers and customize their marketing ***programs*** accordingly. Thus, this study aims to develop a segmentation framework that helps container shipping lines to profile their customers and develop customized marketing ***programs***.

**Literature review**

**Business to business segmentation**

Market segmentation has been studied by a large number of academics since its introduction by Smith (1956), who based his segmentation concept on the diversity of supply and demand in imperfect competition. Smith states that “market segmentation consists of viewing a heterogeneous market as a number of homogenous markets in response to differing product preferences and varying wants”. Benefits or purposes of segmentation depend on what is aimed to be achieved strategically; on market structure; the level of competition; and product or service type. Yet, the summary of benefits, as stated by several authors (Assael, 1993; Boyt and Harvey, 1997; Dibb, 1998; Kotler and Armstrong, 2010; Rangan *et al.*, 1992; Weinstein, 2013) is:

* a better understanding of needs and wants of customers;

1. more efficient allocation of resources;
2. enabling marketers to develop specific products or services;
3. promotional strategies;
4. implementing differentiated and effective marketing strategies;
5. exploring potential new markets; and
6. determining target markets.

Kotler (2002, p. 50) states that value creation and delivery starts with market segmentation, which is considered as a part of ***strategic*** marketing, and proceeds with tactical marketing, which includes service development, pricing, advertising, sales force, etc.

B2B segmentation is believed to be more complicated, compared to consumer markets (Kalafatis and Cheston, 1997). B2B segmentation carries specific issues that are well documented in the literature. The first issue is the gap between segmentation models developed by academics and implementations in practice (Freytag and Clarke, 2001; Boejgaard and Ellegaard, 2010). One reason of this problem may be the fact that academic papers usually do not consider structure, culture, activities and resources in practice (Clarke, 2009). Managers also may not be experienced in market segmentation to apply such systematic models (Palmer and Millier, 2004). In many cases, practitioners do not adopt academic segmentation models, as the models cannot be generalized to all industries (Goller *et al.*, 2002). B2B companies also tend to employ simpler segmentation bases such as geographical location and industry type which are more convenient and accessible.

Bases and approaches to be used for segmenting B2B markets is another core issue in segmentation papers. It is of critical importance for companies to adopt appropriate bases for their organization to construct a successful segmentation. The bases chosen to segment a market depend on the industry (Goller *et al.*, 2002), ***strategic*** goals of the company, competition level (Mitchell and Wilson, 1998), the purpose of segmentation and convenience (Abratt, 1993). Classification of bases varies, but two major classes are macro variables and micro variables. The macro variables, also named demographics, include location, industry, company size, etc. The micro bases, on the other hand, usually concerns with the benefits customers seek.

In the early studies of B2B market segmentation, only one base, e.g. industry type, demographic, geographic and psychographic was used for segmentation (Kalafatis and Cheston, 1997). Benefit segmentation paper of Haley (1968), which was proposed initially for consumer markets but well adopted to business markets later, asserts that segmenting customer based on the benefits they receive is more helpful than demographics that may fail in many cases. The superiority of micro base segmentation is mentioned in the literature (Chéron and Kleinschmidt, 1985; Wedel and Kamakura, 2000), as it is based on the needs and wants of customers.

Powers and Sterling (2008) demonstrate that a successful segmentation ***program*** in B2B context should include both macro and micro variables and link them with each other. Other scholars also state that benefits should be linked with other segment bases that are accessible (Mitchell and Wilson, 1998; Shapiro and Bonoma, 1984). Segments purely derived from needs and wants impede the accessibility, which is a significant concern in segmentation. B2B marketing is different than consumer marketing because of differences in the two markets as regards the number of customers, demand structure, product complexity and buying behaviour (Webster, 1984). Buyer and seller relationships with enhanced communication should be the core focus, rather than products, in industrial marketing, especially in industrial services where no tangible product exists for customers to evaluate (Cooper and Gardner, 1993; Matthyssens and Vandenbempt, 1998; Webster, 1984). As customers’ size, type, loyalty and industry are necessary in B2B context, bringing accessible macro bases with needs and wants is critical.

**The container shipping market**

Container liners have regular and scheduled services between predetermined ports, to carry goods of a wide range of industries. Cargoes transported in containers include, but are not limited to, textile products, machines, electronics, foods, toys, spare parts, minerals and all kinds of manufactured, semi-manufactured and even raw materials (Stopford, 2009). The variety of cargoes has been expanding because of containerization of some general and bulk cargoes (Rodrigue and Notteboom, 2015), which implies an ever-increasing number and diversity of customers. Container lines serve such customers in different regions, often with standardized types and sizes of containers, e.g. dry, reefer, open top, tank container, etc.

Container lines are subject to several challenges that they should overcome. First, the high fixed-cost structure of the industry, because of the requirement of a regular service, has given rise to restrictive business practices such as conferences and alliances (Haralambides, 2007). Investment in giant vessels to enjoy economies of scale is another reason of high fixed costs. Moreover, in certain parts of the world, liner conferences have been replaced by ***strategic*** alliances, where carriers are not allowed to allocate customers or determine freight rates (Sheppard and Seidman, 2001). Carriers still compete against their ***strategic*** partners but their core product features, such as transit time, sailing date and damage performance, have become identical. The fact that core product is undifferentiated raises the importance of customer service and relationships in container shipping (Robinson *et al.*, 2002; Maloni *et al.*, 2016).

Segmenting the container shipping market is problematic as is the case in other B2B industries. Abundant bases exist to implement market segmentation. There are shippers from many industries with different product characteristics in terms of value, fragility and shape. Some of these shippers ship only one container per month, whereas some ship hundreds or even thousands of containers per month. Besides shippers, freight forwarders are also major customers of container lines. Forwarders consolidate cargoes of several shippers and become a customer of container lines. Container lines serve these diverse customers in many different hinterlands and offer service to a great number of destinations. The complex structure of the industry complicates the choice of segmentation bases as well as the segmentation approach.

Few studies have so far touched upon segmentation in container shipping. Collison (1984), using *a priori* approach, segmented the Pacific Northwest-Central Alaska route based on cargo characteristics, e.g. perishable/non-perishable, hazardous/non-hazardous and customer characteristics, e.g. large/small annual tonnage, shipper/consolidator. Collison, then, illustrated whether these segments differ from each other based on service attributes. Matear and Gray (1995) determined three segments in the Irish Sea freight as route sensitive, price sensitive and not price sensitive. Lu *et al.* (2005) segmented shippers in Taiwan in terms of their service requirements towards website services of container lines. They found four segments: “support and performance service-oriented firms, equipment information oriented, performance information oriented and transaction services oriented”.

Zurheide and Fischer (2012) investigated the revenue management methods in liner shipping and developed a slot allocation model. In that paper, the authors suggested container bookings can be segmented as urgent and non-urgent cargo. In a very recent study, Wen and Lin (2016) segmented freight forwarders in the Taiwan→Southern China trade lane. They have applied cluster analysis, found two segments and applied correspondence analysis for the positioning. Maloni *et al.* (2016) studied the relationship issue between ocean carriers and shippers. The paper segmented the shippers based on their loyalty, in other words, easiness to switch between ocean carriers. The cluster analysis in that study ***produced*** three different segments.

Previous studies on container-shipping market segmentation consider only a specific route and keep that route as constant. Then the market is segmented based on other variables. The authors have probably chosen this approach to simplify segmentation procedure. However, customers located in a port’s hinterland ship their cargoes to different destinations. In carrier perspective, the lines located at a hinterland offer services to various destinations through different routes. Thus, the destination or route can also be considered as a variable or identifier instead of as constant. Ming-Chih *et al.* (2011) segmented the air freight market of high-tech industry and found that shipment destination is a significant base to segment the air freight market. Yet, in this study, industry was kept as a constant. The reason of keeping the industry as constant is probably because it helps to simplify segmentation procedure. Otherwise, the segmentation analysis would be too complicated which impedes the practicability of segmentation.

Though not directly related to segmentation, several papers in the literature of container shipping also provide a strong rationale to develop a segmentation framework. Brooks (1995) stated that the container market is not homogenous concerning carrier selection and discrete regions and customer groups show significant differences. Brooks also claimed that the container shipping market could be segmented. The papers assessing container line selection criteria of shippers prove that shippers are heterogeneous in terms of selection criteria (Collison, 1984; Kannan *et al.*, 2011; Kent and Stephen Parker, 1999; Lu, 2003; Brooks, 1983, 1990, 1995; Matear and Gray, 1993; Tuna and Silan, 2002). Interestingly, although shippers have considered similar service attributes for carrier selection, the ranking of such attributes has differed. For instance, the freight rate was found to be the most important in the study of Brooks (1983) and Kannan *et al.* (2011), whereas it was at the 22nd place among 30 attributes in the study of Lu (2003) and 12th among 18 attributes in the paper of Kent and Stephen Parker (1999). In the related transport literature, Wong *et al.* (2008) also found that shippers with various product characteristics have different priorities regarding carrier and mode selection. Danielis *et al.* (2005), who studied logistics managers’ state preferences, found that different industries like chemicals, tobacco, machines and electronics have different weight scores of service attributes such as quality, time and cost.

**Methodology**

The purpose of this study is to develop a segmentation framework that can help container lines to profile each customer more efficiently considering their needs, ***strategic*** importance and demographics. The B2B segmentation literature suggests assessing the practical implementation and requirements regarding segmentation at an industry. Thus, to have an understanding of industry, 20 semi-structured interviews were conducted with professionals in container line companies to collect primary data. The interviewees were selected based on judgmental sampling to ensure respondents were capable of answering the research questions of the study (Malhotra, 2008). Interviews were carried out with container lines operating in Izmir-Turkey.

In the interviews, questions were first probed to understand the profiles of the container lines, including their services, annual 20-foot equivalent unit (TEU) rates and their representation status in the region. Then, questions were probed regarding the characteristics of their customers, how they manage customer relations and how they customize their services. Issues related to segmentation applications in practice, including the bases and purposes thereof, were asked to interviewees. Finally, the list of potential segmentation purposes and bases were shown to respondents, to discuss their appropriateness in container shipping, as well as for their organizations. Upon completion of the interviews, opinions of ten of the interviewees were asked to evaluate the framework developed in this paper. Respondents found the framework comprehensive, flexible and feasible as a successful template for container lines.

A total of 15 interviews were done face-to-face, while five of them by a telephone call. Among which 13 of the face-to-face interviews were recorded while none of the phone conversations were recorded, but detailed notes were taken. The face-to-face interviews lasted approximately 45-70 min, while phone interviews lasted around 20 min. Phone interviewing was chosen for five interviewees because of time restrictions of the interviewees. These interviews were reserved at the end, foreseeing that theoretical saturation could be reached for some categories and themes in the first 15 interviews. Indeed, saturation was achieved for most categories and these interviews only asked about company profiles, segmentation approaches and discussion of possible segmentation bases. The recorded interviews were listened carefully twice, and the portions found to be relevant and useful were transcribed (Bryman, 2012).

Izmir is a major port, serving a large hinterland in the west part of Turkey. There are four container ports in Izmir at the moment, as of December 2016. In Izmir, a total of 605.715 TEU were exported, and 570.773 TEU were imported by sea in 2015. Containerized cargoes loaded and discharged at ports in Izmir vary considerably. There are in total 13 different main commodity groups, with subdivisions given in the statistics of the Aegean Export Union. Most common ones are marble, electronics, fresh and dried foods, machines, minerals, textile, automotive parts and tobacco.

**Findings**

**Practical implementation of market segmentation in Izmir**

The interviews indicated that the decision of container lines whether to apply a segmentation ***programme***, the purpose of segmentation, and the bases that container lines use for segmentation depend on container volumes, the number of routes served, the organizational structure of liners and other company policies. Container lines with large quantities in the region tend to adopt segmentation ***programmes*** more than lines with smaller volumes. Several bases implemented in practice in the area, as well as potential bases that might be used by liners in the future were explored in the interviews. Bases used for segmentation are the type of customer, container volumes, loyalty, seasonality, decision maker, the industry of shipper, container type, destination region and export/import, depending on the purpose of segmentation and the capabilities of liners (Table I).

The bases shown in Table I belong to companies that have regular market segmentation ***programmes***. Companies that apply market segmentation in a more systematic way use a combination of different bases for different purposes. Similar to findings of Abratt (1993), who investigated segmentation practice of industrial marketers in South Africa, the container lines use basic identifiable bases, such as industry, size and customer type, to segment their market.

Although some small-scale lines do not practice a systematic segmentation ***programme***, they intuitively segment customers based on their size, industry, loyalty and destination region, so as to forge more effective customer relations. These segments are not revealed nor treated methodically, and no systematic marketing strategy, customized to different segments, is applied. An interviewee stated that “if we had much larger container volume in this region and a larger organization, we would have segmented our customers. Instead, we have some segments in our mind”. According to other interviews, these companies do not implement systematic segmentation ***programme*** because their container volumes and organization size are not sufficient. However, these companies stated that a template of customers in different industries and characteristics, illustrating expectation differences, would help to provide customized marketing offerings such as service, price, service quality and marketing communications.

**Segmentation purposes in container shipping**

The purpose of implementing segmentation varies according to the size of the line, operational and marketing objectives, and company goals. Thus, the bases used for segmenting the market usually depend on the purpose of segmentation. For instance, container lines applying destination-region-based segmentation aim to achieve more effective booking and after sales services, such as container tracking and claims to handle. Company B said “if we don’t segment the market based on destination, then every sale representative focuses on the busiest routes. Besides, our sales operation has also become smoother”. On the other hand, the purpose of segmentation based on customer size is to manage profitable customers better, as well as ensure their satisfaction which, in return, may lead to better capacity utilization in vessels.

The segmentation purposes of liners are thus presented first in purpose of market segmentation stated by container lines below, and then we explain the segmentation bases.

Purpose of market segmentation stated by container lines:

* Determining specific needs and wants of different customer groups;

1. effective management of high volume customers;
2. exploring new and profitable customers;
3. customized marketing communication (for convincing at first visit and building long-term relationship with customers);
4. effective price discrimination;
5. smoother sales and customer service organization;
6. training new marketing personnel;
7. using marketing and operational resources more efficiently; and
8. developing new services and improving existing services.

Source: Derived by authors based on interviews

The purposes stated in above are interrelated. For instance, determining specific needs and wants of customers is used for customized marketing communications, effective price discrimination, developing and improving services, training new sales personnel and effective management of high volume customers. An interviewee best explains this interrelated situation as:

The most significant difference by which we can outperform our competitors is the relationships we built with our clients. For doing this, we must have customized marketing communications, and for having effective communications, we must understand needs and wants of customers in different groups.

This statement of the interviewee is parallel to findings of Maloni *et al.* (2016) who also suggest that relationship positively affects the success of container lines.

All of the purposes stated in Table II, except one of them, are directly or indirectly mentioned in the segmentation literature (Assael, 1993; Boyt and Harvey, 1997; Dibb, 1998; Kotler and Armstrong, 2010; Rangan *et al.*, 1992; Weinstein, 2013). To the knowledge of authors, “training new marketing personnel” has not been mentioned as a benefit of market segmentation in previous studies. Newly hired and inexperienced marketing personnel can be trained about the distinct needs and wants of customers in different industry, destination, product or container-type groups.

Customized marketing communications were found necessary in the interviews for nourishing customer relations and succeeding in sales for the first time customer visits. For instance, some of the container lines provide pallet-wide containers which are a few inches wider than the usual container, to take more pallets. Customers who may need this equipment can be detected via segmentation and this strength of the container line can be stressed in marketing communications. Carriers may also enjoy premium charges by discriminating the price. Segmenting customers in industrial services where a significant number of customers exists, such as container shipping, can be a useful tool for relationship marketing. Some of the lines not applying any segmentation model stated that they would be willing to implement industry-based segmentation for this reason, without changing their organizational structure.

An important purpose of market segmentation stated by container lines is to implement effective pricing strategies. Industry-specific freight tariffs are not in practice anymore, but some container lines still carry out price discrimination based on industries. Factors affecting price discrimination for the same destination, as stated by interviewees, are volumes, the loyalty of customers, container type, characteristics of goods and weight of goods.

**A proposed framework for carriers’ port-based market segmentation**

A segmentation framework has been constructed by considering the findings in the interviews and concerns in the literature review. The framework is built by considering the practices of container lines, the discussion of segmentation bases, and aims of segmentation in container shipping. The framework is flexible in the sense that companies can choose any combination of bases illustrated in Figure 1. Container lines can decide these categories according to their service and port’s hinterland characteristics. The lines can evaluate each customer by considering the customer’s category within the bases, e.g. medium in container volume base, competitive in loyalty base, foods in industry base and the Far East and Europe in destination base. Accordingly, customized marketing ***programme*** can be implemented for each customer.

The boxes under each base are only used as an illustration. The options under each base can be changed or increased depending on the line’s company and market structure. To briefly explain, “Profile of Customer” is used to define the type of customer and determine the importance of individual customers for the container line. By considering these bases, container lines can ***plan*** their marketing activities annually and adjust their services accordingly. “Characteristics of Shippers” identify characteristics of shippers with five parts: industry of shippers, cargo characteristics, container type, destination region and export/import. “Characteristics of shippers” are used for detecting specific needs and wants of shippers in different groups together with “type of customer” and “container volume” under the profile section.

As mentioned previously, the bases that are going to be selected for segmenting the market depend on the purpose of segmentation. Assuming the purpose is effective price discrimination, three considerations of lines exist: trade imbalance in some routes, capacity fulfilment rate of customers and price sensitivity of customers. First, to tackle trade-imbalance problem, carriers may attract shippers whose destination region needs empty container positioning. Destination-region-based segmentation helps to detect these customers and offer attractive freight, such as carriers decrease freight rates from North America and Europe to the Far East. Second, to increase capacity utilization, carriers may promote incentives on freight rate for large volume and loyal customers. Carriers may also evaluate shippers based on the weight of their cargoes and apply price reduction for shippers that have light loads. Third, the trickiest one, carriers can explore price sensitivity of shippers in different segments, in other words, the trade-off between freight and other service attributes such as time, reliability, availability of special equipment or safety. In this way, carriers may enjoy premium charges through performing superior on attributes other than freight.

The market of shippers and container type can be utilized to segment market for price sensitivity. If these two bases do not define the value, then a segmentation based on cargo value may be necessary too. In fact, effective price discrimination can be accomplished by evaluating each customer considering all of the price-discrimination bases. Carriers should define each shipper concerning their container volume, loyalty, destination region, container type and market, and consider their goals and capabilities for effective price discrimination.

As B2B marketing literature stresses the importance of personal relation and communication, liners may also implement segmentation for customized marketing communication. For an effective customized marketing communication, carriers first should reveal preferences of different segments on service attributes of container shipping service. Then, they should define each shipper considering all bases shown in the above framework. Finally, by considering the profile of the customer, which exhibits the type and ***strategic*** importance of customers, carriers can decide the degree of communication, i.e. how many times to visit per year or call per week. Once again, goals and capabilities of container lines should always be borne in mind.

**Type of customer.**

Two basic customer types of container lines exist: shippers and forwarders. Forwarders are often considered to be a different kind of customer, sometimes viewed as trading partners with the various preferences on service attributes. Considering especially the large volume forwarders bring to lines, specialized personnel at lines are often assigned to them to tackle all issues. An interviewee indicated the importance of forwarders as “when we support forwarders through some privileges such as equipment priority and flexibility in payment, they can bring too many shippers at a short time”.

Forwarders and shippers may also diverge according to their priorities on attributes of container lines’ service offering. In other words, the needs and wants of these two types of customers differ from each other as shown in Figure 1. These differences should be revealed by the container lines. Interviewees stated that shippers might be segmented based on their industry, destinations, export-import, container type and loyalty. Understanding expectations of these segments also assists in marketing forwarders, as shippers are also customers of forwarders. Size and loyalty can be used for segmenting both shippers and forwarders.

**Size of the customer (container volume).**

As filling the capacity of a vessel is vital for container lines, the size of the customer translates in the number of containers this client ships annually. The interviewees stated that they consider the number of containers regarding the size of customers. The size of customer is used by the majority of the lines in the interviews. The companies that do not systematically segment the markets stated they intuitively segment the customers according to their size. The size of the customer helps in providing customized marketing offering, specifically including service levels and pricing based on the annual container volumes of customers.

Some of the lines appoint specific personnel to each client in the large volume segment, while others state that although they do not do so, or do not determine segments for volume, they always pay more attention to services provided to such customers and customize their marketing offers accordingly. For instance, Company D and Company E provide periodical reports for key accounts to quantitatively evaluate performance, in addition to attractive freight offerings, equipment priorities and dedicated personnel. Segmentation based on customer size can also be useful for smooth operations as dedicated staff tackles each of the segments.

Customer needs and wants can also change based on the size of customers as illustrated in Figure 1. For instance, it was frequently mentioned in the interviews that large customers can be more sensitive to the number of available empty equipment than the small customers. In the literature, Collison (1984) also found that large and small customers in terms of annual tonnage had different attitudes on service attributes of container shipping. The results of that study indicated large customers tended to be more concerned of timeliness of service. Wen and Lin (2016) found two segments of freight forwarders: one consisted of usually large forwarders, while the other consisted of small forwarders. Significant differences were found between these two segments in terms of preferences on service attributes of container lines.

**Loyalty.**

Despite the fact that larger customers receive more attention, it does not mean that smaller ones do not receive any. Each and every one of the smaller customers is crucial for filling the ship. Relationship with smaller customers is of particular importance in the case of losing a large client. An interviewee states “With the small vessel capacity we have, if we fill the ship with only a few customers then it is quite a risk for us”. As a result, container lines also appreciate customers whose volumes are not large but who are loyal to the line. Therefore, loyalty should also be evaluated in addition to size of customers to identify ***strategic*** importance of customers.

**Seasonality.**

Interviewees in Company F stated that an important aspect that should be borne in mind is sustainability and regularity of annual container demand of customers. Seasonal and regular customers, they stated, should be treated differently. Seasonal customers, such as ***agriculture*** businesses, do not ship any cargo during the year except the peak season, and then they suddenly start shipping large amount of containers. The seasonal and regular customers should be segmented, so that, marketing and service design, as well as the operations, can be more effective.

**Decision maker.**

To better direct lines’ marketing effort, container lines need to determine who the decision maker is when it comes to selecting the carrier. The exporter of a shipment does not mean decision maker if sales agreement is in Free on Board (FOB) terms, which render importer to be the decision maker. Similarly, global shippers that have shipments and representatives in many different hinterlands exist around the world. However, global shippers select their carriers annually through tenders. Nonetheless, the service quality expectations of these companies should be met as well. FOB exporters could, for instance, be convinced to use other INCOTERMS if, at all possible, such as CFR, that makes them the decision maker.

**Industry of shippers.**

The companies that segment their customers based on their industries stated that customers in different industries have distinct priorities. They stated that segmenting shippers based on their industries enables container lines to understand their priorities and business more precisely, to develop new services or to innovate existing services accordingly, and to implement customized marketing communications. Earlier studies of B2B segmentation have used standard industrial classification (SIC), but this was not found to be suitable for container shipping in the interviews. Instead, as each hinterland hosts shippers in different industries, a hinterland-focused industrial segmentation base, determined by the container line, seems more appropriate. Companies that did not segment their market systematically stated that they would prefer this base, so as to reveal specific needs and wants of customers in different groups. Danielis *et al.* (2005) also found that shipper preferences are diverse depending on their industries.

Segmenting the market based on the industry can also help container lines to segment the market, to some extent, based on cargo characteristics and container type. This can assist in dealing with seasonal cargo such as foodstuff, reefer cargo and other perishables. Industry-based segmentation can also demonstrate the type and size of containers needed for each industry. However, the industry of shipper may not always reveal cargo characteristics such as value, weight and container type. Finer segments might be needed in addition to the industry of shippers.

**Cargo characteristics.**

Characteristics of cargoes can be divided based on their value, weight per container, fragility, whether perishable or not and whether dangerous or not. Cargo characteristics were not used for segmentation by interviewed companies, yet most interviewees suggested cargo characteristics can well define the specific needs and wants of shippers. When the industry of shipper does not effectively reveal distinct needs and wants, cargo characteristics can help container lines to finer segment their markets. For instance, the shippers in food and beverage segment vary significantly. Cargoes of some shippers may be highly perishable with high value (frozen seafood) while others may be non-perishable with low value (seeds or grain). Figure 1 illustrates only two alternatives (value and weight) under this category, but more alternatives can be added by container lines according to the market structure at the port they serve.

**Container type.**

Container lines may also use container type as a means of segmenting their customers. The usual practice in container shipping is to segment as reefer and dry containers. However, other special container types, such as open-top, 45-feet container can also be evaluated.

**Destination region.**

The interviews reveal that destination-based segmentation can be useful for container lines in several ways. First, the sales organization can be managed by destination regions, and this can smooth sales operations, bookings and claims handling. Second, since each destination region has its peculiarities, destination-based segmentation may be useful for container lines to comprehend customer expectations more effectively. Moreover, sales volumes in each region can also increase by setting different targets for sales personnel of each region. Destination-based segmentation might be especially appropriate for companies with services to a vast number of destinations. The disadvantage of this type of segmentation is that a shipper having shipments for multiple destinations must be in contact with different salespersons for each consignment. However, relationship marketing theory suggests long-term personal relations. Container lines that use this base appoint marketing staff for large volume customers to eliminate this problem. Destination-based segmentation is not found to be appropriate for small-scale container lines that operate within a limited destination range.

**Export/import.**

The interviews suggest that exporters and importers at a port usually attach different importance scores on the attributes of container-shipping service. For instance, importers may be more sensitive to free demurrage time provided at the discharge port. The difference between these two types of shippers should be found out by container lines.

In terms of the bases specified here, it is of significant importance to remind that container lines may choose any of these bases or combination of bases according to their purpose as well as company characteristics. The lines are not necessarily suggested to use all of the bases stated here.

**Conclusions**

Container shipping is a quite challenging B2B service market and carriers must tackle changing competition environment, high-fixed cost structure and increasing customer expectations. Carriers must use their resources efficiently but, at the same time, be customer focused on sustaining their competitiveness. Our study suggests market segmentation to handle this problem. Our study claims that market segmentation can be a very useful tool for applying customized marketing tactics such as price discrimination and personalized marketing communication. The qualitative port-based segmentation framework offered in this paper can be used as a first step for customized one-to-one marketing in container shipping.

Other benefits of market segmentation in container shipping are various. Basic ones are determining specific needs and wants of different customer groups, managing high volume customers effectively, adopting effective sales and customer service organization, training new marketing personnel, developing new services and improving existing ones, exploring new and profitable customers and using marketing resources more efficiently. These benefits are parallel to segmentation literature (Assael, 1993; Boyt and Harvey, 1997; Dibb, 1998; Kotler and Armstrong, 2010; Rangan *et al.*, 1992; Weinstein, 2013), except “training new personnel”. To the knowledge of authors, this has not been mentioned as a benefit of segmentation in the literature before.

The appropriate segmentation bases that this study suggests are the type of customer, the size of customer, the loyalty of customers, seasonality of shipments, decision maker, industry of shippers, cargo characteristics, destination region, container type and export/import. A majority of the bases suggested here were used in container-shipping literature as well. Loyalty was used by Maloni *et al.* (2016); customer type and cargo characteristics were used by Collison (1984); customer size was used by Collison (1984) and Wen and Lin (2016); and destination region (route) was used by Matear and Gray (1995).

Carriers may use a single base or a combination of multiple segmentation bases depending on their purpose. As shown in the segmentation template developed in this paper, customized marketing offering should be designed for customers considering customer segments regarding their ***strategic*** importance for carriers and specific needs and wants. Goals and capabilities of the carriers should always be borne in mind while taking action for different segments. We also suggest adopting a port-specific market segmentation approach as each port’s hinterland differs concerning characteristics of shippers and services offered by the carrier.

The results of this paper indicate that a majority of middle and small-sized container lines in Izmir do not use market segmentation in a systematic way. This result is coherent with B2B segmentation literature which remarks the gap between academic papers and practice in use (Freytag and Clarke, 2001; Boejgaard and Ellegaard, 2010). The bases preferred by container lines, e.g. customer size, customer type, and industry, are identifiable and simple to use. This finding is also compatible with the findings of Abratt (1993), who studied B2B segmentation applications in South Africa.

The interviews frequently stressed the importance of relationships and effective communication as parallel to services and industrial marketing literature. This finding is coherent to study of Maloni *et al.* (2016), who indicate the rising importance of seller→buyer relationship in container shipping. The customized marketing offering, originated from market segmentation, can be helpful for developing sustainable relationships in container shipping. Thus, we can propose that market segmentation can be a useful tool for relationship marketing in service businesses which are similar to container shipping where hundreds of different customers with diverse characteristics and expectations exist in the market. Unlike the literature that defends market segmentation is outdated, our findings in this qualitative study suggest that market segmentation can be very helpful in one-to-one marketing and relationship marketing.

The most important limitation of this study is the fact that all the interviews were carried out with container lines in Izmir hinterland. Some of the global liners that do not have any segmentation ***programmes*** in this region may implement segmentation ***programmes*** in other hinterlands mainly serving the busiest main trade routes. Time and financial restrictions did not allow reaching headquarters of container lines. Nonetheless, segmentation approaches were discussed in a general context rather than unique to this region, and experienced managers who worked in several different areas helped to mitigate this limitation. For future research, a study that uses multivariate data analysis and predicts needs and wants of shippers with customer bases can be helpful. Our segmentation template could be a useful starting point for such future studies.

**Table I.**  Profile of interviewees and segmentation bases used in practice

| **Pseudonym of the lines** | **Position of interviewee(s)** | **Size of the linesa** | **Represented by direct or third party agent** | **Segmentation bases (if applied)** |
| --- | --- | --- | --- | --- |
| A | Sales manager | Large | Direct | Destination region |
| B | Branch Manager | Large | Direct | Destination regionIndustry of shipper |
| C | Branch sales manager | Large | Direct | Customer sizeContainer type (reefer)Industry of shipperForwarder/shipper |
| D | Sales executive | Large | Direct | Customer sizeForwarder/shipper |
| E | Export manager andline manager | Large | Direct | Destination regionCustomer sizeIndustry of shipperContainer type (reefer) |
| F | Business development manager and business development manager | Large | Direct | Forwarder/shipperCustomer sizeLoyaltyContainer type (reefer)Decision maker |
| G | Branch manager | Med. | Direct | Customer sizeForwarder/Shipper |
| H | Line region manager | Med. | Third P. | ??b |
| I | Sales manager | Med. | Direct | ?? |
| J | Line manager and sales executive | Med. | Third P. | ??b |
| K | Marketing manager and Sales manager | Med. | Third P. | ??b |
| L | Agency general manager | Med. | Third P. | ??b |
| M | Line manager | Med. | Third P. | ??b |
| N | Branch manager | Med. | Third P. | Customer Size |
| O | Sales manager | Med. | Third P. | ?? |
| P | Sales executive | Small | Third P. | Customer Size |
| R | Agency manager | Small | Third P. | ?? |
| S | Branch manager | Small | Third P. | ??b |
| T | Branch manager | Small | Third P. | ?? |
| U | Branch manager | Small | Third P. | ?? |

**Notes: a** Size of the liners is determined based on annual TEU. Small: 0-9.999TEU, Medium: 10.000-49.999, Large: 50.000+; **b** Liners that do not have a segmentation ***programme*** but are willing to have a template of different customer segments for customized marketing offering

**Load-Date:** April 2, 2020

**End of Document**



[***Head of State holds a meeting on the activities of the National Modernization Commission***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PBS-H0T1-JDVR-04R4-00000-00&context=1516831)

Emerging Markets Brokers Reports - Russia

August 25, 2017 Friday 12:00 AM EEST

Copyright 2017 SeeNews All Rights Reserved



**Length:** 886 words

**Byline:** SeeNews

**Body**

The meeting was attended by Prime Minister B. Sagintayev, Chairman of the Majilis N. Nigmatullin, Head of the Presidential Administration A. Zhaksybekov, members of the Government, heads of central state bodies and national companies, Akorda press service reports.

The meeting heard reports made by Chairman of the Agency for Civil Service Affairs and Anti-Corruption K. Kozhamzharov, Deputy Head of the Presidential Administration T. Donakov, Minister of National Economy T. Suleimenov, First Deputy Chairman of the Senate B. Beknazarov.

Having heard the reports of the heads of the working groups, the President of Kazakhstan dwelled on the implementation of certain areas of the Five Institutional Reforms.

"Regarding the first reform. Based on the results of the attestation of senior staff of the "B" corps, many Ministries and Akimats have revealed a weak knowledge of ***strategic*** and ***program*** documents. This concerns, first of all, the Ministries of ***Agriculture***, Healthcare, Education and Science, and practically all Akimats. The situation with career advancement of civil servants has improved. At the same time, a number of state bodies show frequent changes in top management in connection with "team displacements," - Nursultan Nazarbayev said.

The Head of State stressed that positions, made vacant by "one's resignation", are filled with people who have worked with the head in different periods, and instructed to take additional measures to correct this issue.

"Also, the flow of appeals from the population about violations of law and order to the Presidential Administration is not reducing. There is no real competition at the pre-trial stage. Lawyers and law enforcement officers have insufficient qualifications. Procedures for obvious and minor offenses should be simplified as much as possible. People should not wait months for decisions on simple matters. Decisions of judicial and law enforcement bodies should be laconic, clear for citizens' understanding," - Nursultan Nazarbayev said.

In addition, the Head of State dwelled on the work of local police and focused on preventing the decline in its manageability and efficiency in responding to emergencies.

"The local police was and remains in the uniform system of internal affairs bodies. But the Akim has the right to set before the police tasks to enforce law and order of local significance and to prevent violations," - the President of Kazakhstan said.

Regarding the third direction of the Five Institutional Reforms, Nursultan Nazarbayev noted that 13 out of 50 steps were completed, and the rest are in the works.

At the same time, the President of Kazakhstan once again reminded about the need to exclude from the draft new Tax Code ineffective benefits and preferences, and also instructed to conduct a wide outreach work on this issue.

In addition, the Head of State emphasized the importance of implementing the Law on expanding regional electric grid companies, which should lead to a reduction in the cost of electricity for consumers.

"The task was to attract at least 10 transnational companies to the processing sector to create export goods and enter global markets. Last year, only three joint projects were launched, implemented by Tenaris, EFCO and Coca-Cola. At the same time, the company that ***produces*** Coca-Cola has been operating in the country since the last century," - the President of Kazakhstan said.

Nursultan Nazarbayev also noted the lack of significant progress in implementing projects in priority sectors of the economy with the participation of "anchor investors" over the past 2 years.

"We talk about this every year. So far, no project with a ***strategic*** investor in these industries has been implemented. We created the special national company "Kazakh Invest". Gave it a special status, representative offices were created in all regions. Half a year has passed, where are the results?" - the Head of State inquired. The Prime Minister was instructed to fix the areas of responsibility in the work to attract investors.

Nursultan Nazarbayev also dwelled on the ***plans*** and prospects for further work of the AIFC and its institutions.

 The President of Kazakhstan noted the problem of corruption in the subsoil use sector, despite the measures taken by the Government, and instructed to review the legislation in this area.

In conclusion, the Head of State outlined the large amount of forthcoming work of all branches of power for the further implementation of the ***Plan*** of the Nation.

"The Government's accountability and control over the Parliament and its chambers are strengthened within the framework of constitutional reforms. Each head should promptly and competently solve them at their level, without shifting responsibility to others. Current issues should not be taken to the level of the President," - Nursultan Nazarbayev said.

[*www.primeminister.kz*](http://www.primeminister.kz)

\*\*\*\*\*

The information contained herein is provided on an "AS IS" basis and to the maximum extent permitted by applicable law. AII Data Processing does not endorse in any way, the views, opinions or recommendations expressed above. The use of the information is subject to the terms and conditions as published by the original source, which you have to read and accept in full prior to the execution of any actions taken in reliance on information contained herein.

**Load-Date:** August 28, 2017

**End of Document**



[***-Trimble to Acquire Viewpoint to Create the Industry's Most Complete Construction Management Solution***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S5R-S3G1-F0K1-N1B4-00000-00&context=1516831)

ENP Newswire

April 24, 2018 Tuesday

Copyright 2018 Normans Media Limited All Rights Reserved



**Length:** 2627 words

**Body**

Acquisition of Construction Management Software Provider Will Expand Addressable Market and Enhance Revenue Growth.

Trimble (NASDAQ: TRMB) announced today it has entered into a definitive agreement to acquire privately-held Viewpoint from Bain Capital in an all-cash transaction valued at $ 1.2 billion. Viewpoint is highly complementary to Trimble's e-Builder business, and will extend Trimble's ability to provide more complete and integrated project, jobsite and business workflows across the construction lifecycle.

Viewpoint is a leading provider of scalable construction management software, which integrates a contractor's financial and resource management to their project operations and to their jobsite and field. The integration across the office, team and field enables contractors to employ Viewpoint to effectively manage and have visibility to data and workflows that span the construction lifecycle from pre-production ***planning***, to product operations and supply chain management, and then to project hand over and asset operation and maintenance. The Company's suite of purpose-built SaaS, client-server and mobile solutions improve project performance, provide increased visibility and deliver integrated workflow data to the entire team consisting of general contractors, project managers, architects, engineers and subcontractors. By blending office and field data workflows across a project, Viewpoint customers are able to achieve significantly improved collaboration, efficiency and decision making, while lowering costs.

Currently managing over $ 400 billion of construction project value, Viewpoint has approximately 8,000 customers worldwide, including many from the Engineering News-Record (ENR) 400 and 600 top tier construction firms. These firms include general contractors, heavy highway and civil contractors, specialty subcontractors and owners.

The acquisition will round out Trimble's comprehensive construction technology portfolio and position Trimble to further its strategy to lead the industry's transformation. With Viewpoint, Trimble will be able to offer customers a central workflow platform for delivering integrated, end-to-end construction management, while further enabling connectivity across the complete construction lifecycle. In addition, Viewpoint will complement Trimble's recent acquisition of e-Builder, a leading SaaS-based construction ***program*** management solution for capital ***program*** owners and ***program*** management firms. Viewpoint will further extend these capabilities with focus on general, specialty and heavy civil contractors, and link project data into the owner-facing e-Builder suite for end-to-end project transparency.

'The Viewpoint acquisition, in combination with the recent e-Builder acquisition, confirms Trimble leadership in the accelerating digital transformation of the construction industry,' said Steven W. Berglund, president and CEO of Trimble. 'The acquisitions are strategically significant and position us to play a unique and central market role in providing comprehensive enterprise and project solutions. They also provide significant financial opportunity and contribute strong growth trajectories. The current trajectories can be further enhanced by a large addressable market enabled by the combined capabilities of the three companies.'

'The construction industry is embarking on a major digital transformation, and together with Trimble we will further accelerate technology innovation and adoption to deliver even more value to our customers,' said Manolis Kotzabasakis, CEO of Viewpoint. 'This partnership is a perfect fit, as Trimble and Viewpoint share a common vision helping construction companies integrate operations across the office, team and field, improving project profitability, enhancing productivity, and effectively collaborating across the construction ecosystem.'

'We are pleased to have had the opportunity to work with the Viewpoint team to grow the business and to extend their leadership position globally, and we are confident Trimble will be a good home for Viewpoint and its employees and customers,' said David Humphrey, a managing director at Bain Capital Private Equity. 'Software demand continues to surge across all industry verticals, and Viewpoint has accelerated technology adoption in the construction industry through the development and launch of a suite of new cloud and mobile applications,' added Darren Abrahamson, a managing director at Bain Capital Private Equity.

Compelling ***Strategic*** and Financial Rationale

Complements Trimble's existing construction technology offering and recent e-Builder acquisition.

Advances Trimble's strategy to create a comprehensive, end-to-end suite of solutions to lead the construction industry's transformation.

Delivers value to customers by adding integrated and scalable construction software covering office, team and field solutions across the entire project lifecycle for ***planning***, supply chain, procurement, construction as well as maintenance and operations.

Expands Trimble's addressable market and enhances revenue growth, with an attractive profitability profile.

Timing and Approvals

The transaction, which is expected to be completed in the third quarter of 2018, is subject to regulatory approvals, including the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act, as well as other customary closing conditions.

Financial Overview

The all-cash purchase price of $ 1.2 billion is expected to be funded through a combination of cash on hand and new indebtedness. In connection with the acquisition, Trimble obtained $ 1.2 billion committed bridge financing, subject to customary conditions, from JPMorgan Chase Bank, N.A., Goldman Sachs Bank USA and Bank of America, N.A. Trimble is committed to maintaining an investment grade rating and expects to rapidly reduce its leverage by limiting additional acquisitions and temporarily suspending share buybacks.

Trimble expects Viewpoint to contribute approximately $ 200 million of non-GAAP revenue in 2019 with operating cash flow of greater than $ 50 million and non-GAAP operating margin exceeding 20 percent. Including interest expense, the acquisition is expected to be accretive to Trimble's operating cash flow in 2019. Trimble expects the acquisition to be slightly dilutive to non-GAAP net income per share in 2019 due to estimated interest expense, and accretive to non-GAAP net income in 2020. All non-GAAP figures discussed exclude the impact of fair value accounting of Viewpoint's deferred revenue.

The Viewpoint business will be reported as part of Trimble's Buildings and Infrastructure Segment.

Update on Financial Guidance

Trimble also announced today that it expects first quarter revenue to be above the high end of the range of guidance issued on its fourth quarter 2017 earnings conference call. The company will discuss full financial results on its first quarter earnings conference call on May 7, 2018.

Investor Conference Call Scheduled for Today

Trimble will host a conference call and online webcast today, April 23 at 2:30 pm PT to discuss the transaction. The call will be broadcast live on the web at [*http://investor.trimble.com*](http://investor.trimble.com). Investors without Internet access may dial into the call at 800-528-9198 (U.S.) or 702-928-6633 (international). The passcode is 1480097.

A slide presentation will be available 15 minutes before the call on the Trimble Investor website.

Advisors

Goldman Sachs Co. LLC is serving as financial advisor to Trimble and Baker McKenzie is serving as transaction counsel to Trimble, with Skadden and Wilson Sonsini advising on debt-related matters. William Blair and Credit Suisse are serving as MA advisors, and Kirkland Ellis is serving as legal counsel to Viewpoint.

About Viewpoint

Viewpoint is a leading global provider of integrated software solutions for the construction industry. Viewpoint software enables customers to integrate operations across the office, team and field to improve project profitability, enhance productivity, manage risk and effectively collaborate across a broad ecosystem that includes owners, general contractors, subcontractors, project managers, architects, engineers and more. Viewpoint is driving innovations that are transforming the construction industry by fully integrating operations across financial and HR systems, project management tools and mobile field solutions. Viewpoint's nearly 8,000 clients include 46 percent of the ENR 400, and 34 percent of the ENR 600. With over 700 employees, Viewpoint is headquartered in Portland, Oregon with major offices in Newcastle, England and Sydney, Australia. For more information, visit:   [*www.viewpoint.com*](http://www.viewpoint.com).

About Trimble

Trimble is transforming the way the world works by delivering products and services that connect the physical and digital worlds. Core technologies in positioning, modeling, connectivity and data analytics enable customers to improve productivity, quality, safety and sustainability. From purpose built products to enterprise lifecycle solutions, Trimble software, hardware and services are transforming a broad range of industries such as ***agriculture***, construction, geospatial and transportation and logistics. For more information about Trimble (NASDAQ: TRMB), visit:   [*www.trimble.com*](http://www.trimble.com).

Safe Harbor

This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are made pursuant to the safe harbor provisions of the Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding the ***planned*** Viewpoint acquisition and the timing and financing thereof, the impact of the Viewpoint acquisition on Trimble's financial results and construction management solutions, the benefits to Viewpoint's current and future customers from Trimble's portfolio and expertise, the benefits to contractors of the combined Trimble and Viewpoint solution portfolio, the effects on Trimble's growth and ***plans*** to bring Viewpoint solutions to civil and building contractors and the international market. These forward-looking statements are subject to change, and actual results may materially differ from those set forth in this press release due to certain risks and uncertainties. Factors that could cause or contribute to changes in such forward-looking statements include, but are not limited to (i) failure to realize the anticipated benefits of the acquisition, (ii) Trimble's inability to successfully integrate Viewpoint's solutions with Trimble's construction solutions to deliver enhanced product offerings, (iii) unexpected expenditures or assumed liabilities that may be incurred as a result of the acquisition, (iv) loss of key employees or customers following the acquisition, (v) unanticipated difficulties in conforming business practices, including accounting policies, procedures, internal controls, and financial records of Viewpoint with Trimble, (vi) inability to accurately forecast the performance of Viewpoint resulting in unforeseen adverse effects on Trimble's operating results, (vii) failure to satisfy the conditions to the completion of the acquisition on the anticipated schedule, or at all, (viii) failure to obtain long-term financing for the acquisition on favorable terms, or at all, and (ix) synergies between Viewpoint and Trimble as well as purchase price accounting, including the impact of ASC 606 and the reduction of deferred revenue, being estimated and may be materially different from actual results. The foregoing review of important factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements set forth in reports filed with the SEC, including Trimble's quarterly reports on Form 10-Q and its annual report on Form 10-K, such as statements regarding changes in economic conditions and the impact of competition. Undue reliance should not be placed on any forward-looking statement contained herein. These statements reflect Trimble's position as of the date of this news release. Trimble expressly disclaims any undertaking to release publicly any updates or revisions to any statements to reflect any change in Trimble's expectations or any change of events, conditions, or circumstances on which any such statement is based.

Use of Non-GAAP Financial Information

To help investors understand Trimble's past financial performance and future results, as well as its performance relative to competitors, Trimble supplements the financial results that the company provides in accordance with generally accepted accounting principles, or GAAP, with non-GAAP financial measures. These non-GAAP measures can be used to evaluate Trimble's historical and prospective financial performance, as well as its performance relative to competitors. The company's management regularly uses supplemental non-GAAP financial measures internally to understand, manage and evaluate the business, and to make operating decisions. These non-GAAP measures are among the primary factors management uses in ***planning*** for and forecasting future periods. Trimble believes that these non-GAAP financial measures reflect an additional way of viewing aspects of the company's operations that, when viewed with the GAAP results, provide a more complete understanding of factors and trends affecting the business. Further, Trimble believes some of the company's investors track 'core operating performance' as a means of evaluating performance in the ordinary, ongoing, and customary course of the company's operations. Core operating performance excludes items that are non-cash, not expected to recur or not reflective of ongoing financial results. Management also believes that looking at Trimble's core operating performance provides a supplemental way to provide consistency in period to period comparisons.

The method the company uses to ***produce*** non-GAAP results is not computed according to GAAP and may differ from the methods used by other companies. Trimble's non-GAAP results are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with Trimble's consolidated financial statements prepared in accordance with GAAP. Additional financial information about Trimble's use of non-GAAP results can be found on the Investor Relations page of the Trimble website at:   [*http://investor.trimble.com*](http://investor.trimble.com).

When Trimble provides its expectations for the impact its Viewpoint acquisition will have on Trimble's non-GAAP revenue and non-GAAP operating margins, as well as its non-GAAP net income per share, on a forward-looking basis, a reconciliation of the differences between these non-GAAP expectations and the corresponding GAAP measures (GAAP revenue and GAAP operating margins) is not available without unreasonable effort because Trimble has not estimated the fair value of the assets and liabilities expected to be acquired in the transaction. Nor has the company determined the fair value of acquired intangible assets and related annual amortization expense that would be required in order to provide the corresponding GAAP measure. The variability of the items that have not yet been determined may have a significant, and potentially unpredictable, impact on Trimble's future GAAP results. Trimble expects that the reduction of deferred revenue as a result of the acquisition will be material and believes such a reconciliation would imply a degree of precision that would be confusing or misleading to investors.

Investor Contact: Michael Leyba of Trimble: 303-635-8551

Media Contact: LeaAnn McNabb of Trimble: 408-481-7808

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** April 24, 2018

**End of Document**



[***GCC member states look to strengthen global trade ties***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5WS6-C4X1-DXYV-74BX-00000-00&context=1516831)

Oxford Business Group: Articles

March 2018

Copyright 2018 Oxford Business Group All Rights Reserved



**Length:** 1605 words

**Body**

For the nations of the GCC, the drop in oil prices highlighted something many already knew: there is a pressing need for economic diversification and to further engage with global partners across different markets. To this end, countries in the region have made efforts to expand their international role and reach in recent years, with trade deals and investments being pursued in the US, China and India. Going forward, relationship building is likely to receive even greater focus, with GCC member states seeking opportunities as well as forging partnerships with other economies.

**Looking West**

One of the most closely watched international developments in 2016 was the US presidential election. Despite Donald Trump's "America First" rhetoric, his election had a largely positive impact on the US' relationship with many GCC member states in 2017, which had frayed somewhat under Barack Obama, who led the US from 2008 to 2016. Trump's first foreign trip as president in May 2017 began in Saudi Arabia. There he met with 50 Arab and Muslim leaders, including those from the six GCC nations. It was announced shortly before the visit that the US had signed deals worth close to $400bn with the kingdom, including $110bn related to weapons and arms contracts. The following month the US Department of State approved an initial sale of military training ***programmes*** and equipment worth over $1.4bn to the kingdom, with the contract including a radar system and education for the Royal Saudi Air Force. Trade relations beyond defence have been enhanced recently as well, with Saudi Arabia's Public Investment Fund announcing ***plans*** to contribute $20bn to private investment firm Blackstone Group, with the funds to be used as financing for infrastructure projects in the US.

It is the UAE, however, that has historically been the US' largest export market in the Middle East, with sales worth more than $22bn in 2016. According to Sultan bin Saeed Al Mansouri, the minister of economy of the UAE, non-oil trade between the US and the UAE increased from $27.8bn in 2015 to $30.3bn in 2016. Alongside the military deals with Saudi Arabia, the US authorised the sale of $2bn worth of missiles to the UAE.

**To The East**

China's engagement with the Middle East has also grown significantly in recent years, with a number of ***strategic*** agreements and projects in place. This trend has been aided by China's Belt and Road Initiative, which was unveiled in 2013.

The aim of the scheme is for China to extend its global reach, and it has found a receptive audience in the GCC. Saudi Arabia and China signed 15 memoranda of understanding (MoUs) during the G20 summit in September 2016, spanning areas such as science and technology, oil storage, water and cultural cooperation. Underpinning these bilateral agreements is a five-year ***programme*** of mutual investments, with a timeframe of one year to be set aside to finalise the deals.

At a global exhibition in the UAE in February 2017, another MoU - related to China's defence sector - was executed between the two countries. The agreement ***plans*** to establish a production line in Saudi Arabia for China's new-generation Rainbow 4 aerial drone, among other projects. In March 2017, during a month-long tour of Asia to increase economic cooperation with the region, King Salman bin Abdulaziz Al Saud oversaw the signing of additional deals worth upwards of $65bn with Beijing. The agreements included an MoU between oil giant Saudi Aramco and China North Industries Group to look into establishing refining and chemicals plants in China, as well as a deal between Saudi Basic Industries Corporation (SABIC) and China's Sinopec to develop petrochemicals projects in both countries. Sinopec and SABIC already operate a joint chemicals complex in the Chinese city of Tianjin.

China is currently Saudi Arabia's largest trading partner, with bilateral exchanges amounting to $42.4bn in 2016. During a visit to the kingdom in August 2017 Zhang Gaoli, vice-premier of China, said his country "supports Saudi Arabia in making its 2030 vision a reality, and would like to be a partner as the country diversifies its economy". A total of 60 agreements and MoUs, worth close to $70bn, were signed during his visit.

**Regional Partners**

Gaoli also visited Kuwait during his time in the region, becoming the highest-level Chinese official to visit the nation in almost a decade as the countries look to deepen trade relations. Kuwait was the first Gulf state to establish full diplomatic ties with China in 1971 and was also one of the initial Arab countries to sign a cooperation agreement with it under the Belt and Road Initiative. Bilateral trade between China and Kuwait reached $9.37bn in 2016 and rose 28.6% year-on-year (y-o-y) to $5.47bn in the first half of 2017.

Elsewhere, the UAE is expected to play a key role in the Belt and Road ***plan*** due to its importance as a regional and global trade hub. The country is the gateway for roughly 60% of China's exports to the region, worth about $70bn annually, according Abu Dhabi Ports. He Song, commercial counsellor at the Chinese embassy in Abu Dhabi, stated that Chinese non-financial foreign direct investment in the UAE rose 352% y-o-y in the first nine months of 2016 to reach $390m. That year China's COSCO Shipping Ports won a 35-year concession to build and operate a new container terminal at Khalifa Port in Abu Dhabi, with ***plans*** to invest over $700m.

Earlier, in December 2015, Abu Dhabi-based Mubadala Investment Company launched a joint investment fund with China Development Bank Capital and China's State Administration of Foreign Exchange, with each government investing $5bn to be used for projects in both countries. Since 2011, four of China's state-owned banks have set up operations in the UAE.

**Ties With India & Pakistan**

Emerging markets in South Asia are also key to outward growth. India is currently the GCC's largest trade partner, and with the OECD expecting the country's economic growth to remain above 6.7% through 2019, there are numerous opportunities on offer.

Trade between India and the GCC totalled $137.7bn in 2014-15, up from $6.2bn in 2001-02, according to the International Trade Centre. Ali Ebrahim, deputy director-general of Dubai Economy, said in August 2017 that GCC exports to India had increased by 49% annually over the previous decade - the highest growth rate among the region's major trading partners - with imports from India growing by 39%. According to India's Ministry of External Affairs, the GCC currently supplies 60% of India's total energy imports. Furthermore, with millions of Indians working in the GCC, remittances from those living in the region make up over $35bn per year, representing half of India's annual total remittances.

While relations between Pakistan and the GCC are not as well established as those with India, a third round of negotiations over a free trade agreement (FTA) between GCC member states and the SouthAsian country are expected in 2018, with the text of the initial framework in place as of early August 2017. The hope is that an FTA will help to develop multilateral trade, with Pakistan's ***agricultural*** potential and energy needs seen as areas of opportunity.

**Russia**

With Russia a major hydrocarbons ***producer*** in its own right, trade between the GCC region and the northern giant has never been as critical as with the US, China and India. Still, there have been strong efforts to boost bilateral trade and cooperation.

The Russian Direct Investment Fund (RDIF) and Mumtalakat, Bahrain's sovereign wealth fund, signed a mutual investment agreement in 2014, and in February 2016 it was reported that Mumtalakat had made a $250m investment in the RDIF. In June 2017 Mahmood Hashim Al Kooheji, CEO of Mumtalakat, told Reuters that they had an "impressive" pipeline of investment deals in Russia, with $135m worth of projects already approved, while some existing projects already offered double-digit return rates.

Bahrain's moves followed the November 2015 announcement that Kuwait's sovereign wealth fund, the Kuwait Investment Authority, had agreed to allocate a further $500m to a number of investment projects in Russia in partnership with the RDIF.

According to Kirill Dmitriev, head of the RDIF, Gulf sovereign wealth funds had earmarked more than $20bn for investment in Russia as of May 2017.

In June 2017 Rosneft - Russia's largest oil ***producer*** - and Saudi Aramco announced they were looking into joint investments in Saudi Arabia. At the same time, the kingdom said it would consider joining Russia's Arctic liquefied natural gas project.

In May 2017 the PIF also entered in a partnership with RDIF to invest up to $10bn in Russia-Saudi projects, with $1bn already invested in infrastructure, manufacturing, logistics and retail, according to the PIF ***Programme*** 2018-20. In the latest development, in October 2017 Saudi Arabia's King Salman led a delegation to Moscow that agreed joint investment deals worth several billion dollars.

In Oman, Sultan Qaboos bin Said Al Said welcomed a Russian special envoy in February 2017 to review bilateral relations, reinforce a climate of supportive cooperation and activate existing joint agreements between the two nations. Trade between Oman and Russia has risen since 2010, with Russian companies currently engaged in Oman's energy sector.

If oil prices continue to recover, the GCC is likely to enter further agreements with countries around the world. These deals, whether related to developments in the region or investments elsewhere, will become increasingly important for economic growth and revenue generation for all GCC member states.

**Load-Date:** March 12, 2020

**End of Document**



[***Register of Commission documents: the European Parliament’s priorities for the Commission Work Programme 2018 Document date: 2017-06-30 P8\_B(2017)0451 Motions for resolutions/decisions***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P80-9SD1-JDG9-Y4SP-00000-00&context=1516831)

Impact News Service

August 10, 2017 Thursday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 5731 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

RE\1129855EN.docx PE605.575v01-00 EN United in diversity EN European Parliament 2014-2019 Plenary sitting B8-0451/2017 30.6.2017 MOTION FOR A RESOLUTION to wind up the debate on the statement by the Commission pursuant to Rule 37(3) of the Rules of Procedure and the Framework Agreement on relations between the European Parliament and the Commission on the European Parliament’s priorities for the Commission Work ***Programme*** 2018 (2017/2699(RSP)) Bas Eickhout on behalf of the Verts/ALE Group PE605.575v01-00 2/12 RE\1129855EN.docx EN B8-0451/2017 European Parliament resolution on the European Parliament’s priorities for the Commission Work ***Programme*** 2018 (2017/2699(RSP)) The European Parliament, – having regard to the Framework Agreement on relations between the European Parliament and the Commission1, in particular Annex IV thereto, – having regard to its resolution of 6 July 2016 on the ***strategic*** priorities for the Commission Work ***Programme*** 20172, – having regard to the Commission communication of 25 October 2017 entitled ‘Commission Work ***Programme*** 2017 – Delivering a Europe that protects, empowers and defends’3 and its annexes, – having regard to Joint Declaration on the EU’s legislative priorities for 20174, – having regard to the Commission’s White Paper on the future of Europe of 1 March 2017 and the reflection papers on the social dimension of Europe, harnessing globalisation, completing the Economic and Monetary Union, EU defence and the future of EU finances, – having regard to the Rome Declaration of the leaders of 27 member states and of the European Council, the European Parliament and the European Commission of 25 March 2017, – having regard to Rule 37(3) of its Rules of Procedure, A. whereas the European integration process has brought peace and contributed to security and prosperity in Europe over decades; whereas the outcomes of this last decade’s democratic consultations must be the opportunity to reflect on our common European project, its actual benefits, current shortcomings and renewed purpose; B. whereas the consequences of globalisation are increasingly stirring anxieties and euroscepticism amongst European citizens; whereas the EU should deliver reassurance and protection against these consequences; C. whereas European integration can no longer let itself be reduced to a mere economic project and must urgently win back the hearts of Europeans for the European project, with a serious change of course in EU policies; D. whereas in spite of its own shortcomings, Parliament has a particular responsibility in 1 OJ L 304, 20.11.2010, p. 47. 2 Texts adopted, P8\_TA(2016)0312. 3 COM(2016)0710. 4 OJ C 484, 24.12.2016, p. 7-8. RE\1129855EN.docx 3/12 PE605.575v01-00 EN the definition of our common European interest and should contribute to overcoming the current divisions in the Council, too often stalled by national haggles and ‘zero-sum game’ mentalities; E. whereas the general interest of the European citizens should always prevail over the defence of national or corporate interests; F. whereas we, as Europeans, choose a common future, as a true community based on shared values and objectives; whereas local, regional and national identities are not mutually exclusive and contribute to our broader European identity; G. whereas the current cumulated crises require genuine European solutions; whereas we want the European Union to play its role and take up its responsibility on the international stage, committed to solidarity, multilateralism and our external partnerships, and to promoting global convergence on higher standards; whereas we want to secure our common project of shared peace, prosperity and democracy, creating an appealing future for all generations; Our scenario for Europe: A space of freedom, security, democracy, social justice, ecology and human rights 1. Considers that none of the five scenarios formulated in the Commission’s White Paper presents a convincing vision for the future of Europe since they all follow the same pattern of reform that has been dominant in the EU over the past decades; 2. Believes that the strong focus on budgetary discipline and austerity in recent years, the promotion of empty concepts such as ‘better law making’ or ‘being big on big things and small on small things’ has only led to inefficiency and an inability to deliver, and ultimately to the distrust of citizens towards the EU; 3. Underlines, therefore, that the EU must profoundly revise its objectives, working methods and organisation if it is to address the challenges of the 21st century and meet the concerns of its citizens; underlines in this respect that the goals and purpose of the European integration process should be fully and explicitly defined, shared and democratically acknowledged; 4. Believes that the defiance currently shown towards the European idea should be addressed as a first priority; suggests that this could be done, in the first instance, through the democratisation of the European decision-making process and greater inclusion of citizens in our common political project; 5. Believes that the EU should become a space in which wealth is better distributed, where the permanent search for a proper balance between the economic, environmental and social sphere – the three pillars of sustainable development – would guide all public policies, and rights and freedoms would be enlarged rather than restricted; The Europe we want: main priorities Improving working and living conditions of European citizens PE605.575v01-00 4/12 RE\1129855EN.docx EN 6. Recalls that the EU’s current economic recovery is modest and unbalanced, with many regions still experiencing unacceptable levels of unemployment, poverty, inequality and a severe lack of perspective for younger generations; insists, therefore, that the EU’s core economic and social agenda must include measures aimed at reducing social inequalities and promoting gender equality and quality jobs for all, while stepping up investments in the education system; 7. Recalls that reducing regional disparities and promoting economic, social and territorial cohesion among all regions across the EU is an Treaty objective; stresses that preparations for the post-2020 cohesion policy are a political priority; highlights the important role of the forthcoming Seventh Report on Economic, Social and Territorial Cohesion in this regard; calls on the Commission to accelerate its efforts and submit concrete proposals in this respect; considers that all regions, as defined in Articles 174 and 349 TFEU, should benefit from the cohesion policy; 8. Notes that the cohesion policy is the EU’s main investment policy and must take into account the EU’s overall political objectives, including the digital agenda, the energy union, climate policy, a high level of protection of the environment, sound and sustainable economic development, gender equality and the social pillar; emphasises the crucial importance of the participation of, and engagement and dialogue with, regional and local authorities, economic and social partners, and civil society for the quality of ***programmes*** and projects and the achievement of objectives; calls, therefore, on the Commission to strengthen the partnership principle in the future, including through approaches such as community-led local development (CLLD); 9. Calls on the Commission to improve workers’ occupational health and safety, including the proper enforcement of the Working Time Directive, and to consider appropriate ways to address its shortcomings, as well as to present without delay the third batch of substances under the revision of the Carcinogens and Mutagens Directive and to include limit values on reprotoxic substances based on scientific and technical data as well as an impact assessment; 10. Notes the presentation of the work-life balance package; regrets that maternity leave is not included in the package; calls on the Commission to ensure that legislation and policies on work-life balance, including the policy implemented in the EU institutions, take into account people in vulnerable situation, such as single parents, parents with disabilities and parents who have children with disabilities; calls on the Commission to ensure relevant policies and measures take account of the increasing diversity of family relationships, including civil partnerships, and parenting and grandparenting arrangements, as well as the diversity of society as a whole, in particular to guarantee that a child is not discriminated against because of its parents’ marital status or family constitution; 11. Calls on the Commission to tackle the multidimensionality of poverty and inequalities and to propose an integrated anti-poverty strategy in order to achieve the Europe 2020 targets; recommends the Commission to promote adequate minimum incomes schemes in all Member States based on an impact assessment and in line with national law and practice, while providing opportunities to prevent long-term dependency on minimum income; reiterates its call for a green paper on inequalities and how they hamper the RE\1129855EN.docx 5/12 PE605.575v01-00 EN economic recovery; calls on the Commission to step up its work on, and monitoring of, the implementation of the Recommendation on Investing in Children; reiterates its call on the Commission and the Member States to provide a child guarantee that places children in the centre of existing poverty alleviation policies and ensures special dedicated resources necessary for its full implementation; A European strategy for sustainable development 12. Considers that economic models purely based on GDP growth and continuous over-exploitation of natural resources and financialisation have reached their limits; considers that, henceforth, the EU needs to make sustainability the core of any sound, future-oriented and crisis-solving economic policy; 13. Notes the human and economic consequences of climate disasters in Europe and worldwide; highlights the importance of continuing to address the root causes of climate change while ensuring competitiveness of our industry, with an ambitious climate strategy, consistent with the Union commitments under the Paris Agreement to pursue effort to limit the temperature increase to 1.5 °C; underlines that regulatory standards need to be updated and relevant financial instruments introduced; calls on the Commission to evaluate the consistency and coherence of current EU policies in relation to the commitments under the Paris Agreement; 14. Supports, in this context, the Council’s call on the Commission to provide a holistic EU industrial policy strategy for the future that would address key priorities, such as the transition towards an energy-efficient and renewables-based economy, adaptation to and mitigation of climate change, a non-toxic future, digital connectivity for all, realising the potential of Europe’s creative industries, making cities more sustainable and implementing the circular economy agenda; 15. Urges the Commission to stop using EU funds to subsidise fossil fuel and to coordinate efforts of Member States to swiftly phase out national fossil subsidies; asks as well the Commission to ensure that no national or EU subsidies will be used to finance new nuclear reactors and to urge Member States to abandon ***planned*** life-time extensions of existing nuclear power plants; 16. Expects the Commission to come forward in 2018 with a carbon budget for the Union that is consistent with the commitments made under the Paris Agreement; expects the Commission to develop and implement relevant policy options for rapidly addressing methane emissions through a Union Methane Strategy; calls on the Commission to identify and support the development of renewable energy projects within the framework of the Energy Union; 17. Recalls that efforts must be stepped up to achieve the Energy Union, guaranteeing energy security, and affordable and sustainable energy, for all citizens and businesses; expects the Commission, in this regard, to further address energy poverty through a concrete action ***plan*** to eradicate energy poverty and ensure access to affordable energy for all EU citizens; 18. Considers it crucial that emissions in the transport sector are addressed; urges the Commission to complete its already delayed review of the legislation on CO2 emissions PE605.575v01-00 6/12 RE\1129855EN.docx EN from cars and vans, and from heavy-duty vehicles, and to table adequately ambitious legislative proposals for a fleet average target for 2025 that is in line with the commitments made in the context of the agreement reached in 2013; calls on the Commission to come forward with a proposal for technology-neutral Euro7 limits applicable by 2025 for all M1 and N1 vehicles placed on the Union market, with a view to improving air quality in the Union and to achieving the Union ambient air quality limits, as well as the WHO-recommended levels; 19. Expects the Commission proposals for a Common ***Agricultural*** Policy post-2020 to be based on corrective public ***intervention***, inter alia with regard to the volatility of ***agricultural*** markets and fair remunerative prices for farmers’ ***produce***, in order to ensure secure sustainable food production and supply; calls for proposals enabling achievement of the Sustainable Development Goals that ensure a living countryside; calls for a substantially increased focus on delivering on biodiversity, environment and climate change objectives, including by: giving priority to a transition to sustainable ***agricultural*** practices that allow more carbon sinking in terrestrial ecosystems, especially in living, healthy soils; limiting emissions of greenhouse gases; halting biodiversity loss; pursuing agroecological approaches to ensure long-term fertility and productivity; and replacing chemical pesticides with alternative solutions; reiterates its call on the Commission to put forward legislative proposals to tackle the issue of antimicrobial resistance, and calls on the Council to re-prioritise the Veterinary Medicines and Medicated Feed regulations; 20. Expects the Commission to submit, in the context of the new Multiannual Financial Framework (MFF), the proposal for a new and ambitious Connecting Europe Facility (CEF) early enough in 2018 for Parliament to formulate its opinion, and for the ***programme*** be operational by 2021; calls for the CEF-energy budget to be allocated to Projects of Common Interest exclusively in the electricity sector (including smart grids) supporting the expansion of renewables and the ‘energy efficiency first’ principle; calls for a majority of budget allocations in the ICT sector to be devoted to the financing of broadband infrastructure; 21. Expects the Commission to clarify its ambition for the next MFF, and to submit its proposal for the 9th Framework ***Programme*** for Research (FP9), early enough in 2018 for Parliament to formulate its position, and for FP9 to be operational from 2021 onwards; recalls that the EU needs to fully use all Member States’ existing R&I potential and to provide adequate and equal opportunities for the scientific development of scientists and researchers across the EU; expects, therefore, an increase in FP9 funding; Fair taxation policies for adequate resources 22. Stresses that the urgency has never been greater to step-up the fight against tax evasion and tax avoidance, which account for income lost to national budgets to the value of hundreds of billions of euro annually; points out that these resources could have been spent to invest in the future, boost employment and reduce inequalities; 23. Considers it vital, in this regard, that Parliament and Council swiftly agree on comprehensive requirements for mandatory, public, country-by-country reporting by multinational enterprises, without exemptions, building on the Commission’s 2016 RE\1129855EN.docx 7/12 PE605.575v01-00 EN proposal1; requests that the Commission allocate additional resources to measures to prevent financial crimes, in particular the development of an EU roadmap to list countries at high risk of money laundering; requests that the Commission present a legislative proposal for strong and automatic sanctions against non-cooperative jurisdictions blacklisted by the EU; 24. Asks the Commission to present a tax enforcement proposal to foster greater tax cooperation between Member States, including information sharing, with a view to holding tax evaders accountable across European borders; calls on the Commission to consider presenting legislative proposals pursuant to article 116 TEU to address harmful tax practices that distort competition; Strengthening the EU budget and reforming the Stability and Growth Pact 25. Reiterates that the 2014-20 MFF has proven too small and insufficiently flexible to ensure that the European Union is able to respond to the shared challenges it faces; reiterates its position that the duration of the MFF should be aligned with the political cycle of both Parliament and the Commission, thus making the European elections a forum for debate on future spending priorities; 26. Urges the Commission and the Member States to refrain from formulating arbitrary ceilings regarding the post-2020 MFF, and to base its design instead on a consideration of the EU’s common needs, common choices and the added value of acting at a large scale; underlines that the current low ceiling on payment appropriations has been a continuous drag on the Union’s credibility and capacity to act; highlights the need for greater flexibility of the MFF; 27. Considers that the post-2020 EU budget should make a strong contribution to the implementation of the Paris climate accord, both on the revenue side and the expenditure side; considers, in particular, that a reformed system of taxation of sources of greenhouse gases should provide revenue for the EU budget, while stronger EU support should be provided for transition towards a greener economy; calls on the Commission to increase the share of climate-related spending up to 40 % for the post-2020 MFF; 28. Asks the Commission to follow up on the reflection paper on the future of EU finances with ambitious proposals, building on the report of the High-Level Group on Own Resources, with particular focus on ecological own resources, taxation on financial transactions and corporate taxation; 29. Calls for the establishment of a eurozone fiscal capacity, in addition to the full use of the European Fund for ***Strategic*** Investments and the European Structural and Investment Funds; reiterates that the eurozone fiscal capacity should aim to promote upward socio-economic convergence and cushion economic shocks; notes that the eurozone budgetary capacity should comprise new instruments within the EU budget (above EU MFF ceilings), as well as a reformed European Stability Mechanism, 1 Proposal for a Directive of the European Parliament and of the Council amending Directive 2013/34/EU as regards disclosure of income tax information by certain undertakings and branches (COM/2016/0198 – 2016/0107 (COD)). PE605.575v01-00 8/12 RE\1129855EN.docx EN incorporated into the EU’s legal framework and subjected to democratic oversight; underlines that the eurozone fiscal capacity should be open to non-euro area countries wishing to join; 30. Calls for the introduction of a ‘golden rule for investment’ allowing the accounting of capital expenditures made by the public sector in sustainable sectors to be spread over the life-cycle of these investments, and for the incorporation of sustainable development indicators in the Stability and Growth Pact to ensure a healthy level, and good quality, of investment in future prosperity; Europe as a leading global actor 31. Considers that the effectiveness of the Common Foreign and Security Policy (CFSP) relies on in-depth cooperation between Member States, and on their contributions to both civilian missions and military operations; calls on the Member States to deepen cooperation in order to generate relevant capacities; believes that a more responsible arms exports policy on the part of the Member States would contribute to achieving the Union’s foreign policy objectives, and calls on the Member States to significantly improve consistency in the implementation of Common Position 2008/944/CFSP; 32. Considers that the Common Security and Defence Policy (CSDP) should be rendered more democratic and more efficient, including through the mechanism of permanent structured cooperation, a significant increase of pooling and sharing projects between Member States; believes that the CSDP could be made more effective through joint operational ***planning*** and conduct, also with regards to military operations; recalls the crucial role that the Union already today is playing in terms of civilian conflict prevention, conflict resolution and peacebuilding around the world, and calls on the Union to boost relevant resources; calls for full democratic accountability and transparency of the CSDP; 33. Underlines the Commission’s recent statement that between EUR 25 and 100 billion could be saved annually with regard to national defence spending among the 28 Member States; urges the Commission to assist Member States in making such savings possible via pooling of national defence budgets, in particular as regards research, development, procurement, maintenance and training; believes that such pooled national resources could be transformed into one or several European defence funds; 34. Urges the Commission to focus its attention on, in particular, applicable EU laws in the defence sector, and stresses the urgent need to enforce relevant internal market rules, such as laid down in the Defence Procurement Directive, which could potentially reduce inefficiencies, lack of transparency and corruption; 35. Strongly rejects the multiple attempts of the Commission to reduce and divert financial resources from existing civilian EU budget lines and financial instruments in order to fund the European defence industry via a future European Defence Fund and the European Defence Industrial ***Programme***; believes that such transfers from the civilian sector to the defence industrial sector will weaken the European economy while, at the same time, not solving the structural problems of the European defence industrial sector, which is characterised by high inefficiency, duplication, industrial overcapacities, poor transparency and fragmentation; strongly rejects the proposals RE\1129855EN.docx 9/12 PE605.575v01-00 EN made by the Commission in the context of its Communication on the European Defence Action ***Plan*** in November 2016, and in the context of its 7 June 2017 Defence Package with regard to the use of European Regional Development Funds (ERFD), European Structural and Investments Funds (EFSI), the ***programme*** for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME), the Connecting Europe facility, the European Satellite Navigation ***Programmes***, the European Earth Observation ***programme***, ERASMUS+ and loans of the European investment Bank (EIB) for strengthening defence industrial capacities; equally rejects the Commission’s proposal of 6 July 2016 to use – in the context of the Instrument contributing to Stability and Peace – heading 4 funds, in particular ENPI and DCI funds, for military capacity-building ***programmes*** and the provision of military equipment to third countries; 36. Asks that the Union’s trade defence instruments be modernised and that trade policies be designed in coherence with the EU’s development goals, climate targets, environmental priorities as well as social and human rights standards; highlights the fact that European citizens are increasingly critical of the actual impact of free-trade agreements, as they can also have undesired consequences for employment, competitiveness and EU standards of human rights and sustainable development; insists that further steps be taken to increase the transparency of EU trade negotiations, with Parliament consulted at each stage of the negotiation and implementation processes, and that negotiation documents be published; 37. Calls on the Commission to present a legislative proposal for the accompanying measures to the Conflict Minerals Regulation; 38. Calls on the Commission to present an action ***plan*** to combat land grabbing in developing countries, including through concrete options to ensure land tenure security, in accordance with international human rights law and the standards set out in the FAO guidelines on the responsible governance of tenure of land, fisheries and forests; 39. Calls on the Commission to present an EU action ***plan*** on deforestation and forest degradation, including concrete regulator measures on supply chains and financial transactions; Building a real European asylum and migration policy 40. Is of the opinion that the European Union must work out concrete solutions to address the refugee and migrant issue, in particular by addressing its root causes, through holistic policy responses that encompass policy coherence for development, trade, climate and investment policies, while ensuring safe and regular access for those seeking international protection, and realistic and accessible channels for legal migration; 41. Is of the opinion that resettlement should be preserved as one of the durable solutions to refugee displacement and as an unconditional instrument of international solidarity; calls for the creation of increased resettlement opportunities, to enable the resettlement of at least 500 000 refugees per year from the countries of origin and transit, which, if properly distributed, would result in entirely manageable numbers for the EU; PE605.575v01-00 10/12 RE\1129855EN.docx EN 42. Calls for a reform of the current Dublin Regulation, with a new system that is based on a fair allocation of asylum seekers across the Member States, with objective criteria; that is built around the existing ties and preferences of asylum seekers to certain Member States; and that is binding on all Member States and based on incentives rather than on coercive measures; 43. Calls for coordinated action on legal migration with a view to providing additional and more flexible routes for legal migration, including for family reunification and work in low and medium-wage sectors, strengthening mobility partnerships with third countries and developing EU-wide mobility packages with adequate safeguards, inter alia regarding working and living conditions; 44. Calls on the Commission to review compliance with international humanitarian and human rights law by all actors involved in the guarding of the Union’s external borders, and in the reception of asylum seekers, with a view to upholding human rights and improving the protection of vulnerable people; calls for a clarification of the distinction between illegal smuggling activity and the activities of ordinary citizens and civil society organisations helping people in need, and for humanitarian assistance never to be criminalised; 45. Calls on the Commission to put forward a legislative proposal on humanitarian visas; Addressing the citizens’ security concerns 46. Calls on the Commission to make proposals to improve the exchange of law enforcement information, and increase operational cooperation, between Member States and with EU agencies, with a view to ensuring mandatory exchanges of information for the purpose of combating serious transnational crime; 47. Calls on the Commission to assess the uses of the ‘internal security’ or ‘national security’ exceptions by Member States, notably in Title V TFEU, which excludes EU competence and maintains Member States’ sovereignty, and which further weakens the EU’s efficiency in finding common solutions to a common problem; calls on the Commission to come up with EU definitions of the notions of ‘national security’ and ‘internal security’ in order to ensure legal certainty in the fight against terrorism; 48. Reiterates that putting in place repressive but mostly ineffective mass surveillance and border control measures that threaten civil liberties, fundamental rights and the principle of free movement is not the right answer; 49. Reiterates the importance of the Schengen Area of free movement; underlines the need for the effective management of the Union’s external borders, based on the normative framework of human rights and on full respect for international and European law; Strengthening fundamental rights and democracy 50. Is concerned that the cumulated crises have not only damaged the cohesion of European societies, but they have also shaken the faith of European citizens in their democratic institutions at EU and, sometimes, national level; believes, therefore, that enhancing the EU’s democratic legitimacy, and restoring the trust in its capacity to serve the interests RE\1129855EN.docx 11/12 PE605.575v01-00 EN of citizens, must be the Union’s highest priority; 51. Calls on the Commission to put forward a proposal for a democracy, rule of law and fundamental rights pact in the form of an inter-institutional agreement, along the lines of the recommendation made by Parliament in its legislative own-initiative report1; 52. Calls on the Commission to take urgent action to bring forward a legislative proposal for an EU-wide legislation on whistle-blower protection, with a broad scope and an appropriate legal basis, in order to ensure horizontal protection for all categories of whistle-blowers; 53. Repeats its call on the Commission to come up with a proposal to revise the Regulation on the European Citizens Initiative along the lines proposed by Parliament in its resolution of 28 October 20152; 54. Expects the Commission to modify the Code of Conduct for Commissioners, as promised by President Juncker, concerning the extension of the cooling-off period for former commissioners; 55. Calls on the Commission to put forward an initiative for protecting media freedom and pluralism, tackling disinformation and hate speech, and cultivating a fact-based democratic discourse even in the age of social media; 56. Calls on the Commission to publish its long-awaited 2nd ‘EU anti-corruption’ report, and to join the anti-corruption review mechanisms of the UN Convention against Corruption and of the Council of Europe’s Group of States against Corruption (GRECO); 57. Calls again on the Commission to adopt the proposal for a regulation on open, efficient and independent European administration; 58. Urges the Commission to take more decisive action towards eliminating the persistent gender pay gap by proposing a directive building on the 2014 Commission recommendation on pay transparency; calls on the Commission and the Council to step up efforts for a political agreement on the proposal for a directive on improving the gender balance among directors of companies listed on stock exchanges3; How should Europe work better together?

59. Recalls that from climate change to asylum and migration, from financial markets to multinational corporate firms, from terrorist networks to failed and rogue states, many of today’s challenges are transnational and borderless, and require counterbalances and responses at that level; 60. Calls for ***programmes*** that promote contacts and cultural exchanges among European citizens to be reinforced; finds that dialogue between European institutions and citizens needs to be stepped up further; considers that information about EU policies and politics 1 Texts adopted, P8\_TA(2016)0409. 2 Texts adopted, P8\_TA(2015)0382. 3 COM/2012/0614- 2012/0299 (COD). PE605.575v01-00 12/12 RE\1129855EN.docx EN needs to be made better accessible and understandable to citizens across the Union; calls for relevant educational and media initiatives helping citizens to make informed choices in the 2019 European elections; 61. Calls on all EU institutions, given that non-transparent, one-sided lobbying poses a significant threat to policy-making and to the public interest, to strive for the highest possible standards of transparency, accountability and integrity, and relen

tlessly to fight tendencies to overlook conflicts of interest that are detrimental to the efficiency, fairness and reliability of the decision-making process; 62. Reiterates that the functioning of the EU can be improved significantly on the basis of the Lisbon Treaty, notably through the full use of the ordinary legislative procedure and qualified majority voting in the Council; advocates, in this regard, the general use of the ‘passerelle clause’ enshrined in Article 48(7) TEU; recalls that the mechanism of enhanced cooperation can also be used, notably for deepening the EMU, for doing more in the field of the CFSP and for achieving stronger cooperation in the area of Justice and Home Affairs; 63. Stresses that the Community method is best suited for the functioning of the Union, as it is the only method that allows for transparency, efficiency and qualified majority voting in the Council, and the equal right of co-legislation by Parliament and the Council, as well as for preventing a fragmentation of institutional responsibilities and the development of competing institutions; 64. Considers that the tendency of the European Council in the recent years to resort to intergovernmental expedients jeopardises the ‘Community method’ and that it is in breach of the Treaties; recalls that, under the Treaty of Lisbon, while members of the European Council are accountable individually to their own national parliaments but accountable collectively only to themselves, national Parliaments must be aware of their specific political responsibility to exert full democratic control over their representatives in the European Council; 65. Underlines that, in the end, creating the necessary conditions for a democratic and effective functioning of the EU requires a genuine Treaty revision; 66. Is committed to using all its tools and resources to act as a driving force in a renewed democratic process towards the reform of the European Union; ° ° ° 67. Instructs its President to forward this resolution to the Council, the Commission, and the governments and parliaments of the Member States.

**Load-Date:** August 15, 2017

**End of Document**



[***Lithium Supply Shortfall Caused by EV Boom Leads Suppliers and Buyers to Brace for Impact; USA News Group News Commentary***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5R11-NGJ1-DXP3-R527-00000-00&context=1516831)

PR Newswire Europe

November 21, 2017 Tuesday 9:00 AM EST

Copyright 2017 PR Newswire Europe Limited All Rights Reserved

**Length:** 2130 words

**Dateline:** LOS ANGELES, November 21, 2017

**Body**

USA News Group- The need to secure the materials in order to manufacture batteries in the age of the electric vehicles (EVs) and smart grid storage is going to require all hands on deck. In particular, thedemand for lithium is pushing miners to the limit, and even drawingrecyclers to the fold.

Electric vehicle sales are expected to surpass 14 million per year by 2025, from less than a million currently, and the ramp up is going to be massive.

According to data specialists, Benchmark Mineral Intelligence, the lithium industry will need to ***produce*** an additional 81,000 tonnes of lithium per year just to meet demand by 2021. The gap is already incentivizing lithium mining companies including NRG Metals Inc. (TSX.V: NGZ) (OTC: NRGMF), Albemarle (NYSE: ALB), FMC Lithium (NYSE: FMC), Sociedad Quimica y Minera de Chile (NYSE: SQM), and Lithium Power International Limited (OTC: LTHHF).

And while there is a drive from recyclers to try and aid the cause, the reality they're being faced with is a drastic shortage of spent batteries with which to recycle materials from, and make their technology cost-effective.

But the pressure to get lithium into its most valuable battery-ready form is proving to be too much for the price to stay settled. The price of lithium has now jumped over 30%, to a record of $12,000 per tonne.

Keeping up with soaring demand growth has been difficult, to say the least. According to theUS Geological Survey, global lithium production increased only 12% last year, with the Lithium-ion battery market now consuming approximately 39% of it.

One company that's ambitiously rising to the supply challenge isNRG Metals Inc.(TSX.V:NGZ) (OTC:NRGMF). The Canadian-based junior mining company has put together an impressive pair of high-potential South American lithium brine projects within a stone's throw of ***producing*** majors, and has already begun aggressively targeting and developing these massive pools to begin satisfying their offtake partners.

They're among other lithium companies that have seen their share prices rise along with growing lithium demand, which include giantsAlbemarle(NYSE: ALB),FMC Lithium(NYSE: FMC) andSociedad Quimica y Minera de Chile (NYSE: SQM), and Lithium Power International Limited (OTC: LTHHF).

EV COMPANIESSET TOHOGMORELITHIUM

Drivers everywhere are noticing the spike in frequency of seeing EVs out on the roads. That number will continue to grow, as governments across the developed world push more favourable regulations, subsidies, and tax rebates.

According to the Automobile Association,data showed that from January through September 2017, production and sales of new energy vehicles reached 424,000 and 398,000, respectively, with year-on-year increase of 40.4% and 37.72%.

So while new innovations are coming from the battery and EV manufacturers at lightning speed, it's thematerials they need to work withthat are struggling to keep up.

Beyond the notable investment rockstars in the EV space, like Elon Musk and Warren Buffett, companies all over the globe are being incentivized to build more batteries. It's not a lack of will, but of the materials to sustain the push.

The European Commission, through funding its Horizon 2020 ***program***, is dangling a carrot worth (EURO)350 million (more than USD $413 million) to foster new companies in a sustainable battery industry on the continent.

The UK alone is also doing its own incentives ***program***, through the government'sFaraday Challenge -worth £246 million (USD $320 million) to achieve the same goals.

And the UK is going to need to keep up, sinceUK electric vehicle registration has increased by more than 1,800% since 2011. In the EU, by 2030,EVs will be the only new vehicles that drivers will be able to legally purchase. This is a massive sea change.

These massive investments into the sector don't even include private investment, nor does it count the progress being made in the United States, and China.

NRG METALS MAKING BIG STRIDES

The bulk of the world's lithium supplies currently are coming from Australia and South America. Today, it's Australia's hard-rock mining methods that are only slightly out-***producing*** South America's lithium-brine extraction methods in terms of production.

But it's South America's "Lithium Triangle," and the region's considerably higher amount of lithium reserves that hold the key to the future of the lithium sector.

Witnessing the incredible potential in the region, NRG Metals strategically snapped up two significant projects in lithium-prolific Argentina.

In particular, NRG's flagship Hombre Muerto North Lithium project ("HMN Project"), that's already drawn the attention of Chinese lithium ***producer*** Chengdu Chemphys Chemical Industry Co., Ltd ("Chemphys").

Chemphys was intrigued enough by the potential of NRG's HMN Project, that it signed a ***strategic*** alliance deal that included financial backing, and a future offtake agreement upon the project's first lithium sales.

"We are very pleased with the investment in NRG by Chemphys and establishing a relationship with a high purity lithium manufacturer in China that supplies its products to the battery and energy markets," said Adrian Hobkirk, President and CEO of NRG Metals after the partnership's latest tranche of fundraising.

On top of the partnered HMN project, NRG has another high-potential asset in Argentina's prolific Puna Region, which is one of the Latin American country's most productive.

NRG Metals is also directing significant effort and investment into its Salar Escondido lithium project. The company is currently ramping up drilling operations in order to further establish management's assessment of the property's very large brine type lithium deposit.

But for now, most of the market's eyes will be on HMN, with its supportive Chinese partners, and its incredibly valuable real estate. HMN shares the same prolific basin as FMC's Lithium Fenix Mine, which has already been in production over the last two decades. And next door to the project is a project that was previously rated as the best undeveloped lithium project in the region- the Sal de Vida Project, owned by Australian explorers Galaxy Resources.

If the lithium supply gap is going to be bridged by any region in the world, it's most likely that it'll come from South America. The Lithium Triangle has the most room to grow, and has projects with the highest blue sky potential in the world. Companies like NRG Metals are in a great position to significantly contribute to the lithium market's overall supply.

POTENTIAL COMPARABLES

Albemarle(NYSE: ALB)

Albemarle Corporation globally develops, manufactures, and markets engineered specialty chemicals. The company offers lithium compounds, including lithium carbonate, lithium hydroxide, lithium chloride, and lithium specialties and reagents for applications in lithium batteries, high performance greases, thermoplastic elastomers for car tires, rubber soles and plastic bottles, catalysts for chemical reactions, organic synthesis processes, life science, pharmaceutical, and other markets; cesium products for the chemical and pharmaceutical industries; and zirconium, barium, and titanium products for pyrotechnical applications. Albemarle Corporation was founded in 1994 and is based in Charlotte, North Carolina.

FMC Lithium(NYSE: FMC)

FMC Lithium is a subsidiary of the FMC Corporation, which is a diversified chemical company, that provides solutions, applications, and products for the global ***agricultural***, consumer, and industrial markets. FMC Lithium offers lithium for use in batteries, polymers, pharmaceuticals, greases and lubricants, glass and ceramics, and other industrial uses. FMC Corporation was founded in 1884 and is headquartered in Philadelphia, Pennsylvania.

Sociedad Quimica y Minera de Chile(NYSE: SQM)

Sociedad Quimica y Minera de Chile S.A., is a ***producer*** of potassium nitrate and iodine. The Company ***produces*** specialty plant nutrients, iodine derivatives, lithium and its derivatives, potassium chloride, potassium sulfate and certain industrial chemicals. Its segments include specialty plant nutrients, industrial chemicals, iodine and derivatives, lithium and derivatives, potassium, and other products and services Lithium and its derivatives are used in batteries, greases and frits for production of ceramics. Potassium chloride is a commodity fertilizer that is ***produced*** and sold by the Company across the world.

Lithium Power International Limited(OTC: LTHHF)

Lithium Power International Limited, a lithium explorer, engages in the identification and acquisition of lithium assets in Australia and South America. It holds interests the Maricunga lithium brine project that is located in Chile; Centenario Lithium Brine project located in north-west Argentina; and Greenbushes Hard-Rock and Pilbara Hard-Rock projects in Western Australia. The company is based in Sydney, Australia.

For a more in-depth look into NGZ you can view the in-depth report at American News Group:  [*http://usanewsgroup.com/2017/11/19/junior\_lithium\_players\_are\_soaring-2/*](http://usanewsgroup.com/2017/11/19/junior_lithium_players_are_soaring-2/)

Article Source:

USA News Group

[*http://usanewsgroup.com*](http://usanewsgroup.com)

[*info@usanewsgroup.com*](mailto:info@usanewsgroup.com)

Legal Disclaimer/Disclosure: This piece is an advertorial and has been paid for. This document is not and should not be construed as an offer to sell or the solicitation of an offer to purchase or subscribe for any investment. No information in this Report should be construed as individualized investment advice. A licensed financial advisor should be consulted prior to making any investment decision. We make no guarantee, representation or warranty and accept no responsibility or liability as to its accuracy or completeness. Expressions of opinion are those of USA News Group only and are subject to change without notice. USA News Group assumes no warranty, liability or guarantee for the current relevance, correctness or completeness of any information provided within this Report and will not be held liable for the consequence of reliance upon any opinion or statement contained herein or any omission. Furthermore, we assume no liability for any direct or indirect loss or damage or, in particular, for lost profit, which you may incur as a result of the use and existence of the information, provided within this Report.

DISCLAIMER:  USA News Group is Source of all content listed above.  FN Media Group, LLC (FNM), is a third party publisher and news dissemination service provider, which disseminates electronic information through multiple online media channels. FNM is NOT affiliated in any manner with USA News Group or any company mentioned herein.  The commentary, views and opinions expressed in this release by USA News Group are solely those of USA News Group and are not shared by and do not reflect in any manner the views or opinions of FNM.  FNM is not liable for any investment decisions by its readers or subscribers.  FNM and its affiliated companies are a news dissemination and financial marketing solutions provider and are NOT a registered broker/dealer/analyst/adviser, holds no investment licenses and may NOT sell, offer to sell or offer to buy any security.  FNM was not compensated by any public company mentioned herein to disseminate this press release.

FNM HOLDS NO SHARES OF ANY COMPANY NAMED IN THIS RELEASE.

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, ***plans***, results, or strategies and are generally preceded by words such as "may", "future", "***plan***" or "***planned***", "will" or "should", "expected," "anticipates", "draft", "eventually" or "projected". You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements, including the risks that actual results may differ materially from those projected in the forward-looking statements as a result of various factors, and other risks identified in a company's annual report on Form 10-K or 10-KSB and other filings made by such company with the Securities and Exchange Commission. You should consider these factors in evaluating the forward-looking statements included herein, and not place undue reliance on such statements. The forward-looking statements in this release are made as of the date hereof and FNM undertakes no obligation to update such statements.

Media Contact Information:

FN Media Group, LLC

Media Contact e-mail:  [*editor@financialnewsmedia.com*](mailto:editor@financialnewsmedia.com)

U.S. Phone: +1-(954)-345-0611

**Load-Date:** November 21, 2017

**End of Document**



[***-CF Industries Holdings To Redeem Senior Notes Due May 2018***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5PVD-W2R1-F0K1-N161-00000-00&context=1516831)

ENP Newswire

October 31, 2017 Tuesday

Copyright 2017 Normans Media Limited All Rights Reserved



**Length:** 1099 words

**Body**

DEERFIELD, Ill.- CF Industries Holdings, Inc. (NYSE: CF) today announced that its wholly owned subsidiary CF Industries, Inc. has elected to redeem in full the entire outstanding $ 800 million principal amount of its 6.875 percent Senior Notes (the 'Notes') due May 2018, in accordance with the optional redemption provisions provided in the indenture governing the Notes. The Notes will be redeemed on December 1, 2017. CF intends to use cash on hand to fund the redemption.

This press release does not constitute a notice of redemption. Beneficial holders of the Notes with any questions should contact the brokerage firm or financial institution through which they hold the Notes.

About CF Industries Holdings, Inc.

CF Industries Holdings, Inc., headquartered in Deerfield, Illinois, through its subsidiaries is a global leader in the manufacturing and distribution of nitrogen products, serving both ***agricultural*** and industrial customers. CF Industries operates world-class nitrogen manufacturing complexes in Canada, the United Kingdom and the United States, and distributes plant nutrients through a system of terminals, warehouses, and associated transportation equipment located primarily in the Midwestern United States. The company also owns a 50 percent interest in an ammonia facility in The Republic of Trinidad and Tobago. CF Industries routinely posts investor announcements and additional information on the company's website at [*www.cfindustries.com*](http://www.cfindustries.com) and encourages those interested in the company to check there frequently.

Safe Harbor Statement

All statements in this communication by CF Industries Holdings, Inc. (together with its subsidiaries, the 'Company'), other than those relating to historical facts, are forward-looking statements. Forward-looking statements can generally be identified by their use of terms such as 'anticipate,' 'believe,' 'could,' 'estimate,' 'expect,' 'intend,' 'may,' '***plan***,' 'predict,' 'project,' 'will' or 'would' and similar terms and phrases, including references to assumptions. Forward-looking statements are not guarantees of future performance and are subject to a number of assumptions, risks and uncertainties, many of which are beyond the Company's control, which could cause actual results to differ materially from such statements. These statements may include, but are not limited to, statements about ***strategic*** ***plans*** and statements about future financial and operating results.

Important factors that could cause actual results to differ materially from those in the forward-looking statements include, among others, the cyclical nature of the Company's business and the ***agricultural*** sector; the global commodity nature of the Company's fertilizer products, the impact of global supply and demand on the Company's selling prices, and the intense global competition from other fertilizer ***producers***; conditions in the U.S. and European ***agricultural*** industry; the volatility of natural gas prices in North America and Europe; difficulties in securing the supply and delivery of raw materials, increases in their costs or delays or interruptions in their delivery; reliance on third party providers of transportation services and equipment; the significant risks and hazards involved in ***producing*** and handling the Company's products against which the Company may not be fully insured; the Company's ability to manage its indebtedness; operating and financial restrictions imposed on the Company by the agreements governing the Company's senior secured indebtedness; risks associated with the Company's incurrence of additional indebtedness; the Company's ability to maintain compliance with covenants under the agreements governing its indebtedness; downgrades of the Company's credit ratings; risks associated with cyber security; weather conditions; risks associated with the Company's ability to utilize its tax net operating losses and other tax assets, including the risk that the use of such tax benefits is limited by an 'ownership change' (as defined under the Internal Revenue Code and related Internal Revenue Service pronouncements); risks associated with changes in tax laws and disagreements with taxing authorities; risks associated with expansions of the Company's business, including unanticipated adverse consequences and the significant resources that could be required; potential liabilities and expenditures related to environmental, health and safety laws and regulations and permitting requirements; future regulatory restrictions and requirements related to greenhouse gas emissions; the seasonality of the fertilizer business; the impact of changing market conditions on the Company's forward sales ***programs***; risks involving derivatives and the effectiveness of the Company's risk measurement and hedging activities; the Company's reliance on a limited number of key facilities; risks associated with the operation or management of the ***strategic*** venture with CHS Inc. (the 'CHS ***Strategic*** Venture'), risks and uncertainties relating to the market prices of the fertilizer products that are the subject of the supply agreement with CHS Inc. over the life of the supply agreement, and the risk that any challenges related to the CHS ***Strategic*** Venture will harm the Company's other business relationships; risks associated with the Company's Point Lisas Nitrogen Limited joint venture; acts of terrorism and regulations to combat terrorism; risks associated with international operations; and deterioration of global market and economic conditions.

More detailed information about factors that may affect the Company's performance and could cause actual results to differ materially from those in any forward-looking statements may be found in CF Industries Holdings, Inc.'s filings with the Securities and Exchange Commission, including CF Industries Holdings, Inc.'s most recent annual and quarterly reports on Form 10-K and Form 10-Q, which are available in the Investor Relations section of the Company's web site. Forward-looking statements are given only as of the date of this communication and the Company disclaims any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

CF Industries Holdings, Inc.

Media

Chris Close

Director, Corporate Communications

847-405-2542 - [*cclose@cfindustries.com*](mailto:cclose@cfindustries.com)

or

Investors

Martin Jarosick

Vice President, Investor Relations

847-405-2045 - [*mjarosick@cfindustries.com*](mailto:mjarosick@cfindustries.com)

Source: CF Industries Holdings, Inc.

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** October 31, 2017

**End of Document**



[***Top news from Polish politics, economy, business & financial markets - 19:30; BUSINESS & EQUITY MARKET NEWS***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:64R9-6WT1-JCG5-H3YW-00000-00&context=1516831)

PAP Market Insider

December 6, 2017 Wednesday 7:33 PM CET

Copyright 2017 PAP Polish Press Agency All Rights Reserved



**Length:** 1947 words

**Byline:** Bokszczanin Marcin

**Highlight:** Following is a digest of the day's top news as compiled by PAP Market Insider.

**Body**

BUSINESS & EQUITY MARKET NEWS

TELECOM/ ORANGE PL - Poland's telecom Orange Polska expects up to 2680 employees will leave the company in the frame of voluntary departures under a new 2018-2019 social agreement negotiated with trade unions, including up to 1450 leaves in 2018, the company said in a market filing late Tuesday.

NATURAL GAS/ PGNIG - Listed natural gas firm PGNiG seeks maintaining the current level of retail gas tariff under a motion submitted with the energy market regulator URE, PGNiG said in a market filing late Tuesday.

POWER / CAPACITY MARKET - Poland's lower house adopted the power sector capacity market bill as amended in the second reading, with the first capacity auctions scheduled for December 2018.

CHEMICALS, PETCHEM / M&A / PKN ORLEN, AZOTY - Listed chemicals group Azoty would benefit from merging with fertilizer operations of peer Anwil currently owned by fuel group PKN Orlen, Azoty CEO Wojciech Wardacki told a news conference, underlining it is his personal view.

FUEL / PKN ORLEN - Fuel giant PKN Orlen's chemical unit Anwil wants to launch over PLN 500 mln expansion of fertilizer installations in 2018, with construction works expected to take 3 years, Anwil CEO Jacek Podgorski told PAP.

NATURAL GAS/ PGNIG - Listed natural gas firm PGNiG expects the situation on the Polish gas will remain stable in the coming months, deputy CEO Maciej Wozniak said as quoted in a press statement.

COAL/ JSW - Listed coal miner JSW decided to restore bonus payments it suspended in September 2016, as firm's financial situation improved, with the payments seen at PLN 350 mln in 2018 and PLN 200 mln in 2019, the company said in a market filing on a deal with unions.

LEGISLATION / MIFID II - Poland expects MiFID II regulations to come into effect in late March or early April, rather than at the start of January as assumed earlier, as the respective bill should be passed by the parliament in February, the Finance Ministry informed PAP.

PENSION FUNDS - Poland's Social Insurance Board (ZUS) transferred PLN 1.19 mln to open pension funds OFE this week, ZUS said in a statement.

CHEMICALS, PETCHEM / CIECH - Chemical group Ciech had its long-term corporate credit rating affirmed at 'BB-' by rating agency S&P and subsequently withdrawn at the company's own request, the agency said.

CHEMICALS / GRUPA AZOTY, POLICE, PULAWY - Chemicals group Azoty sees no need to delist its units Police and Pulawy, Azoty CEO Wojciech Wardacki told a news conference, when asked about possible delisting.

BANKING / PKO BP - Blue-chip bank PKO BP sports over 2 mln active mobile payment IKO applications and expects the number to increase to ca. 3 mln at end-2018, Deputy Director, Mobile & Internet Banking at PKO BP Michal Macierzynski announced. 35% of applications is activated with the assistance of the bank's stationary outlets, Macierzynski added. The average value of a loan incurred via the application stands at ca. PLN 10,000, according to the bank representatives.

BANKING / BONDS / GETIN NOBLE BANK - Getin Noble Bank decided to increase the nominal value of a single bond offered within its PLN 750 mln subordinated bond ***program*** to 400k from PLN 1k to comply with the latest financial market regulator KNF's recommendation, the bank said in a market filing.

FUEL / LOTOS - Fuel group Lotos has purchased ca. 80k tons (650k barrels) of US oil and the shipment is currently on its way to the oil port in Gdansk, the company said in a press release. Lotos previously imported 600k barrels of US oil in November and nearly 700k barrels of Canadian oil in September.

CHEMICALS/ GRUPA AZOTY - Listed chemicals group Azoty signed an accord with its ***strategic*** partner CTL Logistics to take over the outstanding stakes in industrial spurs managing SPVs CTL Kolzab and CTL Chemkol and eyes PLN 8-9 mln in resulting cost savings as well as PLN 60 mln in additional group revenues, Azoty CEO Wojciech Wardacki told journalists. Azoty ***plans*** further consolidation measures in the area of logistics services, he added.

CHEMICALS/ AZOTY - Chemical group Azoty has slashed costs by PLN 60-80 mln thanks to consolidation and saving measures but cannot guarantee a similar reduction in 2018, CEO Wojciech Wardacki told reporters.

COAL, MINING / PGG - Poland's largest coal miner PGG will become a joint stock company as of January 1 2018, with the relevant motion submitted to a court in Katowice on December 4 following its approval by all PGG shareholders on November 28, spokesperson Tomasz Glogowski told PAP.

REAL ESTATE/ GTC - Listed commercial developer GTC inked an annex to the loan agreement with Bank Pekao for financing and refinancing of its flagship project Galeria Polnocna increasing the amount of the investment loan available to EUR 200 mln from EUR 150 mln, the company said in a market filing.

CONSTRUCTION/ ZUE - Listed builder ZUE saw its PLN 330 mln deal on construction of the Chabowka-Zakopane railway line selected again by railway infrastructure firm PKP PLK, ZUE said in a market filing.

CONSTRUCTION/ MERCOR - Listed fire protection systems ***producer*** Mercor's board will rather abstain from recommending a dividend payout for the 2017/2018 fiscal year, while focusing on lowering the company's net debt to EBITDA ratio, CEO Krzysztof Krempec told a press conference.

TELECOM, HARDWARE / EUROTEL - Telecom equipment distributor Eurotel filed a non-binding offer to purchase a majority stake in consumer electronics firm, Eurotel said in a market filing.

PETCHEM / POLWAX - Listed paraffin ***producer*** Polwax will take a PLN 1.2 mln hit to its 2017 bottom line due to a one-off event, the company said in a filing.

CONSTRUCTION/ FABRYKA KONSTRUKCJI DREWNIANYCH - Listed large-size wooden constructions ***producer*** Fabryka Mebli Drewnianych now expects to earn PLN 5 mln in 2017 and PLN 11.48 mln in 2018 vs. the earlier forecasts of PLN 7.3 mln and PLN 13 mln, respectively, the company said in a market filing. The firm renounced the publication of financial forecasts for 2019 and 2020.

INDUSTRY / BUMECH - Mining machinery manufacturer Bumech saw a court in Krakow launch accelerated composition proceedings for the company following its motion of November 23, Bumech said in a filing.

CHEMICALS/ PULAWY - Listed chemicals firm Pulawy, a unit of Grupa Azoty, will capitalize its unit ZA Chorzow to facilitate unit's restructuring, Pulawy said in a press statement.

CONSTRUCTION/ HERKULES - Listed construction cranes firm Herkules may take a PLN 7.2 mln hit to its 2017 result from write-offs linked to a crane accident and the bankruptcy of business partner Vistal Gdynia, the company said in a market filing.

RAILWAYS/ PKP SA - Rail group PKP SA unit PKP LHS ***plans*** to allocated PLN 800 mln for development by 2025, PKP LHS CEO Zbigniew Tracichleb said in the Sejm on Wednesday.

EQUITY RESEARCH - Following is a list of recent recommendations published on December 6:

|  |  |  |  |
| --- | --- | --- | --- |
| Company | Recommendation | Target price | Brokerage |
| Trakcja | buy | PLN 8.3 | DM BDM |
| GetBack | buy | PLN 33.38 | DM mBank |

ECONOMIC & FINANCIAL NEWS

LABOR MARKET & CPI - Poland's labor market is likely heading for double-digit wage increases, as firms will have to hike remuneration in order to stimulate labor reserves, mBank said in a research note.

T-BONDS - Poland ***plans*** no more transfers to the T-bond market until the end of the year, the Finance Ministry said in a statement.

STATE BUDGET - Poland faced PLN 607.6 bln in marketable debt as of end-November vs. PLN 576.7 bln at end-2016, the Finance Ministry said in a statement.

INFLATION - Poland's food and non-alcoholic beverages prices are expected to increase by 5% y/y at end-2017, to beat the December 2017 level by 2.5-3% in H1 2018, the Institute of ***Agricultural*** and Food Economics (IERiGZ) said in its recent release.

ECONOMIC INDICATORS - Poland's business cycle indicator for the manufacturing industry increased in November to 0.7 pts m/m, 13.3 pts y/y, to 2.8 pts, the Research Institute for Economic Development at the Warsaw School of Economics (IRG SGH) reported. The increase took place only in the private companies' sector, the research shows. The outlook for the following month looks bleak, with firms reporting reductions in prices and deterioration of their financial condition, according to IRG SGH.

STATE BUDGET - Poland's PLN and FX-denominated assets in the state budget accounts decreased to PLN 57.4 bln at end-November vs. PLN 64.2 bln at end-October, the ministry of finance said in a communique.

STATE FINANCES - Poland needs to buy back PLN 0.5 bln worth od debt, including PLN 0.3 bln in retail bonds and PLN 0.2 bln in foreign market credits and bonds, to end-2017, the Ministry of Finance said in a communique citing figures from end-November.

STATE BUDGET - Poland secured PLN 44 bln at end-November as a result of consolidating the process of the public sector liquidity management, with PLN 34.1 bln in fixed-term deposits and PLN 10 bln in overnight deposits, the ministry of finance said in a communique.

ECONOMY, MINING REGION - Poland should present the final version of the ***program*** for the mining region Silesia, assuming at least PLN 35 bln of government support for the key ventures in the area, ahead of Christmas, deputy Development Minister Jerzy Kwiecinski said on Wednesday.

FINANCIAL MARKETS

BONDS - T-BONDS - Poland bought back USD 461.5 mln of USD20190715 papers during a buy-back auction on December 6 with supply at USD 464.3 mln, the Finance Ministry said in a statement.

FX, FI - The Polish zloty continued to weaken on Wednesday after the Tuesday MPC sitting brought a continuation of the dovish rhetoric, with the EUR/PLN staying above 4.21, while T-bonds gained on the long end with yields edging down to 3.24%, trailing the core markets, a local player told PAP.

FX & FI SPOT MARKET PRICES

|  |  |  |  |
| --- | --- | --- | --- |
| Wed | Wed | Tue |  |
| 16:16 | 09:49 | 17:25 |  |
| EUR/PLN | 4.213 | 4.210 | 4.206 |
| USD/PLN | 3.573 | 3.562 | 3.560 |
| DS1019 | 1.63 | 1.61 | 1.63 |
| PS0123 | 2.69 | 2.69 | 2.71 |
| DS0727 | 3.24 | 3.26 | 3.27 |

EQUITY MARKET

The Warsaw stocks lost ground Wednesday with the large-cap WIG20 index falling 0.54% to 2,395 pts at market close. Of the three most traded firms of the day, only PKN Orlen gained with PKO BP and KGHM both clearly down. Dino retail as well as Cyfrowy Polsat and Play telcos suffered heady losses.

WSE INDEXES

|  |  |  |
| --- | --- | --- |
| Index | Value | Change |
| WIG | 62 165,24 | -0,55 |
| WIG20 | 2 394,67 | -0,54 |
| WIG30 | 2 753,49 | -0,56 |
| mWIG40 | 4 741,19 | -0,66 |
| sWIG80 | 14 200,81 | -0,48 |

MOST ACTIVES

|  |  |  |  |
| --- | --- | --- | --- |
| Company | Price | Change | Turnover |
| PLN | (%) | PLN mln |  |
| PKNORLEN | 113,95 | 2,75 | 121,7 |
| PKOBP | 40,60 | -2,43 | 114,1 |
| KGHM | 101,20 | -1,84 | 95,1 |
| PZU | 44,76 | 1,38 | 90,8 |
| CDPROJEKT | 97,99 | -1,58 | 80,7 |
| DINOPL | 72,89 | -5,64 | 60,8 |
| PEKAO | 123,75 | -2,56 | 49,5 |
| PLAY | 34,17 | -3,47 | 45,2 |
| LOTOS | 60,00 | 3,45 | 43,4 |
| JSW | 91,27 | -2,15 | 39,5 |
| PGNIG | 5,92 | 0,34 | 32,7 |
| ORANGEPL | 5,65 | 0,36 | 29,3 |

POLITICAL & GOVERNMENT NEWS

CABINET RESHUFFLE - Ruling party PiS board will discuss government reconstruction on Thursday afternoon, party spokesperson Beata Mazurek said in the lower house on Wednesday.

CABINET RESHUFFLE - Decisions on a reshuffle of the Polish cabinet should come soon, PM Beata Szydlo told catholic broadcaster TV Trwam.

CABINET RESHUFFLE - The ruling party PiS leader Jaroslaw Kaczynski is the "natural candidate" for the new PM in the long-expected cabinet reshuffle, PiS deputy chair Adam Lipinski told the media representatives. Should Kaczynski renounce the PM seat, deputy PM development minister Mateusz Morawiecki comes to the forefront as the best candidate, Lipinski added. The reshuffle should be completed before the upcoming Christmas holidays as the present state of suspension should not be prolonged, according to Lipinski.

OPPOSITION PARTIES - New head of opposition party Nowoczesna Katarzyna Lubnauer supports the candidacy of opposition party PO Rafal Trzaskowski for Warsaw mayorship in the next year's local elections, Lubnauer declared.

kd/ maf/ fbe/ mie/ mbn/

**Load-Date:** February 25, 2022

**End of Document**



[***-ALLIANCE GROWERS UPDATES FINANCING AND US MARKET AWARENESS PROGRAMS***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P5N-DH21-JD3Y-Y3YN-00000-00&context=1516831)

ENP Newswire

August 4, 2017 Friday

Copyright 2017 Normans Media Limited All Rights Reserved



**Length:** 1297 words

**Body**

Vancouver - Alliance Growers Corp. (CSE: ACG; FWB: 1LA; WKN: A2DFYX) ('Alliance Growers' or the 'Company') is pleased to provide an update on financing and awareness activities.

Alliance Growers has received a proposal from a funding group based out of Germany offering to fund Alliance for up to EUR 10,000,000. The proposal includes exposing Alliance Growers to its Fundraising Network throughout Europe, Asia and North America. The group assists with structuring various financing initiatives with Institutional investors, and leading the negotiations to maximize the value of the financings.

The Company has been in discussions over the last few months seeking the best funding group to work with Alliance Growers in order to fund and list Class A preferred shares as a non-dilutive financing mechanism. Alliance Growers is setting up ***strategic*** relationships with groups like this so they are ready to facilitate significant equity funding at the appropriate valuation and the appropriate stock price.

The Company has commenced discussions with a firm out of New York that offers a low cost, high impact solution for Alliance Growers to get quoted in the US on either the OTCQB or OTCQX markets. This company works closely with various CSE listed issuers to open the door for US investors to be able to trade the Company's stock and to provide awareness to a market ten times the size of the Canadian market. This organization assists companies to achieve greater investor engagement and gain a diverse US shareholder base.

Commenting on the financing, Dennis Petke, Alliance Growers' President and CEO stated, 'We continue to seek the best financing solutions that are non-dilutive, where possible, that fit the timing of our various projects. As well, management continues to work on closing private placements by getting the message directly to both investors and brokers. We are ***planning*** two roadshows over the coming two months featuring multiple investor presentations arranged by third parties, as well as those that are internally generated. We invite investors to watch for upcoming fundraising events, similar to the Calgary investor conference'.

Dennis Petke further commented on the potential for a US listing, 'It is well known that the SEC recognized markets (OTCQB and OTCQX) can assist Canadian listed companies in gaining far greater US investor interest, trading volume, to achieve a more accurate, fair valuation with greater liquidity. Getting quoted and/or listed in the US does not add a heavy burden to our reporting requirements, thus no significant incremental ongoing costs. Although Alliance Growers has responded to many queries from US investors, to date we have only been able to secure a handful of US shareholders. This is because most investors, brokers and advisors are either unwilling or unable to trade or recommend Canadian stock in the US for a variety of reasons, unless they are quoted on the OTCQB or OTCQX and other large exchanges. It is our objective to get our story out to as wide an audience as possible as quickly as possible, fund our projects in the most efficient manner possible, and build value for our shareholders'.

About Alliance Growers

Alliance Growers Corp is a diversified cannabis company driven by the Company's 'Four Pillars' Organization ***Plan*** - Cannabis Botany Centre, ***Strategic*** ACMPR Investments, CBD Oil Supply and Distribution, and Research and Development.

Alliance Growers has executed an agreement with Botanical Research In Motion International Inc., for a Canada Exclusive License to jointly develop and operate a 40,000 square foot facility to be the first of its kind in Western Canada to house a DNA Botany lab, extraction facility and Tissue Culture Plantlet Production facility to service the Cannabis market and ***agriculture*** market in general. The proposed Cannabis Botany Centre will grow Cannabis plantlets using proprietary tissue culture propagation, specifically the 'Chibafreen Invitro Plant Production System', which assures consistent composition and purity of each plantlet for the growers.

Further, Alliance Growers has been negotiating to obtain other exclusive Canadian distribution agreements for certain proprietary products for support of the Cannabis growing industry in addition to possible partnerships with Licensed ***Producer*** Applicants at various stages in the Health Canada License process.

Contact:

Dennis Petke

Tel: 778-331-4266

Email: [*DennisPetke@alliancegrowers.com*](mailto:DennisPetke@alliancegrowers.com)

FORWARD LOOKING INFORMATION

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. More particularly and without limitation, the news release contains forward-looking statements and information relating to Company's corporate strategy. The forward-looking statements and information are based on certain key expectations and assumptions made by management of the Company, including, without limitation, the Company's ability to carry out its business ***plan***. Although management of the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information since no assurance can be given that they will prove to be correct.

Forward-looking statements and information are provided for the purpose of providing information about the current expectations and ***plans*** of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements and information address future events and conditions, by their very nature they involve risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the Company's ability to identify and complete additional suitable acquisitions to further the Company's growth as well as risks associated with the medical marijuana industry in general, such as operational risks in development and production delays or changes in ***plans*** with respect to development projects or capital expenditures; the uncertainty of the capital markets; the uncertainty of receiving the required licenses, production, costs and expenses; health, safety and environmental risks; marketing and transportation; loss of markets; environmental risks; competition; incorrect assessment of the value of the potential market; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals and changes in legislation, including but not limited to tax laws and regulated regulations. Accordingly, readers should not place undue reliance on the forward-looking statements, timelines and information contained in this news release. Readers are cautioned that the foregoing list of factors is not exhaustive.

The forward-looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the Canadian Securities Exchange. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** August 4, 2017

**End of Document**



[***WASHINGTON D.C. - Two Former D.C. Deputy Mayors Join to Fight the Food Insecurity Epidemic... Starting with Washington D.C.'s Wards 7 and 8 Using STEM Agriculture***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P10-2R21-F0K1-N32J-00000-00&context=1516831)

FinancialWire

July 13, 2017 Thursday

Copyright 2017 Investrend Communications, Inc. All Rights Reserved



**Length:** 882 words

**Body**

A 2010 report by D.C. Hunger Solutions called "Grocery Gap" showed that the store-to- resident ratio and access to fresh, affordable, nutritious ***produce*** options in Wards 4, 5, 7, and 8 were lower than the District average. On average, residents of Wards 4, 5, and 7 must travel longer distances than residents in other wards to reach the closest full-service grocery store. Ward 7 had four-full-service grocery stores for 73,856 residents and Ward 8 had three full- service grocery stores for 60,047 District residents. Meanwhile, Ward 3 boasted 11 grocery stores for its 80,775 District residents. It's now 2017, and very little has changed in those parts of D.C. People in those same D.C. wards still face inadequate access to fresh, affordable, nutritious ***produce***. But now, using new STEM ***agriculture*** advancements, viable technological breakthroughs and solution-based approaches can help provide better access for Washingtonians living in D.C.'s most underserved communities.

A 45-year D.C. veteran of public service, the Honorable George Brown was born and raised in Barry Farms Southeast D.C. neighborhood and served as former Deputy Mayor of the District of Columbia. He is now empowered with empirical knowledge and innovative information on solutions to D.C.'s food insecurity issues initially targeting Washington D.C.'s hardest hit communities in Wards 7 and 8. The Honorable George Brown, a Senior Advisor to Fresh Community Holding Corporation (FCHC), reached out to an old friend, colleague, and member of an elite, highly selective brotherhood made up of former Deputy Mayors of the District of Columbia (an elite fraternity, per se), Stanley Jackson, President and CEO of Anacostia Economic Development Corporation (AEDC) to get something done.

They both were familiar with the growing concern regarding food insecurity in D.C. and shared ideas on innovative urban ***agricultural*** strategies, urban farming, and localized commercial food production. They also discussed complimentary joint efforts and ways to collaborate that could bring effective solutions to the food insecurity issues plaguing Washington D.C. "FCHC is excited about the collaboration with AEDC and I look forward to making '#HomeGrownDC' a reality in our neighborhoods," said George.

The ***plan***, driven by the use of STEM ***agriculture*** technology and urban channel distribution, could result in creating better accessible channels for D,C, residents to higher quality, fresh, affordable, diverse selection of ***produce*** literally growing in their backyards, operating 24/7, 365 days per year. These innovative solutions are designed to build economic and social impact opportunities that would empower residents through the development of STEM-skilled, ***agriculturally*** focused workers; access to new entrepreneurship opportunities in an emerging industry; and non-traditional community distribution access points working together to build and establish strong healthy sustainable urban D.C. communities.

And within moments of the two former D.C.'s Deputy Mayors reuniting, a collaboration formed.

The FCHC and AEDC, both Washington D.C. -based corporations, will focus their combined efforts on exploring, collaborating and implementing STEM ***agriculture*** growing methods and urban distribution strategies aimed to totally change the landscape of urban food production and the positive economic impact it will have on those communities and community shareholders. "It's time for us to change the narrative and time for local communities with the opportunity of using STEM ***agriculture*** methods to take the bull by the horns to create a change for a better healthier community both physically and economically," exclaimed Stan.

Michael Jones, CEO at FCHC expressed, "Having been born and raised in Washington D.C. and Prince Georges County, Maryland, I have a real affinity and love for this area, and I know with hard work and use of smart, innovative thinking, we can solve our own communities' food insecurity issues."

The FCHC's mission is to end food insecurity and improve food access through an integrative ecosystem of education, distribution, marketing, and innovative technology to reduce food cost and increase food access while also providing new avenues for economic development. The FCHC believes the improvement of food security will stem from a diversified food system that will include urban communities as locations of food production, preparation and distribution.

For more information on the FCHC's ***programs*** and services, interviews with the Honorable George Brown and/or Honorable Stanley Jackson, ***strategic*** partnership opportunities and/or information on our STEM ***agricultural*** technology, please contact The Foster-Jones Group at 202-600-7793 or via email at [*info@thefosterjonesgroup.com*](mailto:info@thefosterjonesgroup.com)

About The Foster-Jones Group

The Foster-Jones Group provides integrated financial management and marketing solutions aimed at generating leads, increasing sales, improving return on investment, and developing brand awareness for commercial businesses and non-profit organizations.

Media Contact

Company Name: The Foster-Jones Group

Contact Person: Media Manager

Email: [*info@thefosterjonesgroup.com*](mailto:info@thefosterjonesgroup.com)

Phone: 202-600-7793

Country: United States

Website: [*http://www.thefosterjonesgroup.com*](http://www.thefosterjonesgroup.com)/

(Distributed by M2 Communications (   [*www.m2.com*](http://www.m2.com)))

**Load-Date:** July 13, 2017

**End of Document**



[***Nestlé Indonesia - Q1 2018***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RB6-81M1-F0J5-8501-00000-00&context=1516831)

Indonesia Food & Drink Report

January 1, 2018 Monday

Copyright 2018 Business Monitor International Ltd. All Rights Reserved



**Length:** 956 words

**Highlight:** Nestlé Indonesia is the local subsidiary of Switzerland-based Nestlé, the world's largest food and drink company. The firm is one of Indonesia's major food and drink ***producers***, with all of the company's key product categories, including beverages, dairy products, nutritional foods, pre-prepared dishes, chocolate and confectionery, sold in the market. Major brands in the country include Milo, Maggi and Nescafé.

**Body**

**SWOT Analysis**

|  |  |
| --- | --- |
|  |  |
| Strengths | A market-leading position in the dairy sector leaves Nestle Indonesia well placed to capitalise on growing dairy demand. Its strong portfolio of brands and good product development facilities will keep Nestle Indonesia well entrenched in the high-growth domestic consumer goods sector. 'Popularly positioned products' provide a ***strategic*** springboard for Nestle Indonesia to harness the growing spending power among rural consumers. A well-developed distribution network will allow Nestle Indonesia to strengthen its domestic presence further. Recent large-scale investment will pay dividends in the coming years. The production chain is strengthened by sourcing raw materials from domestic ***producers***. |
| Weaknesses | Although Nestle Indonesia's processed dairy goods offer higher margins, they are out of reach for most consumers domestically, given that the majority of Indonesia's population still falls within a very low income bracket. It is exposed to fluctuations in the price of commodities, with Indonesia's low incomes limiting the extent to which price increases can be passed on. Exposure to a market characterised by low per capita food consumption means that Nestle Indonesia is unlikely to reap substantial returns on its investments in the near term. |
| Opportunities | Continued development of 'popularly positioned products' allows Nestle Indonesia to extend its reach to the rural consumer base and build an early lead in the high-growth rural market. Rising incomes will present greater opportunities to expand sales through premiumisation across all categories. The ongoing proliferation of modern retail will provide additional sales avenues for Nestle Indonesia, allowing the company to spread its domestic presence. Expansions in production capacities could leave Nestle Indonesia in a stronger position to meet increased domestic demand in Indonesia. |
| Threats | Dairy sales are restricted by low per capita incomes, particularly outside major urban centres. The underdeveloped distribution infrastructure is a challenge for the firm, restricting the spread of perishable dairy items. |

|  |  |
| --- | --- |
| **Company Overview** | Nestle Indonesia is the local subsidiary of Switzerland-based Nestle, the world's largest food and drink company. The firm is one of Indonesia's major food and drink ***producers***, with all of its key product categories, including beverages, dairy products, nutritional foods, pre-prepared dishes, chocolate and confectionery, sold in the market. Major brands in the country include Milo, Maggi and Nescafe. In the noodle category, the firm operates a 50-50 joint venture with Indonesian instant noodle ***producer***, Indofood Sukses Makmur. |

|  |  |
| --- | --- |
| **Strategy** | Nestle's position as the world's largest food firm has been built through modest but steady expansion, and a conservative approach to growth remains the firm's guiding philosophy. This has left it open to accusations that it has not gone far enough to build up a dominant position in fast-growing emerging markets. However, Nestle remains a key player in the majority of the world's most important emerging markets, generating about 40% of its revenues from these countries - a figure that compares favourably with nearly all of its peers. This wide geographic spread is a major strength, but it is notable that the firm's emerging market sales are currently weighted towards Latin America, and that its presence in Asia is perhaps not as impressive as might be expected. This partly explains why its pace of growth in these markets has been less rapid than some of its peers. However, we do expect Nestle to continue building up its presence in high-growth Asia, given the very exciting opportunities on offer in the region. Indonesia is one of the high-growth assets in Nestle's emerging markets portfolio, and the company has invested a significant sum of capital in the country to further exploit the sector's burgeoning domestic demand potential. In 2010 alone, Nestle invested more than USD200mn in expanding its Indonesian production capacity, further underlining the company's confidence in Indonesia's consumer growth story. Although Nestle does not post country-specific revenue figures, we do expect Indonesia to become an increasingly important growth driver, given the strong domestic demand credentials of the country. Across emerging markets, Nestle has adapted its products to suit the economic environment by offering smaller pack sizes at lower prices and cheaper variations of its core products. Indonesia is no exception to this strategy. Consumers graduate to its more expensive offerings as income levels increase and these 'popularly positioned products' are an essential way to build brand awareness in less affluent regions. Besides building up its product offerings and securing a stronger market foothold in Indonesia, Nestle Indonesia will also continue to strengthen operational efficiencies, and this bodes well for its profitability. Nestle Indonesia has sought greater integration with primary ***producers*** in a bid to improve efficiency, bring down supply chain costs and prompt a shift in the type of products that local consumers buy. Nestle Indonesia has conducted research on coffee trees in Indonesia and has selected a range of the highest yielding varieties. The company will now work with the ***agriculture*** ministry to distribute seedlings to farmers in the main coffee growing regions in Sumatra and Java. In 2011, Nestle Indonesia launched a ***programme*** called Nestle Cocoa ***Plan***, in which the company focuses on improving farmers' skills to operate environmentally sound farms, while still remaining profitable. The ***programme*** is also intended to strengthen the cocoa supply chain. |

**Load-Date:** January 3, 2018

**End of Document**



[***Assessing the role of Local Economic Development Agencies in KwaZulu-Natal, South Africa***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BNK-C111-DY41-73VC-00000-00&context=1516831)

Local Economy: The Journal of the Local Economy Policy Unit

June 2018

Copyright 2018 Sage Publications, Inc. All Rights Reserved



**Section:** Pg. 438-455; Vol.33; No.4; ISSN: 0269-0942, 1470-9325

**Length:** 8450 words

**Byline:** Isaac Khambule

Oliver Mtapuri

**Body**

**ABSTRACT**

There is a growing recognition of the role of subnational institutions in addressing some of the foremost developmental challenges that South Africa is facing; however, subnational institutions have been mired in inefficiencies and capacity challenges in leading local development. This has led to the establishment of Local Economic Development Agencies as institutions which were expected to give impetus to local economic development and accelerate local government’s responses to unemployment, poverty and inequalities. Yet little is known about the efficiency of Local Economic Development Agencies in addressing the key failures of local economic development. This article employed a qualitative approach in which semi-structured interviews were undertaken with key gatekeepers. The article assessed the roles and functions of Local Economic Development Agencies in addressing key local economic development failings through a case study of three Local Economic Development Agencies in South Africa. The results indicate that while Local Economic Development Agencies do solve the implementation problem, their efficiency is undermined by the lack of coordination of roles and functions in the local government-led development landscape. Furthermore, the roles and functions of Local Economic Development Agencies are limited, constrained and do not necessarily adhere to the premise that led to their establishment. Local Economic Development Agencies thus lack the appropriate legitimate mandate to be the main economic development structure, due to their own inherent capacities.

**FULL TEXT**

**Introduction**

South Africa is aspiring to become a capable developmental state that utilises subnational state institutions to advance economic development, as postulated by the Constitution of the Republic of South Africa (1996). The Constitution further stipulates the direct involvement of the government in economic development matters in order to improve socio-economic standards. At the subnational sphere, the Constitution emphasises the need for local government (local municipalities) to structure and manage their administration, budgeting and ***planning*** processes to give priority to the basic needs of communities and to promote the social and economic development of society as a whole. This constitutional declaration gives municipalities the mandate to advance the socio-economic needs of the majority of South Africans who are mired in the triple challenges of unemployment, poverty and inequality. In addition, the White Paper on Local Government (Department of Provincial and Local Government,1998) further instructed local government to become developmental by committing to work with citizens and social groups to create suitable and sustainable mechanisms to meet the social, political and economic needs of the people, and in the process, improve their livelihoods. These obligations require the direct ***intervention*** of the state through devising mechanisms that expedite human development and capacitate local people with the necessary skills to attract investment, leading to job creation, economic growth and development (Turok, 2010).

In the midst of the developmental challenges that the entire globe is facing, the close proximity of local governments to the masses of people who are facing numerous social problems has been cited as the foremost reason behind the need for local governments all over the world (Grindle, 2007; Smoke, 2000). However, the lack of effective and efficient local government capacity to deliver basic services, the inability to ***plan*** for development and the lack of an integrated approach that works with different social partners remain the key barrier to local development (United Cities and Local Government, 2013). In the South African context, municipalities are closest to the triple challenges that the country is facing, and they are often inundated with many responsibilities. One of those responsibilities is the championing of LED, yet the subnational sphere has been largely unable to fully take charge of this development because of insufficient skilled officials and an inability to understand local economies (Hofisi and Mbeba, 2013; Nel and Rogerson, 2005). In the midst of the failure of local government to fully implement LED, the idea of Local Economic Development Agencies (LEDAs) emerged as potential subnational institutions to advance LED and improve economic prosperity in the local government-led development landscape (Cooperative Governance and Traditional Affairs, 2013, 2014; Industrial Development Corporation, 2008a). However, since their inception, there has never been an evaluation of the effectiveness of the roles and functions of LEDAs in addressing the key failings of LED in South Africa. Previous studies (Lawrence, 2013, 2016; McKibben et al., 2012) have only explained the roles and functions of LEDAs.

The aim of the study was to assess the roles and functions of LEDAs in addressing the key failings of LED in the South African local government-led development landscape, through empirical evidence of three LEDAs in KwaZulu-Natal, South Africa. This article is based on the premise that LEDAs were introduced to address the key LED failings by giving impetus to LED. Therefore, the roles and functions of LEDAs were judged against their ability to address the LED challenges in the South African local government-led development landscape. The interviews were conducted with the Chief Executive Officers, Chief Financial Officers and Economic Development Managers of all three LEDAs. Additional interviews were conducted with two officials from COGTA who worked closely with the LEDAs. The article contributes to the debate about the roles and functions of LEDAs in economic development, as well as to why LEDAs have not been successful in addressing the failures of LED in South Africa.

**Failures of local economic development in South Africa**

South African local government has been plagued by massive failures in delivering basic services due to capacity challenges, poor financial management and maladministration, amongst others (Monkam, 2014). From an economic development perspective, there are five main failings that face LED in South Africa, namely the incapacity of local government to implement LED, incapacity of local government to ***plan*** for LED, governance issues that arise from a lack of understanding of LED, a lack of funding for LED initiatives and ongoing mistrust between government and the private sector (Meyer-Stamer, 2003; Nel, 2007; Patterson, 2008; Rogerson, 2009). These key LED challenges are in addition to the lack of efficient local government capacity to provide basic services. Local government’s failure to provide adequate service delivery efficiently and timeously, in conjunction with their failure to implement LED, adds further burdens to the majority of citizens confronted with poverty, unemployment and inequality. If these problems are not solved, it could potentially lead to more citizens sliding into poverty and incessant vulnerabilities, with the latest statistics showing a 27% unemployment rate and more than half of the South African population living in poverty (Statistics SA, 2017).

South African local government has come under heavy criticism for its failure to implement LED in its totality. The concern is that local government has not been able to champion this initiative for two reasons – the lack of capacity within local government and the lack of understanding of LED, which has resulted in the conflation of LED with poverty alleviation projects (Nel and Goldman, 2006; Patterson, 2008). The lack of capacity within local government to implement LED arises from the fact that LED is not a key priority for municipalities. This lack of prioritising LED has led to insufficient capacity within LED units, coupled with the inability of officials to understand the local economy (Nel and Rogerson, 2005). This can also be attributed to the fact that too much emphasis has been placed on institutionalising democracy and service delivery, to the exclusion of LED. The second criticism is that local government tends to conflate LED with poverty alleviation or make LED project based (Patterson, 2008). The key failing is therefore the reductionist approach to LED, because local government has reduced LED to project implementation (Van Der Heijden, 2008).

The third key failing of LED has to do with the issue of inefficient development ***planning*** structures. This is an issue that the United Cities and Local Government (2013) identified as a key barrier to bringing development to the local government sphere. This problem is raised here because of the lack of organised institutions at the local sphere that can ***plan*** for development. Integrated Development ***Plans*** (IDPs) are regarded as the vehicle for development ***planning*** within municipalities, with LED strategies being the economic development strategies that are developed by LED units with the involvement of key stakeholders such as businesses, Chambers of Commerce and communities (Gunter, 2005). However, ***planning*** structures are often not inclusive of stakeholders such as businesses (Meyer-Stamer, 2003). In addition, the Development Bank of Southern Africa (2008) has noted the existence of unreliable data for ***planning*** at the local sphere, while Lambshead (2009) argued that the lack of capacity of LED officials and their limited experience in economic development ***planning*** is a key barrier in the ***planning*** phase.

The fourth key failing, the lack of funding for LED, is one of the gravest challenges that has a direct bearing on the success or failure of local development. Patterson (2008) revealed that LED is the least funded mandate within local governments because municipalities prioritise their primary functions, i.e. the provision of electricity, housing, refuse removal, water and sanitation. In addition, as we shall see in this article, funding for LED is very important for the continuity of development initiatives, thus there seems to be a need to find alternative means of sourcing funding for LED initiatives within the local government-led development landscape. This denotes the need for greater social capital for LED. Thus, the idea of a developmental local government also emphasises the need to build social capital at the local level as a means of effecting local development (DPLG, 1998).

The fifth and last key failing that has undermined LED in South Africa is the growing gap and mistrust between government and the private sector, as local governments have developed a culture of sidelining social partners that are outside government (Rogerson, 2010; Turok, 2010). This is a clear case of a lack of understanding of LED in South African local government, because the World Bank’s definition of LED clearly recognises the participatory roles and functions that other stakeholders, such as communities, non-governmental sectors and business, have to play in LED. The mistrust between the various sectors is also exacerbated by increasingly corrupt activities within government (Madumo, 2015). The mistrust also transcends civil society and government, as South African Local Government Research Centre (2014) indicated that less than 33% of the South African population trusts local government.

**The role of LEDAs in local government-led development**

Given the above failures, there was a need to shift the development trajectory towards the creation of subnational entities of economic development to aid the reform of public services. These subnational state entities were to be devised as mechanisms that would respond to the needs of the public and private sectors in order to advance inclusive and effective economic development. The idea of LEDAs as institutions that had the legitimate mandate of representing the interests of civil society, while bridging the gap between public and private interests, emerged as the solution (International Labour Organization, 2003; Rogerson, 2010). The ILO (2003: 2) defined LEDAs as ‘independent organizations, shared by public and private institutions with the aim of implementing strategies of shared territorial development with particular emphasis on favouring access for the most marginal portions of a population to opportunities of income and decent employment’. The introduction of LEDAs, as noted by COGTA (2014), was in line with public sector reforms globally, with the intention being to strengthen service delivery and promote a culture of efficiency and effectiveness in socio-economic development issues.

LEDAs are important in the local government-led development landscape because they are strategically designed to help address some of the more complex challenges facing local economies. Some of these challenges have an immediate impact on the socio-economic livelihoods of citizens, especially in the case of emerging and developing economies. Suarez et al. (2015) highlighted that LEDAs fix problems such as unemployment, poverty and economic relations, as well as challenges faced by local economies as a result of the current global instabilities. Other emerging challenges that are solved by LEDAs include, but are not limited to: The design of local responses to the needs of local citizens and the promotion of sustainable development through LEDAs understood as a local development governance structure.The promotion of local ownership through a participatory approach that allows the public and private sectors to make decisions for their local economies.Ensuring the existence of capacity to execute complex projects (Suarez et al., 2015).

Additional roles such as territorial promotion, business development, revitalising the local economy and mobilising local resources for LED are some of the roles that are also played by LEDAs (Canzanelli, 2011). LED strategies differ based on the needs of the local territory (Rogerson, 2009; Suarez et al., 2015). Similarly, in the case of LEDAs, different environments in different territories require unique approaches to the roles and functions that will be played by development agencies.

The LEDA of Ixcán in Guatemala is one of the most successful case studies regarding the importance of LEDAs addressing complex challenges that face local economies. The main problem that the LEDA had to solve was overcoming the barriers and red tape facing local businesses in the region (Suarez et al., 2015). The main function of this LEDA was thus the promotion of local enterprises through creating an enabling environment for businesses and attracting local investment. The case of Ixcán is important because the LEDA showed commitment towards local enterprises by creating a credit fund that is distributed to women in the development space. The fact that the LEDA has its own credit fund shows that it is backed by a development-oriented political leadership, because the council provides the necessary financial opportunities that enterprises need. The involvement of the University of San Carlos and the National Secretary for ***Planning*** (SEGEPLAN) further demonstrates the institutional arrangements that the LEDA set up, because it resulted in the establishment of a small business development centre. The merits of the LEDA can be seen as it has created more than 400 small businesses and over 9000 jobs (Suarez et al., 2015). This case study is important because it highlights a case of a LEDA that prioritised the development and promotion of enterprises as a means of improving the local economy and creating employment.

Various other reasons can be put forward for the establishment or existence of LEDAs in South Africa, such as the need for stronger and more accountable LED institutions. The following reasons provided by the IDC (2008a) are, however, the most compelling arguments for the existence of LEDAs and are compared with key failings of LED (see Table 1).

**Table 1.**

Comparison of failures of LED and premises for establishing LEDAs.

| **Failures of LED in South Africa** | **Premises for establishing agencies in South Africa** |
| --- | --- |
| Governance problems that are caused by a lack of understanding of LED Public and private divide that is brought about by a mistrust between the public and the private sectors | LEDAs are mechanisms that provide an efficient and effective partnership between different stakeholders in order to improve stakeholder relations and limit the duplication of tasks |
| Incapacity of LED staff Inefficient ***planning*** structures that are caused by the incapacity of LED staff | LEDAs are vehicles that bring better expertise and resources to existing LED units within municipalities LEDAs are specific goal-driven economic development mechanisms with the aim of bettering the LED resources and services |
| Lack of funding for LED as municipal LED units are generally the least funded departments | LEDAs have the financial power to support businesses within their geographical space or jurisdiction |

Source: Author’s own.

It is evident from Table 1 that LEDAs are strategically aimed at addressing the failures of local government-led development in South Africa. For example, the public and private divide is intended to be tackled through LEDAs because they are an instrument of providing effective and efficient partnerships, the incapacity of municipal LED staff is to be addressed through development agencies because LEDAs have better expertise, and the lack of funding that is associated with LED is to be resolved by agencies because of the financial power that LEDAs supposedly have.

**Different waves of LEDAs in South Africa**

South Africa saw its first wave of LEDAs come about in the late 1990s through joint collaboration between the Italian government, the United Nations Development ***Programme*** (UNDP), the United Nations Office for Project Services, the Department of Trade and Industry and the Department of Economic Affairs (Pretorius and Blaauw, 2008). The sets of LEDAs that were established through this UNDP ***programme*** were based on a local-level participatory model, which centred on stimulating economic activities and generating employment opportunities in various rural and small town municipalities throughout the country (Pretorius and Blaauw, 2008; Rogerson, 2010). The first LEDAs were established in some of the more underdeveloped provinces, specifically the Eastern Cape, the Northern Cape and Limpopo, in order to stimulate economic activities in these regions. Lawrence (2013) established that the initial phase of the first wave of LEDAs was more focused on improving the institutional and capacity arrangements of municipalities. This was because, as noted in the literature on the key failings of LED, capacity issues and a lack of institutional arrangements for LED in municipalities were some of the challenges facing local government-led development. The first wave therefore focused on key projects that had the potential to generate investment and create economic opportunities and spillovers. However, the majority of the projects that were undertaken were dependent on the funding that was promised by the UNDP and the Italian government. Rogerson (2010) blamed the failure of these LEDAs on the ending of donor funding, whereas Pretorius and Blaauw (2008) argued that it was inevitable because project funds were not readily available.

The failure of the first wave of LEDAs subsequently led to the establishment of the second wave of LEDAs in South Africa, without the help of international organisations. The second wave was established with the assistance of the Industrial Development Corporation (IDC) through the dedicated Agency Development and Support (ADS) unit, to support LEDAs institutionally and operationally. The ADS unit was created to accelerate local development and the creation of job opportunities in various localities that were less developed, following on the first wave of LEDAs (IDC, 2006). The aims of the LEDAs set up by the IDC were as follows: to promote and develop economic potential on a local and/or regional basis;to leverage public and private resources for development around opportunities which offer investment, employment, economic and development potential/opportunities;to foster/develop the innovation and entrepreneurial potential and activity which supports and drives economic growth;to manage the spatial organization of the area, in a socially efficient manner, through the use of inter alia public land and targeted private projects; andto strengthen the respective areas’ real and perceived environment so that it can compete effectively for capital investment necessary to develop its full economic potential. (IDC, 2006: 7)

As LEDAs were located within local territories, they had to be strongly focused on the developmental objectives of the municipalities as stipulated in the IDPs, district ***plans***, provincial ***plans*** and the overall national development ***plans*** (IDC, 2006). The projects that were undertaken by these LEDAs were more oriented towards identifying viable development projects, sustainable development and making an impact in addressing the triple challenges. Bartlett (2012) and Lawrence (2013) asserted that the funding for LEDAs was grant based. For Lawrence (2013), the balance between municipal LED units and the implementation role of LEDAs was the most important aspect of the effectiveness of LED. Meanwhile, as the emphasis was on service delivery for municipalities, the IDC embraced an approach that put more emphasis on economic development and increasing the capacity of local government’s response to service delivery and infrastructure backlogs (Bartlett, 2012; Lawrence, 2013). Lawrence (2013) and McKibben et al. (2012) found that Aspire, a LEDA in the Eastern Cape, was the most successful LEDA in South Africa, which was attributed to its ‘relative autonomy’, its ability to distinguish its roles and functions from those of municipal LED units, and its strong leadership. Malefane (2011) was of the view that the effectiveness of LEDAs can only be realised if the potential of the roles and functions that development agencies play can be fully acknowledged by local institutions.

The third wave of LEDAs in South Africa has not been thoroughly investigated. Most of the documented research focused on the early stages of LEDAs and LEDAs under the support of the IDC. While previous studies (Lawrence, 2013, 2016; McKibben et al., 2012; Malefane, 2011) focused on explaining the roles and functions of LEDAs, this study seeks to assess the effectiveness of the roles and functions of LEDAs in addressing key LED failings.

There were two distinct stages of establishing LEDAs in KwaZulu-Natal, as per Table 2. The first stage was the introduction of LEDAs by the IDC (which was identified and thoroughly discussed as the second wave of LEDAs in the literature review of this study). This stage happened at a national sphere as the IDC introduced LEDAs throughout the country. Lawrence (2013) found that by 2013, the IDC had founded 23 development agencies throughout the country. This phase led to the introduction of three LEDAs in KwaZulu-Natal, with two of those three LEDAs taking part in this study. The second stage of establishing LEDAs is referred to in the literature review as the third wave of LEDAs in South Africa. In KwaZulu-Natal, these LEDAs were introduced by COGTA (2013, 2014) in conjunction with district municipalities after the 2012 Lekgotla Resolution that all district municipalities must establish LEDAs. COGTA also inherited oversight of three other LEDAs that were previously established by the IDC. Of the LEDAs introduced jointly by COGTA and the parent municipalities, only one is currently operational, while the rest are mired in pre-establishment challenges.

**Table 2.**

LEDAs established by IDC versus LEDAs established by COGTA.

| **Premises behind LEDAs (IDC)** | **Current roles of LEDAs** |
| --- | --- |
| 1. To provide better partnerships for LED and limit the duplication of tasks | Special Purpose Vehicle |
| 2. To improve LED expertise and resources | Implementation of Sustainable Economic Development Project |
| 3. To be economic development platforms aimed at bettering LED services | Investment promotion |
| 4. To have the impetus to support businesses in the locality | Build private–public partnerships |
| Premises by COGTA | Roles and functions of LEDAs by COGTA |
| 5. Municipal inabilities to implement the high-impact, large-scale economic development projects and ***programmes*** necessary to stimulate economic development at a regional level | Implement large-scale economic development projects |
| 6. Provide effective business and investor facilitation and support to reduce regulatory burden | Investment promotion |

Source: Author’s own.

The key reasons for the continuation of these LEDAs within KwaZulu-Natal are based on two principles. The first principle was to encourage LED by utilising LEDAs as implementing vehicles because the municipalities were failing to address LED issues themselves. COGTA (2013: 3) had found that the failure of municipalities to effectively drive LED resulted in ‘inabilities to implement the high-impact, large-scale economic development projects and ***programmes*** necessary to stimulate economic development at a regional level’. The second principle was the need to bring about mechanisms that would provide business and investment attraction, and at the same time address the regulatory burden facing businesses. Rogerson (2010) also found that red tape was one of the major constraints of doing business. Red tape arises because municipalities are focused on service delivery and do not have the capacity to create business development within their areas (Nel and Goldman, 2006; Nene, 2015a). This understanding is in line with the IDC’s need for LEDAs to have an innovative entrepreneurial culture approach to LED (IDC, 2006), thus LEDAs were regarded as being appropriate vehicles to address the business regulatory burdens and develop an alternative approach to LED.

**The roles and functions of LEDAs in KwaZulu-Natal**

On the basis of the evidence from this study, the consensus from officials was that the roles and functions of LEDAs involved acting as the main driver of economic development in their districts and geographical locations. Two important roles and functions were indicated as being key to driving economic development, as expressed by some officials: The mandate of the agency is to drive economic development and to promote trade and investment in the region. The other mandate is also to implement catalytic projects in the region with an intention of attracting further investment and whilst creating employment in the area. (LED Manager, LEDA 1: 6 March 2017)The agency serves as an implementing agency for the district in facilitating high impact catalytic projects through collaborations with stakeholders particularly the private sector for inward investment. (CEO, LEDA 3: 3 April 2017)These roles and functions are similar to the roles and functions presented in Table 2 based on COGTA’s 2012 resolutions. The documents guiding the establishment of LEDAs also show that these are the basic roles and functions of development agencies in South Africa (IDC, 2008a, 2008b, 2008c). In short, LEDAs are established to give impetus to LED.

If we accept that LEDAs were established to give impetus to LED, as already indicated in the literature and founding documents, this means that they have to address many of the LED problems in South Africa. The assessment undertaken by the study thus centred on the success of LEDAs in addressing the fundamental LED challenges facing South Africa.

The first role that development agencies play in stimulating economic development is the implementation of catalytic economic development projects in their territories. The excerpts below encapsulate these sentiments: Our role is to also to stimulate local economic development in the district. (CEO, LEDA 1: 14 March 2017)The role of the agency is to be a purpose vehicle to drive economic development within the Harry Gwala region. The focus is on catalytic projects, high impact ones that will have make a difference in terms of job creation. That is the main role that the agency was established for as far as I am concerned. (LED Manager, LEDA 2: 27 March 2017)The role is to serve as local economic growth and development drivers or engines. Now ours, we focus on what you can call catalytic projects, which is your large scale projects. (CEO, LEDA 2: 27 March 2017)There is a consensus that development agencies are drivers of economic development through the implementation of catalytic projects that will have an economic impact on their respective districts (IDC, 2008a, 2008b, 2008c; Lawrence, 2013, 2016), with COGTA (2014) going as far as identifying development agencies as implementation agencies. The reason behind the strong emphasis on development agencies as implementing agencies follows the reasoning that municipalities have hitherto failed to implement LED projects (COGTA, 2014; Meyer-Stamer, 2003; Van Der Heijden, 2008). Although LEDAs implement various projects, ***agricultural*** projects seemed to be the primary focus of all the development agencies in KwaZulu-Natal, with the National Schools Nutrition ***Programme*** being the leading catalytic project for agencies. This was further attested to by the recent discussion regarding the introduction of the Radical Agrarian Socio-Economic Transformation (RASET) ***programme***, which is ***planned*** to be spearheaded by development agencies.1

Officials expressed hope that the RASET ***programme*** will yield necessary results because ***agriculture*** is one of the main industries in the KwaZulu-Natal, as revealed in the following excerpts: Recently there is a move to use development agencies to accelerate radical transformation through a project called RASET (Radical Agrarian Socio-Economic Transformation ***Programme***). Cooperatives through RASET have an opportunity to address the triple challenges. (CEO, LEDA 3: 3 April 2017)The ***programme*** will go a long way in assisting small-scale farmers to generate revenue and also to become large scale farmers. The ***programme*** targets small-scale black farmers in the province to benefit by being added on the value chain to supply food in the province. (COGTA, Official 1: 17 March 2017)The RASET ***programme*** is going to be big and maybe it will make impact because it focuses on ***agriculture*** which is one of our strongest point. (LED Manager, LEDA 2: 27 March 2017)Yet there were some reservations as there is currently not enough staff capacity within the development agencies to lead the RASET ***programme***; staff capacity is one of the determining factors for successful LEDAs (Canzanelli, 2011; Mountford, 2009). One official said: The provincial government says it wants to implement a large-scale project through RASET. They also say they want to ensure that there is no intermediary person and that municipal officials must do the implementing. But how is this going to work if there is no human capacity? It is a big challenge to implement such projects. (CEO, LEDA 2: 27 March 2017)Despite the good intentions of these two ***planned*** large-scale projects, there should be concerns about the over-reliance on ***agricultural*** activities, which hinders development agencies from diversifying their projects.

The catalytic projects undertaken by development agencies are designed by the parent municipalities and given to the development agencies for implementation. This is also expressed in the IDC’s guiding principles regarding establishing development agencies, which stipulate that development agencies implement policies – they do not make them (IDC, 2008a, 2008b, 2008c). For this reason, LEDAs have been able to implement large-scale economic development projects, whereas LED units have dealt with small-scale projects. However, one issue that kept emerging from the interviews was the distinction of roles and functions between LEDAs and municipal LED units: Since the inception, we have been playing a dual role. Focusing on large-scale projects and as well as dealing with poverty alleviation initiatives. Otherwise, in a normal situation, we are supposed to be focusing only on large-scale projects. The poverty alleviation projects are the responsibility of the district municipality. (LED Manager, LEDA 2: 27 March 2017)Another thing I see as a challenge is when LEDAs and LED units do not see eye to eye. I think it is an issue of roles and responsibility. LED units need to understand they are not in competition with LEDAs, but in actual fact they are supposed to be complementing each other. We need to come up with a ***strategic*** way to make the locals feel that development agencies are the vehicle they also have to utilise and ensure that they deliver on their mandate. (LED Manager, LEDA 3: 22 March 2017)LEDAs seem to be playing a dual role because they implement large-scale projects and are at the same time expected to implement poverty alleviation projects, which is supposed to be a municipal task. The main reason behind LED agencies being established was to move away from the municipal cultural approach and to unearth a private sector-driven LED process (COGTA, 2014); however, the officials’ views suggest an inability to transition from a misguided municipal approach to LED. Nene (2015a) noted that municipalities tend to force a municipal culture on development agencies, whereas Nel and Goldman (2006) cautioned against the conflation of LED with poverty alleviation. The ability to distinguish between the roles and functions of LEDAs and municipalities is key for the success of development agencies (McKibben et al., 2012). Thus, the current failure to distinguish between the roles of LEDAs and LED units might lead to inefficiencies within the local government-led development landscape. ASPIRE has been successful because it was able to balance LEDAs and LED units (Lawrence, 2013, 2016).

The above finding highlights a lack of understanding about LED, as development agencies are being forced to assume a municipal service delivery approach to LED instead of a development-oriented approach. It is clear that LEDAs have been limited to the implementation of development projects, because this is what municipalities have narrowed LED down to (Van Der Heijden, 2008). This comes at the expense of a development-oriented approach that would also encompass the support of local enterprises. Suarez et al. (2015) asserted that it is crucial for LEDAs to have the capacity to adequately assist local government-led development in two ways – the creation of local enterprises and the ***planning*** of development matters. However, in this case, because of the failure of municipalities to understand LED beyond projects, development agencies are also forced to adopt the same municipal approach to LED. The limited understanding of LED in the local government-led development landscape was seen in the fact that little was mentioned regarding enterprise development, with the exception of one development agency sponsoring an entrepreneurship competition. In addition to this, none of the LEDAs that took part in the study had a dedicated office for business development. To some extent, this means that LEDAs are constrained in addressing the red tape and regulatory burdens facing enterprise development in their localities, as entrepreneurial and business development seem not to be regarded as the main priorities within the LEDAs.

One of the founding principles behind the establishment of LEDAs was that since there is a lack of funding for LED in South Africa, LEDAs would be able to address this issue because of their financial capacity (IDC, 2008a). Lawrence (2013, 2016) confirmed that LEDAs have played a great role in leveraging funding for development; however, all the LEDAs that took part in this study cited financial problems, because their parent municipalities give them limited operational grants: The agency gets its budget from the district municipality. That is the budget for LED and Tourism from the local municipality. We ended up having little money because we had to fund projects and also hire staff with the same budget. (LED Manager, LEDA 2: 27 March 2017)LED is not a priority for municipalities. LED units always get residual funding. I mean, they get what is remaining from the budget. (CFO, LEDA 3: 22 March 2017)This means that the funding problem was not necessarily solved because LEDAs depend on parent municipalities for operational grants. This is in addition to the inabilities of LEDAs to source funds for development. One official had this to say: For a long time LED has been neglected as a priority of local municipalities. The tendency has been to focus on the provision of basic services such as electricity, sanitation and water. But then government wanted to change all of this. If you go back to the constitution, local municipalities are required to play a role in promoting local economic development. (CEO, LEDA 2: 27 March 2017)This resonates with Patterson’s (2008) finding that most municipalities have failed to prioritise LED because they see service delivery as their main function, while Murray (2007) also found that local governments throughout the country do not take LED seriously. Hadingham (2008) further found that LED lacks political support and therefore ends up with limited resources. The funding uncertainties facing local government-led development can therefore be extended to LEDAs because their financial sustainability is questionable. This shows that the premise that LEDAs have the financial capacity to support LED initiatives is not entirely true in the context of South African LEDAs. It is not only South African LEDAs that face an uncertain future but Bateman (2014) found that LEDAs in Latin America are also in the same predicament. Lessons can thus be learned from the case study of Ixcán in Guatemala, where there was a dedicated credit fund for LED initiatives.

There is an over-arching idea presented in most research that LEDAs act as a link between the public and private sectors (Canzanelli, 2011; IDC, 2008a; Rogerson, 2010). Internationally, LEDAs are identified as structures that can successfully enhance economic development cooperation by integrating all stakeholders at the local level (Van Empel and Werna, 2010). This is also evident in Table 1, as LEDAs were created based on the assumption of bringing the private sector closer to the public sector. Although LEDAs are trying their best to link with the private sector, they face many challenges, including corruption and mistrust between the public and private sectors (Madumo, 2015; Rogerson, 2010). This means that mitigating the gap between the public and private sectors is still a challenge, as was noted by the private sector’s reluctance to fund development projects. In relation to the premise of LEDAs being mechanisms that drive partnerships between different stakeholders, this is not entirely executed by development agencies because they are not involved in the IDP process (while IDPs are the dominant ***planning*** mechanism). The setback is that LEDAs are only utilised as implementing structures rather than development ***planning*** structures, as noted in the documents guiding the establishment of LEDAs (IDC, 2008a, 2008b, 2008c).

Some development agencies are in charge of consolidating their district growth ***plans***; however, this only means that they integrate ***plans*** that they were not formally part of ***planning***. Thus, the ability of LEDAs to bridge the gap between the public and private sectors is limited because LEDAs are only implementing structures and do not interact with other stakeholders in the ***planning*** phase. In addition to this problem, the work of LEDAs is further undermined by local government’s culture of alienating non-governmental actors (Rogerson, 2003; Turok, 2010). Local government’s sidelining of local stakeholders in development ***planning***, such as in LED strategies and the failure of the participatory approach through IDPs, is undermining the creation of local solutions to local development challenges. For this reason, LEDAs cannot effectively mitigate the growing divide between the private and public sectors if they do not participate in the structures (LED strategies and IDPs) that cause alienation in the first place. For this reason, the efficiency of LEDAs in addressing the public–private divide can only be addressed if LEDAs become the main economic development ***planning*** structures.

Certain projects were found to have failed throughout the different development agencies, as shown below: We have failed projects that we have to write reports on and also write those projects off. We also have bio-fuel equipment that we have to auction (from the failed projects). I do not know much about the feasibility project behind it. There was a loss of about R6 million from that project. One example that comes to mind with the projects we had, we had a winery, bio-diesel plant. We are stuck with the equipment until a decision is made on whether we auction them or not. For now, we have to pay rent. (CFO, LEDA 1: 06 March 2017)The main reasons behind the failure of projects were the inadequate scoping of projects, the project not having economic merit and a lack of funding: The triple challenges are not easy to address because the capacity to do so is not available at the local level, the capacity is at the national level. The projects mostly fail because of bad project scoping and improper feasibility studies because of a lack of capacity. (COGTA, Official 1: 17 March 2017)It was also established that unfeasible projects, bad scoping and a lack of economic prospects undermine the chances of projects getting funding. Patterson (2008) observed that municipalities lack the needed capacity to drive the efficiency of LED, and that LED remains an unfunded mandate. Previously, the DBSA (2008) established an LED fund that was aimed at localities that lacked the capacity and funds to access grants that would see them capitalise on their local territory, as well as localities that lacked the institutional capacity to make a meaningful impact on their local economy. This funding ended, however, and we now see a continual failure to deal with the ***planning*** and funding of development projects. This means that the South African local government-led development landscape, particularly in rural and small town municipalities, is still facing major capacity challenges when it comes to ***planning*** for development. These challenges are only undermining the government’s response to the triple challenges that plague South Africa.

It is evident that the roles and functions of development agencies are failing to address the reasons that led to the establishment of LEDAs in South Africa. In addition to this, the roles and functions are also failing to address the key failings of LED in South Africa. This is to say that the roles and functions given to development agencies do not allow them to address the key failings of LED in South Africa. This was seen in the assessment undertaken in this article, which has revealed that essential functions such as entrepreneurial development, SMME development and the development of strategies belongs to LED units instead of LEDAs. This is problematic because development agencies were established with the intention of carrying out some of these mandates, but the actual practice of LEDAs reveals that they are not equipped with the necessary roles to execute these mandates. As expressed by one official: To be honest, at the moment we are not there as the driver of economic development focusing on catalytic projects. We are taking the role of the district in LED. Your small projects, your poverty alleviation. Not the projects the entity has gone out to get funding to facilitate. But slowly we are getting there. We are still handling the issue of taking poverty alleviation projects back to the district municipality. (CEO, LEDA 2: 27 March 2017)The continual failure to address LED challenges is therefore exacerbated by the lack of understanding of LED by municipalities and the control that municipalities have over LEDAs.

LEDAs will continue to be inefficient in fixing economic development failures because parent municipalities have failed to distinguish between LED units and LEDAs. The premise of the study was that LEDAs were established to address the failures of local government-led development, i.e. the failure of LED units to ***plan*** for development is part of the failure that has to be addressed through LEDAs. LEDAs have not been able to fix ***planning*** inefficiencies because they are limited to being implementation structures, with minor involvement in ***planning***. LED units still carry the bulk of ***planning*** LED strategies, despite the lack of capacity to ***plan*** for development. The inefficiencies in ***planning*** structures are therefore responsible for the failure of projects, with the leading reasons being the inadequate scoping and design of projects with little or no economic impacts. The failure of projects to make significant impacts can be related to the fact that municipalities have hitherto failed to make a distinction between poverty alleviation projects and economic development projects that are supposed to yield economic spin-offs. The DBSA (2008) has also alluded to the ***planning*** ineffectiveness of local governments, which was found to be a factor in the failure of projects. For this reason, LEDAs only fix the implementing problem, whereas there are underlying issues such as ***planning*** that impact negatively on the prospects of projects.

Despite the broad consensus that the roles and functions that LEDAs play are sufficient in bringing about development to their regions, this view clashes with the results that the development agencies are ***producing***. The findings suggest that LEDAs have been limited to mere economic development implementation structures that operate like municipalities due to the control that municipalities have over them. Since these LEDAs are established as municipal entities, they end up adopting a municipal cultural approach that is not development oriented. Nowhere is this more evident than in LEDAs being tasked with poverty alleviation projects instead of economic development projects. This suggests that LEDAs are not necessarily addressing the failure of municipalities to understand LED outside the implementation of projects. The reductionist view (reducing LED to project implementation) is therefore extended to LEDAs, because municipalities delegate roles and functions to LEDAs (as municipal entities) despite the municipalities having limited knowledge when it comes to economic development matters. For the above reasons, LEDAs have remained inefficient in addressing the lack of understanding of LED and local economics, which continues to plague local government-led development. The inefficiency of LEDAs in this regard can be blamed on the fact that municipalities have failed to strategically understand the importance of LEDAs in addressing economic development failures, limiting them to only implementing projects.

**Conclusion**

The efficiency of LEDAs is somewhat undermined by the fact that LEDAs were not introduced as institutions that have the appropriate legitimate mandate to represent the interests of different stakeholders, and at the same time the ability to bridge the gap between the interests of businesses, government and civil society. This legitimacy is seen as lying within local government, which therefore allocates roles and functions to development agencies. In the case of this article, the development agencies do not necessarily address the challenges of LED. In fact, to some extent, development agencies seem to be caught up in the very same problems that they were established to address. There is no place where this is more evident than in the premise that LEDAs have the financial capacity to support development initiatives in their territories, whereas evidence shows that LEDAs are dependent on parent municipalities for operational funding and have failed to be self-sustaining or to raise funds for development initiatives. The premise of LEDAs being economic development mechanisms that offer better expertise to LED is attested to by the capacity of LEDAs to implement projects. However, the expertise is also constrained because it is not being put to good use, for example, their ***planning*** incapacities impact on the success of projects because ***planning*** is vested in municipalities and not LEDAs.

The assessment of roles and functions revealed that even though the IDC model of development agencies tried to focus on best international practices, the adopted model somewhat neglected the LED experience in South Africa. The major roles of development agencies were designed around the implementation of projects and the promotion of the local territory; however, what was missed in the process was the designing of development agencies that fit international practice while representing the experiences of the South African local government-led development landscape. This is to say that the roles and functions of development agencies were supposed to be extended to cover the most prominent failures of LED in South Africa, namely the inability to ***plan*** for economic development, the lack of understanding of LED and insufficient LED funding, and not just the implementation and investment attraction problems. The failure to look into what LEDAs could do instead of what they should do has resulted in the ongoing failure of LED in municipalities. The crucial role that is also left unattended by LEDAs in South Africa is the support of local enterprises, both financially and non-financially; LED can only be achieved if support for SMMEs and enterprises exists.

Development agencies are supposed to be the backbone of LED all over the world, and were, in the South African context, formed to solve the growing problems of unemployment, poverty and inequality. The ineffectiveness of development agencies in South Africa is therefore a problem that should be addressed if the country’s aspirations of ridding itself of the triple challenges are to be met. The role of development agencies in stimulating economic development cannot be looked at in isolation of the environments they function in, i.e. the success of development agencies depends on the environments and frameworks that they find themselves in. Among the many challenges facing LEDAs, the funding challenge and the lack of coordination across roles and functions are some of the most crucial issues concerning the failure of LED, which must be attended to.

**Notes**

1The KwaZulu-Natal Economic Development, Tourism and Environmental Affairs department is embarking on a radical economic transformation agenda targeting the ***agricultural*** sector through the Radical Agrarian Socio-Economic Transformation (RASET) ***programme***. For more info on the ***programme***, see [*www.kzndard.gov.za/images/Agrarian-Transformation\_Brochure\_2015\_2.pdf*](http://www.kzndard.gov.za/images/Agrarian-Transformation_Brochure_2015_2.pdf).

**Bibliography**

**REFERENCES**

Bartlett S, (2012) Interview Head Agency Development Services. IDC, Johannesburg 19 September, in Lawrence F (2013) Roles of LEDAs in South African local economic development landscape. Urban Forum 24: 523–541.

Bateman M, (2014) The Zombie-Like Persistence of Failed Local Neoliberalism: The Case of UNDP’s Local Economic Development Agency (LEDA) Network in Latin America. International Development Studies. Working Paper Series No. 143, 2014. Brighton: Institute of Development Studies.

Canzanelli G, (2011) Evaluation of Local and Territorial Development Agencies for Human Development: The ILS LEDA Case. ILS LEDA Paper 15. Rome: ILS LEDA.

Cooperative Governance and Traditional Affairs (2013) Status Quo Presentation on Development Agencies in KwaZulu-Natal. Unpublished presentation, Pietermaritzburg.

Cooperative Governance and Traditional Affairs (2014) Moving KZN forward: District development agencies as ***strategic*** implementers of economic development ***programmes*** and initiatives. Unpublished Report, Pietermaritzburg.

Department of Provincial and Local Government (1998) White Paper on Local Government. Pretoria: Government Gazette.

Development Bank of Southern Africa (2008) Local Economic Development Fund Concept and Modus Operandi. Pretoria: DBSA.

Grindle M, (2007) Going Local. Princeton, NJ: Princeton University Press.

Gunter A, (2005) Integrated development ***plans*** and local economic development: The case of Mpumalanga province, South Africa. Africa Insight 34(4): 32–38.

Hadingham T, (2008) The South African LED network: From spectator to participant. local.glob 5: 54–55.

Hofisi C, Mbeba R, (2013) Scoring local economic development goals in South Africa: Why local government is failing to score. Mediterranean Journal of Social Sciences 4(13): 591–595.

Industrial Development Corporation (2006) Local Economic Development Agencies: Impediments and Proposed Measures to Overcome Them. Johannesburg: IDC Unpublished Internal Document.

Industrial Development Corporation (2008a) Draft National LEDA Guidelines. Johannesburg: IDC.

Industrial Development Corporation (2008b) Development Agency Concept. Johannesburg: IDC.

Industrial Development Corporation (2008c) Local Economic Development Agencies. Johannesburg: IDC.

International Labour Organization (2003) Overview and Learned Lessons on Local Economic Development, Human Development, and Decent Work. Geneva: ILO.

Lambshead C, (2009) Interview – LED Consultant, 20 March, in Rogerson, C, M. ***Strategic*** review of local economic development in South Africa. Final report submitted to Minister Sicelo Shiceka, Commissioned by the DPLG and AHI. Pretoria: GTZ.

Lawrence F, (2013) The role of local economic development agencies in the South African local economic development landscape. Urban Forum 24: 523–541.

Lawrence F, (2016) Local economic development agencies – Pushing the boundaries and addressing change: The case of Aspire (Amathole District Economic Development Agency) during its maturation phase. Local Economy 31(1–2): 83–94.

McKibben J, Binns T, Nel E, (2012) Uplifting small towns in post-apartheid South Africa: The experience of the Amathole Regional Economic Development Agency (Aspire). Local Economy 27(4): 388–402.

Madumo OS, (2015) Developmental local government challenges and progress in South Africa. Administratio Publica 2(31): 153–166.

Malefane SR, (2011) The ***strategic*** position and intergovernmental relations roles of South Africa’s local economic development agencies. Journal of Public Administration 46(3): 977–993.

Meyer-Stamer J, (2003) Why Is Local Economic Development So Difficult and What Can We Do to Make It More Effective. Mesopartner Working Papers. Duisburg: Mesopartner.

Monkam N, (2014) Local municipality productive efficiency and its determinants in South Africa. Development Southern Africa 2( 31): 275–298.

Mountford D, (2009) Organising for Local Development: The Role of Local Development Agencies. Working Paper. Paris: OECD. Available at: [*www.oecd.org/dataoecd/54/41/44682618.pdf?contentId=446*](http://www.oecd.org/dataoecd/54/41/44682618.pdf?contentId=446) (accessed 3 June 2015).

Murray A, (2007) Presentation in Eastern Cape province, record of proceedings: Inaugural provincial local economic development conference, Thina Sinako. Provincial LED Support ***Programme***, Port Elizabeth, pp. 32–35.

Nel E, (2007) Reflections on the evolving nature and prospects of local economic development in South Africa 1990–2007. Unpublished paper prepared for the Thina Sinako local economic development ***programme***. Grahamstown.

Nel E, Goldman I, (2006) Overview of LED in South Africa and the Findings of the World Bank/DBSA study. In: Paper presented at the national workshop on LED, Johannesburg, 14–15 August 2006.

Nel E, Rogerson CM, (2005) Local Economic Development in Southern Africa. New Brunswick, NJ: Transactions Press.

Nene O, (2015a) Funding for Development Agencies. IDC Presentation. Johannesburg: IDC.

Patterson C, (2008) Country Report Local Economic Development in South Africa. GTZ Strengthening Local Governance ***Programme***. Pretoria: GTZ.

Pretorius A, Blaauw D, (2008) Local economic development agencies in South Africa – Six years later. South African Journal of Economic History 23: 155–183.

Republic of South Africa (1996) South African Constitution. Pretoria: Government Gazette.

Rogerson CM (2003) Towards pro-poor local economic development: The case for sectoral targeting in South Africa. Urban Forum 14(1): 201–222.

Rogerson CM, (2009) ***Strategic*** Review of Local Economic Development in South Africa. Final report submitted to Minister Sicelo Shiceka. Commissioned by the DPLG and AHI. Pretoria: GTZ.

Rogerson CM, (2010) In search of public sector–private sector partnerships for local economic development in South Africa. Urban Forum 21: 441–456.

Smoke P, (2000) Fiscal decentralisation in Eastern and Southern Africa: A selective review of experience and thoughts on moving forward. In: Conference on fiscal decentralisation. Washington, DC: International Monetary Fund.

South African Local Government Research Centre (2014) The SA Local Government Briefing. Cape Town: SA Local Government Research Centre.

Statistics SA (2017) Poverty Trends in South Africa: An Examination of Obsolete Poverty between 2006 and 2015. Pretoria: Statistics South Africa.

Suarez S, Chicas A, Troshani R, et al. (2015) Local Economic Development Agencies: For Governance and Internationalization of Local Economies. Geneva: IDEASS.

Turok I, (2010) Towards a developmental state? Provincial economic policy in South Africa. Development Southern Africa 4: 497–515.

United Cities and Local Government (2013) Development Cooperation and Local Government. UCLG Policy Paper. Barcelona: UCLG.

Van Der Heijden T, (2008) Key Issues in local economic development in South Africa and potential role of SALGA. Unpublished report prepared for SALGA.

Van Empel C, Werna E, (2010) Labour-Oriented Participation in Municipalities: How Decentralized Social Dialogue Can Benefit the Urban Economy and Its Sectors. Geneva: International Labour Organisation.

**Load-Date:** March 29, 2024

**End of Document**



[***WASHINGTON D.C. - Two Former D.C. Deputy Mayors Join to Fight the Food Insecurity Epidemic... Starting with Washington D.C.'s Wards 7 and 8 Using STEM Agriculture***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P10-2R21-F0K1-N397-00000-00&context=1516831)

M2 PressWIRE

July 13, 2017 Thursday

Copyright 2017 Normans Media Limited All Rights Reserved



**Length:** 878 words

**Body**

July 13, 2017

A 2010 report by D.C. Hunger Solutions called "Grocery Gap" showed that the store-to- resident ratio and access to fresh, affordable, nutritious ***produce*** options in Wards 4, 5, 7, and 8 were lower than the District average. On average, residents of Wards 4, 5, and 7 must travel longer distances than residents in other wards to reach the closest full-service grocery store. Ward 7 had four-full-service grocery stores for 73,856 residents and Ward 8 had three full- service grocery stores for 60,047 District residents. Meanwhile, Ward 3 boasted 11 grocery stores for its 80,775 District residents. It's now 2017, and very little has changed in those parts of D.C. People in those same D.C. wards still face inadequate access to fresh, affordable, nutritious ***produce***. But now, using new STEM ***agriculture*** advancements, viable technological breakthroughs and solution-based approaches can help provide better access for Washingtonians living in D.C.'s most underserved communities.

A 45-year D.C. veteran of public service, the Honorable George Brown was born and raised in Barry Farms Southeast D.C. neighborhood and served as former Deputy Mayor of the District of Columbia. He is now empowered with empirical knowledge and innovative information on solutions to D.C.'s food insecurity issues initially targeting Washington D.C.'s hardest hit communities in Wards 7 and 8. The Honorable George Brown, a Senior Advisor to Fresh Community Holding Corporation (FCHC), reached out to an old friend, colleague, and member of an elite, highly selective brotherhood made up of former Deputy Mayors of the District of Columbia (an elite fraternity, per se), Stanley Jackson, President and CEO of Anacostia Economic Development Corporation (AEDC) to get something done.

They both were familiar with the growing concern regarding food insecurity in D.C. and shared ideas on innovative urban ***agricultural*** strategies, urban farming, and localized commercial food production. They also discussed complimentary joint efforts and ways to collaborate that could bring effective solutions to the food insecurity issues plaguing Washington D.C. "FCHC is excited about the collaboration with AEDC and I look forward to making '#HomeGrownDC' a reality in our neighborhoods," said George.

The ***plan***, driven by the use of STEM ***agriculture*** technology and urban channel distribution, could result in creating better accessible channels for D,C, residents to higher quality, fresh, affordable, diverse selection of ***produce*** literally growing in their backyards, operating 24/7, 365 days per year. These innovative solutions are designed to build economic and social impact opportunities that would empower residents through the development of STEM-skilled, ***agriculturally*** focused workers; access to new entrepreneurship opportunities in an emerging industry; and non-traditional community distribution access points working together to build and establish strong healthy sustainable urban D.C. communities.

And within moments of the two former D.C.'s Deputy Mayors reuniting, a collaboration formed.

The FCHC and AEDC, both Washington D.C. -based corporations, will focus their combined efforts on exploring, collaborating and implementing STEM ***agriculture*** growing methods and urban distribution strategies aimed to totally change the landscape of urban food production and the positive economic impact it will have on those communities and community shareholders. "It's time for us to change the narrative and time for local communities with the opportunity of using STEM ***agriculture*** methods to take the bull by the horns to create a change for a better healthier community both physically and economically," exclaimed Stan.

Michael Jones, CEO at FCHC expressed, "Having been born and raised in Washington D.C. and Prince Georges County, Maryland, I have a real affinity and love for this area, and I know with hard work and use of smart, innovative thinking, we can solve our own communities' food insecurity issues."

The FCHC's mission is to end food insecurity and improve food access through an integrative ecosystem of education, distribution, marketing, and innovative technology to reduce food cost and increase food access while also providing new avenues for economic development. The FCHC believes the improvement of food security will stem from a diversified food system that will include urban communities as locations of food production, preparation and distribution.

For more information on the FCHC's ***programs*** and services, interviews with the Honorable George Brown and/or Honorable Stanley Jackson, ***strategic*** partnership opportunities and/or information on our STEM ***agricultural*** technology, please contact The Foster-Jones Group at 202-600-7793 or via email at [*info@thefosterjonesgroup.com*](mailto:info@thefosterjonesgroup.com)

About The Foster-Jones Group

The Foster-Jones Group provides integrated financial management and marketing solutions aimed at generating leads, increasing sales, improving return on investment, and developing brand awareness for commercial businesses and non-profit organizations.

Media Contact

Company Name: The Foster-Jones Group

Contact Person: Media Manager

Email: [*info@thefosterjonesgroup.com*](mailto:info@thefosterjonesgroup.com)

Phone: 202-600-7793

Country: United States

Website: [*http://www.thefosterjonesgroup.com*](http://www.thefosterjonesgroup.com)/

**Load-Date:** July 13, 2017

**End of Document**



[***-ENGIEHarmonyProject ENGIE's new communications programme to embody and accelerate its strategic repositioning***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S7D-HYX1-F0K1-N15X-00000-00&context=1516831)

ENP Newswire

May 2, 2018 Wednesday

Copyright 2018 Normans Media Limited All Rights Reserved



**Length:** 1433 words

**Body**

ENGIE is launching today ENGIEHarmonyProject.

This communications ***programme***, designed to be long-lasting, aims to bring together innovative and sustainable projects under the same banner, led by the teams of ENGIE and its partners, which are contributing to more harmonious progress, all over the world. Convinced that progress reconciling individual interests with the general interest is possible, the Group demonstrates with ENGIEHarmonyProject the strength of its commitment to now developing solutions with positive economic, social and environmental impacts.

ENGIEHarmonyProject is backed in particular by an advertising campaign featuring collaborative projects, emblematic of tomorrow's world, which show that ENGIE is reinventing itself to combine efficiency with operational performance and the general interest. Projects are being developed by its teams in partnership with start-ups, local actors, artists and economic, socio-cultural and technological actors ... all having in common the desire to act in favour of harmonious progress.

Among the first projects being promoted is the film 'Solar Graffiti', shot in Mexico, which tells the true story of a derelict sports stadium in the suburbs of Mexico City, rehabilitated thanks to a street art work combined with 100% green lighting via the latest generation of organic solar films. A world first in which ENGIE engineers collaborate with Heliatek company and the Mexican artist, N3O. More than simply an advertising film, this project unites local communities and is bringing life back to an entire neighbourhood. A second film, entitled 'Green Gas Farmers', has been shot with ENGIE teams, in partnership with AgriBioMethane and local farmers. It tells the true story of ten or so farmers who are recycling their waste to make biogas from it and biomethane, thereby cleaning up their village. More than simply an advertising film, the production enabled many local people to come together around a responsible meal, made up of local products and cooked using gas. These two films are the first of a saga which will cover the five continents between now and 2019, seeking out innovative and collaborative solutions.

ENGIEHarmonyProject illustrates in a very tangible and modern way, ENGIE's action in favour of harmonious progress, reconciling individual interests with the general interest. ENGIE is among the global brands which have a responsibility to design and implement other modes of development, to create wealth differently. To achieve this, we must unite the strengths of our teams with those of all the civil society actors. We are proud of what we are achieving together with our partners to be useful both to our customers and to the world which surrounds us', emphasises Ana Busto, ENGIE Executive Vice President, in charge of Brand and Communications.

Development of renewable electricity, green gases as renewable hydrogen, sustainable mobility solutions in cities, energy efficiency solutions, connected smart buildings and energy communities, etc. Through ENGIEHarmonyProject, ENGIE is promoting collective action and thus confirming its role as an energy revolution pioneer.

TECHNICAL INFORMATION

Film 1 - ENGIEHarmonyProject in Mexico. 'Solar Graffiti', a collaborative project between ENGIE, its Heliatek partner and a Mexican artist.

The film illustrates a project which aims to convert a derelict stadium in Mexico City, into a friendly venue, that is more pleasing and safer, thanks to its rehabilitation by a work of art that mixes graffiti with organic solar films. A fresco of light by the Mexican artist N3O ***produced*** with the technological support of ENGIE engineers, which has improved the daily lives of local people over the long-term.

Film 2 - ENGIEHarmonyProject in Vendee. 'Green Gas Farmers', a collaborative project between ENGIE and its AgriBioMethane partner

The film illustrates the initiative of ten or so farmers who are recycling their ***agricultural*** waste in rural Vendee and transforming it into biogas and biomethane. A methanisation unit and a biomethane service station have been created in collaboration with AgriBioMethane and ENGIE. A project with positive environmental, social and economic impacts for the whole region.

MEDIA ***PLAN***

The 360-degree campaign will be rolled-out simultaneously in France and in the UK, from 27 April 2018, on TV, digital, press and displays. A social network campaign will be deployed in the U.S., in Mexico, Italy, Brazil, Singapore and Thailand. The target: opinion leaders, 25-59 years-old, with an interest in energy, sustainable development, innovation...

N.B. From 14 May, a specific communication section focused on the employer brand will be launched. A 100% digital ***plan*** (Facebook, Instagram, Twitter, LinkedIn YouTube), that will target young students and graduates with creations aimed at promoting the Imaginative Builders, who are at the origin of all the Harmony Projects.

On TV, from 27 April to 27 May

In France, launch of the campaign on 27 April with the ' Solar Graffiti ' film, through exclusive 60' screens on prime time: at around 6.50pm between C'est dans l'airand C'est a vous on France 5; at 8pm before TV News on France 2; at around 8.40pm after TV News on TF1. Objective : to make the first showings more event-driven. 60' and 30' formats will then alternate. From 11 May, the 'Green Gas Farmers' film will appear, until 19 May.

In the UK, the ' Solar Graffiti ' film will be shown from 13 to 27 May, on the ITV group channels, with +70% of airing on prime time and a presence on the two flagship breakfast ***programmes***.

Digital ***plan***, from 27 April to 1 June

Catch-up TV: MyTF1, Pluzz, M6Replay, ITV UK. In quality placements, before the shows on these channels and in non-skippable formats.

YouTube: the leading video platform in France and the UK. It gives access to very precise targeting in line with varying contexts of airing, Google requests and recently visited sites.

Video network (Teads): aggregates a large number of editorial sites such as Les Echos, L'Equipe, L'Express, L'Expansion, Europe 1, in France, as well as The Economist, The Guardian, The Washington Post, Reuters, Forbes, ABC, etc.

Social networks: Twitter, Facebook, Instagram, LinkedIn, YouTube; according to the messages and countries (France, UK, USA, Mexico, Italy, Brazil, Singapore, Thailand) to targeted audiences, in order to meet the requirements of ENGIE Business Units.

Daily press, from 27 April to 14 May

In France, presence in Le Monde, Le Figaro, Les Echos, La Croix, the 4 leading daily papers, with three different visuals, on 27 April, 3 May and 14 May.

In the UK, presence in the Daily Telegraph, The Times UK, The Guardian, London Evening Standard and FT Europe, on 27 April, 7 May and 14 May.

Digital display, from 1 to 26 May

Business travelers target with two complementary universes:

Airports: Heathrow in the UK from 1 to 26 May (Hall 3, 5, Business Lounge and Taxi Rank) and Orly and Roissy Charles-de-Gaulle in France from 13 to 26 May (boarding areas and Air France lounges).

La Defense business district: in France from 14 May to 21 May.

About ENGIE

We are a global energy and services group, focused on three core activities: low-carbon power generation, mainly based on natural gas and renewable energy, global networks and customer solutions. Driven by our ambition to contribute to a harmonious progress, we take up major global challenges such as the fight against global warming, access to energy to all, or mobility, and offer our residential customers, businesses and communities energy production solutions and services that reconcile individual and collective interests. Our integrated - low-carbon, high-performing and sustainable - offers are based on digital technologies. Beyond energy, they facilitate the development of new uses and promote new ways of living and working. Our ambition is conveyed by each of our 150,000 employees in 70 countries. Together with our customers and partners, they form a community of imaginative builders who invent and build today solutions for tomorrow. 2017 turnover: 65 billion Euros. Listed in Paris and Brussels (ENGI), the Group is represented in the main financial (CAC 40, BEL 20, Euro STOXX 50, STOXX Europe 600, MSCI Europe, Euronext 100, FTSE Eurotop 100, Euro STOXX Utilities, STOXX Europe 600 Utilities) and extra-financial indices (DJSI World, DJSI Europe and Euronext Vigeo Eiris - World 120, Eurozone 120, Europe 120, France 20, CAC 40 Governance).

Contact:

Tel: +33 (0)1 4422 2435

Email: [*engiepress@engie.com*](mailto:engiepress@engie.com)

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** May 2, 2018

**End of Document**



[***#ENGIEHarmonyProject ENGIE's new communications programme to embody and accelerate its strategic repositioning***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S65-PH81-JD3Y-Y0HB-00000-00&context=1516831)

FinancialWire

April 26, 2018 Thursday

Copyright 2018 Investrend Communications, Inc. All Rights Reserved



**Length:** 1464 words

**Body**

GIE is launching today #ENGIEHarmonyProject. This communications ***programme***, designed to be long-lasting, aims to bring together innovative and sustainable projects under the same banner, led by the teams of ENGIE and its partners, which are contributing to more harmonious progress, all over the world. Convinced that progress reconciling individual interests with the general interest is possible, the Group demonstrates with #ENGIEHarmonyProject the strength of its commitment to now developing solutions with positive economic, social and environmental impacts.

#ENGIEHarmonyProject is backed in particular by an advertising campaign featuring collaborative projects, emblematic of tomorrow's world, which show that ENGIE is reinventing itself to combine efficiency with operational performance and the general interest. Projects are being developed by its teams in partnership with start-ups, local actors, artists and economic, socio-cultural and technological actors ... all having in common the desire to act in favour of harmonious progress.

Among the first projects being promoted is the film "Solar Graffiti", shot in Mexico, which tells the true story of a derelict sports stadium in the suburbs of Mexico City, rehabilitated thanks to a street art work combined with 100% green lighting via the latest generation of organic solar films. A world first in which ENGIE engineers collaborate with Heliatek company and the Mexican artist, N3O. More than simply an advertising film, this project unites local communities and is bringing life back to an entire neighbourhood. A second film, entitled "Green Gas Farmers", has been shot with ENGIE teams, in partnership with AgriBioMethane and local farmers. It tells the true story of ten or so farmers who are recycling their waste to make biogas from it and biomethane, thereby cleaning up their village. More than simply an advertising film, the production enabled many local people to come together around a responsible meal, made up of local products and cooked using gas. These two films are the first of a saga which will cover the five continents between now and 2019, seeking out innovative and collaborative solutions.

« "#ENGIEHarmonyProject illustrates in a very tangible and modern way, ENGIE's action in favour of harmonious progress, reconciling individual interests with the general interest. ENGIE is among the global brands which have a responsibility to design and implement other modes of development, to create wealth differently. To achieve this, we must unite the strengths of our teams with those of all the civil society actors. We are proud of what we are achieving together with our partners to be useful both to our customers and to the world which surrounds us", emphasises Ana Busto, ENGIE Executive Vice President, in charge of Brand and Communications.

Development of renewable electricity, green gases as renewable hydrogen, sustainable mobility solutions in cities, energy efficiency solutions, connected smart buildings and energy communities, etc. Through #ENGIEHarmonyProject, ENGIE is promoting collective action and thus confirming its role as an energy revolution pioneer.

To learn more, visit [*http://www.harmonyproject.engie.com*](http://www.harmonyproject.engie.com)/ (website available in the afternoon of 26/04/2018) and ENGIE social media!

TECHNICAL INFORMATION

Film 1 - #ENGIEHarmonyProject in Mexico. "Solar Graffiti", a collaborative project between ENGIE, its Heliatek partner and a Mexican artist.

The film illustrates a project which aims to convert a derelict stadium in Mexico City, into a friendly venue, that is more pleasing and safer, thanks to its rehabilitation by a work of art that mixes graffiti with organic solar films. A fresco of light by the Mexican artist N3O ***produced*** with the technological support of ENGIE engineers, which has improved the daily lives of local people over the long-term.

Film 2 - #ENGIEHarmonyProject in Vendee. "Green Gas Farmers", a collaborative project between ENGIE and its AgriBioMethane partner

The film illustrates the initiative of ten or so farmers who are recycling their ***agricultural*** waste in rural Vendee and transforming it into biogas and biomethane. A methanisation unit and a biomethane service station have been created in collaboration with AgriBioMethane and ENGIE. A project with positive environmental, social and economic impacts for the whole region.

MEDIA ***PLAN***

The 360° campaign will be rolled-out simultaneously in France and in the UK, from 27 April 2018, on TV, digital, press and displays. A social network campaign will be deployed in the U.S., in Mexico, Italy, Brazil, Singapore and Thailand. The target: opinion leaders, 25-59 years-old, with an interest in energy, sustainable development, innovation...

N.B. From 14 May, a specific communication section focused on the employer brand will be launched. A 100% digital ***plan*** (Facebook, Instagram, Twitter, LinkedIn YouTube), that will target young students and graduates with creations aimed at promoting the Imaginative Builders, who are at the origin of all the Harmony Projects.

1. On TV, from 27 April to 27 May

\*In France, launch of the campaign on 27 April with the « Solar Graffiti » film, through exclusive 60" screens on prime time: at around 6.50pm between C'est dans l'air and C'est à vous on France 5; at 8pm before TV News on France 2; at around 8.40pm after TV News on TF1. Objective : to make the first showings more event-driven. 60" and 30" formats will then alternate. From 11 May, the "Green Gas Farmers" film will appear, until 19 May.\*In the UK, the « Solar Graffiti » film will be shown from 13 to 27 May, on the ITV group channels, with +70% of airing on prime time and a presence on the two flagship breakfast ***programmes***.

2. Digital ***plan***, from 27 April to 1 June

\*Catch-up TV: MyTF1, Pluzz, M6Replay, ITV UK. In quality placements, before the shows on these channels and in non-skippable formats.\*YouTube : the leading video platform in France and the UK. It gives access to very precise targeting in line with varying contexts of airing, Google requests and recently visited sites.\*Video network (Teads): aggregates a large number of editorial sites such as Les Echos, L'Equipe, L'Express, L'Expansion, Europe 1, in France, as well as The Economist, The Guardian, The Washington Post, Reuters, Forbes, ABC, etc.\*Social networks : Twitter, Facebook, Instagram, LinkedIn, YouTube; according to the messages and countries (France, UK, USA, Mexico, Italy, Brazil, Singapore, Thailand) to targeted audiences, in order to meet the requirements of ENGIE Business Units.

3. Daily press, from 27 April to 14 May

\*In France, presence in Le Monde, Le Figaro, Les Echos, La Croix, the 4 leading daily papers, with three different visuals, on 27 April, 3 May and 14 May.\*In the UK, presence in the Daily Telegraph, The Times UK, The Guardian, London Evening Standard and FT Europe, on 27 April, 7 May and 14 May.

4. Digital display, from 1 to 26 May

Business travelers target with two complementary universes:

\*Airports: Heathrow in the UK from 1 to 26 May (Hall 3, 5, Business Lounge and Taxi Rank) and Orly and Roissy Charles-de-Gaulle in France from 13 to 26 May (boarding areas and Air France lounges).\*La Defense business district: in France from 14 May to 21 May.

About ENGIE

We are a global energy and services group, focused on three core activities: low-carbon power generation, mainly based on natural gas and renewable energy, global networks and customer solutions. Driven by our ambition to contribute to a harmonious progress, we take up major global challenges such as the fight against global warming, access to energy to all, or mobility, and offer our residential customers, businesses and communities energy production solutions and services that reconcile individual and collective interests. Our integrated - low-carbon, high-performing and sustainable - offers are based on digital technologies. Beyond energy, they facilitate the development of new uses and promote new ways of living and working. Our ambition is conveyed by each of our 150,000 employees in 70 countries. Together with our customers and partners, they form a community of imaginative builders who invent and build today solutions for tomorrow. 2017 turnover: 65 billion Euros. Listed in Paris and Brussels (ENGI), the Group is represented in the main financial (CAC 40, BEL 20, Euro STOXX 50, STOXX Europe 600, MSCI Europe, Euronext 100, FTSE Eurotop 100, Euro STOXX Utilities, STOXX Europe 600 Utilities) and extra-financial indices (DJSI World, DJSI Europe and Euronext Vigeo Eiris - World 120, Eurozone 120, Europe 120, France 20, CAC 40 Governance).To learn more :   [*www.engie.com*](http://www.engie.com)

\*Press contact:

Tel. France: +33 (0)1 4422 2435

Email:

[*engiepress@engie.com*](mailto:engiepress@engie.com)

\*Twitter ENGIEgroup

(Distributed by M2 Communications (   [*www.m2.com*](http://www.m2.com)))

**Load-Date:** April 26, 2018

**End of Document**



[***-ENGIEgroup - ENGIEHarmonyProject ENGIE's new communications programme to embody and accelerate its strategic repositioning***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S7M-H7V1-F0K1-N4WD-00000-00&context=1516831)

ENP Newswire

May 3, 2018 Thursday

Copyright 2018 Normans Media Limited All Rights Reserved



**Length:** 1402 words

**Body**

ENGIE is launching today ENGIEHarmonyProject.

This communications ***programme***, designed to be long-lasting, aims to bring together innovative and sustainable projects under the same banner, led by the teams of ENGIE and its partners, which are contributing to more harmonious progress, all over the world. Convinced that progress reconciling individual interests with the general interest is possible, the Group demonstrates with ENGIEHarmonyProject the strength of its commitment to now developing solutions with positive economic, social and environmental impacts.

ENGIEHarmonyProject is backed in particular by an advertising campaign featuring collaborative projects, emblematic of tomorrow's world, which show that ENGIE is reinventing itself to combine efficiency with operational performance and the general interest. Projects are being developed by its teams in partnership with start-ups, local actors, artists and economic, socio-cultural and technological actors. all having in common the desire to act in favour of harmonious progress.

Among the first projects being promoted is the film 'Solar Graffiti', shot in Mexico, which tells the true story of a derelict sports stadium in the suburbs of Mexico City, rehabilitated thanks to a street art work combined with 100% green lighting via the latest generation of organic solar films. A world first in which ENGIE engineers collaborate with Heliatek company and the Mexican artist, N3O. More than simply an advertising film, this project unites local communities and is bringing life back to an entire neighbourhood. A second film, entitled 'Green Gas Farmers', has been shot with ENGIE teams, in partnership with AgriBioMethane and local farmers. It tells the true story of ten or so farmers who are recycling their waste to make biogas from it and biomethane, thereby cleaning up their village. More than simply an advertising film, the production enabled many local people to come together around a responsible meal, made up of local products and cooked using gas. These two films are the first of a saga which will cover the five continents between now and 2019, seeking out innovative and collaborative solutions.

ENGIEHarmonyProject illustrates in a very tangible and modern way, ENGIE's action in favour of harmonious progress, reconciling individual interests with the general interest. ENGIE is among the global brands which have a responsibility to design and implement other modes of development, to create wealth differently. To achieve this, we must unite the strengths of our teams with those of all the civil society actors. We are proud of what we are achieving together with our partners to be useful both to our customers and to the world which surrounds us', emphasises Ana Busto, ENGIE Executive Vice President, in charge of Brand and Communications.

Development of renewable electricity, green gases as renewable hydrogen, sustainable mobility solutions in cities, energy efficiency solutions, connected smart buildings and energy communities, etc. Through #ENGIEHarmonyProject, ENGIE is promoting collective action and thus confirming its role as an energy revolution pioneer.

TECHNICAL INFORMATION

Film 1 - ENGIEHarmonyProject in Mexico. 'Solar Graffiti', a collaborative project between ENGIE, its Heliatek partner and a Mexican artist.

The film illustrates a project which aims to convert a derelict stadium in Mexico City, into a friendly venue, that is more pleasing and safer, thanks to its rehabilitation by a work of art that mixes graffiti with organic solar films. A fresco of light by the Mexican artist N3O ***produced*** with the technological support of ENGIE engineers, which has improved the daily lives of local people over the long-term.

Film 2 - ENGIEHarmonyProject in Vendee. 'Green Gas Farmers', a collaborative project between ENGIE and its AgriBioMethane partner

The film illustrates the initiative of ten or so farmers who are recycling their ***agricultural*** waste in rural Vendee and transforming it into biogas and biomethane. A methanisation unit and a biomethane service station have been created in collaboration with AgriBioMethane and ENGIE. A project with positive environmental, social and economic impacts for the whole region.

MEDIA ***PLAN***

The 360-degree campaign will be rolled-out simultaneously in France and in the UK, from 27 April 2018, on TV, digital, press and displays. A social network campaign will be deployed in the U.S., in Mexico, Italy, Brazil, Singapore and Thailand. The target: opinion leaders, 25-59 years-old, with an interest in energy, sustainable development, innovation

N.B. From 14 May, a specific communication section focused on the employer brand will be launched. A 100% digital ***plan*** (Facebook, Instagram, Twitter, LinkedIn YouTube), that will target young students and graduates with creations aimed at promoting the Imaginative Builders, who are at the origin of all the Harmony Projects.

On TV, from 27 April to 27 May

In France, launch of the campaign on 27 April with the ' Solar Graffiti ' film, through exclusive 60' screens on prime time: at around 6.50pm between C'est dans l'airand C'est a vous on France 5; at 8pm before TV News on France 2; at around 8.40pm after TV News on TF1. Objective : to make the first showings more event-driven. 60' and 30' formats will then alternate. From 11 May, the 'Green Gas Farmers' film will appear, until 19 May.

In the UK, the ' Solar Graffiti ' film will be shown from 13 to 27 May, on the ITV group channels, with +70% of airing on prime time and a presence on the two flagship breakfast ***programmes***.

Digital ***plan***, from 27 April to 1 June

Catch-up TV: MyTF1, Pluzz, M6Replay, ITV UK. In quality placements, before the shows on these channels and in non-skippable formats.

Video network (Teads): aggregates a large number of editorial sites such as Les Echos, L'Equipe, L'Express, L'Expansion, Europe 1, in France, as well as The Economist, The Guardian, The Washington Post, Reuters, Forbes, ABC, etc.

Social networks: Twitter, Facebook, Instagram, LinkedIn, YouTube; according to the messages and countries (France, UK, USA, Mexico, Italy, Brazil, Singapore, Thailand) to targeted audiences, in order to meet the requirements of ENGIE Business Units.

Daily press, from 27 April to 14 May

In France, presence in Le Monde, Le Figaro, Les Echos, La Croix, the 4 leading daily papers, with three different visuals, on 27 April, 3 May and 14 May.

In the UK, presence in the Daily Telegraph, The Times UK, The Guardian, London Evening Standard and FT Europe, on 27 April, 7 May and 14 May.

4. Digital display, from 1 to 26 May

Business travelers target with two complementary universes:

Airports: Heathrow in the UK from 1 to 26 May (Hall 3, 5, Business Lounge and Taxi Rank) and Orly and Roissy Charles-de-Gaulle in France from 13 to 26 May (boarding areas and Air France lounges).

La Defense business district: in France from 14 May to 21 May.

About ENGIE

We are a global energy and services group, focused on three core activities: low-carbon power generation, mainly based on natural gas and renewable energy, global networks and customer solutions. Driven by our ambition to contribute to a harmonious progress, we take up major global challenges such as the fight against global warming, access to energy to all, or mobility, and offer our residential customers, businesses and communities energy production solutions and services that reconcile individual and collective interests. Our integrated - low-carbon, high-performing and sustainable - offers are based on digital technologies. Beyond energy, they facilitate the development of new uses and promote new ways of living and working. Our ambition is conveyed by each of our 150,000 employees in 70 countries. Together with our customers and partners, they form a community of imaginative builders who invent and build today solutions for tomorrow. 2017 turnover: 65 billion Euros. Listed in Paris and Brussels (ENGI), the Group is represented in the main financial (CAC 40, BEL 20, Euro STOXX 50, STOXX Europe 600, MSCI Europe, Euronext 100, FTSE Eurotop 100, Euro STOXX Utilities, STOXX Europe 600 Utilities) and extra-financial indices (DJSI World, DJSI Europe and Euronext Vigeo Eiris - World 120, Eurozone 120, Europe 120, France 20, CAC 40 Governance).

Contact:

Tel: +33 (0)1 4422 2435

Email: [*engiepress@engie.com*](mailto:engiepress@engie.com)

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** May 3, 2018

**End of Document**



[***P7\_TA(2014)0236 EU strategy for the Arctic European Parliament resolution of 12 March 2014 on the EU strategy for the Arctic (2013/2595(RSP))***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5R13-MJ31-F0YC-N1PG-00000-00&context=1516831)

Impact News Service

November 11, 2017 Saturday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 4800 words

**Body**

Brussels: Official Journal of the European Union has issued the following notice:

P7\_TA(2014)0236

EU strategy for the Arctic

European Parliament resolution of 12 March 2014 on the EU strategy for the Arctic (2013/2595(RSP))

(2017/C 378/20)

The European Parliament,

|  |  |
| --- | --- |
| ? | having regard to its previous reports and resolutions on the Arctic, the most recent of which was adopted in January 2011, |

|  |  |
| --- | --- |
| ? | having regard to the joint communication of the Commission and of the High Representative of the Union for Foreign Affairs and Security Policy of 26 June 2012 entitled ?Developing a European Union policy towards the Arctic region: progress since 2008 and next steps? (JOIN(2012)0019), and to the Commission communication of 20 November 2008 entitled ?The European Union and the Arctic region? (COM(2008)0763), |

|  |  |
| --- | --- |
| ? | having regard to the Preparatory Action ?***Strategic*** environmental impact assessment of the development of the Arctic?, |

|  |  |
| --- | --- |
| ? | having regard to the opinion of the European Economic and Social Committee of 2013 on EU Arctic policy, |

|  |  |
| --- | --- |
| ? | having regard to the UN Convention on the Law of the Sea, |

|  |  |
| --- | --- |
| ? | having regard to the Arctic Council ***programme*** for 2013 to 2015 under the Canadian chairmanship, |

|  |  |
| --- | --- |
| ? | having regard to the Arctic Council?s Kiruna Declaration of 15 May 2013, |

|  |  |
| --- | --- |
| ? | having regard to the EU-Greenland Partnership 2007-2013 and to the Fisheries Partnership Agreement between the EU and Greenland, |

|  |  |
| --- | --- |
| ? | having regard to its position of 5 February 2014 on the draft Council decision on relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other (1), |

|  |  |
| --- | --- |
| ? | having regard to the EU?s Horizon 2020 research and innovation ***programme*** for the years 2014 to 2020, |

|  |  |
| --- | --- |
| ? | having regard to the Declaration on the 20th Anniversary of the Barents Euro-Arctic Cooperation, issued in Kirkenes on 3-4 June 2013, |

|  |  |
| --- | --- |
| ? | having regard to the national strategies and policy papers concerning Arctic issues from Finland, Sweden, Denmark and Greenland, Norway, Russia, the USA, Canada and the UK respectively, |

|  |  |
| --- | --- |
| ? | having regard to the statements adopted at the Northern Dimension Parliamentary Forum in September 2009 in Brussels and in February 2011 in Tromsø and in Archangelsk in November 2013, |

|  |  |
| --- | --- |
| ? | having regard to the joint statement of the third ministerial meeting of the renewed Northern Dimension, held in Brussels on 18 February 2013, |

|  |  |
| --- | --- |
| ? | having regard to the Barents Euro-Arctic Council priorities for 2013 to 2015 under the Finnish chairmanship, |

|  |  |
| --- | --- |
| ? | having regard to the respective conference statements of the 9th Conference of Parliamentarians of the Arctic Region, held in Brussels from 13 to 15 September 2010, and of the 10th Conference of Parliamentarians of the Arctic Region, held in Akureyri from 5 to 7 September 2012, and to the statement made by the Standing Committee of Parliamentarians of the Arctic Region (SCPAR) on 19 September 2013 in Murmansk on EU observer status in the Arctic Council, |

|  |  |
| --- | --- |
| ? | having regard to the Nordic Council?s recommendations of 2012, |

|  |  |
| --- | --- |
| ? | having regard to Directive 2013/30/EU of the European Parliament and of the Council of 12 June 2013 on safety of offshore oil and gas operations (2), |

|  |  |
| --- | --- |
| ? | having regard to its resolution of 20 April 2012 on ?Our life insurance, our natural capital: an EU biodiversity strategy to 2020? (3), |

|  |  |
| --- | --- |
| ? | having regard to its resolution of 5 February 2014 on a 2030 framework for climate and energy policies (4), |

|  |  |
| --- | --- |
| ? | having regard to the EEA Joint Parliamentary Committee Report of 28 October 2013 on Arctic policy, |

|  |  |
| --- | --- |
| ? | having regard to the judgments of the Court of Justice of the European Union of 3 October 2013 in Case C-583/11P, and of 25 April 2013 in Case T-526/10 concerning the application for annulment of Commission Regulation (EU) No 737/2010 of 10 August 2010 laying down detailed rules for the implementation of Regulation (EC) No 1007/2009 of the European Parliament and of the Council on trade in seal products (5), |

|  |  |
| --- | --- |
| ? | having regard to the World Trade Organisation (WTO) panel report of 25 November 2013 entitled ?European Communities ? measures prohibiting the importation and marketing of seal products?, chapter 1.3.5 (setting out the preliminary ruling issued on 29 January 2013), and to the EU?s notification of appeal to the WTO Appellate Body of 29 January 2014, |

|  |  |
| --- | --- |
| ? | having regard to the Nordregio Report 2009:2 (?Strong, Specific and Promising ? Towards a Vision for the Northern Sparsely Populated Areas in 2020?), |

|  |  |
| --- | --- |
| ? | having regard to Rule 110(2) and (4) of its Rules of Procedure, |

|  |  |
| --- | --- |
| A. | whereas the EU has an interest in the Arctic by virtue of its rights and obligations under international law, its commitment to environmental and climate and other policies and its funding, and research activities, as well as economic interests; |

|  |  |
| --- | --- |
| B. | whereas the Commission and of the High Representative of the Union for Foreign Affairs and Security Policy published their joint communication entitled ?Developing a European Union policy towards the Arctic region: progress since 2008 and next steps? in June 2012; |

|  |  |
| --- | --- |
| C. | whereas the Council has not yet published its conclusions on the Commission/EEAS joint communication of summer 2012; |

|  |  |
| --- | --- |
| D. | whereas Parliament has been an active participant in the work of the SCPAR through its Delegation for relations with Switzerland, Iceland and Norway and in the Conference of Arctic Parliamentarians; |

|  |  |
| --- | --- |
| E. | whereas Denmark, Finland and Sweden are Arctic countries; whereas the EU?s only indigenous people, the Sami people, live in the Arctic regions of Finland and Sweden, as well as Norway and Russia; |

|  |  |
| --- | --- |
| F. | whereas France, Germany, the United Kingdom, the Netherlands, Poland, Spain and Italy ? observers to the Arctic Council ? show a substantial involvement in the Arctic and strong interest in future dialogue and cooperation with the Arctic Council; |

|  |  |
| --- | --- |
| G. | whereas Iceland and Norway, as engaged and reliable partners, are associated with the EU through the EEA and the Schengen Agreement; |

|  |  |
| --- | --- |
| H. | whereas the Arctic is an inhabited region with sovereign states; whereas the European Arctic region encompasses industrialised modern societies, rural areas and indigenous communities; whereas the active involvement of these regions in the development of the EU-Arctic policy is essential for ensuring legitimacy, mutual understanding and local support for the EU?s Arctic engagement; |

|  |  |
| --- | --- |
| I. | whereas there has been a longstanding engagement of the EU in the Arctic through its involvement in the Northern Dimension Policy with Russia, Norway and Iceland, in the Barents cooperation and particularly in the Barents Euro-Arctic Council and the Barents Regional Council, in the ***strategic*** partnerships with Canada, the US and Russia, and in its participation as an active ad hoc observer in the Arctic Council in recent years; |

|  |  |
| --- | --- |
| J. | whereas the Arctic Council made a decision in Kiruna on 15 May 2013 to ?affirmatively receive? the EU?s application for permanent observer status; whereas this affirmative decision includes the condition of resolving the seal products ban issue between the EU and Canada; whereas the EU and Canada are in the process of resolving this issue; whereas the EU is already working under the above status of permanent observer to the Arctic Council; |

|  |  |
| --- | --- |
| K. | whereas the EU and its Member States make a major contribution to research in the Arctic; whereas EU ***programmes***, including the new Horizon 2020 Framework ***Programme***, and the European structural and investment funds support major research projects in the region, benefiting not least the Arctic countries? peoples and economies; |

|  |  |
| --- | --- |
| L. | whereas only 20 % of global fossil fuel reserves can be exploited by 2050 in order to keep the average temperature increase below two degrees Celsius; |

|  |  |
| --- | --- |
| M. | whereas it is estimated that about one fifth of the world?s undiscovered hydrocarbon resources are located in the Arctic region, but more extensive research is needed; |

|  |  |
| --- | --- |
| N. | whereas the growing interest in the Arctic region shown by non-Arctic actors, such as China, Japan, India and other countries, their allocation of funding to polar research and the confirmation of South Korea, China, Japan, India and Singapore as observers to the Arctic Council indicate an increasing global geopolitical interest in the Arctic; |

|  |  |
| --- | --- |
| O. | whereas research and development, impact assessments and ecosystem protection have to accompany economic investment and development in order to ensure the sustainable development of the Arctic region; |

|  |  |
| --- | --- |
| P. | whereas reconciling prospective economic opportunities and interests with socio-cultural, ecological and environmental challenges through sustainable development remains a top priority, reflected also in the national Arctic strategies of the Arctic states; |

|  |  |  |
| --- | --- | --- |
|  | 1. | Welcomes the joint communication of the Commission and of the High Representative of the Union for Foreign Affairs and Security Policy of 26 June 2012 as an important building block in ensuring the continuous development of the EU?s Arctic policy; |

|  |  |  |
| --- | --- | --- |
|  | 2. | Reiterates its call for a united EU policy on the Arctic, as well as a coherent strategy and a concretised action ***plan*** on the EU?s engagement on the Arctic, with a focus on socio-economic and environmental issues; believes that this ***strategic*** choice is integral in ensuring legitimacy and local support for the EU?s Arctic engagement; |

|  |  |  |
| --- | --- | --- |
|  | 3. | Stresses that the increasing use of the Arctic region?s natural resources must be conducted in a way which respects and benefits the local population, both indigenous and non-indigenous, and takes full environmental responsibility for the fragile Arctic environment; |

|  |  |  |
| --- | --- | --- |
|  | 4. | Highlights the economic opportunities and the variety of industries in the Arctic and sub-Arctic regions, such as tourism, maritime industry and shipping, renewable energy, environmental technology and cleantech, gas and oil, offshore industry, forestry and wood-based industries, mining, transport services and communications, information technology and e-solutions, fishing and aquaculture, and ***agriculture*** and traditional livelihoods such as reindeer herding; recognises their impact and importance both in the region and in Europe as a whole, highlighting the engagement of European actors from business, research and development; |

|  |  |  |
| --- | --- | --- |
|  | 5. | Takes note of the Kiruna Declaration of the Arctic Council in May 2013, and its decision on the permanent observer status for the EU as well as other state entities; urges the Commission to follow up on the outstanding seal products ban issue with Canada and to duly inform the European Parliament regarding that process; regrets the effects which the EU regulation relating to the ban on seal products has ***produced*** for sections of the population, and in particular for indigenous culture and livelihood; |

|  |  |  |
| --- | --- | --- |
|  | 6. | Recalls the status of the EU and its Member States as active members in other frameworks of relevance to the Arctic, such as the International Maritime Organisation (IMO) and the Convention on Biological Diversity (CBD); highlights the need to refocus the EU institutions? activities on those fields of relevance to the political, environmental or economic interests of the EU and its Member States; emphasises, in particular, the need to bear in mind the interests of the EU and the European Arctic states and regions when utilising, amending or developing EU ***programmes*** or policies that do or can affect the Arctic, so that they serve the Arctic region as a whole; |

|  |  |  |
| --- | --- | --- |
|  | 7. | Regards the Barents Euro-Arctic Council (BEAC) as an important hub for cooperation between Denmark, Finland, Norway, Russia, Sweden and the Commission; notes the work of the BEAC in the fields of health and social issues, education and research, energy, culture and tourism; notes the advisory role of the Working Group of Indigenous Peoples (WGIP) within the BEAC; |

|  |  |  |
| --- | --- | --- |
|  | 8. | Strongly advocates freedom of research in the Arctic and encourages broad cooperation between the states that are active in the field of multidisciplinary Arctic research and in establishing research infrastructures; |

|  |  |  |
| --- | --- | --- |
|  | 9. | Recalls the contributions the EU is making to research and development and the engagement of European economic actors in the Arctic region; |

|  |  |  |
| --- | --- | --- |
|  | 10. | Stresses that reliable, high-capacity information networks and digital services are instrumental in boosting the economic activity and welfare of people in the Arctic; |

|  |  |  |
| --- | --- | --- |
|  | 11. | Calls on the Commission to put forward proposals as to how the Galileo Project or projects such as Global Monitoring for Environment and Security that could have an impact on the Arctic could be developed to enable safer and faster navigation in Arctic waters, thus investing in the safety and accessibility of the North-East Passage in particular, to contribute to better predictability of ice movements, better mapping of the Arctic seabed and an understanding of the main geodynamic processes in the area; |

|  |  |  |
| --- | --- | --- |
|  | 12. | Stresses the need for reliable monitoring and observational systems that follow the changing conditions of the Arctic; |

|  |  |  |
| --- | --- | --- |
|  | 13. | Emphasises the need for centres of competence for ensuring safety, emergency preparedness and rescue facilities; recommends that the EU actively contribute to the development of such competence centres; |

|  |  |  |
| --- | --- | --- |
|  | 14. | Welcomes the identification of Ecologically and Biologically Significant Areas in the Arctic region under the CBD as an important process in ensuring the effective conservation of Arctic biodiversity and stresses the importance of implementing an Ecosystem Based Management (EBM) approach in the coastal, marine and terrestrial environments of the Arctic, as highlighted by the Arctic Council EBM expert group; |

|  |  |  |
| --- | --- | --- |
|  | 15. | Reiterates that the serious environmental concerns relating to the Arctic waters require special attention to ensure the environmental protection of the Arctic in relation to any offshore oil and gas operations, taking into account the risk of major accidents and the need for an effective response, as provided for in Directive 2013/30/EU; calls on EU and EEA member states, when assessing the financial capacity of offshore oil and gas operators pursuant to Article 4 of Directive 2013/30/EU, to assess the financial capacity of applicants to cover all liabilities potentially deriving from offshore oil and gas activities in the Arctic, including liability for environmental damage to the extent covered by the Environmental Liability Directive (2004/35/EC); |

|  |  |  |
| --- | --- | --- |
|  | 16. | Calls on the Commission, the EEAS and the Member States to encourage and actively promote the highest standards with regard to environmental safety in the Arctic waters; |

|  |  |  |
| --- | --- | --- |
|  | 17. | Welcomes the implementation of the Search and Rescue Agreement and the Oil Spill Response Agreement by Arctic Council members; considers it regrettable, however, that the agreement does not include specific binding common standards; |

|  |  |  |
| --- | --- | --- |
|  | 18. | Stresses the need for a binding instrument on pollution prevention; |

|  |  |  |
| --- | --- | --- |
|  | 19. | Highlights the need for an active engagement of the EU in all relevant working groups of the Arctic Council; |

|  |  |  |
| --- | --- | --- |
|  | 20. | Notes the Government of Iceland?s initiative to end the EU membership negotiations; requests the Commission and the EEAS to maintain good relations and develop closer cooperation with Iceland in fields of common interest, such as the development of maritime transport, fishing, geothermal energy and the environment, making full use of existing instruments and encouraging Arctic cooperation between EU-based and Icelandic actors and ensuring that European interests do not suffer in this strategically important region; |

|  |  |  |
| --- | --- | --- |
|  | 21. | Welcomes the preparations for an Arctic Economic Council, to be attached to the Arctic Council in an advisory function and highlights the proportion of European businesses and institutes contributing to and investing in the Arctic, which suggests an efficient participation of business actors not only from the three Arctic EU Member States but also from other (observer) states, bearing in mind the global nature of many businesses; |

|  |  |  |
| --- | --- | --- |
|  | 22. | Stresses the need to undertake investments in an environmentally and socially responsible manner; |

|  |  |  |
| --- | --- | --- |
|  | 23. | Welcomes the work on bottom-up initiatives that can ensure a balanced and long-term engagement of European and non-European businesses, and asks the Commission to come forward with suggestions as to how to engage European businesses in sustainable and long-term balanced socio-economic development in the Arctic; |

|  |  |  |
| --- | --- | --- |
|  | 24. | Emphasises that the EU must take into account the need for raw material activities to provide local benefits and enjoy local acceptance; acknowledges the current gap between relevant competence on mineral extraction, processing and projected future needs as the region develops further; suggests that by participating in joint projects at the European level, such as the Innovation Partnership on Raw Materials, Arctic actors can exchange information and competence across topics; |

|  |  |  |
| --- | --- | --- |
|  | 25. | Asks the Commission, in view of the huge number of scientific, economic and civic activities, in particular in the European Arctic, the Barents region and beyond, to develop practices aimed at better utilising existing EU funding and ensuring a proper balance in protecting and developing the Arctic region when channelling EU funds towards the Arctic; |

|  |  |  |
| --- | --- | --- |
|  | 26. | Stresses the vital importance of the EU regional and cohesion policy with regard to interregional and cross-border cooperation; |

|  |  |  |
| --- | --- | --- |
|  | 27. | Further calls for the development of more effective synergies between existing ***programmes***, for instance under the Interreg IV ***programme***, the Northern Periphery ***Programme*** (NPP), Kolarctic, Baltic and the Blue Growth strategy, as well as contributions to fund Northern Dimension Partnerships such as the Northern Dimension Environmental Partnership (NDEP) and the Northern Dimension Partnership on Transportation and Logistics (NDPTL), or other European Neighbourhood Instrument (ENI) envelopes to enable the efficient channelling of funding, and to clearly define investment priorities for engagement with the Arctic region; urges the Commission and the EEAS to cooperate for a coherent channelling of funds on the Arctic and thereby to maximise effective interaction between the EU?s internal and external ***programmes*** and projects related to Arctic and sub-Arctic regions; |

|  |  |  |
| --- | --- | --- |
|  | 28. | Emphasises that an EU-Arctic Strategy requires the appropriate budget support to be made operational; |

|  |  |  |
| --- | --- | --- |
|  | 29. | Is of the opinion that the Northern Dimension policy based on regional cooperation and pragmatic partnerships serves as a successful model of stability, joint ownership and engagement involving the EU, Iceland, Norway and Russia; |

|  |  |  |
| --- | --- | --- |
|  | 30. | Underlines, in this respect, the significance of Arctic priorities such as well-functioning infrastructure and logistics, development in the Arctic region, encouraging investment in cold-climate expertise and relevant environment-friendly technologies, and support for regional and rural entrepreneurship and particularly for SMEs; calls for the EU to invest greater effort in integrating such Arctic priorities into its Europe 2020 strategy for growth and into ***programmes*** such as Horizon 2020 and Innovation Union, as well as into other Union research ***programmes***; |

|  |  |  |
| --- | --- | --- |
|  | 31. | Reaffirms its support for, and urges the Commission to proceed with, the establishment of the EU Arctic Information Centre as a networked undertaking with a permanent office in Rovaniemi, with reference to the Preparatory Action ?***Strategic*** environmental impact assessment of the development of the Arctic?, as supported by the Commission and the High Representative of the Union for Foreign Affairs and Security Policy in their 2012 joint communication and implemented by the Arctic Centre of the University of Lapland together with a network of European centres of excellence on the Arctic, with the goal of ensuring efficient access to Arctic information, dialogues at all levels and communication for the purpose of harnessing information and knowledge with a view to sustainability in the Arctic; |

|  |  |  |
| --- | --- | --- |
|  | 32. | Awaits, in this regard, the results of the 18-months Preparatory Action (PA) project on the ***strategic*** environmental impact assessment of the development of the Arctic, to be published this spring; calls for the EU to proceed swiftly thereafter with the establishment of the EU Arctic Information Centre; |

|  |  |  |
| --- | --- | --- |
|  | 33. | Highlights the need to maintain a special interface on the Arctic with the goal of providing an open, cross-party and cross-issues platform in Brussels, fostering understanding among the wide range of relevant actors in both the Arctic and the EU connecting the spheres of policymaking, science, civil society and business; |

|  |  |  |
| --- | --- | --- |
|  | 34. | Recommends strengthening regular exchange and consultations on Arctic-related topics with regional, local and indigenous stakeholders of the European Arctic in order to facilitate mutual understanding, in particular during the EU-Arctic policymaking process; stresses the need for such consultations to draw on the experience and expertise of the region and its inhabitants and to guarantee the essential legitimacy of the EU?s further engagement as an Arctic actor; |

|  |  |  |
| --- | --- | --- |
|  | 35. | Suggests that there should be enhanced coordination within the EU institutions between the Commission and the EEAS, particularly considering the cross-sectoral nature of Arctic issues; |

|  |  |  |
| --- | --- | --- |
|  | 36. | Recognises that the waters around the North Pole are mostly international waters; |

|  |  |  |
| --- | --- | --- |
|  | 37. | Draws attention to the fact that energy security is closely related to climate change; considers that energy security must be improved by reducing the EU?s dependence on fossil fuels; highlights the fact that the transformation of the Arctic represents one major effect of climate change on EU security; stresses the need to address this risk multiplier through a reinforced EU strategy for the Arctic, and through an enhanced policy of EU-generated renewable energies and energy efficiency that significantly reduces the Union?s reliance on external sources and thereby improves its security position; |

|  |  |  |
| --- | --- | --- |
|  | 38. | Supports the initiative by five Arctic coastal states to agree on interim precautionary measures to prevent any future fisheries in the Arctic high seas without the prior establishment of appropriate regulatory mechanisms, and supports the development of a network of Arctic conservation areas and, in particular, the protection of the international sea area around the North Pole outside the economic zones of the coastal states; |

|  |  |  |
| --- | --- | --- |
|  | 39. | Calls on the Member States and the EEA states to support the international commitment under the CBD to protect 10 % of each coastal and marine region; |

|  |  |  |
| --- | --- | --- |
|  | 40. | Calls for the EU to make all possible efforts to ensure a sustainable reconciliation between economic activities and viable socio-ecological and environmental protection and development, in order to safeguard wellbeing within the Arctic; |

|  |  |  |
| --- | --- | --- |
|  | 41. | Stresses that maintaining developed and sustainable communities in the Arctic with a high quality of life is of the utmost importance, and that the EU can play a vital role in the matter; calls for the EU, in this respect, to intensify its work in the areas of eco-system-based management, multilateral cooperation, knowledge-based decision-making and close cooperation with local inhabitants and indigenous peoples; |

|  |  |  |
| --- | --- | --- |
|  | 42. | Acknowledges the wish of the inhabitants and governments of the Arctic region with sovereign rights and responsibilities to continue to pursue sustainable economic development while at the same time protecting the traditional sources of the indigenous peoples? livelihood and the very sensitive nature of the Arctic ecosystems; |

|  |  |  |
| --- | --- | --- |
|  | 43. | Acknowledges the fundamental importance of the Regional Aid Guidelines (RAG), which enable regions in the High North with special characteristics and challenges to continue to use appropriate mechanisms to foster innovation and sustainable growth; |

|  |  |  |
| --- | --- | --- |
|  | 44. | Confirms its formulations on the rights of indigenous people in general and the Sami in particular, as the EU?s only indigenous people; |

|  |  |  |
| --- | --- | --- |
|  | 45. | Supports the meetings held by the Commission with the six associations of circumpolar indigenous peoples that are recognised as permanent participants in the Arctic Council; asks the Commission to explore the possibility of ensuring that their voices are taken into account in EU debates, providing funds for these associations; |

|  |  |  |
| --- | --- | --- |
|  | 46. | Acknowledges that EU policies that strengthen higher education and research facilities in the area are fundamental for strengthening innovative environments and technology transfer mechanisms; underlines the importance of supporting the development of cooperation networks between higher education institution within and beyond the region and providing opportunities for research funding, particularly in fields where the region has a proven track record, in order to bring about sustainable economic development in the regions of the Arctic; |

|  |  |  |
| --- | --- | --- |
|  | 47. | Underlines the major importance of the safety and security of new world trade routes by sea in the Arctic, in particular for the EU and its Member States? economies, these countries, which control 40 % of world commercial shipping; |

|  |  |  |
| --- | --- | --- |
|  | 48. | Welcomes the work in the International Maritime Organisation (IMO) on finalising the mandatory Polar Code for shipping; encourages cooperation in both research and investment with a view to developing a robust and safe infrastructure for the Arctic sea routes, and stresses that the EU and its Member States should actively uphold the principles of freedom of navigation and innocent passage; |

|  |  |  |
| --- | --- | --- |
|  | 49. | Emphasises that the European Maritime Safety Agency (EMSA) must have the necessary means to monitor and prevent pollution from maritime shipping as well as from oil and gas installations in the Arctic area; |

|  |  |  |
| --- | --- | --- |
|  | 50. | Calls on the states in the region to ensure that any current transport routes ? and those that may emerge in the future ? are open to international shipping and to refrain from introducing any arbitrary unilateral obstacles, be they financial or administrative, that could hinder shipping in the Arctic, other than internationally agreed measures aimed at increasing security or protection of the environment; |

|  |  |  |
| --- | --- | --- |
|  | 51. | Notes the importance of developing infrastructure links connecting the Arctic region with the rest of Europe; |

|  |  |  |
| --- | --- | --- |
|  | 52. | Calls on the Commission and the Member States to focus on transport corridors such as roads, railways and maritime shipping with a view to maintaining and promoting cross-border links in the European Arctic and bringing goods from the Arctic to European markets; is of the opinion that as the EU develops its transport infrastructure (Connecting Europe Facility, TEN-T) further, the links to and within the European Arctic needs to be improved; |

|  |  |  |
| --- | --- | --- |
|  | 53. | Reiterates the right of the people of the Arctic to determine their own livelihoods and recognises their wish for sustainable development of the region; asks the Commission to report on which EU ***programmes*** could be used to support such long-term balanced sustainable development, and prepare measures with a view to making a more concrete contribution to fulfilling this desire; |

|  |  |  |
| --- | --- | --- |
|  | 54. | Takes note of recent exploration activities in the European Arctic and the Barents Sea, and highlights the bilateral cooperation between Norway and Russia, aiming for application of the highest available technical standards in the field of environmental protection, while prospecting for oil and gas in the Barents Sea; points out in particular the importance of the continuous development of new technologies, specially developed for the Arctic environment, such as sub-seabed installation technology; |

|  |  |  |
| --- | --- | --- |
|  | 55. | Recalls the position of the EU as a main consumer of Arctic natural gas, and highlights the role of natural gas from a safe and secure supply and ***produced*** according to the highest possible standards, and as an important bridge element for the shift to a low-carbon economy in the future; supports the step-by-step precautionary approach in the development of energy resources in the Arctic, recognising that the regions of the Arctic differ substantially; |

|  |  |  |
| --- | --- | --- |
|  | 56. | Stresses the EU?s strong relations with Greenland and the geostrategic importance of that territory; takes note of the priorities of the Government of Greenland, with a renewed emphasis on economic development and the exploitation of raw materials; asks the Commission and the EEAS to explore how the EU and EU-based actors from science, technology and business can contribute to and assist in the sustainable development of Greenland so that both environmental concerns and the need for economic development are taken into account; expresses, in this connection, its concern regarding the limited results of the Letter of Intent signed by a Commission Vice-President with Greenland; |

|  |  |  |
| --- | --- | --- |
|  | 57. | Instructs its President to forward this resolution to the Council, the Commission, the Vice-President/High Representative of the Union for Foreign Affairs and Security Policy, the governments and parliaments of the Member States and the governments and parliaments of the Arctic region states. |

(1)  Texts adopted, P7\_TA(2014)0075.

(2)  OJ L 178, 28.6.2013, p. 66.

(3)  OJ C 258 E, 7.9.2013, p. 99.

(4)  Texts adopted, P7\_TA(2014)0094.

(5)  OJ L 216, 17.8.2010, p. 1.

**Load-Date:** November 22, 2017

**End of Document**



[***Inclusive growth versus pro-poor growth: Implications for tourism development***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BM4-FYP1-JBMY-H00G-00000-00&context=1516831)

Tourism and Hospitality Research

October 2017

Copyright 2017 Sage Publications, Inc. All Rights Reserved



**Section:** Pg. 384-391; Vol.17; No.4; ISSN: 1467-3584, 1742-9692

**Length:** 4774 words

**Byline:** Martine Bakker

Hannah R Messerli

**Body**

**ABSTRACT**

Inclusive growth and pro-poor growth are terms embraced but not fully understood in the tourism community. This paper discusses the main concepts of inclusive growth and their implication for tourism development across the developing world. Is inclusive growth simply another term for pro-poor in tourism? Discussion of current approaches utilized by the development community and its institutions highlights differences and notes a shift from pro-poor thinking to inclusive growth efforts. Within that context, the authors suggest the need for an improved understanding of the inclusive growth approach in tourism development, particularly for emerging countries.

**FULL TEXT**

**Introduction**

Despite the economic progress made over the last 15 years, poverty remains one of the world’s largest and most vexing issues. In 2012, 12.7% of people in the world lived at or below $1.90 a day, a total of an estimated one billion people (World Bank Group (WBG), 2015). Income inequality, a disparity in relative incomes across the whole population, has increased over the last 20 years in most Organisation for Economic Co-operation and Development (OECD) countries, South Africa, Indonesia and many other countries (OECD, 2015). Globalization, skill-biased technical changes and decreases in the bargaining power of workers are some of the contributors to this situation (Balakrishnan et al., 2013; Saad-Filho, 2010). Economic growth alone has proven to be insufficient in reducing poverty since not all people are included in the growth process nor do they benefit equally from it (Bourguignon, 2004). When growth bypasses the poor or other marginalized groups, it may even increase inequality. Growth that is not inclusive can be both a danger to social and political stability and a threat to the sustainability of the growth (Ali and Son, 2007; Jones, 2013). The realization that growth itself is not sufficient to reduce poverty has led policy makers to look for alternative strategies. The inclusive growth concept is the latest approach used by international institutions to improve living standards in the developing world.

This paper reviews the concept of inclusive growth in the context of tourism development that aims to contribute to poverty alleviation.

Many developing countries see tourism as integral to their path out of economic hardship or as an opportunity for further growth and diversification. Yet, very little is known about the specific role and impact of the tourism sector within a country’s inclusive growth strategy. Inclusive growth and inclusive development are relatively new concepts and often used loosely in policy documents and tourism development discussions (Suryanarayana, 2008). There is currently very limited academic literature on tourism and inclusive growth. However, the WBG, the Asian Development Bank (ADB), the African Development Bank (AfDB) and other institutions have started to link tourism to inclusive growth strategies in Asia, the Caribbean, South America, the Middle East and Africa. While these development banks and organizations have embraced inclusive growth concepts, academic researchers have been skeptical, calling inclusive growth a way to reintroduce the neo-liberal thinking of the Washington Consensus (Saad-Filho, 2010). Hampton and Jeyacheye (2012), commissioned by the World Bank and Commonwealth Secretariat, published “Tourism and Inclusive Growth in Small Island Developing States.” While the publication does address inclusive growth briefly in the first chapters, the remainder of the book discusses how tourism can contribute to the economy without specifically addressing its role in job generation and entrepreneurship at a micro level. There is simply a very limited number of nonacademic papers by development organizations that address the role of tourism in inclusive growth. However, there are a number of publications on inclusive growth that can assist in understanding how tourism could fit into an inclusive growth paradigm. This paper provides an analysis of the concept of inclusive growth, the difference from pro-poor growth and the current status of its application to tourism. It also clarifies the implications of the inclusive growth development approach for tourism particularly in emerging countries. Through this discussion, the practical usefulness of the concept in tourism development is highlighted.

**From the trickledown theory to inclusive growth**

During the 1950s and 1960s, it was widely believed that the advantages of economic growth in a country would benefit all layers of society. Growth alone was considered enough to lift developing countries out of poverty. The “trickledown effect” would follow a time lag, but in the long term the growth process would have a positive effect on overall development based on the presumption that “the rising tide would raise all boats” (Aghion and Bolton, 1997). Kuznets (1955) found that in the early stages of development, growth ***produces*** inequality, but as per capita income rises, a turning point causes inequality to decline. In this context, tourism offered a particularly important role as it enabled diversification away from ***agriculture***, supported infrastructure improvements and encouraged social development (Harrison, 2001; Scheyvens, 2002; Sharpley and Telfer, 2002). In the 1970s, the World Bank invested in infrastructure projects to support large-scale tourism development in countries such as Indonesia, Mexico and the Dominican Republic (Hawkins and Mann, 2007). In the 1980s, the so-called Washington Consensus, labeled as a neo-liberal approach, was considered the way forward for developing countries (Schilcher, 2007). The Consensus advocated policy recommendations such as trade liberalization, competitive interest rates, tax reform and liberalization of foreign investment for countries suffering from underdevelopment and economic crisis. This was supported by US-based institutions including the International Monetary Fund (IMF) and World Bank. The Washington Consensus considered the free market as the driver of growth and development (Williamson, 1993). For developing countries, tourism was seen as an excellent way of trading their way out of poverty.

Despite implementing many reforms in the 1990s, growth was slow and often accompanied by an increase in inequality, especially in Latin America and the Caribbean. It became clear that the one-size-fits-all approaches under the Washington Consensus did not always work (Sharpley and Telfer, 2002). The rise in inequality brought forth the need to study the distributional consequences of growth and methods for active ***intervention*** to manage distributional issues (Ranieri and Ramos, 2013b). The main report that initiated this kind of development thinking was the 1974 study entitled “Redistribution with Growth” written by the Vice President for Development Policy at the World Bank (Chenery et al., 1974). The study addressed the faults of the Bank’s then current strategy of focusing on large projects while expecting the market to resolve the problems of poverty and inequality (Saad-Filho, 2010). Consequently, the new development thinking began to focus on how to promote not just growth but growth with equality.

Development organizations started to use the term pro-poor growth towards the end of the 1990s. Since then, there have been different definitions of the term, which have emerged in a broad and a narrow definition of pro-poor growth. The broad definition of pro-poor growth or the absolute pro-poor growth is any growth that benefits the poor and, thus decreases absolute poverty (Ravallion, 2004). Under the broad definition, inequality could rise as the absolute income of the nonpoor might be increasing at a rate faster than the poor’s income. Under the narrow definition of pro-poor growth, also called relative pro-poor growth, the poor should benefit proportionally more from growth than the nonpoor so that inequality is reduced (Kakwani and Pernia, 2000). Beginning in the 1990s, numerous institutions and nongovernmental organizations started projects under the heading of pro-poor growth with the intention to improve the livelihoods of people in developing countries. At this time, most of the focus was on measuring the effects of growth on poverty.

In the mid 2000s, institutions, donors and governments started to explore inclusive growth as they realized that growth alone or growth that was simply in the form of redistribution would not solve the growth-poverty nexus. This realization shifted the focus from measuring progress in poverty reduction to including more people in the economic process through mechanisms such as job generation and entrepreneurship (Ianchovichina and Lundstrom-Gable, 2012). Inequality was thus seen as a challenge for emerging economies as well as high-income economies. The Occupy Wall Street movement in New York City in 2011 illustrated the rising frustration with increased inequality in a developed country. In 2014, the World Economic Forum (WEF) identified income inequality as the top global societal risk for the next decade. The recent publication by Piketty (2014), “Capital in the Twenty-First Century,” has caused controversy among economists in the western world as he argues that wealth inequality has risen over the last 30 years because the returns on capital have been higher than the pace of economic growth. From his perspective, a progressive wealth tax would be the preferred remedy to prevent a further rise of inequality.

As researchers and economists have focused on inclusive growth, a number of definitions have evolved. Across these, the underlying concept is the “growth coupled with equal opportunities” (Rauniyar and Kanbur, 2010b: 457). The World Bank defines inclusive growth as the growth that allows people to contribute to and benefit from economic growth. Specifically, growth should be broad-based across sectors and inclusive of a large part of the country’s labor force (Ianchovichina and Lundstrom-Gable, 2012). The World Bank also states that inclusive growth refers to both the pace and the pattern of growth; growth should be both extensive and intensive (Ianchovichina and Lundstrom, 2009; Ianchovichina and Lundstrom-Gable, 2012). Klasen (2010) sees inclusive growth as a subset of the concept of economic growth. He recognizes two aspects: (i) the process and (ii) the outcomes. The process approach examines the number of people who participated in the growth process. The outcome approach looks at whether inclusive growth benefits many people. Many believe that inclusive growth is not about growth through income redistribution and taxes but about creating productive employment opportunities (Ianchovichina and Lundstrom, 2009; Ianchovichina and Lundstrom-Gable, 2012; Klasen, 2010).

This shift in thinking about the role of growth in poverty reduction can also be seen in the United Nations’ post-2015 approach. The Millennium Development Goals (MDGs) were developed in 2000 as a reaction to the growth-first policies of the Washington Consensus and did not include growth as one of the goals to be achieved by 2015. In the last decade, there has been a growing consensus among governments and donor organizations that inclusive growth should be more prominent as a development goal (Bergh and Melamed, 2012). Today, the lack of jobs is considered as one of the main causes of poverty, and creating more productive employment opportunities is a requirement for inclusive growth (McKinsey Global Institute, 2012). Therefore, the Sustainable Development Goals, which set development targets for 2030, include two goals that specifically refer to inclusive growth: Goal 8 promotes sustained, inclusive and sustainable economic growth, and full and productive employment and Goal 10 reduces inequality within and among countries (United Nations, 2015). This change signals the shift from a strong focus on social outcomes to one that also recognizes the need for economic growth.

**Inclusive growth versus pro-poor approaches**

One of the main criticisms of the inclusive growth approach is that it represents no substantial difference from the pro-poor growth approach. There are, however, a few significant differences. Rauniyar and Kanbur (2010a) identify one difference by defining growth as an increase in real per capita income and pro-poor growth as the growth that also reduces poverty. The latter means that the increment of income accrues disproportionately to those with lower incomes. According to this definition, growth can be pro-poor but with rising inequality. Ianchovichina and Lundstrom (2009) argue that while pro-poor growth solely focuses on people below the poverty line, inclusive growth aims to benefit people from a large proportion of a country’s labor force through productive employment and entrepreneurship. Inclusive growth is the growth that reduces the disadvantages of the poorest while benefitting everyone, whereas “pro-poor growth may be obtained either in the absence of benefits to one or more groups or at the expense of one or more groups” through redistribution (Ranieri and Ramos, 2013a: 1). Inclusive growth is about widening the size of the economy and not about redistributing existing resources as pro-poor growth sometimes is. The 2008 World Bank Growth Report “Strategies for Sustained Growth and Inclusive Development” suggests that the inclusive growth approach takes a longer term perspective since it focuses on generating productive employment rather than on direct redistribution of income as a means of improving the financial well-being of the excluded groups (Commission on Growth and Development, 2008). Inclusive growth analysis focuses on integrating poverty, business environment and other types of micro-level indicators with growth analysis at the macro level (Ianchovichina et al., 2009). Pro-poor growth ***programs***, on the other hand, have mostly focused on creating opportunities at the micro level. They are about poverty alleviation and have not always focused on economic growth strategies at a macro level.

**International development banks and inclusive growth *programs***

Presented below is an overview of the utilization of the inclusive growth development approach by some major development institutions and where notable, their application in the area of tourism. Besides the three development banks mentioned here, the European Union, the UN Development ***Programme***’s International Policy Centre for Inclusive Growth, the OECD, the WEF, the Caribbean Growth Forum and the International Trade Centre are also exploring inclusive growth as a development strategy.

**World Bank**

The April 2004 meeting of the Joint Ministerial Committee of the World Bank and the IMF on the progress of the MDGs was one of the first instances where the World Bank referred explicitly to inclusive growth. They stated that “sustainable and inclusive growth needs to be accelerated in many developing countries” (World Bank, 2004). In April 2013, the World Bank set two new goals: (i) to end extreme poverty and (ii) to promote shared prosperity. The philosophy behind the dual goals is that reducing inequality needs to come from growing the economy while at the same time increasing the share of the bottom 40% of the population. The target is to reduce extreme poverty (people living on less than US$1.25 a day) to 3% of world population by 2030. The second goal does not just focus on the poorest developing countries but on raising the income of the poor in every country. The World Bank announced a new “Shared Prosperity Indicator,” which will track per-capita income growth of the bottom 40% in each country annually where survey data are available (WBG, 2015). The World Bank has recently started ***programs*** supporting inclusive growth in Myanmar, Republic of Georgia, Pakistan and the Philippines. The Bank’s growing use of a systematic country diagnostic in defining growth approaches is contributing to greater consideration of inclusive growth strategies. However, there have been no ***programs*** specifically identifying tourism as a driver for inclusive growth yet.

**Asian Development Bank**

The priorities of the ADB (2007) “moved from principally eradicating absolute poverty to generating and sustaining rapid and more inclusive growth, creating well-paying job opportunities in adequate numbers, and improving living standards in sophisticated and complex economies—while at the same time confronting the challenges of economic success” (p. 12).

While markets are central in generating growth, the ADB’s inclusive growth strategy incorporates economic policies and government ***programs*** that address market failures and permit all segments of the society to participate more fully in the new economic opportunities (ADB, 2007). For example, the ADB is funding US$50 million for the *Mekong sub-region tourism infrastructure for inclusive growth project* that is being implemented from 2014 to 2018. This project aims to stimulate economic growth across the economic corridors in Vietnam, Laos and Cambodia through improving infrastructure facilities, connecting tourism routes and destinations and improving environmental conditions (ADB, 2014b).

**African Development Bank**

In its 2013–2022 ***strategic*** ***plan***, the AfDB announced its dual objectives towards growth: (i) inclusive growth and (ii) green growth. The ***plan*** states that “the first and overarching objective is to achieve growth that is more inclusive, leading not just to equality of treatment and opportunity but to deep reductions in poverty and a correspondingly large increase in jobs” (AfDB, 2013: 1).

The AfDB defines inclusive growth as “economic growth that results in a wider access to sustainable socioeconomic opportunities for the majority, while protecting the vulnerable, all being done in an environment of fairness, equality and political plurality” (Kanu et al., 2014: iii). In 2014, the AfDB conducted a comprehensive study of ***agriculture***’s role in inclusive growth (Kanu et al., 2014). No tourism-specific inclusive growth projects have been announced yet.

**Shifting from pro-poor tourism to tourism-driven inclusive growth**

Pro-poor growth has been a widely accepted approach for using tourism to eradicate poverty since the late 1990s and pro-poor tourism is often defined as tourism that generates net benefits for the poor (Roe et al., 2004). Pro-poor tourism has been considered a viable development option for the poor in developing countries as these countries possess assets such as wildlife, landscape and cultural heritage experiences in which tourists are interested. The poor can potentially use these assets through developing tourism even if they lack financial resources (Ashley et al., 2001). The United Nations World Tourism Organization (UNWTO) used the pro-poor tourism approach to develop the Sustainable Tourism-Eliminating Poverty initiative in 2003 (Nawijn et al., 2008). Other organizations that have embraced pro-poor tourism and initiated relevant projects are ADB, Netherlands Development Organization and the Overseas Development Institute (ODI).

Ashley and Goodwin (2007), in an opinion paper for ODI, discuss what has “gone right and what has gone wrong” with pro-poor tourism. One of their main concerns is that pro-poor tourism has had a limited focus noting that it has been very much restricted to the micro level. It has often focused on community-based tourism projects, and has, therefore, not been able to reach the scale required for achieving significant impact. Harrison (2008) agrees with this notion and he argues that in order to use tourism as a tool for creating productive employment, rather than just a few local projects, a country’s entire tourism strategy should be part of the country’s inclusive growth strategy for poverty alleviation. Ashley and Goodwin’s second concern is the lack of focus on the market. From their perspective, much effort has been exerted to infrastructure development and provision of training but not to find consumers for the tourism products. This deficiency has caused many projects to be unsuccessful in achieving their goals to be sustainable and provide community benefits. The review of 218 community-based tourism enterprises operating in 12 southern African countries identified severe business capacity constraints in such projects (Spenceley, 2008). Their third concern is the lack of a mechanism to document and monitor changes. The deficiency in monitoring procedures for pro-poor tourism projects has also been pointed out by other tourism scholars (Chok et al., 2007; Hall, 2007; Hummel and van der Duim, 2012; Scheyvens, 2012). Chok et al. (2007) critique the pro-poor tourism approach for ignoring structural and power issues as well as inequality. In the end, if structural inequalities are not addressed, pro-poor or other tourism, might not always provide long-term benefits for the poor (Hall, 2007).

Another challenge for pro-poor tourism is caused by the nature of the term itself. Poor and pro-poor can be value-laden labels and contribute to stigmatization (Moncrieffe and Eyben, 2013). These terms are also difficult to define as poverty has become more than an economic concept and is now rather multi-dimensional and multi-disciplinary in nature (Bourguignon and Chakravarty, 2003; Levitas et al., 2007).

**Theoretical frameworks for inclusive growth and tourism**

There is limited literature on tourism and inclusive growth as mentioned before. Furthermore, there are very few theoretical frameworks on inclusive growth in general. The ADB proposes a framework for inclusive growth along the following three policy pillars: (i) promoting high, sustained economic growth; (ii) broadening inclusiveness through greater access to opportunities and (iii) strengthening social protection (ADB, 2011). These three pillars need to be supported by good governance and strong institutions. This framework has been used by the ADB to operationalize a development strategy geared towards inclusive growth. ADB has also developed a set of 35 indicators to measure inclusive growth that can be divided into the following eight groups: (i) poverty and inequality (income and nonincome), (ii) economic growth and employment, (iii) key infrastructure endowments, (iv) access to education and health, (v) access to basic infrastructure utilities and services, (vi) gender equality and opportunity, (vii) social safety nets and (viii) good governance and institutions (ADB, 2011). This framework and the indicators are used to measure inclusive growth on a macro level and not on a sector level.

The ADB evaluated its inclusive growth agenda between 2000 and 2012 and found that 60% of its total financing, or more than US$81 billion, was classified under pillar one (growth), 30% under pillar two (access to opportunities) and 10% under pillar three (social protection) (ADB, 2014a). None of the evaluated projects focused on a specific sector except for ***agriculture***. The ADB’s “Greater Mekong Subregion Tourism Infrastructure for Inclusive Growth Project” has not yet been completed. The majority of the ***program*** is focused on removing physical and capacity constraints impeding tourism in areas that are currently excluded from tourism development to decrease geographic inequality. Much of the project involves large infrastructure improvements opening up new regions.

Inclusive growth development requires moving from a project-level approach, that most of the pro-poor tourism initiatives have, towards the macro level. A growth diagnostic model similar to the Hausmann–Rodrik–Velasco (HRV) framework developed by Hausmann et al. (2005) combined with the inclusive growth model as developed by Ianchovichina and Lundstrom (2009) could be used to identify the specific binding constraints to tourism driven inclusive growth. The HRV approach is based on the idea that there can be many reasons why an economy does not grow, but each reason generates a distinctive set of symptoms, such as government failures, information asymmetries and distortions in finance opportunities for diversification and poor project selection or poor policies. Through a systematic approach using the growth diagnostic tree, the binding constraints to growth can be identified (Hausmann et al., 2008). However, many of the current binding constraints that contribute to the exclusion of certain groups to benefit from tourism are not sector specific. Improved health, infrastructure and employability through better education will lead to inclusive growth among all sectors including tourism (Hausmann et al., 2008). While special ***programs*** to help the poor and provide safety nets will still be needed, the inclusive growth diagnostic’s focus is on removing constraints and increasing access to the labor markets as well as providing equal opportunities to entrepreneurs (Ianchovichina and Lundstrom-Gable, 2012).

**Implications and next steps**

There is currently a shift in the development thinking paradigm to further embrace inclusive growth. It is still too early to determine how this change will impact the role of tourism in development or how tourism can best contribute to poverty alleviation. Particularly in today’s dynamic global environment where terrorism and political shifts can be unpredictable, rapid and of high impact, inclusive growth efforts in tourism will need to be agile in order to benefit the full spectrum of participants at various stages of economic development. While the principles of inclusive growth and pro-poor growth are similar, the desired scaling up for broad impact in the specific instance of pro-poor tourism has not happened yet (Harrison, 2008). Most pro-poor tourism projects have been small scale and excluding the mainstream tourism sector while they could potentially impact a much larger group of beneficiaries (Mitchell and Ashley, 2010). The question to be addressed is how tourism can have a larger impact on reducing inequality and fostering development. While pro-poor tourism projects have mostly been short to medium term, tourism-driven inclusive growth requires a longer term approach (two to three decades). This perspective means that results from the majority of the ***interventions*** will take much longer to be evident and could be a risk to the further application of inclusive growth to tourism. When following the inclusive growth approach, the tourism sector should be prepared to be part of a country’s overall inclusive growth strategy in order to benefit from synergies. This means the tourism sector should be developed by the private sector while the government plays a facilitating role offering complementary investments that could also benefit other sectors. Governments could for example (i) make cultural investments in heritage areas that can attract tourists; (ii) invest in roads, water and sanitation, and health facilities, which will benefit tourism and other sectors as well as the overall livelihood of the country; (iii) invest in education, especially language training and other hospitality areas enabling jobs in tourism and other service activities and (iv) address information asymmetries through tourism.

Both policy makers and governments are currently trying to understand just exactly how tourism can contribute to inclusive growth. It is clear that tourism is a labor-intensive sector and can provide employment opportunities to youth, women and those living in rural areas. Tourism can also be an effective ***intervention*** point for achieving reforms, which can later be generalized over the total economy (e.g. land reforms or business policies). Additionally, tourism investment in infrastructure can be designed to benefit not only tourists but also local populations and provide access to communities that previously have been excluded from the economic process (Christie et al., 2014; Christie and Crompton, 2001; Mitchell and Ashley, 2010; Scheyvens, 2002). However, the steps and best approaches for poverty alleviation and shared prosperity continue to grapple with inclusive growth. Beyond presenting the definitions and discussing the terminology, this paper takes the first step in understanding the concept of inclusive growth, its difference from pro-poor growth and its current application across the tourism sector. In order to move forward the academic discussion about the concept of inclusive growth, tourism researchers and development stakeholders are encouraged to further explore the role of tourism as a driver of inclusive growth and to engage with policy makers for utilizing tourism’s potential to contribute to a more equal world.

**Bibliography**

**REFERENCES**

African Development Bank (AfDB) (2013) At the Center of of Africa’s Transformation: Strategy for 2013–2022, Abidjan, Côte d’Ivoire: AfDB.

Aghion P, Bolton P, (1997) A theory of trickle-down growth and development. The Review of Economic Studies 64: 151–172.

Ali I, Son HH, (2007) Measuring inclusive growth. Asian Development Review 24: 11–31.

Asian Development Bank (ADB) (2007) Toward a New Asian Development Bank in a New Asia: Report of the Eminent Persons Group to the President of the Asian Development Bank, Manila, Philippines: ADB.

Ashley C, Goodwin H, (2007) “Pro Poor Tourism”: What’s Gone Right and What’s Gone Wrong?, London: Overseas Development Insititute.

Ashley C, Roe D, Goodwin H, (2001) Pro-Poor Tourism Strategies: Making Tourism Work for the Poor: A Review of Experience, Nottingham: Russell Press.

Asian Development Bank (ADB) (2011) Framework of Inclusive Growth Indicators: Key Indicators for Asia and the Pacific 2011, Manila, Philippines: ADB.

Asian Development Bank (ADB) (2014a) ADB’s Support for Inclusive Growth, Manila, Philippines: Independent Evaluation ADB.

Asian Development Bank (ADB) (2014b) Lao People’s Democratic Republic: Greater Mekong Subregion Tourism Infrastructure for Inclusive Growth Project, Manila, Philippines: ADB.

Balakrishnan R, Steinberg C, Syed MMH, (2013) The Elusive Quest for Inclusive Growth: Growth, Poverty, and Inequality in Asia, Washington, DC: International Monetary Fund.

Bergh G, Melamed C, (2012) Inclusive Growth and a Post-2015 Framework, London: Overseas Development Institute.

Bourguignon F (2004) The poverty-growth-inequality triangle. Poverty, Inequality and Growth. 69. Available at: [*http://siteresources.worldbank.org/INTPGI/Resources/342674-1206111890151/15185\_ICRIER\_paper-final.pdf*](http://siteresources.worldbank.org/INTPGI/Resources/342674-1206111890151/15185_ICRIER_paper-final.pdf) (accessed 29 February 2016).

Bourguignon F, Chakravarty SR, (2003) The measurement of multidimensional poverty. The Journal of Economic Inequality 1: 25–49.

Chenery H, Ahluwalia MS, Duloy J, et al. (1974) Redistribution with Growth; Policies to Improve Income Distribution in Developing Countries in the Context of Economic Growth, Oxford: Oxford University Press.

Chok S, Macbeth J, Warren C, (2007) Tourism as a tool for poverty alleviation: A critical analysis of “pro-poor tourism” and implications for sustainability. Current Issues in Tourism 10: 144–165.

Christie I, Crompton DE, (2001) Tourism in Africa: Africa Region Working Paper, Series No. 12, Washington, DC: The World Bank.

Christie I, Fernandes E, Messerli H, et al. (2014) Tourism in Africa: Harnessing Tourism for Growth and Improved Livelihoods, Washington, DC: The World Bank.

Commission on Growth and Development (2008) The Growth Report: Strategies for Sustained Growth and Inclusive Development, Washington, DC: Commission on Growth and Development.

Hall CM, (2007) Pro-Poor Tourism: Who Benefits? Perspectives on Tourism and Poverty Reduction, Bristol: Channel View Publications.

Hampton MP, Jeyacheye J, (2012) Tourism and Inclusive Growth in Small Island Developing States—A Study for the World Bank, Canterbury: Centre for Tourism in Islands and Coastal Areas.

Harrison D, (2001) Tourism and the Less Developed World: Issues and Case Studies, Wallingford, CT: CABI.

Harrison D, (2008) Pro-poor tourism: A critique. Third World Quarterly 29: 851–868.

Hausmann R, Klinger B, Wagner R, (2008) Doing Growth Diagnostics in Practice: A “Mindbook.”, Boston, MA: Harvard Business School Press.

Hausmann R, Rodrik D and Velasco A (2005) Growth Diagnostics. Boston, MA: Harvard University.

Hawkins DE, Mann S, (2007) The World Bank’s role in tourism development. Annals of Tourism Research 34: 348–363.

Hummel J, van der Duim R, (2012) Tourism and development at work: 15 years of tourism and poverty reduction within the SNV Netherlands Development Organisation. Journal of Sustainable Tourism 20: 319–338.

Ianchovichina E and Lundstrom S (2009) Inclusive growth analytics: Framework and application. World Bank Policy Research Working Paper, The World Bank, Washington, DC.

Ianchovichina E, Lundstrom-Gable S, (2012) What is Inclusive Growth? In: Arezki R, Pattillo C, Quintyn M, et al. (eds) Commodity Prices and Inclusive Growth in Low-Income Countries, Washington, DC: International Monetary Fund.

Ianchovichina E, Lundstrom S, Garrido L, (2009) What is Inclusive Growth?, Washington, DC: The World Bank.

Jones B, (2013) Fragile States: Taking Part in Africa’s Inclusive Growth Take-off. Africa Economic Brief, Tunis, Tunisia: African Development Bank.

Kakwani N, Pernia EM, (2000) What is pro-poor growth? Asian Development Review 18: 1–16.

Kanu BS, Salami AO, Numasawa K, (2014) Inclusive Growth: An Imperative for African ***Agriculture***, Tunis, Tunisia: African Development Bank.

Klasen S, (2010) Measuring and Monitoring Inclusive Growth: Multiple Definitions, Open Questions and Some Constructive Proposals, Mandaluyong City, Philippines: Asian Development Bank.

Kuznets S, (1955) Economic growth and income inequality. American Economic Review 45: 1–28.

Levitas R, Pantazis C, Fahmy E, et al. (2007) The multi-dimensional analysis of social exclusion. Available at: [*http://dera.ioe.ac.uk/6853/1/multidimensional.pdf*](http://dera.ioe.ac.uk/6853/1/multidimensional.pdf) (accessed 29 February 2016).

McKinsey Global Institute (2012) Africa at Work: Job Creation and Inclusive Growth, Washington, DC: McKinsey Global Institute.

Mitchell J, Ashley C, (2010) Tourism and Poverty Reduction: Pathways to Prosperity, London: Earthscan.

Moncrieffe J, Eyben R, (2013) The Power of Labelling, London: Earthscan.

Nawijn J, Peeters P, Van der Sterren J, (2008) The ST-EP ***programme*** and least developed countries: Is tourism the best alternative. In: Burns P, Novelli M, (eds) Tourism Development: Growth, Myths, & Inequalities, Oxfordshire: CABI, pp. 11–27.

OECD (2015) In it Together: Why Less Inequality Benefits All, Paris: OECD Publishing.

Piketty T, (2014) Capital in the Twenty-First Century, Cambridge, MA: Harvard University Press.

Ranieri R and Ramos RA (2013a) After All, What is Inclusive Growth? IPC-IG One Pager. Available at: [*http://www.ipc-undp.org/pub/IPCOnePager188.pdf*](http://www.ipc-undp.org/pub/IPCOnePager188.pdf) (accessed 29 February 2016).

Ranieri R and Ramos RA (2013b) Inclusive growth: Building up a concept. Working Paper, International Policy Centre for Inclusive Growth, Brasilia.

Rauniyar G, Kanbur R, (2010a) Inclusive Development: Two Papers on Conceptualization, Application, and The ADB Perspective, Ithaca, NY: Cornell University.

Rauniyar G, Kanbur R, (2010b) Inclusive growth and inclusive development: A review and synthesis of Asian Development Bank literature. Journal of the Asia Pacific Economy 15: 455–469.

Ravallion M (2004) Pro-poor growth: A primer. World Bank policy research working paper 3242. Washington, DC: World Bank.

Roe D, Ashley C, Page S, et al. (2004) Tourism and the Poor: Analysing and Interpreting Tourism Statistics from a Poverty Perspective, London: PPT Partnership.

Saad-Filho A, (2010) Growth, Poverty and Inequality: From Washington Consensus to Inclusive Growth, New York: Department of Economic and Social Affairs, United Nations.

Scheyvens R, (2002) Tourism for Development: Empowering Communities, Harlow: Pearson Education.

Scheyvens R, (2012) Tourism and Poverty, London: Routledge.

Schilcher D, (2007) Growth versus equity: The continuum of pro-poor tourism and neoliberal governance. Current Issues in Tourism 10: 166–193.

Sharpley R, Telfer DJ, (2002) Tourism and Development: Concepts and Issues, Bristol: Channel View Publications.

Spenceley A, (2008) Local impacts of community-based tourism in Southern Africa. In: Spenceley A, (ed.) Responsible Tourism: Critical Issues for Conservation and Development, New York: Earthscan, pp. 159–187.

Suryanarayana M, (2008) What is exclusive about “inclusive growth”? Economic and Political Weekly 43: 93–101.

United Nations (2015) Sustainable Development Goals. Available at: [*http://www.un.org/sustainabledevelopment/sustainable-development-goals/*](http://www.un.org/sustainabledevelopment/sustainable-development-goals/) (accessed 29 February 2016).

Williamson J, (1993) Democracy and the “Washington Consensus”. World Development 21: 1329–1336.

World Bank (2004) World Bank/IMG Group Urges Increased Efforts to Reduce Poverty. Development Committee Says Rich and Poor Countries Should Do More, Washington, DC: World Bank.

World Bank Group (WBG) (2015) Global Monitoring Report 2014/2015: Ending Poverty and Sharing Prosperity, Washington, DC: WBG.

**Load-Date:** March 29, 2024

**End of Document**



[***#ENGIEHarmonyProject ENGIE's new communications programme to embody and accelerate its strategic repositioning***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S65-PH81-JD3Y-Y0RF-00000-00&context=1516831)

M2 PressWIRE

April 26, 2018 Thursday

Copyright 2018 Normans Media Limited All Rights Reserved



**Length:** 1459 words

**Body**

April 26, 2018

GIE is launching today #ENGIEHarmonyProject. This communications ***programme***, designed to be long-lasting, aims to bring together innovative and sustainable projects under the same banner, led by the teams of ENGIE and its partners, which are contributing to more harmonious progress, all over the world. Convinced that progress reconciling individual interests with the general interest is possible, the Group demonstrates with #ENGIEHarmonyProject the strength of its commitment to now developing solutions with positive economic, social and environmental impacts.

#ENGIEHarmonyProject is backed in particular by an advertising campaign featuring collaborative projects, emblematic of tomorrow's world, which show that ENGIE is reinventing itself to combine efficiency with operational performance and the general interest. Projects are being developed by its teams in partnership with start-ups, local actors, artists and economic, socio-cultural and technological actors ... all having in common the desire to act in favour of harmonious progress.

Among the first projects being promoted is the film "Solar Graffiti", shot in Mexico, which tells the true story of a derelict sports stadium in the suburbs of Mexico City, rehabilitated thanks to a street art work combined with 100% green lighting via the latest generation of organic solar films. A world first in which ENGIE engineers collaborate with Heliatek company and the Mexican artist, N3O. More than simply an advertising film, this project unites local communities and is bringing life back to an entire neighbourhood. A second film, entitled "Green Gas Farmers", has been shot with ENGIE teams, in partnership with AgriBioMethane and local farmers. It tells the true story of ten or so farmers who are recycling their waste to make biogas from it and biomethane, thereby cleaning up their village. More than simply an advertising film, the production enabled many local people to come together around a responsible meal, made up of local products and cooked using gas. These two films are the first of a saga which will cover the five continents between now and 2019, seeking out innovative and collaborative solutions.

« "#ENGIEHarmonyProject illustrates in a very tangible and modern way, ENGIE's action in favour of harmonious progress, reconciling individual interests with the general interest. ENGIE is among the global brands which have a responsibility to design and implement other modes of development, to create wealth differently. To achieve this, we must unite the strengths of our teams with those of all the civil society actors. We are proud of what we are achieving together with our partners to be useful both to our customers and to the world which surrounds us", emphasises Ana Busto, ENGIE Executive Vice President, in charge of Brand and Communications.

Development of renewable electricity, green gases as renewable hydrogen, sustainable mobility solutions in cities, energy efficiency solutions, connected smart buildings and energy communities, etc. Through #ENGIEHarmonyProject, ENGIE is promoting collective action and thus confirming its role as an energy revolution pioneer.

To learn more, visit [*http://www.harmonyproject.engie.com*](http://www.harmonyproject.engie.com)/ (website available in the afternoon of 26/04/2018) and ENGIE social media!

TECHNICAL INFORMATION

Film 1 - #ENGIEHarmonyProject in Mexico. "Solar Graffiti", a collaborative project between ENGIE, its Heliatek partner and a Mexican artist.

The film illustrates a project which aims to convert a derelict stadium in Mexico City, into a friendly venue, that is more pleasing and safer, thanks to its rehabilitation by a work of art that mixes graffiti with organic solar films. A fresco of light by the Mexican artist N3O ***produced*** with the technological support of ENGIE engineers, which has improved the daily lives of local people over the long-term.

Film 2 - #ENGIEHarmonyProject in Vendee. "Green Gas Farmers", a collaborative project between ENGIE and its AgriBioMethane partner

The film illustrates the initiative of ten or so farmers who are recycling their ***agricultural*** waste in rural Vendee and transforming it into biogas and biomethane. A methanisation unit and a biomethane service station have been created in collaboration with AgriBioMethane and ENGIE. A project with positive environmental, social and economic impacts for the whole region.

MEDIA ***PLAN***

The 360° campaign will be rolled-out simultaneously in France and in the UK, from 27 April 2018, on TV, digital, press and displays. A social network campaign will be deployed in the U.S., in Mexico, Italy, Brazil, Singapore and Thailand. The target: opinion leaders, 25-59 years-old, with an interest in energy, sustainable development, innovation...

N.B. From 14 May, a specific communication section focused on the employer brand will be launched. A 100% digital ***plan*** (Facebook, Instagram, Twitter, LinkedIn YouTube), that will target young students and graduates with creations aimed at promoting the Imaginative Builders, who are at the origin of all the Harmony Projects.

1. On TV, from 27 April to 27 May

\*In France, launch of the campaign on 27 April with the « Solar Graffiti » film, through exclusive 60" screens on prime time: at around 6.50pm between C'est dans l'air and C'est à vous on France 5; at 8pm before TV News on France 2; at around 8.40pm after TV News on TF1. Objective : to make the first showings more event-driven. 60" and 30" formats will then alternate. From 11 May, the "Green Gas Farmers" film will appear, until 19 May.\*In the UK, the « Solar Graffiti » film will be shown from 13 to 27 May, on the ITV group channels, with +70% of airing on prime time and a presence on the two flagship breakfast ***programmes***.

2. Digital ***plan***, from 27 April to 1 June

\*Catch-up TV: MyTF1, Pluzz, M6Replay, ITV UK. In quality placements, before the shows on these channels and in non-skippable formats.\*YouTube : the leading video platform in France and the UK. It gives access to very precise targeting in line with varying contexts of airing, Google requests and recently visited sites.\*Video network (Teads): aggregates a large number of editorial sites such as Les Echos, L'Equipe, L'Express, L'Expansion, Europe 1, in France, as well as The Economist, The Guardian, The Washington Post, Reuters, Forbes, ABC, etc.\*Social networks : Twitter, Facebook, Instagram, LinkedIn, YouTube; according to the messages and countries (France, UK, USA, Mexico, Italy, Brazil, Singapore, Thailand) to targeted audiences, in order to meet the requirements of ENGIE Business Units.

3. Daily press, from 27 April to 14 May

\*In France, presence in Le Monde, Le Figaro, Les Echos, La Croix, the 4 leading daily papers, with three different visuals, on 27 April, 3 May and 14 May.\*In the UK, presence in the Daily Telegraph, The Times UK, The Guardian, London Evening Standard and FT Europe, on 27 April, 7 May and 14 May.

4. Digital display, from 1 to 26 May

Business travelers target with two complementary universes:

\*Airports: Heathrow in the UK from 1 to 26 May (Hall 3, 5, Business Lounge and Taxi Rank) and Orly and Roissy Charles-de-Gaulle in France from 13 to 26 May (boarding areas and Air France lounges).\*La Defense business district: in France from 14 May to 21 May.

About ENGIE

We are a global energy and services group, focused on three core activities: low-carbon power generation, mainly based on natural gas and renewable energy, global networks and customer solutions. Driven by our ambition to contribute to a harmonious progress, we take up major global challenges such as the fight against global warming, access to energy to all, or mobility, and offer our residential customers, businesses and communities energy production solutions and services that reconcile individual and collective interests. Our integrated - low-carbon, high-performing and sustainable - offers are based on digital technologies. Beyond energy, they facilitate the development of new uses and promote new ways of living and working. Our ambition is conveyed by each of our 150,000 employees in 70 countries. Together with our customers and partners, they form a community of imaginative builders who invent and build today solutions for tomorrow. 2017 turnover: 65 billion Euros. Listed in Paris and Brussels (ENGI), the Group is represented in the main financial (CAC 40, BEL 20, Euro STOXX 50, STOXX Europe 600, MSCI Europe, Euronext 100, FTSE Eurotop 100, Euro STOXX Utilities, STOXX Europe 600 Utilities) and extra-financial indices (DJSI World, DJSI Europe and Euronext Vigeo Eiris - World 120, Eurozone 120, Europe 120, France 20, CAC 40 Governance).To learn more :   [*www.engie.com*](http://www.engie.com)

\*Press contact:

Tel. France: +33 (0)1 4422 2435

Email:

[*engiepress@engie.com*](mailto:engiepress@engie.com)

\*Twitter ENGIEgroup

**Load-Date:** April 26, 2018

**End of Document**



[***Register of Commission documents: OPINION on the implementation of EU macro-regional strategies Document date: 2017-09-28 ENVI\_AD(2017)602971 Opinions***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5R13-MJ01-F0YC-N2RP-00000-00&context=1516831)

Impact News Service

November 16, 2017 Thursday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 4165 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

AD\1134940EN.docx PE602.971v02-00 EN United in diversity EN European Parliament 2014-2019 Committee on the Environment, Public Health and Food Safety 2017/2040(INI) 28.9.2017 OPINION of the Committee on the Environment, Public Health and Food Safety for the Committee on Regional Development on the implementation of EU macro-regional strategies (2017/2040(INI)) Rapporteur: Biljana Borzan PE602.971v02-00 2/11 AD\1134940EN.docx EN PA\_NonLeg AD\1134940EN.docx 3/11 PE602.971v02-00 EN SUGGESTIONS The Committee on the Environment, Public Health and Food Safety calls on the Committee on Regional Development, as the committee responsible, to incorporate the following suggestions into its motion for a resolution: 1. Recognises the importance of EU macro-regional strategies, namely the 2009 EU Strategy for the Baltic Sea Region (EUSBSR), the 2011 EU Strategy for the Danube Region (EUSDR), the 2014 EU Strategy for the Adriatic and Ionian Region (EUSAIR), and the 2015 EU Strategy for the Alpine Region (EUSALP); notes that macro-regional strategies are being consistently integrated into policy ***planning*** at EU level, but more sporadically at national and regional level; welcomes the Commission’s report but considers that further assessment was needed regarding the implementation of the existing macro-regional strategies, and especially of aspects pertaining to the environment, as one of the pillars of sustainable development; urges the Commission to focus in particular on the results of projects under the macro-regional strategies in forthcoming reports; 2. Recognises the importance of macro-regional strategies in providing a single integrated framework and fostering coordinated action for addressing the common challenges faced by different actors in a defined geographical area encompassing Member States and third countries, which benefit in this way from strengthened cooperation contributing to the achievement of economic, social and territorial cohesion; calls on the Commission and participating countries and their regions to develop synergies, and to further integrate macro-regional strategies into EU sectoral policies, particularly in the areas of environmental and biodiversity protection, climate mitigation and adaptation; 3. Underlines the potential benefits of collective action in the framework of macro-regional strategies with regard to environmental issues, including but not limited to those of a cross-border nature, such as the reduction of greenhouse gases and pollutant emissions, biodiversity and environmental protection, as well as ecosystem-based climate change adaptation strategies; considers that the strategies could be even more effectively administered as regards sustainable development, climate change, renewables and the blue economy; believes that policy coordination among regions is an effective approach for finding lasting solutions to environmental challenges; calls for the concept of environmental integration to be mainstreamed into the design and implementation of various cross-sectoral policies for the current and future macro-regions; 4. Encourages the expansion of conservation areas to protect the environment and halt biodiversity loss, particularly through the enhancement of the Natura 2000, Emerald networks, and the LIFE ***programme***; 5. Considers that the macro-regional strategies and associated environmental ***programmes*** are useful instruments for making the benefits of European cooperation visible to citizens, and therefore urges all parties involved to fully commit to the strategies and play their part in their implementation; 6. Calls for the timely adoption of maritime spatial ***planning*** and integrated coastal management strategies by the Member States as well as coastal candidate and potential candidate countries; PE602.971v02-00 4/11 AD\1134940EN.docx EN 7. Points out that in rural areas nature is the economic base for many inhabitants and that environmental ***programmes*** can only be successful if supported by the local inhabitants; stresses, therefore, that in order to deliver on environmental protection goals such projects must take full account of the long-term economic interests of locals; 8. Urges all stakeholders to pursue climate change policies encompassing production and consumption patterns that are in line with the principles of the circular economy, environmental and health protection and shorter cycles in the food supply chain, and to place the emphasis on the rational use and reuse of local materials and natural resources, insuring non-toxic material cycles, including wastewater and ***agricultural*** waste, and to foster close links between ***producers*** and consumers at local level; encourages all macro-regional strategies to apply a policy of green public procurement in order to boost eco-innovation and the development of new business models; 9. Calls for the enhancement of a marine NATURA 2000 network, and a coherent and representative network of marine protected areas under the Marine Strategy Framework Directive by 2020; 10. Stresses the importance of stakeholder dialogue and public communication of the macro-regional strategies to make them known and gain acceptance in the local communities; considers this a key element to lead the macro-regional strategies to success; 11. Calls for the specific synchronisation and better coordinated use of existing funds at all levels to reach macro-regional objectives, and to unlock the potential of macro-regional strategies; recommends that the experiences gained from macro-regional strategies be used to improve the effectiveness of the relevant Union financial instruments; takes note that Union funding is usually linked to defined projects whereas environmental challenges require a long-term approach; highlights the need for the Commission, Member States and competent authorities to consider this long-term perspective in the funding of projects and in the design of future funding ***programmes*** and to coordinate more effectively the resources available for funding the particular environmental goals of the macro-regions and to tailor their use towards political priorities; 12. Stresses the importance of developing monitoring and evaluation tools for various indicators in order to better measure the achievement of environmental targets without creating an unnecessary administrative burden for project partners and stakeholders; 13. Calls on the stakeholders of the macro-regions to use European Structural and Investment Funds (ESI Funds) and other Union funding to promote environment-related investments that have climate change mitigation among their objectives; 14. Calls on stakeholders in the macro-regions, in addition to the funds relevant to macro-regional strategies and the instruments for the financing of particular environmental objectives, to also consider using the European Fund for ***Strategic*** Investments (EFSI); 15. Points out that the sea of the Adriatic and Ionian region is threatened by various sources of pollution, including untreated waste, marine litter, untreated effluent and eutrophication from ***agricultural*** runoff and fish farms; calls therefore on the participating countries to further step up their efforts in tackling these environmental challenges; stresses the importance of introducing for this purpose a proper system for the treatment of waste and AD\1134940EN.docx 5/11 PE602.971v02-00 EN effluent and the protection of water supplies; 16. Points out that the Adriatic Sea, due to its semi-enclosed nature, is especially vulnerable to pollution and has unusual hydrographic features – its depth and the length of its coastline vary considerably between the north and south of the region; welcomes the fact that all four pillars of the Adriatic and Ionian region are designed to contribute to sustainability goals; 17. Believes that completion of road and transport infrastructures and measures to realise the immense untapped potential of renewable energy sources are essential conditions for achieving environmental sustainability goals in the macro-region; 18. Points to the need to ensure environmental sustainability in the Adriatic and Ionian macro-region by means of specific environmental protection measures, including projects for the launching of surveys and the prevention of subsidence; 19. Recalls its previous position as set out on its resolution of 3 July 2012 on the evolution of EU macro-regional strategies: present practice and future prospects, especially in the Mediterranean; points out that the Mediterranean is a coherent whole, constituting a single cultural and environmental area, and sharing very many characteristics and priorities common to the ‘Mediterranean climate’: the same crops, abundant renewable energy sources, particularly solar energy, the importance of tourism, the same natural disaster risks (fires, floods, earthquakes, water shortages) and the risks from human activity, particularly maritime pollution; reaffirms once again its support for the implementation of a macro-regional strategy for the Mediterranean basin, so as to offer an action ***plan*** for addressing the common and problematic challenges facing the Mediterranean countries and regions and to give structure to this key area for Europe’s development and integration, and calls on the Council and the Commission to act quickly on this matter; 20. Calls on the Commission to ensure that third countries involved in projects in the macro-region comply with the relevant Union acquis, in order to guarantee the sustainable exploitation of the Union’s resources, in particular the Marine Strategy Framework, the Water Framework, Urban Waste Water, Nitrates, Waste, Birds and Habitats Directives and the Green Infrastructure Strategy; recommends that agreements and conventions be used to involve countries outside the EU in EU environmental projects; 21. Considers the Sustainable Tourism pillar of the Adriatic and Ionian region as a positive instrument to create sustainable economic growth in the region as well as raising awareness for environmental challenges and the macro-regional strategies; 22. Points out that the rich biodiversity of the marine-coastal areas of the Adriatic-Ionian region is a major draw for tourism, recreational and fishing activities, and contributes to the cultural heritage of the macro-region; considers, therefore, the lack of habitat maps unfortunate; calls on the participant countries to undertake mapping actions within the framework of the EUSAIR; 23. Emphasises that an ecosystem-based approach to the coordination of activities is needed within the framework of Integrated Coastal Management (ICM) and Marine Spatial ***Planning*** (MSP), in order to ensure the sustainable use of resources, as both frameworks are important stimulants for trans-boundary collaboration and stakeholder cooperation PE602.971v02-00 6/11 AD\1134940EN.docx EN across different coastal and maritime sector activities, and have the potential to bring together ecosystem services and Blue Growth opportunities in a sustainable way; 24. Calls for the establishment of a coordinated monitoring system and database on marine litter and marine pollution, including the identification of sources and types of litter and pollution, as well as a geographic information system (GIS) database on the location and sources of marine litter; 25. Calls for the drafting and implementation of a joint contingency ***plan*** for oil spills and other large-scale pollution events, building on the work of the sub-regional contingency ***plan*** developed by the joint commission for the Protection of the Adriatic Sea and its Coastal Areas, and the Barcelona Convention protocols; 26. Calls on the countries involved to give priority to capacity-building directed at the EUSAIR key implementers, as well as at ***programme*** authorities responsible for EUSAIR relevant operational ***programmes***; 27. Stresses that preventing damage caused by massive floods remains one of the great environmental challenges for the countries of the Danube macro-region; highlights that supplementary joint measures to prevent cross-border pollution should be considered; 28. Notes with appreciation the implementation of projects such as DANUBEPARKS 2.0, STURGEON 2020, SEERISK, CC-WARE and the Danube Air Nexus cluster in reaching the EUSDR environmental goals; 29. Welcomes the Danube region project ‘EuroAccess’ as a tool to make available funding more accessible and encourages other macro-regional regions to consider this as a best practice; 30. Calls on the Commission to commence the development of an Iberian Peninsula macro-region meeting the challenges of conducting a properly ***planned*** forestry policy in line with climatic requirements, in a bid to remedy rural depopulation, desertification and soil erosion through the proper ecological management and diversification of forests, planting native deciduous trees that are more fire-resistant, thereby helping to reverse the massive fire damage sustained by forests every year in Portugal and Spain; 31. Welcomes the setting up of the Interreg Danube Transnational ***Programme*** as a tool for providing support to its governance, and highlights its direct contribution to the strategy’s implementation as being one of the most visible results of the EUSDR; 32. Stresses that a more integrated approach to mobility and multimodality in the Danube region would also be beneficial to the environment; 33. Stresses that the Commission should rapidly initiate studies for the development of an Iberian macro-region in view of the major cross-border challenges arising in connection with climate change, environmental protection, risk prevention and management, the efficient use of resources, nature conservation, biodiversity, shared water resources and exploration of the potential of the blue economy and of renewables; 34. Welcomes the setting up of the Danube Strategy Point as a new body for facilitating the AD\1134940EN.docx 7/11 PE602.971v02-00 EN implementation of the EUSDR, and encourages the involvement of all parties concerned and potentially interested actors; 35. Notes with concern that, compared to the first years of its activity, the EUSDR now seems to have been given a lower priority slot in the political narrative at national level in those countries involved; emphasises the need to maintain the political momentum since the commitment by countries directly affects the availability of human resources in the national and regional administrations, and this is crucial for the smooth functioning of the strategy, and for working towards a consolidation of the progress made and results achieved so far; 36. Calls on the participant countries to ensure an adequate participation of national representatives in EUSDR Steering Group meetings on priority areas, and to consider reducing the number and scope of current priority areas if sufficient resources are not allocated within well-defined timeframes; 37. Highlights the issue of numerous sunken ships in the Danube that present a navigational and ecological danger, especially where water levels are low; points out that sunken wrecks contain appreciable amounts of fuel and other substances that pollute water constantly, while the rusting metal of the ships generates pollution on a continuous basis with serious repercussions; calls for the mobilisation of EU funds for tackling this problem and greater co-operation in the framework of the EUSDR; 38. Calls on the stakeholders of the Alpine macro-region to use ESI Funds and other Union funding to promote environment-related investments that have climate change mitigation and adaptation among their objectives; welcomes, in particular, the region’s integrated approach to align the preservation of the environment and ecosystems with the pursuit of economic and social prosperity; 39. Underlines that environmental policy is of a cross-cutting nature and that the favoured options in Alpine strategy fields must reconcile environmental sustainability and economic development; points out that the Alpine region is an important regional transport hub and, at the same time, one of the largest natural and recreation areas, and one of the most attractive tourism regions in Europe; notes however that, because of its particular geographical and natural conditions, access to parts of the region is a challenge; considers that, in order to preserve the Alps as a unique natural area, it is vital to create sustainable and interrelated transport strategies and take into account climate change mitigation and biodiversity preservation policies, such as habitat connectivity, to allow species migration; 40. Is concerned that climate change can give rise to hydrogeological instability and threaten biodiversity in the Alpine Region; underlines that rising temperatures are a serious threat to the survival of species’ populations living at high altitudes, and that the melting of glaciers is a further cause for concern, as it has a major impact on groundwater reserves; 41. Stresses that the Alpine region’s tourism and ***agricultural*** sector are key stakeholder for the regional sustainable development and therefore should be integrated at all stages of the implementation of environmental projects; 42. Notes that the first steps in the implementation of the EUSALP strategy have shown that PE602.971v02-00 8/11 AD\1134940EN.docx EN its integration into the existing ***programmes*** has proven difficult, as they are governed by structures, frameworks and timeframes which are often incompatible with the needs of a macro-regional strategy; 43. Calls on the participant countries to reinforce their commitment, continuity, stability, empowerment and support to the EUSALP Action Group members who will represent them, and to make sure that all Action Groups are adequately represented; 44. Welcomes the implementation of environmentally beneficial projects in the Baltic region, such as BLASTIC to reduce marine littering, the Climate Dialogue Platform to strengthen an integrated response to climate challenges and PRESTO to improve water quality; considers however that further efforts are needed to tackle the environmental challenges faced in the Baltic macro-region, and in particular as regards eutrophication, better protection of the sea itself, air quality and pollution; 45. Points out that the environmental state of the Baltic Sea has remained the main focus of the EUSBSR since its launch in 2009; 46. Recalls that the Baltic Sea is one of the most polluted seas in the world; stresses the importance of cooperation to improve the state of the Baltic Sea; calls for neighbourhood ***programmes*** to continue throughout the Baltic Sea catchment area and to include in them funding by means of which the state of the environment can be improved throughout the catchment area; 47. Notes that achieving a good environmental status by 2020 is one of the key objectives of policy actions in the Baltic Sea Region; 48. Considers it deplorable from the point of view of the marine macro-regions that ships can discharge untreated effluent into the sea if they are more than 12 nautical miles (approximately 22 km) from the coast and that treated effluent can even be discharged into the water three nautical miles (approximately 5.5 km) from the coast; calls for funding to be provided to increase the reception capacity for effluent at ports so that all passenger vessels can treat their effluent as required by the revised Annex IV to the MARPOL Convention; 49. Calls on all stakeholders to organise more frequent and regular political discussions on the EUSBSR at national level within the parliament or government, and also within the Council at the relevant Ministerial meetings; 50. Welcomes, from the point of view of the Baltic macro-region, the Sulphur Directive adopted by the EU and the decision by the Marine Environment Protection Committee of the International Maritime Organisation (IMO) of 27 October 2016 to designate the Baltic Sea and the North Sea an NOx Emission Control Area (NECA); recalls that the unclean fuels used by vessels are still resulting in the emission of large quantities of nitrogen and sulphur into the air, from where they fall into the sea; 51. Notes that the EUSBSR is a stable cooperation framework with more than 100 flagship initiatives and new networks; nevertheless, urges stakeholders to maintain its momentum and to improve policy coordination and content by building on project results; AD\1134940EN.docx 9/11 PE602.971v02-00 EN 52. Considers it important to review the permission for users of open-loop sulphur scrubbers to discharge sulphur-scrubbing water back into the sea; observes that effluent from closed-loop sulphur scrubbers has to be delivered for treatment, but that effluent from open-loop scrubbers is discharged directly back into the sea, creating a greenwash operational model, in which sulphur is removed from the air but ends up in the sea; 53. Recalls the importance of safety at sea, particularly in the Baltic; stresses the importance of cooperation among the countries of the Baltic region in order to tackle the challenges arising from the growing volume of maritime transport and particularly conveyance of oil and hazardous substances; 54. Recalls that Blue Growth in marine macro-regions is based on sustainable use of the potential of the seas, which means that the environmental aspect must be taken into account in all activities; recalls that, within the framework of the Blue Bioeconomy, it is possible to find new products and services and to develop and cultivate know-how based on them in order to promote employment; stresses that sustainable use of natural resources and favourable status of aquatic and marine environments create a strong foundation for the Blue Bioeconomy; 55. Stresses the significant shift towards the bioeconomy and the circular economy in economic thinking, modes of action and methods, which can help to tackle the environmental challenges in the Baltic; recalls the opportunities for exploiting renewable energy and improving energy efficiency in the Baltic region; 56. Attaches importance to the possibility of connecting the Baltic region to energy networks in order to reduce and eliminate energy poverty and to increase energy security and security of supply.

PE602.971v02-00 10/11 AD\1134940EN.docx EN INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION Date adopted 28.9.2017 Result of final vote +: –: 0: 59 1 2 Members present for the final vote Marco Affronte, Margrete Auken, Pilar Ayuso, Zoltán Balczó, Ivo Belet, Simona Bonafè, Biljana Borzan, Paul Brannen, Birgit Collin-Langen, Mireille D’Ornano, Seb Dance, Angélique Delahaye, Bas Eickhout, Arne Gericke, Jens Gieseke, Julie Girling, Françoise Grossetête, Andrzej Grzyb, Jytte Guteland, Anneli Jäätteenmäki, Jean-François Jalkh, Benedek Jávor, Josu Juaristi Abaunz, Karin Kadenbach, Kateřina Konečná, Urszula Krupa, Jo Leinen, Peter Liese, Norbert Lins, Rupert Matthews, Valentinas Mazuronis, Gilles Pargneaux, Piernicola Pedicini, Bolesław G. Piecha, Pavel Poc, Frédérique Ries, Michèle Rivasi, Annie Schreijer-Pierik, Davor Škrlec, Renate Sommer, Claudiu Ciprian Tănăsescu, Ivica Tolić, Nils Torvalds, Adina-Ioana Vălean, Jadwiga Wiśniewska, Damiano Zoffoli Substitutes present for the final vote Guillaume Balas, Jørn Dohrmann, Eleonora Evi, Christofer Fjellner, Elena Gentile, Anja Hazekamp, Merja Kyllönen, Ulrike Müller, Stanislav Polčák, Gabriele Preuß, Elżbieta Katarzyna Łukacijewska Substitutes under Rule 200(2) present for the final vote Matt Carthy, Olle Ludvigsson, Bernard Monot, Jens Nilsson, Marita Ulvskog AD\1134940EN.docx 11/11 PE602.971v02-00 EN FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION 59 + ALDE Anneli Jäätteenmäki, Valentinas Mazuronis, Ulrike Müller, Frédérique Ries, Nils Torvalds ECR Jørn Dohrmann, Arne Gericke, Julie Girling, Urszula Krupa, Rupert Matthews, Bolesław G. Piecha, Jadwiga Wiśniewska EFDD Eleonora Evi, Piernicola Pedicini GUE/NGL Matt Carthy, Anja Hazekamp, Josu Juaristi Abaunz, Kateřina Konečná, Merja Kyllönen NI Zoltán Balczó PPE Pilar Ayuso, Ivo Belet, Birgit Collin-Langen, Angélique Delahaye, Christofer Fjellner, Jens Gieseke, Françoise Grossetête, Andrzej Grzyb, Peter Liese, Norbert Lins, Elżbieta Katarzyna Łukacijewska, Stanislav Polčák, Annie Schreijer-Pierik, Renate Sommer, Ivica Tolić, Adina-Ioana Vălean S&D Guillaume Balas, Simona Bonafè, Biljana Borzan, Paul Brannen, Seb Dance, Elena Gentile, Jytte Guteland, Karin Kadenbach, Jo Leinen, Olle Ludvigsson, Jens Nilsson, Gilles Pargneaux, Pavel Poc, Gabriele Preuß, Claudiu Ciprian Tănăsescu, Marita Ulvskog, Damiano Zoffoli VERTS/ALE Marco Affronte, Margrete Auken, Bas Eickhout, Benedek Jávor, Michèle Rivasi, Davor Škrlec 1 - ENF Mireille D’Ornano 2 0 ENF Jean-François Jalkh, Bernard Monot Key to symbols: + : in favour - : against 0 : abstention

**Load-Date:** November 22, 2017

**End of Document**



[***Do Poverty Reduction Programmes Foster Education Expenditure? New Evidence from Rwanda***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BH2-VXY1-JBMY-H3YB-00000-00&context=1516831)

Journal of Asian and African Studies

June 2017

Copyright 2017 Sage Publications, Inc. All Rights Reserved



**Section:** Pg. 425-443; Vol.52; No.4; ISSN: 0021-9096, 1745-2538

**Length:** 7924 words

**Byline:** Joseph Nkurunziza

Annelet Broekhuis

Pieter Hooimeijer

**Body**

**ABSTRACT**

The Rwandan Government has implemented various education policies that contribute to higher enrolment in education, but has become aware that these policies might be less effective for children from poor families. This study investigates the contribution of poverty reduction ***programmes*** on education expenditure of households. Using a multi-level regression analysis, combining district data on labour markets with detailed expenditure data on 7,230 households, it teases out the effects of several social protection ***programmes***. The results show that access to health insurance and to waged work are positively related, while direct financial or in kind support are negatively related to paying into the children’s schooling. Non-***agricultural*** employment opportunities in particular seem to stimulate education investments. Reducing the vulnerability of households might provide more equal access to these opportunities.

**FULL TEXT**

**Introduction**

The Government of Rwanda has implemented various policies to stimulate enrolment of children in education with a specific emphasis on improving the gender balance. Among others, fee-free education has been extended from six years to nine years for all and an extra three years for those successful in the first nine. In many respects these policies have met success. Attendance in primary education is close to 100% for both boys and girls, and the completion rates by girls are above those of boys (Table 1). The decrease of gender inequality is supported by the data on the 2011 Primary Leaving Exams: girls made up 54 per cent of the 167,166 registered candidates (Kwizera et al., 2011). Yet the overall completion rates at age 12 are still below 50% and the youth literacy rate (80% for 15–19 years old) is not exceptional for Sub-Saharan Africa and is closer to South than to East Asia (Nabalamba and Sennoga, 2014). This raises a wider concern that not everyone benefits from education as a development path, which has also been forcibly expressed for India by Corbridge et al. (2013) and Drèze and Sen (2013). Nkurunziza et al.

(2012) found for Rwanda, that despite improvements, in particular children from very poor and from large households had lower chances of educational enrolment up to 2006. More generally it turned out that Rwanda’s development policy was less suited to target the very poor (Ansoms, 2008). The Rwandan Government decided to introduce a Social Protection Policy that provides various forms of support for the poorest. This raises the question to what extent these policies have also provided better results when it comes to education.

**Table 1.**

Primary school enrolment and its completion status in 2011.

| **Gender** | **Age group** | **Attend primary school (%)** | **Age group** | **Completion of primary school (%)** |
| --- | --- | --- | --- | --- |
| Male | 8–10 years | 2,774 (98.8) | 13–15 years | 440 (17.5) |
| 11–12 years | 1,694 (98.6) | 16–17 years | 549 (35.5) |  |
| Female | 8–10 years | 2,764 (99.4) | 13–15 years | 561 (22.4) |
| 11–12 years | 1,791 (98.6) | 16–17 years | 661 (41.6) |  |

*Source*: Prepared by the authors on basis of the information provided by the 2011 Integrated Household Living Conditions Survey (IHLCS 2011).

This paper adds to this debate on the role of poverty reduction strategies in the educational domain in several ways. First, many studies have used educational attainment as a proxy for educational demand (e.g. Pushkar, 2003). It focuses on education expenditure instead of educational attainment because it directly measures the willingness of parents to pay for their children’s education (Vu, 2012) in a context of scarce resources. Accordingly, it investigates to what extent various Social Protection ***interventions*** have an impact on the amount of family expenditure on education, controlling for other variables like the number of under school age children in the family, that define this expenditure. Second, it acknowledges that education expenditure is more than just out-of-pocket costs as these should also be seen as an investment that enables access to better paid job opportunities. This is a reason why expenditure is higher in urban than in rural areas. Yet, rather than including urban rural differences it has chosen to specify this opportunity structure at the district level and to include this in a multilevel model, controlling for the fact that poor people tend to live in poor areas. For the analyses a dataset of 7,230 households taken from the 2011 Integrated Household Living Conditions Survey (IHLCS)1 conducted by the National Institute of Statistics of Rwanda (NISR) and district data from other secondary sources are used. The aim of the research is to show the effect of poverty reduction measures on education expenditure within the wider context of economic development.

The next section provides an overview of the background of the study while the third section outlines the hypotheses on the predictors of household education expenditure. The fourth section explains the methodology and presents the sample population. The fifth section gives the results of the multilevel regression analysis, followed by a discussion and conclusion in the last sections.

**Background: Rwanda Vision 2020**

Despite a positive economic development trajectory of more than a decade, Rwanda still remains a poor country (Siegel et al., 2011). Even if the situation has improved to some extent, many Rwandans continue to live at levels below the poverty line (NISR, 2012a: 17). Besides, Rwanda has a high population density (467 people per square kilometre) and a young population. Due to a high fertility level, which remained as high as 6.1 children per woman until 2005, two out of three Rwandans are under the age of 25 (Ruberangeyo et al., 2011). The fertility level dropped recently – thanks to among other factors improved access to family ***planning*** facilities (Muhoza, 2014) – but, with 4.3 children now, it is still twice the level common in East-Asian countries. The Rwandan population will continue to grow as a result of its current age composition. It will take some time before the country can profit from the so-called demographic dividend as countries in Asia and Latin America already have done (Drummond et al., 2014; Gribble and Bremner, 2012).

The aim to reduce population growth was only one of the outcomes of many internal debates held at the end of the 1990s to address Rwanda’s multi-faceted social, political, and economic challenges (Hayman, 2007: 372). The main policy objectives were presented in the ***strategic*** policy paper locally known as Rwanda Vision 2020. The aim of the Rwanda Vision 2020 was to transform Rwanda’s ***agricultural***-based economy into a knowledge-based one within two decades. To achieve those objectives the Government has applied various development strategies such as reducing poverty, educating the youth and offering the population better access to (reproductive) health facilities. It was acknowledged that, in order to succeed, these strategies must pay serious attention to reducing gender disparities (King and Mason, 2001; Zuckerman, 2001). Table 1 illustrates that currently, in quantitative terms, a gender balance has been achieved in school enrolment and in completion rates. Several policies have contributed: the abolishing of school fees; school feeding ***programmes*** in food insecure districts; community pressure against non-attendance through the establishment of a Parents Teachers Association (PTA) committee at each school; and support to orphans and other vulnerable children (Nkurunziza et al., 2012). Rwanda now invests 22.1 per cent of its budget in education, a bit above the Fast Track Initiative (FTI) benchmark of 20 per cent (UNESCO, 2012a).

Rwandan children officially start their formal education at the age of 7 years and undergo a primary cycle of 6 years before entering the lower secondary level of 3 years followed by a higher secondary level of 3 years. Since 2003, significant priority has been given to a reform of the education system. As a result, enrolment in primary education has improved impressively since 2005–2006. In 2010–2011 the proportion of youth aged 8 to 12 years in primary school was over 98 per cent (Table 1). In order to create more places for students at secondary level and to increase efficiency, a number of strategies were adopted. The establishment of schools locally known as Nine Years Basic Education schools (9YBE) was one of them. Tuition is fee-free and privately organized schools (through churches in particular) receive Government funding.

Privately funded schools are a choice of the parents who have the capacity and the willingness to support the related high costs. In 2013 only 3 per cent of the primary school pupils attended a privately funded school, for secondary school students this percentage was 17 per cent (MINEDUC, 2014).

Lessons learned from the evaluation of the first Vision 2020 strategy (2002–2005) indicate that despite the fact that this strategy did indeed provide policies for enhancing development and growth, the chosen implementation was less suited to target the (very) poor (Ansoms, 2008). After 2005, economic development and poverty reduction policies were re-focused on equitable and sustainable growth, with rural development as an important priority (Ansoms, 2008; Evans et al., 2006). In the second strategy, various policy measures have been re-labelled and re-packed under the term ‘Social Protection’ and the adoption of a special Social Protection Policy at the end of 2005 paved the way for reducing the inequality by targeting poor people in particular (GoR, 2007). This approach is expected to be a prerequisite for making poverty reduction successful (Sebates-Wheeler and Roelen, 2011).

The Social Protection instruments, which essentially comprise different ***programmes*** such as the Vision 2020 *Umurenge* Project (VUP), are geared to support the poor. One Cow Per Family (OCPF) as well as the Community Based Health Insurance (CBHI), were applied to enable poor and vulnerable people to control the forces that condition their lives.

The Vision 2020 *Umurenge* Project has developed various types of support for the poor. The beneficiaries for each type are selected on the basis of a locally determined *Ubudehe*2 classification3. The direct financial support (VUPDS) are monthly payments to the poorest households that have no or insufficient land (less than 0.25 hectares) and no able-bodied members who can work. The support through public works (VUPPW) gives poor households with able-bodied members access to paid activities (every two weeks) in employment guarantee schemes. Another type of support increases the access of poor households to financial services (VUPFS) and is helping them to become familiar with the banking system and to deal with financial institutions (Kindness, 2011; Siegel et al., 2011),

The OCPF ***programme*** – locally known as *GIRINKA* – launched in 2006, provides poor households with a dairy cow (through a gift or loan) and has various goals. First, it seeks to reduce malnutrition through increasing milk consumption of the rural poor. Second, it provides manure for soil fertility improvement on the land of the beneficiaries, or an opportunity to ***produce*** biogas for cooking. Third, it promotes social cohesion through a system where the first born calf is passed on to another household in need. Finally, it should create opportunities for earning an additional income and contribute to a feeling of self-confidence (Bucagu, 2013).

The introduction of the CBHI system enables low-income households to manage their financial risks and reduce their vulnerability in the face of financial shocks due to health problems (Ahuja and Jutting, 2004). Based on household subscription, the CBHI – locally known as *Mutuelles de santé* – was reinitiated as a pilot project in 1999; its up-take accelerated sharply in 2004–2005 with the adoption of a national policy on *Mutuelles* and a roll-out of the schemes with the financial and technical support of the development partners (Twahirwa, 2008). Initially the *Mutuelles* covered the costs of all services and drugs provided by the local health centres and of services in district hospitals, but already in 2006, a co-payment of Rwandan francs (Rwf)200 (US$0.33) per visit at the health centres was introduced. In July 2011, the flat annual premium of Rwf1000 (US$1.66) per household member, was replaced by a stratified system4 for the annual premiums according to the *Ubudehe* poverty classification. This was in order to ensure the financial sustainability of the *Mutuelles* scheme5 while still taking equal access for all members of society to health facilities into account (Binagwaho et al., 2012).

Crucial for achieving Vision 2020 will be to properly link education policies with economic development and labour market policies. The Government of Rwanda (GoR) (2000) argued that the emergence of a viable private sector that develops into the principal growth engine of the economy is absolutely crucial to its development. It was estimated that it will be necessary to create 1.4 million jobs outside the ***agricultural*** sector by 2020. A growing demand for educated labour can stimulate parents to invest in their child’s education. ‘To attract foreign investors, the Government of Rwanda has strengthened the country’s institutional position by implementing new business reform legislation containing arbitration laws and regulations to fight bankruptcy’ (KPMG, 2012: 7). Besides, it has reduced administrative barriers by the establishment of the Rwanda Development Board (RDB). The RDB functions as a ‘one-stop’ investment services centre where potential investors can get assistance to obtain required approvals, certificates, work permits, tax incentives and land registrations. ‘As a result of these reforms, Rwanda recorded a major improvement in *Doing Business*, jumping from the 150th to the 58th position between 2007 and 2010’ (Economisti Associati et al., 2011: 7).

**Hypotheses on household education expenditure**

Education can be viewed conceptually as both consumption and investment. If education expenditure is viewed as consumption, household schooling decisions are determined by interaction of social, cultural and economic factors working through power relations within the household (Al-Samarrai and Peasgood, 1998). According to its socio-economic and demographic position, the household is faced with two constrains: scarcity of (financial) resources; and costs of other competing basic needs such as expenditure on food, water, health, clothing and housing. It is expected that poor and extreme poor households will have more difficulties in dealing with these constraints and consequently spend less on education per child than non-poor households. Important confounding factors with a possible (opposite) impact in this matter are family size and family support.

In large families, children have to compete for the limited parental resources and probably not every child can receive formal education. This interaction between sibling size and parental resources – known as resource dilution (Downey, 1995) – results in less money spent for education per child as the sibling size increases. In many African societies, transfers between families and family members are frequent, which could help poor families to increase consumption or to pay for their child’s education. Researchers have argued that in Sub-Saharan Africa, the extended-family system and the practice of fosterage in particular, redistribute resources across families in a way that buffers educational inequality (Akresh, 2005; Lloyd and Blanc, 1996). Therefore, it is expected that transfers between families could contribute to either higher average expenditure on education (in case of receipts) or lower expenses (in case of donations to others).

Besides financial support from family members or other private persons, several other sources of funding exist in particular for special groups of children in Rwanda. Different Ministries (Ministry of Local Government (MINALOC), Ministry of Education (MINEDUC) and Ministry of Gender and Family Promotion (MIGEPROF)), local and international non-governmental organizations, churches, in collaboration or individual, have ***programmes*** focusing on vulnerable children like orphans, street-children, HIV-infected children, and children from HIV–AIDS-infected parents. This support can include payments of educational costs (Paxton and Mutesi, 2012; Ruberangeyo et al., 2011; World Bank, 2011). For children in high education and from poor families, the Government provides school bursaries in the form of loans that must be partially reimbursed after graduation.

If households consider the decision to send a child to school also as an investment, they take into account the expected future returns. If rates of return to education are high – meaning that education pays off with improved opportunities (better paid jobs and more successful private initiatives) – households may choose to invest in education in order to increase the earning capacity and other benefits in the future (Tilak, 2002). The current labour market situation in terms of available jobs that require educated workers is expected to have a positive influence on education expenditure. This will be in particular the case as parents or other household members themselves are already educated and profit from their training. It is expected that households with caretakers that have attained upper secondary education will spend more on educating their children, as has been found in other studies (Handa et al., 2004; Kreft and De Leeuw, 1998; OECD, 2011).

The kind of relation between children and caretakers could also have an impact on the expected balance between costs and profits of investments in education. This balance between current costs and future returns is probably negative in the case of orphans and foster children who are less likely to be enrolled in school than children who live with their biological parents (Bhalotra, 2003; Siaens et al., 2003).

Considering education as an investment could mean that for some families, the opportunity costs of schooling can be high even under a fee-free schooling regime, due to the loss of family earnings from child labour. However, the most important reason why poor children do not enrol in schools is that their parents cannot afford to pay the direct and indirect expenses that school attendance incur (Caillods et al., 2009). The absence of adequate resources hampers learning, and discourages enrolment and continuation to higher grades (Van der Berg, 2008).

The main research hypotheses for this study are based on the assumption that the Rwandan Social Protection policy as part of the poverty reduction strategies, contribute to decreasing extreme poverty and vulnerability. It is expected that self-resilience and livelihood security increases thanks to the existence of ***programmes*** such as VUP, OCPF and CBHI that provide for (indirect) food and income support (Sweetman, 2011). A higher social security is expected to contribute to higher investments (expenditure) in education, in other words in the quality of education for children in Rwanda (Lee, 2004).

The expected contribution of participation in a health insurance ***programme*** needs some further explanation. Unexpected health expenses in case of illness of one of its members reduce the available household budget for food, education, farming expenses and other expenditure (Wang et al., 2006). It is expected that households protected from catastrophic health spending by having a CBHI, are more confident to invest in the education of their children compared to households without this insurance. In addition the chance to seek for medical care doubled when Rwandese had a *Mutuelles* (Lu et al., 2012), which could indicate that having a CBHI contributed to lower indirect costs and reducing the poverty trap resulting from being ill (McIntyre et al., 2006)

The rates of return to education can be analysed from both the demand and supply side of the labour market. For employers, the improvement in education will build a more productive and efficient workforce. For workers, the availability in a district of employment for the better educated is a sign of higher future returns on household education expenditure.6 As a consequence higher education expenditure with increasing formal sector employment at district level is expected. The effects of employment opportunities in the public and formal sectors on household’ education expenditure is compared to the effect of wage labour in the ***agricultural*** sector. Besides, this distinction points at rural–urban differences, because wage labour on farms is predominant in rural districts, while the other two types of employment are mainly established in urban districts.

**Data and methodology**

The IHLCS 2011 conducted by the NISR provides socio-demographic and economic data on the members of 14,308 households. The households that had at least one child full-time at school during the 12 months preceding the survey as a research population (7,230 households) were selected.

The dependent variable in this study’s analysis is the Average Household Education Expenditure per Child (AHEEC)7 which equals the total household education expenditure divided by the number of children at school. The household education expenditure combines school tuition and registration fees, parent contributions, costs for school uniforms, books and other supplies, school transportation, eventual boarding costs and other schooling expenses. The use of the log transformation of the AHEEC instead of its value in Rwf8 is preferred first because of its convenience for transforming a highly skewed variable into one that is more approximately normal distributed and second, because it allows us for the use of the percentage changes in the AHEEC.

To test the hypotheses elaborated on in the previous section, a multilevel model is required. The hypotheses examine the effect of level 2 variables (like the employment opportunities at district level) on the outcome variable (household education expenditure per child) while controlling for other level 1 variables (household characteristics). The logical consequence of this approach is that the variable ‘education’ measures different things, depending on the level of analysis. If the intra-class correlation is not significantly different from zero, no district differences exist for the variable of interest (Kreft and De Leeuw, 1998).

The chosen predictors of the AHEEC are thus classified at household or at district level. The data for the district level (in total 30 districts) are taken from the Rwanda Education Statistics (GoR, 2012a) and the IHLCS3 Thematic Report on Economic Activity (NISR, 2012b).

Table 2 presents the descriptive statistics of the variables used in the model and the accompanying average education expenditure. The results give a picture of the characteristics of the sample population. A further clarification is added below for only those variables with a specific classification.

**Table 2.**

Descriptive statistics.

| **Categorical variables** | **Observations n=7,230 (%)** | **Mean of AHEEC (US$)** | **Standard deviation of mean** |
| --- | --- | --- | --- |
| Occupation of household head (HH) |  |  |  |
| Farm activities | 6,528 (90.3) | 8.55 | 0.63 |
| Non-farm activities | 702 (9.7) | 34.90 | 0.84 |
| Family poverty level |  |  |  |
| Non-poor family | 3,540 (48.9) | 18.02 | 0.73 |
| Poor family | 1,682 (23.3) | 7.00 | 0.51 |
| Extreme poor family | 2,008 (27.8) | 4.43 | 0.49 |
| Number of under school age siblings |  |  |  |
| None | 3,052 (42.2) | 17.41 | 0.75 |
| 1 Child | 2,023 (28.0) | 7.64 | 0.60 |
| 2 Children | 1,656 (22.9) | 5.60 | 0.52 |
| 3 Children | 451 (6.2) | 5.17 | 0.47 |
| 4 children | 47 (0.7) | 5.51 | 0.52 |
| 5 Children | 1 (0.0) | 0.69 |  |
| Type of children supported by family |  |  |  |
| Son/daughter of HH | 6,266 (86.7) | 7.57 | 0.60 |
| Son/daughter of HH and other children | 964 (13.3) | 52.83 | 0.73 |
| External ***intervention*** in child education |  |  |  |
| Family without external ***intervention*** | 3,650 (50.5) | 7.65 | 0.59 |
| Family with external ***intervention*** | 3,580 (49.5) | 12.70 | 0.74 |
| Household CBHI Status |  |  |  |
| Family without CBHI | 1,971 (27.3) | 7.06 | 0.63 |
| Family with CBHI | 5,259 (72.7) | 11.09 | 0.69 |
| VUP Public Works (VUPPW) |  |  |  |
| Family out of VUP Public works | 7,136 (98.7) | 9.88 | 0.68 |
| Family into VUP Public works | 94 (1.3) | 5.23 | 0.51 |
| VUP direct support (VUPDS) |  |  |  |
| Family out of VUPDS | 7,179 (99.3) | 9.75 | 0.68 |
| Family into VUPDS | 51 (0.7) | 7.92 | 0.63 |
| VUP Financial Services (VUPFS) |  |  |  |
| Family out of VUPFS | 7,121 (98.5) | 9.75 | 0.68 |
| Family into VUPFS | 109 (1.5) | 11.19 | 0.54 |
| One Cow for Poor Family (OCPF) |  |  |  |
| Family out of OCPF | 6,022 (83.3) | 9.86 | 0.69 |
| Family received a cow | 466 (6.4) | 10.04 | 0.65 |
| Family received other animal13 | 742 (10.3) | 9.18 | 0.65 |
| Education level of HH |  |  |  |
| HH non-educated or up to 5 primary | 4,906 (67.9) | 8.11 | 0.63 |
| HH with primary completed | 1,867 (25.8) | 11.58 | 0.68 |
| HH with more than primary school level | 457 (6.3) | 38.36 | 0.80 |
| Presence of parents |  |  |  |
| Both parents presents | 4,980 (68.9) | 8.81 | 0.64 |
| Father only | 377 (5.2) | 11.85 | 0.74 |
| Mother only | 1,858 (25.7) | 12.50 | 0.75 |
| Double orphans | 15 (0.2) | 16.63 | 0.95 |
| Type of school and level of education |  |  |  |
| Child at public primary school | 3,694 (51.1) | 8.18 | 0.56 |
| Child at private primary school | 3,127 (43.3) | 7.41 | 0.63 |
| Child at public secondary school | 1,023 (14.2) | 49.76 | 0.57 |
| Child at private secondary school | 953 (13.2) | 66.97 | 0.60 |
| Child at public university school | 85 (1.2) | 270.93 | 0.52 |
| Child at private university school | 58 (0.8) | 449.64 | 0.49 |
| Continuous variables | Minimum | Maximum | Mean (SD) |
| Log (transfers received) | 0 | 7.40 | 39.81 (0.68) |
| School quality at district level |  |  |  |
| Class-size in primary | 65 | 114 | 85 (8.31) |
| Employment status at district level |  |  |  |
| Percentage of wage farm employment | 2.7 | 22.7 | 10.18 (4.19) |
| Percentage of public sector employment | 3.2 | 16.8 | 9.07 (3.01) |
| Percentage of formal private employment | 0.4 | 18.7 | 2.64 (3.68) |

The family poverty level is calculated on the basis of the household consumption expenditure including purchases, but also consumption from other sources like own production and payments received in kind.9 This measurement of poverty differs somewhat from the one used for the implementation of the social protection policy that is based on the resource constraints of *Ubudehe* classifications. The mean of the annual AHEEC estimated at US$4.43 for an extreme poor family can appear to be small, but in reality this amount is very high for a family that is struggling to survive with less than US$1.25 per day.

This study distinguishes between households that pay all education costs by themselves and the ones that receive also external funding from relatives outside of the household or from non-related persons and institutions. To avoid endogeneity problems in this study’s analysis, it was checked whether the received transfers10 were meant for child’s schooling.

For the employment status, the percentages of wage workers in the ***agricultural*** sector and percentages of employees in the public and formal private sector were used.

The multilevel linear model examines separate linear regression models in each district, followed by an examination of the relation between the parameters of the models and district characteristics. Thus, this multilevel regression decomposes the total variances into within-district and between-district components. Following Peugh (2010), the question of whether a multilevel model is needed in the case of this study becomes: ‘to what extent is the AHEEC variation present at district level?’ Answering this question involves the calculation of the intra-class correlation (ICC) and of the design effect statistics. Using the AHEEC from the IHLCS dataset, it can reasonably be expected that the AHEEC will vary across households within a district due to household differences in financial resources and motivation.

**Results**

Table 3 presents the estimates of the multilevel linear regression analysis. Model 1 shows only the intercept and model 2 the results of the predictors of the household expenditure on education on two levels. On district level the class-size in primary schools and employment opportunities in the public sector were dropped. Those variables proved not to be significant. All household characteristics are binary except the transfers received and the number of under school age children which are continuous; the average household education expenditure per child (AHEEC) increases or decreases according to the sign and magnitude of each parameter.

**Table 3.**

Estimates for multilevel linear regression of average household education expenditure as a function of household and district characteristics.

| **Fixed effect** | **Model 1** | **Model 2** |  |  |
| --- | --- | --- | --- | --- |
|  | **Estimate** | **SE** | **Estimate** | **SE** |
| Intercept | 3.80\*\*\* | 0.06 | 3.47\*\*\* | 0.06 |
| Household characteristics |  |  |  |  |
| Household head (HH) in farm activities (Reference Category (Ref. cat.)HH in non-farm activities |  |  | 0.14\*\*\* | 0.02 |
| Number of under school year child |  |  | –0.04\*\*\* | 0.01 |
| Non-poor family (Ref. cat.)Poor family |  |  | –0.15\*\*\* | 0.01 |
| Extreme poor family |  |  | –0.26\*\*\* | 0.01 |
| External ***interventions*** and social protection ***programmes*** |  |  |  |  |
| Log (transfers received) |  |  | 0.05\*\*\* | 0.01 |
| Family without external ***intervention*** in education cost (Ref. cat.)Family with external ***intervention*** in education cost |  |  | –0.03\*\*\* | 0.01 |
| Family without CBHI (Ref. cat.)Family with CBHI |  |  | 0.04\*\*\* | 0.01 |
| Family out of VUPPW (Ref. cat.)Family into VUPPW ***programme*** |  |  | 0.09\*\* | 0.04 |
| Family out of VUPDS (Ref. cat.)Family into VUP direct support |  |  | –0.11\* | 0.06 |
| Family out of VUPFS (Ref. cat.)Family into VUP financial services |  |  | 0.05 | 0.04 |
| HH out of OCPF and without other animal (Ref. cat.)HH got one cow from Government or non-governmental organization |  |  | –0.05\*\*\* | 0.02 |
| HH got other animal than cow |  |  | –0.01 | 0.02 |
| HH head education level and presence of parents status |  |  |  |  |
| HH non-educated or up to 5 primary (Ref. cat.)HH with primary completed |  |  | 0.05\*\*\* | 0.01 |
| HH with more than primary education level |  |  | 0.16\*\*\* | 0.02 |
| Both parents present (Ref. cat.)Double orphan |  |  | 0.20\* | 0.11 |
| Mother only |  |  | 0.01 | 0.01 |
| Father only |  |  | 0.03 | 0.02 |
| Control variables |  |  |  |  |
| HH supporting their son/daughter only (Ref. cat.)HH supporting both sons/daughter and other childrenChild at public primary school (Ref. cat.) |  |  | 0.52\*\*\* | 0.02 |
| Child at private primary schools |  |  | –0.03\*\*\* | 0.01 |
| Child at public secondary schools |  |  | 0.54\*\*\* | 0.02 |
| Child at private secondary schools |  |  | 0.70\*\*\* | 0.02 |
| Child at public university schools |  |  | 0.64\*\*\* | 0.05 |
| Child at private university schools |  |  | 0.75\*\*\* | 0.06 |
| Employment status at District level (continuous variables in %) |  |  |  |  |
| Percentage of wage farm employments |  |  | –0.01\*\*\* | 0.004 |
| Percentage of private formal employments |  |  | 0.02\*\*\* | 0.005 |
| Random effect | Variance component | SE | Variance component | SE |
| Residual within district variance σ2e | 0.397 | 0.007 | 0.165 | 0.003 |
| Residual between district variance σ2μ0 | 0.088 | 0.023 | 0.053 | 0.019 |
| Variance of wage farm employment σ2μ2 |  |  | 0.000 | 0.000 |
| σμ0j |  |  | –0.004 | 0.002 |
| Deviance | 13,963.8 |  | 7,587.6 |  |
| Number of parameters | 2 |  | 18 |  |

Model 1= model with intercept only, Model 2= model with household and district characteristics, \*\*\* significance at 1%; \*\*significance level at 5%; \*significance at 10%; SE: Standard error.

A hypothesis test of random variance is useful to assess the necessity of hierarchically structured data. The results from Model 1 (Table 3) show that the null hypothesis (H0: **σ2e** =0) is rejected, suggesting that some significant covariance exists among households in districts. With the existence of covariance, applying traditional regression models violates the assumption of independence of observations and increases type I errors (Kreft and De Leeuw, 1998).

The intercept only or unconditional model, estimates the intercept as 3.80 (US$10.44), which is the average of education expenditure per child across all households and districts. The between-district variance symbolized by **σ2u0**, is estimated as 0.088, *p*<0.001. The within-district variance symbolized by **σ2e**, is estimated as 0.397, *p*<0.001. Following Hox (2010), the intra-class correlation (ICC), calculated by ρ= **σ2μ0**/(**σ2e** + **σ2μ0**), is 0.18. Thus, 18 per cent of the variance of the AHEEC occurred across districts, which is high. Since the intercept-only model contains no explanatory variables, the residual variances represent unexplained error variance. The ICC measures the degree of similarity within the same district (Muthén and Satorra, 1995). Given the results in this study’s model, the ICC indicates the need for a multilevel approach for the chosen dependent variable.

The covariance between the regression coefficient for household characteristics and the intercept is very small (σμ0j=-0.004) and obviously not significant. The deviance in Table 3 is a measure of model fit. When predictor variables are added, the deviance is expected to go down (Hox, 2010) which is the case in model 2. The deviance drops from 13,963.8 in the unconditional model to 7,587.6 in the model with household and district predictors of household education expenditure. Compared to model 1, model 2 shows a better fit: having (D1-D2) = 6,376.2 with (m2-m1) = 16 degrees of freedom and a *p*-value below 0.001.11

Testing the hypotheses on household education expenditure it is seen in the model, that families increase their education expenditure by 0.5 per cent (US$0.55)12 when they receive 1 per cent more transfers or increase them by 4.2 per cent (US$0.49) when they have a health insurance. The families are forced to reduce the expenditure in education by 4.3 per cent (US$0.46) for each additional under school age child, by 15.3 per cent (US$1.43) when they are poor, by 26.1 per cent (US$2.18) when they are extreme poor, and remarkably by 5.2 per cent (US$0.54) when they profit from the one cow per family ***programme***. The household education expenditure increases by 9.1 per cent (US$1.11) for families involved in employment schemes (VUP public works) but decreases by 10.8 per cent (US$1.06) when the family receives direct financial support.

When other factors are controlled for, on average, a household with a head in non-farm activities invests 14.3 per cent (US$1.88) more in education of the children compared to the ones whose household heads are involved in farm activities. The more educated the household head, the higher the investments in children’s education. The proportion of investment in education of the two distinguished groups is respectively 5.2 per cent (US$0.61) and 16.3 per cent (US$2.20) higher compared to investments of a household head without a completed primary education.

As expected, the expenditure increases substantially when a child in the household proceeds to higher education levels. Also the differences in costs between public and private schools show up in the expenditure made. Finally, the results indicate that (the few) double orphans in the sample still profited from special support given to this group.

Model 2 includes also the employment sector composition at district level. The increase of wage farm workers in a district by one unit decreases the household education investment per child by 1.1 per cent (US$0.12), while an increase of formal sector employees in a district by one unit, increased the household education investment by 2.3 per cent (US$0.26).

**Discussion**

After the reconstruction period in the late 1990s, Rwanda has been on a positive development trajectory ever since. With assistance of its donors, the Government of Rwanda implemented various development policies amongst others to improve the health and education level of the population and to reduce poverty. According to Malmberg (2008), efficient policies that promote health, increases in education and improvements in infrastructure can be pivotal for a shift towards more favourable demographic trends.

The achievements are positive: almost all children regardless of gender enrol in primary education; and the last two Demographic and Health Surveys showed decreasing mortality levels and a fast increasing number of women using modern contraceptives. Regarding the transition from primary to lower secondary level, Rwanda is one of the few Sub-Saharan countries that managed to boost the number of lower secondary students by 25 per cent within a year by the introduction of a Nine Year Basic Education (9YBE) cycle and the elimination of fees for lower secondary school in 2009 (UNESCO, 2012b).

To achieve the Millennium Development Goal number 2, universal completion of primary education, further policy steps had to be taken after the introduction of free education in 2003. This paper has analysed the impact of special ***programmes*** for enhancing the ‘social protection’ of very poor families on the investments of these households in the quality of their children, notably by sending them to school.

Applying a multilevel linear regression method on a dataset of households of the 2011 household survey showed the impact of some direct poverty reduction measures on family education expenditure. The impact of poverty on household education investments is illustrated by the large gap between the education expenditure of the poor and of the extreme poor compared to that of non-poor families. Poor people may consider education as a positive investment but the costs are still too high even within a fee-free education context. This study’s results are quite similar to the conclusion of others (Glewwe and Jacoby, 2004; Megumi, 2010; Vu, 2012 ; Ulusoy and Yolcu, 2013) that there is a positive and significant relationship between changes in wealth and an increase in educational expenditure.

This study’s results also show that access to basic health services and access to wage work in employment schemes are related to a modest increase in household education expenditure. In contrast, getting direct financial support or an animal for free is negatively related to the education expenses made by the households involved. Given the methodology adopted care should be taken in interpreting these outcomes as cause and effect, and it is too early to tell whether the various policies are indeed effective or detrimental. Yet most of the coefficients seem plausible in the light of other evidence.

The health insurance coverage was added in the model because empirical evidence shows that CBHI not only has a strong impact on access to health care, but is also associated with a higher degree of financial risk protection (Saksena et al., 2011). The stratified system for annual premiums according to the *Ubudehe* poverty classification has provided equal access to health facilities, and hence, decreased the utilization gap between poor and wealthier families. Lower incidence of catastrophic income shocks due to illness and related health care expenditures are associated with a significant increase in household budget available for food, asset accumulation and education expenditures. This might account for the positive relation between CBHI participation and the education expenditures of households.

The same line of reasoning can be applied to the positive sign of the employment schemes. According to Siegel et al. (2011), public works can reduce vulnerability, build resilience and increase incomes and food security in a virtuous cycle that links social protection with disaster risk reduction/food security (anti-erosive ditches, radical terraces and valley dams) and climate change.

Access to waged work provided in public employment schemes gives a regular income every two weeks. Since all VUP beneficiaries have their own bank accounts, they can benefit from a range of financial and insurance services, including savings (which are voluntary but highly encouraged) and access to subsidized credit. Savings are used for basic consumption needs, health insurance, school fees and investments in small livestock which are also a form of ‘self-insurance’ against negative impacts of different hazards (Kindness, 2011). Again, more secure household budgets will allow for more investment in schooling.

Public works ***programmes*** (VUPPW) have a double dividend because they create off-farm employment. In a country like Rwanda where almost 90% of the active working population is employed in ***agriculture*** and the median land size per household is less than one hectare, non-***agricultural*** employment opportunities like VUPPW seem to provide an alternative to on-farm labour. If education expenditure is viewed as consumption, the non-***agricultural*** employment opportunities form an important part of household income diversification and risk reduction strategies (see also Ellis and Freeman, 2004). For rural landless and near-landless households income flows are fluctuating and unpredictable, in particular as almost all farming is rain-fed. Most of those households will depend heavily on non-***agricultural*** income sources (Madaki and Adefila, 2014).

It is plausible that reducing risks of income shocks by a health insurance (Binagwaho et al., 2012) or access to regular paid work and credit make parents more confident to spend money on the education of their children.

That still leaves the question as to why direct financial support has a negative rather than a positive effect on education expenditure. This is in line with the findings of Devereux (2011) that poverty reduction strategies like the VUP ***programmes*** have short-run effects and a limited multiplier effect for the beneficiaries. Households that receive direct financial support have no land or less than 0.25 hectares and their members are unable to work because of age, disability or illness. For this type of household, expenditure for basic needs such as food, clothes and housing have a higher priority than expenditure on education; Devereux (2011) states that transfers might be too small, have limited duration, or are given erratically. Under those conditions, households can meet their immediate needs but are not able to improve their livelihood activities in a sustainable way, neither will they develop confidence that their income is stable or will increase in the future. Consequently, conditions that are expected to foster education expenditures are not met.

The negative effect of the one cow policy on household education expenditure is more difficult to analyse. Households that qualify for this ***programme*** must have access to 0.75 hectares of land, of which a third is pasture, and also must have or construct a cowshed. The negative score on education expenditure of these households probably points to extra costs that getting a cow may imply, such as purchase of fodder and veterinary care. In case the ***produced*** milk is consumed by household members and not sold, the objectives of the *GIRINKA* ***programme*** can be met only partly. It will take time before the household can make extra money out of cattle ownership. Allocating land to fodder production can also be an impossible option as it could compromise the own food production. Fodder availability differs strongly among participating farmers due to differences in available land size and its productivity (Bucagu, 2013), and collecting sufficient fodder for free in densely populated areas is not always an option. Evaluations of the one cow per family policy showed that it can contribute to poverty alleviation (Rutareka, 2011), but as this study’s analysis indicates it does not lead to more household investments in education.

The hypothesis of resources dilution is confirmed by a decrease in household education expenditure per child for each addition of an under school age child in a household. The effect of this dilution can materialize as a drop-out of an older sibling, but also by a reduction of expenses on school items or by a change of type of school attended. In a situation with limited resources, the presence of young siblings could push their older brothers out of school to assist in the family’s economic activities, and push older sisters out of school to perform domestic chores at home (Greenspan, 1992). In Rwanda, both mechanisms seem to occur. By combining gender and the parental co-residence status, Nkurunziza et al. (2014) found that girls without a mother and boys without a father had higher chances of dropping out. As this study analysed the average expenditure on education per child in the household (total expenditure divided by number of school-aged children) it was unable to show whether households spent more on their sons than on their daughters. In the African context, the dilution of parental resources is less problematic because the extended family system and the practice of fosterage redistribute resources among family members, and buffer educational inequality (Akresh, 2005). Yet, there should be awareness that many (very) poor people also have (very) poor siblings, and this study’s analyses show that many children are left without extended family support.

This study’s analysis confirmed that the education level of caretakers positively affects the education expenditure. The willingness to allocate resources for the education of their children is also stronger among parents that work outside the ***agricultural*** sector. Together these findings support the hypothesis that the household will invest more in education when it expects and is familiar with possible future returns. This is in line with the conclusion of Vu (2012) in Vietnam that households where the household heads have a higher level of education or have professional jobs, enhances the probabilities of educational expenditure.

Not surprisingly, the availability of formal employments in the district pushes the household to invest more in the education of children. If education expenditure is viewed as investment, households take into account the expected future returns. In line with the results of Wiggins and Hazell (2011), who show that unskilled labour like construction, pottering, ***agriculture*** and many personal services, provides low returns while skilled labour such as medicine, teaching, accounting and administration gives high-returns activities, this study concludes that the presence of non-***agricultural*** job opportunities fosters educational expenditure.

**Conclusion**

The Rwanda Vision 2020 targeted a creation of 3.2 million off-farm jobs for the year 2020. While state and donor funds must contribute to this aim, the backbone of the process should be the investments of a growing middle class of Rwandan entrepreneurs. In addition to its success to attract foreign direct investment, the Rwandan Government launched in 2012 a *HANGA UMURIMO*13 ***Program*** (HUP) with a purpose to nurture an entrepreneurial culture among Rwandans and foster the emergence and growth of a locally-based business class (GoR, 2012b). More attention is also given to Technical and Vocational Education and Training (TVET) policy geared to provide the economy with qualified and competitive workers needed to achieve the targets formulated in the Rwandan Vision 2020 (GoR, 2008).

McCord (2013) argues that the attempt to reconcile many policy objectives is likely to result in sub-optimal performance, which in all likelihood will not necessarily be effective in terms of the outcomes to be achieved in the long run . This raises the question whether Rwanda should continue to apply social protection policies, or aim exclusively for the growth of non-***agricultural*** employment.

In the light of this study’s findings, transforming the economy and extending employment in non-***agriculture*** sectors will certainly help parents to diversify their strategies to meet their numerous needs, and would also convince them of the future returns of education investments. Yet the price of increased inequality could be high. This study has shown that poverty alleviation instruments which help to reduce the vulnerability of extreme poor households (in establishing subsistence security and protection against financial shocks) should continue as well in order to help provide more equal access to a proper education. Combined with a further reduction of the fertility rate the social protection policies could help poor households to invest more in the education of the children in the short run, hoping that they too will benefit from a further diversification of the national economy in the longer run.

**Notes**

FundingThe author(s) disclosed receipt of the following financial support for the research, authorship, and/or publication of this article: We thank the Hewlett Foundation and the Netherlands Organization for Scientific Research for their financial support (grant number: W07 40 202 00).; 1.The IHLCS surveys are designed to monitor poverty and living conditions in Rwanda as part of the ongoing monitoring of the Poverty Reduction Strategy and other Government policies. The Rwandan IHLCS is a nationally representative household survey and is carried out once every five years. IHLCS1 was carried out in 2000/2001 (6,420 households) and was repeated with slight modifications in 2005/2006 (6,900 households) and in 2011 (14,308 households).; 2.In their villages, people are empowered to discuss the characteristics of poverty and their role in poverty reduction. This process was named *Ubudehe* by reference to the Rwandan culture of mutual assistance and conviviality whereby people would come together to address problems facing them so as to work for their development. In a remote past, Rwandan people resorted to *Ubudehe* mainly in ***agricultural*** and house building activities. (Rwanda Governance Board (RGB). Available at: [*http://www.rgb.rw/ru/main-menu/innovation/ubudehe.html*](http://www.rgb.rw/ru/main-menu/innovation/ubudehe.html) (accessed 20 July 2013).; 3.The *Ubudehe* classification has 6 categories: (1) the extreme poor families; (2) the very poor families; (3) the poor families; (4) the resourceful poor families; (5) the food rich families; and (6) the money rich families.; 4.Under the new CBHI policy, individuals from the poorest two categories pay the annual contribution of Rwf 2,000 (US$3.31) and that contribution is paid for by Government and its partners; individuals in category 3 and category 4 pay Rwf 3,000 (US$4.97) per year and members of the two richest categories pay Rwf 7,000 (US$11.59).; 5.In addition to CBHI, the Rwandaise d’assurance maladie (RAMA), currently known as Rwanda Social Security Board (RSSB), and the Militarly Medical Insurance (MMI) are also the other large public health insurance schemes (Saksena et al., 2011). The benefit package of these schemes is generally considered to be superior to the CBHI. CBHI remains the most prominent and diversified scheme in terms of population coverage.; 6.Internationally, one additional year of education adds approximately 10% to a person’s wage, at the mean of the distribution (Psacharopoulos and Patrinos, 2004).; 7.This paper avoids using the total household education expenditure because this will vary by the number of children at school, the level of education attended and the type of school frequented by the child.; 8.The exchange rate for US dollars (USD) to Rwandan francs was estimated to be 1USD=604.14 Rwf in December 2011.; 9.Given the prices in January 2001, the poverty line was set at RWF 64,000 (US$120) per adult per year, and an extreme poverty line was Rwf 45,000 (US$85) per adult per year. In 2001 prices, these lines correspond to Rwf 118,000 (US$221) and Rwf 83,000 (US$156), respectively in 2010 (NISR, 2012a).; 10.Transfers received are remittances from family members or non-related persons residing out of the household.; 11.Suppose that two models (M1, M2) have deviances by D1 and D2, with m1 and m2 parameters. The difference of the deviance (D1-D2) can be used as a test statistic having a chi-squared distribution with (m2-m1) degrees of freedom (Cho, 2003).; 12.The absolute numbers in US dollars presented here are provided by ten power of the logarithm values of AHEEC giving its value in Rwandan francs multiplied by an exchange rate, and finally the absolute numbers are the values for the categories that deviate from the intercept value of US$4.83.; 13.‘*HANGA UMURIMO’* is a Kinyarwanda word which means ‘creation of employment’ in an entrepreneurship perspective.

**Bibliography**

**REFERENCES**

Ahuja R, Jutting J, (2004) Are the poor too poor to demand health insurance? Journal of Microfinance /ESR Review 6(1): 1–20.

Akresh R, (2005) Adjusting Household Structure: School Enrolment Impacts of Child Fostering in Burkina Faso. IZA Discussion Paper No. 1379. Available at: [*https://www.econstor.eu/dspace/bitstream/10419/20675/1/dp1379.pdf*](https://www.econstor.eu/dspace/bitstream/10419/20675/1/dp1379.pdf) (accessed 13 October 2013).

Al-Samarrai S, Peasgood T, (1998) Educational attainments and household characteristics in Tanzania. Economics of Education Review 17(4): 395–417.

Ansoms A, (2008) Striving for growth, bypassing the poor? A critical review of Rwanda’s rural sector policies. The Journal of Modern African Studies 46(1): 1–32.

Bhalotra S, (2003) Child Labour in Africa. OECD Social, Employment and Migration Working Paper No. 4, OECD, 2003. Available at: [*http://www.aktiv-gegen-kinderarbeit.de/files/2011/01/Studie\_Kinderarbeit\_Afrika2003.pdf*](http://www.aktiv-gegen-kinderarbeit.de/files/2011/01/Studie_Kinderarbeit_Afrika2003.pdf) (accessed 11 June 2013).

Binagwaho A, . (2012) Mutual health insurance and its contribution to improving child health in Rwanda. Passauer Diskussionspapiere: Volkswirtschaftliche Reihe, No. V-66–12. Available at: [*http://www.wiwi.uni-passau.de/fileadmin/dokumente/lehrstuehle/lambsdorff/Papers/Passauer\_Diskussionspapiere\_Beitrag\_V-66–12.pdf*](http://www.wiwi.uni-passau.de/fileadmin/dokumente/lehrstuehle/lambsdorff/Papers/Passauer_Diskussionspapiere_Beitrag_V-66–12.pdf) (accessed 17 October 2013).

Bucagu C, (2013) Tailoring Agroforestry Technologies to the Diversity of Rwandan Smallholder ***Agriculture***. PhD Thesis, Wageningen University, The Netherlands.

Caillods F, . (2009) Overcoming the Obstacles to EFA. Paris: UNESCO/IIEP. Available at: [*http://www.unesco.org/iiep/eng/research/basic/PDF/ADEACaillods\_en.pdf*](http://www.unesco.org/iiep/eng/research/basic/PDF/ADEACaillods_en.pdf) (accessed 12 May 2013).

Cho SH, (2003) Using multilevel analysis in patient and organizational outcomes research. Nursing Research 52(1): 61–65.

Corbridge S, Harriss J, Jeffrey C, (2013) India Today: Economy, Politics and Society. Cambridge, UK: Polity Press.

Devereux S, (2011) The Vision 2020 Umurenge ***Programme***: A Pathway to Sustainable Livelihoods for Rural Rwandans? Paper presented at the Annual IPAR Research conference ‘Improving the Lives of Ordinary Rwandans: Evidence for Policy’. Kigali Institute of Education, 8 December 2011. Available at: [*http://www.ipar-rwanda.org/index.php?option=com\_docman&task=doc\_download&gid=53&Itemid=151*](http://www.ipar-rwanda.org/index.php?option=com_docman&task=doc_download&gid=53&Itemid=151) (Accessed 22 November 2014).

Downey BD, (1995) When bigger is not better: Family size, parental resources and children’s educational performance. American Sociological Review 60(5): 746–761.

Drèze J, Sen A, (2013) An Uncertain Glory: India and its Contradictions. London, UK: Penguin Books.

Drummond P, Thakoor V, Yu S, (2014) Africa Rising: Harnessing the Demographic Dividend. Washington, DC. IMF Working paper WP/14?143. Available at: [*https://www.imf.org/external/pubs/ft/wp/2014/wp14143.pdf*](https://www.imf.org/external/pubs/ft/wp/2014/wp14143.pdf) (accessed 16 April 2014)

Economisti Associati, Center for Economic and Social Research and The Africa Group LLC (2011) Investment Climate in Africa ***Program***, Four-country Impact Assessment: Rwanda Country Report. Available at: [*https://www.wbginvestmentclimate.org/uploads/Comparative\_Report\_20110327.pdf*](https://www.wbginvestmentclimate.org/uploads/Comparative_Report_20110327.pdf) (accessed 12 November 2013).

Ellis F, Freeman HA, (2004) Rural livelihoods and poverty reduction strategies in four African countries. Journal of Development Studies 40(4):1–30.

Evans A, . (2006) Independent Evaluation of Rwanda’s Poverty Reduction Strategies (PRSP1). Final Report. Available at: [*http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/2141.pdf*](http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/2141.pdf) (accessed 13 October 2013).

Glewwe P, Jacoby HG, (2004) Economic growth and the demand for education: Is there a wealth effect? Journal of Development Economics 74(1): 33–51.

Government of Rwanda (GoR) (2000) Rwanda Vision 2020. Ministry of Finance and Economic ***Planning***, Kigali, Rwanda. Available at: [*http://www.gesci.org/assets/files/Rwanda\_Vision\_2020.pdf*](http://www.gesci.org/assets/files/Rwanda_Vision_2020.pdf) (accessed 15 May 2013).

Government of Rwanda (GoR) (2007) Economic Development and Poverty Reduction Strategies, 2008–2012. IMF Country Report No. 08/90. Available at: [*http://www.imf.org/external/pubs/ft/scr/2008/cr0890.pdf*](http://www.imf.org/external/pubs/ft/scr/2008/cr0890.pdf) (accessed 15 May 2013).

Government of Rwanda (GoR) (2008) Technical and Vocational Education and Training (TVET) policy in Rwanda. Ministry of Education, Kigali, Rwanda. Available at: [*http://www.wda.gov.rw/publications/tvet.pdf*](http://www.wda.gov.rw/publications/tvet.pdf) (accessed 29 August 2013).

Government of Rwanda (GoR) (2012a) Rwanda Education Statistics. Ministry of Education, Kigali, Rwanda. Available at: [*http://www.mineduc.gov.rw/IMG/pdf/2011\_RWANDA\_EDUCATION\_STATISTICS.pdf*](http://www.mineduc.gov.rw/IMG/pdf/2011_RWANDA_EDUCATION_STATISTICS.pdf) (accessed 27 November 2013).

Government of Rwanda (GoR) (2012b) Hanga Umurimo ***Program***: Start Small, Grow Big. Ministry of Trade and Industry, Kigali, Rwanda. Available at: [*http://www.minicom.gov.rw/IMG/pdf/HUP\_II\_CONCEPT\_DOCUMENT\_last\_version\_Nov\_2012.pdf*](http://www.minicom.gov.rw/IMG/pdf/HUP_II_CONCEPT_DOCUMENT_last_version_Nov_2012.pdf) (accessed 22 April 2014).

Greenspan A, (1992) Poverty in the Philippines: The Impact of Family Size. Asia-Pacific Population & Policy, No. 21. Honolulu: Population Institute of the East-West Center.

Gribble J, Bremner J, (2012) The Challenge of Attaining the Demographic Dividend. Population Reference Bureau. Policy Brief September 2012. Available at: [*http://www.prb.org/pdf12/demographic-dividend.pdf*](http://www.prb.org/pdf12/demographic-dividend.pdf) (accessed 16 April 2015)

Handa S, Simler KR, Harrower S, (2004) Human Capital, Household Welfare, and Children’s Schooling in Mozambique. Research Report 134. International Food Policy Research Institute. Available at: [*http://www.ifpri.org/sites/default/files/pubs/pubs/abstract/134/rr134.pdf*](http://www.ifpri.org/sites/default/files/pubs/pubs/abstract/134/rr134.pdf) (accessed 18 June 2013).

Hayman R, (2007) Are the MDGs enough? Donor perspectives and recipient visions of education and poverty reduction in Rwanda. International Journal of Educational Development 27(4): 371–382.

Hox J, (2010) Multilevel Analysis: Techniques and Applications. 2nd ed. New York, NY: Routledge.

Kindness H, (2011) Vision 2020 Umurenge ***Programme***. Annual Report 2009/10. Kigali, Rwanda. Available at: [*http://www.unicef.org/rwanda/RWA\_resources\_vision2020umurenge.pdf*](http://www.unicef.org/rwanda/RWA_resources_vision2020umurenge.pdf) (accessed 16 May 2013).

King EM, Mason AD, (2001) Engendering Development Through Gender Equality in Rights, Resources and Voice. World Bank Policy Research Paper. Oxford University Press. Available at: [*http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2001/02/02/000094946\_01012505311522/Rendered/PDF/multi\_page.pdf*](http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2001/02/02/000094946_01012505311522/Rendered/PDF/multi_page.pdf) (accessed 20 June 2013).

Kwizera C, . (2011) Girls Outnumber Boys in PLE Exams. NewTimes, 26 October 2011. Available at: [*http://www.newtimes.co.rw/index.php?issue=14790&article=46570*](http://www.newtimes.co.rw/index.php?issue=14790&article=46570) (accessed 15 March 2012).

KPMG (2012) Cutting Through Complexity. Rwanda Country Profile. Available at: [*http://www.kpmg.com/Africa/en/KPMG-in-Africa/Documents/RWanda.pdf*](http://www.kpmg.com/Africa/en/KPMG-in-Africa/Documents/RWanda.pdf) (accessed 12 November 2013).

Kreft I, De Leeuw J, (1998) Introducing Multilevel Modeling. London, UK: SAGE.

Lee J, (2004) Sibling Size and Investment in Children’s Education: An Asian Instrument. IZA Discussion Paper Series No. 1323. Available at: [*http://hdl.handle.net/10419/20591*](http://hdl.handle.net/10419/20591) (accessed 16 May 2013).

Lloyd CB, Blanc AK, (1996) Children’s schooling in Sub-Saharan Africa: The role of fathers, mothers, and others. Population and Development Review 22(2): 265–298.

Lu C, . (2012) Towards universal health coverage: An evaluation of Rwanda Mutuelles in its first eight years. PLoS ONE 7(6): 1–16.

Madaki JU, Adefila JO, (2014) Contributions of rural non-farm economic activities to household income in Lire area, Kaduna State of Nigeria. International Journal of Asian Social Science 4(5): 654–663.

Malmberg B, (2008) Demography and Development Potential of Sub-Saharan Africa. The Nordic African Institute. Current African Issues No. 38. Available at: [*http://www.diva-portal.org/smash/get/diva2:241196/FULLTEXT01.pdf*](http://www.diva-portal.org/smash/get/diva2:241196/FULLTEXT01.pdf) (accessed 20 February 2015).

McCord A, (2013) Public Works and Resilient Food Systems. ODI, On behalf of Federal Ministry of Economic Cooperation and Development (BMZ), Deutsche Gesellscaft fur Internationale Zusammenarbeit (GIZ) GmbH.

McIntyre D, . (2006) What are the economic consequences for households of illness and of paying for health care in low-and middle-income country contexts? Social Science & Medicine 62(4): 858–865.

Megumi O, (2010) Household expenditures on children, 2007–08. Monthly Labor Review 133(9): 1–14.

MINEDUC (2014) Educational Statistical Yearbook 2013. Kigali, Rwanda: Ministry of Education.

Muhoza DN, (2014) Excess Fertility and Family ***Planning*** in Rwanda. PhD Thesis, Utrecht University. Available at: [*http://dspace.library.uu.nl/bitstream/handle/1874/302985/Muhoza.pdf?sequence=1*](http://dspace.library.uu.nl/bitstream/handle/1874/302985/Muhoza.pdf?sequence=1) (accessed 18 May 2015).

Muthén BO, Satorra A, (1995) Complex sample data in structural equation modelling. Sociological Methodology 25: 267–316.

Nabalamba A, Sennoga E, (2014) Analysis of Gender and Youth Employment in Rwanda. African Development Bank, pp 1–35. Available at: [*http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Rwanda\_-\_Analysis\_of\_Gender\_and\_Youth\_Employment.pdf*](http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/Rwanda_-_Analysis_of_Gender_and_Youth_Employment.pdf) (accessed 16 May 2015).

NISR (2012a) The Evolution of Poverty in Rwanda from 2000 to 2011: Results from the Household Surveysx. Kigali, Rwanda. Available at: [*http://www.statistics.gov.rw/publications/evolution-poverty-rwanda-2000-2011-results-household-surveys-eicv*](http://www.statistics.gov.rw/publications/evolution-poverty-rwanda-2000-2011-results-household-surveys-eicv) (accessed 15 May 2013).

NISR (2012b) EICV3 Thematic Report: Economic Activity. Kigali, Rwanda. Available at: [*http://statistics.gov.rw/publications/eicv-3-thematic-report-economic-activity*](http://statistics.gov.rw/publications/eicv-3-thematic-report-economic-activity) (accessed 27 November 2013).

Nkurunziza J, Broekhuis A, Hooimeijer P, (2012) Free education in Rwanda: Just one step towards reducing gender and sibling inequalities. Education Research International 2012: 1–11.

Nkurunziza J, Broekhuis A, Hooimeijer P, (2014) Sibling and gender effects on youngsters’ second chance to complete primary education in Rwanda. (Unpublished paper).

OECD (2011) How Does Education Affect Employment Rates? In Education at a Glance 2011: Highlights. Paris: OECD. Available at: [*http://dx.doi.org/10.1787/eag\_highlights-2011-en*](http://dx.doi.org/10.1787/eag_highlights-2011-en)

Paxton W, Mutesi L, (2012) School Funding and Equity in Rwanda. Final Report. Rwanda: Institute for Policy Analysis and Research. New York, NY: UNDP. Available at: [*http://rwandapedia.rw/cmis/browser?id=workspace%3A//SpacesStore/4917e151-e06c-4e5f-a0e3-09823767917c*](http://rwandapedia.rw/cmis/browser?id=workspace%3A//SpacesStore/4917e151-e06c-4e5f-a0e3-09823767917c) (accessed 11 July 2015).

Peugh JL, (2010) A practical guide to multilevel modelling. Journal of School Psychology 48(1): 85–112.

Psacharopoulos G, Patrinos HA, (2004) Returns to investment in education: A further update. Education Economics 12(2): 111–145.

Pushkar M, (2003) Schooling and educational attainment: Evidence from Bangladesh. Education Economics 11(2): 129–153.

Ruberangeyo T, Ayebare C, De Lamine de Bex A, (2011) Rwanda Social Protection: An Ongoing Process. Excerpt from Sharing Innovative Experiences, Volume 18: Successful Social Protection Floor Experiencies, ILO - SU/SSC (UNDP) - National experts, 2011, pp. 333-360. Volume 18: Successful Social Protection Floor Experiences. Available at: [*http://tcdc2.undp.org/GSSDAcademy/SIE/Docs/Vol18/SIE\_v18\_ch15.pdf*](http://tcdc2.undp.org/GSSDAcademy/SIE/Docs/Vol18/SIE_v18_ch15.pdf)

Rutareka A, (2011) How a Simple Cow Gives Hope to Many Families? The Rwanda Focus, May 2011. Available at: [*https://karinganire.wordpress.com/2014/04/15/girinka-how-a-simple-cow-gives-hope-to-many-rwandan-families/*](https://karinganire.wordpress.com/2014/04/15/girinka-how-a-simple-cow-gives-hope-to-many-rwandan-families/)

Saksena P, . (2011) Mutual health insurance in Rwanda: Evidence on access to care and financial risk protection. Health Policy 99(3): 203–209.

Sebates-Wheeler R, Roelen K, (2011) Transformative social protection ***programming*** for children and their careers: A gender perspective. Gender & Development 19(2): 179–194.

Siaens C, Subbarao K, Wodon Q, (2003) Are Orphans Especially Vulnerable? Evidence from Rwanda. Washington, World Bank. Available at: [*http://www.crin.org/docs/Are%20Orphans%20Especially%20Vulnerable%20-%20Evidence%20From%20Rwanda.pdf*](http://www.crin.org/docs/Are%20Orphans%20Especially%20Vulnerable%20-%20Evidence%20From%20Rwanda.pdf) (accessed 15 May 2013).

Siegel PB, Gatsinzi J, Kettlewel A, (2011) Adaptive social protection in Rwanda: ‘Climate-proofing’ the vision 2020 Umurenge ***programme***. IDS Bulletin 42(6): 71–78.

Sweetman C, (2011) Introduction. Gender& Development 19(2): 169–177.

Tilak JBG, (2002) Determinants of Household Expenditures on Education in Rural India. Working Paper Series No. 88. New Delhi, India. Available at: [*http://www.aserf.org.in/presentations/WP88.pdf*](http://www.aserf.org.in/presentations/WP88.pdf) (accessed 20 June 2013).

Twahirwa A, (2008) Sharing the burden of sickness: Mutual health insurance in Rwanda. Bulletin of the World Health Organization 86(11): 823–824.

Ulusoy B, Yolcu H, (2013) Household education expenditure of families at primary education level. Journal of Education Sciences Research 3(1): 1–27.

UNESCO (2012a) Rwanda EFA Profile. Available at: [*http://www.unesco.org/new/fileadmin/MULTIMEDIA/FIELD/Dakar/pdf/EFA%20country%20profile%20%202102-%20Rwanda.pdf*](http://www.unesco.org/new/fileadmin/MULTIMEDIA/FIELD/Dakar/pdf/EFA%20country%20profile%20%202102-%20Rwanda.pdf) (accessed 20 June 2013).

UNESCO (2012b) Youth and Skills: Putting Education to Work. Education for all Global Monitoring Report 2012. Paris, France. Available at: [*http://unesdoc.unesco.org/images/0021/002180/218003e.pdf*](http://unesdoc.unesco.org/images/0021/002180/218003e.pdf) (accessed 15 May 2015).

Van der Berg S, (2008) Poverty and Education. Education Policy Series 10. The International Institute for Educational ***Planning***, Paris, France and The International Academy for Education, Brussels, Belgium. Available at: [*http://www.iiep.unesco.org/fileadmin/user\_upload/Info\_Services\_Publications/pdf/2009/EdPol10.pdf*](http://www.iiep.unesco.org/fileadmin/user_upload/Info_Services_Publications/pdf/2009/EdPol10.pdf) (accessed 15 May 2013).

Vu H Q, (2012) Determinants of educational expenditure in Vietnam. International Journal of Applied Economics 9(1): 59–72.

Wang H, Zhang C, Hsiao W, (2006) Ill health and its potential influence on household consumptions in rural China. Health Policy 78(2): 167–177.

Wiggins S, Hazell P, (2011) Access to Rural Non-farm Employment and Enterprise Development. Background Paper for IFAD Rural Poverty Report. Available at: [*http://www.ifad.org/rpr2011/background/5.pdf*](http://www.ifad.org/rpr2011/background/5.pdf) (Accessed 28 November 2014).

World Bank (2011) Rwanda: Education Country Status Report. Toward Quality Enhancement and Achievement of Universal Nine Year Basic Education, an Education System in Transition; a Nation in Transition. Washington, World Bank. Available at: [*http://www.poledakar.org/pdf/Resen%20Rwanda.pdf*](http://www.poledakar.org/pdf/Resen%20Rwanda.pdf) ttp://[*www.poledakar.org/pdf/Resen%20Rwanda.pdf*](http://www.poledakar.org/pdf/Resen%20Rwanda.pdf) (accessed 21 June 2013).

Zuckerman E, (2001) Why Engendering PRSP, Reduces Poverty and the Case of Rwanda. WIDER Discussion Paper//World Institute for Development Economics (UNU-WIDER) No. 2001/112, ISBN 9291900478. Available at: [*https://www.econstor.eu/dspace/bitstream/10419/52912/1/336656432.pdf*](https://www.econstor.eu/dspace/bitstream/10419/52912/1/336656432.pdf) (accessed 26 June 2013).

**Load-Date:** March 29, 2024

**End of Document**



[***-CF Industries Holdings to Exercise Right to Purchase All Publicly Traded Units of Terra Nitrogen Company***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RKR-47R1-F0K1-N056-00000-00&context=1516831)

ENP Newswire

February 8, 2018 Thursday

Copyright 2018 Normans Media Limited All Rights Reserved



**Length:** 1237 words

**Body**

DEERFIELD, Ill - CF Industries Holdings, Inc. (NYSE: CF) announced today that its wholly owned subsidiary Terra Nitrogen GP Inc. (TNGP) has elected to exercise its right to purchase all of the 4,612,562 publicly traded common units of Terra Nitrogen Company, L.P. (TNCLP) (NYSE: TNH) on April 2, 2018, for a cash purchase price of $ 84.033 per unit in accordance with the terms of TNCLP's partnership agreement. As of the April 2, 2018, purchase date, all rights of the holders of the units will terminate, with the exception of the right to receive payment of the purchase price.

'Purchasing all of the publicly traded common units of TNCLP will allow CF to simplify our corporate structure and significantly reduce administrative costs associated with operating TNCLP,' said Tony Will, president and chief executive officer, CF Industries Holdings, Inc. 'It will be another positive step forward in our ongoing effort to reduce CF's controllable costs.'

The purchase price of $ 84.033 per unit was determined under the terms of TNCLP's partnership agreement as the average of the daily closing prices per common unit for the 20 consecutive trading days beginning with January 5, 2018 and ending with February 2, 2018.

The estimated purchase price of all of the 4,612,562 publicly traded common units of TNCLP is approximately $ 390 million. CF intends to fund the purchase with cash on hand. Upon completion of the purchase, TNCLP units will cease to be publicly traded or listed on the New York Stock Exchange.

About CF Industries Holdings, Inc.

CF Industries Holdings, Inc., headquartered in Deerfield, Illinois, through its subsidiaries is a global leader in the manufacturing and distribution of nitrogen products, serving both ***agricultural*** and industrial customers. CF Industries operates world-class nitrogen manufacturing complexes in Canada, the United Kingdom and the United States, and distributes plant nutrients through a system of terminals, warehouses, and associated transportation equipment located primarily in the Midwestern United States. The company also owns a 50 percent interest in an ammonia facility in The Republic of Trinidad and Tobago. CF Industries routinely posts investor announcements and additional information on the company's website at [*www.cfindustries.com*](http://www.cfindustries.com) and encourages those interested in the company to check there frequently.

Forward-Looking Statements

All statements in this communication by CF Industries Holdings, Inc. (together with its subsidiaries, the 'Company'), other than those relating to historical facts, are forward-looking statements. Forward-looking statements can generally be identified by their use of terms such as 'anticipate,' 'believe,' 'could,' 'estimate,' 'expect,' 'intend,' 'may,' '***plan***,' 'predict,' 'project,' 'will' or 'would' and similar terms and phrases, including references to assumptions. Forward-looking statements are not guarantees of future performance and are subject to a number of assumptions, risks and uncertainties, many of which are beyond the Company's control, which could cause actual results to differ materially from such statements. These statements may include, but are not limited to, statements about ***strategic*** ***plans*** and statements about future financial and operating results.

Important factors that could cause actual results to differ materially from those in the forward-looking statements include, among others, the cyclical nature of the Company's business and the ***agricultural*** sector; the global commodity nature of the Company's fertilizer products, the impact of global supply and demand on the Company's selling prices, and the intense global competition from other fertilizer ***producers***; conditions in the U.S. and European ***agricultural*** industry; the volatility of natural gas prices in North America and Europe; difficulties in securing the supply and delivery of raw materials, increases in their costs or delays or interruptions in their delivery; reliance on third party providers of transportation services and equipment; the significant risks and hazards involved in ***producing*** and handling the Company's products against which the Company may not be fully insured; the Company's ability to manage its indebtedness; operating and financial restrictions imposed on the Company by the agreements governing the Company's senior secured indebtedness; risks associated with the Company's incurrence of additional indebtedness; the Company's ability to maintain compliance with covenants under the agreements governing its indebtedness; downgrades of the Company's credit ratings; risks associated with cyber security; weather conditions; risks associated with the Company's ability to utilize its tax net operating losses and other tax assets, including the risk that the use of such tax benefits is limited by an 'ownership change' (as defined under the Internal Revenue Code and related Internal Revenue Service pronouncements); risks associated with changes in tax laws and disagreements with taxing authorities; risks associated with expansions of the Company's business, including unanticipated adverse consequences and the significant resources that could be required; potential liabilities and expenditures related to environmental, health and safety laws and regulations and permitting requirements; future regulatory restrictions and requirements related to greenhouse gas emissions; the seasonality of the fertilizer business; the impact of changing market conditions on the Company's forward sales ***programs***; risks involving derivatives and the effectiveness of the Company's risk measurement and hedging activities; the Company's reliance on a limited number of key facilities; risks associated with the operation or management of the ***strategic*** venture with CHS Inc. (the 'CHS ***Strategic*** Venture'), risks and uncertainties relating to the market prices of the fertilizer products that are the subject of the supply agreement with CHS Inc. over the life of the supply agreement, and the risk that any challenges related to the CHS ***Strategic*** Venture will harm the Company's other business relationships; risks associated with the Company's Point Lisas Nitrogen Limited joint venture; acts of terrorism and regulations to combat terrorism; risks associated with international operations; and deterioration of global market and economic conditions.

More detailed information about factors that may affect the Company's performance and could cause actual results to differ materially from those in any forward-looking statements may be found in CF Industries Holdings, Inc.'s filings with the Securities and Exchange Commission, including CF Industries Holdings, Inc.'s most recent annual and quarterly reports on Form 10-K and Form 10-Q, which are available in the Investor Relations section of the Company's web site. Forward-looking statements are given only as of the date of this communication and the Company disclaims any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

CF Industries Holdings, Inc.

Media

Chris Close

Director, Corporate Communications

847-405-2542

[*cclose@cfindustries.com*](mailto:cclose@cfindustries.com)

or

Investors

Martin Jarosick

Vice President, Investor Relations

847-405-2045

[*mjarosick@cfindustries.com*](mailto:mjarosick@cfindustries.com)

Source: CF Industries Holdings, Inc.

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** February 8, 2018

**End of Document**



[***Washington: STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P5V-MX51-JDG9-Y03Y-00000-00&context=1516831)

Impact News Service

August 4, 2017 Friday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 81700 words

**Body**

Washington: The Library of Congress, The Government of USA has issued the following house proceeding:

 By Ms. COLLINS (for herself, Mr. Tester, Mr. Cochran, Mr. Manchin, Mr. Daines, Ms. Harris, and Mr. Boozman): S. 1754. A bill to reauthorize section 340H of the Public Health Service Act to continue to encourage the expansion, maintenance, and establishment of approved graduate medical residency ***programs*** at qualified teaching health centers, and for other purposes; to the Committee on Health, Education, Labor, and Pensions. Ms. COLLINS. Madam President, I rise today to introduce legislation with my colleague from Montana, Senator Tester, that would extend an important ***program*** to fund Teaching Health Centers, which support the health and well-being of families in rural and medically underserved communities. I am pleased that Senators Cochran, Manchin, Daines, Harris, and Boozman, have joined us as cosponsors. In the background of the health care debate, there is another crisis that looms.

We are facing a severe shortage of doctors. By 2025, we will need more than 100,000 new primary care doctors to meet the growing demand for health care services across the Country. The shortage is especially critical in rural and underserved communities, which are often those that have been hit hardest by the opioid epidemic. The most significant shortages are in family medicine, general internal medicine, pediatrics, obstetrics and gynecology, psychiatry, and dentistry. These shortages have reached crisis levels in many places. In clinics and health centers in Aroostook County, Maine's northernmost county where I grew up, I hear stories about vacancies forcing Mainers to travel many miles simply to see a primary care doctor or dentist. For the past six years, one ***program***, the Teaching Health Centers Graduate Medical Education ***Program***, has worked to fill these gaps. This ***program*** helps to train medical residents in community-based settings, including low-income, underserved rural and urban neighborhoods. For example, since 2011, the Penobscot Community Health Care Center has trained 31 residents and served more than 15,000 dental patients in Bangor, Maine. We need to meet people in the communities in which they live and work. This ***program*** is training the next generation of physicians, and has ***produced*** real results. When compared with traditional Medicare graduate medical education residents, those who train at teaching health centers are significantly more likely to practice primary care and remain in underserved or rural communities. The numbers speak for themselves: 82 percent of Teaching Health Center, or THC, residents choose to practice primary care, compared to 23 percent of traditional Medicare Graduate Medical Education residents; and 55 percent of THC residents choose to remain in underserved communities, compared to 26 percent of traditional Medicare GME residents. Teaching health centers are serving Americans from coast to coast. A total of 742 THC residents are serving in 27 states and the District of Columbia. The ***program*** is competitive, and trains the best of the best. For each residency position, THC ***programs*** receive more than 100 applications. In 2017, THC residents and faculty will provide more than one million primary care medical visits to underserved communities. Teaching Health Centers have demonstrated a record of success, and it is imperative that we support them. Our legislation would reauthorize the Teaching Health Centers Graduate Medical Education ***Program*** for three years. It would also allow new ***programs*** to expand within existing centers and the creation of entirely new teaching health centers. This bill is widely supported by leading community health and physician organizations, including the American Association of Teaching Health Centers, National Association of Community Health Centers, American Academy of Family Physicians, American Association of Colleges of Osteopathic Medicine, American Osteopathic Association, American Council of OB/GYNs, Society of Teachers of Family Medicine, and Council of Academic Family Medicine. We have also received letters of support from teaching health centers in Maine, Montana, Tennessee, Iowa, Oklahoma, North Carolina, California, Mississippi, Pennsylvania, Washington, Texas, Connecticut, New York, Illinois, Massachusetts, and Idaho. In the face of nationwide physician shortages, our legislation would provide a solution for communities today and a path forward to train the physicians of tomorrow. I urge all of my colleagues to join in support of this important legislation, the Training the Next Generation of Primary Care Doctors Act of 2017. Ms. COLLINS. Madam President, I ask unanimous consent that the letters be printed in the Record. There being no objection, the letters were ordered to be printed in the Record, as follows: Penobscot Community Health Care, August 2, 2017. Hon. Susan Collins, U.S Senate, Washington, DC. Dear Senator Collins: On behalf of Penobscot Community Health Care's General Practice Dental Residency ***program***, a Teaching Health Center training 3-6 residents a year (with over 28 residents trained since 2011) and serving 15,000 dental patients in Bangor, Maine, I want to express our appreciation for your relentless efforts to develop legislation to continue funding and expand the Teaching Health Center Graduate Medical Education (THCGME) ***program***. We know that you and your staff have worked long and hard with multiple stakeholder organizations, including the American Association of Teaching Health Centers, to create the best possible legislation that will fund [[Page S4832]] adequately this vital ***program*** for at least another three years and provide for expansion to additional medically underserved areas of our country. THCs currently train more than 742 residents nationally and are providing more than a million patient visits in underserved rural and urban communities. The continuation of this ***program*** is vital in all of the communities they are located, and preserving this ***program*** is critical to the health of hundreds of thousands around the country. This investment of federal funding in the THCGME ***program***, coupled with private, nonfederal resources, guarantees that every dollar is used exclusively for primary care training, all in community-based settings. Residents trained in community- based settings are three times more likely than traditionally trained residents to practice primary care in a community based setting ensuring that doctors trained in these settings remain in communities where they are needed most. Penobscot Community Health Care appreciates your leadership on this important issue and is pleased to support your legislation, which is helping to address the doctor and dentist shortage that plagues so many communities, both urban and rural. You have always championed Community Health Centers, and concurrently Teaching Health Centers, recognizing the need for accessible, affordable health care for all no matter if you live in Caribou, Maine or New York City. Thank you for your tireless efforts and leadership in the United States Senate as you strive to preserve and improve health care for all Americans. Sincerely, Kenneth Schmidt, MPA, President and CEO. \_\_\_\_ Resurrection Family Medicine, Memphis, TN, August 1, 2017. Hon. Susan Collins, U.S Senate, Washington, DC. Dear Senator Collins: On behalf of Resurrection Health Family Medicine Residency, a Teaching Health Center training 25 residents and providing 15,000 patient visits per year in Memphis, TN, I write to express our appreciation for your relentless efforts to develop legislation to continue funding and expand the Teaching Health Center Graduate Medical Education (THCGME) ***program***. We know that you and your staff have worked long and hard with multiple stakeholder organizations, including the American Association of Teaching Health Centers, to create the best possible legislation that will fund adequately this vital ***program*** for at least another three years and provide for expansion to additional medically underserved areas of our country. THCs currently train more than 742 residents nationally and are providing more than a million patient visits in underserved rural and urban communities. The continuation of this ***program*** is vital in all of the communities they are located and preserving this ***program*** is critical to the health of hundreds of thousands around the country. This investment of federal funding in the THCGME ***program***, coupled with private, nonfederal resources, guarantees that every dollar is used exclusively for primary care training, all in community-based settings. Residents trained in community- based settings are three times more likely than traditionally trained residents to practice primary care in a community based setting ensuring that doctors trained in these settings remain in communities, where they are needed most. Resurrection Health Family Medicine Residency appreciates your leadership on this important issue and is pleased to support your legislation, which is helping to address the doctor shortage that plagues so many communities, both urban and rural. Sincerely, Jeremy Crider, MD, Residency Director. \_\_\_\_ The American Congress of Obstetricians and Gynecologists, Washington, DC, August 3, 2017. Hon. Susan Collins, U.S Senate, Washington, DC. Hon. Jon Tester, U.S Senate, Washington, DC. Dear Senators Collins and Tester: The American Congress of Obstetricians and Gynecologists (ACOG), with more than 58,000 physicians and partners dedicated to advancing women's health, is pleased to endorse the Training the Next Generation of Primary Care Doctors Act of 2017. Your bill would help improve access for women in rural and underserved areas to timely, high quality health care by training primary care physicians, including obstetrician-gynecologists. Today, women living in half of all US counties are in areas without an ob-gyn, including one of Maine's 16 counties, and 35 of Montana's 56 counties. Furthermore, the ob-gyn workforce is aging and a large number of ob-gyns are retiring at a time when the female population is expected to increase 36% by 2050. ACOG projects an ob-gyn shortage of 18% by 2030. Your bill will help alleviate these workforce challenges by ensuring the Teaching Health Center Graduate Medical Education (THCGME) ***program*** can continue to train ob-gyns and other primary care physicians in an efficient and effective manner. Community-based THCGME medical training ***programs*** are critical to filling workforce shortages, as physicians trained through this ***program*** are more likely to practice in underserved communities. According to the Health Resources and Services Administration (HRSA), primary care residents trained in community-based settings are three times more likely to practice in an underserved community-based setting. An investment in THCGME to improve access to care in rural and underserved communities has a long-term impact positive impact. Thank you for introducing this legislation to improve access to high quality care for women. Should you have any questions or if we can be of assistance in any way, please contact Mallory Schwarz, ACOG Federal Affairs Manager. Sincerely, Haywood L. Brown, MD, FACOG, President. \_\_\_\_ American Osteopathic Association, Washington, DC, August 3, 2017. Hon. Susan Collins, U.S Senate, Washington, DC. Hon. Jon Tester, U.S Senate, Washington, DC. Dear Senators Collins and Tester: On behalf of the American Osteopathic Association (AOA) and the nearly 130,000 osteopathic physicians and osteopathic medical students we represent, thank you for introducing the ``Training the Next Generation of Primary Care Doctors Act of 2017.'' This important bipartisan legislation renews the commitment to the continued development of the Teaching Health Centers Graduate Medical Education (THCGME) ***program*** to help ensure a robust primary care workforce in our nation's rural and underserved communities. We are grateful for your leadership on this critical issue. The THCGME ***program*** is a vital source of training for primary care residents to help expand access to care in rural and underserved communities throughout the country. These ***programs***, located in 59 teaching health centers in 27 states, currently train 742 residents in much-needed primary care fields including family medicine, internal medicine, pediatrics, obstetrics and gynecology, psychiatry, geriatrics, and dentistry. The majority of these ***programs*** are accredited by the AOA or are dually accredited (DO/MD) ***programs***, supporting nearly 800 osteopathic resident physicians through their training since the ***program*** began. And true to the intent of the THCGME ***program***, residents who train in these ***programs*** are far more likely to practice primary care and remain in the communities in which they have trained. As osteopathic physicians, we are trained in a patient- centered, hands-on approach to care that focuses on the whole person, including the physical, mental, and psychosocial aspects of health. Our training and philosophy includes a strong emphasis on primary care--in fact, approximately half of all osteopathic physicians practice in primary care specialties. Given this strong presence in primary care, osteopathic medicine aligns naturally with the mission and goals of the THCGME ***program*** that has proven successful in helping address the existing gaps in our nation's primary care workforce. Your legislation provides much-needed stability through continued funding for the THCGME ***program***, and also creates a pathway for the expansion of existing centers as well as the creation of entirely new teaching health centers. We deeply appreciate your commitment to training the future of the primary care workforce and thank you for introducing this important legislation. The AOA and our members stand ready to assist you in securing its enactment into law. Sincerely, Mark A. Baker, DO, President. \_\_\_\_ Council of Academic Family Medicine, Washington, DC, August 3, 2017. Hon. Susan Collins, U.S Senate, Washington, DC. Hon. Jon Tester, U.S Senate, Washington, DC. Dear Senators Collins and Tester: On behalf of the Council of Academic Family Medicine (CAFM), including the Society of Teachers of Family Medicine, Association of Departments of Family Medicine, Association of Family Medicine Residency Directors, the North American Primary Care Research Group, we thank you for introducing the Training the Next Generation of Primary Care Doctors Act of 2017. This legislation is an important step to providing sustainable funding and growth for a critical ***program*** that helps address the primary care physician shortage in our country. We appreciate your leadership on this issue and give you our whole-hearted support for the legislation. To help sustain this important ***program*** the proposed legislation provides suitable funding for current Teaching Health Center Graduate Medical Education (THCGME) ***programs*** to help address the crisis-level shortage of primary care physicians. The funding level included in the bill will allow for a per resident amount to be paid for training that is on par with the Heath Resources and Services Administration (HRSA) funded study identifying a median cost of approximately $157 thousand per trainee. Evidence shows [[Page S4833]] that the THC ***program*** graduates are more likely to practice in rural and medically underserved communities. We are pleased that the proposed legislation supports ten new THC ***programs***, with a priority for those serving rural and medically underserved populations and areas, recognizing the importance of growing this successful ***program***. The Council on Graduate Medical Education (COGME), an advisory body empaneled by Congress, has urged Congress to continue of the THCGME ***program*** stating that ``THCGME ***programs*** deliver excellent value in physician training,'' and that the ***program*** encourages training in ``delivery systems that emphasize team-based care in Patient Centered Medical Homes that maximize quality at a moderate cost''; Additionally, the Institute of Medicine (IOM), [now National Academy of Medicine] in a 2014 report identified the THCGME ***program*** as helping meet the need for primary care physicians, especially those who provide care to underserved populations and worthy of a permanent funding source. The current authorization for this vital ***program*** expires at the end of this fiscal year. Without legislative action, the expiration of this ***program*** would mean an exacerbation of the primary care physician shortage, and a lessening of support for training in underserved and rural areas. We are grateful to you both for your exceptional leadership in supporting and sustaining this vital ***program*** by introducing this bill and helping to shepherd it toward enactment. The CAFM organizations and our members are pleased to work with you to secure this legislation's enactment. Sincerely, Stephen A Wilson, MD, President, Society of Teachers of Family Medicine. Valerie Gilchrist, MD, President, Association of Departments of Family Medicine. Karen B Mitchell, MD, President, Association of Family Medicine Residency Directors. William Hogg, MD, President, North American Primary Care Research Group. \_\_\_\_ RiverStone Health, Billings, MT, August 2, 2017. Hon. Susan Collins, U.S Senate, Washington, DC. Dear Senator Collins: On behalf of the Montana Family Medicine Residency and RiverStone Health Clinic, one of the nation's original eleven teaching health centers training 24 family medicine residents and serving over 15,000 residents or Yellowstone and Carbon County, NIT, I want to express our appreciation for your relentless efforts to develop legislation to continue funding and expand the Teaching Health Center Graduate Medical Education (THCGME) ***program***. We know that you and your staff have worked long and hard with multiple stakeholder organizations, including the American Association of Teaching Health Centers and the National Association of Community Health Centers, to create the best possible legislation that will fund adequately this vital ***program*** for at least another three years and provide for expansion to additional medically underserved areas of our country. THCs currently train more than 742 residents nationally and are providing more than a million patient visits in underserved rural and urban communities. The continuation of this ***program*** is vital in all of the communities they are located and preserving this ***program*** is critical to the health of hundreds of thousands around the country, particularly those who lack access to healthcare absent their local community health center and its providers. This investment of federal funding in the THCGME ***program***, coupled with private, nonfederal resources, guarantees that every dollar is used exclusively for primary care training, all in community-based settings. Residents trained in community-based settings are three times more likely than traditionally trained residents to practice primary care in a community based setting ensuring that doctors trained in these settings remain in communities where they are needed most. Some 70% of our residency's over 100 graduates practice in MT, a state with widespread provider shortage areas and multiple counties with no medical care provider at all. RiverStone Health and Montana Family Medicine Residency appreciate your leadership on this important issue and are pleased to support your legislation, which is helping to address the doctor shortage that plagues so many communities, both urban and rural. Sincerely, John Felton, MPH, MBA, FACHE, President & CEO / Health Officer. \_\_\_\_\_\_ By Mr. CORNYN (for himself, Mr. Barrasso, Mr. Johnson, Mr. Tillis, Mr. Heller, Mr. Scott, and Mr. Inhofe): S. 1757. A bill to strengthen border security, increase resources for enforcement of immigration laws, and for other purposes; read the first time. Mr. CORNYN. Mr. President, I ask unanimous consent that the text of the bill be printed in the Record. There being no objection, the text of the bill was ordered to be printed in the Record, as follows: S. 1757 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, SECTION 1. SHORT TITLE; TABLE OF CONTENTS. (a) Short Title.--This Act may be cited as the ``Building America's Trust Act''. (b) Table of Contents.--The table of contents for this Act is as follows: Sec. 1. Short title; table of contents. Sec. 2. Definitions. TITLE I--BORDER SECURITY Sec. 101. Definitions. Subtitle A--Infrastructure and Equipment Sec. 102. Strengthening the requirements for barriers along the southern border. Sec. 103. Air and marine operations flight hours. Sec. 104. Capability deployment to specific sectors and regions. Sec. 105. U.S Border Patrol physical infrastructure improvements. Sec. 106. U.S Border Patrol activities. Sec. 107. U.S Border Patrol forward operating bases. Sec. 108. Border security technology ***program*** management. Sec. 109. Authority to acquire leaseholds. Sec. 110. National Guard support to secure the southern border and reimbursement of States for deployment of the National Guard at the southern border. Sec. 111. Operation Phalanx. Sec. 112. Merida Initiative. Sec. 113. Prohibitions on actions that impede border security on certain Federal land. Sec. 114. Landowner and rancher security enhancement. Sec. 115. Limitation on land owner's liability. Sec. 116. Eradication of carrizo cane and salt cedar. Sec. 117. Prevention, detection, control, and eradication of diseases and pests. Sec. 118. Exemption from government contracting and hiring rules. Sec. 119. Transnational criminal organization illicit spotter prevention and detection. Sec. 120. Southern border threat analysis. Subtitle B--Personnel PART I--Increases in Immigration and Law Enforcement Personnel Sec. 131. Additional U.S Customs and Border Protection agents and officers. Sec. 132. U.S Customs and Border Protection hiring and retention incentives. Sec. 133. Anti-Border Corruption Reauthorization Act. Sec. 134. Additional U.S Immigration and Customs Enforcement personnel. Sec. 135. Other immigration and law enforcement personnel. PART II--Judicial Resources Sec. 141. Judicial resources for border security. Sec. 142. Reimbursement to State and local prosecutors for federally initiated, immigration-related criminal cases. Subtitle C--Grants Sec. 151. State criminal alien assistance ***program***. Sec. 152. Operation Stonegarden. Sec. 153. Grants for identification of victims of cross-border human smuggling. Sec. 154. Grant accountability. Subtitle D--Authorization of Appropriations Sec. 161. Authorization of appropriations. TITLE II--EMERGENCY PORT OF ENTRY PERSONNEL AND INFRASTRUCTURE FUNDING Sec. 201. Ports of entry infrastructure. Sec. 202. Secure communications. Sec. 203. Border Security Deployment ***Program***. Sec. 204. Pilot and upgrade of license plate readers at ports of entry. Sec. 205. Biometric technology. Sec. 206. Biometric exit data system. Sec. 207. Sense of Congress on cooperation between agencies. Sec. 208. Authorization of appropriations. TITLE III--DOMESTIC SECURITY AND INTERIOR ENFORCEMENT Subtitle A--General Matters Sec. 301. Ending catch and release for repeat immigration violators and criminals aliens. Sec. 302. Deterring visa overstays. Sec. 303. Increase in immigration detention capacity. Sec. 304. Collection of DNA from criminal and detained aliens. Sec. 305. Collection, use, and storage of biometric data. Sec. 306. Pilot ***program*** for electronic field processing. Sec. 307. Ending abuse of parole authority. Sec. 308. Stop Dangerous Sanctuary Cities Act. Sec. 309. Reinstatement of the Secure Communities ***program***. Sec. 310. Prevention and deterrence of fraud in obtaining relief from removal. [[Page S4834]] Subtitle B--Protecting Children and America's Homeland Act of 2017 Sec. 320. Short title. Sec. 321. Repatriation of unaccompanied alien children. Sec. 322. Expedited due process and screening for unaccompanied alien children. Sec. 323. Child welfare and law enforcement information sharing. Sec. 324. Accountability for children and taxpayers. Sec. 325. Custody of unaccompanied alien children in formal removal proceeding. Sec. 326. Fraud in connection with the transfer of custody of unaccompanied alien children. Sec. 327. Notification of States and foreign governments, reporting, and monitoring. Sec. 328. Emergency immigration judge resources. Sec. 329. Reports to Congress. TITLE IV--PENALTIES FOR SMUGGLING, DRUG TRAFFICKING, HUMAN TRAFFICKING, TERRORISM, AND ILLEGAL ENTRY AND REENTRY; BARS TO READMISSION OF REMOVED ALIENS Sec. 401. Dangerous human smuggling, human trafficking, and human rights violations. Sec. 402. Putting the Brakes on Human Smuggling Act. Sec. 403. Drug trafficking and crimes of violence committed by illegal aliens. Sec. 404. Establishing inadmissibility and deportability. Sec. 405. Penalties for illegal entry; enhanced penalties for entering with intent to aid, abet, or commit terrorism. Sec. 406. Penalties for reentry of removed aliens. Sec. 407. Laundering of monetary instruments. Sec. 408. Freezing bank accounts of international criminal organizations and money launderers. Sec. 409. Criminal proceeds laundered through prepaid access devices, digital currencies, or other similar instruments. Sec. 410. Closing the loophole on drug cartel associates engaged in money laundering. TITLE V--PROTECTING NATIONAL SECURITY AND PUBLIC SAFETY Subtitle A--General Matters Sec. 501. Definition of engaging in terrorist activity. Sec. 502. Terrorist grounds of inadmissibility. Sec. 503. Expedited removal for aliens inadmissible on criminal or security grounds. Sec. 504. Detention of removable aliens. Sec. 505. GAO study on deaths in custody. Sec. 506. GAO study on migrant deaths. Sec. 507. Statute of limitations for visa, naturalization, and other fraud offenses involving war crimes or human rights violations. Sec. 508. Criminal detention of aliens to protect public safety. Sec. 509. Recruitment of persons to participate in terrorism. Sec. 510. Barring and removing persecutors, war criminals, and participants in crimes against humanity from the United States. Sec. 511. Gang membership, removal, and increased criminal penalties related to gang violence. Sec. 512. Barring aliens with convictions for driving under the influence or while intoxicated. Sec. 513. Barring aggravated felons, border checkpoint runners, and sex offenders from admission to the United States. Sec. 514. Protecting immigrants from convicted sex offenders. Sec. 515. Enhanced criminal penalties for high speed flight. Sec. 516. Prohibition on asylum and cancellation of removal for terrorists. Sec. 517. Aggravated felonies. Sec. 518. Convictions. Sec. 519. Pardons. Sec. 520. Failure to obey removal orders. Sec. 521. Sanctions for countries that delay or prevent repatriation of their nationals. Sec. 522. Enhanced penalties for construction and use of border tunnels. Sec. 523. Enhanced penalties for fraud and misuse of visas, permits, and other documents. Sec. 524. Expansion of criminal alien repatriation ***programs***. Subtitle B--Strong Visa Integrity Secures America Act Sec. 531. Short title. Sec. 532. Visa security. Sec. 533. Electronic passport screening and biometric matching. Sec. 534. Reporting visa overstays. Sec. 535. Student and exchange visitor information system verification. Sec. 536. Social media review of visa applicants. Subtitle C--Visa Cancellation and Revocation Sec. 541. Cancellation of additional visas. Sec. 542. Visa information sharing. Sec. 543. Visa interviews. Sec. 544. Judicial review of visa revocation. Subtitle D--Secure Visas Act Sec. 551. Short title. Sec. 552. Authority of the Secretary of Homeland Security and Secretary of State. Subtitle E--Other Matters Sec. 561. Requirement for completion of background checks. Sec. 562. Withholding of adjudication. Sec. 563. Access to the National Crime Information Center Interstate Identification Index. Sec. 564. Appropriate remedies for immigration litigation. Sec. 565. Use of 1986 IRCA legalization information for national security purposes. Sec. 566. Uniform statute of limitations for certain immigration, naturalization, and peonage offenses. Sec. 567. Conforming amendment to the definition of racketeering activity. Sec. 568. Validity of electronic signatures. TITLE VI--PROHIBITION ON TERRORISTS OBTAINING LAWFUL STATUS IN THE UNITED STATES Subtitle A--Prohibition on Adjustment to Lawful Permanent Resident Status Sec. 601. Lawful permanent residents as applicants for admission. Sec. 602. Date of admission for purposes of adjustment of status. Sec. 603. Precluding asylee and refugee adjustment of status for certain grounds of inadmissibility and deportability. Sec. 604. Precluding refugee adjustment of status for persecutors and human rights violators. Sec. 605. Removal of condition on lawful permanent resident status prior to naturalization. Sec. 606. Prohibition on terrorists and aliens who pose a threat to national security or public safety from receiving an adjustment of status. Sec. 607. Treatment of applications for adjustment of status during pending denaturalization proceedings. Sec. 608. Extension of time limit to permit rescission of permanent resident status. Sec. 609. Barring persecutors and terrorists from registry. Subtitle B--Prohibition on Naturalization and United States Citizenship Sec. 621. Barring terrorists from becoming naturalized United States citizens. Sec. 622. Terrorist bar to good moral character. Sec. 623. Prohibition on judicial review of naturalization applications for aliens in removal proceedings. Sec. 624. Limitation on judicial review when agency has not made decision on naturalization application and on denials. Sec. 625. Clarification of denaturalization authority. Sec. 626. Denaturalization of terrorists. Sec. 627. Treatment of pending applications during denaturalization proceedings. Sec. 628. Naturalization document retention. Subtitle C--Forfeiture of Proceeds From Passport and Visa Offences, and Passport Revocation. Sec. 631. Forfeiture of proceeds from passport and visa offenses. Sec. 632. Passport Revocation Act. TITLE VII--OTHER MATTERS Sec. 701. Other Immigration and Nationality Act amendments. Sec. 702. Exemption from the Administrative Procedure Act. Sec. 703. Exemption from the Paperwork Reduction Act. Sec. 704. Ability to fill and retain DHS positions in U.S territories. Sec. 705. Severability. Sec. 706. Funding. TITLE VIII--TECHNICAL AMENDMENTS Sec. 801. References to the Immigration and Nationality Act. Sec. 802. Title I technical amendments. Sec. 803. Title II technical amendments. Sec. 804. Title III technical amendments. Sec. 805. Title IV technical amendments. Sec. 806. Title V technical amendments. Sec. 807. Other amendments. Sec. 808. Repeals; construction. Sec. 809. Miscellaneous technical corrections. SEC. 2. DEFINITIONS. In this Act: (1) Northern border.--The term ``northern border'' means the international border between the United States and Canada. (2) Southern border.--The term ``southern border'' means the international border between the United States and Mexico. TITLE I--BORDER SECURITY SEC. 101. DEFINITIONS. In this title: (1) Appropriate congressional committee.--The term ``appropriate congressional committee'' has the meaning given the term in section 2(2) of the Homeland Security Act of 2002 (6 U.S.C 101(2)). (2) Commissioner.--The term ``Commissioner'' means the Commissioner of U.S Customs and Border Protection. (3) High traffic areas.--The term ``high traffic areas'' has the meaning given that [[Page S4835]] term in section 102(e)(1) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, as amended by section 102 of this Act. (4) Situational awareness.--The term ``situational awareness'' has the meaning given that term in section 1092(a)(7) of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328; 6 U.S.C 223(a)(7)). Subtitle A--Infrastructure and Equipment SEC. 102. STRENGTHENING THE REQUIREMENTS FOR BARRIERS ALONG THE SOUTHERN BORDER. Section 102 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104-208; 8 U.S.C 1103 note) is amended-- (1) by amending subsection (a) to read as follows: ``(a) In General.--The Secretary of Homeland Security shall take such actions as may be necessary (including the removal of obstacles to the detection of illegal entrants) to construct, install, deploy, operate, and maintain tactical infrastructure and border technology in the vicinity of the United States border to dete

r, impede, and detect illegal activity in high traffic areas.''; (2) in subsection (b)-- (A) in the subsection heading, by striking ``Fencing'' and inserting ``physical barriers''; (B) in paragraph (1)-- (i) in subparagraph (A), by inserting ``situational awareness and'' before ``operational control''; and (ii) by amending subparagraph (B) to read as follows: ``(B) Tactical infrastructure.-- ``(i) In general.--Not later than January 20, 2021, the Secretary of Homeland Security, in carrying out subsection (a), shall deploy the most practical and effective tactical infrastructure available along the United States border for achieving situational awareness and operational control. ``(ii) Tactical infrastructure defined.--In this subparagraph, the term `tactical infrastructure' includes-- ``(I) boat ramps, access gates, forward operating bases, checkpoints, lighting, and roads, and ``(II) physical barriers (including fencing, border wall system, and levee walls).''; and (iii) in subparagraph (C), by amending clause (i) to read as follows: ``(i) In general.--In carrying out this section, the Secretary of Homeland Security shall consult with the Secretary of the Interior, the Secretary of ***Agriculture***, Governors of each State on the Southern land border and Northern land border, other States, local governments, Indian tribes, representatives of U.S Border Patrol and U.S Customs and Border Protection, relevant Federal, State, local, and tribal agencies that have jurisdiction over the Southern land border, or in the maritime environment, and private property owners in the United States to minimize the impact on the environment, culture, commerce, and quality of life of the communities and residents located near the sites at which physical barriers and tactical infrastructure is to be constructed.''; (C) in paragraph (2)-- (i) by striking ``Attorney General'' and inserting ``Secretary of Homeland Security''; and (ii) by striking ``construction of fences'' and inserting ``the construction of physical barriers''; and (D) by amending paragraph (3) to read as follows: ``(3) Agent safety.--In carrying out this section, the Secretary of Homeland Security may not construct reinforced fencing, or tactical infrastructure, as the case may be, that would, in any manner, impede or negatively affect the safety of any officer or agent of the Department of Homeland Security or any other Federal agency.''; (3) in subsection (c), by amending paragraph (1) to read as follows: ``(1) In general.--Notwithstanding any other provision of law, the Secretary of Homeland Security is authorized to waive all legal requirements the Secretary of Homeland Security, in the Secretary's sole discretion, determines necessary to ensure the expeditious construction, installation, operation, and maintenance of the tactical infrastructure and technology under this section. Any such decision by the Secretary of Homeland Security shall be effective upon publication in the Federal Register.''; and (4) by striking subsection (d) and inserting the following: ``(d) Construction, Installation and Maintenance of Technology.-- ``(1) In general.--Not later than January 20, 2021, the Secretary of Homeland Security, in carrying out subsection (a), shall deploy the most practical and effective technology available along the United States border for achieving situational awareness and operational control of the border. ``(2) Technology defined.--In this subsection, the term `technology' includes border surveillance and detection technology, including-- ``(A) radar surveillance systems; ``(B) Vehicle and Dismount Exploitation Radars (VADER); ``(C) 3-dimensional, seismic acoustic detection and ranging border tunneling detection technology; ``(D) sensors; ``(E) unmanned cameras; and ``(F) man-portable and mobile vehicle-mounted unmanned aerial vehicles. ``(e) Definitions.--In this section: ``(1) High traffic areas.--The term `high traffic areas' means sectors along the northern, southern, or coastal border that-- ``(A) are within the responsibility of U.S Customs and Border Protection; and ``(B) have significant unlawful cross-border activity. ``(2) Situational awareness.--The term `situational awareness' has the meaning given the term in section 1092(a)(7) of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328).''. SEC. 103. AIR AND MARINE OPERATIONS FLIGHT HOURS. (a) Increased Flight Hours.--The Secretary of Homeland Security shall ensure that not fewer than 95,000 annual flight hours are carried out by Air and Marine Operations of U.S Customs and Border Protection. (b) Unmanned Aerial System.--The Secretary of Homeland Security shall ensure that Air and Marine Operations operate unmanned aerial systems for not less than 24 hours per day for five days per week. (c) Contract Air Support Authorization.--The Commissioner shall contract for the unfulfilled identified air support mission critical hours, as identified by the Chief of the U.S Border Patrol. (d) Primary Mission.--The Commissioner shall ensure that-- (1) the primary mission for Air and Marine Operations is to directly support U.S Border Patrol activities along the southern border; and (2) the Executive Associate Commissioner of Air and Marine Operations assigns the greatest priority to support missions established by the Commissioner to carry out the requirements under this Act. (e) High-demand Flight Hour Requirements.--In accordance with subsection (c), the Commissioner shall ensure that U.S Border Patrol Sector Chiefs-- (1) identify critical flight hour requirements; and (2) direct Air and Marine Operations to support requests from Sector Chiefs as their primary mission. (f) Study and Report.-- (1) Study.--Not later than 60 days after the date of the enactment of this Act, the Secretary of Homeland Security shall commence a comprehensive study on the realignment of the Air and Marine Office as a directorate of U.S Border Patrol. (2) Report.--Not later than 180 days after the date of the enactment of this Act, the Secretary of Homeland Security shall submit a report to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives that contains the results of the study under paragraph (1), including recommendations and timeframes for implementing such realignment described in such paragraph. SEC. 104. CAPABILITY DEPLOYMENT TO SPECIFIC SECTORS AND REGIONS. (a) In General.--Not later than January 20, 2021, the Secretary of Homeland Security, in implementing section 102 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (as amended by section 102 of this Act), and acting through the appropriate component of the Department of Homeland Security, shall deploy to each sector or region of the southern border and the northern border, in a prioritized manner to achieve situational awareness and operational control of such borders, the following additional capabilities: (1) San diego sector.--For the San Diego sector, the following: (A) Subterranean surveillance and detection technologies. (B) To increase coastal maritime domain awareness, the following: (i) Deployable, lighter-than-air surface surveillance equipment. (ii) Unmanned aerial vehicles with maritime surveillance capability. (iii) Maritime patrol aircraft. (iv) Coastal radar surveillance systems. (v) Maritime signals intelligence capabilities. (C) Ultralight aircraft detection capabilities. (D) Advanced unattended surveillance sensors. (E) A rapid reaction capability supported by aviation assets. (F) Mobile vehicle-mounted and man-portable surveillance capabilities. (2) El centro sector.--For the El Centro sector, the following: (A) Tower-based surveillance technology. (B) Deployable, lighter-than-air ground surveillance equipment. (C) Man-portable unmanned aerial vehicles. (D) Ultralight aircraft detection capabilities. (E) Advanced unattended surveillance sensors. (F) A rapid reaction capability supported by aviation assets. (3) Yuma sector.--For the Yuma sector, the following: (A) Tower-based surveillance technology. (B) Mobile vehicle-mounted and man-portable surveillance systems. (C) Deployable, lighter-than-air ground surveillance equipment. (D) Ultralight aircraft detection capabilities. (E) Advanced unattended surveillance sensors. (F) A rapid reaction capability supported by aviation assets. [[Page S4836]] (G) Mobile vehicle-mounted and man-portable surveillance capabilities. (H) Man-portable unmanned aerial vehicles. (4) Tucson sector.--For the Tucson sector, the following: (A) Increased flight hours for aerial detection, interdiction, and monitoring operations capability. (B) Man-portable unmanned aerial vehicles. (C) Tower-based surveillance technology. (D) Ultralight aircraft detection capabilities. (E) Advanced unattended surveillance sensors. (F) Deployable, lighter-than-air ground surveillance equipment. (G) A rapid reaction capability supported by aviation assets. (5) El paso sector.--For the El Paso sector, the following: (A) Tower-based surveillance technology. (B) Ultralight aircraft detection capabilities. (C) Advanced unattended surveillance sensors. (D) Mobile vehicle-mounted and man-portable surveillance systems. (E) Deployable, lighter-than-air ground surveillance equipment. (F) A rapid reaction capability supported by aviation assets. (G) Man-portable surveillance capabilities. (6) Big bend sector.--For the Big Bend sector, the following: (A) Tower-based surveillance technology. (B) Deployable, lighter-than-air ground surveillance equipment. (C) Improved agent communications capabilities. (D) Ultralight aircraft detection capabilities. (E) Advanced unattended surveillance sensors. (F) A rapid reaction capability supported by aviation assets. (G) Mobile vehicle-mounted and man-portable surveillance capabilities. (H) Man-portable unmanned aerial vehicles. (7) Del rio sector.--For the Del Rio sector, the following: (A) Increased monitoring for cross-river dams, culverts, and footpaths. (B) Improved agent communications capabilities. (C) Improved maritime capabilities in the Amistad National Recreation Area. (D) Advanced unattended surveillance sensors. (E) A rapid reaction capability supported by aviation assets. (F) Mobile vehicle-mounted and man-portable surveillance capabilities. (G) Man-portable unmanned aerial vehicles. (8) Laredo sector.--For the Laredo sector, the following: (A) Maritime detection resources for the Falcon Lake region. (B) Increased flight hours for aerial detection, interdiction, and monitoring operations capability. (C) Increased monitoring for cross-river dams, culverts, and footpaths. (D) Ultralight aircraft detection capability. (E) Advanced unattended surveillance sensors. (F) A rapid reaction capability supported by aviation assets. (G) Man-portable unmanned aerial vehicles. (9) Rio grande valley sector.--For the Rio Grande Valley sector, the following: (A) Deployable, lighter-than-air ground surveillance equipment. (B) Increased flight hours for aerial detection, interdiction, and monitoring operations capability. (C) Ultralight aircraft detection capability. (D) Advanced unattended surveillance sensors. (E) Increased monitoring for cross-river dams, culverts, footpaths. (F) A rapid reaction capability supported by aviation assets. (G) Mobile vehicle-mounted and man-portable surveillance capabilities. (H) Man-portable unmanned aerial vehicles. (10) Eastern pacific maritime region.--For the Eastern Pacific Maritime region, the following: (A) Not later than two years after the date of the enactment of this Act, an increase of not less than ten percent in the number of overall cutter, boat, and aircraft hours spent conducting interdiction operations over the average number of such hours during the preceding three fiscal years. (B) Increased maritime signals intelligence capabilities. (C) To increase maritime domain awareness, the following: (i) Unmanned aerial vehicles with maritime surveillance capability. (ii) Increased maritime aviation patrol hours. (D) Increased operational hours for maritime security components dedicated to joint counter-smuggling and interdiction efforts with other Federal agencies, including the Deployable Specialized Forces of the Coast Guard. (11) Caribbean and gulf maritime region.--For the Caribbean and Gulf Maritime region, the following: (A) Not later than two years after the date of the enactment of this Act, an increase of not less than ten percent in the number of overall cutter, boat, and aircraft hours spent conducting interdiction operations over the average number of such hours during the preceding three fiscal years. (B) Increased maritime signals intelligence capabilities. (C) Increased maritime domain awareness and surveillance capabilities, including the following: (i) Unmanned aerial vehicles with maritime surveillance capability. (ii) Increased maritime aviation patrol hours. (iii) Coastal radar surveillance systems with long range day and night cameras capable of providing 100 percent maritime domain awareness of the United States territorial waters surrounding Puerto Rico, Mona Island, Desecheo Island, Vieques Island, Culebra Island, Saint Thomas, Saint John, and Saint Croix. (D) Increased operational hours for maritime security components dedicated to joint counter-smuggling and interdiction efforts with other Federal agencies, including the Deployable Specialized Forces of the Coast Guard. (12) Blaine sector.--For the Blaine sector, the following: (A) Coastal radar surveillance systems. (B) Mobile vehicle-mounted and man-portable surveillance capabilities. (C) Advanced unattended surveillance sensors. (D) Improved agent communications systems. (E) Increased flight hours for aerial detection, interdiction, and monitoring operations capability. (F) Man-portable unmanned aerial vehicles. (G) Ultralight aircraft detection capabilities. (H) Modernized port of entry surveillance capabilities. (I) Increased maritime interdiction capabilities. (13) Spokane sector.--For the Spokane sector, the following: (A) Mobile vehicle-mounted and man-portable surveillance capabilities. (B) Advanced unattended surveillance sensors. (C) Improved agent communications systems. (D) Increased flight hours for aerial detection, interdiction, and monitoring operations capability. (E) Man-portable unmanned aerial vehicles. (F) Completion of six miles of the Bog Creek road. (G) Ultralight aircraft detection capabilities. (H) Modernized port of entry surveillance capabilities. (I) Increased maritime interdiction capabilities. (14) Havre sector.--For the Havre sector, the following: (A) Mobile vehicle-mounted and man-portable surveillance capabilities. (B) Advanced unattended surveillance sensors. (C) Improved agent communications systems. (D) Increased flight hours for aerial detection, interdiction, and monitoring operations capability. (E) Man-portable unmanned aerial vehicles. (F) Ultralight aircraft detection capabilities. (G) Modernized port of entry surveillance capabilities. (15) Grand forks sector.--For the Grand Forks sector, the following: (A) Mobile vehicle-mounted and man-portable surveillance capabilities. (B) Advanced unattended surveillance sensors. (C) Improved agent communications systems. (D) Increased flight hours for aerial detection, interdiction, and monitoring operations capability. (E) Man-portable unmanned aerial vehicles. (F) Ultralight aircraft detection capabilities. (G) Modernized port of entry surveillance capabilities. (16) Detroit sector.--For the Detroit sector, the following: (A) Coastal radar surveillance systems. (B) Mobile vehicle-mounted and man-portable surveillance capabilities. (C) Advanced unattended surveillance sensors. (D) Improved agent communications systems. (E) Increased flight hours for aerial detection, interdiction, and monitoring operations capability. (F) Man-portable unmanned aerial vehicles. (G) Ultralight aircraft detection capabilities. (H) Modernized port of entry surveillance capabilities. (I) Increased maritime interdiction capabilities. (17) Buffalo sector.--For the Buffalo sector, the following: (A) Coastal radar surveillance systems. (B) Mobile vehicle-mounted and man-portable surveillance capabilities. (C) Advanced unattended surveillance sensors. (D) Improved agent communications systems. [[Page S4837]] (E) Increased flight hours for aerial detection, interdiction, and monitoring operations capability. (F) Man-portable unmanned aerial vehicles. (G) Ultralight aircraft detection capabilities. (H) Modernized port of entry surveillance capabilities. (I) Increased maritime interdiction capabilities. (18) Swanton sector.--For the Swanton sector, the following: (A) Mobile vehicle-mounted and man-portable surveillance capabilities. (B) Advanced unattended surveillance sensors. (C) Improved agent communications systems. (D) Increased flight hours for aerial detection, interdiction, and monitoring operations capability. (E) Man-portable unmanned aerial vehicles. (F) Ultralight aircraft detection capabilities. (G) Modernized port of entry surveillance capabilities. (19) Houlton sector.--For the Houlton sector, the following: (A) Mobile vehicle-mounted and man-portable surveillance capabilities. (B) Advanced unattended surveillance sensors. (C) Improved agent communications systems. (D) Increased flight hours for aerial detection, interdiction, and monitoring operations capability. (E) Man-portable unmanned aerial vehicles. (F) Ultralight aircraft detection capabilities. (G) Modernized port of entry surveillance capabilities. (b) Reimbursement Related to the Lower Rio Grande Valley Flood Control Project.--The International Boundary and Water Commission is authorized to reimburse State and local governments for any expenses incurred before, on, or after the date of the enactment of this Act by such governments in designing, constructing, and rehabilitating the Lower Rio Grande Valley Flood Control Project of the Commission. (c) Tactical Flexibility.-- (1) Southern and northern land borders.--The Secretary of Homeland Security may alter the capability deployment referred to in this section if the Secretary determines, after notifying the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives, that such alteration is required to enhance situational awareness or operational control. (2) Maritime border.-- (A) Notification.--The Commandant of the Coast Guard shall notify the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Commerce, Science, and Transportation of the Senate, the Committee on Homeland Security of the House of Representatives, and the Committee on Transportation and Infrastructure of the House of Representatives regarding the capability deployments referred to in this section, including information relating to-- (i) the number and types of assets and personnel deployed; and (ii) the impact such deployments have on the capability of the Coast Guard to conduct its mission in each of the sectors referred to in paragraphs (10) and (11) of subsection (a). (B) Alteration.--The Commandant of the Coast Guard may alter the capability deployments referred to in this section if the Commandant-- (i) determines, after consultation with the appropriate committees referred to in subparagraph (A), that such alteration is necessary; and (ii) not later than 30 days after making a determination under clause (i), notifies the committees referred to in such subparagraph regarding such alteration, including information relating to-- (I) the number and types of assets and personnel deployed pursuant to such alteration; and (II) the impact such alteration has on the capability of the Coast Guard to conduct its mission in each of the sectors referred to in subsection (a). SEC. 105. U.S BORDER PATROL PHYSICAL INFRASTRUCTURE IMPROVEMENTS. The Secretary of Homeland Security shall upgrade existing physical infrastructure of the Department of Homeland Security, and construct and acquire additional physical infrastructure, including-- (1) U.S Border Patrol stations; (2) U.S Border Patrol checkpoints; (3) mobile command centers; and (4) other necessary facilities, structures, and properties. SEC. 106. U.S BORDER PATROL ACTIVITIES. The Chief of the U.S Border Patrol shall direct agents of the U.S Border Patrol to patrol as close to the physical land border as possible, consistent with the accessibility to such areas. SEC. 107. U.S BORDER PATROL FORWARD OPERATING BASES. (a) Upgrades and Maintenance for Forward Operating Bases.-- Not later than January 20, 2021, the Secretary of Homeland Security shall upgrade existing forward operating bases of U.S Border Patrol on or near the southern border to ensure that such bases meet the minimum requirements set forth in subsection (b). (b) Minimum Requirements.--Each forward operating base operated by U.S Customs and Border Protection shall be equipped with-- (1) perimeter security; (2) short-term detention space (separate from existing housing facilities); (3) portable generators or shore power sufficient to meet the power requirements for the base; (4) interview rooms; (5) adequate communications, including wide area network connectivity; (6) cellular service; (7) potable water; and (8) a helicopter landing zone. SEC. 108. BORDER SECURITY TECHNOLOGY ***PROGRAM*** MANAGEMENT. (a) In General.--Subtitle C of title IV of the Homeland Security Act of 2002 (6 U.S.C 231 et seq.) is amended by adding at the end the following new section: ``SEC. 434. BORDER SECURITY TECHNOLOGY ***PROGRAM*** MANAGEMENT. ``(a) Major Acquisition ***Program*** Defined.--In this section, the term `major acquisition ***program***' means an acquisition ***program*** of the Department that is estimated by the Secretary to require an eventual total expenditure of at least $300,000,000 (based on fiscal year 2017 constant dollars) over its life cycle cost. ``(b) ***Planning*** Documentation.--For each border security technology acquisition ***program*** of the Department that is determined to be a major acquisition ***program***, the Secretary shall-- ``(1) ensure that each such ***program*** has a written acquisition ***program*** baseline approved by the relevant acquisition decision authority; ``(2) document that each such ***program*** is meeting cost, schedule, and performance thresholds as specified in such baseline, in compliance with relevant departmental acquisition policies and the Federal Acquisition Regulation; and ``(3) have a ***plan*** for meeting ***program*** implementation objectives by managing contractor performance. ``(c) Adherence to Standards.--The Secretary, acting through the Under Secretary for Management and the Commissioner of U.S Customs and Border Protection, shall ensure border security technology acquisition ***program*** managers who are responsible for carrying out this section adhere to relevant internal control standards identified by the Comptroller General of the United States. The Commissioner shall provide information, as needed, to assist the Under Secretary in monitoring management of border security technology acquisition ***programs*** under this section. ``(d) ***Plan***.--The Secretary, acting through the Under Secretary for Management, in coordination with the Under Secretary for Science and Technology and the Commissioner of U.S Customs and Border Protection, shall submit to the appropriate congressional committees a ***plan*** for testing and evaluation, as well as the use of independent verification and validation resources, for border security technology so that new border security technologies are evaluated through a series of assessments, processes, and audits to ensure compliance with relevant departmental acquisition policies and the Federal Acquisition Regulation, as well as the effectiveness of taxpayer dollars.''. (b) Clerical Amendment.--The table of contents in section 1(b) of the Homeland Security Act of 2002 is amended by inserting after the item relating to section 433 the following new item: ``Sec. 434. Border security technology ***program*** management.''. (c) Prohibition on Additional Authorization of Appropriations.--No additional funds are authorized to be appropriated to carry out section 434 of the Homeland Security Act of 2002, as added by subsection (a). Such section shall be carried out using amounts otherwise authorized for such purposes. SEC. 109. AUTHORITY TO ACQUIRE LEASEHOLDS. Notwithstanding any other provision of law, if the Secretary of Homeland Security determines that the acquisition of a leasehold interest in real property and the construction or modification of any facility on the leased property are necessary to facilitate the implementation of this Act, the Secretary may-- (1) acquire a leasehold interest; (2) construct or modify such facility; (3) accept real or personal property donations of any value through U.S Customs and Border Protection's Donations Acceptance ***Program*** under the Cross-Border Trade Enhancement Act of 2016 (Public Law 114-279) or through other public- public or public-private partnership arrangements at any location at which U.S Customs and Border Protection operates; and (4) designate any leasing action as exempt from Federal lease scoring rules. SEC. 110. NATIONAL GUARD SUPPORT TO SECURE THE SOUTHERN BORDER AND REIMBURSEMENT OF STATES FOR DEPLOYMENT OF THE NATIONAL GUARD AT THE SOUTHERN BORDER. (a) In General.--With the approval of the Secretary of Defense, the Secretary of Homeland Security, or the Governor of a State may order any units or personnel of the National Guard of such State to perform operations and missions under section 502(f) of title 32, United States Code, along the southern border for the purposes of assisting U.S [[Page S4838]] Customs and Border Protection to secure the southern border. (b) Assignment of Operations and Missions.-- (1) In general.--National Guard units and personnel deployed under subsection (a) may be assigned such operations and missions specified in subsection (c) as may be necessary to secure the southern border. (2) Nature of duty.--The duty of National Guard personnel performing operations and missions described in paragraph (1) shall be full-time duty under title 32, United States Code. (c) Range of Operations and Missions.--The operations and missions assigned under subsection (b) shall include the temporary authority to-- (1) construct reinforced fencing or other barriers; (2) conduct ground-based surveillance systems; (3) operate unmanned and manned aircraft; (4) provide radio communications interoperability between U.S Customs and Border Protection and State, local, and tribal law enforcement agencies; and (5) construct checkpoints along the southern border to bridge the gap to long-term permanent checkpoints. (d) Materiel and Logistical Support.--The Secretary of Defense shall deploy such materiel and equipment, and logistical support as may be necessary to ensure success of the operations and missions conducted by the National Guard under this section. (e) Exclusion From National Guard Personnel Strength Limitations.--National Guard personnel deployed under subsection (a) shall not be included in-- (1) the calculation to determine compliance with limits on end strength for National Guard personnel; or (2) limits on the number of National Guard personnel that may be placed on active duty for operational support under section 115 of title 10, United States Code. (f) Reimbursement Required.-- (1) In general.--The Secretary of Defense shall reimburse States for the cost of the deployment of any units or personnel of the National Guard to perform operations and missions in full-time State Active Duty in support of a southern border mission. The Secretary of Defense may not seek reimbursement from the Secretary of Homeland Security for any reimbursements to States for the costs of such deployments. (2) Limitation.--The total amount of reimbursements under this section may not exceed $35,000,000 for any fiscal year. SEC. 111. OPERATION PHALANX. (a) In General.--The Secretary of Defense, with the concurrence of the Secretary of Homeland Security, shall provide assistance to U.S Customs and Border Protection for purposes of increasing ongoing efforts to secure the southern border. (b) Types of Assistance Authorized.--The assistance provided under subsection (a) may include-- (1) deployment of manned aircraft, unmanned aerial surveillance systems, and ground-based surveillance systems to support continuous surveillance of the southern border; and (2) intelligence analysis support. (c) Materiel and Logistical Support.--The Secretary of Defense may deploy such materiel, equipment, and logistics support as may be necessary to ensure the effectiveness of the assistance provided under subsection (a). (d) Authorization of Appropriations.--There are authorized to be appropriated for the Department of Defense $75,000,000 to provide assistance under this section. The Secretary of Defense may not seek reimbursement from the Secretary of Homeland Security for any assistance provided under this section. (e) Reports.-- (1) In general.--Not later than 90 days after the date of the enactment of this Act, and annually thereafter, the Secretary of Defense shall submit a report to the appropriate congressional defense committees (as defined in section 101(a)(16) of title 10, United States Code) regarding any assistance provided under subsection (a) during the period specified in paragraph (3). (2) Elements.--Each report under paragraph (1) shall include, for the period specified in paragraph (3), a description of-- (A) the assistance provided; (B) the sources and amounts of funds used to provide such assistance; and (C) the amounts obligated to provide such assistance. (3) Period specified.--The period specified in this paragraph is-- (A) in the case of the first report required under paragraph (1), the 90-day period beginning on the date of the enactment of this Act; and (B) in the case of any subsequent report submitted under paragraph (1), the calendar year for which the report is submitted. SEC. 112. MERIDA INITIATIVE. (a) Sense of Congress.--It is the sense of Congress that assistance to Mexico, including assistance from the Department of State and the Department of Defense and any aid related to the Merida Initiative, should-- (1) focus on providing enhanced border security and judicial reform and support for Mexico's drug crop eradication efforts; and (2) return to its original focus and prioritize security, training, and acquisition of equipment for Mexican security forces involved in drug crop eradication efforts. (b) Assistance for Mexico.--The Secretary of State, in coordination with the Secretary of Homeland Security, and the Secretary of Defense shall provide assistance to Mexico to-- (1) combat drug trafficking and related violence, organized crime, and corruption; (2) build a modern border security system capable of preventing illegal migration; (3) support border security and cooperation with United States law enforcement agencies on border incursions; (4) support judicial reform, institution building, and rule of law activities; and (5) provide for training and equipment for Mexican security forces involved in drug crop eradication efforts. (c) Allocation of Funds; Report.-- (1) In general.--Notwithstanding any other provision of law, 50 percent of any assistance appropriated in any appropriations Act to implement this section shall be withheld until after the Secretary of State submits a written report to the congressional committees specified in paragraph (3) certifying that the Government of Mexico is-- (A) significantly reducing illegal migration, drug trafficking, and cross-border criminal activities; and (B) improving the transparency and accountability of Mexican Federal police forces and working with Mexican State and municipal authorities to improve the transparency and accountability of Mexican State and municipal police forces. (2) Matters to include.--The report required under paragraph (1) shall include a description of-- (A) actions taken by the Government of Mexico to address the matters described in such paragraph; and (B) any instances in which the Secretary of State determines that the actions taken by the Government of Mexico are inadequate to address such matters. (3) Congressional committees specified.--The congressional committees specified in this paragraph are-- (A) the Committee on Appropriations of the Senate; (B) the Committee on Homeland Security and Governmental Affairs of the Senate; (C) the Committee on the Judiciary of the Senate; (D) the Committee on Appropriations of the House of Representatives; (E) the Committee on Homeland Security of the House of Representatives; and (F) the Committee on the Judiciary of the House of Representatives. (d) Notifications.--Any assistance made available by the Secretary of State under this section shall be subject to-- (1) the notification procedures set forth in section 634A of the Foreign Assistance Act of 1961 (22 U.S.C 2394-1); and (2) the notification requirements of-- (A) the Committee on Homeland Security and Governmental Affairs of the Senate; (B) the Committee on the Judiciary of the Senate; (C) the Committee on Homeland Security of the House of Representatives; and (D) the Committee on the Judiciary of the House of Representatives. (e) Spending ***Plan***.-- (1) In general.--Not later than 45 days after the date of the enactment of this Act, the Secretary of State shall submit, to the congressional committees specified in paragraph (2), a detailed spending ***plan*** for assistance to Mexico under this section, which shall include a strategy, developed after consulting with relevant authorities of the Government of Mexico for-- (A) combating drug trafficking and related violence and organized crime; and (B) anti-corruption and rule of law activities, which shall include concrete goals, actions to be taken, budget proposals, and a description of anticipated results. (2) Congressional committees specified.--The congressional committees specified in this paragraph are-- (A) the Committee on Appropriations of the Senate; (B) the Committee on Foreign Relations of the Senate; (C) the Committee on Homeland Security and Governmental Affairs of the Senate; (D) the Committee on the Judiciary of the Senate; (E) the Committee on Appropriations of the House of Representatives; (F) the Committee on Foreign Affairs of the House of Representatives; (G) the Committee on Homeland Security of the House of Representatives; and (H) the Committee on the Judiciary of the House of Representatives. SEC. 113. PROHIBITIONS ON ACTIONS THAT IMPEDE BORDER SECURITY ON CERTAIN FEDERAL LAND. (a) Prohibition on Interference With U.S Customs and Border Protection.-- (1) In general.--The Secretary concerned shall not impede, prohibit, or restrict activities of U.S Customs and Border Protection on covered Federal land to execute search and rescue operations or to prevent all unlawful entries into the United States, including entries by terrorists, other unlawful aliens, instruments of terrorism, narcotics, and other contraband through the southern border or the northern border. (2) Applicability.--The authority of U.S Customs and Border Protection to conduct activities described in paragraph (1) on covered Federal land applies without regard to whether a state of emergency exists. [[Page S4839]] (b) Authorized Activities of U.S Customs and Border Protection.-- (1) In general.--U.S Customs and Border Protection shall have immediate access to covered Federal land to conduct the activities described in paragraph (2) on such land to prevent all unlawful entries into the United States, including entries by terrorists, other unlawful aliens, instruments of terrorism, narcotics, and other contraband through the southern border or the northern border. (2) Activities described.--The activities described in this paragraph are-- (A) the use of vehicles to patrol the border area, apprehend illegal entrants, and rescue individuals; and (B) the construction, installation, operation and maintenance of tactical infrastructure and border technology as set forth in section 102 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (as amended by section 102 of this Act). (c) Exemption From Certain Laws.-- (1) In general.--The activities of U.S Customs and Border Protection described in subsection (b)(2) may be carried out without regard to the provisions of law specified in paragraph (2). (2) Provisions of law specified.--The provisions of law specified in this paragraph are all Federal, State, and other laws, regulations, and legal requirements of, deriving from, or related to the subject of, the following laws: (A) The National Environmental Policy Act (42 U.S.C 4321 et seq.). (B) The Endangered Species Act of 1973 (16 U.S.C 1531 et seq.). (C) The Federal Water Pollution Control Act (33 U.S.C 1251 et seq.) (commonly referred to as the ``Clean Water Act''). (D) Division A of subtitle III of title 54, United States Code (54 U.S.C 300301 et seq.) (formerly known as the ``National Historic Preservation Act''). (E) The Migratory Bird Treaty Act (16 U.S.C 703 et seq.). (F) The Clean Air Act (42 U.S.C 7401 et seq.). (G) The Archeological Resources Protection Act of 1979 (16 U.S.C 470aa et seq.). (H) The Safe Drinking Water Act (42 U.S.C 300f et seq.). (I) The Noise Control Act of 1972 (42 U.S.C 4901 et seq.). (J) The Solid Waste Disposal Act (42 U.S.C 6901 et seq.). (K) The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C 9601 et seq.). (L) Chapter 3125 of title 54, United States Code (formerly known as the ``Archaeological and Historic Preservation Act''). (M) The Antiquities Act (16 U.S.C 431 et seq.). (N) Chapter 3203 of title 54, United States Code (formerly known as the ``Historic Sites, Buildings, and Antiquities Act''). (O) The Wild and Scenic Rivers Act (16 U.S.C 1271 et seq.). (P) The Farmland Protection Policy Act (7 U.S.C 4201 et seq.). (Q) The Coastal Zone Management Act of 1972 (16 U.S.C 1451 et seq.). (R) The Wilderness Act (Pub. L. 88-577, 16 U.S.C 1131 et seq.). (S) The Federal Land Policy and Management Act of 1976 (43 U.S.C 1701 et seq.). (T) The National Wildlife Refuge System Administration Act of 1966 (16 U.S.C 668dd et seq.). (U) The Fish and Wildlife Act of 1956 (16 U.S.C 742a, et seq.). (V) The Fish and Wildlife Coordination Act (16 U.S.C 661 et seq.). (W) Subchapter II of chapter 5, and chapter 7, of title 5, United States Code (commonly known as the ``Administrative Procedure Act''). (X) The Otay Mountain Wilderness Act of 1999 (Pub. L. 106- 145). (Y) Sections 102(29) and 103 of the California Desert Protection Act of 1994 (Pub. L. 103-433). (Z) Division A of subtitle I of title 54, United States Code (formerly known as the ``National Park Service Organic Act''). (AA) The National Park Service General Authorities Act (16 U.S.C 1a-1 et seq.). (BB) Sections 401(7), 403, and 404 of the National Parks and Recreation Act of 1978 (Pub. L. 95-625). (CC) Subsections (a) through (f) of section 301 of the Arizona Desert Wilderness Act of 1990 (16 U.S.C 1132 note). (DD) The Act of March 3, 1899 (33 U.S.C 401 et seq.) (commonly known as the ``Rivers and Harbors Appropriation Act of 1899''). (EE) The Act of June 8, 1940 (16 U.S.C 668 et seq.) (commonly known as the ``Bald and Golden Eagle Protection Act''). (FF) The Native American Graves Protection and Repatriation Act (25 U.S.C 3001 et seq.). (GG) Public Law 95-341 (42 U.S.C 1996)(commonly known as the ``American Indian Religious Freedom Act''). (HH) The Religious Freedom Restoration Act of 1993 (42 U.S.C 2000bb et seq.). (II) The National Forest Management Act of 1976 (16 U.S.C 472a et seq.). (JJ) The Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C 528 et seq.). (3) Applicability of waiver to successor laws.--If a provision of law specified in paragraph (2) was repealed and incorporated into title 54, United States Code, after April 1, 2008, and before the date of the enactment of this Act, the waiver described in paragraph (1) shall apply to the provision of such title that corresponds to the provision of law specified in paragraph (2) to the same extent as the waiver applied to that provision of law. (d) Protection of Legal Uses.--This section may not be construed to provide-- (1) authority to restrict legal uses, such as grazing, hunting, mining, or recreation or the use of back country airstrips, on land under the jurisdiction of the Secretary of the Interior or the Secretary of ***Agriculture***; or (2) any additional authority to restrict legal access to such land. (e) Effect on State and Private Land.--This section shall-- (1) have no force or effect on State lands or private lands; and (2) not provide authority on or access to State lands or private lands. (f) Tribal Sovereignty.--Nothing in this section may be construed to supersede, replace, negate, or diminish treaties or other agreements between the United States and Indian tribes. (g) Definitions.--In this section: (1) Covered federal land.--The term ``covered Federal land'' includes all land under the control of the Secretary concerned that is located within 100 miles of the southern border or the northern border. (2) Secretary concerned.--The term ``Secretary concerned'' means-- (A) with respect to land under the jurisdiction of the Department of ***Agriculture***, the Secretary of ***Agriculture***; and (B) with respect to land under the jurisdiction of the Department of the Interior, the Secretary of the Interior. SEC. 114. LANDOWNER AND RANCHER SECURITY ENHANCEMENT. (a) Establishment of National Border Security Advisory Committee.--The Secretary of Homeland Security shall establish a National Border Security Advisory Committee, which-- (1) may advise, consult with, report to, and make recommendations to the Secretary on matters relating to border security matters, including-- (A) verifying security claims and the border security metrics established by the Department of Homeland Security under section 1092 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328; 6 U.S.C 223); and (B) discussing ways to improve the security of high traffic areas along the northern border and the southern border; and (2) may provide, through the Secretary, recommendations to Congress. (b) Consideration of Views.--The Secretary of Homeland Security shall consider the information, advice, and recommendations of the National Border Security Advisory Committee in formulating policy regarding matters affecting border security. (c) Membership.--The National Border Security Advisory Committee shall consist of at least one member per State who-- (1) has at least 5 years practical experience in border security operations; or (2) lives and works in the United States within 80 miles from the southern border or the northern border. (d) Nonapplicability of Federal Advisory Committee Act.-- The Federal Advisory Committee Act (5 U.S.C App.) shall not apply to the National Border Security Advisory Committee. SEC. 115. LIMITATION ON LAND OWNER'S LIABILITY. Section 287 of the Immigration and Nationality Act (8 U.S.C 1357) is amended by adding at the end the following: ``(i) Indemnity for Actions of Law Enforcement Officers.-- ``(1) In general.--Notwithstanding any other provision of law, and subject to appropriations, any owner of land located in the United States within 100 miles of the southern border of the United States may seek reimbursement from the Department of Homeland Security and the Secretary of Homeland Security shall pay for any adverse final tort judgment for negligence (excluding attorneys' fees and costs) authorized under Federal or State tort law, arising directly from any border patrol action, such as apprehensions, tracking, and detention of aliens, that is conducted on privately-owned land if-- ``(A) such land owner has been found negligent by a Federal or State court in any tort litigation; ``(B) such land owner has not already been reimbursed for the final tort judgment, including outstanding attorneys' fees and costs; ``(C) such land owner did not have or does not have sufficient property insurance to cover the judgment and has had an insurance claim for such coverage denied; and ``(D) such tort action was brought against such land owner as a direct result of activity of law enforcement officers of the Department of Homeland Security, acting in their official capacity, on the owner's land. ``(2) Definitions.--In this subsection-- ``(A) the term `land' includes roads, water, watercourses, and private ways, and buildings, structures, machinery, and equipment that is attached to real property; and ``(B) the term `owner' includes the possessor of a fee interest, a tenant, a lessee, an occupant, the possessor of any other interest in land, and any person having a right to grant permission to use the land. ``(3) Exceptions.--Nothing in this subsection may be construed to require the Secretary of Homeland Security to reimburse, under subparagraph (i)(1), a land owner for any adverse final tort judgment for negligence or to limit land owner liability which would otherwise exist for-- [[Page S4840]] ``(A) willful or malicious failure to guard or warn against a known dangerous condition, use, structure, or activity likely to cause harm; ``(B) maintaining an attractive nuisance; ``(C) gross negligence; or ``(D) direct interference with, or hindrance of, any agent or officer of the Federal Government who is authorized to enforce the immigration laws of the United States during-- ``(i) a patrol of such landowner's land; or ``(ii) any action taken to apprehend or detain any alien attempting to enter the United States illegally or to evade execution of an arrest warrant for a violation of any immigration law. ``(4) Savings provision.--Nothing in this subsection may be construed to affect any right or remedy available pursuant to chapter 171 of title 28, United States Code (commonly known as the `Federal Tort Claims Act').''. SEC. 116. ERADICATION OF CARRIZO CANE AND SALT CEDAR. Not later than January 20, 2021, the Secretary of Homeland Security, after coordinating with the heads of the relevant Federal, State, and local agencies, shall begin eradicating the carrizo cane plant and any salt cedar along the Rio Grande River. SEC. 117. PREVENTION, DETECTION, CONTROL, AND ERADICATION OF DISEASES AND PESTS. (a) Definitions.-- (1) Animal.--The term ``animal'' means any member of the animal kingdom (except a human). (2) Article.--The term ``article'' means any pest or disease or any material or tangible object that could harbor a pest or disease. (3) Disease.--The term ``disease'' has the meaning given the term by the Secretary of ***Agriculture***. (4) Livestock.--The term ``livestock'' means all farm- raised animals. (5) Means of conveyance.--The term ``means of conveyance'' means any personal property used for or intended for use for, the movement of any other personal property. (6) Pest.--The term ``pest'' means any of the following that can directly or indirectly injure, cause damage to, or cause disease in human livestock, a plant, or a plant part: (A) A protozoan. (B) A plant or plant part. (C) A nonhuman animal. (D) A bacterium. (E) A fungus. (F) A virus or viroid. (G) An infectious agent or other pathogen. (H) An arthropod. (I) A parasite or parasitic plant. (J) A prion. (K) A vector. (L) Any organism similar to or allied with any of the organisms described in this paragraph. (7) Plant.--The term ``plant'' means any plant (including any plant part) for or capable of propagation, including a tree, a tissue culture, a plantlet culture, pollen, a shrub, a vine, a cutting, a graft, a scion, a bud, a bulb, a root, and a seed. (8) State.--The term ``State'' means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands of the United States, and any territory or possession of the United States. (b) Detection, Control, and Eradication of the Spread of Diseases and Pests.-- (1) In general.--The Secretary of ***Agriculture*** may carry out operations and measures to prevent, detect, control, or eradicate the spread of any pest or disease of livestock or plant that threatens any segment of ***agriculture***. (2) Compensation.-- (A) In general.--The Secretary of ***Agriculture*** may pay a claim arising out of-- (i) the destruction of any animal, plant, plant part, article, or means of conveyance consistent with the purposes of this section; and (ii) implementing measures to prevent, detect, control, or eradicate the spread of any pest disease of livestock or plant that threatens any segment of ***agriculture***. (B) Specific cooperative ***programs***.--The Secretary of ***Agriculture*** shall compensate industry participants and State agencies that cooperate with the Secretary of ***Agriculture*** in carrying out operations and measures under this subsection for up to 100 percent of eligible costs relating to-- (i) cooperative ***programs*** involving Federal, State, or industry participants to control diseases of low or high pathogenicity and pests in accordance with regulations issued by the Secretary of ***Agriculture***; and (ii) the construction and operation of research laboratories, quarantine stations, and other buildings and facilities for special purposes. (C) Reviewability.--The action of any officer, employee, or agent of the Secretary of ***Agriculture*** in carrying out paragraph (1) shall not be subject to review by any officer or employee of the Federal Government other than the Secretary of ***Agriculture*** or a designee of the Secretary. (c) Cooperation.-- (1) In general.--To carry out this section, the Secretary of ***Agriculture*** may cooperate with other Federal agencies, States, State agencies, political subdivisions of States, national and local governments of foreign countries, domestic and international organizations and associations, domestic nonprofit corporations, Indian tribes, and other persons. (2) Responsibility.--The person or other entity cooperating with the Secretary of ***Agriculture*** shall be responsible for the authority necessary to carry out operations or measures-- (A) on all land and property within a foreign country or State, or under the jurisdiction of an Indian tribe, other than on land and property owned or controlled by the United States; and (B) using other facilities and means, as determined by the Secretary of ***Agriculture***. (d) Funding.--For fiscal year 2018, and for each succeeding fiscal year, the Secretary of ***Agriculture*** shall use such funds from the Commodity Credit Cooperation as may be necessary to carry out operations and measures to prevent, detect, control, or eradicate the spread of any pest or disease of livestock or plant that threatens any segment of ***agriculture***. (e) Reimbursement.--The Secretary of ***Agriculture*** shall reimburse any Federal agency, State, State agency, political subdivision of a State, national or local government of a foreign country, domestic or international organization or association, domestic nonprofit corporation, Indian tribe, or other person for specified costs, as prescribed by the Secretary of ***Agriculture***, in the discretion of the Secretary, that result from cooperation with the Secretary of ***Agriculture*** in carrying out operations and measures under this section. SEC. 118. EXEMPTION FROM GOVERNMENT CONTRACTING AND HIRING RULES. (a) Applicability of Certain Government Contracting Rules.-- (1) In general.--Notwithstanding any other provision of law, in implementing this title-- (A) the requirement under section 3301 of title 41, United States Code, to obtain a full and open competition through the use of competitive procedures shall not apply; and (B) any executive agency entering into the contract may use noncompetitive procedures in accordance with section 3304 of such title. (2) Limitations on protests.--The determination of an executive agency under section 3304 of title 41, United States Code, to use noncompetitive procedures shall not be subject to challenge by protest to-- (A) the Comptroller General of the United States under subchapter V of chapter 35 of title 31, United States Code; or (B) the Court of Federal Claims under section 1491 of title 28, United States Code. (b) Applicability of Certain Government Hiring Rules.-- (1) In general.--Notwithstanding any other provision of law, in implementing this title, the Secretary of Homeland Security and the Attorney General may appoint employees on a term, temporary limited, or part-time basis without regard to-- (A) the number of such employees; (B) the ratio between the number of such employees and the number of permanent full-time employees; and (C) the duration of such employees' employment. (2) Rule of construction.--Nothing in chapter 71 of title 5, United States Code, shall affect the authority of the Department of Homeland Security or the Department of Justice to hire employees under this title on a temporary limited or part-time basis. (c) Reports.--The head of an executive agency entering into a contract or hiring employees pursuant to authority provided under subsection (a) or (b) shall-- (1) immediately submit to the appropriate congressional committees written notification of the use of such authority; and (2) submit to those committees a quarterly report estimating amounts to be expended pursuant to such authority. (d) Executive Agency Defined.--In this section, the term ``executive agency'' has the meaning given the term in section 133 of title 41, United States Code. SEC. 119. TRANSNATIONAL CRIMINAL ORGANIZATION ILLICIT SPOTTER PREVENTION AND DETECTION. (a) Unlawfully Hindering Immigration, Border, and Customs Controls.-- (1) Enhanced penalties.--Chapter 9 of title II of the Immigration and Nationality Act (8 U.S.C 1351 et seq.) is amended by adding at the end the following: ``SEC. 295. UNLAWFULLY HINDERING IMMIGRATION, BORDER, AND CUSTOMS CONTROLS. ``(a) Illicit Spotting.--Any person who knowingly transmits, by any means, to another person the location, movement, or activities of any Federal, State, local, or tribal law enforcement agency with the intent to further a Federal crime relating to United States immigration, customs, controlled substances, ***agriculture***, monetary instruments, or other border controls shall be fined under title 18, imprisoned not more than 10 years, or both. ``(b) Destruction of United States Border Controls.--Any person who knowingly and without lawful authorization destroys, alters, or damages any fence, barrier, sensor, camera, or other physical or electronic device deployed by the Federal Government to control the border or a port of entry or otherwise seeks to construct, excavate, or make any structure intended to defeat, circumvent, or evade any such fence, barrier, sensor camera, or other physical or electronic device deployed by the Federal Government to control the border or a port of entry-- [[Page S4841]] ``(1) shall be fined under title 18, imprisoned not more than 10 years, or both; and ``(2) if, at the time of the offense, the person uses or carries a firearm or who, in furtherance of any such crime, possesses a firearm, shall be fined under title 18, imprisoned not more than 20 years, or both. ``(c) Conspiracy and Attempt.--Any person who attempts or conspires to violate subsection (a) or (b) shall be punished in the same manner as a person who completes a violation of such subsection.''. (2) Clerical amendment.--The table of contents in the first section of the Immigration and Nationality Act is amended by inserting after the item relating to section 294 the following: ``Sec. 295. Unlawfully hindering immigration, border, and customs controls.''. (b) Carrying or Using a Firearm During and in Relation to an Alien Smuggling Crime.--Section 924(c) of title 18, United States Code, is amended-- (1) in paragraph (1)-- (A) in subparagraph (A), by inserting ``, alien smuggling crime,'' after ``crime of violence'' each place that term appears; and (B) in subparagraph (D)(ii), by inserting ``, alien smuggling crime,'' after ``crime of violence''; (2) by striking paragraphs (2) through (4); (3) by redesignating paragraph (5) as paragraph (2); and (4) by adding at the end the following: ``(3) For purposes of this subsection-- ``(A) the term `alien smuggling crime' means any felony punishable under section 274(a), 277, or 278 of the Immigration and Nationality Act (8 U.S.C 1324(a), 1327, and 1328); ``(B) the term `brandish' means, with respect to a firearm, to display all or part of the firearm, or otherwise make the presence of the firearm known to another person, in order to intimidate that person, regardless of whether the firearm is directly visible to that person; ``(C) the term `crime of violence' means a felony offense that-- ``(i) has as an element the use, attempted use, or threatened use of physical force against the person or property of another; or ``(ii) by its nature, involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense; and ``(D) the term `drug trafficking crime' means any felony punishable under the Controlled Substances Act (21 U.S.C 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C 951 et seq.), or chapter 705 of title 46.''. (c) Statute of Limitations.--Section 3298 of title 18, United States Code, is amended by inserting ``, or 295'' after ``274(a)''. SEC. 120. SOUTHERN BORDER THREAT ANALYSIS. (a) Threat Analysis.-- (1) Requirement.--Not later than 180 days after the date of the enactment of this Act, the Secretary of Homeland Security shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives a southern border threat analysis. (2) Contents.--The analysis submitted under paragraph (1) shall include an assessment of-- (A) current and potential terrorism and criminal threats posed by individuals and organized groups seeking-- (i) to unlawfully enter the United States through the southern border; or (ii) to exploit security vulnerabilities along the southern border; (B) improvements needed at and between ports of entry along the southern border to prevent terrorists and instruments of terror from entering the United States; (C) gaps in law, policy, and coordination between State, local, or tribal law enforcement, international agreements, or tribal agreements that hinder effective and efficient border security, counterterrorism, and anti-human smuggling and trafficking efforts; (D) the current percentage of situational awareness achieved by the Department of Homeland Security along the southern border; (E) the current percentage of operational control (as defined in section 2 of the Secure Fence Act of 2006 (8 U.S.C 1701 note)) achieved by the Department of Homeland Security on the southern border; and (F) traveler crossing times and any potential security vulnerability associated with prolonged wait times. (3) Analysis requirements.--In compiling the southern border threat analysis under this subsection, the Secretary of Homeland Security shall consider and examine-- (A) the technology needs and challenges, including such needs and challenges identified as a result of previous investments that have not fully realized the security and operational benefits that were sought; (B) the personnel needs and challenges, including such needs and challenges associated with recruitment and hiring; (C) the infrastructure needs and challenges; (D) the roles and authorities of State, local, and tribal law enforcement in general border security activities; (E) the status of coordination among Federal, State, local, tribal, and Mexican law enforcement entities relating to border security; (F) the terrain, population density, and climate along the southern border; and (G) the international agreements between the United States and Mexico related to border security. (4) Classified form.--To the extent possible, the Secretary of Homeland Security shall submit the southern border threat analysis required under this subsection in unclassified form, but may submit a portion of the threat analysis in classified form if the Secretary determines such action is appropriate. (b) Border Patrol ***Strategic*** ***Plan***.-- (1) In general.--Not later than the later of 180 days after the submission of the threat analysis required under subsection (a) or June 30, 2018, and every five years thereafter, the Secretary of Homeland Security, acting through the Chief of the U.S Border Patrol, and in consultation with the Officer for Civil Rights and Civil Liberties of the Department of Homeland Security, shall issue a Border Patrol ***Strategic*** ***Plan***. (2) Contents.--The Border Patrol ***Strategic*** ***Plan*** required under this subsection shall include a consideration of-- (A) the southern border threat analysis required under subsection (a), with an emphasis on efforts to mitigate threats identified in such threat analysis; (B) efforts to analyze and disseminate border security and border threat information between border security components of the Department of Homeland Security and other appropriate Federal departments and agencies with missions associated with the southern border; (C) efforts to increase situational awareness, including-- (i) surveillance capabilities, including capabilities developed or utilized by the Department of Defense, and any appropriate technology determined to be excess by the Department of Defense; and (ii) the use of manned aircraft and unmanned aerial systems, including camera and sensor technology deployed on such assets; (D) efforts to detect and prevent terrorists and instruments of terrorism from entering the United States; (E) efforts to detect, interdict, and disrupt aliens and illicit drugs at the earliest possible point; (F) efforts to focus intelligence collection to disrupt transnational criminal organizations outside of the international and maritime borders of the United States; (G) efforts to ensure that any new border security technology can be operationally integrated with existing technologies in use by the Department of Homeland Security; (H) any technology required to maintain, support, and enhance security and facilitate trade at ports of entry, including nonintrusive detection equipment, radiation detection equipment, biometric technology, surveillance systems, and other sensors and technology that the Secretary of Homeland Security determines to be necessary; (I) operational coordination unity of effort initiatives of the border security components of the Department of Homeland Security, including any relevant task forces of the Department of Homeland Security; (J) lessons learned from Operation Jumpstart and Operation Phalanx; (K) cooperative agreements and information sharing with State, local, tribal, territorial, and other Federal law enforcement agencies that have jurisdiction on the northern border or the southern border; (L) border security information received from consultation with State, local, tribal, territorial, and Federal law enforcement agencies that have jurisdiction on the northern border or the southern border, or in the maritime environment, and from border community stakeholders (including through public meetings with such stakeholders), including representatives from border ***agricultural*** and ranching organizations and representatives from business and civic organizations along the northern border or the southern border; (M) staffing requirements for all departmental border security functions; (N) a prioritized list of departmental research and development objectives to enhance the security of the southern border; (O) an assessment of training ***programs***, including training ***programs*** for-- (i) identifying and detecting fraudulent documents; (ii) understanding the scope of enforcement authorities and the use of force policies; and (iii) screening, identifying, and addressing vulnerable populations, such as children and victims of human trafficking; and (P) an assessment of how border security operations affect border crossing times. Subtitle B--Personnel PART I--INCREASES IN IMMIGRATION AND LAW ENFORCEMENT PERSONNEL SEC. 131. ADDITIONAL U.S CUSTOMS AND BORDER PROTECTION AGENTS AND OFFICERS. (a) Border Patrol Agents.--Not later than September 30, 2021, the Commissioner of U.S Customs and Border Protection shall hire, train, and assign sufficient agents to maintain an active duty presence of not fewer than 26,370 full-time equivalent agents. (b) CBP Officers.--In addition to positions authorized before the date of the enactment of this Act and any existing officer vacancies within U.S Customs and Border Protection as of such date, the Commissioner, subject to the availability of appropriations, shall hire, train, and assign to duty, not later than September 30, 2021-- [[Page S4842]] (1) sufficient U.S Customs and Border Protection officers to maintain an active duty presence of not fewer than 27,725 full-time equivalent officers; and (2) 350 full-time support staff distributed among all United States ports of entry. (c) Air and Marine Operations.--Not later than September 30, 2021, the Commissioner of U.S Customs and Border Protection shall hire, train, and assign sufficient agents for Air and Marine Operations of U.S Customs and Border Protection to maintain not fewer than 1,675 full-time equivalent agents. (d) U.S Customs and Border Protection K-9 Units and Handlers.-- (1) K-9 units.--Not later than September 30, 2021, the Commissioner shall deploy not less than 300 new K-9 units, with supporting officers of U.S Customs and Border Protection and other required staff, at land ports of entry and checkpoints on the southern border and the northern border. (2) Use of canines.--The Commissioner shall prioritize the use of canines at the primary inspection lanes at land ports of entry and checkpoints. (e) U.S Customs and Border Protection Horseback Units.-- (1) Increase.--Not later than September 30, 2021, the Commissioner shall increase the number of horseback units, with supporting officers of U.S Customs and Border Protection and other required staff, by not less than 100 officers and 50 horses for security patrol along the southern border. (2) Funding limitation.--Of the amounts authorized to be appropriated for U.S Customs and Border Protection in this Act, not more than one percent may be used for the purchase of additional horses, the construction of new stables, maintenance and improvements of existing stables, and for feed, medicine, and other resources needed to maintain the health and well-being of the horses that serve in the horseback units. (f) U.S Customs and Border Protection Search Trauma and Rescue Teams.--Not later than September 30, 2021, the Commissioner shall increase by not fewer than 50 the number of officers engaged in search and rescue activities along the southern border. (g) U.S Customs and Border Protection Tunnel Detection and Technology ***Program***.--Not later than September 30, 2021, the Commissioner shall increase by not less than 50 the number of officers assisting task forces and activities related to deployment and operation of border tunnel detection technology and apprehensions of individuals using such tunnels for crossing into the United States, drug trafficking, or human smuggling. (h) ***Agricultural*** Specialists.--Not later than September 30, 2021, and in addition to the officers and agents authorized under paragraphs (a) through (g), the Secretary of Homeland Security shall hire, train, and assign to duty, 631 U.S Customs and Border Protection ***agricultural*** specialists to ports of entry along the southern border and the northern border. (i) GAO Report.--If the staffing levels required under this section are not achieved by September 30, 2021, the Comptroller General of the United States shall conduct a review of the reasons why such levels were not achieved. SEC. 132. U.S CUSTOMS AND BORDER PROTECTION HIRING AND RETENTION INCENTIVES. (a) Definitions.--In this section: (1) Covered area.--The term ``covered area'' means a geographic area that the Secretary of Homeland Security determines is in a remote location or is an area for which it is difficult to find full-time permanent covered CBP employees, as compared to other ports of entry or Border Patrol sectors. (2) Covered cbp employee.--The term ``covered CBP employee'' means an employee of U.S Customs and Border Protection performing activities that are critical to border security or customs enforcement, as determined by the Commissioner. (3) Rate of basic pay.--The term ``rate of basic pay''-- (A) means the rate of pay fixed by law or administrative action for the position to which an employee is appointed before deductions and including any special rate under subpart C of part 530 of title 5, Code of Federal Regulations, or a similar payment under other legal authority, and any locality-based comparability payment under subpart F of part 531 of such title, or a similar payment under other legal authority, but excluding additional pay of any other kind; and (B) does not include additional pay, such as night shift differentials under section 5343(f) of title 5, United States Code, or environmental differentials under section 5343(c)(4) of such title. (4) Special rate of pay.--The term ``special rate of pay'' means a higher than normal rate of pay that exceeds the otherwise applicable rate of basic pay for a similar covered CBP employee at a land port of entry. (b) Hiring Incentives.-- (1) In general.--In addition to the retention incentives that are authorized under subsection (c), and to the extent necessary for U.S Customs and Border Protection to hire, train, and deploy qualified officers and employees and to meet the requirements under section 131, the Commissioner, with the approval of the Secretary of Homeland Security, may pay a hiring bonus of $10,000 to a covered CBP employee, after the covered CBP completes initial basic training and executes a written agreement required under subparagraph (2). (2) Written agreement.--The payment of a hiring bonus to a covered CBP employee under paragraph (1) is contingent upon the covered CBP employee entering into a written agreement with U.S Customs and Border Protection to complete more than two years of employment with U.S Customs and Border Protection beginning on the date on which the agreement is signed. Such agreement shall include-- (A) the amount of the hiring bonus; (B) the conditions under which the agreement may be terminated before the required period of service is completed and the effect of such termination; (C) the length of the required service period; and (D) any other terms and conditions under which the hiring bonus is payable, subject to the requirements under this section. (3) Form of payment.--A signing bonus paid to a covered CBP employee under paragraph (1) shall be paid in a single payment after the covered CBP employee completes initial basic training and enters on duty and executes the agreement under paragraph (2). (4) Exclusion of signing bonus from rate of pay.--A signing bonus paid to a covered CBP employee under paragraph (1) shall not be considered part of the rate of basic pay of the covered CBP employee for any purpose. (5) Effective date and sunset.--This subsection shall take effect on the date of the enactment of this Act and shall remain in effect until the earlier of-- (A) September 30, 2019; or (B) the date on which U.S Customs and Border Protection has 26,370 full-time equivalent agents. (c) Retention Incentives.-- (1) In general.--To the extent necessary for U.S Customs and Border Protection to retain qualified employees, and to the extent necessary to meet the requirements set forth in section 131, the Commissioner, with the approval of the Secretary of Homeland Security, may pay a retention incentive to a covered CBP employee who has been employed with U.S Customs and Border Protection for a period of longer than two consecutive years, and the Commissioner determines that, in the absence of the retention incentive, the covered CBP employee would likely-- (A) leave the Federal service; or (B) transfer to, or be hired into, a different position within the Department of Homeland Security (other than another position in CBP). (2) Written agreement.--The payment of a retention incentive to a covered CBP employee under paragraph (1) is contingent upon the covered CBP employee entering into a written agreement with U.S Customs and Border Protection to complete more than two years of employment with U.S Customs and Border Protection beginning on the date on which the CBP employee enters on duty and the agreement is signed. Such agreement shall include-- (A) the amount of the retention incentive; (B) the conditions under which the agreement may be terminated before the required period of service is completed and the effect of such termination; (C) the length of the required service period; and (D) any other terms and conditions under which the retention incentive is payable, subject to the requirements under this section. (3) Criteria.--When determining the amount of a retention incentive paid to a covered CBP employee under paragraph (1), the Commissioner shall consider-- (A) the length of the Federal service and experience of the covered CBP employee; (B) the salaries for law enforcement officers in other Federal agencies; and (C) the costs of replacing the covered CBP employee, including the costs of training a new employee. (4) Amount of retention incentive.--A retention incentive paid to a covered CBP employee under paragraph (1)-- (A) shall be approved by the Secretary of Homeland Security and the Commissioner; (B) shall be stated as a percentage of the employee's rate of basic pay for the service period associated with the incentive; and (C) may not exceed $25,000 for each year of the written agreement. (5) Form of payment.--A retention incentive paid to a covered CBP employee under paragraph (1) shall be paid as a single payment at the end of the fiscal year in which the covered CBP employee entered into an agreement under paragraph (2), or in equal installments during the life of the service agreement, as determined by the Commissioner. (6) Exclusion of retention incentive from rate of pay.--A retention incentive paid to a covered CBP employee under paragraph (1) shall not be considered part of the rate of basic pay of the covered CBP employee for any purpose. (d) Pilot ***Program*** on Special Rates of Pay in Covered Areas.-- (1) In general.--The Commissioner may establish a pilot ***program*** to assess the feasibility and advisability of using special rates of pay for covered CBP employees in covered areas, as designated on the date of the enactment of this Act, to help meet the requirements set forth in section 131. (2) Maximum amount.--The rate of basic pay of a covered CBP employee paid a special rate of pay under the pilot ***program*** may not exceed 125 percent of the otherwise applicable rate of basic pay of the covered CBP employee. (3) Termination.-- [[Page S4843]] (A) In general.--Except as provided in subparagraph (B), the pilot ***program*** shall terminate on the date that is two years after the date of the enactment of this Act. (B) Extension.--If the Secretary of Homeland Security determines that the pilot ***program*** is performing satisfactorily and there are metrics that prove its success in meeting the requirements set forth in section 131, the Secretary may extend the pilot ***program*** until the date that is four years after the date of the enactment of this Act. (4) Report to congress.--Shortly after the pilot ***program*** terminates under paragraph (3), the Commissioner shall submit a report to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on the Judiciary of the Senate, the Committee on Homeland Security of the House of Representatives, and the Committee on the Judiciary of the House of Representatives that details-- (A) the total amount paid to covered CBP employees under the pilot ***program***; and (B) the covered areas in which the pilot ***program*** was implemented. (e) Salaries.-- (1) In general.--Section 101(b) of the Enhanced Border Security and Visa Entry Reform Act of 2002 (8 U.S.C 1711(b)) is amended to read as follows: ``(b) Authorization of Appropriations for CBP Employees.-- There are authorized to be appropriated to U.S Customs and Border Protection such sums as may be necessary to increase, effective January 1, 2018, the annual rate of basic pay for U.S Customs and Border Protection employees who have completed at least one year of service-- ``(1) to the annual rate of basic pay payable for positions at GS-12, step 1 of the General Schedule under subchapter III of chapter 53 of title 5, United States Code, for officers and agents who are receiving the annual rate of basic pay payable for a position at GS-5, GS-6, GS-7, GS-8, or GS-9 of the General Schedule; ``(2) to the annual rate of basic pay payable for positions at GS-12, step 10 of the General Schedule under such subchapter for supervisory CBP officers and supervisory Border Patrol agents who are receiving the annual rate of pay payable for a position at GS-10 of the General Schedule; and ``(3) to the annual rate of basic pay payable for positions at GS-13, step 1 of the General Schedule under such subchapter for supervisory CBP officers and supervisory Border Patrol agents who are receiving the annual rate of pay payable for a position at GS-11 of the General Schedule; ``(4) to the annual rate of basic pay payable for positions at GS-14, step 1 of the General Schedule under such subchapter for supervisory CBP officers and supervisory Border Patrol agents who are receiving the annual rate of pay payable for a position at GS-12 or GS-13 of the General Schedule; and ``(5) to the annual rate of basic pay payable for positions at GS-8, GS-9, or GS-10 of the General Schedule for assistants who are receiving an annual rate of pay payable for positions at GS-5, GS-6, or GS-7 of the General Schedule, respectively.''. (2) Hardship duty pay.--In addition to compensation to which Border Patrol agents are otherwise entitled, Border Patrol agents who are assigned to rural areas shall be entitled to receive hardship duty pay, in lieu of a retention incentive bonus under subsection (b), in an amount determined by the Commissioner, which may not exceed the rate of special pay to which members of a uniformed service are entitled under section 310 of title 37, United States Code. (3) Overtime limitation.--Section 5(c)(1) of the Act of February 13, 1911 (19 U.S.C 267(c)(1)) is amended by striking ``$25,000'' and inserting ``$45,000''. SEC. 133. ANTI-BORDER CORRUPTION REAUTHORIZATION ACT. (a) Short Title.--This Act may be cited as the ``Anti- Border Corruption Reauthorization Act of 2017''. (b) Hiring Flexibility.--Section 3 of the Anti-Border Corruption Act of 2010 (6 U.S.C 221) is amended by striking subsection (b) and inserting the following: ``(b) Waiver Authority.--The Commissioner of U.S Customs and Border Protection may waive the application of subsection (a)(1)-- ``(1) to a current, full-time law enforcement officer employed by a State or local law enforcement agency who-- ``(A) has continuously served as a law enforcement officer for not fewer than three years; ``(B) is authorized by law to engage in or supervise the prevention, detection, investigation, or prosecution of, or the incarceration of any person for, any violation of law, and has statutory powers for arrest or apprehension; ``(C) is not currently under investigation, has not been found to have engaged in criminal activity or serious misconduct, has not resigned from a law enforcement officer position under investigation or in lieu of termination, and has not been dismissed from a law enforcement officer position; and ``(D) has, within the past ten years, successfully completed a polygraph examination as a condition of employment with such officer's current law enforcement agency; ``(2) to a current, full-time Federal law enforcement officer who-- ``(A) has continuously served as a law enforcement officer for not fewer than three years; ``(B) is authorized to make arrests, conduct investigations, conduct searches, make seizures, carry firearms, and serve orders, warrants, and other processes; ``(C) is not currently under investigation, has not been found to have engaged in criminal activity or serious misconduct, has not resigned from a law enforcement officer position under investigation or in lieu of termination, and has not been dismissed from a law enforcement officer position; and ``(D) holds a current Tier 4 background investigation or current Tier 5 background investigation; and ``(3) to a member of the Armed Forces (or a reserve component thereof) or a veteran, if such individual-- ``(A) has served in the Armed Forces for not fewer than three years; ``(B) holds, or has held within the past five years, a Secret, Top Secret, or Top Secret/Sensitive Compartmented Information clearance; ``(C) holds, or has undergone within the past five years, a current Tier 4 background investigation or current Tier 5 background investigation; ``(D) received, or is eligible to receive, an honorable discharge from service in the Armed Forces and has not engaged in criminal activity or committed a serious military or civil offense under the Uniform Code of Military Justice; and ``(E) was not granted any waivers to obtain the clearance referred to subparagraph (B). ``(c) Termination of Waiver Authority.--The authority to issue a waiver under subsection (b) shall terminate on the date that is four years after the date of the enactment of the Anti-Border Corruption Reauthorization Act of 2017.''. (c) Supplemental Commissioner Authority and Definitions.-- (1) Supplemental commissioner authority.--Section 4 of the Anti-Border Corruption Act of 2010 (Public Law 111-376) is amended to read as follows: ``SEC. 4. SUPPLEMENTAL COMMISSIONER AUTHORITY. ``(a) Nonexemption.--An individual who receives a waiver under section 3(b) is not exempt from other hiring requirements relating to suitability for employment and eligibility to hold a national security designated position, as determined by the Commissioner of U.S Customs and Border Protection. ``(b) Background Investigations.--Any individual who receives a waiver under section 3(b) who holds a current Tier 4 background investigation shall be subject to a Tier 5 background investigation. ``(c) Administration of Polygraph Examination.--The Commissioner of U.S Customs and Border Protection is authorized to administer a polygraph examination to an applicant or employee who is eligible for or receives a waiver under section 3(b) if information is discovered before the completion of a background investigation that results in a determination that a polygraph examination is necessary to make a final determination regarding suitability for employment or continued employment, as the case may be.''. (2) Report.--The Anti-Border Corruption Act of 2010, as amended by paragraph (1), is further amended by adding at the end the following new section: ``SEC. 5. REPORTING. ``(a) Annual Report.--Not later than one year after the date of the enactment of the Anti-Border Corruption Re- authorization Act of 2017, and annually thereafter while the waiver authority under section 3(b) is in effect, the Commissioner of U.S Customs and Border Protection shall submit to Congress a report that includes, with respect to the reporting period-- ``(1) the number of waivers requested, granted, and denied under section 3(b); ``(2) the reasons for any denials of such waiver; ``(3) the percentage of applicants who were hired after receiving a waiver; ``(4) the number of instances that a polygraph was administered to an applicant who initially received a waiver and the results of such polygraph; ``(5) an assessment of the current impact of the polygraph waiver ***program*** on filling law enforcement positions at U.S Customs and Border Protection; and ``(6) additional authorities needed by U.S Customs and Border Protection to better utilize the polygraph waiver ***program*** for its intended goals. ``(b) Additional Information.--The first report submitted under subsection (a) shall include-- ``(1) an analysis of other methods of employment suitability tests that detect deception and could be used in conjunction with traditional background investigations to evaluate potential employees for suitability; and ``(2) a recommendation regarding whether a test referred to in paragraph (1) should be adopted by U.S Customs and Border Protection when the polygraph examination requirement is waived pursuant to section 3(b).''. (3) Definitions.--The Anti-Border Corruption Act of 2010, as amended by paragraphs (1) and (2), is further amended by adding at the end the following new section: ``SEC. 6. DEFINITIONS. ``In this Act: ``(1) Federal law enforcement officer.--The term `Federal law enforcement officer' has the meaning given the term `law enforcement officer' in sections 8331(20) and 8401(17) of title 5, United States Code. [[Page S4844]] ``(2) Serious military or civil offense.--The term `serious military or civil offense' means an offense for which-- ``(A) a member of the Armed Forces may be discharged or separated from service in the Armed Forces; and ``(B) a punitive discharge is, or would be, authorized for the same or a closely related offense under the Manual for Court-Martial, as pursuant to Army Regulation 635-200 chapter 14-12. ``(3) Tier 4; tier 5.--The terms `Tier 4' and `Tier 5' with respect to background investigations have the meaning given such terms under the 2012 Federal Investigative Standards. ``(4) Veteran.--The term `veteran' has the meaning given such term in section 101(2) of title 38, United States Code.''. (d) Polygraph Examiners.--Not later than September 30, 2021, the Secretary of Homeland Security shall increase to not fewer than 150 the number of trained full-time equivalent polygraph examiners for administering polygraph examinations under the Anti-Border Corruption Act of 2010, as amended by this section. SEC. 134. ADDITIONAL U.S IMMIGRATION AND CUSTOMS ENFORCEMENT PERSONNEL. (a) Enforcement and Removal Officers.--Not later than September 30, 2021, the Director of U.S Immigration and Customs Enforcement shall increase the number of trained, full-time, active duty U.S Immigration and Customs Enforcement Enforcement and Removal Operations law enforcement officers performing interior immigration enforcement functions to not fewer than 8,500. (b) Homeland Security Investigations Special Agents.--Not later than September 30, 2021, the Director of U.S Immigration and Customs Enforcement shall increase the number of trained, full-time, active duty Homeland Security Investigations special agents by not fewer than 1,500. (c) Border Enforcement Security Task Force.--Not later than September 30, 2021, the Director of U.S Immigration and Customs Enforcement shall assign not fewer than 100 Homeland Security Investigations special agents to the Border Enforcement Security Task Force ***Program*** established under section 432 of the Homeland Security Act of 2002 (6 U.S.C 240). SEC. 135. OTHER IMMIGRATION AND LAW ENFORCEMENT PERSONNEL. (a) Department of Justice.-- (1) United states attorneys.--Not later than September 30, 2021, in addition to positions authorized before the date of the enactment of this Act and any existing attorney vacancies within the Department of Justice on such date of enactment, the Attorney General shall-- (A) increase by not fewer than 100 the number of Assistant United States Attorneys, and (B) increase by not fewer than 50 the number of Special Assistant United States Attorneys in the United States Attorneys' office to litigate denaturalization and other immigration cases in the Federal courts. (2) Immigration judges.-- (A) Additional immigration judges.--Not later than September 30, 2021, in addition to positions authorized before the date of the enactment of this Act and any existing vacancies within the Department of Justice on such date of enactment, and subject to the availability of appropriations, the Attorney General shall increase by 200 the number of trained full-time immigration judges. (B) Facilities and support personnel.--The Attorney General is authorized to procure space, temporary facilities, and support staff, on an expedited basis, to accommodate the additional immigration judges authorized under this subparagraph. (3) Board of immigration appeals.-- (A) Board members.--Not later than September 30, 2021, the Attorney General shall increase the number of Board Members authorized to serve on the Board of Immigration Appeals to 25. (B) Staff attorneys.--Not later than September 30, 2021, in addition to positions authorized before the date of the enactment of this Act and any existing staff attorney vacancies within the Department of Justice on the date of enactment, and subject to the availability of appropriations, the Attorney General shall increase the number of staff attorneys assigned to support the Board of Immigration Appeals by not fewer than 50. (C) Facilities and support personnel.--The Attorney General is authorized to procure space, temporary facilities, and required administrative support staff, on an expedited basis, to accommodate the additional Board Members authorized under this subparagraph. (4) Office of immigration litigation.--Not later than September 30, 2021, in addition to positions authorized before the date of the enactment of this Act and any existing vacancies within the Department of Justice, and subject to the availability of appropriations, the Attorney General shall increase by not fewer than 100 the number of attorneys for the Office of Immigration Litigation. (b) Department of Homeland Security.-- (1) Fraud detection and national security officers.--Not later than September 30, 2021, in addition to positions authorized before the date of the enactment of this Act and any existing officer vacancies within the Department of Homeland Security, and subject to the availability of appropriations, the Director of U.S Citizenship and Immigration Services shall increase by not fewer than 100 the number of trained full-time active duty Fraud Detection and National Security (FDNS) officers. (2) ICE homeland security investigations forensic document laboratory personnel.--Not later than September 30, 2021, in addition to positions authorized before the date of the enactment of this Act and any existing officer vacancies within the Department of Homeland Security, the Director of U.S Immigration and Customs Enforcement shall increase the number of trained full-time Forensic Document Laboratory Examiners by 15, Fingerprint Specialists by 15, Intelligence Officers by 10, and Administrative Staff by 3. (3) Immigration attorneys.-- (A) ICE trial attorneys.--Not later than September 30, 2021, in addition to positions authorized before the date of the enactment of this Act and any existing attorney vacancies within the Department of Homeland Security on such date of enactment, the Director of U.S Immigration and Customs Enforcement shall increase the number of trained, full-time, active duty Office of Principal Legal Advisor attorneys by not fewer than 1,200. Such attorneys shall primarily perform duties related to litigation of removal proceedings and representing the Department of Homeland Security in immigration matters before the immigration courts within the Department of Justice, the Executive Office for Immigration Review, and enforcement of U.S customs and trade laws. At least 50 of these additional attorney positions shall be by the Attorney General to increase the number of U.S Immigration and Customs Enforcement attorneys serving as Special Assistant U.S Attorneys, on detail to the Department of Justice, Offices of the U.S Attorneys, to assist with immigration-related litigation. (B) USCIS immigration attorneys.--Not later than September 30, 2021, in addition to positions authorized before the date of the enactment of this Act and any existing attorney vacancies within the Department of Homeland Security on such date of enactment, the Director of U.S Citizenship and Immigration Services shall increase the number of trained, full-time, active duty Office of Chief Counsel attorneys by not fewer than 250. Such attorneys shall primarily handle national security and public safety cases, denaturalization cases, and legal sufficiency reviews of immigration benefit decisions. At least 50 of these additional attorney positions shall be used by the Attorney General to increase the number of U.S Citizenship and Immigration Service attorneys serving as Special Assistant U.S Attorneys, on detail to the Department of Justice, Offices of the U.S Attorneys, to assist with immigration-related litigation. (C) Facilities and support personnel.--The Attorney General and Secretary of Homeland Security are authorized to procure space, temporary facilities, and to hire the required administrative and legal support staff, on an expedited basis, to accommodate the additional positions authorized under this paragraph. PART II--JUDICIAL RESOURCES SEC. 141. JUDICIAL RESOURCES FOR BORDER SECURITY. (a) Border Crossing Prosecutions (Criminal Consequence Initiative).-- (1) In general.--Amounts appropriated pursuant to paragraph (3) shall be used-- (A) to increase the number of criminal prosecutions for unlawful border crossing in each and every sector of the southern border by not less than 80 percent per day, as compared to the average number of such prosecutions per day during the 12-month period preceding the date of the enactment of this Act, by increasing funding for-- (i) attorneys and administrative support staff in offices of United States attorneys; (ii) support staff and interpreters in court clerks' offices; (iii) pre-trial services; (iv) activities of the Office of the Federal Public Defender, including payments to retain appointed counsel under section 3006A of title 18, United States Code; and (v) additional personnel, including deputy United States marshals in the United States Marshals Service, to perform intake, coordination, transportation, and court security; and (B) to reimburse Federal, State, local, and tribal law enforcement agencies for any detention costs related to the increased border crossing prosecutions carried out pursuant to subparagraph (A). (2) Additional magistrate judges to assist with increased caseload.--The chief judge of each judicial district located within a sector of the southern border is authorized to appoint additional full-time magistrate judges, who, consistent with the Constitution and laws of the United States, shall have the authority to hear cases and controversies in the judicial district in which the magistrate judges are appointed. (3) Authorization of appropriations.--There are authorized to be appropriated for each of the fiscal years 2018 through 2021 such sums as may be necessary to carry out this subsection. (b) Additional Permanent District Court Judgeships in Southern Border States.-- (1) In general.--The President shall appoint, by and with the advice and consent of the Senate-- (A) 4 additional district judges for the District of Arizona; (B) 2 additional district judges for the Southern District of California; (C) 4 additional district judges for the Western District of Texas; and [[Page S4845]] (D) 2 additional district judges for the Southern District of Texas. (2) Conversions of temporary district court judgeships.-- The judgeships for the District of Arizona and the Central District of California authorized under section 312(c) of the 21st Century Department of Justice Appropriations Authorization Act (28 U.S.C 133 note), in existence on the day before the date of the enactment of this Act, shall be authorized under section 133 of title 28, United States Code, and the individuals holding such judgeships on such day shall hold office under section 133 of title 28, United States Code, as amended by paragraph (3). (3) Technical and conforming amendments.--The table contained in section 133(a) of title 28, United States Code, is amended-- (A) by striking the item relating to the district of Arizona and inserting the following: ``Arizona................................................... 17''; (B) by striking the items relating to California and inserting the following : ``California: Northern.................................................... 19 Eastern..................................................... 12 Central..................................................... 28 Southern.................................................... 15''; and (C) by striking the items relating to Texas and inserting the following : ``Texas: Northern.................................................... 12 Southern.................................................... 21 Eastern..................................................... 7 Western..................................................... 17''. (c) Increase in Filing Fees.-- (1) In general.--Section 1914(a) of title 28, United States Code, is amended-- (A) by striking ``$350'' and inserting ``$375''; and (B) by striking ``$5'' and inserting ``$7''. (2) Expenditure limitation.--Incremental amounts collected pursuant to the amendments made by paragraph (1) shall be deposited as offsetting receipts in the special fund of the Treasury established under section 1931 of title 28, United States Code. Such amounts shall be available solely for the purpose of facilitating the processing of civil cases, but only to the extent specifically appropriated by an Act of Congress enacted after the date of the enactment of this Act. (d) Whistleblower Protection.-- (1) In general.--No officer, employee, agent, contractor, or subcontractor of the judicial branch may discharge, demote, threaten, suspend, harass, or in any other manner discriminate against an employee in the terms and conditions of employment because of any lawful act done by the employee to provide information, cause information to be provided, or otherwise assist in an investigation regarding any possible violation of Federal law or regulation, or misconduct, by a judge, justice, or any other employee in the judicial branch, which may assist in the investigation of the possible violation or misconduct. (2) Civil action.--An employee injured by a violation of paragraph (1) may seek appropriate relief in a civil action. SEC. 142. REIMBURSEMENT TO STATE AND LOCAL PROSECUTORS FOR FEDERALLY INITIATED, IMMIGRATION-RELATED CRIMINAL CASES. (a) In General.--The Attorney General shall reimburse State, county, tribal, and municipal governments for costs associated with the prosecution of federally initiated criminal cases declined to be prosecuted by local offices of the United States attorneys, including costs relating to pre- trial services, detention, clerical support, and public defenders' services associated to such prosecution. (b) Exception.--Reimbursement under subsection (a) shall not be available, at the discretion of the Attorney General, if the Attorney General determines that there is reason to believe that the jurisdiction seeking reimbursement has engaged in unlawful conduct in connection with immigration- related apprehensions. Subtitle C--Grants SEC. 151. STATE CRIMINAL ALIEN ASSISTANCE ***PROGRAM***. Section 241(i) of the Immigration and Nationality Act (8 U.S.C 1231(i)) is amended-- (1) in paragraph (1)-- (A) by inserting ``Authorization.--'' before ``If the chief''; and (B) by inserting ``or an alien with an unknown status'' after ``undocumented criminal alien'' each place that term appears; (2) by striking paragraphs (2) and (3) and inserting the following: ``(2) Compensation.-- ``(A) Calculation of compensation.--Compensation under paragraph (1)(A) shall be the average cost of incarceration of a prisoner in the relevant State, as determined by the Attorney General. ``(B) Compensation of state for incarceration.--The Attorney General shall compensate the State or political subdivision of the State, in accordance with subparagraph (A), for the incarceration of an alien-- ``(i) whose immigration status cannot be verified by the Secretary of Homeland Security; and ``(ii) who would otherwise be an undocumented criminal alien if the alien is unlawfully present in the United States. ``(3) Definitions.--In this subsection: ``(A) Alien with an unknown status.--The term `alien with an unknown status' means an individual-- ``(i) who has been incarcerated by a Federal, State, or local law enforcement entity; and ``(ii) whose immigration status cannot be definitively identified. ``(B) Undocumented criminal alien.--The term `undocumented criminal alien' means an alien who-- ``(i) has been charged with or convicted of a felony or any misdemeanors; and ``(ii)(I) entered the United States without inspection or at any time or place other than as designated by the Secretary of Homeland Security; ``(II) was the subject of exclusion or deportation or removal proceedings at the time he or she was taken into custody by the State or a political subdivision of the State; or ``(III) was admitted as a nonimmigrant and, at the time he or she was taken into custody by the State or a political subdivision of the State, has failed to maintain the nonimmigrant status in which the alien was admitted or to which it was changed under section 248, or to comply with the conditions of any such status.''; (3) in paragraph (4), by inserting ``and aliens with an unknown status'' after ``undocumented criminal aliens'' each place that term appears; (4) in paragraph (5)(C), by striking ``to carry out this subsection'' and all that follows and inserting ``$950,000,000 for each of the fiscal years 2018 through 2021 to carry out this subsection.''; and (5) by adding at the end the following: ``(7) Distribution of reimbursement.--Any funds provided to a State or a political subdivision of a State as compensation under paragraph (1)(A) for a fiscal year shall be distributed to such State or political subdivision not later than 120 days after the last day of the period specified by the Attorney General for the submission of requests under that paragraph for that fiscal year.''. SEC. 152. OPERATION STONEGARDEN. (a) In General.--Subtitle A of title XX of the Homeland Security Act of 2002 (6 U.S.C 601 et seq.) is amended by adding at the end the following new section: ``SEC. 2009. OPERATION STONEGARDEN. ``(a) Establishment.--There is established in the Department a ***program***, which shall be known as `Operation Stonegarden', under which the Secretary, acting through the Administrator, shall make grants to eligible law enforcement agencies, through the State administrative agency, to enhance border security in accordance with this section. ``(b) Eligible Recipients.--To be eligible to receive a grant under this section, a law enforcement agency-- ``(1) shall be located in-- ``(A) a State bordering Canada or Mexico; or ``(B) a State or territory with a maritime border; and ``(2) shall be involved in an active, ongoing, U.S Customs and Border Protection operation coordinated through a sector office. ``(c) Permitted Uses.--The recipient of a grant under this section may use such grant for-- ``(1) equipment, including maintenance and sustainment costs; ``(2) personnel, including overtime and backfill, in support of enhanced border law enforcement activities; ``(3) any activity permitted for Operation Stonegarden under the Department of Homeland Security's Fiscal Year 2017 Homeland Security Grant ***Program*** Notice of Funding Opportunity; and ``(4) any other appropriate activity, as determined by the Administrator, in consultation with the Commissioner of U.S Customs and Border Protection. ``(d) Period of Performance.--The Secretary shall award grants under this section to grant recipients for a period of not less than 36 months. ``(e) Report.--For each of the fiscal years 2018 through 2022, the Administrator shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives a report that contains information on the expenditure of grants made under this section by each grant recipient. ``(f) Authorization of Appropriations.--There is authorized to be appropriated $110,000,000 for each of the fiscal years 2018 through 2022 for grants under this section.''. (b) Conforming Amendment.--Section 2002(a) of the Homeland Security Act of 2002 (6 U.S.C 603) is amended to read as follows: ``(a) Grants Authorized.--The Secretary, through the Administrator, may award grants under sections 2003, 2004, and 2009 to State, local, and tribal governments, as appropriate.''. (c) Clerical Amendment.--The table of contents in section 1(b) of the Homeland Security Act of 2002 is amended by inserting after the item relating to section 2008 the following new item: ``Sec. 2009. Operation Stonegarden.''. SEC. 153. GRANTS FOR IDENTIFICATION OF VICTIMS OF CROSS- BORDER HUMAN SMUGGLING. In addition to any funding for grants made available to the Attorney General for State and local law enforcement assistance, the Attorney General shall award grants to county, municipal, or tribal governments in States along the southern border for costs, or reimbursement of costs, associated with the transportation and processing of unidentified alien remains that have been transferred to an official medical examiner's office or an institution of higher education in [[Page S4846]] the area with the capacity to analyze human remains using forensic best practices, including DNA testing, where such expenses may contribute to the collection and analysis of information pertaining to missing and unidentified persons. SEC. 154. GRANT ACCOUNTABILITY. (a) Definitions.--In this section: (1) Awarding entity.--The term ``awarding entity'' means the Secretary, the Administrator of the Federal Emergency Management Agency, the Director of the National Science Foundation, or the Chief of the Office of Citizenship and New Americans. (2) Nonprofit organization.--The term ``nonprofit organization'' means an organization that is described in section 501(c)(3) of the Internal Revenue Code of 1986 and is exempt from taxation under section 501(a) of such Code. (3) Unresolved audit finding.--The term ``unresolved audit finding'' means a finding in a final audit report conducted by the Inspector General of the Department of Homeland Security, or the Inspector General for the National Science Foundation for grants awarded by the Director of the National Science Foundation, that the audited grantee has utilized grant funds for an unauthorized expenditure or otherwise unallowable cost that is not closed or resolved within one year after the date when the final audit report is issued. (b) Accountability.--All grants awarded by an awarding entity pursuant to this subtitle shall be subject to the following accountability provisions: (1) Audit requirement.-- (A) Audits.--Beginning in the first fiscal year beginning after the date of the enactment of this Act, and in each fiscal year thereafter, the Inspector General of the Department of Homeland Security, or the Inspector General for the National Science Foundation for grants awarded by the Director of the National Science Foundation, shall conduct audits of recipients of grants under this subtitle or any amendments made by this subtitle to prevent waste, fraud, and abuse of funds by grantees. Such Inspectors General shall determine the appropriate number of grantees to be audited each year. (B) Mandatory exclusion.--A recipient of grant funds under this subtitle that is found to have an unresolved audit finding shall not be eligible to receive grant funds under this subtitle or any amendment made by this subtitle during the first two fiscal years beginning after the end of the one-year period described in subsection (A). (C) Priority.--In awarding a grant under this subtitle or any amendment made by this subtitle, the awarding entity shall give priority to eligible applicants that did not have an unresolved audit finding during the three fiscal years immediately preceding the date on which the entity submitted the application for such grant. (D) Reimbursement.--If an entity is awarded grant funds under this subtitle or any amendment made by this subtitle during the two-year period when the entity is barred from receiving grants under subparagraph (B), the awarding entity shall-- (i) deposit an amount equal to the amount of the grant funds that were improperly awarded to such entity into the general fund of the Treasury; and (ii) seek to recover the costs of the repayment under clause (i) from such entity. (2) Nonprofit organization requirements.-- (A) Prohibition.--An awarding entity may not award a grant under this subtitle or any amendment made by this subtitle to a nonprofit organization that holds money in offshore accounts for the purpose of avoiding the tax imposed under section 511(a) of the Internal Revenue Code of 1986. (B) Disclosure.--Each nonprofit organization that is awarded a grant under this subtitle or any amendment made by this subtitle and uses the procedures prescribed by Internal Revenue regulations to create a rebuttable presumption of reasonableness for the compensation of its officers, directors, trustees, and key employees, shall disclose to the awarding entity, in the application for the grant, the process for determining such compensation, including the independent persons involved in reviewing and approving such compensation, the comparability data used, and contemporaneous substantiation of the deliberation and decision. Upon request, the awarding entity shall make the information disclosed under this subparagraph available for public inspection. (3) Conference expenditures.-- (A) Limitation.--Amounts authorized to be appropriated to the Department of Homeland Security or the National Science Foundation for grant ***programs*** under this subtitle or any amendment made by this subtitle may not be used by an awarding entity to host or support any expenditure for conferences that uses more than $20,000 in funds made available by the Department of Homeland Security or the National Science Foundation unless the Deputy Secretary for Homeland Security, or the Deputy Director of the National Science Foundation, or their designee, provides prior written authorization that the funds may be expended to host the conference. (B) Written approval.--Written approval under subparagraph (A) shall include a written estimate of all costs associated with the conference, including the cost of all food, beverages, audio-visual equipment, honoraria for speakers, and entertainment. (C) Report.--The Deputy Secretary of Homeland Security and the Deputy Director of the National Science Foundation shall submit an annual report to Congress that identifies all conference expenditures approved under this paragraph. (4) Annual certification.--Beginning in the first fiscal year beginning after the date of the enactment of this Act, each awarding entity shall submit a report to Congress that-- (A) indicates whether-- (i) all audits issued by the Offices of the Inspector General under paragraph (1) have been completed and reviewed by the appropriate individuals; (ii) all mandatory exclusions required under paragraph (1)(B) have been issued; and (iii) all reimbursements required under paragraph (1)(D) have been made; and (B) includes a list of any grant recipients excluded under paragraph (1) during the previous year. Subtitle D--Authorization of Appropriations SEC. 161. AUTHORIZATION OF APPROPRIATIONS. (a) In General.--In addition to amounts otherwise authorized to be appropriated, there are authorized to be appropriated for each of the fiscal years 2018 through 2021, $2,500,000,000 to implement this title and the amendments made by this title, of which-- (1) $10,000,000 shall be used by the Department of Homeland Security to implement Vehicle and Dismount Exploitation Radars (VADER) in border security operations; (2) $3,000,000 shall be used by the Department of Homeland Security to implement three dimensional, seismic acoustic detection and ranging border tunneling detection technology on the southern border; (3) $200,000,000 shall be used by the Department of State to implement section 113; and (4) $30,000,000 shall be used for judicial reform, institution building, anti-corruption, and rule of law activities under the Merida Initiative. (b) High Intensity Drug Trafficking Area ***Program***.--Section 707(p)(5) of the Office of National Drug Control Policy Reauthorization Act of 1998 (21 U.S.C 1706(p)(5)) is amended by striking ``to the Office of National Drug Control Policy'' and all that follows and inserting ``$280,000,000 to the Office of National Drug Control Policy for each of the fiscal years 2018 through 2021 to carry out this section.''. TITLE II--EMERGENCY PORT OF ENTRY PERSONNEL AND INFRASTRUCTURE FUNDING SEC. 201. PORTS OF ENTRY INFRASTRUCTURE. (a) Additional Ports of Entry.-- (1) Authority.--The Secretary of Homeland Security may construct new ports of entry along the northern border and the southern border and determine the location of any such new ports of entry. (2) Consultation.-- (A) Requirement to consult.--The Secretary of Homeland Security shall consult with the Secretary of State, the Secretary of the Interior, the Secretary of ***Agriculture***, the Secretary of Transportation, the Administrator of General Services, and appropriate representatives of State and local governments, and Indian tribes, and property owners in the United States prior to selecting a location for any new port constructed pursuant to paragraph (1). (B) Considerations.--The purpose of the consultations required by subparagraph (A) shall be to minimize any negative impacts of such a new port on the environment, culture, commerce, and quality of life of the communities and residents located near such new port. (b) Expansion and Modernization of High-priority Border Ports of Entry.--Not later than September 30, 2021, the Secretary of Homeland Security shall modernize the top 10 high-priority ports of entry. (c) Port of Entry Prioritization.--Prior to constructing any new ports of entry pursuant to subsection (a), the Secretary shall complete the expansion and modernization of ports of entry pursuant to subsection (b) to the extent practicable. (d) Notification.-- (1) New ports of entry.--Not later than 15 days after determining the location of any new port of entry for construction pursuant to subsection (a), the Secretary of Homeland Security shall submit a report containing the location of the new port of entry, a description of the need for and anticipated benefits of the new port of entry, a description of the consultations undertaken by the Secretary, any actions that will be taken to minimize negative impacts of the new port, and the anticipated timeline for construction and completion of the new port of entry to-- (A) the members of Congress that represent the State or congressional district in which the new port of entry will be located; (B) the Committee on Homeland Security and Governmental Affairs of the Senate; (C) the Committee on Finance of the Senate; (D) the Committee on the Judiciary of the Senate; (E) the Committee on Homeland Security of the House of Representatives; (F) the Committee on Ways and Means of the House of Representatives; and (G) the Committee on the Judiciary of the House of Representatives. (2) Top ten high-volume ports.--Not later than 180 days after the date of the enactment of this Act, the Secretary of Homeland Security shall notify the congressional committees listed under paragraph (1) of-- [[Page S4847]] (A) the top 10 high-volume ports of entry on the southern border referred to in subsection (b); and (B) the Secretary's ***plan*** for expanding the primary and secondary inspection lanes at each such port of entry. SEC. 202. SECURE COMMUNICATIONS. (a) In General.--The Secretary shall ensure that each U.S Customs and Border Protection and U.S Immigration and Customs Enforcement officer or agent, if appropriate, is equipped with a secure two-way communication device, supported by system interoperability and LTE network capability, that allows each such officer to communicate-- (1) between ports of entry and inspection stations; and (2) with other Federal, State, tribal, and local law enforcement entities. (b) Land Border Agents and Officers.--The Secretary shall ensure that each U.S Customs and Border Protection agent or officer assigned or required to patrol on foot, by horseback, or with a canine unit, in remote mission critical locations, including but not limited to the Rio Grand Valley and Big Bend, and at border checkpoints, has a multi-band, encrypted portable radio with military-grade high frequency capability to allow for beyond line-of-sight communications. SEC. 203. BORDER SECURITY DEPLOYMENT ***PROGRAM***. (a) Expansion.--Not later than September 30, 2021, the Secretary shall fully implement the Border Security Deployment ***Program*** of the U.S Customs and Border Protection and expand the integrated surveillance and intrusion detection system at land ports of entry along the southern border and the northern border. (b) Authorization of Appropriations.--In addition to amounts otherwise authorized to be appropriated, there are authorized to be appropriated $33,000,000 for fiscal year 2018 to carry out subsection (a). SEC. 204. PILOT AND UPGRADE OF LICENSE PLATE READERS AT PORTS OF ENTRY. (a) Upgrade.--Not later than one year after the date of the enactment of this Act, the Commissioner of U.S Customs and Border Protection shall upgrade all existing license plate readers on the northern border and the southern borders on incoming and outgoing vehicle lanes. (b) Pilot ***Program***.--Not later than 90 days after the date of the enactment of this Act, the Commissioner of U.S Customs and Border Protection shall conduct a one-month pilot on the southern border using license plate readers for one to two cargo lanes at the top three high-volume land ports of entry or checkpoints to determine their effectiveness in reducing cross-border wait times for commercial traffic and tractor-trailers. (c) Report.--Not later than 180 days after the date of enactment of this Act, the Secretary shall-- (1) report to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on the Judiciary of the Senate, the Committee on Finance of the Senate, the Committee on Homeland Security of the House of Representatives, the Committee on the Judiciary of the House of Representatives, and the Committee on Ways and Means of the House of Representatives on the results of the pilot ***program*** under subsection (b); and (2) make recommendations to such committees for implementing such technology on the southern border. (d) Authorization of Appropriations.--In addition to amounts otherwise authorized to be appropriated, there are authorized to be appropriated $125,000,000 for fiscal year 2018 to carry out this section. SEC. 205. BIOMETRIC TECHNOLOGY. (a) Biometric Storage.--The Secretary shall create a system or upgrade an existing system (if a Department of Homeland Security system already has capability and capacity for storage) to allow for storage of iris scans and voice prints of aliens that can be used by the Department of Homeland Security, other Federal agencies, and State and local law enforcement for identification, remote authentication, and verification of aliens. The Secretary shall ensure, to the extent possible, that the system for storage of iris scans and voice prints is compatible with existing State and local law enforcement systems that are used for collection and storage of iris scans or voice prints for criminal aliens. (b) Pilot ***Program***.--Not later than 120 days after the date of enactment of this Act, U.S Immigration and Customs Enforcement and U.S Citizenship and Immigration Services shall conduct a six-month pilot on the collection and use of iris scans and voice prints for identification, remote authentication, and verification of aliens who are in removal proceedings, detained, or are seeking an immigration benefit. (c) Report.--Not later than one year after the date of enactment of this Act, the Secretary shall report the results of the pilot and make recommendations for implementing use of such technology to the Committee on Homeland Security and Governmental Affairs and the Committee on the Judiciary of the Senate and the Committee on Homeland Security and Committee on the Judiciary of the House of Representatives. (d) Authorization of Appropriations.--In addition to amounts otherwise authorized to be appropriated, there are authorized to be appropriated $10,000,000 for fiscal year 2018 to carry out this section. SEC. 206. BIOMETRIC EXIT DATA SYSTEM. (a) In General.--Subtitle B of title IV of the Homeland Security Act of 2002 (6 U.S.C 211 et seq.) is amended by adding at the end the following new section: ``SEC. 418. BIOMETRIC ENTRY-EXIT.''. ``(a) Establishment.--The Secretary shall-- ``(1) not later than 180 days after the date of the enactment of the Building America's Trust Act, submit to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on the Judiciary of the Senate, the Committee on Homeland Security of the House of Representatives, and the Committee on the Judiciary of the House of Representatives an implementation ***plan*** to establish a biometric exit data system to complete the integrated biometric entry and exit data system required under section 7208 of the Intelligence Reform and Terrorism Prevention Act of 2004 (8 U.S.C 1365b), including-- ``(A) an integrated master schedule and cost estimate, including requirements and design, development, operational, and maintenance costs, of such a system that takes into account prior reports on such matters issued by the Government Accountability Office and the Department; ``(B) cost-effective staffing and personnel requirements of such a system that leverages existing resources of the Department that takes into account prior reports on such matters issued by the Government Accountability Office and the Department; ``(C) a consideration of training ***programs*** necessary to establish such a system that takes into account prior reports on such matters issued by the Government Accountability Office and the Department; ``(D) a consideration of how such a system will affect wait times that takes into account prior reports on such matter issued by the Government Accountability Office and the Department; ``(E) information received after consultation with private sector stakeholders, including the-- ``(i) trucking industry; ``(ii) airport industry; ``(iii) airline industry; ``(iv) seaport industry; ``(v) travel industry; and ``(vi) biometric technology industry; ``(F) a consideration of how trusted traveler ***programs*** in existence as of the date of the enactment of this Act may be impacted by, or incorporated into, such a system; ``(G) defined metrics of success and milestones; ``(H) identified risks and mitigation strategies to address such risks; and ``(I) a consideration of how other countries have implemented a biometric exit data system; and ``(2) not later than two years after the date of the enactment of the Building America's Trust Act, establish a biometric exit data system at-- ``(A) the 15 United States airports that support the highest volume of international air travel, as determined by available Federal flight data; ``(B) the 15 United States seaports that support the highest volume of international sea travel, as determined by available Federal travel data; and ``(C) the 15 United States land ports of entry that support the highest volume of vehicle, pedestrian, and cargo crossings, as determined by available Federal border crossing data. ``(b) Implementation.-- ``(1) Pilot ***program*** at land ports of entry for non- pedestrian outbound traffic.--Not later than 18 months after the date of the enactment of the Building America's Trust Act, the Secretary, in collaboration with industry stakeholders, shall establish a six-month pilot ***program*** to test the biometric exit data system referred to in subsection (a)(2) on nonpedestrian outbound traffic at not fewer than three land ports of entry with significant cross-border traffic, including at not fewer than two land ports of entry on the southern land border and at least one land port of entry on the northern land border. Such pilot ***program*** may include a consideration of more than one biometric mode, and shall be implemented to determine the following: ``(A) How a nationwide implementation of such biometric exit data system at land ports of entry shall be carried out. ``(B) The infrastructure required to carry out subparagraph (A). ``(C) The effects of such pilot ***program*** on legitimate travel and trade. ``(D) The effects of such pilot ***program*** on wait times, including processing times, for such non-pedestrian traffic. ``(E) Its effectiveness in combating terrorism. ``(F) Its effectiveness in identifying visa holders who violate the terms of their visas. ``(2) At land ports of entry for non-pedestrian outbound traffic.-- ``(A) In general.--Not later than five years after the date of the enactment of the Building America's Trust Act, the Secretary shall expand the biometric exit data system referred to in subsection (a)(2) to all land ports of entry, and such system shall apply only in the case of nonpedestrian outbound traffic. ``(B) Extension.--The Secretary may extend for a single two-year period the date [[Page S4848]] specified in subparagraph (A) if the Secretary certifies to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on the Judiciary of the Senate, the Committee on Homeland Security of the House of Representatives, and the Committee on the Judiciary of the House of Representatives that the 15 land ports of entry that support the highest volume of passenger vehicles, as determined by available Federal data, do not have the physical infrastructure or characteristics to install the systems necessary to implement a biometric exit data system. ``(3) At air and sea ports of entry.--Not later than five years after the date of the enactment of the Building America's Trust Act, the Secretary shall expand the biometric exit data system referred to in subsection (a)(2) to all air and sea ports of entry. ``(4) At land ports of entry for pedestrians.--Not later than five years after the date of the enactment of the Building America's Trust Act, the Secretary shall expand the biometric exit data system referred to in subsection (a)(2) to all land ports of entry, and such system shall apply only in the case of pedestrians. ``(c) Effects on Air, Sea, and Land Transportation.--The Secretary, in consultation with appropriate private sector stakeholders, shall ensure that the collection of biometric data under this section causes the least possible disruption to the movement of people or cargo in air, sea, or land transportation, while fulfilling the goals of improving counterterrorism efforts and identifying visa holders who violate the terms of their visas. ``(d) Termination of Proceeding.--Notwithstanding any other provision of law, the Secretary shall, on the date of the enactment of the Building America's Trust Act, terminate the proceeding entitled `Collection of Alien Biometric Data Upon Exit From the United States at Air and Sea Ports of Departure; United States Visitor and Immigrant Status Indicator Technology ***Program*** (``US-VISIT'')', issued on April 24, 2008 (73 Fed. Reg. 22065). ``(e) Data-matching.--The biometric exit data system established under this section shall-- ``(1) match biometric information for an alien who is departing the United States against the biometric information obtained for the alien upon entry to the United States; ``(2) leverage the infrastructure and databases of the current biometric entry and exit system established pursuant to section 7208 of the Intelligence Reform and Terrorism Prevention Act of 2004 (8 U.S.C 1365b) for the purpose described in paragraph (1); and ``(3) be interoperable with, and allow matching against, other Federal databases that store biometrics of known or suspected terrorists and visa holders who have violated the terms of their visas. ``(f) Scope.-- ``(1) In general.--The biometric exit data system established under this section shall include a requirement for the collection of biometric exit data for all categories of individuals who are required to provide biometric entry data. ``(2) Exception for certain other individuals.--This section shall not apply to individuals who exit and then reenter the United States on a passenger vessel (as such term is defined in section 2101 of title 46, United States Code) if the itinerary of such vessel originates and terminates in the United States. ``(3) Exception for land ports of entry.--This section shall not apply to a United States citizen or a Canadian citizen who exits the United States through a land port of entry. ``(g) Collection of Data.--The Secretary may not require any non-Federal person to collect biometric data pursuant to the biometric exit data system established under this section, except through a contractual agreement. ``(h) Multi-modal Collection.--In carrying out subsections (a)(1) and (b), the Secretary shall make every effort to collect biometric data using multiple modes of biometrics. ``(i) Facilities.--All non-federally owned facilities where the biometric exit data system established under this section is implemented shall provide and maintain space for Federal use that is adequate to support biometric data collection and other inspection-related activity. Such space shall be provided and maintained at no cost to the Government. ``(j) Northern Land Border.--In the case of the northern land border, the requirements under subsection (a)(2)(C), (b)(2)(A), and (b)(4) may be achieved through the sharing of biometric data provided to U.S Customs and Border Protection by the Canadian Border Services Agency pursuant to the 2011 Beyond the Border agreement. ``(k) Congressional Review.--Not later than 90 days after the date of the enactment of this section, the Secretary shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on the Judiciary of the Senate, the Committee on Homeland Security of the House of Representatives, and the Committee on the Judiciary of the House of Representatives reports and recommendations of the Science and Technology Directorate's Air Entry and Exit Re-Engineering ***Program*** of the Department and the U.S Customs and Border Protection entry and exit mobility ***program*** demonstrations.''. SEC. 207. SENSE OF CONGRESS ON COOPERATION BETWEEN AGENCIES. (a) Finding.--Congress finds that personnel constraints exist at land ports of entry with regard to sanitary and phytosanitary inspections for exported goods. (b) Sense of Congress.--It is the sense of Congress that, in the best interest of cross-border trade and the ***agricultural*** community-- (1) any lack of certified personnel for inspection purposes at ports of entry should be addressed by seeking cooperation between agencies and departments of the United States, whether in the form of a memorandum of understanding or through a certification process, whereby additional existing agents are authorized for additional hours to facilitate the crossing and trade of perishable goods in a manner consistent with rules of the Department of ***Agriculture***; and (2) cross designation should be available for personnel who will assist more than one agency or department at land ports of entry to facilitate increased trade and commerce. SEC. 208. AUTHORIZATION OF APPROPRIATIONS. In addition to any amounts otherwise authorized to be appropriated, there is authorized to be appropriated $1,000,000,000 for each of the fiscal years 2018 through 2021 to carry out this title. TITLE III--DOMESTIC SECURITY AND INTERIOR ENFORCEMENT Subtitle A--General Matters SEC. 301. ENDING CATCH AND RELEASE FOR REPEAT IMMIGRATION VIOLATORS AND CRIMINALS ALIENS. Section 236 of the Immigration and Nationality Act (8 U.S.C 1226) is amended by striking the section heading and subsections (a) through (c) and inserting the following: ``SEC. 236. APPREHENSION AND DETENTION OF ALIENS. ``(a) Arrest, Detention, and Release.-- ``(1) In general.--The Secretary, on a warrant issued by the Secretary, may arrest an alien and detain the alien pending a decision on whether the alien is to be removed from the United States up until the alien has an administratively final order of removal. Except as provided in subsection (c) and pending such decision, the Secretary-- ``(A) may-- ``(i) continue to detain the arrested alien; ``(ii) release the alien on bond of at least $5,000, with security approved by, and containing conditions prescribed by, the Secretary; or ``(iii) release the alien on his or her own recognizance, subject to appropriate conditions set forth by the Secretary of Homeland Security, if the Secretary of Homeland Security determines that the alien will not pose a danger to the safety of other persons or of property and is likely to appear for any scheduled proceeding; and ``(B) may not provide the alien with work authorization (including an `employment authorized' endorsement or other appropriate work permit) or advance parole to travel outside of the United States, unless the alien is lawfully admitted for permanent residence or otherwise would (without regard to removal proceedings) be provided such authorization. ``(b) Revocation of Bond or Parole.--The Secretary at any time may revoke bond or parole authorized under subsection (a), rearrest the alien under the original warrant, and detain the alien. ``(c) Mandatory Detention of Criminal Aliens.-- ``(1) Criminal aliens.--The Secretary shall take into custody and continue to detain any alien who-- ``(A)(i) has not been admitted or paroled into the United States; and ``(ii) was apprehended anywhere within 100 miles of the international border of the United States; ``(B) is admissible by reason of having committed any offense covered in section 212(a)(2); ``(C) is deportable by reason of having committed any offense covered in section 237(a)(2); ``(D) is convicted for an offense under section 275(a); ``(E) is convicted for an offense under section 276; ``(F) is convicted for any criminal offense; or ``(G) is inadmissible under section 212(a)(3)(B) or deportable under section 237(a)(4)(B), when the alien is released, without regard to whether the alien is released on parole, supervised release, and without regard to whether the alien may be arrested or imprisoned again for the same offense. ``(2) Release.-- ``(A) In general.--Except as provided in subparagraph (B), the Secretary may release an alien described in paragraph (1) only if the Secretary decides pursuant to section 3251 of title 18, United States Code, and in accordance with a procedure that considers the severity of the offense committed by the alien, that-- ``(i) release of the alien from custody is necessary to provide protection to a witness, a potential witness, a person cooperating with an investigation into major criminal activity, or an immediate family member or close associate of a witness, potential witness, or person cooperating with such an investigation, and ``(ii) the alien satisfies the Secretary that the alien is not a flight risk, poses no danger to the safety of other persons or of property, is not a threat to national security or public [[Page S4849]] safety, and is likely to appear at any scheduled proceeding. ``(B) Arrested, but not convicted, aliens.-- ``(i) Release for proceedings.--The Secretary of Homeland Security may release any alien held pursuant to paragraph (1) to the appropriate authority for any proceedings subsequent to the arrest. ``(ii) Resumption of custody.--If an alien is released under clause (i), the Secretary shall-- ``(I) resume custody of the alien during any period pending the final disposition of any such proceedings that the alien is not in the custody of such appropriate authority; and ``(II) if the alien is not convicted of the offense for which the alien was arrested, the Secretary shall continue to detain the alien until removal proceedings are completed.''. SEC. 302. DETERRING VISA OVERSTAYS. (a) Admission of Nonimmigrants.--Section 214 of the Immigration and Nationality Act (8 U.S.C 1184) is amended by striking the section heading and all that follows through subsection (a)(1) and inserting the following: ``SEC. 214. ADMISSION OF NONIMMIGRANTS. ``(a) In General.-- ``(1) Terms and conditions of admission.-- ``(A) Regulations.--Subject to subparagraphs (B) and (C), the admission to the United States of any alien as a nonimmigrant may be for such time and under such conditions as the Secretary of Homeland Security may by regulations prescribe, including when the Secretary deems necessary the giving of a bond with sufficient surety in such sum and containing such conditions as the Secretary shall prescribe, to insure that at the expiration of such time or upon failure to maintain the status under which the alien was admitted, or to maintain any status subsequently acquired under section 248, such alien will depart from the United States. ``(B) Guam or cnmi visa waiver nonimmigrants.--No alien admitted to Guam or the Commonwealth of the Northern Mariana Islands without a visa pursuant to section 212(l) may be authorized to enter or stay in the United States other than in Guam or the Commonwealth of the Northern Mariana Islands or to remain in Guam or the Commonwealth of the Northern Mariana Islands for a period exceeding 45 days from the date of admission to Guam or the Commonwealth of the Northern Mariana Islands. ``(C) Visa waiver ***program*** nonimmigrants.--No alien admitted to the United States without a visa pursuant to section 217 may be authorized to remain in the United States as a nonimmigrant visitor for a period exceeding 90 days from the date of admission. ``(D) Bar to immigration benefits and to contesting removal.-- ``(i) In general.--Subject to clause (ii), except for an alien admitted as a nonimmigrant under subparagraph (A) or (G) of section 101(a)(15) or a NATO nonimmigrant, any alien who remains in the United States beyond the period of stay authorized by the Secretary of Homeland Security, without good cause as determined by the Secretary of Homeland Security, in the Secretary's discretion, is ineligible for all immigration benefits or relief available under the immigration laws, other than a request for asylum, withholding of removal under section 241(b)(3), or relief from removal based on a claim under the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, done at New York, December 10, 1984. ``(ii) Exception.--The Secretary may, in the Secretary's sole and unreviewable discretion, find that a nonimmigrant is not subject to clause (i) if-- ``(I) the alien was lawfully admitted to the United States as a nonimmigrant; ``(II) the alien filed a nonfrivolous application for change of status to another nonimmigrant category or extension of stay before the date of expiration of the alien's authorized period of stay as a nonimmigrant; ``(III) the alien has not been employed without authorization in the United States, before, or during pendency of the application; ``(IV) the alien has not otherwise violated the terms of the alien's nonimmigrant status; and ``(V) the Secretary of Homeland Security, in the Secretary's sole and unreviewable discretion, determines that the alien is not a threat to national security or public safety. ``(iii) Good cause defined.--In clause (i), the term `good cause' means exigent humanitarian circumstances, such as medical emergencies or force majeure.''. (b) Issuance of Nonimmigrant Visas.--Section 221(a) of the Immigration and Nationality Act (8 U.S.C 1201(a)) is amended by adding at the end the following: ``(3) Notification of Bars.--The Secretary of State shall ensure that every application for a nonimmigrant visa includes a statement, to be executed under penalty of perjury, notifying the alien who is seeking a nonimmigrant visa of the bars to immigration relief and to contesting removal under section 214(a)(1)(D) if the alien fails to depart the United States at the end of the alien's authorized period of stay.''. (c) Visa Waiver ***Program*** Waiver of Rights.--Section 217(b) of the Immigration and Nationality Act (8 U.S.C 1187(b)) is amended to read as follows: ``(b) Waiver of Rights.--An alien may not be provided a waiver under the ***program*** unless the alien has-- ``(1) signed, under penalty of perjury, an acknowledgement confirming that the alien was notified and understands that he or she will be ineligible for any form of relief or immigration benefit under the Act or any other immigration laws, other than a request for asylum, withholding of removal under section 241(b)(3), or relief from removal based on a claim under the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, done at New York, December 10, 1984, if the alien fails to depart the United States at the end of the 90-day period for admission; ``(2) waived any right to review or appeal under this Act of an immigration officer's determination as to the a admissibility of the alien at the port of entry into the United States, and ``(3) waived any right to contest, other than on the basis of an application for asylum, any action for removal of the alien.''. SEC. 303. INCREASE IN IMMIGRATION DETENTION CAPACITY. Not later than September 30, 2018, and subject to the availability of appropriations, the Secretary of Homeland Security shall increase the immigration detention capacity to a daily immigration detention capacity of not less than 48,879 detention beds. SEC. 304. COLLECTION OF DNA FROM CRIMINAL AND DETAINED ALIENS. (a) In General.--Section 3(a)(1) of the DNA Analysis Backlog Elimination Act of 2000 (42 U.S.C 14135a(a)(1)) is amended by adding at the end the following: ``(C) The Secretary of Homeland Security shall collect DNA samples from any alien, as defined under section 101(a)(3) of the Immigration and Nationality Act (8 U.S.C 1101(a)(3)), who-- ``(i) has been detained pursuant to section 235(b)(1)(B)(iii)(IV), 236, 236A, or 238 of that Act (8 U.S.C 1225(b)(1)(B)(iii)(IV), 1226, 1226a, 1228); or ``(ii) is the subject of a final order of removal under section 240 of that Act (8 U.S.C 1229a) based on inadmissibility under section 212(a)(2) of that Act (8 U.S.C 1182(a)(2)) or being subject to removal under section 237(a)(2) of that Act (8 U.S.C 1227(a)(2)).''. (b) Furnishing of DNA Samples From Criminal and Detained Aliens.--Section 3(b) of the DNA Analysis Backlog Elimination Act of 2000 (42 U.S.C 14135a(b)) is amended by striking ``or the probation office responsible (as applicable)'' and inserting ``the probation office responsible, or the Secretary of Homeland Security''. SEC. 305. COLLECTION, USE, AND STORAGE OF BIOMETRIC DATA. (a) Collection and Use of Biometric Information for Immigration Purposes.-- (1) Collection.--The Secretary of Homeland Security may require any individual filing an application, petition, or other request for immigration benefit or status with the Department of Homeland Security or seeking an immigration benefit, immigration employment authorization, identity, or travel document, or requesting relief under any provision of the immigration laws to submit biometric information (including but not limited to fingerprints, photograph, signature, voice print, iris, or DNA) to the Secretary. (2) Use.--The Secretary may use any biometric information submitted under paragraph (1) to conduct background and security checks, verify an individual's identity, adjudicate, revoke, or terminate immigration benefits or status, and perform other functions related to administering and enforcing the immigration laws. (b) Biometric and Biographic Information Sharing.-- (1) Biometric and biographic information sharing with department of defense and federal bureau of investigation.-- The Secretary of Homeland Security, the Secretary of Defense, and the Director of the Federal Bureau of Investigation-- (A) shall exchange appropriate biometric and biographic information to determine or confirm the identity of an individual and to assess whether the individual is a threat to national security or public safety; and (B) may use information exchanged pursuant to subparagraph (A) to compare biometric and biographic information contained in applicable systems of the Department of Homeland Security, the Department of Defense, or the Federal Bureau of Investigation to determine if there is a match between such information and, if there is a match, to relay such information to the requesting agency. (2) Use of biometric data by the department of state.--The Secretary of State shall use biometric information from applicable systems of the Department of Homeland Security, of the Department of Defense, and of the Federal Bureau of Investigation to track individuals who are-- (A)(i) known or suspected terrorists; or (ii) identified as a potential threat to national security; and (B) using an alias while traveling. (3) Report on biometric information sharing with mexico and other countries for identity verification.--Not later than 180 days after the date of the enactment of this Act, the Secretary of Homeland Security and the Secretary of State shall submit a joint report on the status of efforts to engage with the Government of Mexico and the governments of other appropriate foreign countries located in Central America or South American-- (A) to discuss coordination on biometric information sharing between the United States and such countries; and [[Page S4850]] (B) to enter into bilateral agreements that provide for the sharing of such biometric information with the Department of State, the Department of Defense, the Department of Justice, the Federal Bureau of Investigation, and the Department of Homeland Security to use in identifying individuals who are known or suspected terrorists or potential threats to national security and verifying entry and exit of individuals to and from the United States. (c) Construction.--The collection of biometric information under paragraph (1) shall not limit the Secretary of Homeland Security's authority to collect biometric information from any individual arriving to or departing from the United States. SEC. 306. PILOT ***PROGRAM*** FOR ELECTRONIC FIELD PROCESSING. (a) In General.--The Secretary of Homeland Security shall establish a pilot ***program*** in at least 5 of the 10 U.S Immigration and Customs Enforcement field offices or regions with the largest removal caseloads to allow U.S Immigration and Customs Enforcement officers to use handheld or vehicle- mounted computers to electronically-- (1) process and serve charging documents, including notices to appear, while in the field; (2) process and place detainers while in the field; (3) collect biometric data for the purpose of identifying an alien and establishing both immigration status and criminal history while in the field; (4) enter any required data, including personal information about the alien subject and the reason for issuing the document; (5) apply the electronic signature of the issuing ICE officer or agent; (6) apply or capture the electronic signature of the alien on any charging document or notice, including any electronic signature captured to acknowledge service of such documents or notices; (7) set the date the alien is required to appear before an immigration judge, in the case of notices to appear; (8) print any documents the alien subject may be required to sign, along with additional copies of documents to be served on the alien; and (9) interface with the ENFORCE database so that all data is collected, stored, and retrievable in real-time. (b) Construction.--The pilot ***program*** described in subsection (a) shall be designed to replace, to the extent possible, the current paperwork and data-entry process used for issuing such charging documents and detainers. (c) Deadline.--The Secretary shall initiate the pilot ***program*** described in subsection (a) not later than 6 months after the date of the enactment of this Act. (d) Report.--Not later than 18 months after the date of the enactment of this Act, the Comptroller General of the United States shall-- (1) submit a report to the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on the Judiciary of the Senate, the Committee on Homeland Security of the House of Representatives, the Committee on the Judiciary of the House of Representatives on the results of the pilot ***program***; and (2) provide recommendations to such committees for implementing use of such technology nationwide. SEC. 307. ENDING ABUSE OF PAROLE AUTHORITY. Section 212(d)(5) of the Immigration and Nationality Act (8 U.S.C 1182(d)(5)) is amended to read as follows: ``(5) Parole Authority.-- ``(A) In general.--Except as provided in subparagraph (C) or section 214(f), the Secretary of Homeland Security, in the Secretary's discretion, may parole into the United States temporarily, under such conditions as the Secretary may prescribe, including requiring the posting of a bond, and only on a case-by-case basis for urgent humanitarian reasons or significant public benefit, any alien applying for admission to the United States. ``(B) Parole not an admission.--In accordance with section 101(a)(13)(B), parole of an alien under subparagraph (A) shall not be regarded as an admission of the alien to the United States. ``(C) Prohibited uses of parole authority.-- ``(i) In general.--The Secretary may not use the authority under subparagraph (A) to parole in generalized categories of aliens or classes of aliens based solely on nationality, presence, or residence in the United States, family relationships, or any other criteria that would cover a broad group of foreign nationals either inside or outside of the United States. ``(ii) Aliens who are national security or public safety threats.-- ``(I) Prohibition on parole.--The Secretary of Homeland Security shall not parole in any alien who the Secretary, in the Secretary's sole and unreviewable discretion, determines is a threat to national security or public safety, except in extreme exigent circumstances. ``(II) Extreme exigent circumstances defined.--In subclause (I), the term `extreme exigent circumstances' means circumstances under which-- ``(aa) the failure to parole the alien would result in the immediate significant risk of loss of life or bodily function due to a medical emergency; ``(bb) the failure to parole the alien would conflict with medical advice as to the health or safety of the individual, detention facility staff, or other detainees; or ``(cc) there is an urgent need for the alien's presence for a law enforcement purpose, including for a prosecution or securing the alien's presence to appear as a material witness, or a national security purpose. ``(D) Termination of parole.--The Secretary of Homeland Security shall determine when the purpose of parole of an alien has been served and, upon such determination-- ``(i) the alien's case shall continue to be dealt with in the same manner as that of any other applicant for admission to the United States; and ``(ii) if the alien was previously detained, the alien shall be returned to the custody from which the alien was paroled. ``(E) Limitations on use of advance parole.-- ``(i) Advance parole defined.--In this subparagraph, the term `advance parole' means advance approval for an alien applying for admission to the United States to request at a port of entry in the United States, a pre-inspection station, or a designated field office of the Department of Homeland Security, to be paroled into the United States under subparagraph (A). ``(ii) Approval and revocation of advance parole.--The Secretary of Homeland Security may, in the Secretary's discretion, grant an application for advance parole. Approval of an application for advance parole shall not constitute a grant of parole under subparagraph (A). A grant of parole into the United States based on an approved application for advance parole shall not be considered a parole for purposes of qualifying for adjustment of status to lawful permanent resident status in the United States under section 245 or 245A. ``(iii) Revocation of advance parole.--The Secretary may, in the Secretary's discretion, revoke a grant of advance parole to an alien at any time, regardless of whether the alien is inside or outside the United States. Such revocation shall not be subject to administrative appeal or judicial review.''. SEC. 308. STOP DANGEROUS SANCTUARY CITIES ACT. (a) Short Title.--This section may be cited as the ``Stop Dangerous Sanctuary Cities Act''. (b) Ensuring That Local and Federal Law Enforcement Officers May Cooperate to Safeguard Our Communities.-- (1) Authority to cooperate with federal officials.--A State, a political subdivision of a State, or an officer, employee, or agent of such State or political subdivision that complies with a detainer issued by the Department under sections 236, 241, or section 287 of the Immigration and Nationality Act (8 U.S.C 1226, 1231, or 1357)-- (A) shall be deemed to be acting as an agent of the Department; and (B) with regard to actions taken to comply with the detainer, shall have all authority available to officers and employees of the Department. (2) Legal proceedings.--In any legal proceeding brought against a State, a political subdivision of State, or an officer, employee, or agent of such State or political subdivision, which challenges the legality of the seizure or detention of an individual pursuant to a detainer issued by the Department under section 236 or 287 of the Immigration and Nationality Act (8 U.S.C 1226, 1357)-- (A) no liability for false arrest or imprisonment shall lie against the State or political subdivision of a State for actions taken in compliance with the detainer, which includes maintaining custody of the alien in accordance with the instructions on the detainer form and notifying the Department prior to the alien's release from custody; and (B) if the actions of the officer, employee, or agent of the State or political subdivision were taken in compliance with the detainer-- (i) the officer, employee, or agent shall be deemed-- (I) to be an employee of the Federal Government and an investigative or law enforcement officer; and (II) to have been acting within the scope of his or her employment under section 1346(b) and chapter 171 of title 28, United States Code; (ii) section 1346(b) of title 28, United States Code, shall provide the exclusive remedy for the plaintiff; and (iii) the United States shall be substituted as defendant in the proceeding. (c) Sanctuary Jurisdiction Defined.-- (1) In general.--Except as provided under subsection (2), for purposes of this section, the term ``sanctuary jurisdiction'' means any State or political subdivision of a State that has in effect a statute, ordinance, policy, or practice that prohibits or restricts any government entity or official from-- (A) sending, receiving, maintaining, or exchanging with any Federal, State, or local government entity information regarding the citizenship or immigration status (lawful or unlawful) of any individual; or (B) complying with a request lawfully made by the Department under section 236 or 287 of the Immigration and Nationality Act (8 U.S.C 1226, 1357) to comply with a detainer for, or notify about the release of, an individual. (2) Exception.--A State or political subdivision of a State shall not be deemed a sanctuary jurisdiction based solely on its having a policy whereby its officials will not share information regarding, or comply with a request made by the Department under [[Page S4851]] section 236 or 287 of the Immigration and Nationality Act (8 U.S.C 1226, 1357) to comply with a detainer regarding, an individual who comes forward as a victim or a witness to a criminal offense. (d) Sanctuary Jurisdictions Ineligible for Certain Federal Funds.-- (1) Economic development administration grants.-- (A) Grants for public works and economic development.-- Section 201(b) of the Public Works and Economic Development Act of 1965 (42 U.S.C 3141(b)) is amended-- (i) in paragraph (2), by striking ``and'' at the end; (ii) in paragraph (3), by striking the period at the end and inserting ``; and''; and (iii) by adding at the end the following: ``(4) the area in which the project is to be carried out is not a sanctuary jurisdiction (as defined in subsection (c) of the Stop Dangerous Sanctuary Cities Act).''. (B) Grants for ***planning*** and administrative expenses.-- Section 203(a) of the Public Works and Economic Development Act of 1965 (42 U.S.C 3143(a)) is amended by adding at the end the following: ``A sanctuary jurisdiction (as defined in subsection (c) of the Stop Dangerous Sanctuary Cities Act) may not be deemed an eligible recipient under this subsection.''. (C) Supplementary grants.--Section 205(a) of the Public Works and Economic Development Act of 1965 (42 U.S.C 3145(a)) is amended-- (i) in paragraph (2), by striking ``and'' at the end; (ii) in paragraph (3)(B), by striking the period at the end and inserting ``; and''; and (iii) by adding at the end the following: ``(4) will be carried out in an area that does not contain a sanctuary jurisdiction (as defined in subsection (c) of the Stop Dangerous Sanctuary Cities Act).''. (D) Grants for training, research, and technical assistance.--Section 207 of the Public Works and Economic Development Act of 1965 (42 U.S.C 3147) is amended by adding at the end the following: ``(c) Ineligibility of Sanctuary Jurisdictions.--Grant funds under this section may not be used to provide assistance to a sanctuary jurisdiction (as defined in subsection (c) of the Stop Dangerous Sanctuary Cities Act).''. (2) Community development block grants.-- (A) Definitions.--Section 102(a) of the Housing and Community Development Act of 1974 (42 U.S.C 5302(a)) is amended by adding at the end the following: ``(25) The term `sanctuary jurisdiction' has the meaning given that term in subsection (c) of the Stop Dangerous Sanctuary Cities Act.''. (B) Eligible grantees.-- (i) In general.--Section 104(b) of the Housing and Community Development Act of 1974 (42 U.S.C 5304(b)) is amended-- (I) in paragraph (5), by striking ``and'' at the end; (II) by redesignating paragraph (6) as paragraph (7); and (III) by inserting after paragraph (5) the following: ``(6) the grantee is not a sanctuary jurisdiction and will not become a sanctuary jurisdiction during the period for which the grantee receives a grant under this title; and''. (ii) Protection of individuals against crime.--Section 104 of the Housing and Community Development Act of 1974 (42 U.S.C 5304) is amended by adding at the end the following: ``(n) Protection of Individuals Against Crime.-- ``(1) In general.--No funds authorized to be appropriated to carry out this title may be obligated or expended for any State or unit of general local government that is a sanctuary jurisdiction. ``(2) Returned amounts.-- ``(A) State.--If a State is a sanctuary jurisdiction during the period for which it receives amounts under this title, the Secretary-- ``(i) shall direct the State to immediately return to the Secretary any such amounts that the State received for that period; and ``(ii) shall reallocate amounts returned under clause (i) for grants under this title to other States that are not sanctuary jurisdictions. ``(B) Unit of general local government.--If a unit of general local government is a sanctuary jurisdiction during the period for which it receives amounts under this title, any such amounts that the unit of general local government received for that period-- ``(i) in the case of a unit of general local government that is not in a nonentitlement area, shall be returned to the Secretary for grants under this title to States and other units of general local government that are not sanctuary jurisdictions; and ``(ii) in the case of a unit of general local government that is in a nonentitlement area, shall be returned to the Governor of the State for grants under this title to other units of general local government in the State that are not sanctuary jurisdictions. ``(C) Reallocation rules.--In reallocating amounts under subparagraphs (A) and (B), the Secretary-- ``(i) shall apply the relevant allocation formula under subsection (b), with all sanctuary jurisdictions excluded; and ``(ii) shall not be subject to the rules for reallocation under subsection (c).''. SEC. 309. REINSTATEMENT OF THE SECURE COMMUNITIES ***PROGRAM***. (a) Reinstatement.--The Secretary shall reinstate and operate the Secure Communities ***program*** immigration enforcement ***program*** administered by U.S Immigration and Customs Enforcement between 2008 and 2014. (b) Authorization of Appropriations.--There is authorized to be appropriated $150,000,000 to carry out this section. SEC. 310. PREVENTION AND DETERRENCE OF FRAUD IN OBTAINING RELIEF FROM REMOVAL. (a) Restriction on Waiver of Inadmissibility of Criminal Grounds When Qualifying Relatives Benefitted From Fraud.-- Section 212(h) of the Immigration and Nationality Act (8 U.S.C 1182(h)) is amended-- (1) in paragraph (1)-- (A) in subparagraph (A), by redesignating clauses (i), (ii), and (iii) as subclauses (I), (II), and (III); and (B) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii); (2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B); (3) by striking ``The Attorney General may, in his discretion'' and inserting ``(1) The Secretary of Homeland Security may, in the Secretary's discretion''; and (4) in the undesignated matter following paragraph (1)(B), as redesignated, by striking ``No waiver'' and inserting the following: ``(2) No waiver shall be available under this subsection if a preponderance of the evidence shows that the spouse, parent, son, or daughter procured, or sought to procure, any immigration status under this title based on fraud or material misrepresentation by the alien seeking the waiver. No waiver''. (b) Restriction on Waiver of Inadmissibility of Fraud Grounds When Qualifying Relatives Benefitted From Fraud.-- Section 212(i)(1) of the Immigration and Nationality Act (8 U.S.C 1182(i)(1)) is amended by adding at the end the following: ``No waiver shall be available under this subsection if a preponderance of the evidence shows that the spouse, parent, son, or daughter procured, or sought to procure, any immigration status under this title based on fraud or material misrepresentation by the alien seeking the waiver.''. (c) Restriction on Waiver of Deportability of Fraud Grounds When Qualifying Relatives Benefitted From Fraud.--Section 237(a)(1)(H) of the Immigration and Nationality Act (8 U.S.C 1227(a)(1)(H)) is amended-- (1) in clause (i), by redesignating subclauses (I) and (II) as items (aa) and (bb); (2) by redesignating clauses (i) and (ii) as subclauses (I) and (II); (3) by inserting ``(i)'' before ``The provisions''; and (4) by striking ``A waiver'' and inserting the following: ``(ii) No waiver shall be available under this subparagraph if a preponderance of the evidence shows that the spouse, parent, son, or daughter procured, or sought to procure, any immigration status under this title based on fraud or material misrepresentation by the alien seeking the waiver. A waiver''. (e) Restriction on Cancellation of Removal When Qualifying Relatives Benefitted From Fraud.--Section 240A(b)(1) of the Immigration and Nationality Act (8 U.S.C 1229b(b)(1)) is amended-- (1) in paragraph (1), by redesignating subparagraphs (A) through (D) as clauses (i) through (iv), respectively; (2) by inserting ``(A)'' before ``The Attorney General''; and (3) by adding at the end the following: ``(B) No cancellation shall be available under this paragraph if a preponderance of the evidence shows that the spouse, parent, son, or daughter procured, or sought to procure, any immigration status under this title based on fraud or material misrepresentation by the alien seeking the waiver.''. (e) Applicability.--The amendments made by this section shall apply to all applications for waivers or cancellation of removal submitted before, on, or after the date of enactment of this Act. Subtitle B--Protecting Children and America's Homeland Act of 2017 SEC. 320. SHORT TITLE. This subtitle may be cited as the ``Protecting Children and America's Homeland Act of 2017''. SEC. 321. REPATRIATION OF UNACCOMPANIED ALIEN CHILDREN. Section 235(a) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C 1232(a)) is amended-- (1) in paragraph (2)-- (A) by striking the paragraph heading and inserting ``Rules for unaccompanied alien children.--''; (B) in subparagraph (A), in the matter preceding clause (i), by striking ``who is a national or habitual resident of a country that is contiguous with the United States shall be treated in accordance with subparagraph (B)'' and inserting ``shall be treated in accordance with subparagraph (B) of this paragraph or subsection (b), as appropriate''; and (C) in subparagraph (C)-- (i) by striking the subparagraph heading and inserting ``Agreements with foreign countries.--''; and (ii) in the matter preceding clause (i), by striking ``countries contiguous to the United States'' and inserting ``Canada, El Salvador, Guatemala, Honduras, Mexico, and any other foreign country that the Secretary determines appropriate''; [[Page S4852]] (2) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6), respectively; (3) inserting after paragraph (2) the following: ``(3) Mandatory expedited removal of criminals and gang members.--Notwithstanding any other provision of law, including section 235(a) of the William Wilberforce Trafficking Protection Reauthorization Act of 2008 (8 U.S.C 1232(a)), the Secretary of Homeland Security shall place an unaccompanied alien child in a proceeding in accordance with section 235 of the Immigration and Nationality Act (8 U.S.C 1225) if, the Secretary determines or has reason to believe the alien-- ``(A) has been convicted of, or found to be a juvenile offender based on, any offense carrying a maximum term of imprisonment of more than 180 days; ``(B) has been convicted of, or found to be a juvenile offender based on, an offense which involved-- ``(i) the use or attempted use of physical force, or threatened use of a deadly weapon; ``(ii) the purchase, sell, offering for sale, exchange, use, owning, possession, or carrying, or of attempting or conspiring to purchase, sell, offer for sale, exchange, use, own, possess, or carry, any weapon, part, or accessory which is a firearm or destructive device (as defined in section 921(a) of title 18, United States Code) in violation of any law; ``(iii) child abuse and neglect (as defined in section 40002(a)(3) of the Violence Against Women Act of 1994 (42 U.S.C 13925(a)(3)); ``(iv) assault resulting in bodily injury (as defined in section 2266 of title 18, United States Code); ``(v) the violation of a protection order (as defined in section 2266 of title 18, United States Code); ``(vi) driving while intoxicated or driving under the influence (as those terms are defined in section 164 of title 23, United States Code); or ``(vii) any offense under foreign law, except for a purely political offense, which, if the offense had been committed in the United States, would render the alien inadmissible under section 212(a) of the Immigration and Nationality Act (8 U.S.C 1182(a)); ``(C) has been convicted of, or found to be a juvenile offender based on, more than 1 criminal offense (other than minor traffic offenses); ``(D) has been convicted of, or found to be a juvenile offender based on a crime of violence or an offense under Federal, State, or Tribal law, that has, as an element, the use or attempted use of physical force or the threatened use of physical force or a deadly weapon; ``(E) has engaged in, is engaged in, or is likely to engage after entry, in any terrorist activity (as defined in section 212(a)(3)(B)(iii) of the Immigration and Nationality Act (8 U.S.C 1182(a)(3)(B)(iii)), or intends to participate or has participated in the activities of a foreign terrorist organization (as designated under section 219 of the Immigration and Nationality Act (8 U.S.C 1189)); ``(F) has engaged in, is engaged in, or any time after a prior admission engages in activity described in section 237(a)(4) of the Immigration and Nationality Act (8 U.S.C 1227(a)(4)); ``(G) is or was a member of a criminal gang (as defined in paragraph (53) of section 101(a) of the Immigration and Nationality Act (8 U.S.C 1101(a)(53)); ``(H) provided materially false, fictitious, or fraudulent information regarding age or identity to the United States Government with the intent to be inaccurately classified as an unaccompanied alien child; or ``(I) has entered the United States more than 1 time in violation of section 275(a) of the Immigration and Nationality Act (8 U.S.C 1325(a)), knowing that the entry was unlawful. ``(J) has entered the United States more than 1 time in violation of section 275(a) of the Immigration and Nationality Act (8 U.S.C 1325(a)), knowing that the entry was unlawful.''; (4) in paragraph (4), as redesignated-- (A) by striking ``not described in paragraph (2)(A)''; and (B) by inserting ``who choose not to withdraw their application for admission and return to their country of nationality or country of last habitual residence'' after ``port of entry''; (5) in paragraph (6)(D), as redesignated-- (A) by striking the subparagraph heading and inserting ``Expedited due process and screening for unaccompanied alien children.--''; (B) in the matter preceding clause (i), by striking ``, except for an unaccompanied alien child from a contiguous country subject to the exceptions under subsection (a)(2), shall be--'' and inserting ``who meets the criteria listed in paragraph (2)(A) and who chooses not to withdraw his or her application for admission and return to the unaccompanied alien child's country of nationality or country of last habitual residence as permitted under section 235B(c)(5) of the Immigration and Nationality Act (8 U.S.C 1225b(c)(5))-- ''; (C) by striking clause (i) and inserting the following: ``(i) shall be placed in a proceeding in accordance with section 235B of the Immigration and Nationality Act (8 U.S.C 1225b), which shall commence not later than 7 days after the screening of an unaccompanied alien child described in paragraph (5);''; (D) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively; (E) by inserting after clause (i) the following: ``(ii) may not be placed in the custody of a nongovernmental sponsor or otherwise released from the immediate custody of the United States Government until the child is repatriated unless the child-- ``(I) is the subject of an order under section 235B(e)(1) of the Immigration and Nationality Act (8 U.S.C 1225b(e)(1)); and ``(II) is placed or released in accordance with subsection (c)(2)(C) of this section.''; (F) in clause (iii), as redesignated, by inserting ``is'' before ``eligible''; and (G) in clause (iv), as redesignated, by inserting ``shall be'' before ``provided''. SEC. 322. EXPEDITED DUE PROCESS AND SCREENING FOR UNACCOMPANIED ALIEN CHILDREN. (a) Humane and Expedited Inspection and Screening for Unaccompanied Alien Children.-- (1) In general.--Chapter 4 of title II of the Immigration and Nationality Act (8 U.S.C 1221 et seq.) is amended by inserting after section 235A the following: ``SEC. 235B. HUMANE AND EXPEDITED INSPECTION AND SCREENING FOR UNACCOMPANIED ALIEN CHILDREN. ``(a) Asylum Officer Defined.--In this section, the term `asylum officer' means an immigration officer who-- ``(1) has had professional training in country conditions, asylum law, and interview techniques comparable to that provided to full-time adjudicators of applications under section 208; and ``(2) is supervised by an officer who-- ``(A) meets the condition described in paragraph (1); and ``(B) has had substantial experience adjudicating applications under section 208. ``(b) Proceeding.-- ``(1) In general.--Not later than 7 days after the screening of an unaccompanied alien child under section 235(a)(5) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C 1232(a)(5)), an immigration judge shall-- ``(A) conduct and conclude a proceeding to inspect, screen, and determine the status of the unaccompanied alien child who is an applicant for admission to the United States; and ``(B) in the case of an unaccompanied alien child seeking asylum, conduct fact finding to determine whether the unaccompanied alien child meets the definition of an unaccompanied alien child under section 235(g) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C 1232(g)). ``(2) Time limit.--Not later than 72 hours after the conclusion of a proceeding with respect to an unaccompanied alien child under this section, the immigration judge who conducted such proceeding shall issue an order pursuant to subsection (e). ``(c) Conduct of Proceeding.-- ``(1) Authority of immigration judge.--The immigration judge conducting a proceeding under this section-- ``(A) shall administer oaths, receive evidence, and interrogate, examine, and cross-examine the unaccompanied alien child and any witnesses; ``(B) is authorized to sanction by civil money penalty any action (or inaction) in contempt of the judge's proper exercise of authority under this Act; and ``(C) shall determine whether the unaccompanied alien child meets any of the criteria set out in subparagraphs (A) through (I) of paragraph (3) of section 235(a) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C 1232(a)), and if so, order the alien removed under subsection (e)(2) of this section. ``(2) Form of proceeding.--A proceeding under this section may take place-- ``(A) in person; ``(B) at a location agreed to by the parties, in the absence of the unaccompanied alien child; ``(C) through video conference; or ``(D) through telephone conference. ``(3) Presence of alien.--If it is impracticable by reason of the mental incompetency of the unaccompanied alien child for the alien to be present at the proceeding, the Attorney General shall prescribe safeguards to protect the rights and privileges of the alien. ``(4) Rights of the alien.--In a proceeding under this section-- ``(A) the unaccompanied alien child shall be provided access to counsel in accordance with section 235(c)(5) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C 1232(c)(5)); ``(B) the alien shall be given a reasonable opportunity-- ``(i) to examine the evidence against the alien; ``(ii) to present evidence on the alien's own behalf; and ``(iii) to cross-examine witnesses presented by the Government; ``(C) the rights set forth in subparagraph (B) shall not entitle the alien-- ``(i) to examine such national security information as the Government may proffer in opposition to the alien's admission to the United States; or ``(ii) to an application by the alien for discretionary relief under this Act; and ``(D) a complete record shall be kept of all testimony and evidence ***produced*** at the proceeding. [[Page S4853]] ``(5) Withdrawal of application for admission.--An unaccompanied alien child applying for admission to the United States may, and at any time prior to the issuance of a final order of removal, be permitted to withdraw the application and immediately be returned to the alien's country of nationality or country of last habitual residence. ``(6) Consequences of failure to appear.--An unaccompanied alien child who does not attend a proceeding under this section, shall be ordered removed, except under exceptional circumstances where the alien's absence is the fault of the Government, a medical emergency, or an act of nature. ``(d) Decision and Burden of Proof.-- ``(1) Decision.-- ``(A) In general.--At the conclusion of a proceeding under this section, the immigration judge, notwithstanding section 235(b), shall determine whether an unaccompanied alien child is likely to be-- ``(i) admissible to the United States; or ``(ii) eligible for any form of relief from removal under this Act. ``(B) Evidence.--The determination of the immigration judge under subparagraph (A) shall be based only on the evidence ***produced*** at the hearing. ``(2) Burden of proof.-- ``(A) In general.--In a proceeding under this section, an unaccompanied alien child who is an applicant for admission has the burden of establishing, by clear and convincing evidence, that the alien-- ``(i) is likely to be entitled to be lawfully admitted to the United States or eligible for any form of relief from removal under this Act; or ``(ii) is lawfully present in the United States pursuant to a prior admission. ``(B) Access to documents.--In meeting the burden of proof under subparagraph (A)(ii), the alien shall be given access to-- ``(i) the alien's visa or other entry document, if any; and ``(ii) any other records and documents, not considered by the Attorney General to be confidential, pertaining to the alien's admission or presence in the United States. ``(e) Orders.-- ``(1) Placement in further proceedings.--If an immigration judge determines that the unaccompanied alien child has met the burden of proof under subsection (d)(2), the immigration judge shall-- ``(A) order the alien to be placed in further proceedings in accordance with section 240; and ``(B) order the Secretary of Homeland Security to place the alien on the U.S Immigration and Customs Enforcement detained docket for purposes of carrying out such proceedings. ``(2) Orders of removal.--If an immigration judge determines that the unaccompanied alien child has not met the burden of proof required under subsection (d)(2), the judge shall order the alien removed from the United States without further hearing or review unless the alien claims-- ``(A) an intention to apply for asylum under section 208; ``(B) a fear of persecution; or ``(C) a fear of torture. ``(3) Claims for asylum.--If an unaccompanied alien child described in paragraph (2) claims an intention to apply for asylum under section 208 or a fear of persecution, or fear of torture, the immigration judge shall order the alien referred for an interview by an asylum officer under subsection (f). ``(f) Asylum Interviews.-- ``(1) Credible fear of persecution defined.--In this subsection, the term `credible fear of persecution' means, after taking into account the credibility of the statements made by an unaccompanied alien child in support of the alien's claim and such other facts as are known to the asylum officer, there is a significant possibility that the alien could establish eligibility for asylum under section 208 or for protection from removal based on Article 3 of the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment. ``(2) Conduct by asylum officer.--An asylum officer shall conduct the interviews of an unaccompanied alien child referred under subsection (e)(3). ``(3) Referral of certain aliens.--If the asylum officer determines at the time of the interview that an unaccompanied alien child has a credible fear of persecution or torture, the alien shall be held in the custody of the Secretary for Health and Human Services pursuant to section 235(b) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C 1232(b)) during further consideration of the application for asylum. ``(4) Removal without further review if no credible fear of persecution or torture.-- ``(A) In general.--Subject to subparagraph (C), if the asylum officer determines that an unaccompanied alien child does not have a credible fear of persecution or torture, the Secretary shall order the alien removed from the United States without further hearing or review. ``(B) Record of determination.--The asylum officer shall prepare a written record of a determination under subparagraph (A), which shall include-- ``(i) a summary of the material facts as stated by the alien; ``(ii) such additional facts (if any) relied upon by the asylum officer; ``(iii) the asylum officer's analysis of why, in light of such facts, the alien has not established a credible fear of persecution; and ``(iv) a copy of the asylum officer's interview notes. ``(C) Review of determination.-- ``(i) Rulemaking.--The Attorney General shall establish, by regulation, a process by which an immigration judge will conduct a prompt review, upon the alien's request, of a determination under subparagraph (A) that the alien does not have a credible fear of persecution. ``(ii) Mandatory components.--The review described in clause (i)-- ``(I) shall include an opportunity for the alien to be heard and questioned by the immigration judge, either in person or by telephonic or video connection; and ``(II) shall be concluded as expeditiously as possible, to the maximum extent practicable within 24 hours, but in no case later than 7 days after the date of the determination under subparagraph (A). ``(D) Mandatory protective custody.--Any alien subject to the procedures under this paragraph shall be held in the custody of the Secretary of Health and Human Services pursuant to section 235(b) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C 1232(b))-- ``(i) pending a final determination of an application for asylum under this subsection; and ``(ii) after a determination under this subsection that the alien does not have a credible fear of persecution or torture, until the alien is removed. ``(g) Limitation on Administrative Review.-- ``(1) In general.--Except as provided in subsection (f)(4)(C) and paragraph (2), a removal order entered in accordance with subsection (e)(2) or (f)(4)(A) is not subject to administrative appeal. ``(2) Rulemaking.--The Attorney General shall establish, by regulation, a process for the prompt review of an order under subsection (e)(2) against an alien who claims under oath, or as permitted under penalty of perjury under section 1746 of title 28, United States Code, after having been warned of the penalties for falsely making such claim under such conditions to have been-- ``(A) lawfully admitted for permanent residence; ``(B) admitted as a refugee under section 207; or ``(C) granted asylum under section 208.''. (2) Clerical amendment.--The table of contents in the first section of the Immigration and Nationality Act is amended by inserting after the item relating to section 235A the following: ``Sec. 235B. Humane and expedited inspection and screening for unaccompanied alien children.''. (b) Judicial Review of Orders of Removal.--Section 242 of the Immigration and Nationality Act (8 U.S.C 1252) is amended-- (1) in subsection (a)-- (A) in paragraph (1), by striking ``section 235(b)(1))'' and inserting ``section 235(b)(1) or an order of removal issued to an unaccompanied alien child after proceedings under section 235B)''; and (B) in paragraph (2)-- (i) by inserting ``or section 235B'' after ``section 235(b)(1)'' each place that term appears; and (ii) in subparagraph (A)-- (I) in the subparagraph heading, by striking ``235(b)(1).-- '' and inserting ``235(b)(1) and 235B.--''; and (II) in clause (iii), by striking ``section 235(b)(1)(B),'' and inserting ``section 235(b)(1)(B) or 235B(f);''; and (2) in subsection (e)-- (A) in the subsection heading, striking ``235(b)(1).--'' and inserting ``235(b)(1) or 235B.--''; (B) by inserting ``or section 235B'' after ``section 235(b)(1)'' each place that term appears; (C) in subparagraph (2)(C), by inserting ``or section 235B(g)'' after ``section 235(b)(1)(C)''; and (D) in subparagraph (3)(A), by inserting ``or section 235B'' after ``section 235(b)''. SEC. 323. CHILD WELFARE AND LAW ENFORCEMENT INFORMATION SHARING. Section 235(b) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C 1232(b)) is amended by adding at the end the following: ``(5) Information sharing.-- ``(A) Immigration status.--If the Secretary of Health and Human Services considers placement of an unaccompanied alien child with a potential sponsor, the Secretary of Homeland Security shall provide to the Secretary of Health and Human Services the immigration status of such potential sponsor prior to the placement of the unaccompanied alien child. ``(B) Other information.--The Secretary of Health and Human Services shall provide to the Secretary of Homeland Security and the Attorney General upon request any relevant information related to an unaccompanied alien child who is or has been in the custody of the Secretary of Health and Human Services, including the location of the child and any person to whom custody of the child has been transferred, for any legitimate law enforcement objective, including enforcement of the immigration laws.''. SEC. 324. ACCOUNTABILITY FOR CHILDREN AND TAXPAYERS. Section 235(b) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C 1232(b)), as amended by section 323, is further amended by inserting at the end the following: [[Page S4854]] ``(6) Inspection of facilities.--The Inspector General of the Department of Health and Human Services shall conduct regular inspections of facilities utilized by the Secretary of Health and Human Services to provide care and custody of unaccompanied alien children who are in the immediate custody of the Secretary to ensure that such facilities are operated in the most efficient manner practicable. ``(7) Facility operations costs.--The Secretary of Health and Human Services shall ensure that facilities utilized to provide care and custody of unaccompanied alien children are operated efficiently and at a rate of cost that is not greater than $500 per day for each child housed or detained at such facility, unless the Secretary certifies that compliance with this requirement is temporarily impossible due to emergency circumstances.''. SEC. 325. CUSTODY OF UNACCOMPANIED ALIEN CHILDREN IN FORMAL REMOVAL PROCEEDING. (a) Custody of Unaccompanied Alien Children.--Section 235(c) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C 1232(c)) is amended-- (1) in paragraph (2), by adding at the end the following: ``(C) Children in formal removal proceedings.-- ``(i) Limitation on placement.--Notwithstanding any settlement or consent decree previously issued before date of enactment of the Building America's Trust Act and section 236.3 of title 8, Code of Federal Regulations, or similar successor regulation, an unaccompanied alien child who has been placed in a proceeding under section 240 of the Immigration and Nationality Act (8 U.S.C 1229a) may not be placed in the custody of a nongovernmental sponsor or otherwise released from the immediate custody of the United States Government unless-- ``(I) the nongovernmental sponsor is a biological or adoptive parent or legal guardian of the alien child; ``(II) the parent or legal guardian is legally present in the United States at the time of the placement; ``(III) the parent or legal guardian has undergone a mandatory biometric criminal history check; ``(IV) if the nongovernmental sponsor is the biological parent, the parent's relationship to the alien child has been verified through DNA testing conducted by the Secretary of Health and Human Services; ``(V) if the nongovernmental sponsor is the adoptive parent, the parent's relationship to the alien child has been verified with the judicial court that issued the final legal adoption decree by the Secretary of Health and Human Services; and ``(VI) the Secretary of Health and Human Services has determined that the alien child is not a danger to self, danger to the community, or risk of flight. ``(ii) Exceptions.--If the Secretary of Health and Human Services determines that an unaccompanied alien child is a victim of severe forms of trafficking in persons (as defined in section 103 of the Trafficking Victims Protection Act of 2000 (22 U.S.C 7102)), a special needs child with a disability (as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C 12102)), a child who has been a victim of physical or sexual abuse under circumstances that indicate that the child's health or welfare has been significantly harmed or threatened, or a child with mental health needs that require ongoing assistance from a social welfare agency, the alien child may be placed with a grandparent or adult sibling if the grandparent or adult sibling meets the requirements set out in subclauses (II), (III), and (IV) of clause (i). ``(iii) Monitoring.-- ``(I) In general.--In the case of an alien child who is 17 years of age or younger and is placed with a nongovernmental sponsor under subparagraph (2)(C), such nongovernmental sponsor shall-- ``(aa) enroll in the alternative to detention ***program*** of U.S Immigration and Customs Enforcement; and ``(bb) continuously wear an electronic monitoring device while the alien child is in removal proceedings. ``(II) Penalty for monitor tampering.--If an electronic monitoring device required by subclause (I) is tampered with, the sponsor of the alien child shall be subject to a civil penalty of $150 for each day the monitor is not functioning due to the tampering, up to a maximum of $3,000. ``(iv) Effect of violation of conditions.--The Secretary of Health and Human Services shall remove an unaccompanied alien child from a sponsor if the sponsor violates the terms of the agreement specifying the conditions under which the alien was placed with the sponsor. ``(v) Failure to appear.-- ``(I) Civil penalty.--If an unaccompanied alien child is placed with a sponsor and fails to appear in a mandatory court appearance, the sponsor shall be subject to a civil penalty of $250 for each day until the alien appears in court, up to a maximum of $5,000. ``(II) Burden of proof.--The sponsor is not subject to the penalty imposed under subclause (I) if the sponsor-- ``(aa) appears in person and proves to the immigration court that the failure to appear by the unaccompanied alien child was not the fault of the sponsor; and ``(bb) supplies the immigration court with documentary evidence that supports the assertion described in item (aa). ``(vi) Prohibition on placement with sex offenders and human traffickers.--The Secretary of Health and Human Services may not place an unaccompanied alien child under this subparagraph in the custody of an individual who has been convicted of, or the Secretary has reason to believe was otherwise involved in the commission of-- ``(I) a sex offense (as defined in section 111 of the Sex Offender Registration and Notification Act (42 U.S.C 16911)); ``(II) a crime involving severe forms of trafficking in persons (as defined in section 103 of the Trafficking Victims Protection Act of 2000 (22 U.S.C 7102)); or ``(III) an offense under Federal, State, or Tribal law, that has, as an element, the use or attempted use of physical force or the threatened use of physical force or a deadly weapon. ``(vii) Requirements of criminal background check.--A biometric criminal history check required by clause (i)(III) shall be conducted using a set of fingerprints or other biometric identifier through-- ``(I) the Federal Bureau of Investigation; ``(II) criminal history repositories of all States that the individual lists as current or former residences; and ``(III) any other State or Federal database or repository that the Secretary of Health and Human Services determines is appropriate.''. (b) Home Studies and Follow-up Services for Unaccompanied Alien Children.--Section 235(c) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C 1232(c)) is amended in paragraph (3) by-- (1) redesignating subparagraph (C) as (D); and (2) by amending subparagraph (B) to read as follows: ``(B) Home studies.-- ``(i) In general.--Before placing the child with an individual, the Secretary of Health and Human Services shall first determine whether a home study is necessary. ``(ii) Required home studies.--A home study shall be conducted for a child-- ``(I) who is a victim of a severe form of trafficking in persons, a special needs child with a disability (as defined in section 12102 of title 42); ``(II) who has been a victim of physical or sexual abuse under circumstances that indicate that the child's health or welfare has been significantly harmed or threatened; or ``(III) whose proposed sponsor clearly presents a risk of abuse, maltreatment, exploitation, or trafficking to the child based on all available objective evidence. ``(C) Follow-up services and additional home studies.-- ``(i) Pendency of removal proceedings.--Every six months, the Secretary of Health and Human Services shall conduct follow-up services for children for whom a home study was conducted and who were placed with a nongovernmental sponsor until initial removal proceedings have been completed and the immigration judge has issued an order of removal, granted voluntary departure under section 240B, or granted the alien relief from removal. ``(ii) Children with mental health or other needs.--Every six months, for up to two years from the date of placement with a nongovernmental sponsor, he Secretary of Health and Human Services shall conduct follow-up services for children with mental health needs or other needs that could benefit from ongoing assistance from a social welfare agency. ``(iii) Children at risk.--Every six months, for up to two years from the date of placement with a nongovernmental sponsor, the Secretary of Health and Human Services shall conduct home studies and follow-up services, including partnering with local community ***programs*** that focus on early am and after-school ***programs*** for at risk children who need a secure environment to engage in studying, training, and skills-building ***programs*** and who are at risk for recruitment by criminal gangs or other transnational criminal organizations in the United States.''. (c) Clarification of Special Immigrant Juvenile Definition.--Section 101(a)(27)(J) of the Immigration and Nationality Act (8 U.S.C 1101(a)(27)(J)) is amended-- (1) by amending subparagraph (i) to read as follows: ``(i) who, before reaching 18 years of age, was declared dependent on a juvenile court located in the United States or whom such a court has legally committed to, or placed under the custody of, an agency or department of a State, or an individual or entity appointed by a State or juvenile court located in the United States, and whose reunification with either parent of the immigrant is not viable due to abuse, neglect, abandonment, or a similar basis found under State law;''; (2) in subparagraph (ii), by striking ``and'' at the end; (3) in subparagraph (iii)(II), by inserting ``and'' at the end; and (4) by adding at the end the following: ``(iv) in whose case the Secretary of Homeland Security has made the determination that the alien is an unaccompanied alien child (as defined in section 462(g) of the Homeland Security Act of 2002 (6 U.S.C 279(g))).''. [[Page S4855]] SEC. 326. FRAUD IN CONNECTION WITH THE TRANSFER OF CUSTODY OF UNACCOMPANIED ALIEN CHILDREN. (a) In General.--Chapter 47 of title 18, United States Code, is amended by adding at the end the following: ``Sec. 1041. Fraud in connection with the transfer of custody of unaccompanied alien children ``(a) In General.--It shall be unlawful for a person to obtain custody of an unaccompanied alien child (as defined in section 462(g) of the Homeland Security Act of 2002 (6 U.S.C 279(g)))-- ``(1) by making any materially false, fictitious, or fraudulent statement or representation; or ``(2) by making or using any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry. ``(b) Penalties.-- ``(1) In general.--Any person who violates, or attempts or conspires to violate, this section shall be fined under this title and imprisoned for not less than 1 year. ``(2) Enhanced penalty for trafficking.--If the primary purpose of the violation, attempted violation, or conspiracy to violate this section was to subject the child to sexually explicit activity or any other form of exploitation, the offender shall be fined under this title and imprisoned for not less than 15 years.''. (b) Table of Sections Amendment.--The table of sections for chapter 47 of title 18, United States Code, is amended by inserting after the item relating to section 1040 the following: ``Sec. 1041. Fraud in connection with the transfer of custody of unaccompanied alien children.''. SEC. 327. NOTIFICATION OF STATES AND FOREIGN GOVERNMENTS, REPORTING, AND MONITORING. (a) Notification.--Section 235 of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 (8 U.S.C 1232) is amended by adding at the end the following: ``(j) Notification to States.-- ``(1) Prior to placement.--The Secretary of Homeland Security or the Secretary of Health and Human Services shall notify the Governor of a State not later than 48 hours prior to the placement of an unaccompanied alien child from in custody of such Secretary in the care of a facility or sponsor in such State. ``(2) Initial reports.--Not later than 60 days after the date of the enactment of the Protecting Children and America's Homeland Act of 2017, the Secretary of Health and Human Services shall submit a report to the Governor of each State in which an unaccompanied alien child was discharged to a sponsor or placed in a facility while remaining in the legal custody of the Secretary during the period beginning October 1, 2013 and ending on the date of the enactment of the Protecting Children and America's Homeland Act of 2017. ``(3) Monthly reports.--The Secretary of Health and Human Services shall submit a monthly report to the Governor of each State in which, during the reporting period, unaccompanied alien children were discharged to a sponsor or placed in a facility while remaining in the legal custody of the Secretary of Health and Human Services. ``(4) Contents.--Each report required to be submitted to the Governor of a State under paragraph (2) or (3) shall identify the number of unaccompanied alien children placed in the State during the reporting period, disaggregated by-- ``(A) the locality in which the aliens were placed; and ``(B) the age of such aliens. ``(k) Notification of Foreign Country.--The Secretary of Homeland Security shall provide information regarding each unaccompanied alien child to the government of the country of which the child is a national to assist such government with the identification and reunification of such child with their parent or other qualifying relative. ``(l) Monitoring Requirement.--The Secretary of Health and Human Services shall-- ``(1) require all sponsors to agree-- ``(A) to receive approval from the Secretary of Health and Human Services prior to changing the location in which the sponsor is housing an unaccompanied alien child placed in the sponsor's custody; and ``(B) to provide a current address for the child and the reason for the change of address; ``(2) provide regular and frequent monitoring of the physical and emotional well-being of each unaccompanied alien child who has been discharged to a sponsor or remained in the legal custody of the Secretary until the child's immigration case is resolved; and ``(3) not later than 60 days after the date of the enactment of this Act, provide to Congress a ***plan*** for implementing the requirements under paragraphs (1) and (2).''. SEC. 328. EMERGENCY IMMIGRATION JUDGE RESOURCES. (a) Designation.--Not later than 14 days after the date of the enactment of this Act, the Attorney General shall designate up to 100 immigration judges, including through the hiring of retired immigration judges, magistrate judges, or administrative law judges, or the reassignment of current immigration judges, that are dedicated-- (1) to conducting humane and expedited inspection and screening for unaccompanied alien children under section 235B of the Immigration and Nationality Act, as added by section 322; or (2) to reducing existing backlogs in immigration court proceedings initiated under section 239 of the Immigration and Nationality Act (8 U.S.C 1229). (b) Requirement.--The Attorney General shall ensure that sufficient immigration judge resources are dedicated to the purpose described in subsection (a)(1) to comply with the requirement under section 235B(b)(1) of the Immigration and Nationality Act, as added by section 322. (c) Authorization of Appropriations.--There is authorized to be appropriated $10,000,000 for each of the fiscal years 2018 through 2022 to implement this section. SEC. 329. REPORTS TO CONGRESS. (a) Reports on Care of Unaccompanied Alien Children.--Not later than September 30, 2019, the Secretary of Health and Human Services shall submit to Congress and make publically available a report that includes-- (1) a detailed summary of the contracts in effect to care for and house unaccompanied alien children, including the names and locations of contractors and the facilities being used; (2) the cost per day to care for and house an unaccompanied alien child, including an explanation of such cost; (3) the number of unaccompanied alien children who have been released to a sponsor, if any; (4) a list of the States to which unaccompanied alien children have been released from the custody of the Secretary of Health and Human Services to the care of a sponsor or placement in a facility; (5) the number of unaccompanied alien children who have been released to a sponsor who is not lawfully present in the United States, including the country of nationality or last habitual residence and age of such children; (6) a determination of whether more than 1 unaccompanied alien child has been released to the same sponsor, including the number of children who were released to such sponsor; (7) an assessment of the extent to which the Secretary of Health and Human Services is monitoring the release of unaccompanied alien children, including home studies done and electronic monitoring devices used; (8) an assessment of the extent to which the Secretary of Health and Human Services is making efforts-- (A) to educate unaccompanied alien children about their legal rights; and (B) to provide unaccompanied alien children with access to pro bono counsel; and (9) the extent of the public health issues of unaccompanied alien children, including contagious diseases, the benefits or medical services provided, and the outreach to States and localities about public health issues, that could affect the public. (b) Reports on Repatriation Agreements.--Not later than September 30, 2018, the Secretary of State shall submit to Congress and make publically available a report that-- (1) describes-- (A) any repatriation agreement for unaccompanied alien children in effect and a copy of such agreement; and (B) any such repatriation agreement that is being considered or negotiated; and (2) describes the funding provided to the 20 countries that have the highest number of nationals entering the United States as unaccompanied alien children, including amounts provided-- (A) to deter the nationals of each country from illegally entering the United States; and (B) to care for or reintegrate repatriated unaccompanied alien children in the country of nationality or last habitual residence. (c) Reports on Returns to Country of Nationality.--Not later than September 30, 2019, the Secretary of Homeland Security shall submit to Congress and make publicly available a report that describes-- (1) the number of unaccompanied alien children who have voluntarily returned to their country of nationality or habitual residence, disaggregated by-- (A) country of nationality or habitual residence; and (B) age of the unaccompanied alien children; (2) the number of unaccompanied alien children who have been returned to their country of nationality or habitual residence, including assessment of the length of time such children were present in the United States; (3) the number of unaccompanied alien children who have not been returned to their country of nationality or habitual residence pending travel documents or other requirements from such country, including how long they have been waiting to return; and (4) the number of unaccompanied alien children who were granted relief in the United States, whether through asylum, any other immigration benefit or status, or deferred action. (d) Reports on Immigration Proceedings.--Not later than September 30, 2019, and once every 3 months thereafter, the Secretary of Homeland Security, in coordination with the Director of the Executive Office for Immigration Review, shall submit to Congress and make publically available a report that describes-- (1) the number of unaccompanied alien children who, after proceedings under section 235(b) of the Immigration and Nationality Act, as added by section 312, were returned to their country of nationality or habitual residence, disaggregated by-- [[Page S4856]] (A) country of nationality or residence; and (B) age and gender of such aliens; (2) the number of unaccompanied alien children who, after proceedings under such section 235B, prove a claim of admissibility and are placed in proceedings under section 240 of the Immigration and Nationality Act (8 U.S.C 1229a); (3) the number of unaccompanied alien children who fail to appear at a removal hearing that such alien was required to attend; (4) the number of sponsors who were levied a penalty, including the amount and whether the penalty was collected, for the failure of an unaccompanied alien child to appear at a removal hearing; and (5) the number of aliens that are classified as unaccompanied alien children, the ages and countries of nationality of such children, and the orders issued by the immigration judge at the conclusion of proceedings under such section 235B for such children. TITLE IV--PENALTIES FOR SMUGGLING, DRUG TRAFFICKING, HUMAN TRAFFICKING, TERRORISM, AND ILLEGAL ENTRY AND REENTRY; BARS TO READMISSION OF REMOVED ALIENS SEC. 401. DANGEROUS HUMAN SMUGGLING, HUMAN TRAFFICKING, AND HUMAN RIGHTS VIOLATIONS. (a) Criminal Penalties for Human Smuggling and Trafficking.--Section 274(a) of the Immigration and Nationality Act (8 U.S.C 1324(a)) is amended-- (1) in paragraph (1)(B)-- (A) by redesignating clauses (iii) and (iv) as clauses (vi) and (vii), respectively; (B) in clause (vi), as redesignated, by inserting ``for not less than 10 years and'' before ``not more than 20 years,''; and (C) by inserting after clause (ii) the following: ``(iii) in the case of a violation of subparagraph (A)(i), (ii), (iii), (iv), or (v) that is the third or subsequent violation committed by such person under this section, shall be fined under title 18, imprisoned for not less than 5 years and not more than 25 years, or both; ``(iv) in the case of a violation of subparagraph (A)(i), (ii), (iii), (iv), or (v) that recklessly, knowingly, or intentionally results in a victim being involuntarily forced into labor or prostitution, shall be fined under title 18, imprisoned for not less than 5 years and not more than 25 years, or both; ``(v) in the case of a violation of subparagraph (A)(i),(ii),(iii),(iv),or (v) during and in relation to which any person is subjected to an involuntary sexual act (as defined in section 2246(2) of title 18), be fined under title 18, imprisoned for not less than 5 years and not more than 25 years, or both;''and (2) by adding at the end the following: ``(5) Any person who, knowing that a person is an alien in unlawful transit from one country to another or on the high seas, transports, moves, harbors, conceals, or shields from detection such alien outside of the United States when the alien is seeking to enter the United States without official permission or legal authority, shall for, each alien in respect to whom a violation of this paragraph occurs, be fined under title 18, United States Code, imprisoned not more than 10 years, or both.''. (b) Seizure and Forfeiture.--Section 274(b)(1) of the Immigration and Nationality Act (8 U.S.C 1324(b)(1)) is amended to read as follows: ``(1) In general.--Any property, real or personal, involved in or used to facilitate the commission of a violation or attempted violation of subsection (a), the gross proceeds of such violation or attempted violation, and any property traceable to such property or proceeds, shall be seized and subject to forfeiture.''. (c) Fraud in Connection With Certain Human Rights Violations or War Crimes.-- (1) In general.--Chapter 213 of title 18, United States Code, is amended by adding at the end the following: ``Sec. 3302. Fraud in connection with certain human rights violations or war crimes ``(a) In General.--Unless the indictment is found or the information is instituted within 10 years after the commission of the offense, no person shall be prosecuted, tried, or punished for a violation of any provision of section 1001, 1015, 1546, or 1621, or for attempt or conspiracy to violate any of such provisions, when the violation, attempt, or conspiracy concerns the alleged offender's-- ``(1) participation, at any time, at any place, and irrespective of the nationality of the alleged offender or any victim, in a human rights violation or war crime; or ``(2) membership in, service in, or authority over, a military, paramilitary, or police organization that participated in such conduct during any part of any period in which the alleged offender was a member of, served in, or had authority over, the organization. ``(b) Definitions.--For purposes of this section-- ``(1) the term `extrajudicial killing under color of foreign law' means conduct specified in section 212(a)(3)(E)(iii) of the Immigration and Nationality Act (8 U.S.C 1182(a)(3)(E)(iii)); ``(2) the term `female genital mutilation' means conduct described in section 116; ``(3) the term `genocide' means conduct described in section 1091(a); ``(4) the term `human rights violation or war crime' means genocide, incitement to genocide, war crimes, torture, female genital mutilation, extrajudicial killing under color of foreign law, persecution, particularly severe violations of religious freedom by a foreign government official, or the use or recruitment of child soldiers; ``(5) the term `incitement to genocide' means conduct described in section 1091(c); ``(6) the term `particularly severe violations of religious freedom' has the meaning given such term in section 3(13) of the International Religious Freedom Act of 1998 (22 U.S.C 6402(13)); ``(7) the term `persecution' means conduct described in section 208(b)(2)(A)(i) of the Immigration and Nationality Act (8 U.S.C 1158(b)(2)(A)(i)); ``(8) the term `torture' means conduct described in paragraph (1) or (2) of section 2340; ``(9) the term `use or recruitment of child soldiers' means conduct described in section 2442(a); and ``(10) the term `war crimes' means conduct described in section 2441.''. (2) Clerical amendment.--The table of sections at the beginning of chapter 213 of title 18, United States Code, is amended by adding at the end the following: ``3302. Fraud in connection with certain human rights violations or war crimes.''. (3) Application.--The amendments made by this subsection shall apply to any offense committed on or after the date of the enactment of this Act. SEC. 402. PUTTING THE BRAKES ON HUMAN SMUGGLING ACT. (a) Short Title.--This section may be cited as the ``Putting the Brakes on Human Smuggling Act''. (b) First Violation.--Section 31310(b)(1) of title 49, United States Code, is amended-- (1) in subparagraph (D), by striking the ``or'' at the end; (2) in subparagraph (E), by striking the period at the end and inserting a semicolon; and (3) by adding at the end the following: ``(F) using a commercial motor vehicle in willfully aiding or abetting an alien's illegal entry into the United States by transporting, guiding, directing, or attempting to assist the alien with the alien's entry in violation of section 275 of the Immigration and Nationality Act (8 U.S.C 1325), regardless of whether the alien is ultimately fined or imprisoned for an act in violation of such section; or ``(G) using a commercial motor vehicle in willfully aiding or abetting the transport of controlled substances, monetary instruments, bulk cash, or weapons by any individual departing the United States.''. (c) Second or Multiple Violations.--Section 31310(c)(1) of title 49, United States Code, is amended-- (1) in subparagraph (E), by striking the ``or'' at the end; (2) by redesignating subparagraph (F) as subparagraph (H); (3) in subparagraph (H), as redesignated, by striking ``(E)'' and inserting ``(F)''; and (4) by inserting after subparagraph (E) the following: ``(F) using a commercial motor vehicle on more than one occasion in willfully aiding or abetting an alien's illegal entry into the United States by transporting, guiding, directing and attempting to assist the alien with the alien's entry in violation of section 275 of the Immigration and Nationality Act (8 U.S.C 1325), regardless of whether the alien is ultimately fined or imprisoned for an act in violation of such section; ``(G) using a commercial motor vehicle in willfully aiding or abetting the transport of controlled substances, monetary instruments, bulk cash, or weapons by any individual departing the United States; or''. (d) Lifetime Disqualification.--Section 31310(d) of title 49, United States Code, is amended to read as follows: ``(d) Lifetime Disqualification.--The Secretary shall disqualify from operating a commercial motor vehicle for life an individual who uses a commercial motor vehicle-- ``(1) in committing a felony involving manufacturing, distributing, or dispensing a controlled substance, or possession with intent to manufacture, distribute, or dispense a controlled substance; ``(2) in committing an act for which the individual is convicted under-- ``(A) section 274 of the Immigration and Nationality Act (8 U.S.C 1324); or ``(B) section 277 of such Act (8 U.S.C 1327); or ``(3) in willfully aiding or abetting the transport of controlled substances, monetary instruments, bulk cash, and weapons by any individual departing the United States.''. (e) Reporting Requirements.-- (1) Commercial driver's license information system.-- Section 31309(b)(1) of title 49, United States Code, is amended-- (A) in subparagraph (E), by striking ``and'' at the end; (B) in subparagraph (F), by striking the period at the end and inserting ``; and''; and (C) by adding at the end the following: ``(G) whether the operator was disqualified, either temporarily or for life, from operating a commercial motor vehicle under section 31310, including under subsection (b)(1)(F), (c)(1)(F), or (d) of such section.''. (2) Notification by the state.--Section 31311(a)(8) of title 49, United States Code, is amended by inserting ``including such a disqualification, revocation, suspension, or cancellation made pursuant to a disqualification under subsection (b)(1)(F), (c)(1)(F), or (d) of section 31310,'' after ``60 days,''. [[Page S4857]] SEC. 403. DRUG TRAFFICKING AND CRIMES OF VIOLENCE COMMITTED BY ILLEGAL ALIENS. (a) In General.--Title 18, United States Code, is amended by inserting after chapter 27 the following: ``CHAPTER 28--DRUG TRAFFICKING AND CRIMES OF VIOLENCE COMMITTED BY ILLEGAL ALIENS ``581. Enhanced penalties for drug trafficking and crimes committed by illegal aliens. ``Sec. 581. Enhanced penalties for drug trafficking and crimes committed by illegal aliens ``(a) Offense.--Any alien unlawfully present in the United States, who commits, conspires to commit, or attempts to commit a an offense under Federal, State, or Tribal law, that has, as an element, the use or attempted use of physical force or the threatened use of physical force or a deadly weapon or a drug trafficking crime (as defined in section 924) shall be fined under this title imprisoned for not less than 5 years, or both. ``(b) Enhanced Penalties for Aliens Ordered Removed.--Any alien unlawfully present in the United States who violates subsection (a) and was ordered removed under the Immigration and Nationality Act (8 U.S.C 1101 et seq.) on the grounds of having committed a crime before the violation of subsection (a), shall be fined under this title, imprisoned for not less than 15 years, or both. ``(c) Requirement for Consecutive Sentences.--Any term of imprisonment imposed under this section shall be consecutive to any term imposed for any other offense.''. (b) Clerical Amendment.--The table of chapters at the beginning of part I of title 18, United States Code, is amended by inserting after the item relating to chapter 27 the following: ``28 . Drug trafficking and crimes of violence committed by illegal aliens...................................................581''..... SEC. 404. ESTABLISHING INADMISSIBILITY AND DEPORTABILITY. (a) Inadmissible Aliens.--Section 212(a)(2)(A) of the Immigration and Nationality Act (8 U.S.C 1182(a)(2)(A)) is amended by adding at the end the following: ``(iii) Consideration of other evidence.--If the conviction records do not conclusively establish whether a crime constitutes a crime involving moral turpitude, the Secretary of Homeland Security may consider other evidence related to the conviction, including but not limited to charging documents, plea agreements, plea colloquies, jury instructions, police reports, that clearly establishes that the conduct for which the alien was engaged constitutes a crime involving moral turpitude.''. (b) Deportable Aliens.-- (1) General crimes.--Section 237(a)(2)(A) of such Act (8 U.S.C 1227(a)(2)(A)) is amended-- (A) by redesignating clause (vi) as clause (vii) and inserting after clause (iv) the following: ``(v) Crimes involving moral turpitude.--If the conviction records do not conclusively establish whether a crime constitutes a crime involving moral turpitude, the Secretary of Homeland Security may consider other evidence related to the conviction, including but not limited to charging documents, plea agreements, plea colloquies, jury instructions, police reports, that clearly establishes that the conduct for which the alien was engaged constitutes a crime involving moral turpitude.''. (2) Domestic violence.--Section 237(a)(2)(E) of such Act (8 U.S.C 1227(a)(2)(E)) is amended by adding at the end the following: ``(iii) Crime of violence.--If the conviction records do not conclusively establish whether a crime of domestic violence constitutes a crime of violence or an offense under Federal, State, or Tribal law, that has, as an element, the use or attempted use of physical force or the threatened use of physical force or a deadly weapon, the Secretary of Homeland Security may consider other evidence related to the conviction, including but not limited to charging documents, plea agreements, plea colloquies, jury instructions, police reports, that clearly establishes that the conduct for which the alien was engaged constitutes a crime of violence or an offense under Federal, State, or Tribal law, that has, as an element, the use or attempted use of physical force or the threatened use of physical force or a deadly weapon.''. (c) Effective Date.--The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply to acts that occur before, on, or after the date of the enactment of this Act. SEC. 405. PENALTIES FOR ILLEGAL ENTRY; ENHANCED PENALTIES FOR ENTERING WITH INTENT TO AID, ABET, OR COMMIT TERRORISM. (a) In General.--Section 275 of the Immigration and Nationality Act (8 U.S.C 1325) is amended by striking the section heading and subsections (a) and (b) and inserting the following: ``SEC. 275. ILLEGAL ENTRY. ``(a) In General.-- ``(1) Bars to immigration relief and benefits.--Any alien who-- ``(A) enters or crosses, or attempts to enter or cross, the border into the United States at any time or place other than as designated by immigration officers; ``(B) eludes, at any time or place, examination or inspection by an authorized immigration, customs, or ***agriculture*** officer (including failing to stop at the command of such officer); or ``(C) enters or crosses the border to the United States and, upon examination or inspection, makes a false or misleading representation or conceals a material fact, including such representation or willful concealment in the context of arrival, reporting, entry, or clearance, requirements of the customs laws, immigration laws, ***agriculture*** laws, or shipping laws, shall be ineligible for all immigration benefits or relief available under the Act and any other immigration laws, other than a request for asylum, withholding of removal under section 241(b)(3), or relief from removal based on a claim under the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, done at New York, December 10, 1984. ``(2) Criminal offenses.--An alien shall be subject to the penalties set forth in paragraph (3) if the alien-- ``(A) enters or crosses, or attempts to enter or cross, the border into the United States at any time or place other than as designated by immigration officers; ``(B) eludes, at any time or place, examination or inspection by an authorized immigration, customs, or ***agriculture*** officer (including failing to stop at the command of such officer); or ``(C) enters or crosses the border to the United States and, upon examination or inspection, makes a false or misleading representation or conceals a material fact, including such representation or concealment in the context of arrival, reporting, entry, or clearance, requirements of the customs laws, immigration laws, ***agriculture*** laws, or shipping laws. ``(3) Criminal penalties.--Any alien who violates any provision under paragraph (1)-- ``(A) shall, for the first violation, be fined under title 18, United States Code, imprisoned not more than 6 months, or both; ``(B) shall, for a second or subsequent violation, or following an order of voluntary departure, be fined under such title, imprisoned not more than 2 years, or both; ``(C) if the violation occurred after the alien had been convicted of 3 or more misdemeanors at least 1 of which involves controlled substances, abuse of a minor, trafficking or smuggling, or any offense that could result in serious bodily harm or injury to another person, a significant misdemeanor, or a felony, shall be fined under such title, imprisoned not more than 10 years, or both; ``(D) if the violation occurred after the alien had been convicted of a felony for which the alien received a term of imprisonment of not less than 30 months, shall be fined under such title, imprisoned not more than 15 years, or both; and ``(E) if the violation occurred after the alien had been convicted of a felony for which the alien received a term of imprisonment of not less than 60 months, such alien shall be fined under such title, imprisoned not more than 20 years, or both. ``(4) Prior convictions.--The prior convictions described in subparagraphs (C) through (E) of paragraph (3) are elements of the offenses described in that paragraph and the penalties in such subparagraphs shall apply only in cases in which the conviction or convictions that form the basis for the additional penalty are-- ``(A) alleged in the indictment or information; and ``(B) proven beyond a reasonable doubt at trial; or ``(C) admitted by the defendant. ``(5) Duration of offenses.--An offense under this subsection continues until the alien is discovered within the United States by an immigration, customs, or ***agriculture*** officer. ``(6) Attempt.--Whoever attempts to commit any offense under this section shall be punished in the same manner as for a completion of such offense. ``(b) Improper Time or Place; Civil Penalties.-- ``(1) In general.--Any alien who is apprehended while entering, attempting to enter, or crossing or attempting to cross the border to the United States at a time or place other than as designated by immigration officers shall be subject to a civil penalty, in addition to any criminal or other civil penalties that may be imposed under any other provision of law, in an amount equal to-- ``(A) not less than $50 or more than $250 for each such entry, crossing, attempted entry, or attempted crossing; or ``(B) twice the amount specified in paragraph (1) if the alien had previously been subject to a civil penalty under this subsection. ``(2) Civil penalties.--Civil penalties under paragraph (1) are in addition to, and not in lieu of, any criminal or other civil penalties that may be imposed.''. (b) Enhanced Penalties.--Section 275 of the Immigration and Nationality Act, as amended by subsection (a), is further amended by adding at the end the following: ``(e) Enhanced Penalty for Terrorist Aliens.--Any alien who commits an offense described in subsection (a) for the purpose of engaging in, or with the intent to engage in, any Federal crime of terrorism (as defined in section 2332b(g) of title 18, United States Code) shall be imprisoned for not less than 10 years and not more than 30 years.''. (c) Clerical Amendment.--The table of contents in the first section of the Immigration and Nationality Act is amended by [[Page S4858]] striking the item relating to section 275 and inserting the following: ``Sec. 275. Illegal entry.''. (d) Application.-- (1) Prior convictions.--Paragraph (4) of section 275(a) of the Immigration and Nationality Act, as amended by subsection (a), shall apply only to violations of paragraph (2) of such section 275(a) committed on or after the date of enactment of this Act. (2) Bars to immigration relief and benefits.--Section 275(a)(1) of such Act, as amended by subsection (a), shall take effect on the date of enactment and apply to any alien who, on or after the date of enactment-- (A) enters or crosses, or attempts to enter or cross, the border into the United States at any time or place other than as designated by immigration officers; (B) eludes, at any time or place, examination or inspection by an authorized immigration, customs, or ***agriculture*** officer (including failing to stop at the command of such officer); or (C) enters or crosses the border to the United States and, upon examination or inspection, makes a false or misleading representation or conceals a material fact, including such representation or concealment in the context of arrival, reporting, entry, or clearance, requirements of the customs laws, immigration laws, ***agriculture*** laws, or shipping laws. SEC. 406. PENALTIES FOR REENTRY OF REMOVED ALIENS. (a) Short Titles.--This section may be cited as the ``Stop Illegal Reentry Act'' or ``Kate's Law''. (b) Increased Penalties for Reentry of Removed Alien.-- (1) In general.--Section 276 of the Immigration and Nationality Act (8 U.S.C 1326) is amended to read as follows: ``SEC. 276. REENTRY OF REMOVED ALIEN. ``(a) In General.-- ``(1) Bars to immigration relief and benefits.--Any alien who-- ``(A) has been denied admission, excluded, deported, or removed or has departed the United States while an order of exclusion, deportation, or removal is outstanding; and thereafter ``(B) enters, attempts to enter, crosses the border to, attempts to cross the border to, or is at any time found in, the United States, unless-- ``(i) the alien is seeking admission more than 10 years after the date of the alien's last departure from the United States if, prior to the alien's reembarkation at a place outside the United States or the alien's application for admission from a foreign contiguous territory, the Secretary of Homeland Security has expressly consented to such alien's reapplying for admission; or ``(ii) with respect to an alien previously denied admission and removed, such alien establishes that the alien was not required to obtain such advance consent under this Act or any prior Act, shall be ineligible for all immigration benefits or relief available under the Act and any other immigration laws, other than relief from removal based on a claim under the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, done at New York, December 10, 1984. ``(2) Criminal offenses.--Any alien who-- ``(A) has been denied admission, deported, or removed or has departed the United States while an order of deportation, or removal is outstanding; and ``(B) after such denial, removal or departure, enters, attempts to enter, crosses the border to, attempts to cross the border to, or is at any time found in, the United States, unless-- ``(i) the alien is seeking admission more than 10 years after the date of the alien's last departure from the United States if, prior to the alien's reembarkation at a place outside the United States or the alien's application for admission from a foreign contiguous territory, the Secretary of Homeland Security has expressly consented to such alien's reapplying for admission; or ``(ii) with respect to an alien previously denied admission and removed, such alien establishes that the alien was not required to obtain such advance consent under this Act or any prior Act, ``shall be fined under title 18, United States Code, or imprisoned not more than 5 years, or both. ``(b) Criminal Penalties for Reentry of Certain Removed Aliens.-- ``(1) Reentry after removal.--Notwithstanding the penalty under subsection (a)(2), and except as provided in subsection (c), an alien described in subsection (a)-- ``(A) who has been excluded from the United States pursuant to section 235(c) because the alien was excludable under section 212(a)(3)(B) or who has been removed from the United States pursuant to the provisions of title V, and who thereafter, without the permission of the Secretary of Homeland Security, enters the United States, or attempts to do so, shall be fined under title 18, United States Code, and imprisoned for a period of 15 years, which sentence shall not run concurrently with any other sentence; ``(B) who was removed from the United States pursuant to section 241(a)(4) and thereafter, without the permission of the Secretary of Homeland Security, enters, attempts to enter, or is at any time found in, the United States (unless the Secretary of Homeland Security has expressly consented to such alien's reentry) shall be fined under title 18, United States Code, imprisoned for not more than 15 years, or both; and ``(C) who has been denied admission, excluded, deported, or removed 2 or more times for any reason and thereafter enters, attempts to enter, crosses the border, attempts to cross the border, or is at any time found in the United States, shall be fined under title 18, United States Code, imprisoned not more than 15 years, or both. ``(2) Reentry of criminal aliens after removal.-- Notwithstanding the penalty under subsection (a), an alien described in subsection (a)-- ``(A) who was convicted, before the alien was subject to removal or departure, of a significant misdemeanor shall be fined under title 18, United States Code, imprisoned not more than 10 years, or both; ``(B) who was convicted, before the alien was subject to removal or departure, of 2 or more misdemeanors involving drugs, crimes against the person, or both, shall be fined under title 18, United States Code, imprisoned not more than 10 years, or both; ``(C) who was convicted, before the alien was subject to removal or departure, of 3 or more misdemeanors for which the alien was sentenced to a term of imprisonment of not less than 90 days for each offense, or 12 months in the aggregate, the alien shall be fined under title 18, United States Code, imprisoned not more than 10 years, or both; ``(D) who was convicted, before the alien was subject to removal or departure, of a felony for which the alien was sentenced to a term of imprisonment of not less than 30 months, the alien shall be fined under such title, imprisoned not more than 15 years, or both; ``(E) who was convicted, before the alien was subject to removal or departure, of a felony for which the alien was sentenced to a term of imprisonment of not less than 60 months, the alien shall be fined under such title, imprisoned not more than 20 years, or both; ``(F) who was convicted of 3 or more felonies of any kind, the alien shall be fined under such title, imprisoned not more than 25 years, or both; and ``(G) who was convicted, before the alien was subject to removal or departure or after such removal or departure, for murder, rape, kidnapping, or a felony offense described in chapter 77 (relating to peonage and slavery) or 113B (relating to terrorism) of such title, the alien shall be fined under such title, imprisoned not more than 25 years, or both; ``(c) Mandatory Minimum Criminal Penalty for Reentry of Certain Removed Aliens.--Notwithstanding the penalties under subsections (a) and (b), an alien described in subsection (a)-- ``(1) who was convicted, before the alien was subject to removal or departure, of an aggravated felony; or ``(2) who was convicted at least 2 times before such removal or departure of illegal reentry under this section, shall be imprisoned not less than 5 years and not more than 20 years, and may, in addition, be fined under title 18, United States Code. ``(d) Proof of Prior Convictions.--The prior convictions described in subsection (b) are elements of the crimes described, and the penalties in that subsection shall apply only in cases in which the conviction or convictions that form the basis for the additional penalty are-- ``(1) alleged in the indictment or information; and ``(2) proven beyond a reasonable doubt at trial; or ``(3) admitted by the defendant. ``(e) Affirmative Defenses.--It shall be an affirmative defense to a violation of this section that-- ``(1) prior to the alleged violation, the alien had sought and received the express consent of the Secretary of Homeland Security to reapply for admission into the United States; or ``(2) with respect to an alien previously denied admission and removed, the alien-- ``(A) was not required to obtain such advance consent under the Immigration and Nationality Act or any prior Act; and ``(B) had complied with all other laws and regulations governing the alien's admission into the United States. ``(f) Limitation on Collateral Attack on Underlying Removal Order.--In a criminal proceeding under this section, an alien may not challenge the validity of a removal order described in subsection (a), (b), or (c) concerning the alien unless the alien demonstrates that-- ``(1) the alien exhausted any administrative remedies that may have been available to seek relief against the order; ``(2) the deportation proceedings at which the order was issued improperly deprived the alien of the opportunity for judicial review; and ``(3) the entry of the order was fundamentally unfair. ``(g) Reentry of Alien Removed Prior to Completion of Term of Imprisonment.--Any alien removed pursuant to section 241(a)(4) who enters, attempts to enter, crosses the border to, attempts to cross the border to, or is at any time found in, the United States shall be incarcerated for the remainder of the sentence of imprisonment which was pending at the time of deportation without any reduction for parole or supervised release unless the alien affirmatively demonstrates that the Secretary of Homeland Security has expressly consented to the [[Page S4859]] alien's reentry (if a request for consent to reapply is authorized under this section). Such alien shall be subject to such other penalties relating to the reentry of removed aliens as may be available under this section or any other provision of law. ``(h) Definitions.--In this section: ``(1) Crosses the border to the united states.--The term `crosses the border' refers to the physical act of crossing the border, regardless of whether the alien is free from official restraint. ``(2) Felony.--The term `felony' means any criminal offense punishable by a term of imprisonment of more than 1 year under the laws of the United States, any State, or a foreign government. ``(3) Misdemeanor.--The term `misdemeanor' means any criminal offense punishable by a term of imprisonment of not more than 1 year under the applicable laws of the United States, any State, or a foreign government. ``(4) Removal.--The term `removal' includes any denial of admission, deportation, or removal, or any agreement by which an alien stipulates or agrees to deportation, or removal. ``(5) Significant misdemeanor.--The term `significant misdemeanor' means a misdemeanor-- ``(A) crime that involves the use or attempted use of physical force, or threatened use of a deadly weapon, committed by a current or former spouse, parent, or guardian of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, parent, or guardian, or by a person similarly situated to a spouse, parent, or guardian of the victim; ``(B) which is a sexual assault (as such term is defined in section 40002(a)(29) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C 13925(a)(29)); ``(C) which involved the unlawful possession of a firearm (as such term is defined in section 921 of title 18, United States Code); ``(D) which is a crime of violence (as defined in section 16 of title 18, United States Code); or ``(E) which is an offense under Federal, State, or Tribal law, that has, as an element, the use or attempted use of physical force or the threatened use of physical force or a deadly weapon. ``(6) State.--The term `State' means a State of the United States, the District of Columbia, and any commonwealth, territory, or possession of the United States.''. (c) Effective Date.--Section 276(a)(1), as amended by this section, shall take effect on the date of the enactment of this Act and shall apply to any alien who, on or after the date of enactment-- (1) has been denied admission, excluded, deported, or removed or has departed the United States while an order of exclusion, deportation, or removal is outstanding; and (2) after such denial, exclusion, deportation or removal, enters, attempts to enter, crosses the border to, attempts to cross the border to, or is at any time found in, the United States, unless-- (A) the alien is seeking admission more than 10 years after the date of the alien's last departure from the United States if, prior to the alien's reembarkation at a place outside the United States or the alien's application for admission from a foreign contiguous territory, the Secretary of Homeland Security has expressly consented to such alien's reapplying for admission; or (B) with respect to an alien previously denied admission and removed, such alien establishes that the alien was not required to obtain such advance consent under this Act or any prior Act. SEC. 407. LAUNDERING OF MONETARY INSTRUMENTS. Section 1956(c)(7)(D) of title 18, United States Code, is amended by inserting ``section 1590 (relating to trafficking with respect to peonage, slavery, involuntary servitude, or forced labor),'' after ``section 1363 (relating to destruction of property within the special maritime and territorial jurisdiction),''. SEC. 408. FREEZING BANK ACCOUNTS OF INTERNATIONAL CRIMINAL ORGANIZATIONS AND MONEY LAUNDERERS. Section 981(b) of title 18, United States Code, is amended by adding at the end the following: ``(5)(A) If a person is arrested or charged in connection with an offense described in subparagraph (C) involving the movement of funds into or out of the United States, the Attorney General may apply to any Federal judge or magistrate judge in the district in which the arrest is made or where the charges are filed for an ex parte order restraining any account held by the person arrested or charged for not more than 30 days, except that such 30-day time period may be extended for good cause shown at a hearing conducted in the manner provided in rule 43(e) of the Federal Rules of Civil Procedure. The court may receive and consider evidence and information submitted by the Government that would be inadmissible under the Federal Rules of Evidence. ``(B) The application for a restraining order under subparagraph (A) shall-- ``(i) identify the offense for which the person has been arrested or charged; ``(ii) identify the location and description of the accounts to be restrained; and ``(iii) state that the restraining order is needed to prevent the removal of the funds in the account by the person arrested or charged, or by others associated with such person, during the time needed by the Government to conduct such investigation as may be necessary to establish whether there is probable cause to believe that the funds in the accounts are subject to forfeiture in connection with the commission of any criminal offense. ``(C) An offense described in this subparagraph is any offense for which forfeiture is authorized under this title, title 31, or the Controlled Substances Act (21 U.S.C 801 et seq.). ``(D) For purposes of this section-- ``(i) the term `account' includes any safe deposit box and any account (as defined in paragraphs (1) and (2) of section 5318A(e) of title 31, United States Code) at any financial institution; and ``(ii) the term `account held by the person arrested or charged' includes an account held in the name of such person, and any account over which such person has effective control as a signatory or otherwise. ``(E) A restraining order issued under this paragraph shall not be considered a `seizure' for purposes of section 983(a). ``(F) A restraining order issued under this paragraph may be executed in any district in which the subject account is found, or transmitted to the central authority of any foreign State for service in accordance with any treaty or other international agreement.''. SEC. 409. CRIMINAL PROCEEDS LAUNDERED THROUGH PREPAID ACCESS DEVICES, DIGITAL CURRENCIES, OR OTHER SIMILAR INSTRUMENTS. (a) In General.-- (1) Definitions.-- (A) Addition of issuers, redeemers, and cashiers of prepaid access devices and digital currencies to the definition of financial institutions.--Section 5312(a)(2)(K) of title 31, United States Code, is amended by striking ``or similar'' and inserting ``prepaid access devices, digital currencies, or other similar''. (B) Addition of prepaid access devices to the definition of monetary instruments.--Section 5312(a)(3)(B) of such title is amended by inserting ``prepaid access devices,'' after ``delivery,''. (C) Definition of prepaid access device.--Section 5312 of such title is amended-- (i) by redesignating paragraph (6) as paragraph (7); and (ii) by inserting after paragraph (5) the following: ``(6) `prepaid access device' means an electronic device or vehicle, such as a card, plate, code, number, electronic serial number, mobile identification number, personal identification number, or other instrument that provides a portal to funds or the value of funds that have been paid in advance and can be retrievable and transferable at some point in the future.''. (2) Government accountability office report.--Not later than 18 months after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress a report describing-- (A) the impact of amendments made by paragraph (1) on law enforcement, the prepaid access device industry, and consumers; and (B) the implementation and enforcement by the Department of the Treasury of the final rule relating to ``Bank Secrecy Act Regulations--Definitions and Other Regulations Relating to Prepaid Access'' (76 Fed. Reg. 45403 (July 29, 2011)). (b) Money Smuggling Through Blank Checks in Bearer Form.-- Section 5316 of title 31, United States Code, is amended by adding at the end the following: ``(e) Monetary Instruments With Amount Left Blank.--For purposes of this section, a monetary instrument in bearer form that has the amount left blank, such that the amount could be filled in by the bearer, shall be considered to have a value of more than $10,000 if the monetary instrument was drawn on an account that contained or was intended to contain more than $10,000 at the time the monetary instrument was-- ``(1) transported; or ``(2) negotiated.''. SEC. 410. CLOSING THE LOOPHOLE ON DRUG CARTEL ASSOCIATES ENGAGED IN MONEY LAUNDERING. (a) Intent to Conceal or Disguise.--Section 1956(a) of title 18, United States Code, is amended-- (1) in paragraph (1)(B), by striking ``(B) knowing that'' and all that follows through ``Federal law,'' and inserting the following: ``(B) knowing that the transaction-- ``(i) conceals or disguises, or is intended to conceal or disguise, the nature, source, location, ownership, or control of the proceeds of some form of unlawful activity; or ``(ii) avoids, or is intended to avoid, a transaction reporting requirement under State or Federal law,''; and (2) in paragraph (2)(B), by striking ``(B) knowing that'' and all that follows through ``Federal law,'' and inserting the following: ``(B) knowing that the monetary instrument or funds involved in the transportation, transmission, or transfer represent the proceeds of some form of unlawful activity, and knowing that such transportation, transmission, or transfer-- ``(i) conceals or disguises, or is intended to conceal or disguise, the nature, source, location, ownership, or control of the proceeds of some form of unlawful activity; or ``(ii) avoids, or is intended to avoid, a transaction reporting requirement under State or Federal law,''. [[Page S4860]] (b) Proceeds of a Felony.--Section 1956(c)(1) of such title is amended by inserting ``, and regardless of whether or not the person knew that the activity constituted a felony'' before the semicolon at the end. TITLE V--PROTECTING NATIONAL SECURITY AND PUBLIC SAFETY Subtitle A--General Matters SEC. 501. DEFINITION OF ENGAGING IN TERRORIST ACTIVITY. Subclause (I) of section 212(a)(3)(B)(iv) of the Immigration and Nationality Act (8 U.S.C 1182(a)(3)(B)(iv)) is amended-- (1) by revising subclause (I) to read as follows: ``(I) to commit a terrorist activity or, under circumstances indicating an intention to cause death, serious bodily harm, or substantial damage to property, incite to commit a terrorist activity;''; and (2)(A) by adding at the end the following: ``(VI) to threaten, attempt, or conspire to do any of acts described in subclauses (I) through (VI).''. SEC. 502. TERRORIST GROUNDS OF INADMISSIBILITY. (a) Security and Related Grounds.--Section 212(a)(3)(A) of the Immigration and Nationality Act (8 U.S.C 1182(a)(3)(A)) is amended to read as follows: ``(A) In general.--Any alien who a consular officer, the Attorney General, or the Secretary of Homeland Security knows, or has reasonable ground to believe, seeks to enter the United States to engage solely, principally, or incidentally, in, or who is engaged in, or with respect to clauses (i) and (iii) has engaged in-- ``(i) any activity-- ``(I) to violate any law of the United States relating to espionage or sabotage; or ``(II) to violate or evade any law prohibiting the export from the United States of goods, technology, or sensitive information, ``(ii) any other activity which would be unlawful if committed in the United States, or ``(iii) any activity a purpose of which is the opposition to, or the control or overthrow of, the Government of the United States by force, violence, or other unlawful means, is inadmissible.''. (b) Terrorist Activities.--Section 212(a)(3)(B)(i) of the Immigration and Nationality Act (8 U.S.C 1182(a)(3)(B)(i)) is amended-- (1) in subclause (IV), by inserting ``or has been'' before ``a representative''; (2) in subclause (V), by inserting ``or has been'' before ``a member''; (3) in subclause (VI), by inserting ``or has been'' before ``a member''; and (4) by amending subclause (VII) to read as follows: ``(VII) endorses or espouses, or has endorsed or espoused, terrorist activity or persuades or has persuaded others to endorse or espouse terrorist activity or support a terrorist organization;''; (5) by amending subclause (IX) to read as follows: ``(IX)(aa) is the spouse or child of an alien who is inadmissible under this subparagraph, if the activity causing the alien to be found inadmissible occurred within the last 5 years. ``(bb) Exception.--This subclause does not apply to a spouse or child-- ``(AA) who did not know or should not reasonably have known of the activity causing the alien to be found inadmissible under this section; or ``(BB) whom the consular officer or Attorney General has reasonable grounds to believe has renounced the activity causing the alien to be found inadmissible under this section.''; and (6) by striking the undesignated matter following subclause (IX). (c) Palestine Liberation Organization.--Section 212(a)(3)(B)(ii) of the Immigration and Nationality Act (8 U.S.C 1182(a)(3)(B)(i)), is amended to read as follows: ``(ii) Palestine liberation organization.--An alien who is an officer, official, representative, or spokesman of the Palestine Liberation Organization is considered, for purposes of this Act, to be engaged in terrorist activity.''. SEC. 503. EXPEDITED REMOVAL FOR ALIENS INADMISSIBLE ON CRIMINAL OR SECURITY GROUNDS. (a) In General.--Section 238 of the Immigration and Nationality Act (8 U.S.C 1228) is amended-- (1) by adding at the end of the section heading the following: ``or who are subject to terrorism-related grounds for removal''; (2) in subsection (b)-- (A) in paragraph (1)-- (i) by striking ``Attorney General'' and inserting ``Secretary of Homeland Security, in the exercise of discretion,''; and (ii) by striking ``set forth in this subsection or'' and inserting ``set forth in this subsection, in lieu of removal proceedings under''; (B) in paragraphs (3) and (4), by striking ``Attorney General'' each place the term appears and inserting ``Secretary of Homeland Security''; (C) in paragraph (5)-- (i) by striking ``described in this section'' and inserting ``described in paragraph (1) or (2)''; and (ii) by striking ``the Attorney General may grant in the Attorney General's discretion.'' and inserting ``the Secretary of Homeland Security or the Attorney General may grant, in the discretion of the Secretary or the Attorney General, in any proceeding.''; (D) by redesignating paragraphs (3), (4), and (5) as paragraphs (4), (5), and (6) respectively; and (E) by inserting after paragraph (2) the following: ``(3) The Secretary of Homeland Security, in the exercise of discretion, may determine inadmissibility under section 212(a)(2) and issue an order of removal pursuant to the procedures set forth in this subsection, in lieu of removal proceedings under section 240, with respect to an alien who-- ``(A) has not been admitted or paroled; ``(B) has not been found to have a credible fear of persecution pursuant to the procedures set forth in 235(b)(1)(B); and ``(C) is not eligible for a waiver of inadmissibility or relief from removal.''; and (3) by redesignating the first subsection (c) as subsection (d); (4) by redesignating the second subsection (c) (as so designated by section 617(b)(13) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104-208; 110 Stat. 3009-720)) as subsection (e); and (5) by inserting after subsection (b) the following: ``(c) Removal of Aliens Who Are Subject to Terrorism- related Grounds for Removal.-- ``(1) The Secretary of Homeland Security-- ``(A) shall, notwithstanding section 240, in the case of every alien, determine the inadmissibility of the alien under subclause (I), (II), or (III) of section 212(a)(3)(B)(i), or the deportability of the alien under section 237(a)(4)(B) as a consequence of being described in one of such subclauses, and issue an order of removal pursuant to the procedures set forth in this subsection to every alien determined to be inadmissible or deportable on such a ground; and ``(B) may, in the case of any alien, determine the inadmissibility of the alien under subparagraph (A) or (B) of section 212(a)(3) (other than subclauses (I), (II), and (III) of section 212(a)(3)(B)), or the deportability of the alien under subparagraph (A) or (B) of section 237(a)(4) (as a consequence of being described in subclause (I), (II), or (III) of section 212(a)(3)(B)), and issue an order of removal pursuant to the procedures set forth in this subsection or section 240 to every alien determined to be inadmissible or deportable on such a ground. ``(2) The Secretary of Homeland Security may not execute any order described in paragraph (1) until 30 calendar days have passed from the date that such order was issued, unless waived by the alien, in order that the alien has an opportunity to apply [petition] for judicial review under section 242. ``(3) Proceedings before the Secretary of Homeland Security under this subsection shall be in accordance with such regulations as the Secretary shall prescribe. The Secretary shall provide that-- ``(A) the alien is given reasonable notice of the charges and of the opportunity described in subparagraph (C); ``(B) the alien shall have the privilege of being represented (at no expense to the Government) by such counsel, authorized to practice in such proceedings, as the alien shall choose; ``(C) the alien has a reasonable opportunity to inspect the evidence and rebut the charges; ``(D) a determination is made on the record that the individual upon whom the notice for the proceeding under this section is served (either in person or by mail) is, in fact, the alien named in such notice; ``(E) a record is maintained for judicial review; and ``(F) the final order of removal is not adjudicated by the same person who issues the charges. ``(4) No alien described in this subsection shall be eligible for any relief from removal that the Secretary of Homeland Security may grant in the Secretary's discretion.''. (b) Clerical Amendment.--The table of contents of the Immigration and Nationality Act (8 U.S.C 1101 et seq.) is amended by striking the item relating to section 238 and inserting the following: ``Sec. 238. Expedited removal of aliens convicted of aggravated felonies or who are subject to terrorism-related grounds for removal.''. (c) Effective Date.--The amendments made by this section shall take effect on the date of the enactment of this Act but shall not apply to aliens who are in removal proceedings under section 240 of the Immigration and Nationality Act (8 U.S.C 1229a) on such date. SEC. 504. DETENTION OF REMOVABLE ALIENS. (a) Criminal Alien Enforcement Partnerships.--Section 287 of the Immigration and Nationality Act (8 U.S.C 1357), as amended by section 116 and this section, is further amended by-- (1) by redesignating subsection (h) as subsection (j); and (2) adding new paragraph (h) to read as follows: ``(h) Criminal Alien Enforcement Partnerships.-- ``(1) In general.--The Secretary of Homeland Security may enter into a written agreement with a State, or any political subdivision of such a State, to authorize the temporary placement of one or more U.S Customs and Border Protection agents or officers or U.S Immigration and Customs Enforcement agents or investigators at a local police department or precinct to-- [[Page S4861]] ``(A) determine the immigration status of any individual arrested by a State, county, or local police, enforcement, or peace officer for any criminal offense; ``(B) issue charging documents and notices related to the initiation of removal proceedings or reinstatement of prior removal orders under section 241(a)(5); ``(C) enter information directly into the National Crime Information Center (NCIC) database, Immigration Violator File, to include-- ``(i) the alien's address, ``(ii) the reason for arrest, ``(iii) the legal cite of the State law violated or for which the alien is charged, ``(iv) the alien's driver's license number and State of issuance (if any), ``(v) any other identification document(s) held by the alien and issuing entity for such identification documents, and ``(vi) any identifying marks, such as tattoos, birthmarks, scars, etc.;''. ``(D) to collect the alien's biometrics, including but not limited to iris, fingerprint, photographs, and signature, of the alien and to enter such information into the Automated Biometric Identification System (IDENT) and any other DHS database authorized for storage of biometric information for aliens; and''. ``(E) make advance arrangements for the immediate transfer from State to Federal custody of any criminal when the alien is released, without regard to whether the alien is released on parole, supervised release, or probation, and without regard to whether alien may be arrested imprisoned again for the same offense. ``(2) Length of temporary duty assignments.--The initial period for a temporary duty assignment authorized under this paragraph shall be 1 year. The temporary duty assignment may be extended for additional periods of time as agreed to by the Secretary of Homeland Security and the State or political subdivision of the State to ensure continuity of cooperation and coverage. ``(3) Technology usage.--The Secretary shall provide CBP and ICE agents, officers, and investigators on a temporary duty assignment under this paragraph mobile access to Federal databases containing alien information, live scan technology for collection of biometrics, and video-conferencing capability for use at local police departments or precincts in remote locations. ``(4) Report.--Not later than 1 year after the date of the enactment, the Secretary of Homeland Security shall submit a report to the Committee on the Judiciary and the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on the Judiciary and the Committee on Homeland Security of the House of Representatives on-- ``(A) the number of States that have entered into an agreement under this paragraph; ``(B) the number of criminal aliens processed by the U.S Customs and Border Protection agent or officer or U.S Immigration and Customs Enforcement agent or investigator during the temporary duty assignment; and ``(C) the number of criminal aliens transferred from State to Federal custody during the agreement period.''. (b) Detention, Release, and Removal of Aliens Ordered Removed.-- (1) Removal period.-- (A) In general.--Subparagraph (A) of section 241(a)(1) of the Immigration and Nationality Act (8 U.S.C 1231(a)(1)(A)) is amended by striking ``Attorney General'' and inserting ``Secretary of Homeland Security''. (B) Beginning of period.--Subparagraph (B) of section 241(a)(1) of the Immigration and Nationality Act (8 U.S.C 1231(a)(1)(B)) is amended to read as follows: ``(B) Beginning of period.-- ``(i) In general.--Subject to clause (ii), the removal period begins on the date that is the latest of the following: ``(I) If a court, the Board of Immigration Appeals, or an immigration judge orders a stay of the removal of the alien, the date the stay of removal ends; ``(II) If the alien is ordered removed, the date the removal order becomes administratively final and the Secretary takes the alien into custody for removal; ``(III) If the alien is detained or confined (except under an immigration process), the date the alien is released from detention or confinement. ``(ii) Beginning of removal period following a transfer of custody.--If the Secretary transfers custody of the alien pursuant to law to another Federal agency or to an agency of a State or local government in connection with the official duties of such agency, the removal period for the alien-- ``(I) shall be tolled; and ``(II) shall resume on the date the alien is returned to the custody of the Secretary.''. (C) Suspension of period.--Subparagraph (C) of section 241(a)(1) of the Immigration and Nationality Act (8 U.S.C 1231(a)(1)(C)) is amended to read as follows: ``(C) Suspension of period.--The removal period shall be extended beyond a period of 90 days and the alien may remain in detention during such extended period if the alien-- ``(i) fails or refuses to make all reasonable efforts to comply with the order of removal or to fully cooperate with the efforts of the Secretary of Homeland Security to establish the alien's identity and carry out the order of removal, including making timely application in good faith for travel or other documents necessary to the alien's departure; or ``(ii) conspires or acts to prevent the alien's removal subject to an order of removal.''. (2) Detention.--Paragraph (2) of section 241(a) of the Immigration and Nationality Act (8 U.S.C 1231(a)(2)) is amended-- (A) by inserting ``(A)'' before ``During''; (B) by striking ``Attorney General'' and inserting ``Secretary of Homeland Security''; and (C) by adding at the end the following: ``(B) During a pendency of a stay.--If a court, the Board of Immigration Appeals, or an immigration judge orders a stay of removal of an alien who is subject to an order of removal, the Secretary of Homeland Security, in the Secretary's sole and unreviewable exercise of discretion, and notwithstanding any provision of law including 28 U.S.C 2241, may detain the alien during the pendency of such stay of removal.''. (3) Suspension after 90-day period.--Paragraph (3) of section 241(a) of the Immigration and Nationality Act (8 U.S.C 1231(a)(3)) is amended-- (A) in the matter preceding subparagraph (A), by striking ``Attorney General'' and inserting ``Secretary of Homeland Security''; (B) in subparagraph (C), by striking ``Attorney General'' and inserting ``Secretary''; and (C) by amending subparagraph (D) to read as follows: ``(D) to obey reasonable restrictions on the alien's conduct or activities, or to perform affirmative acts, that the Secretary prescribes for the alien, in order to prevent the alien from absconding, for the protection of the community, or for other purposes related to the enforcement of the immigration laws.''. (4) Aliens imprisoned, arrested, or on parole, supervised release, or probation.--Paragraph (4) of section 241(a) of the Immigration and Nationality Act (8 U.S.C 1231(a)(4)) is amended-- (A) in subparagraph (A), by striking ``Attorney General'' and inserting ``Secretary of Homeland Security''; and (B) in subparagraph (B)-- (i) in the matter preceding clause (i), by striking ``Attorney General'' and inserting ``Secretary of Homeland Security''; (I) in clause (i), by striking ``if the Attorney General'' and inserting ``if the Secretary''; and (II) in clause (ii)(III), by striking ``Attorney General'' and inserting ``Secretary''. (5) Reinstatement of removal orders against aliens illegally reentering.-- (A) Paragraph (5) of section 241(a) of the Immigration and Nationality Act (8 U.S.C 1231(a)(5)) is amended to read as follows: ``(5) Reinstatement of removal orders against aliens illegally reentering.--If the Secretary of Homeland Security finds that an alien has entered the United States illegally after having been removed, deported, or excluded or having departed voluntarily, under an order of removal, deportation, or exclusion, regardless of the date of the original order or the date of the illegal entry-- ``(A) the order of removal, deportation, or exclusion is reinstated from its original date and is not subject to being reopened or reviewed notwithstanding section 242(a)(2)(D); ``(B) the alien is not eligible and may not apply for any relief under this Act, regardless of the date that an application or request for such relief may have been filed or made; and ``(C) the alien shall be removed under the order of removal, deportation, or exclusion at any time after the illegal entry. . ``Reinstatement under this paragraph shall not require proceedings under section 240 or other proceedings before an immigration judge.''''. (B) Judicial review.--Section 242 of the Immigration and Nationality Act (8 U.S.C 1252) is amended by adding at the end the following: ``(h) Judicial Review of Decision to Reinstate Removal Order Under Section 241(a)(5).-- ``(1) Review of decision to reinstate removal order.-- Judicial review of determinations under section 241(a)(5) is available in an action under subsection (a). ``(2) No review of original order.--Notwithstanding any other provision of law (statutory or nonstatutory), including section 2241 of title 28, United States Code, any other habeas corpus provision, or sections 1361 and 1651 of such title, no court shall have jurisdiction to review any cause or claim, arising from, or relating to, any challenge to the original order.''. (C) Effective date.--The amendments made by subparagraphs (A) and (B) shall take effect as if enacted on April 1, 1997, and shall apply to all orders reinstated or after that date by the Secretary of Homeland Security (or by the Attorney General prior to March 1, 2003), regardless of the date of the original order. (6) Inadmissible or criminal aliens.--Paragraph (6) of section 241(a) of the Immigration and Nationality Act (8 U.S.C 1231(a)(6)) is amended-- (A) by striking ``Attorney General'' and inserting ``Secretary of Homeland Security''; and (B) by striking ``removal period and, if released,'' and inserting ``removal period, in the discretion of the Secretary, without any limitations other than those specified in this section, until the alien is removed.''. (7) Parole; additional rules; judicial review.--Section 241(a) of the Immigration and [[Page S4862]] Nationality Act (8 U.S.C 1231(a)) is amended-- (A) in paragraph (7), by striking ``Attorney General'' and inserting ``Secretary of Homeland Security''; (B) by redesignating paragraph (7) as paragraph (14); and (C) by inserting after paragraph (6) the following: ``(7) Parole.--If an alien detained pursuant to paragraph (6) is an applicant for admission, the Secretary of Homeland Security, in the Secretary's discretion, may parole the alien under section 212(d)(5) and may provide, notwithstanding section 212(d)(5), that the alien shall not be returned to custody unless either the alien violates the conditions of such parole or the alien's removal becomes reasonably foreseeable, provided that in no circumstance shall such alien be considered admitted. ``(8) Additional rules for detention or release of certain aliens who were previously admitted to the united states.-- ``(A) Application.--The procedures set out under this paragraph-- ``(i) apply only to an alien who were previously admitted to the United States; and ``(ii) do not apply to any other alien, including an alien detained pursuant to paragraph (6). ``(B) Establishment of a detention review process for aliens who fully cooperate with removal.-- ``(i) Requirement to establish.--For an alien who has made all reasonable efforts to comply with a removal order and to cooperate fully with the efforts of the Secretary of Homeland Security to establish the alien's identity and carry out the removal order, including making timely application in good faith for travel or other documents necessary to the alien's departure, and has not conspired or acted to prevent removal, the Secretary shall establish an administrative review process to determine whether the alien should be detained or released on conditions. ``(ii) Determinations.--The Secretary shall-- ``(I) make a determination whether to release an alien described in clause (i) after the end of the alien's removal period; and ``(II) in making a determination under subclause (I), consider any evidence submitted by the alien, and may consider any other evidence, including any information or assistance provided by the Department of State or other Federal agency and any other information available to the Secretary pertaining to the ability to remove the alien. ``(9) Authority to detain beyond the removal period.-- ``(A) In general.--The Secretary of Homeland Security, in the exercise of discretion, without any limitations other than those specified in this section, may continue to detain an alien for 90 days beyond the removal period (including any extension of the removal period as provided in subsection (a)(1)(C)). ``(B) Length of detention.--The Secretary, in the exercise of discretion, without any limitations other than those specified in this section, may continue to detain an alien beyond the 90 days authorized in subparagraph (A)-- ``(i) until the alien is removed, if the Secretary determines that-- ``(I) there is a significant likelihood that the alien will be removed in the reasonably foreseeable future; ``(II) the alien would be removed in the reasonably foreseeable future, or would have been removed, but for the alien's failure or refusal to make all reasonable efforts to comply with the removal order, or to cooperate fully with the Secretary's efforts to establish the alien's identity and carry out the removal order, including making timely application in good faith for travel or other documents necessary to the alien's departure, or conspiracies or acts to prevent removal; ``(III) the government of the foreign country of which the alien is a citizen, subject, national, or resident is denying or unreasonably delaying accepting the return of such alien after the Secretary asks whether the government will accept an alien under section 243(d); or ``(IV) the government of the foreign country of which the alien is a citizen, subject, national, or resident is refusing to issue any required travel or identity documents to allow such alien to return to that country; ``(ii) until the alien is removed, if the Secretary certifies in writing-- ``(I) in consultation with the Secretary of Health and Human Services, that the alien has a highly contagious disease that poses a threat to public safety; ``(II) after receipt of a written recommendation from the Secretary of State, that release of the alien is likely to have serious adverse foreign policy consequences for the United States; ``(III) based on information available to the Secretary of Homeland Security (including classified, sensitive, or national security information, and without regard to the grounds upon which the alien was ordered removed), that there is reason to believe that the release of the alien would threaten the national security of the United States; or ``(IV) that the release of the alien will threaten the safety of the community or any person, conditions of release cannot reasonably be expected to ensure the safety of the community or any person, and either-- ``(aa) the alien has been convicted of 1 or more aggravated felonies (as defined in section 101(a)(43)), 1 or more crimes identified by the Secretary of Homeland Security by regulation, or 1 or more attempts or conspiracies to commit any such aggravated felonies or such identified crimes, provided that the aggregate term of imprisonment for such attempts or conspiracies is at least 5 years; or ``(bb) the alien has committed 1 or more violent offenses (but not including a purely political offense) and, because of a mental condition or personality disorder and behavior associated with that condition or disorder, the alien is likely to engage in acts of violence in the future; or ``(V) that the release of the alien will threaten the safety of the community or any person, conditions of release cannot reasonably be expected to ensure the safety of the community or any person, and the alien has been convicted of at least one aggravated felony (as defined in section 101(a)(43)); and ``(iii) pending a determination under subparagraph (B), if the Secretary has initiated the administrative review process not later than 30 days after the expiration of the removal period (including any extension of the removal period as provided in subsection (a)(1)(C)). ``(10) Renewal and delegation of certification.-- ``(A) Renewal.--The Secretary of Homeland Security may renew a certification under subparagraph (B)(ii) every 6 months without limitation, after providing an opportunity for the alien to request reconsideration of the certification and to submit documents or other evidence in support of that request. If the Secretary does not renew a certification, the Secretary may not continue to detain the alien under subparagraph (B)(ii). ``(B) Delegation.--Notwithstanding section 103, the Secretary of Homeland Security may not delegate the authority to make or renew a certification described in item (II), (III), or (IV) of subparagraph (B)(ii) to an official below the level of the Director of U.S Immigration and Customs Enforcement. ``(11) Release on conditions.--If it is determined that an alien should be released from detention, the Secretary of Homeland Security, in the exercise of discretion, may impose conditions on release as provided in paragraph (3). ``(12) Redetention.--The Secretary of Homeland Security, in the exercise of discretion, without any limitations other than those specified in this section, may again detain any alien subject to a final removal order who is released from custody if the alien fails to comply with the conditions of release or to continue to satisfy the conditions described in subparagraph (8)(A), or if, upon reconsideration, the Secretary determines that the alien can be detained under subparagraph (8)(B). Paragraphs (6) through (14) shall apply to any alien returned to custody pursuant to this subparagraph, as if the removal period terminated on the day of the redetention. ``(13) Certain aliens who effected entry.--If an alien has effected an entry but has neither been lawfully admitted nor physically present in the United States continuously for the 2-year period immediately prior to the commencement of removal proceedings under this Act against the alien, the Secretary of Homeland Security in the exercise of discretion may decide not to apply paragraph (8) and detain the alien without any limitations except those which the Secretary shall adopt by regulation. ``(14) Judicial review.--Without regard to the place of confinement, judicial review of any action or decision pursuant to paragraph (6) through (14) shall be available exclusively in habeas corpus proceedings instituted in the United States District Court for the District of Columbia, and only if the alien has exhausted all administrative remedies (statutory and regulatory) available to the alien as of right.''. (c) Detention of Aliens During Removal Proceedings.-- (1) In general.--Section 235 of the Immigration and Nationality Act (8 U.S.C 1225) is amended by adding at the end the following: ``(e) Length of Detention.-- ``(1) In general.--An alien may be detained under this section while proceedings are pending, without limitation, until the alien is subject to an administratively final order of removal. ``(2) Effect on detention under section 241.--The length of detention under this section shall not affect the validity of any detention under section 241. ``(f) Judicial Review.--Without regard to the place of confinement, judicial review of any action or decision made pursuant to subsection (e) shall be available exclusively in a habeas corpus proceeding instituted in the United States District Court for the District of Columbia and only if the alien has exhausted all administrative remedies (statutory and nonstatutory) available to the alien as of right.''. (2) Conforming amendments.--Section 236 of the Immigration and Nationality Act (8 U.S.C 1226) is amended-- (A) in subsection (e), by inserting ``Without regard to the place of confinement, judicial review of any action or decision made pursuant to section 235(f) shall be available exclusively in a habeas corpus proceeding instituted in the United States District Court for the District of Columbia, and only if the alien has exhausted all administrative remedies (statutory and nonstatutory) available to the alien as of right.'' at the end; and (B) by adding at the end the following: [[Page S4863]] ``(f) Length of Detention.-- ``(1) In general.--An alien may be detained under this section, without limitation, until the alien is subject to an administratively final order of removal. ``(2) Effect on detention under section 241.--The length of detention under this section shall not affect the validity of any detention under section 241.''. (d) Attorney General's Discretion in Determining Countries of Removal.--Section 241(b) of the Immigration and Nationality Act (8 U.S.C 1231(b)) is amended-- (1) in paragraph (1)(C)(iv), by striking the period at the end and inserting ``, or the Attorney General decides that removing the alien to the country is prejudicial to the interests of the United States.''; (2) in paragraph (2)(E)(vii), by inserting ``or the Attorney General decides that removing the alien to one or more of such countries is prejudicial to the interests of the United States,'' after ``this subparagraph,''. (e) Effective Dates and Application.-- (1) Amendments made by subsection (b).--The amendments made by subsection (b) shall take effect on the date of the enactment of this Act, and section 241 of the Immigration and Nationality Act, as amended by subsection (b), shall apply to-- (A) all aliens subject to a final administrative removal, deportation, or exclusion order that was issued before, on, or after the date of the enactment of this Act; and (B) acts and conditions occurring or existing before, on, or after the date of the enactment of this Act. (2) Amendments made by subsection (c).--The amendments made by subsection (c) shall take effect upon the date of the enactment of this Act, and sections 235 and 236 of the Immigration and Nationality Act, as amended by subsection (c), shall apply to any alien in detention under provisions of such sections on or after the date of the enactment of this Act. SEC. 505. GAO STUDY ON DEATHS IN CUSTODY. The Comptroller General of the United States shall submit to Congress within 6 months after the date of the enactment of this Act, a report on the deaths in custody of detainees held by the Department of Homeland Security. The report shall include the following information with respect to any such deaths and in connection therewith: (1) Whether any such deaths could have been prevented by the delivery of medical treatment administered while the detainee is in the custody of the Department of Homeland Security. (2) Whether Department practice and procedures were properly followed and obeyed. (3) Whether such practice and procedures are sufficient to protect the health and safety of such detainees and (4) Whether reports of such deaths were made to the Deaths in Custody Reporting ***Program***. SEC. 506. GAO STUDY ON MIGRANT DEATHS. Within 120 days of the date of enactment and by the end of each fiscal year thereafter, the Comptroller General of the United States shall submit to the Committee on the Judiciary and Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on the Judiciary and Committee on Homeland Security of the House, a report on: (1) the total number of migrant deaths along the southern border in the last 5 years; (2) the total number of unidentified deceased migrants found along the southern border; (3) the level of cooperation between U.S Customs and Border Protection, local and State law enforcement, foreign diplomatic and consular posts, nongovernmental organizations, and family members to accurately identify deceased individuals; (4) the use of DNA testing and sharing of such data between U.S Customs and Border Protection, local and State law enforcement, foreign diplomatic and consular posts, and nongovernmental organizations to accurately identify deceased individuals; (5) the comparison of DNA data with information on Federal, State, and local missing person registries; and (6) the procedures and processes U.S Customs and Border Protection has in place for notification of relevant authorities or family members after missing persons are identified through DNA testing. SEC. 507. STATUTE OF LIMITATIONS FOR VISA, NATURALIZATION, AND OTHER FRAUD OFFENSES INVOLVING WAR CRIMES OR HUMAN RIGHTS VIOLATIONS. (a) Statute of Limitations for Visa Fraud and Other Offenses.--Chapter 213, Title 18, United States Code, is amended by adding new section 3302, as follows: SEC. 3302. FRAUD IN CONNECTION WITH CERTAIN HUMAN RIGHTS VIOLATIONS OR WAR CRIMES. ``(a) No person shall be prosecuted, tried, or punished for violation of any provision of sections 1001 and 1015 of chapter 47, section 1425 of chapter 63, section 1546 of chapter 75, section 1621 of chapter 79, and section 2191 of chapter 212A of title 19 of the United States Code, or for attempt or conspiracy to violate any such sections, when the fraudulent conduct, misrepresentation, concealment, or fraudulent, fictitious, or false statement concerns the alleged offender's participation, at any time, at any place, and irrespective of the nationality of the alleged offender or any victim, in a human rights violation or war crime, or the alleged offender's membership in, service in, or authority over a military, paramilitary, or police organization that participated in such conduct during any part of any period in which the alleged offender was a member of, served in, or had authority over the organization, unless the indictment is found or the information is instituted with 20 years after the commission of the offense, except that an indictment may be found, or information instituted, at any time without limitation if the commission of such human rights violation or war crime resulted in the death of any person. ``(b) For purposes of subsection (a), `human rights violation or war crime' means genocide, incitement to genocide, war crimes, torture, female genital mutilation, extrajudicial killing under color of foreign law, persecution, particularly severe violation of religious freedom by a foreign government official, or the use of recruitment of child soldiers. ``(c) For purposes of subsection (b), ``(1) `genocide' means conduct described in section 1091(c) of chapter 50A of this title, ``(2) `incitement to genocide' means conduct described in section 1091(c) of chapter 50A of this title, ``(3) `war crimes' means conduct described in subsections (c) and (d) of section 2441 of chapter 118 of this title, ``(4) `torture' means conduct described in subsections (1) and (2) of section 2340 of chapter 113C of this title, ``(5) `female genital mutilation' means conduct described in section 116 of chapter 7 of this title, ``(6) `extrajudicial killing under color of foreign law' means conduct specified in section 1182(a)(3)(E)(iii) of chapter 12 of title 8 of the United States Code, ``(7) `persecution' means conduct that is a bar to relief under section 1158(b)(2)(A)(i) of chapter 12 of title 8 of the United States Code, ``(8) `particularly severe violation of religious freedom' means conduct described in section 6402(13) of chapter 73 of title 22 of the United States Code, and ``(9) `use or recruitment of child soldiers' means conduct described in subsection (a) and (d) of section 2442 of chapter 118 of this title.''. (b) Effective Date.--The amendment made by this section shall apply to fraudulent conduct, misrepresentations, concealments, and fraudulent, fictitious, or false statements made or committed before, on, or after the date of enactment of this Act. SEC. 508. CRIMINAL DETENTION OF ALIENS TO PROTECT PUBLIC SAFETY. (a) In General.--Section 3142(e) of title 18, United States Code, is amended to read as follows: ``(e) Detention.-- ``(1) In general.--If, after a hearing pursuant to the provisions of subsection (f), the judicial officer finds that no condition or combination of conditions will reasonably assure the appearance of the person as required and the safety of any other person and the community, such judicial officer shall order the detention of the person before trial. ``(2) Presumption arising from offenses described in subsection (f)(1).--In a case described in subsection (f)(1) of this section, a rebuttable presumption arises that no condition or combination of conditions will reasonably assure the safety of any other person and the community if such judicial officer finds that-- ``(A) the person has been convicted of a Federal offense that is described in subsection (f)(1), or of a State or local offense that would have been an offense described in subsection (f)(1) of this section if a circumstance giving rise to Federal jurisdiction had existed; ``(B) the offense described in subparagraph (A) was committed while the person was on release pending trial for a Federal, State, or local offense; and ``(C) a period of not more than 5 years has elapsed since the date of conviction or the release of the person from imprisonment, for the offense described in subparagraph (A), whichever is later. ``(3) Presumption arising from other offenses involving illegal substances, firearms, violence, or minors.--Subject to rebuttal by the person, it shall be presumed that no condition or combination of conditions will reasonably assure the appearance of the person as required and the safety of the community if the judicial officer finds that there is probable cause to believe that the person committed-- ``(A) an offense for which a maximum term of imprisonment of 10 years or more is prescribed in the Controlled Substances Act (21 U.S.C 801 et seq.), the Controlled Substances Import and Export Act (21 U.S.C 951 et seq.), or chapter 705 of title 46; ``(B) an offense under section 924(c), 956(a), or 2332b of this title; ``(C) an offense listed in section 2332b(g)(5)(B) of this title for which a maximum term of imprisonment of 10 years or more is prescribed; or ``(D) an offense involving a minor victim under section 1201, 1591, 2241, 2242, 2244(a)(1), 2245, 2251, 2251A, 2252(a)(1), 2252(a)(2), 2252(a)(3), 2252A(a)(1), 2252A(a)(2), 2252A(a)(3), 2252A(a)(4), 2260, 2421, 2422, 2423, or 2425 of this title. ``(4) Presumption arising from offenses relating to immigration law.--Subject to rebuttal by the person, it shall be presumed that no condition or combination of conditions will reasonably assure the appearance [[Page S4864]] of the person as required if the judicial officer finds that there is probable cause to believe that the person is an alien and that the person-- ``(A) has no lawful immigration status in the United States; ``(B) is the subject of a final order of removal; or ``(C) has committed a felony offense under section 842(i)(5), 911, 922(g)(5), 1015, 1028, 1028A, 1425, or 1426 of this title, or any section of chapters 75 and 77 of this title, or section 243, 274, 275, 276, 277, or 278 of the Immigration and Nationality Act (8 U.S.C 1253, 1324, 1325, 1326, 1327, and 1328).''. (b) Immigration Status as Factor in Determining Conditions of Release.--Section 3142(g)(3) of title 18, United States Code, is amended-- (1) in subparagraph (A), by striking ``and'' at the end; and (2) by adding at the end the following: ``(C) whether the person is in a lawful immigration status, has previously entered the United States illegally, has previously been removed from the United States, or has otherwise violated the conditions of his or her lawful immigration status; and''. SEC. 509. RECRUITMENT OF PERSONS TO PARTICIPATE IN TERRORISM. (a) In General.--Chapter 113B of title 18, United States Code, is amended by inserting after section 2332b the following: ``Sec. 2332c. Recruitment of persons to participate in terrorism ``(a) Offenses.-- ``(1) In general.--It shall be unlawful for any person to employ, solicit, induce, command, or cause another person to commit an act of domestic terrorism or international terrorism or a Federal crime of terrorism, with the intent that the other person commit such act or crime of terrorism. ``(2) Attempt and conspiracy.--It shall be unlawful for any person to attempt or conspire to commit an offense under paragraph (1). ``(b) Penalties.--Any person who violates subsection (a)-- ``(1) in the case of an attempt or conspiracy, shall be fined under this title, imprisoned not more than 10 years, or both; ``(2) if death of an individual results, shall be fined under this title, punished by death or imprisoned for any term of years or for life, or both; ``(3) if serious bodily injury to any individual results, shall be fined under this title, imprisoned not less than 10 years nor more than 25 years, or both; and ``(4) in any other case, shall be fined under this title, imprisoned not more than 10 years, or both. ``(c) Rule of Construction.--Nothing in this section shall be construed or applied so as to abridge the exercise of rights guaranteed under the First Amendment to the Constitution of the United States. ``(d) Lack of Consummated Terrorist Act Not a Defense.--It is not a defense under this section that the act of domestic terrorism or international terrorism or Federal crime of terrorism that is the object of the employment, solicitation, inducement, commanding, or causing has not been done. ``(e) Definitions.--In this section-- ``(1) the term `Federal crime of terrorism' has the meaning given that term in section 2332b; and ``(2) the term `serious bodily injury' has the meaning given that term in section 1365(h).''. (b) Table of Sections Amendment.--The table of sections at the beginning of chapter 113B of title 18, United States Code, is amended by inserting after the item relating to section 2332b the following: ``2332c. Recruitment of persons to participate in terrorism.''. SEC. 510. BARRING AND REMOVING PERSECUTORS, WAR CRIMINALS, AND PARTICIPANTS IN CRIMES AGAINST HUMANITY FROM THE UNITED STATES. (a) Inadmissibility of Persecutors, War Criminals, and Participants in Crimes Against Humanity.--Subparagraph (E) of section 212(a)(3) of the Immigration and Nationality Act (8 U.S.C 1182(a)(3)(E)) is amended-- (1) by striking the subparagraph heading and inserting ``Participants in persecution (including nazi persecutions), genocide, war crimes, crimes against humanity, or the commission of any act of torture or extrajudicial killing.-- ''; and (2) by adding after subclause (iii) the following: ``(iv) Persecutors, war criminals, and participants in crimes against humanity.--Any alien, including those who are superior commanders, who committed, ordered, incited, assisted, or otherwise participated in a war crime as defined in section 2441(c) of title 18, United States Code, a crime against humanity, or in the persecution of any person on account of race, religion, nationality, membership in a particular social group, or political opinion, is inadmissible. ``(v) Crime against humanity defined.--In this subparagraph, the term `crime against humanity' means conduct that is part of a widespread and systematic attack targeting any civilian population, and with knowledge that the conduct was part of the attack or with the intent that the conduct be part of the attack-- ``(I) that, if such conduct occurred in the United States or in the special maritime and territorial jurisdiction of the United States, would violate-- ``(aa) section 1111 of title 18, United States Code (relating to murder); ``(bb) section 1201(a) of title 18, United States Code (relating to kidnapping); ``(cc) section 1203(a) of title 18, United States Code (relating to hostage taking), notwithstanding any exception under subsection (b) of such section 1203; ``(dd) section 1581(a) of title 18, United States Code (relating to peonage); ``(ee) section 1583(a)(1) of title 18, United States Code (relating to kidnapping or carrying away individuals for involuntary servitude or slavery); ``(ff) section 1584(a) of title 18, United States Code (relating to sale into involuntary servitude); ``(gg) section 1589(a) of title 18, United States Code (relating to forced labor); ``(hh) section 1590(a) of title 18, United States Code (relating to trafficking with respect to peonage, slavery, involuntary servitude, or forced labor); ``(ii) section 1591(a) of title 18, United States Code (relating to sex trafficking of children or by force, fraud, or coercion); ``(jj) section 2241(a) of title 18, United States Code (relating to aggravated sexual abuse by force or threat); or ``(kk) section 2242 of title 18, United States Code (relating to sexual abuse); ``(II) that would constitute torture as defined in section 2340(1) of title 18, United States Code; ``(III) that would constitute cruel or inhuman treatment as described in section 2441(d)(1)(B) of title 18, United States Code; ``(IV) that would constitute performing biological experiments as described in section 2441(d)(1)(C) of title 18, United States Code; ``(V) that would constitute mutilation or maiming as described in section 2441(d)(1)(E) of title 18, United States Code; or ``(VI) that would constitute intentionally causing serious bodily injury as described in section 2441(d)(1)(F) of title 18, United States Code.''. ``(vi) Systematic.--In this subparagraph, the term `systematic' means the commission of a series of acts following a regular pattern and occurring in an organized, non-random manner. ``(vii) Widespread.--In this subparagraph, the term `widespread' means either a single, large scale act or a series of acts directed against a substantial number of victims. ``(viii) Superior commander.--The term `superior commander' means-- ``(I) a military commander or a person with effective control of military forces or an armed group; ``(II) who knew or should have known that a subordinate or someone under his or her effective control is committing acts described in subsection (a), is about to commit such acts, or had committed such acts; and ``(III) who fails to take the necessary and reasonable measures to prevent such acts or, for acts that have been committed, to punish the perpetrators thereof.'' (3) by revising in clause (iii)(II) the following: (A) by deleting `` of any foreign nation'', and (B) by inserting after ``is inadmissible'' the following clause: ``(III) Color of law. For purposes of this subsection and subsection 237(a)(4)(D) only, acting under `color of law' includes acts taken as part of an armed group exercising de facto authority.''. (b) Barring Waiver of Inadmissibility for Persecutors.-- Subparagraph (A) of section 212(d)(3) of the Immigration and Nationality Act (8 U.S.C 1182(d)(3)(A)) is amended by striking ``and clauses (i) and (ii) of paragraph (3)(E)'' both places that term appears and inserting ``and (3)(E)''. (c) Removal of Persecutors.--Subparagraph (D) of section 237(a)(4) of the Immigration and Nationality Act (8 U.S.C 1227(a)(4)(D)) is amended-- (1) by striking ``Nazi'' in the subparagraph heading; and (2) by striking ``or (iii)'' and inserting ``(iii), or (iv)''; (3) by inserting after subsection (g), as redesignated by Title VIII of this Act, the following: ``(H) Participation in female genital mutilation. Any alien who has committed, ordered, incited, assisted, or otherwise participated in female genital mutilation, is deportable.''. (d) Severe Violations of Religious Freedom.--Section 212(a)(2)(G) of the Immigration and Nationality Act (8 U.S.C 1182(a)(2)(G) is amended-- (1) in the header, by striking ``Foreign government officials'' and replacing it with ``Any persons''; and (2) by striking ``, while serving as a foreign government official,''. (e) Barring Persecutors From Establishing Good Moral Character.--Section 101(f) of the Immigration and Nationality Act (8 U.S.C 1101(f)) is amended-- (1) in paragraph (9), by striking ``killings) or 212(a)(2)(G) (relating to severe violations of religious freedom).'' and inserting ``killings), 212(a)(2)(G) (relating to severe violations of religious freedom), or 212(a)(3)(G) (relating to recruitment and use of child soldiers);''; and (2) by inserting after paragraph (9) the following: ``(10) one who at any time committed, ordered, incited, assisted, or otherwise participated in the persecution of any person on account of race, religion, nationality, membership in a particular social group, or political opinion is inadmissible; or''. [[Page S4865]] (f) Increasing Criminal Penalties for Anyone Who Aids and Abets the Entry of a Persecutor.--Section 277 of the Immigration and Nationality Act (8 U.S.C 1327) is amended by striking ``(other than subparagraph (E) thereof)''. (g) Increasing Criminal Penalties for Female Genital Mutilation.--Section 116 of Title 18, U.S.C is amended-- (1) in subsection (a), by striking ``shall be fined under this title or imprisoned not more than 5 years, or both'' at the end, and inserting the following: ``has engaged in a violent crime against children under section 3559(f)(3) of this title and shall be imprisoned for life or for any term of years not less than 10. (2) in subsection (d), by striking ``shall be fined under this title or imprisoned not more than 5 years, or both.'' at the end, and inserting the following: ``shall be imprisoned for life or for any term of years not less than 10.''. (h) Material Support in the Recruitment or Use of Child Soldiers.-- (1) Section 212(a)(3)(G) of the Immigration and Nationality Act (8 U.S.C 1182(a)(3)(G)) is amended by inserting after the ``18,'' the following new clause: ``or has provided material support in the recruitment or use of child soldiers in violation of section 2339A of title 18,''. (2) Deportability.--Section 237(a)(4)(G) of the Immigration and Nationality Act (8 U.S.C 1227(a)(4)(G)), as amended by Title VIII of this Act, is amended by inserting after the ``18,'' the following new clause: ``or has provided material support in the recruitment or use of child soldiers in violation of section 2339A of title 18,''. (i) Female Genital Mutilation.--Section 212(a)(3) of the Immigration and Nationality Act (8 U.S.C 1182(a)(3)) is amended by adding at the end the following: ``(H) Participation in female genital mutilation.--Any alien who has ordered, incited, assisted, or otherwise participated in female genital mutilation, is inadmissible.''. (j) Technical Amendments.-- (1) Section 101(a)(42).--Section 101(a)(42) of the Immigration and Nationality Act (8 U.S.C 1101(a)(42)) is amended by inserting ``committed,'' before ``ordered''. (2) Section 208(b)(2)(A)(i).--Section 208(b)(2)(A)(i) of the Immigration and Nationality Act (8 U.S.C 1158(b)(2)(A)(i)) is amended by inserting ``committed,'' before ``ordered''. (3) Section 241(b)(3)(B)(i).--Section 241(b)(3)(B)(i) of the Immigration and Nationality Act (8 U.S.C 1231(b)(3)(B)(i)) is amended by inserting ``committed,'' before ``ordered''. (k) Effective Date.--The amendments made by this section shall apply to any offense committed before, on, or after the date of enactment of this Act. SEC. 511. GANG MEMBERSHIP, REMOVAL, AND INCREASED CRIMINAL PENALTIES RELATED TO GANG VIOLENCE. (a) Definition of Criminal Gang.--Section 101(a) of the Immigration and Nationality Act (8 U.S.C 1101(a)) is amended by inserting after subparagraph (52) the following: ``(53)(A) The term `criminal gang' means an ongoing group, club, organization, or association of 5 or more persons that-- ``(i) has as one of its primary purposes the commission of 1 or more of the criminal offenses set out under subparagraph (B) and the members of which engage, or have engaged within the past 5 years, in a continuing series of such offenses; or ``(ii) has been designated as a criminal gang by the Secretary of Homeland Security, in consultation with the Attorney General, as meeting criteria set out in clause (i). ``(B) The offenses described under this subparagraph, whether in violation of Federal or State law or the law of a foreign country and regardless of whether the offenses occurred before, on, or after the date of the enactment of the Building America's Trust Act, are the following: ``(i) A felony drug offense (as that term is defined in section 102 of the Controlled Substances Act (21 U.S.C 802)). ``(ii) An offense involving illicit trafficking in a controlled substance (as defined in section 102 of the Controlled Substances Act), including a drug trafficking crime (as defined in section 924(c) of title 18, United States Code). ``(iii) An offense under section 274 (relating to bringing in and harboring certain aliens), section 277 (relating to aiding or assisting certain aliens to enter the United States), or section 278 (relating to importation of alien for immoral purpose). ``(iv) Any offense under Federal, State, or Tribal law, that has, as an element, the use or attempted use of physical force or the threatened use of physical force or a deadly weapon. ``(v) Any offense that has as an element the use, attempted use, or threatened use of any physical object to inflict or cause (either directly or indirectly) serious bodily injury, including an injury that may ultimately result in the death of a person. ``(vi) An offense involving obstruction of justice, tampering with or retaliating against a witness, victim, or informant, or burglary. ``(vii) Any conduct punishable under section 1028 or 1029 of title 18, United States Code (relating to fraud and related activity in connection with identification documents or access devices), sections 1581 through 1594 of such title (relating to peonage, slavery and trafficking in persons), section 1952 of such title (relating to interstate and foreign travel or transportation in aid of racketeering enterprises), section 1956 of such title (relating to the laundering of monetary instruments), section 1957 of such title (relating to engaging in monetary transactions in property derived from specified unlawful activity), or sections 2312 through 2315 of such title (relating to interstate transportation of stolen motor vehicles or stolen property). ``(viii) A conspiracy to commit an offense described in clauses (i) through (v). ``(C) Notwithstanding any other provision of law (including any effective date), a group, club, organization, or association shall be considered a criminal gang regardless of whether the conduct occurred before, on, or after the date of the enactment of the Building America's Trust Act.''. (b) Inadmissibility.--Paragraph (2) of section 212(a) of the Immigration and Nationality Act (8 U.S.C 1182(a)(2)) is amended by adding at the end the following: ``(J) Aliens associated with criminal gangs.--Any alien is inadmissible who a consular officer, the Secretary of Homeland Security, or the Attorney General knows or has reason to believe-- ``(i) to be or to have been a member of a criminal gang (as defined in section 101(a)(53)); or ``(ii) to have participated in the activities of a criminal gang (as defined in section 101(a)(53)), knowing or having reason to know that such activities will promote, further, aid, or support the illegal activity of the criminal gang.''. (c) Deportability.--Paragraph (2) of section 237(a) of the Immigration and Nationality Act (8 U.S.C 1227(a)(2)) is amended by adding at the end the following: ``(G) Aliens associated with criminal gangs.--Any alien who the Secretary of Homeland Security or the Attorney General knows or has reason to believe-- ``(i) is or has been a member of a criminal gang (as defined in section 101(a)(53)), or ``(ii) has participated in the activities of a criminal gang (as defined in section 101(a)(53)) knowing or having reason to know that such activities will promote, further, aid, or support the illegal activity of the criminal gang, is deportable.''. (d) Designation of Criminal Gangs.-- (1) In general.--Chapter 2 of title II of the Immigration and Nationality Act (8 U.S.C 1181 et seq.) is amended by adding at the end the following: ``SEC. 220. DESIGNATION OF CRIMINAL GANGS. ``(a) In General.--The Secretary of Homeland Security, in consultation with the Attorney General, and the Secretary of State may designate a group or association as a criminal gang if their conduct is described in section 101(a)(53) or if the group's or association's conduct poses a significant risk that threatens the security and the public safety of United States nationals or the national security, homeland security, foreign policy, or economy of the United States. ``(b) Effective Date.--Designations under subsection (a) shall remain in effect until the designation is revoked after consultation between the Secretary of Homeland Security, the Attorney General, and the Secretary of State or is terminated in accordance with Federal law.''. (2) Clerical amendment.--The table of contents in the first section of the Immigration and Nationality Act is amended by inserting after the item relating to section 219 the following: ``220. Designation of criminal gangs.'' (e) Annual Report on Detention of Criminal Gang Members.-- Not later than March 1 of each year (beginning 1 year after the date of the enactment of this Act), the Secretary, after consultation with the heads of appropriate Federal agencies, shall submit to the Committee on Homeland Security and Governmental Affairs and the Committee on the Judiciary of the Senate and the Committee on Homeland Security and the Committee on the Judiciary of the House of Representatives a report on the number of aliens detained who are described by subparagraph (J) of section 212(a)(2) and subparagraph (G) of section 237(a)(2) of the Immigration and Nationality Act (8 U.S.C 1182(a)(2)(J, 1227(a)(2)(G)), as added by subsections (b) and (c). (f) Asylum Claims Based on Gang Affiliation.-- (1) Inapplicability of restriction on removal to certain countries.--Subparagraph (B) of section 241(b)(3) of the Immigration and Nationality Act (8 U.S.C 1231(b)(3)(B)) is amended, in the matter preceding clause (i), by inserting ``who is described in section 212(a)(2)(J)(i) or section 237(a)(2)(G)(i) or who is'' after ``to an alien''. (2) Ineligibility for asylum.--Subparagraph (A) of section 208(b)(2) of the Immigration and Nationality Act (8 U.S.C 1158(b)(2)(A)) is amended-- (A) in clause (v), by striking ``or'' at the end; (B) by redesignating clause (vi) as clause (vii); and (C) by inserting after clause (v) the following: ``(vi) the alien is described in section 212(a)(2)(J)(i) or section 237(a)(2)(G)(i) (relating to participation in criminal gangs); or''. [[Page S4866]] (g) Temporary Protected Status.--Section 244 of the Immigration and Nationality Act (8 U.S.C 1254a) is amended-- (1) by striking ``Attorney General'' each place that term appears and inserting ``Secretary''; (2) in subsection (c)(2)(B)-- (A) in clause (i), by striking ``States, or'' and inserting ``States;''; (B) in clause (ii), by striking the period at the end and inserting ``; or''; and (C) by adding at the end the following: ``(iii) the alien is, or at any time after admission has been, an alien described in section 212(a)(2)(J)(i) or section 237(a)(2)(G)(i).''. (h) Effective Date and Application.--The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply to acts that occur before, on, or after the date of the enactment of this Act. SEC. 512. BARRING ALIENS WITH CONVICTIONS FOR DRIVING UNDER THE INFLUENCE OR WHILE INTOXICATED. (a) Aggravated Felony Driving While Intoxicated.-- (1) Definitions.--Section 101(a)(43) of the Immigration and Nationality Act (8 U.S.C 1101(a)(43)) is amended-- (A) in subparagraph (T), by striking ``and''; (B) in subparagraph (U), by striking the period at the end and inserting ``; and''; and (C) by inserting after subparagraph (U) the following: ``(V) a single conviction for driving while intoxicated (including a conviction for driving while under the influence of or impaired by alcohol or drugs), when such impaired driving was the cause of the serious bodily injury or death of another person or a second or subsequent conviction for driving while intoxicated (including a conviction for driving under the influence of or impaired by alcohol or drugs), without regard to whether the conviction is classified as a misdemeanor or felony under State law. For purposes of this paragraph, the Secretary of Homeland Security or the Attorney General are not required to prove the first conviction for driving while intoxicated (including a conviction for driving while under the influence of or impaired by alcohol or drugs) as a predicate offense and need only make a factual determination that the alien was previously convicted for driving while intoxicated (including a conviction for driving while under the influence of or impaired by alcohol or drugs).''. (2) Effective date and application.--The amendments made by this section shall take effect on the date of the enactment of this Act and apply to any conviction entered on or after such date. (b) Inadmissibility for Driving While Intoxicated or Under the Influence.-- (1) In general.--Paragraph (2) of section 212(a) of the Immigration and Nationality Act (8 U.S.C 1182(a)(2)), as amended by section 507, is further amended by adding at the end the following: ``(K) Driving while intoxicated and unlawfully present in the united states.--An alien who-- ``(i) is convicted of driving while intoxicated, driving under the influence, or similar violation of State law, and ``(ii) at the time of the commission of that offense was unlawfully present in the United States because the alien entered without inspection or admission, overstayed the period of stay authorized by the Secretary, or violated the terms of the alien's nonimmigrant visa, is inadmissible.''. (2) Effective date and application.--The amendments made by paragraph (1) shall take effect on the date of the enactment of this Act and apply to any conviction entered on or after such date. (c) Deportation for Driving While Intoxicated or Under the Influence.-- (1) In general.--Paragraph (2) of section 237(a) of the Immigration and Nationality Act (8 U.S.C 1227(a)(2)), as amended by section 507, is further amended by adding at the end the following: ``(H) Driving while intoxicated and while unlawfully present in the united states.--An alien is deportable who-- ``(i) at the time of commission of the offense is unlawfully present in the United States because the alien entered without inspection or admission, overstayed the period of stay authorized by the Secretary, or violated the terms of the alien's nonimmigrant visa; and ``(ii) is convicted of driving while intoxicated, driving under the influence, or similar violation of State law.''. (2) Application.--The amendment made by paragraph (1) shall take effect on the date of the enactment of this Act and apply to any conviction entered on or after such date. (d) Good Moral Character Bar for DUI or DWI Convictions.-- (1) In general.--Section 101(f) of the Immigration and Nationality Act (8 U.S.C 1101(f)), as amended by section 506, is further amended by inserting after paragraph (1) the following: [``(2) inadmissible under section 212(a)(2)(K) or deportable under section 237(a)(2)(H);] [``(e) Technical and Conforming Amendments.--Subsection (h) of section 212 of the Immigration and Nationality Act (8 U.S.C 1182(h)) is amended--] [``(1) by inserting `or the Secretary' after `the Attorney General' each place such term appears; and] [``(2) in the matter preceding paragraph (1), by striking `and (E)' and inserting `(E), and (K)'.''.] [(2) Application.--The amendment made by paragraph (1) shall take effect on the date of the enactment of this Act and apply to any conviction entered on or after such date.] SEC. 513. BARRING AGGRAVATED FELONS, BORDER CHECKPOINT RUNNERS, AND SEX OFFENDERS FROM ADMISSION TO THE UNITED STATES. (a) Inadmissibility on Criminal and Related Grounds; Waivers.--Section 212 of the Immigration and Nationality Act (8 U.S.C 1182) is amended-- (1) in subsection (a)(2)-- (A) in subparagraph (A)(i)-- (i) in subclause (I), by striking ``, or'' and inserting a semicolon; (ii) in subclause (II), by striking the comma at the end and inserting ``; or''; and (iii) by inserting after subclause (II) the following: ``(III) a violation of (or a conspiracy or attempt to violate) any statute relating to section 208 of the Social Security Act (42 U.S.C 408) (relating to social security account numbers or social security cards) or section 1028 of title 18, United States Code (relating to fraud and related activity in connection with identification documents, authentication features, and information);''; and (B) by inserting after subparagraph (K), as added by section 508, the following: ``(L) Citizenship fraud.--Any alien convicted of, or who admits having committed, or who admits committing acts which constitute the essential elements of, a violation of, or an attempt or a conspiracy to violate, subsection (a) or (b) of section 1425 of title 18, United States Code, (relating to the procurement of citizenship or naturalization unlawfully) is inadmissible. ``(M) Certain firearm offenses.--Any alien who at any time has been convicted under any law of, or who admits having committed or admits committing acts which constitute the essential elements of, any law relating to purchasing, selling, offering for sale, exchanging, using, owning, possessing, or carrying, or of attempting or conspiring to purchase, sell, offer for sale, exchange, use, own, possess, or carry, any weapon, part, or accessory which is a firearm or destructive device (as defined in section 921(a) of title 18, United States Code) in violation of any law is inadmissible. ``(N) Aggravated felons.--Any alien who has been convicted of an aggravated felony as defined in section 101(a)(43) at any time is inadmissible. ``(O) High speed flight.--Any alien who has been convicted of a violation of section 758 of title 18, United States Code, (relating to high speed flight from an immigration checkpoint) is inadmissible. ``(P) Failure to register as a sex offender.--Any alien convicted under section 2250 of title 18, United States Code is inadmissible. ``(Q) Crimes of domestic violence, stalking, or violation of protection orders; crimes against children.-- ``(i) Domestic violence, stalking, and child abuse.-- ``(I) In general.--Any alien who at any time is or has been convicted of a crime involving the use or attempted use of physical force, or threatened use of a deadly weapon, a crime of domestic violence, a crime of stalking, or a crime of child abuse, child neglect, or child abandonment is inadmissible. ``(II) Crime of domestic violence defined.--For purposes of this clause, the term `crime of domestic violence' means any crime of violence or any offense under Federal, State, or Tribal law, that has, as an element, the use or attempted use of physical force or the threatened use of physical force or a deadly weapon against a person committed by a current or former spouse of the person, by an individual with whom the person shares a child in common, by an individual who is cohabiting with or has cohabited with the person as a spouse, by an individual similarly situated to a spouse of the person under the domestic or family violence laws of the jurisdiction where the offense occurs, or by any other individual against a person who is protected from that individual's acts under the domestic or family violence laws of the United States or any State, Indian tribal government, or unit of local government. ``(ii) Violators of protection orders.-- ``(I) In general.--Any alien who at any time is or has been enjoined under a protection order issued by a court and whom the court determines has engaged in conduct that violates the portion of a protection order that involves protection against credible threats of violence, repeated harassment, or bodily injury to the person or persons for whom the protection order was issued is inadmissible. ``(II) Protective order defined.--In this clause, the term `protection order' means any injunction issued for the purpose of preventing violent or threatening acts of violence that involve the use or attempted use of physical force, or threatened use of a deadly weapon, committed by a current or former spouse, parent, or guardian of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, parent, or guardian, or by a person similarly situated to a spouse, parent, or guardian of the victim, including temporary or final orders issued by civil or criminal courts (other than support or child [[Page S4867]] custody orders or provisions) whether obtained by filing an independent action or as an independent order in another proceeding. ``(iii) Waiver authorized.--For provision authorizing waiver of this subparagraph, see subsection (o).''; and (2) in subsection (h)-- (A) in the matter preceding paragraph (1), as amended by this Act, by further amended by striking ``, and (K)'', and inserting ``(K), and (M)''; (B) in the matter following paragraph (2)-- (i) by striking ``torture.'' and inserting ``torture, or has been convicted of an aggravated felony.''; and (ii) by striking ``if either since the date of such admission the alien has been convicted of an aggravated felony or the alien'' and inserting ``if since the date of such admission the alien''. (3) by adding new subsection (o) to read as follows-- ``(o) Waiver for Victims of Domestic Violence.-- ``(1) In general.--The Secretary of Homeland Security or Attorney General is not limited by the criminal court record and may waive the application of paragraph (2)(Q)(i) (with respect to crimes of domestic violence and crimes of stalking) and (ii) in the case of an alien who has been battered or subjected to extreme cruelty and who is not and was not the primary perpetrator of violence in the relationship upon a determination that-- ``(A) the alien was acting in self-defense; ``(B) the alien was found to have violated a protection order intended to protect the alien; or ``(C) the alien committed, was arrested for, was convicted of, or pled guilty to committing a crime-- ``(i) that did not result in serious bodily injury; and ``(ii) where there was a connection between the crime and the alien's having been battered or subjected to extreme cruelty. ``(2) Credible evidence considered.--In acting on applications under this paragraph, the Secretary of Homeland Security or Attorney General shall consider any credible evidence relevant to the application. The determination of what evidence is credible and the weight to be given that evidence shall be within the sole discretion of the Secretary of Homeland Security or Attorney General.''. (b) Deportability; Criminal Offenses.--Section 237(a)(3)(B) of the Immigration and Nationality Act (8 U.S.C 1227(a)(3)(B)) is amended-- (1) in clause (i), by striking the comma at the end and inserting a semicolon; (2) in clause (ii), by striking ``, or'' at the end and inserting a semicolon; (3) in clause (iii), by striking the comma at the end and inserting ``; or''; and (4) by inserting after clause (iii) the following: ``(iv) of a violation of, or an attempt or a conspiracy to violate, subsection (a) or (b) of section 1425 of title 18 (relating to the procurement of citizenship or naturalization unlawfully),''. (c) Deportability; Criminal Offenses.--Paragraph (2) of section 237(a) of the Immigration and Nationality Act (8 U.S.C 1227(a)(2)), as amended by sections 507 and 508, is further amended by adding at the end the following: ``(I) Identification fraud.--Any alien who is convicted of a violation of (or a conspiracy or attempt to violate) an offense relating to section 208 of the Social Security Act (42 U.S.C 408) (relating to social security account numbers or social security cards) or section 1028 of title 18, United States Code, (relating to fraud and related activity in connection with identification), is deportable.''. (d) Applicability.--The amendments made by this section shall apply to-- (1) any act that occurred before, on, or after the date of the enactment of this Act; (2) all aliens who are required to establish admissibility on or after such date of enactment; and (3) all removal, deportation, or exclusion proceedings that are filed, pending, or reopened, on or after such date of enactment. (e) Construction.--The amendments made by this section shall not be construed to create eligibility for relief from removal under former section 212(c) of the Immigration and Nationality Act (8 U.S.C 1182(c)) if such eligibility did not exist before the date of enactment of this Act. SEC. 514. PROTECTING IMMIGRANTS FROM CONVICTED SEX OFFENDERS. (a) Immigrants.--Section 204(a)(1) of the Immigration and Nationality Act (8 U.S.C 1154(a)(1)), is amended-- (1) in subparagraph (A), by amending clause (viii) to read as follows: ``(viii) Clause (i) shall not apply to a citizen of the United States who has been convicted of an offense described in subparagraph (A), (I), or (K) of section 101(a)(43) or a specified offense against a minor as defined in section 111 of the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C 16911(7)), unless the Secretary of Homeland Security, in the Secretary's sole and unreviewable discretion, determines that the citizen poses no risk to the alien with respect to whom a petition described in clause (i) is filed.''; and (2) in subparagraph (B)(i)-- (A) by redesignating the second subclause (I) as subclause (II); and (B) by amending such subclause (II) to read as follows: ``(II) Subclause (I) shall not apply in the case of an alien lawfully admitted for permanent residence who has been convicted of an offense described in subparagraph (A), (I), or (K) of section 101(a)(43) or a specified offense against a minor as defined in section 111 of the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C 16911(7)), unless the Secretary of Homeland Security, in the Secretary's sole and unreviewable discretion, determines that the alien lawfully admitted for permanent residence poses no risk to the alien with respect to whom a petition described in subclause (I) is filed.''. (b) Nonimmigrants.--Section 101(a)(15)(K) of such Act (8 U.S.C 1101(a)(15)(K)), is amended by striking ``204(a)(1)(A)(viii)(I))'' each place such term appears and inserting ``204(a)(1)(A)(viii))''. (c) Effective Date.--The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply to petitions filed on or after such date. SEC. 515. ENHANCED CRIMINAL PENALTIES FOR HIGH SPEED FLIGHT. (a) In General.--Section 758 of title 18, United States Code, is amended to read as follows: ``Sec. 758. Unlawful flight from immigration or customs controls ``(a) Evading a Checkpoint.--Any person who, while operating a motor vehicle or vessel, knowingly flees or evades a checkpoint operated by the Department of Homeland Security or any other Federal law enforcement agency, and then knowingly or recklessly disregards or disobeys the lawful command of any law enforcement agent, shall be fined under this title, imprisoned not more than 5 years, or both. ``(b) Failure to Stop.--Any person who, while operating a motor vehicle, aircraft, or vessel, knowingly or recklessly disregards or disobeys the lawful command of an officer of the Department of Homeland Security engaged in the enforcement of the immigration, customs, or maritime laws, or the lawful command of any law enforcement agent assisting such officer, shall be fined under this title, imprisoned not more than 2 years, or both. ``(c) Alternative Penalties.--Notwithstanding the penalties provided in subsection (a) or (b), any person who violates such subsection shall-- ``(1) be fined under this title, imprisoned not more than 10 years, or both, if the violation involved the operation of a motor vehicle, aircraft, or vessel-- ``(A) in excess of the applicable or posted speed limit, ``(B) in excess of the rated capacity of the motor vehicle, aircraft, or vessel, or ``(C) in an otherwise dangerous or reckless manner; ``(2) be fined under this title, imprisoned not more than 20 years, or both, if the violation created a substantial and foreseeable risk of serious bodily injury or death to any person; ``(3) be fined under this title, imprisoned not more than 30 years, or both, if the violation caused serious bodily injury to any person; or ``(4) be fined under this title, imprisoned for any term of years or life, or both, if the violation resulted in the death of any person. ``(d) Attempt and Conspiracy.--Any person who attempts or conspires to commit any offense under this section shall be punished in the same manner as a person who completes the offense. ``(e) Forfeiture.--Any property, real or personal, constituting or traceable to the gross proceeds of the offense and any property, real or personal, used or intended to be used to commit or facilitate the commission of the offense shall be subject to forfeiture. ``(f) Forfeiture Procedures.--Seizures and forfeitures under this section shall be governed by the provisions of chapter 46 of this title, relating to civil forfeitures, including section 981(d), except that such duties as are imposed upon the Secretary of the Treasury under the customs laws described in that section shall be performed by such officers, agents, and other persons as may be designated for that purpose by the Secretary of Homeland Security or the Attorney General. Nothing in this section shall limit the authority of the Secretary of Homeland Security to seize and forfeit motor vehicles, aircraft, or vessels under the Customs laws or any other laws of the United States. ``(g) Definitions.--For purposes of this section-- ``(1) the term `checkpoint' includes, but is not limited to, any customs or immigration inspection at a port of entry or immigration inspection at a U.S Border Patrol checkpoint; ``(2) the term `law enforcement agent' means-- ``(A) any Federal, State, local or tribal official authorized to enforce criminal law; and ``(B) when conveying a command described in subsection (b), an air traffic controller; ``(3) the term `lawful command' includes a command to stop, decrease speed, alter course, or land, whether communicated orally, visually, by means of lights or sirens, or by radio, telephone, or other communication; ``(4) the term `motor vehicle' means any motorized or self- propelled means of terrestrial transportation; and ``(5) the term `serious bodily injury' has the meaning given in section 2119(2) of this title.''. (b) Construction.--The amendments made by subsection (a) shall not be construed to [[Page S4868]] create eligibility for relief from removal under former section 212(c) of the Immigration and Nationality Act (8 U.S.C 1182(c)) if such eligibility did not exist before the date of enactment of this Act. SEC. 516. PROHIBITION ON ASYLUM AND CANCELLATION OF REMOVAL FOR TERRORISTS. (a) Asylum.--Subparagraph (A) of section 208(b)(2) of the Immigration and Nationality Act (8 U.S.C 1158(b)(2)(A)), as amended by section 506 and 507, is further amended-- (1) by inserting ``or the Secretary'' after ``if the Attorney General''; and (2) by striking clause (v), and inserting: ``(v) the alien is described in section 212(a)(3)(B)(i) or section 212(a)(3)(F), unless, in the case of an alien described in subclause (IX) of section 212(a)(3)(B)(i), the Secretary or the Attorney General determines, in his or her sole and unreviewable discretion, that there are not reasonable grounds for regarding the alien as a danger to the security of the United States;''. (b) Cancellation of Removal.--Paragraph (4) of section 240A(c) of the Immigration and Nationality Act (8 U.S.C 1229b(c)(4)) is amended-- (1) by striking ``inadmissible under'' and inserting ``described in''; and (2) by striking ``deportable under'' and inserting ``described in''. (c) Restriction on Removal.-- (1) In general.--Subparagraph (A) of section 241(b)(3) of the Immigration and Nationality Act (8 U.S.C 1231(b)(3)(A)) is amended-- (A) by inserting ``or the Secretary'' after ``Attorney General'' both places that term appears; (B) by striking ``Notwithstanding'' and inserting the following: ``(i) In general.--Notwithstanding''; and (C) by adding at the end the following: ``(ii) Burden of proof.--The alien has the burden of proof to establish that the alien's life or freedom would be threatened in such country, and that race, religion, nationality, membership in a particular social group, or political opinion would be at least one central reason for such threat.''. (2) Exception.--Subparagraph (B) of section 241(b)(3) of the Immigration and Nationality Act (8 U.S.C 1231(b)(3)(B)) is amended-- (A) by inserting ``or the Secretary of Homeland Security'' after ``Attorney General'' both places that term appears; (B) in clause (iii), striking ``or'' at the end; (C) in clause (iv), striking the period at the end and inserting ``; or''; (D) inserting after clause (iv) the following: ``(v) the alien is described in section 212(a)(3)(B)(i) or section 212(a)(3)(F), unless, in the case of an alien described in subclause (IX) of section 212(a)(3)(B)(i), the Secretary of Homeland Security or the Attorney General determines, in his or her sole and unreviewable discretion, that there are not reasonable grounds for regarding the alien as a danger to the security of the United States; ``(vi) the alien is convicted of an aggravated felony.''; and (E) by striking the undesignated matter at the end of the subparagraph (B). (3) Sustaining burden of proof; credibility determinations.--Subparagraph (C) of section 241(b)(3) of the Immigration and Nationality Act (8 U.S.C 1231(b)(3)(C)) is amended by striking ``In determining whether an alien has demonstrated that the alien's life or freedom would be threatened for a reason described in subparagraph (A),'' and inserting ``For purposes of this paragraph,''. (4) Effective date and application.--The amendments made in paragraphs (1) and (2) shall take effect as if enacted on May 11, 2005, and shall apply to applications for withholding of removal made on or after such date. (d) Effective Dates.--Except as provided in paragraph (c)(4), the amendments made by this section shall take effect on the date of the enactment of this Act and sections 208(b)(2)(A), 240A(c), and 241(b)(3) of the Immigration and Nationality Act, as so amended, shall apply to-- (1) all aliens in removal, deportation, or exclusion proceedings; (2) all applications pending on, or filed after, the date of the enactment of this Act; and (3) with respect to aliens and applications described in paragraph (1) or (2) of this subsection, acts and conditions constituting a ground for exclusion, deportation, or removal occurring or existing before, on, or after the date of the enactment of this Act. SEC. 517. AGGRAVATED FELONIES. (a) Definition of Aggravated Felony.--Paragraph (43) of section 101(a) of the Immigration and Nationality Act (8 U.S.C 1101(a)(43)), as amended by section 508, is further amended-- (1) in subparagraph (A), by striking ``sexual abuse of a minor;'' and inserting ``any conviction for a sex offense, including an offense described in sections 2241 and 2243 of Title 18, United States Code, or an offense where the alien abused or was involved in the abuse of any individual under the age of 18 years, or in which the victim is in fact under the age of 18 years, regardless of the reason and extent of the act, the sentence imposed, or the elements in the offense that are required for conviction;''; (2) in subparagraph (F), by striking ``at least one year'' and inserting ``is at least one year, except that if the conviction records do not conclusively establish whether a crime constitutes a crime of violence or an offense under Federal, State, or Tribal law, that has, as an element, the use or attempted use of physical force or the threatened use of physical force or a deadly weapon, the Attorney General or Secretary of Homeland Security may consider other evidence related to the conviction, including but not limited to police reports and witness statements, that clearly establishes that the conduct for which the alien was engaged constitutes a crime of violence or an offense under Federal, State, or Tribal law, that has, as an element, the use or attempted use of physical force or the threatened use of physical force or a deadly weapon;''; (3) by striking subparagraph (G) and inserting the following: ``(G) a theft offense under State or Federal law (including theft by deceit, theft by fraud, and receipt of stolen property) or burglary offense under State or Federal law for which the term of imprisonment is at least one year, except that if the conviction records do not conclusively establish whether a crime constitutes a theft or burglary offense, the Attorney General or Secretary of Homeland Security may consider other evidence related to the conviction, including but not limited to police reports and witness statements, that clearly establishes that the conduct for which the alien was engaged constitutes a theft or burglary offense;''; (4) in subparagraph (I), by striking ``or 2252'' and inserting ``2252, or 2252A''; (5) in subparagraph (N), by striking ``paragraph (1)(A) or (2) of'' and inserting a semicolon at the end; (6) in subparagraph (O), by striking ``section 275(a) or 276 committed by an alien who was previously deported on the basis of a conviction for an offense described in another subparagraph of this paragraph;'' and inserting ``section 275 or 276 for which the term of imprisonment is at least 1 year;''; (7) in subparagraph (P) by striking ``(i) which either is falsely making, forging, counterfeiting, mutilating, or altering a passport or instrument in violation of section 1543 of title 18, United States Code, or is described in section 1546(a) of such title (relating to document fraud) and (ii)'' and inserting ``which is described in the first paragraph of section 1541, 1542, 1543, 1544, 1546(a), or 1547 of chapter 75 of title 18, United States Code, and''; (8) in subparagraph (U), by striking ``an attempt or conspiracy to commit an offense described in this paragraph'' and inserting ``an attempt to commit, conspiracy to commit, or facilitation of an offense described in this paragraph, or aiding, abetting, procuring, commanding, inducing, or soliciting the commission of such an offense''; and (9) by striking the undesignated material at end of the paragraph and inserting ``The term applies to an offense described in this paragraph, whether in violation of Federal or State law, or a law of a foreign country, for which the term of imprisonment was completed within the previous 20 years, and even if the length of the term of imprisonment for the offense is based on recidivist or other enhancements. Notwithstanding any other provision of law (including any effective date), the term applies regardless of whether the conviction was entered before, on, or after September 30, 1996.''. (b) Definition of Conviction.--Section 101(a)(48) of the Immigration and Nationality Act (8 U.S.C 1101(a)(48)) is amended by adding at the end the following: ``(C)(i) Any reversal, vacatur, expungement, or modification of a conviction, sentence, or conviction that was granted to ameliorate the consequences of the conviction, sentence, or conviction, or was granted for rehabilitative purposes shall have no effect on the immigration consequences resulting from the original conviction. ``(ii) The alien shall have the burden of demonstrating that any reversal, vacatur, expungement, or modification, including modification to any sentence for an offense, was not granted to ameliorate the consequences of the conviction, sentence, or conviction record, or for rehabilitative purposes.''. (c) Effective Date and Application.--The amendments made by this section shall-- (1) take effect on the date of the enactment of this Act; and (2) apply to any act that occurred before, on, or after such date of enactment. SEC. 518. CONVICTIONS. (a) Section 212(a)(2) of the Immigration and Nationality Act (8 U.S.C 1182(a)(2)), as amended by sections 509 through 511, is further amended by adding at the end the following subparagraph: ``(L) Convictions.-- ``(i) In general.--For purposes of determining whether an underlying criminal offense constitutes a ground of inadmissibility under this subsection, all statutes or common law offenses are divisible so long as any of the conduct encompassed by the statute constitutes an offense that is a ground of inadmissibility. ``(ii) Other evidence.--If the conviction records (i.e , charging documents, plea agreements, plea colloquies, jury instructions) do not conclusively establish whether a crime constitutes a ground of inadmissibility, the Attorney General or the Secretary of Homeland Security may consider other evidence related to the conviction, including but not limited to police reports and witness statements, that clearly establishes that the conduct for which the alien was engaged constitutes a ground of inadmissibility.''. [[Page S4869]] (b) Section 237(a)(2) of the Immigration and Nationality Act (8 U.S.C 1227(a)(2)), as amended by sections \_\_ and \_\_, is further amended by adding at the end the following subparagraph: ``(J) Criminal offenses.-- ``(i) In general.--For purposes of determining whether an underlying criminal offense constitutes a ground of deportability under this subsection, all statutes or common law offenses are divisible so long as any of the conduct encompassed by the statute constitutes an offense that is a ground of deportability. ``(ii) Other evidence.--If the conviction records (i.e , charging documents, plea agreements, plea colloquies, jury instructions) do not conclusively establish whether a crime constitutes a ground of deportability, the Attorney General or the Secretary of Homeland Security may consider other evidence related to the conviction, including but not limited to police reports and witness statements, that clearly establishes that the conduct for which the alien was engaged constitutes a ground of deportability.''. SEC. 519. PARDONS. (a) Definition.--Section 101(a) of the Immigration and Nationality Act (8 U.S.C 1101(a)), as amended by section --, is further amended by adding at the end the following: ``(54) The term `pardon' means a full and unconditional pardon granted by the President of the United States, Governor of any of the several States or constitutionally recognized body.''. (b) Deportability.--Section 237(a) of such Act (8 U.S.C 1227(a)), as amended by sections -- and --, is further amended-- (1) in paragraph (2)(A), by striking clause (vi); and (2) by adding at the end the following: ``(8) Pardons.--In the case of an alien who has been convicted of a crime and is subject to removal due to that conviction, if the alien, subsequent to receiving the criminal conviction, is granted a pardon, the alien shall not be deportable by reason of that criminal conviction.''. (c) Effective Date.--The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply to a pardon granted before, on, or after such date. SEC. 520. FAILURE TO OBEY REMOVAL ORDERS. (a) In General.--Section 243(a) of the Immigration and Nationality Act (8 U.S.C 1253(a)) is amended-- (1) in the matter preceding subparagraph (A) of paragraph (1), by inserting ``212(a) or'' before ``237(a),''; and (2) by striking paragraph (3). (b) Effective Date.--The amendments made by subparagraph (A) shall take effect on the date of enactment of this Act and shall apply to acts that are described in subparagraphs (A) through (D) of section 243(a)(1) of the Immigration and Nationality Act (8 U.S.C 1253(a)(1)) that occur on or after the date of enactment of this Act. SEC. 521. SANCTIONS FOR COUNTRIES THAT DELAY OR PREVENT REPATRIATION OF THEIR NATIONALS. Section 243 of the Immigration and Nationality Act (8 U.S.C 1253) is amended by striking subsection (d) and inserting the following: ``(d) Listing of Countries Who Delay Repatriation of Removed Aliens.-- ``(1) Listing of countries.--Beginning on the date that is 6 months after the date of enactment of the Building America's Trust Act, and every 6 months thereafter, the Secretary shall publish a report in the Federal Register that includes a list of-- ``(A) countries that have refused or unreasonably delayed repatriation of an alien who is a national of that country since the date of enactment of this Act and the total number of such aliens, disaggregated by nationality; ``(B) countries that have an excessive repatriation failure rate; and ``(C) each country that was reported as noncompliant in the prior reporting period. ``(2) Exemption.--The Secretary of Homeland Security, in the Secretary's sole and unreviewable discretion, and in consultation with the Secretary of State, may exempt a country from inclusion in the list under paragraph (1) if there are significant foreign policy or security concerns that warrant such an exemption. ``(e) Discontinuing Granting of Visas to Nationals of Countries Denying or Delaying Accepting Alien.-- ``(1) In general.--Notwithstanding section 221(c), the Secretary of Homeland Security shall take the action described in paragraph (2)(A) and may take an action described in paragraph (2)(B), if the Secretary determines that-- ``(A) an alien is inadmissible under section 212 or deportable under section 237, or the alien has been ordered removed from the United States; and ``(B) the government of a foreign country is-- ``(i) denying or unreasonably delaying accepting aliens who are citizens, subjects, nationals, or residents of that country after the Secretary of Homeland Security asks whether the government will accept an alien under this section; or ``(ii) refusing to issue any required travel or identity documents to allow the alien who is citizen, subject, national, or resident of that country to return to that country. ``(2) Actions described.--The actions described in this paragraph are the following: ``(A) An order from the Secretary of State to consular officers in that foreign country to discontinue granting visas under section 101(a)(15)(A)(iii) of the Immigration and Nationality Act (8 U.S.C 1101(a)(15)(A)(iii)) to attendants, servants, personal employees, and members of their immediate families, of the officials and employees of that country who receive nonimmigrant status under clause (i) or (ii) of section 101(a)(15)(A) of such Act. ``(B) Denial of admission to any citizens, subjects, nationals, and residents from that country or the imposition-- ``(i) of any limitations, conditions, or additional fees on the issuance of visas or travel from that country; or ``(ii) of any other sanctions authorized by law. ``(3) Resumption of visa issuance.--Consular officers in the foreign country that refused or unreasonably delayed repatriation or refused to issue required identity or travel documents may resume visa issuance after the Secretary of Homeland Security notifies the Secretary of State that the country has accepted the aliens.''. SEC. 522. ENHANCED PENALTIES FOR CONSTRUCTION AND USE OF BORDER TUNNELS. Section 555 of title 18, United States Code, is amended-- (1) in subsection (a), by striking ``not more than 20 years.'' and inserting ``not less than 7 years but not more than 20 years.''; and (2) in subsection (b), by striking ``not more than 10 years.'' and inserting ``not less than 3 years but not more than 10 years.''. SEC. 523. ENHANCED PENALTIES FOR FRAUD AND MISUSE OF VISAS, PERMITS, AND OTHER DOCUMENTS. Section 1546(a) of title 18, United States Code, is amended-- (1) by striking ``Commissioner of the Immigration and Naturalization Service'' each place that term appears and inserting ``Secretary of Homeland Security''; (2) by striking ``Shall be fined'' and all that follows through the end and inserting ``Shall be fined under this title or imprisoned for not less than 12 years but not more than 25 years (if the offense was committed to facilitate an act of international terrorism (as defined in section 2331 of this title)), not less than 10 years but not more than 20 years (if the offense was committed to facilitate a drug trafficking crime (as defined in section 929(a) of this title)), not less than 5 years but not more than 10 years (in the case of the first or second such offense, if the offense was not committed to facilitate such an act of international terrorism or a drug trafficking crime), or not less than 7 years but not more than 15 years (in the case of any other offense), or both.'' SEC. 524. EXPANSION OF CRIMINAL ALIEN REPATRIATION ***PROGRAMS***. (a) Expansion of Department Criminal Alien Repatriation Flights.--Not later than 90 days after the date of the enactment of this Act, the Secretary of Homeland Security shall increase the number of criminal and illegal alien repatriation flights from the United States conducted by U.S Customs and Border Protection and U.S Immigration and Customs Enforcement Air Operations by not less than 15 percent more than the number of such flights operated, and authorized to be operated, under existing appropriations and funding on the date of the enactment of this Act. (b) U.S Immigration and Customs Enforcement Air Operations.--Not later than 90 days after the date of the enactment of this Act, the Secretary of Homeland Security shall issue a directive to expand U.S Immigration and Customs Enforcement Air Operations (ICE Air Ops) so that ICE Air Ops provides additional services with respect to aliens who are illegally present in the United States. Such expansion shall include-- (1) increasing the daily operations of ICE Air Ops with buses and air hubs in the top 5 geographic regions along the southern border; (2) allocating a set number of seats for such aliens for each metropolitan area; and (3) allowing a metropolitan area to trade or give some of seats allocated to such area under paragraph (2) for such aliens to other areas in the region of such area based on the transportation needs of each area. (c) Authorization of Appropriations.--In addition to the amounts otherwise authorized to be appropriated, there is authorized to be appropriated $10,000,000 for each of fiscal years 2018 through 2021 to carry out this section. Subtitle B--Strong Visa Integrity Secures America Act SEC. 531. SHORT TITLE. This subtitle may be cited as the ``Strong Visa Integrity Secures America Act''. SEC. 532. VISA SECURITY. (a) Visa Security Units at High Risk Posts.--Paragraph (1) of section 428(e) of the Homeland Security Act of 2002 (6 U.S.C 236(e)) is amended-- (1) by striking ``The Secretary'' and inserting the following: ``(A) Authorization.--Subject to the minimum number specified in subparagraph (B), the Secretary''; and (2) by adding at the end the following new subparagraph: ``(B) Risk-based assignments.-- ``(i) In general.--In carrying out subparagraph (A), the Secretary shall assign, in a risk-based manner, and considering the criteria described in clause (ii), employees of the Department to not fewer than 50 diplomatic and consular posts at which visas are issued. [[Page S4870]] ``(ii) Criteria described.--The criteria described in this clause (i) are the following: ``(I) The number of nationals of a country in which any of the diplomatic and consular posts referred to in clause (i) are located who were identified in United States Government databases related to the identities of known or suspected terrorists during the previous year. ``(II) Information on cooperation of such country with the counterterrorism efforts of the United States. ``(III) Information analyzing the presence, activity, or movement of terrorist organizations (as such term is defined in section 212(a)(3)(B)(vi) of the Immigration and Nationality Act (8 U.S.C 1182(a)(3)(B)(vi)) within or through such country. ``(IV) The number of formal objections based on derogatory information issued by the Visa Security Advisory Opinion Unit pursuant to paragraph (10) regarding nationals of a country in which any of the diplomatic and consular posts referred to in clause (i) are located. ``(V) The adequacy of the border and immigration control of such country. ``(VI) Any other criteria the Secretary determines appropriate. ``(iii) Rule of construction.--The assignment of employees of the Department pursuant to this subparagraph is solely the authority of the Secretary and may not be altered or rejected by the Secretary of State.''. (b) Counterterrorism Vetting and Screening.--Paragraph (2) of section 428(e) of the Homeland Security Act of 2002 is amended-- (1) by redesignating subparagraph (C) as subparagraph (D); and (2) by inserting after subparagraph (B) the following new subparagraph: ``(C) Screen any such applications against the appropriate criminal, national security, and terrorism databases maintained by the Federal Government.''. (c) Training and Hiring.--Subparagraph (A) of section 428(e)(6) of the Homeland Security Act of 2002 is amended by-- (1) striking ``The Secretary shall ensure, to the extent possible, that any employees'' and inserting ``The Secretary, acting through the Commissioner of U.S Customs and Border Protection and the Director of U.S Immigration and Customs Enforcement, shall provide training to any employees''; and (2) striking ``shall be provided the necessary training''. (d) Pre-adjudicated Visa Security Assistance and Visa Security Advisory Opinion Unit.--Subsection (e) of section 428 of the Homeland Security Act of 2002 is amended by adding at the end the following new paragraph: ``(9) Remote pre-adjudicated visa security assistance.--At the visa-issuing posts at which employees of the Department are not assigned pursuant to paragraph (1), the Secretary shall, in a risk-based manner, assign employees of the Department to remotely perform the functions required under paragraph (2) at not fewer than 50 of such posts. ``(10) Visa security advisory opinion unit.--The Secretary shall establish within U.S Immigration and Customs Enforcement a Visa Security Advisory Opinion Unit to respond to requests from the Secretary of State to conduct a visa security review using information maintained by the Department on visa applicants, including terrorism association, criminal history, counter-proliferation, and other relevant factors, as determined by the Secretary.''. (e) Schedule of Implementation.--The requirements established under paragraphs (1) and (9) of section 428(e) of the Homeland Security Act of 2002 (6 U.S.C 236(e)), as amended and added by this section, shall be implemented not later than three years after the date of the enactment of this Act. (f) Authorization of Appropriations.--There are authorized to be appropriated $30,000,000 to implement this section and the amendments made by this section. SEC. 533. ELECTRONIC PASSPORT SCREENING AND BIOMETRIC MATCHING. (a) In General.--Subtitle B of title IV of the Homeland Security Act of 2002 (6 U.S.C 231 et seq.), is amended by adding at the end the following new sections: ``SEC. 420. ELECTRONIC PASSPORT SCREENING AND BIOMETRIC MATCHING. ``(a) In General.--Not later than one year after the date of the enactment of the Building America's Trust Act, the Commissioner of U.S Customs and Border Protection shall-- ``(1) screen electronic passports at airports of entry by reading each such passport's embedded chip; and ``(2) to the greatest extent practicable, utilize facial recognition technology or other biometric technology, as determined by the Commissioner, to inspect travelers at United States airports of entry. ``(b) Applicability.-- ``(1) Electronic passport screening.--Paragraph (1) of subsection (a) shall apply to passports belonging to individuals who are United States citizens, individuals who are nationals of a ***program*** country pursuant to section 217 of the Immigration and Nationality Act (8 U.S.C 1187), and individuals who are nationals of any other foreign country that issues electronic passports. ``(2) Facial recognition matching.--Paragraph (2) of subsection (a) shall apply, at a minimum, to individuals who are nationals of a ***program*** country pursuant to section 217 of the Immigration and Nationality Act. ``(c) Annual Report.-- ``(1) In general.--The Commissioner of U.S Customs and Border Protection, in collaboration with the Chief Privacy Officer of the Department, shall issue to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Homeland Security of the House of Representatives an annual report through fiscal year 2021 on the utilization of facial recognition technology and other biometric technology pursuant to subsection (a)(2). ``(2) Report contents.--Each such report shall include-- ``(A) information on the type of technology used at each airport of entry; ``(B) the number of individuals who were subject to inspection using either of such technologies at each airport of entry; ``(C) within the group of individuals subject to such inspection, the number of those individuals who were United States citizens and lawful permanent residents; ``(D) information on the disposition of data collected during the year covered by such report; and ``(E) information on protocols for the management of collected biometric data, including timeframes and criteria for storing, erasing, destroying, or otherwise removing such data from databases utilized by the Department. ``SEC. 420A. CONTINUOUS SCREENING BY U.S CUSTOMS AND BORDER PROTECTION. ``The Commissioner of U.S Customs and Border Protection shall, in a risk-based manner, continuously screen individuals issued any visa, and individuals who are nationals of a ***program*** country pursuant to section 217 of the Immigration and Nationality Act (8 U.S.C 1187), who are present, or expected to arrive within 30 days, in the United States, against the appropriate criminal, national security, and terrorism databases maintained by the Federal Government.''. (b) Clerical Amendment.--The table of contents in section 1(b) of the Homeland Security Act of 2002 is amended by inserting after the item relating to section 419 the following new items: ``Sec. 420. Electronic passport screening and biometric matching.'' ``Sec. 420A. Continuous screening by U.S Customs and Border Protection.''. SEC. 534. REPORTING VISA OVERSTAYS. Section 2 of Public Law 105-173 (8 U.S.C 1376) is amended-- (1) in subsection (a)-- (A) by striking ``Attorney General'' and inserting ``Secretary of Homeland Security''; and (B) by inserting before the period at the end the following: ``, and any additional information that the Secretary determines necessary for purposes of the report under subsection (b).''; and (2) by amending subsection (b) to read as follows: ``(b) Annual Report.--Not later than June 30, 2018, and not later than June 30 of each year thereafter, the Secretary of Homeland Security shall submit to the Committee on Homeland Security and Governmental Affairs and the Committee on the Judiciary of the Senate and the Committee on Homeland Security and the Committee on the Judiciary of the House of Representatives, a report providing, for the preceding fiscal year, numerical estimates (including information on the methodology utilized to develop such numerical estimates) of-- ``(1) for each country, the number of aliens from the country who are described in subsection (a), including-- ``(A) the total number of such aliens within all classes of nonimmigrant aliens described in section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C 1101(a)(15)); and ``(B) the number of such aliens within each of the classes of nonimmigrant aliens, as well as the number of such aliens within each of the subclasses of such classes of nonimmigrant aliens, as applicable; ``(2) for each country, the percentage of the total number of aliens from the country who were present in the United States and were admitted to the United States as nonimmigrants who are described in subsection (a); ``(3) the number of aliens described in subsection (a) who arrived by land at a port of entry into the United States; ``(4) the number of aliens described in subsection (a) who entered the United States using a border crossing identification card (as such term is defined in section 101(a)(6) of the Immigration and Nationality Act (8 U.S.C 1101(a)(6)); and ``(5) the number of Canadian nationals who entered the United States without a visa and whose authorized period of stay in the United States terminated during the previous fiscal year, but who remained in the United States.''. SEC. 535. STUDENT AND EXCHANGE VISITOR INFORMATION SYSTEM VERIFICATION. Not later than 90 days after the date of the enactment of this Act, the Secretary of Homeland Security shall ensure that the information collected under the ***program*** established under section 641 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C 1372) is available to officers of U.S Customs and Border Protection conducting primary inspections of aliens seeking admission to the United States at each port of entry of the United States. [[Page S4871]] SEC. 536. SOCIAL MEDIA REVIEW OF VISA APPLICANTS. (a) In General.--Subtitle C of title IV of the Homeland Security Act of 2002 (6 U.S.C 231 et. seq.) is amended by adding at the end the following new sections: ``SEC. 434. SOCIAL MEDIA SCREENING. ``(a) In General.--Not later than 180 days after the date of the enactment of the Building America's Trust Act, the Secretary of Homeland Security shall, to the greatest extent practicable, and in a risk based manner and on an individualized basis, review the social media accounts of visa applicants who are citizens of, or who reside in, high risk countries, as determined by the Secretary based on the criteria described in subsection (b). ``(b) High-risk Criteria Described.--In determining whether a country is high-risk pursuant to subsection (a), the Secretary shall consider the following criteria: ``(1) The number of nationals of the country who were identified in United States Government databases related to the identities of known or suspected terrorists during the previous year. ``(2) The level of cooperation of the country with the counter-terrorism efforts of the United States. ``(3) Any other criteria the Secretary determines appropriate. ``(c) Collaboration.--To develop the technology required to carry out the requirements of subsection (a), the Secretary shall collaborate with-- ``(1) the head of a national laboratory within the Department's laboratory network with relevant expertise; ``(2) the head of a relevant university-based center within the Department's centers of excellence network; and ``(3) the heads of other appropriate Federal agencies. ``SEC. 435. OPEN SOURCE SCREENING. ``The Secretary shall, to the greatest extent practicable, and in a risk based manner, review open source information of visa applicants.''. (b) Clerical Amendment.--The table of contents in section 1(b) of the Homeland Security Act of 2002 is amended by this Act, is further amended by inserting after the item relating to section 433 the following new items: ``Sec. 434. Social media screening. ``Sec. 435. Open source screening.''. Subtitle C--Visa Cancellation and Revocation SEC. 541. CANCELLATION OF ADDITIONAL VISAS. (a) In General.--Subsection (g) of section 222 of the Immigration and Nationality Act (8 U.S.C 1202(g)) is amended-- (1) in paragraph (1)-- (A) by striking ``Attorney General,'' and inserting ``Secretary of Homeland Security,''; and (B) by inserting ``and any other nonimmigrant visa issued by the United States that is in the possession of the alien'' after ``such visa''; and (2) in paragraph (2)(A), by striking ``(other than the visa described in paragraph (1)) issued in a consular office located in the country of the alien's nationality'' and inserting ``(other than a visa described in paragraph (1)) issued in a consular office located in the country of the alien's nationality or foreign residence''. (b) Effective Date and Application.--The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to a visa issued before, on, or after such date. SEC. 542. VISA INFORMATION SHARING. (a) In General.--Section 222(f) of the Immigration and Nationality Act (8 U.S.C 1202(f)) is amended-- (1) in the introductory text, by striking ``issuance or refusal'' and inserting ``issuance, refusal, or revocation''; (2) in paragraph (2), in the matter preceding subparagraph (A), by striking ``and on the basis of reciprocity''; (3) in paragraph (2)(A)-- (A) by inserting ``--(i)'' after ``for the purpose of''; and (B) by striking ``illicit weapons; or'' and inserting ``illicit weapons, or (ii) determining a person's deportability or eligibility for a visa, admission, or other immigration benefit;''; (4) in paragraph (2)(B)-- (A) by striking ``for the purposes'' and inserting ``for one of the purposes''; and (B) by striking ``or to deny visas to persons who would be inadmissible to the United States.'' and inserting ``; or''; and (5) in paragraph (2), by adding at the end the following: ``(C) with regard to any or all aliens in the database, specified data elements from each record, if the Secretary of State determines that it is [required for national security or public safety and] in the national interest to provide such information to a foreign government.''. (b) Effective Date.--The amendments made by subsection (a) shall take effect 60 days after the date of the enactment of the Act. SEC. 543. VISA INTERVIEWS. (a) In General.--Section 222(h) of the Immigration and Nationality Act (8 U.S.C 1202(h)) is amended-- (1) in paragraph (1), by adding new subparagraph (D) to read as follows: ``(D) by the Secretary of State if the Secretary, in his sole and unreviewable discretion, determines that an interview is unnecessary because the alien is ineligible for a visa.''. (2) in paragraph (2), by adding at the end a new subparagraph (G) to read as follows: ``(G) is an individual within a class of aliens that the Secretary of Homeland Security, in his sole and unreviewable discretion, has determined may pose a threat to national security or public safety.''. SEC. 544. JUDICIAL REVIEW OF VISA REVOCATION. Subsection (i) of section 221 of the Immigration and Nationality Act (8 U.S.C 1201(i)) is amended-- (1) by inserting ``(1)'' after ``(i)''; and (2) by adding at the end the following: ``(2) A revocation under this subsection of a visa or other documentation from an alien shall automatically cancel any other valid visa that is in the alien's possession.''. Subtitle D--Secure Visas Act SEC. 551. SHORT TITLE. This subtitle may be cited as the ``Secure Visas Act''. SEC. 552. AUTHORITY OF THE SECRETARY OF HOMELAND SECURITY AND SECRETARY OF STATE. (a) In General.--Section 428 of the Homeland Security Act of 2002 (6 U.S.C 236) is amended by striking subsections (b) and (c) and inserting the following: ``(b) Authority of the Secretary of Homeland Security.-- ``(1) In general.--Notwithstanding section 104(a) of the Immigration and Nationality Act (8 U.S.C 1104(a)) or any other provision of law, and except for the authority of the Secretary of State under subparagraphs (A) and (G) of section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C 1101(a)(15)), the Secretary of Homeland Security-- ``(A) shall have exclusive authority to issue regulations, establish policy, and administer and enforce the provisions of the Immigration and Nationality Act (8 U.S.C 1101 et seq.) and all other immigration or nationality laws relating to the functions of consular officers of the United States in connection with the granting and refusal of a visa; and ``(B) may refuse or revoke any visa to any alien or class of aliens if the Secretary of Homeland Security, or designee, determines that such refusal or revocation is necessary or advisable in the security interests of the United States. ``(2) Effect of revocation.--The revocation of any visa under paragraph (1)(B)-- ``(A) shall take effect immediately; and ``(B) shall automatically cancel any other valid visa that is in the alien's possession. ``(3) Judicial review.--Notwithstanding any other provision of law, including section 2241 of title 28, United States Code, any other habeas corpus provision, and sections 1361 and 1651 of such title, no United States court has jurisdiction to review a decision by the Secretary of Homeland Security to refuse or revoke a visa. ``(c) Effect of Visa Approval by the Secretary of State.-- ``(1) In general.--The Secretary of State may direct a consular officer to refuse or revoke a visa to an alien if the Secretary of Homeland Security determines that such refusal or revocation is necessary or advisable in the foreign policy interests of the United States. ``(2) Limitation.--No decision by the Secretary of State to approve a visa may override a decision by the Secretary of Homeland Security under subsection (b).''. (b) Visa Revocation.--Section 428 of the Homeland Security Act (6 U.S.C 236) is amended by adding at the end the following: ``(j) Visa Revocation Information.--If the Secretary of Homeland Security or the Secretary of State revokes a visa-- ``(1) the relevant consular, law enforcement, and terrorist screening databases shall be immediately updated on the date of the revocation; and ``(2) look-out notices shall be posted to all Department port inspectors and Department of State consular officers.''. (c) Conforming Amendment.--Section 104(a)(1) of the Immigration and Nationality Act is amended to read: ``(1) the powers, duties and functions of diplomatic and consular officers of the United States, and the power authorized by section 428(c) of the Homeland Security Act of 2002 (6 U.S.C 236), as amended by section 542 of the Building America's Trust Act, except those powers, duties and functions conferred upon the consular officers relating to the granting or refusal of visas.''. Subtitle E--Other Matters SEC. 561. REQUIREMENT FOR COMPLETION OF BACKGROUND CHECKS. (a) In General.--Section 103 of Immigration and Nationality Act (8 U.S.C 1103) is amended by adding at the end the following: ``(h) Completion of Background and Security Checks.-- ``(1) Requirement to complete.--Notwithstanding any other provision of law (statutory or nonstatutory), including but not limited to section 309 of the Enhanced Border Security and Visa Entry Reform Act of 2002 (8 U.S.C 1738), sections 1361 and 1651 of title 28, United States Code, and section 706(1) of title 5, United States Code, neither the Secretary of Homeland Security nor the Attorney General may-- ``(A) approve or grant to an alien any status, relief, protection from removal, employment authorization, or any other benefit under the immigration laws, including an adjustment of status to lawful permanent residence or a grant of United States citizenship; or [[Page S4872]] ``(B) issue to the alien any documentation evidencing a status or grant of any status, relief, protection from removal, employment authorization, or other benefit under the immigration laws; until all background and security checks for the alien have been completed and the Secretary of Homeland or Attorney General has determined that the results do not preclude the approval or grant of any status, relief, protection from removal, employment authorization, or any other benefit under the immigration laws or approval, grant, or the issuance of any documentation evidencing such status, relief, protection, authorization, or benefit. ``(2) Prohibition on judicial action.--No court shall have authority to: ``(A) order the approval of; ``(B) grant; ``(C) mandate or require any action in a certain time period; or ``(D) award any relief for the Secretary of Homeland Security's or Attorney General's failure to complete or delay in completing any action to provide ``any status, relief, protection from removal, employment authorization, or any other benefit under the immigration laws, including an adjustment of status to lawful permanent residence, naturalization, or a grant of United States citizenship for an alien until all background and security checks have been completed and the Secretary of Homeland Security or Attorney General has determined that the results of such checks do not preclude the approval or grant of such status, relief, protection, authorization, or benefit, or issuance of any documentation evidencing such status, relief, protection, authorization, or benefit.''. (b) Effective Date.--The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to any application, petition, or request for any benefit or relief or any other case or matter under the immigration laws pending with on or filed with the Secretary of Homeland Security or the Attorney General on or after such date of enactment. SEC. 562. WITHHOLDING OF ADJUDICATION. (a) In General.--Section 103 of Immigration and Nationality Act (8 U.S.C 1103), as amended by section 551, is further amended by adding at the end the following: ``(i) Withholding of Adjudication.-- ``(1) In general.--Except as provided in subsection (i)(4), nothing in this Act or any other law, including section 1361 and 1651 of title 28, United States Code, shall be construed to require, and no court can order, the Secretary of Homeland Security, the Attorney General, the Secretary of State, the Secretary of Labor, or a consular officer to grant any application, approve any petition, or grant or continue any relief, protection from removal, employment authorization, or any other status or benefit under the immigration laws by, to, or on behalf of any alien with respect to whom a criminal proceeding or investigation is open or pending (including, but not limited to, issuance of an arrest warrant or indictment), where such proceeding or investigation is deemed by such official to be material to the alien's eligibility for the status, relief, protection, or benefit sought. ``(2) Withholding of adjudication.--The Secretary of Homeland Security, the Attorney General, the Secretary of State, or the Secretary of Labor may, in his or her discretion, withhold adjudication any application, petition, request for relief, request for protection from removal, employment authorization, status or benefit under the immigration laws pending final resolution of the criminal or other proceeding or investigation. ``(3) Jurisdiction.--Notwithstanding any other provision of law (statutory or nonstatutory), including section 309 of the Enhanced Border Security and Visa Entry Reform Act (8 U.S.C 1738), sections 1361 and 1651 of title 28, United States Code, and section 706(1) of title 5, United States Code, no court shall have jurisdiction to review a decision to withhold adjudication pursuant to this paragraph. ``(4) Withholding of removal and torture convention.--This paragraph does not limit or modify the applicability of section 241(b)(3) or the United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, subject to any reservations, understandings, declarations and provisos contained in the United States Senate resolution of ratification of the Convention, as implemented by section 2242 of the Foreign Affairs Reform and Restructuring Act of 1998 (Public Law 105-277) with respect to an alien otherwise eligible for protection under such provisions.''. (b) Effective Date.--The amendment made by this section shall take effect on the date of the enactment of this Act and shall apply to any application, petition, or request for any benefit or relief or any other case or matter under the immigration laws pending with or filed with the Secretary of Homeland Security on or after such date of enactment. SEC. 563. ACCESS TO THE NATIONAL CRIME INFORMATION CENTER INTERSTATE IDENTIFICATION INDEX. (a) Criminal Justice Activities.--Section 104 of the Immigration and Nationality Act (8 U.S.C 1104) is amended by adding at the end the following: ``(f) Criminal Justice Activities.--Notwithstanding any other provision of law, any Department of State personnel with authority to grant or refuse visas or passports may carry out activities that have a criminal justice purpose.''. (b) Liaison With Internal Security Officers; Data Exchange.--Section 105 of the Immigration and Nationality Act (8 U.S.C 1105) is amended by striking subsections (b) and (c) and inserting the following: ``(b) Access to NCIC-III.-- ``(1) In general.--Notwithstanding any other provision of law, the Attorney General and the Director of the Federal Bureau of Investigation shall provide to the Department of Homeland Security and the Department of State access to the criminal history record information contained in the National Crime Information Center's Interstate Identification Index (NCIC-III) and the Wanted Persons File and to any other files maintained by the National Crime Information Center for the purpose of determining whether an applicant or petitioner for a visa, admission, or any benefit, relief, or status under the immigration laws, or any beneficiary of an application, petition, relief, or status under the immigration laws, has a criminal history record indexed in the file. ``(2) Authorized activities.-- ``(A) In general.--The Secretary of Homeland Security and the Secretary of State-- ``(i) shall have direct access, without any fee or charge, to the information described in paragraph (1) to conduct name-based searches, file number searches, and any other searches that any criminal justice or other law enforcement officials are entitled to conduct; and ``(ii) may contribute to the records maintained by the National Crime Information Center. ``(B) Secretary of homeland security.--The Secretary of Homeland Security shall receive, on request by the Secretary of Homeland Security, access to the information described in paragraph (1) by means of extracts of the records for placement in the appropriate database without any fee or charge. ``(c) Criminal Justice and Law Enforcement Purposes.-- Notwithstanding any other provision of law, adjudication of eligibility for benefits, relief, or status under the immigration laws and other purposes relating to citizenship and immigration services, shall be considered to be criminal justice or law enforcement purposes with respect to access to or use of any information maintained by the National Crime Information Center or other criminal history information or records.''. SEC. 564. APPROPRIATE REMEDIES FOR IMMIGRATION LITIGATION. (a) Limitation on Class Actions.--No court may certify a class under rule 23 of the Federal Rules of Civil Procedure in any civil action that-- (1) is filed after the date of enactment of this Act; and (2) pertains to the administration or enforcement of the immigration laws. (b) Requirements for an Order Granting Prospective Relief Against the Government.-- (1) In general.--If a court determines that prospective relief should be ordered against the Government in any civil action pertaining to the administration or enforcement of the immigration laws, the court shall-- (A) limit the relief to the minimum necessary to correct the violation of law; (B) adopt the least intrusive means to correct the violation of law; (C) minimize, to the greatest extent practicable, the adverse impact on national security, border security, immigration administration and enforcement, and public safety; and (D) provide for the expiration of the relief on a specific date, which is not later than the earliest date necessary for the Government to remedy the violation. (2) Written explanation.--The requirements described in paragraph (1) shall be discussed and explained in writing in the order granting prospective relief and shall be sufficiently detailed to allow review by another court. (3) Expiration of preliminary injunctive relief.-- Preliminary injunctive relief granted under paragraph (1) shall automatically expire on the date that is 90 days after the date on which such relief is entered, unless the court-- (A) finds that such relief meets the requirements described in subparagraphs (A) through (D) of paragraph (1) for the entry of permanent prospective relief; and (B) orders the preliminary relief to become a final order granting prospective relief prior to the expiration of the 90-day period. (c) Procedure for Motion Affecting Order Granting Prospective Relief Against the Government.-- (1) In general.--A court shall promptly rule on a motion made by the United States Government to vacate, modify, dissolve, or otherwise terminate an order granting prospective relief in any civil action pertaining to the administration or enforcement of the immigration laws. (2) Automatic stays.-- (A) In general.--A motion to vacate, modify, dissolve, or otherwise terminate an order granting prospective relief made by the United States Government in any civil action pertaining to the administration or enforcement of the immigration laws shall automatically, and without further order of the court, stay the order granting prospective relief on the date that is 15 days after the date on which such motion is filed unless the court previously has granted or denied the Government's motion. [[Page S4873]] (B) Duration of automatic stay.--An automatic stay under subparagraph (A) shall continue until the court enters an order granting or denying the Government's motion. (C) Postponement.--The court, for good cause, may postpone an automatic stay under subparagraph (A) for not longer than 15 days. (D) Orders blocking automatic stays.--Any order staying, suspending, delaying, or otherwise barring the effective date of the automatic stay described in subparagraph (A), other than an order to postpone the effective date of the automatic stay for not longer than 15 days under subparagraph (C), shall be-- (i) treated as an order refusing to vacate, modify, dissolve, or otherwise terminate an injunction; and (ii) immediately appealable under section 1292(a)(1) of title 28, United States Code. (d) Settlements.-- (1) Consent decrees.--In any civil action pertaining to the administration or enforcement of the immigration laws, the court may not enter, approve, or continue a consent decree that does not comply with the requirements of subsection (b)(1). (2) Private settlement agreements.--Nothing in this subsection shall preclude parties from entering into a private settlement agreement that does not comply with subsection (b)(1). (e) Expedited Proceedings.--It shall be the duty of every court to advance on the docket and to expedite the disposition of any civil action or motion considered under this section. (f) Consent Decree Defined.--In this section, the term ``consent decree''-- (1) means any relief entered by the court that is based in whole or in part on the consent or acquiescence of the parties; and (2) does not include private settlements. SEC. 565. USE OF 1986 IRCA LEGALIZATION INFORMATION FOR NATIONAL SECURITY PURPOSES. (a) Special ***Agricultural*** Workers.--Section 210(b)(6) of the Immigration and Nationality Act (8 U.S.C 1160(b)(6)) is amended-- (1) by striking ``Attorney General'' each place that term appears and inserting ``Secretary''; (2) in subparagraph (A), by striking ``Justice'' and inserting ``Homeland Security''; (3) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; (4) inserting after subparagraph (B) the following: ``(C) Authorized disclosures.-- ``(i) Census purpose.--The Secretary of Homeland Security may provide, in the Secretary's discretion, for the furnishing of information furnished under this section in the same manner and circumstances as census information may be disclosed under section 8 of title 13, United States Code.''. ``(ii) National security purpose.--The Secretary of Homeland Security may provide, in the Secretary's discretion, for the furnishing, use, publication, or release of information furnished under this section in any investigation, case, or matter, or for any purpose, relating to terrorism, national intelligence or the national security.''; and (5) in subparagraph (D), as redesignated, striking ``Service'' and inserting ``Department of Homeland Security''. (b) Adjustment of Status.--Section 245A of the Immigration and Nationality Act (8 U.S.C 1255a), is amended in subsection (c)(5)-- (1) by striking ``Attorney General'' each place that term appears and inserting ``Secretary of Homeland Security''; (2) in subparagraph (A), by striking ``Justice'' and inserting ``Homeland Security''; and (3) by amending subparagraph (C) to read as follows: ``(C) Authorized disclosures.-- ``(i) Census purpose.--The Secretary of Homeland Security may provide, in the Secretary's discretion, for the furnishing of information furnished under this section in the same manner and circumstances as census information may be disclosed under section 8 of title 13, United States Code. ``(ii) National security purpose.--The Secretary of Homeland Security may provide, in the Secretary's discretion, for the furnishing, use, publication, or release of information furnished under this section in any investigation, case, or matter, or for any purpose, relating to terrorism, national intelligence or the national security.''. SEC. 566. UNIFORM STATUTE OF LIMITATIONS FOR CERTAIN IMMIGRATION, NATURALIZATION, AND PEONAGE OFFENSES. Section 3291 of title 18, United States Code, is amended by striking ``No person'' and all that follows through the period at the end and inserting the following: ``No person shall be prosecuted, tried, or punished for a violation of any section of chapters 69 (relating to nationality and citizenship offenses) and 75 (relating to passport, visa, and immigration offenses), or for a violation of any criminal provision of sections 243, 274, 275, 276, 277, or 278 of the Immigration and Nationality Act, or for an attempt or conspiracy to violate any such section, unless the indictment is returned or the information is filed within ten years after the commission of the offense.''. SEC. 567. CONFORMING AMENDMENT TO THE DEFINITION OF RACKETEERING ACTIVITY. Section 1961(1) of title 18, United States Code, is amended by striking ``section 1542'' and all that follows through ``section 1546 (relating to fraud and misuse of visas, permits, and other documents)'' and inserting ``sections 1541-1547 (relating to passports and visas)''. SEC. 568. VALIDITY OF ELECTRONIC SIGNATURES. (a) Civil Cases.-- (1) In general.--Chapter 9 of title II of the Immigration and Nationality Act (8 U.S.C 1351 et seq.) is amended by adding at the end the following new section: ``SEC. 295. VALIDITY OF SIGNATURES. ``(a) In General.--In any proceeding, adjudication, or any other matter arising under the immigration laws, an individual's hand written or electronic signature on any petition, application, or any other document executed or provided for any purpose under the immigration laws establishes a rebuttable presumption that the signature executed is that of the individual signing, that the individual is aware of the contents of the document, and intends to sign it.''. ``(b) Record Integrity.--The Secretary of Homeland Security shall establish procedures to ensure that when any electronic signature is captured for any petition, application, or other document submitted for purposes of obtaining an immigration benefit, the identity of the person is verified and authenticated, and the record of such identification and verification is preserved for litigation purposes.''. (2) Clerical amendment.--The table of contents in the first section of the Immigration and Nationality Act is amended by inserting after the item relating to section 294 the following: ``Sec. 295. Validity of signatures.''. (b) Criminal Cases.-- (1) In general.--Chapter 223 of title 18, United States Code, is amended by adding at the end the following: ``Sec. 3513. Signatures relating to immigration matters ``In a criminal proceeding in a court of the United States, where an individual's hand written or electronic signature appears on a petition, application or other document executed or provided for any purpose under the immigration laws (as defined in section 101(a)(17) of the Immigration and Nationality Act (8 U.S.C 1101(a)(17)), the trier of fact may infer that the document was signed by that individual, and that the individual knew the contents of the document and intended to sign the document.''. (2) Clerical amendment.--The table of sections for chapter 223 of title 18, United States Code, is amended by inserting after the item relating to section 3512 the following: ``3513. Signatures relating to immigration matters.''. TITLE VI--PROHIBITION ON TERRORISTS OBTAINING LAWFUL STATUS IN THE UNITED STATES Subtitle A--Prohibition on Adjustment to Lawful Permanent Resident Status SEC. 601. LAWFUL PERMANENT RESIDENTS AS APPLICANTS FOR ADMISSION. Section 101(a)(13)(C) of the Immigration and Nationality Act (8 U.S.C 1101(a)(13)(C)) is amended-- (1) in clause (v), by striking the ``or'' at the end; (2) in clause (vi), by striking the period and inserting a comma and ``or''; and (3) by adding at the end the following: ``(vii) is described in section 212(a)(3) or section 237(a)(4).''. SEC. 602. DATE OF ADMISSION FOR PURPOSES OF ADJUSTMENT OF STATUS. (a) Applicants for Admission.--Section 101(a)(13) of the Immigration and Nationality Act (8 U.S.C 1101(a)(13)) is further amended by adding at the end the following: ``(D) Adjustment of status of the alien to that of an alien lawfully admitted for permanent residence under section 245 or any other provision of law is an admission of the alien, notwithstanding subparagraph (A) of this paragraph''. (b) Eligibility to Be Removed for a Crime Involving Moral Turpitude.--Subclause (I) of section 237(a)(2)(A)(i) of the Immigration and Nationality Act (8 U.S.C 1227(a)(2)(A)(i)(I)) is amended by striking ``date of admission,'' inserting ``alien's most recent date of admission;''. SEC. 603. PRECLUDING ASYLEE AND REFUGEE ADJUSTMENT OF STATUS FOR CERTAIN GROUNDS OF INADMISSIBILITY AND DEPORTABILITY. (a) Grounds for Inadmissibility.--Section 209(c) of the Immigration and Nationality Act (8 U.S.C 1159(c)) is amended by striking ``any other provision of such section (other than paragraph (2)(C) or subparagraph (A), (B), (C), or (E) of paragraph (3))'' and inserting ``paragraph (1) of such section''. (b) Need Header.--Section 209(c) of the Immigration and Nationality Act (8 U.S.C 1159(c)) is amended by striking ``(other than paragraph (2)(C) or subparagraph (A), (B), (C), or (E) of paragraph (3))'', and inserting ``(other than paragraph 2(C) or (G) or subparagraph (A), (B), (C), (E), (F) or (G) of paragraph (3))''. (c) Grounds for Deportability.--Section 209 of the Immigration and Nationality Act (8 U.S.C 1159) is amended by adding at the end the following: ``(d) Grounds for Deportability.--An alien may not adjust status under this section if the alien is deportable under any provision of section 237 except subsections (a)(5) of such section.''. [[Page S4874]] (d) Effective Date.--The amendments made by this section shall apply to-- (1) any act that occurred before, on, or after the date of the enactment of this Act; and (2) all aliens who are required to establish admissibility on or after such date, and in all removal, deportation, or exclusion proceedings that are filed, pending, or reopened, on or after such date. SEC. 604. PRECLUDING REFUGEE ADJUSTMENT OF STATUS FOR PERSECUTORS AND HUMAN RIGHTS VIOLATORS. (a) Prohibition of Refugees Seeking Adjustment of Status to Lawful Permanent Residency Who Have Engaged in Nazi Persecution, Genocide, Severe Violations of Religious Freedom, Torture, Extrajudicial Killing, or the Recruitment/ use of Child Soldiers.--Section 209(c) of the Immigration and Nationality Act (8 U.S.C 1159(c)) is amended by striking ``(other than paragraph (2)(C) or subparagraph (A), (B), (C), or (E) of paragraph (3))'', and inserting ``(other than paragraph 2(C) or (G) or subparagraph (A), (B), (C), (E), (F) or (G) of paragraph (3))''. (b) Revocation of Lawful Permanent Resident Status for Human Rights Violators.--Section 240(b)(5) of the Immigration and Nationality Act (8 U.S.C 1229a(b)(5)) is amended by inserting at the end a new subparagraph (F) to read as follows-- ``(F) Additional application to certain aliens outside the United States who are associated with human rights violations. The preceding provisions of this paragraph shall apply to any alien placed in proceedings under this section who is outside of the United States, has received notice of proceedings under section 240(a) either within or outside of the United States, and is described in section 212(a)(2)(G) (officials who have committed particularly severe violations of religious freedom), 212(a)(3)(E) (Nazi persecution, genocide, extrajudicial killing, or torture), or 212(a)(3)(G) (recruitment or use of child soldiers).''. SEC. 605. REMOVAL OF CONDITION ON LAWFUL PERMANENT RESIDENT STATUS PRIOR TO NATURALIZATION. Sections 216(e) and 216A(e) of the Immigration and Nationality Act (8 U.S.C 1186a(e), 1186b(e)) are amended by striking the period at the end and inserting ``, if the alien has had the conditional basis removed pursuant to this section.''. SEC. 606. PROHIBITION ON TERRORISTS AND ALIENS WHO POSE A THREAT TO NATIONAL SECURITY OR PUBLIC SAFETY FROM RECEIVING AN ADJUSTMENT OF STATUS. (a) Application for Adjustment of Status in the United States.--Section 245 of the Immigration and Nationality Act (8 U.S.C 1255) is amended by striking the section heading and subsection (a) and inserting the following: ``SEC. 245. ADJUSTMENT OF STATUS TO THAT OF A PERSON ADMITTED FOR PERMANENT RESIDENCE. ``(a) In General.-- ``(1) Eligibility for adjustment.--The status of an alien who was inspected and admitted or paroled into the United States or the status of any other alien having an approved petition for classification as a VAWA self-petitioner may be adjusted by the Secretary of Homeland Security or Attorney General, in the discretion of the Secretary of Homeland Security or Attorney General, and under such regulations as the Secretary of Homeland Security or Attorney General may prescribe, to that of an alien lawfully admitted for permanent residence if-- ``(A) the alien makes an application for such adjustment; ``(B) the alien is eligible to receive an immigrant visa, is admissible to the United States for permanent residence, and is not subject to exclusion, deportation, or removal from the United States; and ``(C) an immigrant visa is immediately available to the alien at the time the alien's application is filed. ``(2) Immediately available.--For purposes of this section, the term `immediately available' means that on the date of filing of the application for adjustment of status, the visa category under which the alien is seeking permanent residence is current as determined by the Secretary of State and reflected in the Department of State's visa bulletin for the month in which the application for adjustment of status is filed. ``(3) Requirement to obtain an immigrant visa outside the united states.--Notwithstanding any provision in this section, the Secretary of Homeland Security, in the Secretary's sole and unreviewable discretion, may-- ``(A) prohibit an alien from seeking an adjustment of status under paragraph (1) while the alien is present in the United States; and ``(B) require the alien to seek permanent residence by applying for an immigrant visa at a United States embassy or consulate in the alien's home country or other foreign country, as designated by the Secretary of State, if the Secretary of Homeland Security determines that the alien may be a threat to national security or public safety or if the Secretary of Homeland Security determines that a favorable exercise of discretion to allow such adjustment of status in the United States is not warranted.''. (b) Prohibition on Terrorists and Aliens Who Pose a Threat to National Security or Public Safety on Adjustment to Lawful Permanent Resident Status.--Subsection (c) of section 245 of the Immigration and Nationality Act (8 U.S.C 1255(c)) is amended to read as follows: ``(c) Aliens Not Eligible for Adjustment of Status.--Other than an alien having an approved petition for classification as a VAWA self-petitioner, subsection (a) shall not be applicable to-- ``(1) an alien crewman; ``(2) subject to subsection (k), an alien (other than an immediate relative as defined in section 201(b) or a special immigrant described in subparagraph (H), (I), (J), or (K) of section 101(a)(27)) who hereafter continues in or accepts unauthorized employment prior to filing an application for adjustment of status or who is in unlawful immigration status on the date of filing the application for adjustment of status or who has failed (other than through no fault of his or her own or for technical reasons) to maintain continuously a lawful status since entry into the United States; ``(3) any alien admitted in transit without visa under section 212(d)(4)(C); ``(4) an alien (other than an immediate relative as defined in section 201(b)) who was admitted as a nonimmigrant visitor without a visa under section 212(l) or section 217; ``(5) an alien who was admitted as a nonimmigrant described in section 101(a)(15)(S); ``(6) an alien who described in section 237(a)(4)(B), (F), or (G); ``(7) any alien who seeks adjustment of status to that of an immigrant under section 203(b) and is not in a lawful nonimmigrant status; ``(8) any alien who at any time has committed, ordered, incited, assisted, or otherwise participated in the persecution of any person on account of race, religion, nationality, membership in a particular social group, or political opinion; or ``(9) any alien who was employed while the alien was an unauthorized alien, as defined in section 274A(h)(3), or who has otherwise violated the terms of a nonimmigrant visa.''. SEC. 607. TREATMENT OF APPLICATIONS FOR ADJUSTMENT OF STATUS DURING PENDING DENATURALIZATION PROCEEDINGS. Section 245 of the Immigration and Nationality Act (8 U.S.C 1451), as amended by section 605, is further amended by adding a new subsection (n) to read as follows: ``(n) Treatment of Applications During Pending Denaturalization Proceedings. No application for adjustment of status may be considered or approved by the Secretary of Homeland Security or Attorney General, and no court shall order the approval of an application for adjustment of status if the approved petition for classification under section 204 that is the underlying basis for the application for adjustment of status was filed by an individual who has a judicial proceeding pending against him or her that would result in the individual's denaturalization under section 340.''. SEC. 608. EXTENSION OF TIME LIMIT TO PERMIT RESCISSION OF PERMANENT RESIDENT STATUS. Section 246 of the Immigration and Nationality Act (8 U.S.C 1256(a)) is amended-- (1) in subsection (a) by-- (A) inserting ``(1)'' after ``(a)''; (B) striking ``within five years'' and inserting ``within 10 years''; (C) striking ``Attorney General'' each place that term appears and inserting ``Secretary of Homeland Security''; and (D) adding at the end the following: ``(2) In any removal proceeding involving an alien whose status has been rescinded under this subsection, the determination by the Secretary that the alien was not eligible for adjustment of status is not subject to review or reconsideration during such proceedings.''. (2) by redesignating subsection (b) as subsection (c); and (3) by inserting new subsection (b) to read as follows: ``(b) Nothing in subsection (a) shall require the Secretary of Homeland Security to rescind the alien's status prior to commencement of proceedings to remove the alien under section 240 of the Act. The Secretary of Homeland Security may commence removal proceedings at any time against any alien who is removable, including those aliens who adjusted status under section 245 or 249 of the Act or any other provision of law to that of an alien lawfully admitted for permanent residence. This section of the Act contains no statute of limitations with respect to commencement of removal proceedings under section 240. An order of removal issued by an immigration judge shall be sufficient to rescind the alien's status.''. SEC. 609. BARRING PERSECUTORS AND TERRORISTS FROM REGISTRY. Section 249 of the Immigration and Nationality Act (8 U.S.C 1259) is amended to read as follows: ``(a) In General.--The Secretary of Homeland Security, in the discretion of the Secretary and under such regulations as the Secretary may prescribe, may enter a record of lawful admission for permanent residence in the case of any alien, if no such record is otherwise available and the alien-- ``(1) entered the United States before January 1, 1972; ``(2) has continuously resided in the United States since such entry; ``(3) has been a person of good moral character since such entry; ``(4) is not ineligible for citizenship; ``(5) is not described in paragraph (1)(A)(iv), (2), (3), (6)(C), (6)(E), (8), or (9)(C) of section 212(a); ``(6) is not described in paragraph (1)(E), (1)(G), (2), (4) of section 237(a); and [[Page S4875]] ``(7) did not, at any time, without reasonable cause, fail or refuse to attend or remain in attendance at a proceeding to determine the alien's inadmissibility or deportability. ``(b) Recordation Date of Permanent Residence.--The record of an alien's lawful admission for permanence residence shall be the date the Secretary approves the application for such status under this section.''. Subtitle B--Prohibition on Naturalization and United States Citizenship SEC. 621. BARRING TERRORISTS FROM BECOMING NATURALIZED UNITED STATES CITIZENS. (a) Section 316 of the Immigration and Nationality Act (8 U.S.C 1427) is amended by adding at the end the following: ``(g) Persons Endangering National Security.-- ``(1) Prohibition on naturalization.-- ``(A) In general.--No person may be naturalized if the Secretary of Homeland Security makes a determination, in the discretion of the Secretary, that the alien is an alien described in section 212(a)(3) or 237(a)(4) at any time, including any period prior to, or after the filing of an application for naturalization. ``(B) Exception.--Subparagraph (A), as it relates to an alien described in section 212(a)(3), shall not apply if the alien received an exemption under section 212(d)(3)(B)(i) and the only conduct or actions that make the alien come within the ambit of section 212(a)(3) and would bar the alien from naturalization are specifically covered by such exemption. ``(2) Basis for determination; prohibition on review.--A determination made under paragraph (1) may be based upon any relevant information or evidence, including classified, sensitive, or national security information.''. (b) Section 340(d) of the Immigration and Nationality Act (8 U.S.C 1451(e)) is amended by revising the first sentence to read as follows-- 'Any person who claims United States citizenship through the naturalization of a parent or spouse in whose case there is a revocation and setting aside of the order admitting such parent or spouse to citizenship under the provisions of-- ``(1) subsection (a) of this section on the ground that the order and certificate of naturalization were procured by concealment of a material fact or by willful misrepresentation, or ``(2) subsection of (e) of this section pursuant to a conviction under section 1425 of title 18, shall be deemed to have lost and to lose his citizenship and any right or privilege of citizenship which he may have, now has, or may hereafter acquire under and by virtue of such naturalization of such parent or spouse, regardless of whether such person is residing within or without the United States at the time of the revocation and setting aside of the order admitting such parent or spouse to citizenship.''. SEC. 622. TERRORIST BAR TO GOOD MORAL CHARACTER. (a) Definition of Good Moral Character.-- (1) Exclusion of terrorist aliens.--Section 101(f) of the Immigration and Nationality Act (8 U.S.C 1101(f)), as amended by sections 506 and 508, is further amended-- (A) in paragraph (8), by striking ``; or'' and inserting ``, regardless whether the crime was classified as an aggravated felony at the time of conviction, provided that, the Secretary of Homeland Security or Attorney General may, in the unreviewable discretion of the Secretary or the Attorney General, determine that this paragraph shall not apply in the case of a single aggravated felony conviction (other than murder, manslaughter, homicide, rape, or any sex offense when the victim of such sex offense was a minor) for which completion of the term of imprisonment or the sentence (whichever is later) occurred 15 or more years before the date of application;''; and (B) by inserting after paragraph (10), as added by section 506, the following: ``(11) one who the Secretary of Homeland Security or the Attorney General determines, in the unreviewable discretion of the Secretary of Homeland Security or the Attorney General of Homeland Security, to have been at any time an alien described in section 212(a)(3) or 237(a)(4), which determination-- ``(A) may be based upon any relevant information or evidence, including classified, sensitive, or national security information; and ``(B) shall be binding upon any court regardless of the applicable standard of review.''; and (2) by striking the first sentence of the undesignated paragraph at the end and inserting following: ``[Client - made some change here and I can't figure out what it is.] The fact that any person is not within any of the foregoing classes shall not preclude a discretionary finding for other reasons that such a person is or was not of good character. The Secretary of Homeland Security or the Attorney General shall not be limited to the applicant's conduct during the period for which good moral character is required, but may take into consideration as a basis for determination the applicant's conduct and acts at any time.''. (b) Aggravated Felons.--Subsection (b) of section 509 of the Immigration Act of 1990 (Public Law 101-649; 8 U.S.C 1101 note) is amended by striking ``convictions'' and all that follows through the end and inserting ``convictions occurring before, on, or after such date.''. (c) Effective Date and Application.-- (1) Subsections (a) and (b).--The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act, shall apply to any act that occurred before, on, or after the date of enactment, and shall apply to any application for naturalization or any other benefit or relief, or any other case or matter under the immigration laws pending on or filed after the date of enactment of this Act. (2) Subsection (c).--The amendments made by subsection (c) shall take effect as if included in the enactment of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108-458). SEC. 623. PROHIBITION ON JUDICIAL REVIEW OF NATURALIZATION APPLICATIONS FOR ALIENS IN REMOVAL PROCEEDINGS. Section 318 of the Immigration and Nationality Act (8 U.S.C 1429) is amended in its entirety to read as follows: ``(a) In General.--Except as otherwise provided in this subchapter, no person shall be naturalized unless he has been lawfully admitted to the United States for permanent residence in accordance with all applicable provisions of this chapter. ``(b) Burden of Proof.--The burden of proof shall be upon such person to show that he entered the United States lawfully, and the time, place, and manner of such entry into the United States, but in presenting such proof he shall be entitled to the production of his immigrant visa, if any, or of other entry document, if any, and of any other documents and records, not considered by the Attorney General to be confidential, pertaining to such entry, in the custody of the Service. ``(c) Limitations on Review.--Notwithstanding the provisions of section 405(b), and except as provided in sections 328 and 329 of this title-- ``(1) No person shall be naturalized against whom there is outstanding a final finding of deportability pursuant to a warrant of arrest issued under the provisions of this chapter or any other Act. ``(2)(A) No application for naturalization shall be considered by the Secretary of Homeland Security or any court if there is pending against the applicant any removal proceeding or other proceeding to determine whether the applicant's lawful permanent resident status should be rescinded, regardless of when such proceeding was commenced. ``(B) The findings of the Attorney General in terminating removal proceedings or in cancelling the removal of an alien pursuant to the provisions of this Act, shall not be deemed binding in any way upon the Secretary of Homeland Security with respect to the question of whether such person has established his or her eligibility for naturalization as required by this Act.''. SEC. 624. LIMITATION ON JUDICIAL REVIEW WHEN AGENCY HAS NOT MADE DECISION ON NATURALIZATION APPLICATION AND ON DENIALS. (a) Limitation on Review of Pending Naturalization Applications.--Subsection (b) of section 336 of the Immigration and Nationality Act (8 U.S.C 1447(b)) is amended to read as follows: ``(b) Request for Hearing Before District Court.--If no final administrative determination is made on an application for naturalization under section 335 prior to the end of the 180-day period beginning on the date on which the Secretary of Homeland Security completes all examinations and interviews conducted under such section, as such terms are defined by the Secretary pursuant to regulations, the applicant may apply to the district court for the district in which the applicant resides for a hearing on the matter. Such court shall only have jurisdiction to review the basis for delay and remand the matter to the Secretary for the Secretary's determination on the application.''. (b) Limitations on Review of Denial.--Subsection (c) of section 310 of the Immigration and Nationality Act (8 U.S.C 1421(c)) is amended to read as follows: ``(c) Judicial Review.-- ``(1) Judicial review of denial.--A person whose application for naturalization under this title is denied, after a hearing before an immigration officer under section 336(a), may seek, not later than 120 days after the date of the Secretary of Homeland Security's administratively final determination on the application, review of such denial before the United States district court for the district in which such person resides in accordance with chapter 7 of title 5, United States Code. ``(2) Burden of proof.--The burden shall be upon the petitioner to show that the denial by the Secretary of Homeland Security of the application for naturalization was not supported by facially legitimate and bona fide reasons. ``(3) Limitations on review.--Except in a proceeding under section 340, and notwithstanding any other provision of law, including section 2241 of title 28, United States Code, any other habeas corpus provision, and sections 1361 and 1651 of such title, no court shall have jurisdiction to determine, or to review a determination of the Secretary of Homeland Security made at any time regarding, whether, for purposes of an application for naturalization, an alien-- ``(A) is a person of good moral character; [[Page S4876]] ``(B) understands and is attached to the principles of the Constitution of the United States; or ``(C) is well disposed to the good order and happiness of the United States.''. (c) Effective Date and Application.--The amendments made by this subsection-- (1) shall take effect on the date of the enactment of this Act; (2) shall apply to any act that occurred before, on, or after such date of enactment; and (3) shall apply to any application for naturalization or any other case or matter under the immigration laws that is pending on, or filed after, such date of enactment. SEC. 625. CLARIFICATION OF DENATURALIZATION AUTHORITY. Section 340 of the Immigration and Nationality Act (8 U.S.C 1451) is amended-- (1) in subsection (a), by striking ``United States attorneys for the respective districts,'' and inserting ``Attorney General,''; and (2) by striking subsection (c) and inserting the following: ``(c) Burden.--The burden of proof shall be on the Government to establish, by clear, unequivocal, and convincing evidence, that an order granting citizenship to an alien should be revoked and a certificate of naturalization cancelled because such order and certificate were illegally procured or were procured by concealment of a material fact or by willful misrepresentation.''. SEC. 626. DENATURALIZATION OF TERRORISTS. (a) Denaturalization for Terrorists Activities.--Section 340 of the Immigration and Nationality Act (8 U.S.C 1451) is amended by-- (1) redesignating subsection (d) through (h) as subsections (f) through (j); and (2) inserting new subsection (d) to read as follows: ``(d) Commission of Terrorist Acts After Naturalization.-- ``(1) In general.--If a person who has been naturalized shall, within 15 years following such naturalization, participate in any act described in subsection (d)(2), such act or acts shall be considered prima facie evidence that such person was not attached to the principles of the Constitution of the United States and was not well disposed to the good order and happiness of the United States at the time of naturalization, and, in the absence of countervailing evidence, it shall be sufficient in the proper proceeding to authorize the revocation and setting aside of the order admitting such person to citizenship and the cancellation of the certificate of naturalization as having been obtained by concealment of a material fact or by willful misrepresentation, and such revocation and setting aside of the order admitting such person to citizenship and such canceling of certificate of naturalization shall be effective as of the original date of the order and certificate, respectively. ``(2) Acts described.--The acts described in this paragraph that shall subject an individual to denaturalization under subsection (d)(1) are the following: ``(A) Any activity a purpose of which is the opposition to, or the control or overthrow of, the Government of the United States by force, violence, or other unlawful means. ``(B) Engaging in a terrorist activity (as defined in clauses (iii) and (iv) of section 212(a)(3)(B)). ``(C) Incitement of terrorist activity under circumstances indicating an intention to cause death or serious bodily harm. ``(D) Receiving military-type training (as defined in section 2339D(c)(1) of title 18, United States Code) from or on behalf of any organization that, at the time the training was received, was a terrorist organization (as defined in section 212(a)(3)(B)(vi)).''. (b) Effective Date.--The amendments made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply to acts that occur on or after such date. SEC. 627. TREATMENT OF PENDING APPLICATIONS DURING DENATURALIZATION PROCEEDINGS. (a) Section 204(b) of the Immigration and Nationality Act (8 U.S.C 1154(b)) is amended by-- (1) inserting ``(1) In General.--Except as provided in subsection (b)(2),'' before ``After''; (2) revising the term ``After'' to read ``after''; and (3) inserting new subsection (b)(2) to read as follows: ``(2) Treatment of petitions during pending denaturalization proceedings. The Secretary shall not adjudicate or approve any petition filed under this section by an individual who has a judicial proceeding pending against him or her that would result in the individual's denaturalization under section 340 until such proceedings have concluded and, if applicable, the period for appeal has expired or any appeals have been finally decided.''. (b) Section 340 of the Immigration and Nationality Act (8 U.S.C 1451), as amended by section 626, is further amended by inserting new subsection (e) to read as follows: ``(e) Withholding of Immigration Benefits During Denaturalization Proceedings.--The Secretary shall not accept or approve any application, petition, or request for any immigration benefit from an individual against whom there is a judicial proceeding pending that would result in the individual's denaturalization under this section until such proceedings have concluded and, if applicable, the period for appeal has expired or any appeals have been finally decided.''. SEC. 628. NATURALIZATION DOCUMENT RETENTION. (a) In General.--Chapter 2 of title III of the Immigration and Nationality Act (8 U.S.C 1421 et seq.) is amended by inserting after section 344 the following: ``SEC. 345. NATURALIZATION DOCUMENT RETENTION. ``The Secretary shall retain the original paper naturalization application and all supporting paper documents submitted with the application at the time of filing for a minimum of 7 years for law enforcement and national security investigations and for litigation purposes, regardless of whether such documents are scanned into U.S Citizenship and Immigration Services' electronic immigration system or stored in any electronic format.''. (b) Clerical Amendment.--The table of contents in the first section of the Immigration and Nationality Act is amended by inserting after the item relating to section 344 the following: ``Sec. 345. Naturalization document retention.''. Subtitle C--Forfeiture of Proceeds From Passport and Visa Offences, and Passport Revocation. SEC. 631. FORFEITURE OF PROCEEDS FROM PASSPORT AND VISA OFFENSES. Section 981(a)(1) of title 18, United States Code, is amended by adding at the end the following: ``(J) Any property, real or personal, that has been used to commit or facilitate the commission of a violation of chapter 75, the gross proceeds of such violation, and any property traceable to any such property or proceeds.''. SEC. 632. PASSPORT REVOCATION ACT. (a) Short Title.--This section may be cited as the ``Passport Revocation Act''. (b) Revocation or Denial of Passports and Passport Cards to Individuals Who Are Affiliated With Foreign Terrorist Organizations.--The Act entitled ``An Act to regulate the issue and validity of passports, and for other purposes'', approved July 3, 1926 (22 U.S.C 211a et seq.), which is commonly known as the ``Passport Act of 1926'', is amended by adding at the end the following: ``SEC. 5. AUTHORITY TO DENY OR REVOKE PASSPORT AND PASSPORT CARD. ``(a) Ineligibility.-- ``(1) Issuance.--Except as provided under subsection (b), the Secretary of State shall refuse to issue a passport or passport card to any individual-- ``(A) who has been convicted under chapter 113B of title 18, United States Code; or ``(B)(i) whom the Secretary has determined is a member of or is otherwise affiliated with an organization the Secretary has designated as a foreign terrorist organization pursuant to section 219 of the Immigration and Nationality Act (8 U.S.C 1189); or ``(ii) has aided, abetted, or provided material support to such an organization. ``(2) Revocation.--The Secretary of State shall revoke a passport previously issued to any individual described in paragraph (1). ``(b) Exceptions.-- ``(1) Emergency circumstances, humanitarian reasons, and law enforcement purposes.--Notwithstanding subsection (a), the Secretary of State may issue, or decline to revoke, a passport of an individual described in such subsection in emergency circumstances, for humanitarian reasons, or for law enforcement purposes. ``(2) Limitation for return to united states.-- Notwithstanding subsection (a)(2), the Secretary of State, before revocation, may-- ``(A) limit a previously issued passport for use only for return travel to the United States; or ``(B) issue a limited passport that only permits return travel to the United States. ``(c) Right of Review.--Any individual who, in accordance with this section, is denied issuance of a passport by the Secretary of State, or whose passport is revoked or otherwise limited by the Secretary of State, may request a hearing before the Secretary of State not later than 60 days after receiving notice of such denial, revocation, or limitation. ``(d) Report.--If the Secretary of State denies, issues, limits, or declines to revoke a passport or passport card under subsection (b), the Secretary shall, not later than 30 days after such denial, issuance, limitation, or revocation, submit to Congress a report on such denial, issuance, limitation, or revocation, as the case may be.''. TITLE VII--OTHER MATTERS SEC. 701. OTHER IMMIGRATION AND NATIONALITY ACT AMENDMENTS. (a) Notice of Address Change.--Subsection (a) of section 265 of the Immigration and Nationality Act (8 U.S.C 1305(a)) is amended to read as follows: ``(a) Each alien required to be registered under this Act who is within the United States shall notify the Secretary of Homeland Security of each change of address and new address within ten days from the date of such change and shall furnish such notice in the manner prescribed by the Secretary.''. (b) Photographs for Naturalization Certificates.--Section 333 of the Immigration and Nationality Act (8 U.S.C 1444) is amended by adding at the end the following: ``(c) The Secretary may modify the technical requirements of this section in the Secretary's discretion and as the Secretary may deem necessary to provide for photographs [[Page S4877]] to be furnished and used in a manner that is efficient, secure, and consistent with the developments in technology.''. SEC. 702. EXEMPTION FROM THE ADMINISTRATIVE PROCEDURE ACT. Except where promulgation of regulations is specified in this Act, chapter 5 of title 5, United States Code (commonly known as the ``Administrative Procedures Act''), and any other law relating to rulemaking, information collection, or publication in the Federal Register, shall not apply to any action to implement this Act, and the amendments made by this Act, to the extent the Secretary, the Secretary of State, or the Attorney General determines that compliance with any such law would impede the expeditious implementation of this Act or the amendments made by this Act. SEC. 703. EXEMPTION FROM THE PAPERWORK REDUCTION ACT. Chapter 35 of title 44, United States Code, shall not apply to any action to implement this Act or the amendments made by this Act to the extent the Secretary of Homeland Security, the Secretary of State, or the Attorney General determines that compliance with such law would impede the expeditious implementation of this Act or the amendments made by this Act. SEC. 704. ABILITY TO FILL AND RETAIN DHS POSITIONS IN U.S TERRITORIES. Section 530C of Title 28, United States Code, is amended-- (1) in subsection (a) by inserting ``or Department of Homeland Security'' after ``Department of Justice'' and inserting ``or Secretary of Homeland Security'' after ``Attorney''; (2) in subsection (b)-- (A) in paragraph (1) introductory text by inserting ``or Secretary of Homeland Security'' after ``Attorney General''; (B) in paragraph (1)(K)(i) by inserting ``or within US territories or commonwealths'' after ``outside United States'' and ``or Secretary of Homeland Security'' after ``Attorney General''; (C) in paragraph (1)(K)(ii) ``or Secretary of Homeland Security'' after ``Attorney General''; (D) in paragraph (2) by-- (i) in subparagraph (A) by striking ``for the Immigration and Naturalization Service'' and inserting a ``.'' after ``Drug Enforcement Administration''; and (ii) in subparagraph (A) by adding after ``.'' ``Further funds available to the Secretary of Homeland Security; (iii) in subparagraph (B) by striking ``and for the Immigration and Naturalization Service'' and replacing with ``and for the Secretary of Homeland Security''; and (E) in paragraph (5) by striking ``immigration and naturalization service.--Funds available to the Attorney General. . .'' and replacing with ``Department of homeland security.-- Funds available to the Secretary of Homeland Security. . .''; (F) in paragraph (7) by inserting ``or the Secretary of Homeland Security'' after ``Attorney General'' and striking ``the Immigration and Naturalization Service'' and replacing with ``U.S Immigration and Customs Enforcement''; (3) in subsection (d) by inserting ``or Department of Homeland Security'' after ``Department of Justice''. SEC. 705. SEVERABILITY. If any provision of this Act or any amendment made by this Act, or any application of such provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of the provisions of this Act and the amendments made by this Act and the application of the provision or amendment to any other person or circumstance shall not be affected. SEC. 706. FUNDING. (a) Implementation.--The Director of the Office of Management and Budget shall determine and identify-- (1) the appropriation accounts from which the rescission under subsection (a) shall apply; and (2) the amount of the rescission that shall be applied to each such account. (b) Report.--Not later than 60 days after the date of the enactment of this Act, the Director of the Office of Management and Budget shall submit a report to Congress and to the Secretary of the Treasury that describes the accounts and amounts determined and identified under subsection (b) for rescission under subsection (a). (c) Exceptions.--This subsection shall not apply to unobligated funds of-- (1) the Department; (2) the Department of Defense; or (3) the Department of Veterans Affairs. TITLE VIII--TECHNICAL AMENDMENTS SEC. 801. REFERENCES TO THE IMMIGRATION AND NATIONALITY ACT. Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Immigration and Nationality Act (8 U.S.C 1101 et seq.). SEC. 802. TITLE I TECHNICAL AMENDMENTS. (a) Section 101.-- (1) Department.--Paragraph (8) of section 101(a) (8 U.S.C 1101(a)(8)) is amended to read as follows: ``(8) The term `Department' means the Department of Homeland Security.''. (2) Immigrant.--Paragraph (15) of section 101(a) (8 U.S.C 1101(a)(15)) is amended-- (A) in subparagraph (F)(i)-- (i) by striking the term ``Attorney General'' each place that term appears and inserting ``Secretary''; and (ii) by striking ``214(l)'' and inserting ``214(m)''; (B) in subparagraph (H)(i)-- (i) in [subclause (b)], by striking ``certifies to the Attorney General that the intending employer has filed with the Secretary'' and inserting ``certifies to the Secretary of Homeland Security that the intending employer has filed with the Secretary of Labor''; and (ii) in [subclause (c)], by striking ``certifies to the Attorney General'' and inserting ``certifies to the Secretary of Homeland Security''; and (C) in subparagraph (M)(i), by striking the term ``Attorney General'' each place that term appears and inserting ``Secretary''. (3) Immigration officer.--Paragraph (18) of section 101(a) (8 U.S.C 1101(a)(18)) is amended by striking ``Service or of the United States designated by the Attorney General,'' and inserting ``Department or of the United States designated by the Secretary,''. (4) Secretary.--Paragraph (34) of section 101(a) (8 U.S.C 1101(a)(34)) is amended to read as follows: ``(34) The term `Secretary' means the Secretary of Homeland Security, except as provided in section 219(d)(4).''. (5) Special immigrant.--Section 101(a)(27)(L)(iii) (8 U.S.C 1101(a)(27)(L)(iii)) is amended by adding a semicolon and ``or'' at the end. (6) Managerial capacity; executive capacity.--Subparagraph (C) of section 101(a)(44) (8 U.S.C 1101(a)(44)(C)) is amended by striking ``Attorney General'' and inserting ``Secretary''. (7) Order of removal.--Subparagraph (A) of section 101(a)(47) (8 U.S.C 1101(a)(47)(A)) is amended to read as follows: ``(A) The term `order of removal' means the order of the immigration judge, or other such administrative officer to whom the Attorney General or the Secretary has delegated the responsibility for determining whether an alien is removable, concluding that the alien is removable or ordering removal.''. (8) Title i and ii definitions.--Subsection (b) of section 101 is amended-- (A) in paragraph (1)(F)(i), by striking ``Attorney General'' and inserting ``Secretary''; and (B) in paragraph (4), by striking ``Immigration and Naturalization Service.'' and inserting ``Department.''. (b) Section 103.-- (1) In general.--Section 103 (8 U.S.C 1103) is amended by striking the section heading and subsection (a)(1) and inserting the following: ``SEC. 103. POWERS AND DUTIES. ``(a)(1) The Secretary shall be charged with the administration and enforcement of this Act and all other laws relating to the immigration and naturalization of aliens, except insofar as this Act or such laws relate to the powers, functions, and duties conferred upon the President, Attorney General, the Secretary of Labor, the Secretary of ***Agriculture***, the Secretary of Health and Human Services, the Commissioner of Social Security, the Secretary of State, the officers of the Department of State, or diplomatic or consular officers: Provided, however, That a determination and ruling by the Attorney General with respect to all questions of law shall be controlling.''. (2) Technical and conforming corrections.--Subsection of section 103 (8 U.S.C 1103), as amended by paragraph (1), is further amended-- (A) in subsection (a)-- (i) in paragraph (2), by striking ``He'' and inserting ``The Secretary''; (ii) in paragraph (3)-- (I) by striking ``He'' and inserting ``The Secretary''; (II) by striking ``he'' and inserting ``the Secretary''; and (III) by striking ``his authority'' and inserting ``the authority of the Secretary''; (iii) in paragraph (4)-- (I) by striking ``He'' and inserting ``The Secretary''; and (II) by striking ``Service or the Department of Justice'' and insert the ``Department''; (iv) in paragraph (5)-- (I) by striking ``He'' and inserting ``The Secretary''; (II) by striking ``his discretion,'' and inserting ``the discretion of the Secretary,'' and (III) by striking ``him'' and inserting ``the Secretary''; (v) in paragraph (6)-- (I) by striking ``He'' and inserting ``The Secretary''; (II) by striking ``Department'' and inserting ``agency, department,''; and (III) by striking ``Service.'' and inserting ``Department or upon consular officers with respect to the granting or refusal of visas''; (vi) in paragraph (7)-- (I) by striking ``He'' and inserting ``The Secretary''; (II) by striking ``countries;'' and inserting ``countries''; (III) by striking ``he'' and inserting ``the Secretary''; and (IV) by striking ``his judgment'' and inserting ``the judgment of the Secretary''; (vii) in paragraph (8), by striking ``Attorney General'' and inserting ``Secretary''; (viii) in paragraph (10), by striking ``Attorney General'' each place that term appears and inserting ``Secretary''; and [[Page S4878]] (ix) in paragraph (11), by striking ``Attorney General,'' and inserting ``Secretary,''; (B) by amending subsection (c) to read as follows: ``(c) Secretary; Appointment.--The Secretary shall be a citizen of the United States and shall be appointed by the President, by and with the advice and consent of the Senate. The Secretary shall be charged with any and all responsibilities and authority in the administration of the Department and of this Act. The Secretary may enter into cooperative agreements with State and local law enforcement agencies for the purpose of assisting in the enforcement of the immigration laws.''; (C) in subsection (e)-- (i) in paragraph (1), by striking ``Commissioner'' and inserting ``Secretary''; and (ii) in paragraph (2), by striking ``Service'' and inserting ``U.S Citizenship and Immigration Services''; (D) in subsection (f)-- (i) by striking ``Attorney General'' and inserting ``Secretary''; (ii) by striking ``Immigration and Naturalization Service'' and inserting ``Department''; and (iii) by striking ``Service,'' and inserting ``Department,''; and (E) in subsection (g)(1), by striking ``Immigration Reform, Accountability and Security Enhancement Act of 2002'' and inserting ``Homeland Security Act of 2002 (Public Law 107- 296; 116 Stat. 2135)''. (3) Clerical amendment.--The table of contents in the first section is amended by striking the item relating to section 103 and inserting the following: ``Sec. 103. Powers and duties.''. (c) Section 105.--Section 105(a) is amended (8 U.S.C 1105(a)) by striking ``Commissioner'' each place that term appears and inserting ``Secretary''. SEC. 803. TITLE II TECHNICAL AMENDMENTS. (a) Section 202.--Section 202(a)(1)(B) (8 U.S.C 1152(a)(1)(B)) is amended by inserting ``the Secretary or'' after ``the authority of'', (b) Section 203.--Section 203 (8 U.S.C 1153) is amended-- (1) in subsection (b)(2)(B)(ii)-- (A) in subclause (II)-- (i) by inserting ``the Secretary or'' before ``the Attorney General''; and (ii) by moving such subclause 4 ems to the left; and (B) by moving subclauses (III) and (IV) 4 ems to the left; and (2) in subsection (g)-- (A) by striking ``Secretary's'' and inserting ``Secretary of State's''; and (B) by inserting ``of State'' after ``but the Secretary''. (c) Section 204.--Section 204 (8 U.S.C 1154) is amended-- (1) in subsection (a)(1)-- (A) in subparagraph (B)(i)-- (i) by redesignating the second subclause (I), as added by section 402(a)(3)(B) of the Adam Walsh Child Protection and Safety Act of 2006 (Public Law 109-248), as subclause (II); and (ii) indenting the left margin of such subclause two ems from the left margin; and (B) in subparagraph (G)(ii), by inserting ``of State'' after ``by the Secretary''; (2) in subsection (c), by inserting ``the Secretary or'' before ``the Attorney General'' each place that term appears; and (3) in subsection (e), by inserting ``to'' after ``admitted''. (d) Section 208 of the Immigration and Nationality Act (8 U.S.C 1158) is amended-- (1) in subsection (a)(2)-- (A) by inserting ``the Secretary of Homeland Security or'' before ``Attorney General'' in subparagraph (A); (B) by inserting ``the Secretary of Homeland Security or'' before ``Attorney General'' in subparagraph (D); (2) in subsection (b)(2) by inserting ``the Secretary of Homeland Security or'' before ``Attorney General'' wherever the term appears; (3) in subsection (c)(1), by striking ``the Attorney General'' and inserting ``the Secretary of Homeland Security''; (4) in paragraphs (2) and (3) of subsection (c), by inserting ``the Secretary of Homeland Security or'' before ``Attorney General''; and (5) in subsection (d)-- (A) in paragraph (1), by inserting ``the Secretary of Homeland Security or'' before ``the Attorney General'', (B) in paragraph (2), by striking ``Attorney General'' and inserting ``Secretary of Homeland Security''; and (C) in paragraph (3)-- (i) by striking ``Attorney General'' each place that term appears and inserting ``Secretary of Homeland Security''; and (ii) by striking ``Attorney General's'' and inserting ``Secretary's''. (D) in paragraphs (4) through (6), by inserting ``the Secretary of Homeland Security or'' before ``the Attorney General''; and (e) Section 209.--Section 209(a)(1)(A) (8 U.S.C 1159(a)(1)(A)) is amended by striking ``Secretary of Homeland Security or the Attorney General'' each place that term appears and inserting ``Secretary''. (f) Section 212.--Section 212 (8 U.S.C 1182) is amended-- (1) in subsection (a)-- (A) in paragraphs (2)(C), (2)(H)(ii), (2)(I), (3)(A), and (3)(B)(ii)(II), by inserting ``, the Secretary,'' before ``or the Attorney General'' each place that term appears; (B) in paragraph (3)(D), by inserting ``the Secretary or'' before ``the Attorney General'' each place that term appears; (C) in paragraph (4)-- (i) in subparagraph (A), by inserting ``the Secretary or'' before ``the Attorney General''; and (ii) in subparagraph (B), by inserting ``, the Secretary,'' before ``or the Attorney General'' each place that term appears; (D) in paragraph (5)(C), by striking ``or, in the case of an adjustment of status, the Attorney General, a certificate from the Commission on Graduates of Foreign Nursing Schools, or a certificate from an equivalent independent credentialing organization approved by the Attorney General'' and inserting ``or, in the case of an adjustment of status, the Secretary or the Attorney General, a certificate from the Commission on Graduates of Foreign Nursing Schools, or a certificate from an equivalent independent credentialing organization approved by the Secretary''; (E) in paragraph (9)-- (i) in subparagraph (B)(v)-- (I) by inserting ``or the Secretary'' after ``Attorney General'' each place that term appears; and (II) by striking ``has sole discretion'' and inserting ``have discretion''; and (ii) in subparagraph (C)(iii), by inserting ``or the Attorney General'' after ``Secretary of Homeland Security''; and (F) in paragraph (10)(C), in clauses (ii)(III) and (iii)(II), by striking ``Secretary's'' and inserting ``Secretary of State's''; (2) in subsection (d), in paragraphs (11) and (12), by inserting ``or the Secretary'' after ``Attorney General'' each place that term appears; (3) in subsection (e), by striking the first proviso and inserting ``Provided, That upon the favorable recommendation of the Director, pursuant to the request of an interested United States Government agency (or, in the case of an alien described in clause (iii), pursuant to the request of a State Department of Public Health, or its equivalent), or of the Secretary after the Secretary has determined that departure from the United States would impose exceptional hardship upon the alien's spouse or child (if such spouse or child is a citizen of the United States or a lawfully resident alien), or that the alien cannot return to the country of his or her nationality or last residence because the alien would be subject to persecution on account of race, religion, or political opinion, the Secretary may waive the requirement of such two-year foreign residence abroad in the case of any alien whose admission to the United States is found by the Secretary to be in the public interest except that in the case of a waiver requested by a State Department of Public Health, or its equivalent, or in the case of a waiver requested by an interested United States Government agency on behalf of an alien described in clause (iii), the waiver shall be subject to the requirements under section 214(l):''. (4) in subsections (g), (h), (i), and (k), by inserting ``or the Secretary'' after ``Attorney General'' each place that term appears; (5) in subsection (m)(2)(E)(iv), by inserting ``of Labor'' after ``Secretary'' the second and third place that term appears; (6) in subsection (n), by inserting ``of Labor'' after ``Secretary'' each place that term appears, except that this amendment shall not apply to references to the ``Secretary of Labor''; and (7) in subsection (s), by inserting ``, the Secretary,'' before ``or the Attorney General''. (g) Section 213A.--Section 213A (8 U.S.C 1183a) is amended-- (1) in subsection (a)(1), in the matter preceding paragraph (1), by inserting ``, the Secretary,'' after ``the Attorney General''; and (2) in subsection (f)(6)(B), by inserting ``the Secretary,'' after ``The Secretary of State,''. (h) Section 214.--Subparagraph (A) of section 214(c)(9) (8 U.S.C 1184(c)(9)(A) is amended, in the matter preceding clause (i), by striking ``before''. (i) Section 217.--Section 217 (8 U.S.C 1187) is amended-- (1) in subsection (e)(3)(A), by inserting a comma after ``Regulations''; (2) in subsection (f)(2)(A), by striking ``section (c)(2)(C),'' and inserting ``subsection (c)(2)(C),''; and (3) in subsection (h)(3)(A), by striking ``the'' before ``alien'' and inserting ``an''. (j) Section 218.--Section 218 (8 U.S.C 1188) is amended-- (1) by inserting ``of Labor'' after ``Secretary'' each place that term appears, except that this amendment shall not apply to references to the ``Secretary of Labor'' or to the ``Secretary of ***Agriculture***''; (2) in subsection (c)(3)(B)(iii), by striking ``Secretary's'' and inserting ``Secretary of Labor's''; and (3) in subsection (g)(4), by striking ``Secretary's'' and inserting ``Secretary of ***Agriculture***'s''. (k) Section 219.--Section 219 (8 U.S.C 1189) is amended-- (1) in subsection (a)(1)(B)-- (A) by inserting a close parenthetical after ``section 212(a)(3)(B)''; and (B) by deleting ``terrorism);'' and inserting ``terrorism;''; (2) in subsection (c)(3)(D), by striking ``(2),'' and inserting ``(2);''; and (3) in subsection (d)(4), by inserting ``Secretary of Homeland Security,'' after ``with the''. (l) Section 222.--Section 222 (8 U.S.C 1202)-- (1) by inserting ``or the Secretary'' after ``Secretary of State'' each place that term appears; and [[Page S4879]] (2) in subsection (f)-- (A) in the matter preceding paragraph (1), by inserting ``, the Department,'' after ``Department of State''; and (B) in paragraph (2), by striking ``Secretary's'' and inserting ``their''. (m) Section 231.--Section 231 (8 U.S.C 1221) is amended-- (1) in subsection (c)(10), by striking ``Attorney General,'' and inserting ``Secretary,''; (2) in subsection (f), by striking ``Attorney General'' each place that term appears and inserting ``Secretary''; (3) in subsection (g)-- (A) by striking ``of the Attorney General'' and inserting ``of the Secretary''; [(B) by striking ``by the Attorney General'' and inserting ``by the Secretary''; and] (C) by striking ``Commissioner'' each place that term appears and inserting ``Secretary''; and (4) in subsection (h), by striking ``Attorney General'' each place that term appears and inserting ``Secretary''. (n) Section 236.--Section 236 (8 U.S.C 1226) is amended-- (1) in subsection (a)(2)(A), by inserting ``the Secretary or'' before ``the Attorney General'' the third place that term appears; and (2) in subsection (e)-- (A) by striking ``review.'' and inserting ``review, other than administrative review by the Attorney General pursuant to the authority granted by section 103(g).''; and (B) by inserting ``the Secretary or'' before ``Attorney General under''. (o) Section 236A.--Paragraph (4) of section 236A(a) (8 U.S.C 1226a(a)(4)) is amended by striking ``Deputy Attorney General'' both places that term appears and inserting ``Deputy Secretary of Homeland Security''. (p) Section 237.--Section 237(a) (8 U.S.C 1227(a)) is amended-- (1) in the matter preceding paragraph (1), by inserting ``following the initiation by the Secretary of removal proceedings'' after ``upon the order of the Attorney General''; and (2) in the heading of subparagraph (E) of paragraph (2), by striking ``CHILDREN AND.--'' and inserting ``CHILDREN.--''. (q) Section 238.--Section 238 (8 U.S.C 1228) is amended-- (1) in subsection (a)-- (A) in paragraph (2), by striking ``Attorney General'' each place that term appears and inserting ``Secretary''; and (B) in paragraphs (3) and (4)(A), by inserting ``and the Secretary'' after ``Attorney General'' each place that term appears; (2) in subsection (b)-- (A) in paragraph (3) and (4), by striking ``Attorney General'' each place the term appears and inserting ``Secretary of Homeland Security''; and (B) in paragraph (5) by inserting ``or the Secretary'' after ``Attorney General''; and (3) in subsection (d), as so redesignated-- (A) by striking ``Commissioner'' and ``Attorney General'' each place those terms appear and inserting ``Secretary''; and (B) in subparagraph (D)(iv), by striking ``Attorney General'' and inserting ``United States Attorney''. (r) Section 239.--Section 239(a)(1) (8 U.S.C 1229(a)(1)) is amended by inserting ``and the Secretary'' after ``Attorney General'' each place that term appears. (s) Section 240.--Section 240 (8 U.S.C 1229a) is amended-- (1) in subsection (b)-- (A) in paragraph (1), by inserting ``, with the concurrence of the Secretary with respect to employees of the Department'' after ``Attorney General''; and (B) in paragraph (5)(A), by inserting ``the Secretary or'' before ``the Attorney General''; and (2) in subsection (c)-- (A) in paragraph (2), by inserting ``, the Secretary of State, or the Secretary'' before ``to be confidential''; and [(B) in paragraph (7)(C)(iv)(I)), by striking the extra comma after the second reference to the term ``this title''. Note: please clarify how to execute this amendment.] (t) Section 240A.--Section 240A(b) (8 U.S.C 1229b(b)) is amended-- (1) in paragraph (3), by striking ``Attorney General shall'' and inserting ``Secretary shall''; and (2) in paragraph (4)(A), by striking ``Attorney General'' and inserting ``Secretary''. (u) Section 240B.--Section 240B (8 U.S.C 1229c) is amended-- (1) in paragraphs (1) and (3) of subsection (a), by inserting ``or the Secretary'' after ``Attorney General''; and (2) in subsection (c), by inserting ``and the Secretary'' after ``Attorney General''. (v) Section 241.--Section 241 (8 U.S.C 1231) is amended-- (1) in subsection (a)(4)(B)(i), by inserting a close parenthetical after ``(L)''; (2) in paragraph (2) of subsection (g)-- (A) by striking the paragraph heading and inserting ``Detention facilities of the department of homeland security.--''; (B) by striking ``Service,'' and inserting ``Department''; and (C) by striking ``Commissioner'' and inserting ``Secretary''. (w) Section 242.--Section 242(g) (8 U.S.C 1252(g)) is amended by inserting ``the Secretary or'' before ``the Attorney General''. (x) Section 243.--Section 243 (8 U.S.C 1253) is amended-- (1) in subparagraphs (A) and (B) of subsection (c)(1)-- (A) by striking ``Attorney General'' each place that term appears and inserting ``Secretary''; and (B) by striking ``Commissioner'' each place that term appears and inserting ``Secretary''; and (2) in subsection (d), by inserting ``of State'' after ``notifies the Secretary''. (y) Section 244.--Section 244 (8 U.S.C 1254a) is amended-- (1) in subsection (c)(2), by inserting ``or the Secretary'' after ``Attorney General'' each place the term appears; and (2) in subsection (g), by inserting ``or the Secretary'' after ``Attorney General''. (z) Section 245.--Section 245 (8 U.S.C 1255) is amended-- (1) by inserting ``or the Secretary'' after ``Attorney General'' each place that term appears except in subsections (j) (other than the first reference), (l), and (m); (2) in subsection (c), striking the comma after ``section 101(a)(15)(S)'' and inserting a semicolon; (3) in subsection (k)(1), adding an ``and'' at the end; (4) in subsection (l)-- (A) in paragraph (1), by inserting a comma after ``appropriate''; and (B) in paragraph (2)-- (i) in the matter preceding paragraph (1), by striking ``Attorney General's'' and inserting ``Secretary's''; and (ii) in subparagraph (B), by striking ``(10(E))'' and inserting ``(10)(E))''. (aa) Section 245A.--Section 245A (8 U.S.C 1255a) is amended-- (1) by striking subparagraph (C) of subsection (c)(7); and (2) in subsection (h)(5)-- [(A) in subparagraph (A), by striking the second reference to ``The''; and Note: Please clarify how to execute this amendment] (3) striking ``(Public Law 96-122),'' and inserting ``(Public Law 96-422),''. (bb) Section 246.--Section 246(a) (8 U.S.C 1256(a)) is amended-- (1) by inserting ``or the Secretary'' after ``of the Attorney General''; (2) by inserting ``or the Secretary'' after ``status, the Attorney General''; and (3) by striking ``Attorney General to rescind'' and inserting ``Secretary to rescind''. (cc) Section 249.--Section 249 (8 U.S.C 1259) is amended by inserting ``or the Secretary'' after ``Attorney General'' each place that term appears. (dd) Section 251.--Subsection (d) of section 251 (8 U.S.C 1281(d)) is amended by striking ``Attorney General'' and ``Commissioner'' each place those terms appear and inserting ``Secretary''. (ee) Section 254.--Subsection (a) of section 254 (8 U.S.C 1284(a)) is amended by striking ``Commissioner'' each place that term appears and inserting ``Secretary''. (ff) Section 255.--Section 255 (8 U.S.C 1285) is amended by striking ``Commissioner'' each place that term appears and inserting ``Secretary''. (gg) Section 256.--Section 256 (8 U.S.C 1286) is amended-- (1) by striking ``Commissioner'' each place that term appears and inserting ``Secretary''; (2) in the first and second sentences, by striking ``Attorney General'' each places that term appears and inserting ``Secretary''. (hh) Section 258.--Section 258 (8 U.S.C 1288) is amended-- (1) by inserting ``of Labor'' after ``Secretary'' each place that term appears, except that this amendment shall not apply to references to the ``Secretary of Labor'', [the Secretary of State,] or to subsection (e)(2); (2) in subsection (d)(2)(A), by striking ``at'' after ``while''; and (3) in subsection (e)(2), by striking ``the Secretary shall'' and inserting ``the Secretary of State shall''. (ii) Section 264.--Section 264(f) (8 U.S.C 1304) is amended by striking ``Attorney General is'' and inserting ``Attorney General and Secretary are''. (jj) Section 272.--Section 272 (8 U.S.C 1322) is amended by striking ``Commissioner'' each place that term appears and inserting ``Secretary''. (kk) Section 273.--Section 273 (8 U.S.C 1323) is amended-- (1) by striking ``Commissioner'' each place that term appears and inserting ``Secretary''; and (2) by striking ``Attorney General'' each place that term appears, except in subsection (e) in the matter preceding paragraph (1), and inserting ``Secretary''. (ll) Section 274.--Section 274(b)(2) (8 U.S.C 1324(b)(2)) is amended by striking ``Secretary of the Treasury'' and inserting ``Secretary''. (mm) Section 274B.--Paragraph (2) of section 274B(f) (8 U.S.C 1324b(f)(2)) is amended by striking ``subsection'' and inserting ``section''. (nn) Section 274C.--Section 274C(d)(2)(A) (8 U.S.C 1324c(d)(2)(A)) is amended by inserting ``or the Secretary'' after ``subsection (a), the Attorney General''. (oo) Section 274D.--Section 274D (8 U.S.C 1324d) is amended in subsection (a)(2) of section 274D(a) (8 U.S.C 1324d(a)(2)) is amended by striking ``Commissioner'' and inserting ``Secretary''. (pp) Section 286.--Section 286 (8 U.S.C 1356) is amended-- (1) in subsection (q)(1)(B), by striking ``, in consultation with the Secretary of the Treasury,''; (2) in subsection (r)(2), by striking ``section 245(i)(3)(b)'' and inserting ``section 245(i)(3)(B)''; (3) in subsection (s)(5)-- (A) by striking ``5 percent'' and inserting ``Use of fees for duties relating to petitions.--Five percent''; and [[Page S4880]] (4) by striking ``paragraph (1) (C) or (D) of section 204'' and inserting ``subparagraph (C) or (D) of section 204(a)(1)''; and (5) in subsection (v)(2)(A)(i), by adding ``of'' after ``number''. (qq) Section 294.--Section 294 (8 U.S.C 1363a) is amended-- (1) in the undesignated matter following paragraph (4) of subsection (a), by striking ``Commissioner, in consultation with the Deputy Attorney General,'' and inserting ``Secretary''; and (2) in subsection (d), by striking ``Deputy Attorney General'' and inserting ``Secretary''. SEC. 804. TITLE III TECHNICAL AMENDMENTS. (a) Section 316.--Section 316 (8 U.S.C 1427) is amended-- (1) in subsection (d), by inserting ``or by the Secretary'' after ``Attorney General''; and (2) in subsection (f)(1), by striking ``Intelligence, the Attorney General and the Commissioner of Immigration'' and inserting ``Intelligence and the Secretary''. (b) Section 322.--Paragraph (1) of section 322(a) (8 U.S.C 1433(a)) is amended-- (1) by inserting ``is'' before ``(or,''; and (2) by striking ``is'' before ``a citizen''. (c) Section 342.-- (1) Section heading.-- (A) In general.--Section 342 (8 U.S.C 1453) is amended by striking the section heading and inserting ``cancellation of certificates; action not to affect citizenship status''. (B) Clerical amendment.--The table of contents in the first section is amended by striking the item relating to section 342 and inserting the following: ``Sec. 342. Cancellation of certificates; action not to affect citizenship status.''. (2) In general.--Section 342 (8 U.S.C 1453) is amended-- (A) by striking ``heretofore issued or made by the Commissioner or a Deputy Commissioner or hereafter made by the Attorney General''; and (B) by striking ``practiced upon, him or the Commissioner or a Deputy Commissioner;''. SEC. 805. TITLE IV TECHNICAL AMENDMENTS. Clause (i) of section 412(a)(2)(C) (8 U.S.C 1522(a)(2)(C)(i)) is amended by striking ``insure'' and inserting ``ensure''. SEC. 806. TITLE V TECHNICAL AMENDMENTS. (a) Section 504.--Section 504 (8 U.S.C 1534) is amended-- (1) in subsection (a)(1)(A), by striking ``a'' before ``removal proceedings''; (2) in subsection (i), by striking ``Attorney General'' inserting ``Government''; and (3) in subsection (k)(2), by striking ``by''. (b) Section 505.--Section 505(e)(2) (8 U.S.C 1535(e)(2)) is amended by inserting ``and the Secretary'' after ``Attorney General''. SEC. 807. OTHER AMENDMENTS. (a) Correction of Commissioner of Immigration and Naturalization.-- (1) In general.--The Immigration and Nationality Act (8 U.S.C 1101 et seq.) as amended by this Act, is further amended by striking ``Commissioner'' and ``Commissioner of Immigration and Naturalization'' each place those terms appear and inserting ``Secretary''. (2) Exception for commissioner of social security.--The amendment made by paragraph (1) shall not apply to any reference to the ``Commissioner of Social Security''. (b) Correction of Immigration and Naturalization Service.-- The Immigration and Nationality Act (8 U.S.C 1101 et seq.), as amended by this Act, is further amended by striking ``Service'' and ``Immigration and Naturalization Service'' each place those terms appear and inserting ``Department''. (c) Correction of Department of Justice.-- (1) In general.--The Immigration and Nationality Act (8 U.S.C 1101 et seq.), as amended by this Act, is further amended by striking ``Department of Justice'' each place that term appears and inserting ``Department''. (2) Exceptions.--The amendment made by paragraph (1) shall not apply in subsections (d)(3)(A) and (r)(5)(A) of section 214 (8 U.S.C 1184), section 274B(c)(1) (8 U.S.C 1324b(c)(1)), or title V (8 U.S.C 1531 et seq.). (d) Correction of Attorney General.--The Immigration and Nationality Act (8 U.S.C 1101 et seq.) as amended by this Act, is further amended by striking ``Attorney General'' each place that term appears and inserting ``Secretary'', except for in the following: (1) Any joint references to the ``Attorney General and the Secretary of Homeland Security'' or ``the Secretary of Homeland Security and the Attorney General''. (2) Section 101(a)(5). (3) Subparagraphs (S), (T), and (V) of section 101(a)(15). (4) Section 101(a)(47)(A). (5) Section 101(b)(4). (6) Section 103(a)(1). (7) Section 103(g). (8) Section 105(b)(1). (9) Section 105(c). (10) Section 204(c). (11) Section 208. (12) Section 212(a)(2)(C). (13) Section 212(a)(2)(H). (14) Section 212(a)(2)(I). (15) Section 212(a)(3)(A). (16) Section 212(a)(3)(B)(ii)(II). (17) Section 212(a)(3)(D). (18) Section 212(a)(4). (19) Section 212(a)(9)(B)(v). (20) Section 212(a)(9)(C)(iii). (21) Section 212(d)(11). (22) Section 212(d)(12). (23) Section 212(g). (24) Section 212(h). (25) Section 212(i). (26) Section 212(k). (27) Section 212(s). [(28) Section 213A(a)(1).] [(29) Section 213A(f)(6)(B).] (30) Section 216(d)(2)(c). (31) Section 219(d)(4). (32) Section 235(b)(1)(B)(iii)(III). (33) The second sentence of section 236(e). (34) Section 237. (35) Section 238(a)(1). (36) Section 238(a)(3). (37) Section 238(a)(4)(A). (38) Section 238(b)(1). (39) Section 238(b)(5). (40) Section 238(c)(2)(D)(iv). (41) Section 239(a). (42) Section 239(b). (43) Section 240. (44) Section 240A. (45) Section 240B(a)(1). (46) Section 240B(a)(3). (47) Section 240B(b). (48) Section 240B(c). (49) The first reference in section 241(a)(4)(B)(i). (50) Section 241(b)(3) (except for the first reference in subparagraph (A), to which the amendment shall apply). (51) Section 241(i) (except for paragraph (3)(B)(i), to which the amendment shall apply). (52) Section 242(a)(2)(B). (53) Section 242(b) (except for paragraph (8), to which the amendment shall apply). (54) Section 242(g). (55) Section 244(a)(3)(C). (56) Section 244(c)(2). (57) Section 244(e). (58) Section 244(g). (59) Section 245 (except for subsection (i)(1)(B)(i), subsection (i)(3)) and the first reference to the Attorney General in subsection 245(j)). (60) Section 245A(a)(1)(A). (61) Section 246(a). (62) Section 249. (63) Section 264(f). (64) Section 274(e). (65) Section 274A. (66) Section 274B. (67) Section 274C. (68) Section 292. (69) Section 316(d). (70) Section 316(f)(1). (71) Section 342. (72) Section 412(f)(1)(A). (73) Title V (except for subsections 506(a)(1) and 507(b), (c), and (d) (first reference), to which the amendment shall apply). SEC. 808. REPEALS; CONSTRUCTION. (a) Repeals.-- (1) Immigration and naturalization service.-- (A) In general.--Section 4 of the Act of February 14, 1903 (32 Stat. 826, chapter 552; 8 U.S.C 1551) is repealed. (B) 8 u.s.c 1551.--The language of the compilers set out in section 1551 of title 8 of the United States Code shall be removed from the compilation of such title 8. (2) Commissioner of immigration and naturalization; office.-- (A) In general.--Section 7 of the Act of March 3, 1891 (26 Stat. 1085, chapter 551; 8 U.S.C 1552) is repealed. (B) 8 u.s.c 1552.--The language of the compilers set out in section 1552 of title 8 of the United States Code shall be removed from the compilation of such title 8. (3) Assistant commissioners and district director; compensation and salary grade.--Title II of the Department of Justice Appropriation Act, 1957 (70 Stat. 307, chapter 414; 8 U.S.C 1553) is amended in the matter under the heading ``Immigration and Naturalization Service'' and under the subheading ``SALARIES AND EXPENSES'' by striking ``That the compensation of the five assistant commissioners and one district director shall be at the rate of grade GS-16: Provided further''. (4) Special immigrant inspectors at washington.--The Act of March 2, 1895 (28 Stat. 780, chapter 177; 8 U.S.C 1554) is amended in the matter following the heading ``Bureau of Immigration:'' by striking ``That hereafter special immigrant inspectors, not to exceed three, may be detailed for duty in the Bureau at Washington: And provided further,''. (b) Construction.--Nothing in this title shall be construed to repeal or limit the applicability of sections 462 and 1512 of the Homeland Security Act of 2002 (6 U.S.C 279 and 552) with respect to any provision of law or matter not specifically addressed by the amendments made by this title. SEC. 809. MISCELLANEOUS TECHNICAL CORRECTIONS. (a) Correction to the Intelligence Reform and Terrorism Prevention Act of 2004.--Section 5502(b) of the Intelligence Reform and Terrorism Prevention Act of 2004, Pub. L. 108-458, in amended by striking ``(E) Participated in the commission of severe violations of religious freedom.'' and inserting ``(F) Participated in the commission of severe violations of religious freedom''. (b) Conforming Amendment to the Child Soldiers Accountability Act of 2008.--Section 2(c) of the Child Soldier's Accountability Act of 2008, Pub. L. 110-340, in amended by striking ``(F) Recruitment or use of child soldiers.'' and inserting ``(G) Recruitment or use of child soldiers.''. (c) Central Intelligence Agency Act of 1949.--Section 7 of the Central Intelligence [[Page S4881]] Agency Act of 1949 (50 U.S.C 3508) is amended by striking ``Commissioner of Immigration'' and inserting ``Secretary of Homeland Security''.

**Load-Date:** August 5, 2017

**End of Document**



[***Poland Press - Top Business Headlines; COAL/ PGG - State-owned coal group PGG is facing staff demands of gross PLN 2.1k in one-off bonuses at the turn of November, which would cost the firm some PLN 100 mln, the daily Parkiet reports. The management is reportedly reluctant to take on any more major expenditure this year and will try to extend talks with the trade unions until next year, according to Parkiet's findings. Wage decisions will depend on the situation of the company and the opinion of the monitoring team, PGG spokesperson Tomasz Glogowski said. PGG has only just pulled into the black, posting an PLN 8 mln net profit in H1 2017. Meanwhile, the tension between the management and staff as well as PGG's production problems are said to have temporarily threatened the position of CEO Tomasz Rogala, but he seems to have weathered the storm. (Parkiet)***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:64R9-6WT1-JCG5-H029-00000-00&context=1516831)

PAP Market Insider

September 21, 2017 Thursday 7:25 AM CET

Copyright 2017 PAP Polish Press Agency All Rights Reserved



**Length:** 1325 words

**Byline:** Mierzwinska Anna

**Highlight:** Following is a summary of the leading stories in the Polish press covering stocks and corporate news. PAP does not verify information contained in the Polish press

**Body**

COAL/ PGG - State-owned coal group PGG is facing staff demands of gross PLN 2.1k in one-off bonuses at the turn of November, which would cost the firm some PLN 100 mln, the daily Parkiet reports. The management is reportedly reluctant to take on any more major expenditure this year and will try to extend talks with the trade unions until next year, according to Parkiet's findings. Wage decisions will depend on the situation of the company and the opinion of the monitoring team, PGG spokesperson Tomasz Glogowski said. PGG has only just pulled into the black, posting an PLN 8 mln net profit in H1 2017. Meanwhile, the tension between the management and staff as well as PGG's production problems are said to have temporarily threatened the position of CEO Tomasz Rogala, but he seems to have weathered the storm. (Parkiet)

POWER/ PGE, TAURON - Listed power groups PGE and Tauron are among buyers of solar power projects which secured state support at recent auctions, according to renewable energy think-tank IEO head Grzegorz Wisniewski cited by the daily Parkiet. PGE has recently admitted it was analyzing projects with capacity of up to 100 MW, but said no decisions had yet been made, the daily reminds. One foreign solar power ***producer*** operating in Poland confirmed purchase offers of up to 300 MW, but said regulatory uncertainty was hindering transactions. (Parkiet)

PRIVATE EQUITY/ ENTERPRISE INVESTORS - Private equity fund Enterprise Investors (EI) has just raised EUR 498 mln for its new CEE fund, nearly EUR 50 mln above initial assumptions, and ***plans*** to spend at least a half of the sum in Poland, EI CEO Jacek Siwicki told the daily Rzeczpospolita. EI will be looking particularly closely at mid-sized companies from such sectors as retail, consumer goods, financial services and healthcare, but the approach will be selective. Asked about foreign investors' view of Poland, Siwicki pointed to concerns about sources of funding beyond the EU financial perspective 2014-2020 and the uncertain future of pension funds OFE. (Rzeczpospolita, Parkiet)

POWER/ PGE, TAURON, ENEA, ENERGA - Listed power groups PGE, Tauron, Enea and Energa will be covered by a new regulation of the power distribution business providing for the appointment of pointpersons for critical infrastructure at every company managing such infrastructure, the daily Puls Biznesu reports. The experts will be reporting to the government's pointperson for ***strategic*** infrastructure Piotr Naimski. (Puls Biznesu)

MACHINERY/ URSUS - Listed ***agriculture*** machinery ***producer*** Ursus expects to book over PLN 131 mln in revenues from its Tanzanian contract in Q3 and Q4, while the Zambian contract will start contributing to group revenues at the turn of 2017/18, deputy CEO Monika Kosko told the daily Parkiet in an interview. Domestic revenues this year are expected to stabilize or rise slightly vs. 2016, she said. Ursus is in advanced talks over subsequent orders in Algeria, Namibia and in the West Africa region. The firm also wants to grow tractor sales in Western and Southern Europe. The fledgling bus segment has a PLN 40 mln backlog and is expected to break even this year, Kosko said. The 2017 CAPEX ***plan*** of PLN 35 mln may be stretched to next year, when another PLN 35 mln will be invested. (Parkiet)

WOOD/ PFLEIDERER - Listed chipboard ***producer*** Pfleiderer gave investors three reasons to cheer on Wednesday: an ambitious strategy, a buyback ***plan*** and a "very concrete" incentive ***program*** pegged to the stock's performance, DM BDM analyst Krystian Brymora told the daily Puls Biznesu of the firm's 8.5% share price growth. BZ WBK analyst Michal Sopiel justifies the surge mainly in terms of the buyback price: Pfleiderer will offer PLN 47 per share. The strategy goals are bold but attainable, according to Brymora. Pfleiderer ***plans*** to increase its EBITDA margin to above 16% from 12-13% to date. The biggest threat to successful execution lies in the ***planned*** growth of production capacities by rivals, he said. (Puls Biznesu)

BANKING - Polish banks are beginning to take note of market saturation for bank accounts and are now adjusting their offers to better cater to existing clients, the daily Dziennik Gazeta Prawna writes. Bank BZ WBK is now marketing a single account that can be built-out with functionalities by the clients themselves, and a similar approach has been adopted by Alior Bank. The strategy looks rather like a bid to stop client outflow, an official of one of BZ WBK's main rivals commented. At end-March banks were running 41.9 mln personal accounts, which means that every other client had at least two accounts, according to central bank NBP. The number of current accounts should keep growing, but at a slower rate than in the previous quarters, NBP officials told the daily. The one area were banks are posting clear growth are non-resident accounts opened by migrants: the end-March tally was up 40% y/y to 571k. (Dziennik Gazeta Prawna)

M&A - The Polish M&A market should come to life after the summer, with transactions likely focused on private firms, but attractive valuations may also attract investors to public firms, the daily Parkiet writes citing Aria Fund expert Marta Walendzewicz. Public-to-private deals are possible practically in every sector, partner at MCI Capital Krzysztof Konopinski concurs. Mounting regulations for public companies is what may also encourage some of them to switch to alternative sources of financing, e.g. private equity (PE) funds, managing director at S&P Global Ratings Marcin Petrykowski noted. PE divestments, in turn, could be expected in TMT, retail and food sectors, according to DNB Bank Polska. (Parkiet)

FINANCIALS/ GETBACK - Listed debt collector GetBack posted good Q2 results, but the market seems to have expected more, Ipopema Securities analyst Lukasz Janczak told the daily Parkiet of the numbers presented by the firm on Wednesday. The Q2 take validates GetBack's guidance presented before the market debut, in Janczak's view. Debt recovery sums will be rising in the coming quarters, as the firm invested in young portfolios with good quality. Of key importance, however, are long-term prospects, and GetBack has a pretty risky business model, the analyst said. Collection may deteriorate together with a potential economic slowdown. (Parkiet)

SECURITIES/ KDPW - Poland is said to have dismissed a long-term CEO of the national securities depository KDPW Iwona Sroka in order to make room for Jaroslaw Grzywinski, officially a candidate for deputy CEO at the WSE operator GPW, the daily Gazeta Wyborcza writes. Grzywinski, having trouble getting a green light for his GPW appointment from the financial regulator KNF, may find it even harder to be cleared for the top job at KDPW, the daily claims. Meanwhile, Sroka's two deputies Slawomir Panasiuk and Michal Stepniewski have expressed readiness to step in for her, the daily found out. (Gazeta Wyborcza)

POWER/ EESTI ENERGIA - Estonian power ***producer*** and vendor Eesti Energia, present in Poland since Q3 2017 with an offer of electrical energy and natural gas, is seriously considering investing in renewable energy production in the country if investment opportunities appear, CEO Hando Sutter told the daily Rzeczpospolita. (Rzeczpospolita)

FOOD/ MHP - Ukrainian food giant MHP is bidding for the Polish poultry ***producer*** Exdrob and has just filed for the anti-monopoly clearance from the UOKiK watchdog, the daily Puls Biznesu reports. MHP declined to comment at this stage, while Exdrob's CEO and shareholder Miroslaw Szalkowski did not reply by the closing of Puls Biznesu's Thursday issue. Opinions in the Polish food industry vary. With a foothold in Poland, MHP will find it easier to export both Polish and Ukrainian products to the EU, one domestic poultry ***producer*** said. The investment should be perceived as an opportunity for the Polish market, according to Credit Agricole Bank Polska's Jakub Olipra. (Puls Biznesu)

ami/ gty

**Load-Date:** February 25, 2022

**End of Document**



[***Canadian Cannabis Presents Opportunities in Cultivation and Retail***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S68-YMT1-JB72-143V-00000-00&context=1516831)

PR Newswire Europe

April 26, 2018 Thursday 8:30 AM EST

Copyright 2018 PR Newswire Europe Limited All Rights Reserved

**Length:** 2677 words

**Dateline:** NEW YORK, April 26, 2018

**Body**

NetworkNewsWire Editorial Coverage

For the very first time, a developed country stands at the precipice of legalizing recreational cannabis. Despite a slight delay from the original July 2018 legalization goal, industry analysts agree that Canada is on course to fully legalize recreational marijuana in August or September of this year, clearing the way for adults aged 18 and over to legally purchase the drug from licensed dispensaries across the nation. For companies likeChoom Holdings, Inc.(CSE: CHOO) (OTC: CHOOF)(CHOOF Profile),Aurora Cannabis, Inc.(TSX: ACB) (OTC: ACBFF),Namaste TechnologiesInc.(CSE: N),Emerald Health Therapeutics, Inc.(TSX-V: EMH) (OTC: EMHTF) andThe Supreme Cannabis Company, Inc.(TSX-V: FIRE) (OTC: SPRWF), this unprecedented regulatory shift is likely to unleash huge opportunities across multiple industry sectors, most notably cultivation and retail operations.

Barriers to Entry

Demand for recreational cannabis in Canada is still, to some degree, a mystery. As a forerunner in the legalization of recreational marijuana, Canada will likely serve as a measuring stick for other countries that are interested in following suit. However, based on various federal and provincial reports, legislators have estimated that nationwide demand could come in at around 800,000 kilograms annually, with the market expected to experience sustained growth in the coming years. The push to address this forecast demand has resulted in a number of cannabis industry heavyweights, with their positions in the market being bolstered by the significant barriers to entry that exist for would-be Canadian cannabis ***producers***.

Currently, cannabis production operations fall under the jurisdiction of the Access to Cannabis for Medical Purposes Regulations (ACMPR). Introduced in 2016 as a replacement for the Marihuana for Medical Purposes Regulations, the ACMPR is administered by Health Canada with the goal of licensing and overseeing the commercial cannabis industry. Companies interested in cultivating cannabis for the Canadian market are required to undergo a complex, seven-stage permitting process under the ACMPR that commonly takes more than a year to complete ([*http://nnw.fm/g71zA*](http://nnw.fm/g71zA)). As a result of this complexity, the firms that successfully navigate the regulatory hurdles associated with the ACMPR to become licensed cannabis ***producers*** often achieve significant PPS increases in the wake of approval (   [*http://nnw.fm/jbu2A*](http://nnw.fm/jbu2A)).

Navigating the Changing Tides

Choom Holdings, Inc. (OTCQB: CHOOF) (CSE: CHOO)is one company that's strategically positioned to capitalize on this post-approval trend in the near future. Choom currently has acquired two ACMPR applicants and has agreements in place to acquire two additional ACMPR applicants, fortified by its recent addition of Saskatchewan-based High Way 10 and parent company Flower Power Cannabis Pharms (   [*http://nnw.fm/Xf26v*](http://nnw.fm/Xf26v)). As the company noted in a news release announcing the acquisition, High Way 10 is currently in the active review stage of Health Canada's rigorous application process. Following the completion of select tenant improvements to its existing 16,000-square-foot facility, Flower Power intends to submit its affirmation of readiness ("AOR") evidence package to Health Canada, which could result in the receipt of a cannabis cultivation license shortly thereafter. If approved, Choom estimates that High Way 10's current facility is capable of ***producing*** approximately 1,500 kg of dried cannabis per year, with plenty of room for future expansion.

Notably, Choom's efforts to scale up its production capacity ahead of the anticipated summer 2018 legalization of recreational cannabis have spanned multiple provinces. On April 19, the company announced its entry into a definitive agreement to acquire Island Green Cure Ltd., an advanced-stage cannabis production license applicant located in Vancouver Island, British Columbia ([*http://nnw.fm/5ZmQQ*](http://nnw.fm/5ZmQQ)). Choom notes that Island Green Cure is currently at the Confirmation of Readiness ("COR") stage of the ACMPR application process.

While Choom has remained committed to expanding its production capacity in recent months, the company has also turned its attention to the retail side of the nascent industry. Unlike cultivation, which is regulated at the federal level, recreational cannabis retail ***programs*** will be developed and enforced by individual provinces. For this reason, Choom's recent efforts to diversify its geographic footprint into new jurisdictions, including its entry into Saskatchewan through the High Way 10 acquisition, could prove to be fruitful.

The Future of Retail

Although the exact launch date of recreational cannabis in Canada isn't yet known, the future of the industry, at least from a retail perspective, is currently being developed. Multiple provinces across the country have already outlined details for their retail ***programs***. The Saskatchewan Liquor and Gaming Authority (SGLA), for example, last month announced ***plans*** to commence issuing retail permits. Timing could prove to be key for prospective retailers in Saskatchewan. The SGLA has limited the number of permits to 51 for the first three years in an effort to ensure a controlled rollout (   [*http://nnw.fm/BB5zT*](http://nnw.fm/BB5zT)), and other provinces have detailed similar restrictions. Choom has already made moves to secure its portion of this retail landscape. In an April 17 news release, the company noted that it has already secured nine retail locations in Alberta and seven in British Columbia, as well as submitting 32 applications for retail permits in Saskatchewan (   [*http://nnw.fm/oC8TP*](http://nnw.fm/oC8TP)). The SGLA is expected to award permits via lottery by June 2018.

Choom's retail ***plans*** go beyond permits and regulatory filings. In January, the company released a concept retail store design (   [*http://nnw.fm/n2N2a*](http://nnw.fm/n2N2a)), and it intends to develop a chain of branded dispensaries in jurisdictions across Canada. Supporting these ***plans***, Choom recently entered into a binding agreement with ABcann Global Corporation (   [*http://nnw.fm/X3eUt*](http://nnw.fm/X3eUt)), one of Canada's premier growers, through which ABcann will supply Choom with premium cannabis products, subject to regulatory approval. The company marked this deal as a strong endorsement of its strategy and a pivotal step in developing Choom as the premium retail brand in Canada's burgeoning recreational cannabis market.

Promising Market Trends

Diversification into both cultivation and retail operations could prove to be a lucrative opportunity for Choom.Aurora Cannabis, Inc.(TSX: ACB) (OTC: ACBFF) has established itself as an industry heavyweight in recent years by leveraging a vigorous growth strategy to rapidly expand its cultivation capacity. Following its acquisition of 71 acres of land in Alberta, Aurora is on track to yield in excess of 430,000 kg of cannabis per year at some point in the future. Add on Aurora's acquisition of Saskatchewan-based CanniMed Therapeutics, which was noted as the 'most expensive pot buyout in history', and it's clear that an aggressive approach to M&A is a key growth driver throughout the cannabis industry.

Much like Choom, Aurora has also placed focus on addressing the flourishing retail sector of Canada's recreational cannabis market. In February, the company announced its completion of a ***strategic*** investment in Liquor Stores N.A. Ltd. aimed at establishing and launching a leading brand of cannabis retail outlets. Through this blended approach to cultivation and retail, Aurora has achieved considerable PPS growth. The company's Canada-listed shares rose from C$3.08 in November 2017 to a high of C$14.79 by mid-January.

Namaste Technologies Inc.(CSE: N) is taking a similar approach to growth through acquisitions, aiming to execute on a vision of becoming an all-inclusive online cannabis marketplace. Through wholly owned subsidiary Cannmart Inc., Namaste received an ACMPR production license on March 19 (   [*http://nnw.fm/g04sV*](http://nnw.fm/g04sV)), just under two months after the company announced its reception of a Health Canada Confirmation of Readiness ("COR"). Following news of Cannmart's ACMPR approval, Namaste's Canadian shares rose to C$2.31, up from C$1.60 in late February.

Prior to receiving ACMPR approval, Cannmart entered a definitive supply agreement through which it committed to purchase, in 2018, 1,000 kg of medical cannabis fromSupreme Cannabis Company, Inc.(TSX-V: FIRE) (OTC: SPRWF) subsidiary 7ACRES. John Fowler, CEO of Supreme, noted the importance of supply agreements such as these in a news release(   [*http://nnw.fm/QPth6*](http://nnw.fm/QPth6))."As a cultivation focused Licensed ***Producer*** we rely on strong retail partners to provide us access to consumers and favorable brand positioning," Fowler stated. Diverging from the integrated strategy of Choom Holdings, Namaste, through Cannmart, is positioning itself as a "sales-only" entity.

While many in the Canadian cannabis market look toward new construction and acquisition for growth capacity, some industry players are taking other approaches.Emerald Health Therapeutics, Inc.(TSX-V: EMH) (OTC: EMHTF), for example, is partnering with British Columbia-based Village Farms to increase production capacity while simultaneously bolstering the margins of traditional greenhouse farms (   [*http://nnw.fm/sX9BP*](http://nnw.fm/sX9BP)). This approach, utilizing established ***agricultural*** ***producers*** to expand capacity, is typically cheaper and faster than the construction of new facilities, as well as providing the opportunity, in many cases, to work with experienced growers and farm staff.

On the Clock

With the legalization of recreational cannabis in Canada expected to occur in a matter of months, the future of what Deloitte has forecast could be a $22.6 billion industry is already taking shape ([*http://nnw.fm/1iYFF*](http://nnw.fm/1iYFF)). Companies with the foresight to position themselves in both the cultivation and retail markets figure to benefit most from the rising tide of cannabis spending throughout Canada. With that in mind, it should come as no surprise that industry upstarts like Choom Holdings, with its four late-stage licensed ***producer*** applicants and detailed retail strategy, are urging the investment community to 'Say Hello' to the next big thing (   [*http://nnw.fm/H6AnE*](http://nnw.fm/H6AnE)).

For more information on Choom Holdings, Inc., please visitChoom Holdings, Inc. (OTCQB: CHOOF) (CSE: CHOO).

About NetworkNewsWire

NetworkNewsWire (NNW) is a financial news and content distribution company that provides (1) access to a network of wire services viaNetworkWire to reach all target markets, industries and demographics in the most effective manner possible, (2) article and editorial syndication to 5,000+ news outlets (3), enhanced press release services to ensure maximum impact, (4) social media distribution via the Investor Brand Network (IBN) to nearly 2 million followers, (5) a full array of corporate communications solutions, and (6) a total news coverage solution withNNW Prime. As a multifaceted organization with an extensive team of contributing journalists and writers, NNW is uniquely positioned to best serve private and public companies that desire to reach a wide audience of investors, consumers, journalists and the general public. By cutting through the overload of information in today's market, NNW brings its clients unparalleled visibility, recognition and brand awareness. NNW is where news, content and information converge. For more information, please visit   [*https://www.NetworkNewsWire.com*](https://www.NetworkNewsWire.com).

Please see full terms of use and disclaimers on the NetworkNewsWire website applicable to all content provided by NNW, wherever published or re-published:   [*http://NNW.fm/Disclaimer*](http://NNW.fm/Disclaimer)

DISCLAIMER: NetworkNewsWire (NNW) is the source of the Article and content set forth above. References to any issuer other than the profiled issuer are intended solely to identify industry participants and do not constitute an endorsement of any issuer and do not constitute a comparison to the profiled issuer. FN Media Group (FNM) is a third-party publisher and news dissemination service provider, which disseminates electronic information through multiple online media channels. FNM is NOT affiliated with NNW or any company mentioned herein. The commentary, views and opinions expressed in this release by NNW are solely those of NNW and are not shared by and do not reflect in any manner the views or opinions of FNM. Readers of this Article and content agree that they cannot and will not seek to hold liable NNW and FNM for any investment decisions by their readers or subscribers. NNW and FNM and their respective affiliated companies are a news dissemination and financial marketing solutions provider and are NOT registered broker-dealers/analysts/investment advisers, hold no investment licenses and may NOT sell, offer to sell or offer to buy any security.

The Article and content related to the profiled company represent the personal and subjective views of the Author, and are subject to change at any time without notice. The information provided in the Article and the content has been obtained from sources which the Author believes to be reliable. However, the Author has not independently verified or otherwise investigated all such information. None of the Author, NNW, FNM, or any of their respective affiliates, guarantee the accuracy or completeness of any such information. This Article and content are not, and should not be regarded as investment advice or as a recommendation regarding any particular security or course of action; readers are strongly urged to speak with their own investment advisor and review all of the profiled issuer's filings made with the Securities and Exchange Commission before making any investment decisions and should understand the risks associated with an investment in the profiled issuer's securities, including, but not limited to, the complete loss of your investment.

NNW & FNM HOLDS NO SHARES OF ANY COMPANY NAMED IN THIS RELEASE.

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, ***plans***, results, or strategies and are generally preceded by words such as "may", "future", "***plan***" or "***planned***", "will" or "should", "expected," "anticipates", "draft", "eventually" or "projected". You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements, including the risks that actual results may differ materially from those projected in the forward-looking statements as a result of various factors, and other risks identified in a company's annual report on Form 10-K or 10-KSB and other filings made by such company with the Securities and Exchange Commission. You should consider these factors in evaluating the forward-looking statements included herein, and not place undue reliance on such statements. The forward-looking statements in this release are made as of the date hereof and NNW and FNM undertake no obligation to update such statements.

NetworkNewsWire (NNW) is affiliated with the Investor Brand Network (IBN).

About IBN

Over the past 10+ years we have consistently introduced new network brands, each specifically designed to fulfil the unique needs of our growing client base and services. Today, we continue to expand our branded network of highly influential properties, leveraging the knowledge and energy of specialized teams of experts to serve our increasingly diversified list of clients.

Please feel free to visit the Investor Brand Network (IBN)   [*http://www.InvestorBrandNetwork.com*](http://www.InvestorBrandNetwork.com)

Corporate Communications Contact:

NetworkNewsWire (NNW)

New York, New York

[*http://www.NetworkNewsWire.com*](http://www.NetworkNewsWire.com)

+212-418-1217 Office

[*Editor@NetworkNewsWire.com*](mailto:Editor@NetworkNewsWire.com)

Media Contact:

FN Media Group, LLC

[*NNW@FinancialNewsMedia.com*](mailto:NNW@FinancialNewsMedia.com)

+1-(954)345-0611

**Load-Date:** April 26, 2018

**End of Document**



[***Smart Money Flowing into Lithium Market***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S7B-TGW1-DXP3-R15F-00000-00&context=1516831)

PR Newswire Europe

May 1, 2018 Tuesday 8:30 AM EST

Copyright 2018 PR Newswire Europe Limited All Rights Reserved

**Length:** 2544 words

**Dateline:** NEW YORK, May 1, 2018

**Body**

NetworkNewsWire Editorial Coverage

Venture capitalists have been placing enormous bets on lithium-ion (Li-ion) batteries. These high-tech batteries now power everything from smart phones and power tools to electric vehicles. Demand for lithium is certain to surge as vehicles become greener, new devices flourish and electricity becomes cleaner. In a testament to the immense opportunity created by the batteries' versatility, venture capital firms have already pumped a record $1 billion-plus into battery technology this year, more than double all of last year's total ([*http://nnw.fm/3TuqE*](http://nnw.fm/3TuqE)). Surging demand and inadequate market supply have intensified the hunt for new sources of this critical mineral byLithium Chile, Inc.(TSX-V: LITH) (OTC: LTMCF)(LTMCF Profile)and other interested mining companies such asAlbemarle Corp.(NYSE: ALB), Lithium Americas Corp.(NYSE: LAC) (TSX: LAC), FMC Corporation(NYSE: FMC) andSociedad Quimica y Minera de Chile(NYSE: SQM).

Lithium has myriad uses, from lubricating grease to fabricating glass and traditional ceramics, but most important is its use in the development of high-density storage batteries. Indicative of its importance, Goldman Sachs identified lithium as "the new gasoline," essential to fueling the burgeoning electric vehicle market. The transformative impact of lithium-based batteries is likely to be greater than the titanic shift that occurred when society transitioned from whale oil to petroleum-based energy sources. Little wonder that smart money is piling into the sector.

Some of the money is earmarked for research on new technology, but by far the largest recent capital influx has poured into existing lithium-ion battery technology, and nothing is more critical to this essential energy source than lithium. The market has grown from $244 million in 2014 to more than $394 million in 2017. That's only the beginning of a burgeoning industry - its 17.4 percent annual growth is expected put the market at over $684 million within the next four years ([*http://nnw.fm/d5ZRK*](http://nnw.fm/d5ZRK)).

A Race for the Prize

Unabated demand and material shortages have driven up prices and sparked a global quest for new sources of lithium. Located in the heart of the world's foremost reserves for the metal,Lithium Chile, Inc. (TSX-V: LITH) (OTC: LTMCF)is well positioned to exploit the market imbalances and sky-rocketing demand. Chile is currently the largest ***producer*** of lithium in the world and first in lithium reserves. Lithium Chile is developing one of the largest lithium-rich exploration portfolios in the country encompassing more than 148,000 hectares (over 570 square miles) across 15 properties. Their land acquisition began in 2015, exploration got underway in 2017, geochemical ***programs*** are complete, geophysics is underway, and the company is targeting 2018 for drilling and an initial resource estimates on two projects.

Through ***strategic*** acquisition, Lithium Chile has amassed the largest lithium land package in Chile of any private operating company. Utilizing over 26 years of mining experience in the country, Vice President of Exploration and Chief Geologist Terry Walker has spearheaded the company's procurement of vast prime lithium resources. An extraordinary field geologist, Mr. Walker can precisely identify the status, ownership and viability of every claim in the country with nothing more than GPS coordinates. Current land prices hover around $1,500 per hectare, but Mr. Walker's acumen and experience proved invaluable Lithium Chile accumulated large tracts of prime lithium-bearing properties well before the land rush for only $3 per hectare.

The company's potential lithium resources are held in salar brines, which are underground reservoirs containing high concentrations of dissolved salts, such as lithium. Testing on Lithium Chile properties has shown some of the highest sample grades reported throughout Chile. The typical lithium concentration needed for production in the United States is between 190 and 200 milligrams of lithium per liter. Some of Lithium Chile's properties have tested at more than 1,000 milligrams per liter, and one sample returned 1,400 milligrams per liter taken within three feet of the surface.

Lithium Chile's wholly owned assets include 66 square kilometers on the Salar de Atacama, Chile's largest mineral salt flat, which is the source of about 30 percent of the world's lithium production. The Salar de Atacama offers multiple competitive advantages in lithium production, including good infrastructure, high concentrations of salar brines, low processing costs, superior evaporation rates and favorable year-round weather. Chile also is mining friendly and provides a clear, streamlined permitting process that contributes to the country being the lowest-cost lithium ***producer*** in the world.

Priority Prospects

Field testing has identified multiple high-priority target areas at Lithium Chile's Salar De Atacama and Salar Ollague properties where near-surface brine values of up to 1,330 milligrams per liter of lithium and 1140 milligrams per liter of lithium, respectively, have been discovered. Drilling is expected to commence this year ([*http://nnw.fm/85Lu2*](http://nnw.fm/85Lu2)). Steve Cochrane, president and CEO of Lithium Chile, commented, "We are delighted with the discovery of such impressive drill target areas at Atacama and Ollague. The results also follow the recent discovery of a 60km2 target area at another of our top Chilean projects - Helados. . . .We have an aggressive multi-project drill ***program*** ***planned*** for this year, which includes all three of these exciting projects, and we look forward to sharing drill results as they come through."

Cochrane has more than 36 years of investment industry experience and helped raise over $500 million for public companies in various industry sectors including mining. Totally committed to company success, Mr. Cochrane and his clients are "all in," and his extensive capital market experience will be an inestimable asset as Lithium Chile continues rollout and expansion of its development strategy. The management team is rounded with seasoned professionals in finance and resources including Executive Chairman Al J. Kroontje and directors Ken Booth and Andrew Bowering. The company is well funded and driven by a top-tier team with more than 150 years of combined experience in finance, mining exploration and development in the natural resources sector.

A Competitive Field

Among the world's major lithium ***producers***,Albemarle Corp.(NYSE: ALB) is the largest and derives nearly 39 percent of its total revenue from lithium sales. Long a global leader in the specialty chemical business, Albemarle's lithium business segment mines lithium and converts it into different forms along the value chain, such as lithium carbonate and lithium hydroxide, or value-added specialties such as butyl lithium and lithium aluminum hydride. With its acquisition of Rockwood Holdings in 2015, the company now controls one of the only operating lithium brines in North America and operates one lithium brine in Chile. ALB also holds a 49 percent share in Talison Lithium in Australia and ***plans*** to expand production there in 2019 under a joint venture.

Lithium Americas Corp.(TSX: LAC) (NYSE: LAC) is focused on development of two lithium development projects: the Cauchari-Olaroz project located in the Jujuy province of Argentina and the Lithium Nevada project located in northwestern Nevada. Its segments are Organoclay, Lithium Nevada, Cauchari-Olaroz and Corporate. Its geographical segments are Canada, the United States, Germany and Argentina. The Cauchari-Olaroz project is a lithium brine mineral project. The Lithium Nevada project is a smectite clay-based lithium project.

Primarily serving the ***agricultural*** industry,FMC Corporation(NYSE: FMC) provides solutions to enhance crop yield and quality by controlling a broad spectrum of insects, weeds and disease, as well as providing pest control to nonagricultural markets. The company's lithium products are utilized in energy storage, specialty polymers and pharmaceutical synthesis. FMC has been in business for over a century and acquired a significant portion of DuPont's Crop Protection business in 2017. FMC employs approximately 7,000 people throughout the world and operates its businesses in two segments: FMC ***Agricultural*** Solutions and FMC Lithium.

Chile-basedSociedad Quimica y Minera S.A.(NYSE: SQM) is an intriguing player in the global scramble to secure greater supplies of lithium. SQM ***produces*** over 45,000 tons of lithium carbonate equivalent per year and ***plans*** to expand lithium carbonate capacity to 63,000 metric tons in 2018. In addition to lithium, the company ***produces*** specialty plant nutrients, iodine derivatives, potassium chloride, potassium sulfate and industrial chemicals. The Chilean government announced it ***plans*** to block the possible $4 billion purchase of 32 percent of the company by Tianqi Lithium Corporation and any other Chinese company. The deal was blocked to prevent China from controlling the lithium resources needed by electric car makers.

From the very first spark of fire forward, humans have sought out new energy sources. At each step along the way, quality of life improved. There's little doubt that lithium will play a major role in powering the future and it appears to be just the beginning of another major transformation in the way we live.

For more information on Lithium Chile, visitLithium Chile, Inc. (TSX-V: LITH) (OTC: LTMCF).

About NetworkNewsWire

NetworkNewsWire (NNW) is a financial news and content distribution company that provides (1) access to a network of wire services viaNetworkWire to reach all target markets, industries and demographics in the most effective manner possible, (2) article and editorial syndication to 5,000+ news outlets (3), enhanced press release services to ensure maximum impact, (4) social media distribution via the Investor Brand Network (IBN) to nearly 2 million followers, (5) a full array of corporate communications solutions, and (6) a total news coverage solution withNNW Prime. As a multifaceted organization with an extensive team of contributing journalists and writers, NNW is uniquely positioned to best serve private and public companies that desire to reach a wide audience of investors, consumers, journalists and the general public. By cutting through the overload of information in today's market, NNW brings its clients unparalleled visibility, recognition and brand awareness. NNW is where news, content and information converge. For more information, please visit[*https://www.NetworkNewsWire.com*](https://www.NetworkNewsWire.com).

Please see full terms of use and disclaimers on the NetworkNewsWire website applicable to all content provided by NNW, wherever published or re-published:   [*http://NNW.fm/Disclaimer*](http://NNW.fm/Disclaimer)

DISCLAIMER: NetworkNewsWire (NNW) is the source of the Article and content set forth above. References to any issuer other than the profiled issuer are intended solely to identify industry participants and do not constitute an endorsement of any issuer and do not constitute a comparison to the profiled issuer. FN Media Group (FNM) is a third-party publisher and news dissemination service provider, which disseminates electronic information through multiple online media channels. FNM is NOT affiliated with NNW or any company mentioned herein. The commentary, views and opinions expressed in this release by NNW are solely those of NNW and are not shared by and do not reflect in any manner the views or opinions of FNM. Readers of this Article and content agree that they cannot and will not seek to hold liable NNW and FNM for any investment decisions by their readers or subscribers. NNW and FNM and their respective affiliated companies are a news dissemination and financial marketing solutions provider and are NOT registered broker-dealers/analysts/investment advisers, hold no investment licenses and may NOT sell, offer to sell or offer to buy any security.

The Article and content related to the profiled company represent the personal and subjective views of the Author, and are subject to change at any time without notice. The information provided in the Article and the content has been obtained from sources which the Author believes to be reliable. However, the Author has not independently verified or otherwise investigated all such information. None of the Author, NNW, FNM, or any of their respective affiliates, guarantee the accuracy or completeness of any such information. This Article and content are not, and should not be regarded as investment advice or as a recommendation regarding any particular security or course of action; readers are strongly urged to speak with their own investment advisor and review all of the profiled issuer's filings made with the Securities and Exchange Commission before making any investment decisions and should understand the risks associated with an investment in the profiled issuer's securities, including, but not limited to, the complete loss of your investment.

NNW & FNM HOLDS NO SHARES OF ANY COMPANY NAMED IN THIS RELEASE.

This release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E the Securities Exchange Act of 1934, as amended and such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. "Forward-looking statements" describe future expectations, ***plans***, results, or strategies and are generally preceded by words such as "may", "future", "***plan***" or "***planned***", "will" or "should", "expected," "anticipates", "draft", "eventually" or "projected". You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause future circumstances, events, or results to differ materially from those projected in the forward-looking statements, including the risks that actual results may differ materially from those projected in the forward-looking statements as a result of various factors, and other risks identified in a company's annual report on Form 10-K or 10-KSB and other filings made by such company with the Securities and Exchange Commission. You should consider these factors in evaluating the forward-looking statements included herein, and not place undue reliance on such statements. The forward-looking statements in this release are made as of the date hereof and NNW and FNM undertake no obligation to update such statements.

NetworkNewsWire (NNW) is affiliated with the Investor Brand Network (IBN).

About IBN

Over the past 10+ years we have consistently introduced new network brands, each specifically designed to fulfil the unique needs of our growing client base and services. Today, we continue to expand our branded network of highly influential properties, leveraging the knowledge and energy of specialized teams of experts to serve our increasingly diversified list of clients.

Please feel free to visit the Investor Brand Network (IBN)[*http://www.InvestorBrandNetwork.com*](http://www.InvestorBrandNetwork.com)

Corporate Communications Contact:

NetworkNewsWire (NNW)

New York, New York

[*http://www.NetworkNewsWire.com*](http://www.NetworkNewsWire.com)

+1-212-418-1217 Office

[*Editor@NetworkNewsWire.com*](mailto:Editor@NetworkNewsWire.com)

Media Contact:

FN Media Group, LLC

[*NNW@FinancialNewsMedia.com*](mailto:NNW@FinancialNewsMedia.com)

+1-(954)-345-0611

**Load-Date:** May 1, 2018

**End of Document**



[***Poland's Top Business Headlines; COAL/ PGG - State-owned coal group PGG is facing staff demands of gross PLN 2.1k (EUR 493) in one-off bonuses at the turn of November, which would cost the firm some PLN 100 mln (EUR 23.5 mln), the daily Parkiet reports. The management is reportedly reluctant to take on any more major expenditure this year and will try to extend talks with the trade unions until next year, according to Parkiet's findings. Wage decisions will depend on the situation of the company and the opinion of the monitoring team, PGG spokesperson Tomasz Glogowski said. PGG has only just pulled into the black, posting an PLN 8 mln (EUR 1.9 mln) net profit in H1 2017. Meanwhile, the tension between the management and staff as well as PGG's production problems are said to have temporarily threatened the position of CEO Tomasz Rogala, but he seems to have weathered the storm. (Parkiet)***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:64RF-TPR1-JCG5-H2B0-00000-00&context=1516831)

PAP English News Service

September 21, 2017 Thursday 8:12 AM CET

Copyright 2017 PAP Polish Press Agency All Rights Reserved



**Length:** 1345 words

**Byline:** Robinson Marzanna

**Highlight:** Following is a summary of the leading stories in the Polish press covering stocks and corporate news. PAP does not verify information contained in the Polish press

**Body**

COAL/ PGG - State-owned coal group PGG is facing staff demands of gross PLN 2.1k (EUR 493) in one-off bonuses at the turn of November, which would cost the firm some PLN 100 mln (EUR 23.5 mln), the daily Parkiet reports. The management is reportedly reluctant to take on any more major expenditure this year and will try to extend talks with the trade unions until next year, according to Parkiet's findings. Wage decisions will depend on the situation of the company and the opinion of the monitoring team, PGG spokesperson Tomasz Glogowski said. PGG has only just pulled into the black, posting an PLN 8 mln (EUR 1.9 mln) net profit in H1 2017. Meanwhile, the tension between the management and staff as well as PGG's production problems are said to have temporarily threatened the position of CEO Tomasz Rogala, but he seems to have weathered the storm. (Parkiet)

POWER/ PGE, TAURON - Listed power groups PGE and Tauron are among buyers of solar power projects which secured state support at recent auctions, according to renewable energy think-tank IEO head Grzegorz Wisniewski cited by the daily Parkiet. PGE has recently admitted it was analyzing projects with capacity of up to 100 MW, but said no decisions had yet been made, the daily reminds. One foreign solar power ***producer*** operating in Poland confirmed purchase offers of up to 300 MW, but said regulatory uncertainty was hindering transactions. (Parkiet)

PRIVATE EQUITY/ ENTERPRISE INVESTORS - Private equity fund Enterprise Investors (EI) has just raised EUR 498 mln for its new CEE fund, nearly EUR 50 mln above initial assumptions, and ***plans*** to spend at least a half of the sum in Poland, EI CEO Jacek Siwicki told the daily Rzeczpospolita. EI will be looking particularly closely at mid-sized companies from such sectors as retail, consumer goods, financial services and healthcare, but the approach will be selective. Asked about foreign investors' view of Poland, Siwicki pointed to concerns about sources of funding beyond the EU financial perspective 2014-2020 and the uncertain future of pension funds OFE. (Rzeczpospolita, Parkiet)

POWER/ PGE, TAURON, ENEA, ENERGA - Listed power groups PGE, Tauron, Enea and Energa will be covered by a new regulation of the power distribution business providing for the appointment of pointpersons for critical infrastructure at every company managing such infrastructure, the daily Puls Biznesu reports. The experts will be reporting to the government's pointperson for ***strategic*** infrastructure Piotr Naimski. (Puls Biznesu)

MACHINERY/ URSUS - Listed ***agriculture*** machinery ***producer*** Ursus expects to book over PLN 131 mln (EUR 30.8 mln) in revenues from its Tanzanian contract in Q3 and Q4, while the Zambian contract will start contributing to group revenues at the turn of 2017/18, deputy CEO Monika Kosko told the daily Parkiet in an interview. Domestic revenues this year are expected to stabilize or rise slightly vs. 2016, she said. Ursus is in advanced talks over subsequent orders in Algeria, Namibia and in the West Africa region. The firm also wants to grow tractor sales in Western and Southern Europe. The fledgling bus segment has a PLN 40 mln (EUR 9.4 mln) backlog and is expected to break even this year, Kosko said. The 2017 CAPEX ***plan*** of PLN 35 mln (EUR 8.2 mln) may be stretched to next year, when another PLN 35 mln (EUR 8.2 mln) will be invested. (Parkiet)

WOOD/ PFLEIDERER - Listed chipboard ***producer*** Pfleiderer gave investors three reasons to cheer on Wednesday: an ambitious strategy, a buyback ***plan*** and a "very concrete" incentive ***program*** pegged to the stock's performance, DM BDM analyst Krystian Brymora told the daily Puls Biznesu of the firm's 8.5% share price growth. BZ WBK analyst Michal Sopiel justifies the surge mainly in terms of the buyback price: Pfleiderer will offer PLN 47 (EUR 11) per share. The strategy goals are bold but attainable, according to Brymora. Pfleiderer ***plans*** to increase its EBITDA margin to above 16% from 12-13% to date. The biggest threat to successful execution lies in the ***planned*** growth of production capacities by rivals, he said. (Puls Biznesu)

BANKING - Polish banks are beginning to take note of market saturation for bank accounts and are now adjusting their offers to better cater to existing clients, the daily Dziennik Gazeta Prawna writes. Bank BZ WBK is now marketing a single account that can be built-out with functionalities by the clients themselves, and a similar approach has been adopted by Alior Bank. The strategy looks rather like a bid to stop client outflow, an official of one of BZ WBK's main rivals commented. At end-March banks were running 41.9 mln (EUR 9.8 mln) personal accounts, which means that every other client had at least two accounts, according to central bank NBP. The number of current accounts should keep growing, but at a slower rate than in the previous quarters, NBP officials told the daily. The one area were banks are posting clear growth are non-resident accounts opened by migrants: the end-March tally was up 40% y/y to 571k. (Dziennik Gazeta Prawna)

M&A - The Polish M&A market should come to life after the summer, with transactions likely focused on private firms, but attractive valuations may also attract investors to public firms, the daily Parkiet writes citing Aria Fund expert Marta Walendzewicz. Public-to-private deals are possible practically in every sector, partner at MCI Capital Krzysztof Konopinski concurs. Mounting regulations for public companies is what may also encourage some of them to switch to alternative sources of financing, e.g. private equity (PE) funds, managing director at S&P Global Ratings Marcin Petrykowski noted. PE divestments, in turn, could be expected in TMT, retail and food sectors, according to DNB Bank Polska. (Parkiet)

FINANCIALS/ GETBACK - Listed debt collector GetBack posted good Q2 results, but the market seems to have expected more, Ipopema Securities analyst Lukasz Janczak told the daily Parkiet of the numbers presented by the firm on Wednesday. The Q2 take validates GetBack's guidance presented before the market debut, in Janczak's view. Debt recovery sums will be rising in the coming quarters, as the firm invested in young portfolios with good quality. Of key importance, however, are long-term prospects, and GetBack has a pretty risky business model, the analyst said. Collection may deteriorate together with a potential economic slowdown. (Parkiet)

SECURITIES/ KDPW - Poland is said to have dismissed a long-term CEO of the national securities depository KDPW Iwona Sroka in order to make room for Jaroslaw Grzywinski, officially a candidate for deputy CEO at the WSE operator GPW, the daily Gazeta Wyborcza writes. Grzywinski, having trouble getting a green light for his GPW appointment from the financial regulator KNF, may find it even harder to be cleared for the top job at KDPW, the daily claims. Meanwhile, Sroka's two deputies Slawomir Panasiuk and Michal Stepniewski have expressed readiness to step in for her, the daily found out. (Gazeta Wyborcza)

POWER/ EESTI ENERGIA - Estonian power ***producer*** and vendor Eesti Energia, present in Poland since Q3 2017 with an offer of electrical energy and natural gas, is seriously considering investing in renewable energy production in the country if investment opportunities appear, CEO Hando Sutter told the daily Rzeczpospolita. (Rzeczpospolita)

FOOD/ MHP - Ukrainian food giant MHP is bidding for the Polish poultry ***producer*** Exdrob and has just filed for the anti-monopoly clearance from the UOKiK watchdog, the daily Puls Biznesu reports. MHP declined to comment at this stage, while Exdrob's CEO and shareholder Miroslaw Szalkowski did not reply by the closing of Puls Biznesu's Thursday issue. Opinions in the Polish food industry vary. With a foothold in Poland, MHP will find it easier to export both Polish and Ukrainian products to the EU, one domestic poultry ***producer*** said. The investment should be perceived as an opportunity for the Polish market, according to Credit Agricole Bank Polska's Jakub Olipra. (Puls Biznesu)

ami/ gty

**Load-Date:** February 23, 2022

**End of Document**



[***Washington: FEDERAL REGISTER PRINTING SAVINGS ACT OF 2017***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RG9-YJK1-F0YC-N017-00000-00&context=1516831)

Impact News Service

January 22, 2018 Monday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 48064 words

**Body**

Washington: The Library of Congress, The Government Washington: of USA has issued the following house proceeding:

 The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the House message to accompany H.R 195, which the clerk will report. The senior assistant legislative clerk read as follows: House message to accompany H.R 195, a bill to amend title 44, United States Code, to restrict the distribution of free printed copies of the Federal Register to Members of Congress and other officers and employees of the United States, and for other purposes. Pending: McConnell motion to concur in the amendment of the House to the amendment of the Senate to the bill. McConnell motion to concur in the amendment of the House to the amendment of the Senate to the bill, with McConnell amendment No. 1917 (to the House amendment to the Senate amendment to the bill), of a perfecting nature.

McConnell motion to refer the message of the House on the bill to the Committee on Appropriations, with instructions, McConnell amendment No. 1918, to change the enactment date. The PRESIDING OFFICER. The Senator from Pennsylvania. Mr. CASEY. Mr. President, I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The senior assistant legislative clerk proceeded to call the roll. Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered. Recognition of the Majority Leader The majority leader is recognized. Mr. McCONNELL. Mr. President, well, here we are. Here we are, day one of the Senate Democrats' government shutdown. We did everything we could to stop them. We put forward a noncontroversial bill that contains nothing--nothing--they even claim to object to. It would continue funding the Federal Government and secure the future of the State Children's Health Insurance ***Program*** for the vulnerable families who rely on it. The bill passed the House, the President said he would sign it, and a bipartisan majority of Democrats and Republicans voted for it. The votes were there, the President was ready, the solution to this manufactured crisis was inches away, but then the Democratic leader took the extraordinary step of filibustering this legislation, preventing it from passing, and plunging the country into this totally avoidable mess. The House of Representatives, the President, and a bipartisan majority of Republican and Democratic Senators all agreed on a compromise bill that would have prevented a shutdown. It would enable Congress to do the commonsense thing--keep negotiating other issues while also providing for our troops, our veterans, and literally millions of vulnerable Americans--but the Democratic leader instead chose to filibuster the bipartisan bill. So here we are, day one, and already funding is in jeopardy for our veterans because the Democratic leader filibustered a bipartisan compromise that a majority of Senators supported and chose instead to shut down the government. Of course, low-income families across America woke up today without the knowledge that their children's healthcare is safe, all because the Democratic leader filibustered a bipartisan compromise that a majority of Senators supported and chose instead a government shutdown. Yesterday, my friend the senior Senator from New York tried to insist a shutdown was anybody's fault but his own--anybody else but me, he said. He blamed President Trump because the President wouldn't resolve months of ongoing negotiations over massive issues in one brief meeting and give the Senator everything he wanted. He blamed Republicans in Congress, as though everybody didn't know the Senate rules allow the minority party, if they choose, to obstruct the American people's business and filibuster for their own political purposes. It is possible, but in this instance, foolishly done. These rhetorical gymnastics are simply not persuasive. The American people see right through all this bluster. [[Page S360]] They see right through all this bluster. Like the President, like the House, and like a bipartisan majority of Senators, the American people want long-term solutions on immigration policy, on government spending, and on all the major issues we have been discussing literally for months and will continue to discuss. Like the President, like the House, and like a bipartisan majority of Senators, the American people cannot begin to understand why the Senate Democratic leader thinks the entire government should be shut down until he gets his way on illegal immigration. The American people cannot comprehend why the senior Senator from New York is advising his party to keep the government shuttered for American troops, American veterans, American military families, and vulnerable American children until he gets exactly what he wants on the issue of illegal immigration, a situation which does not even become urgent until March. All these other matters are indeed urgent. They need to be dealt with right now. This particular issue does not become urgent until March. I hope Senate Democrats are starting to realize all this. I hope they are starting to realize their constituents, the President, the House, and the majority of the Senate are on one side of this. On the other side--all alone--is the Democratic leader who invented this unfortunate hostage situation and led his party into this untenable position. The solution is to end the foolishness. It is hurting millions of Americans who have done absolutely nothing to deserve this. I invite all of my colleagues across the aisle to join together and do what is obviously responsible and right for the people we represent. It is pretty clear. Let's reopen the government. Let's resume the bipartisan discussion on funding our troops, DACA, on government spending, and on all the other priorities all of us can work together to resolve. Recognition of the Minority Leader The PRESIDING OFFICER. The Democratic leader is recognized. Mr. SCHUMER. Mr. President, I address you and this body in the shadow of a government shutdown, something that nobody wanted and almost everybody strived to avoid. Yet we are here. The CR last night barely received 50 votes, let alone the necessary 60. Several Republicans joined Democrats in rejecting the House continuing resolution, which hurts our military, does nothing for urgent domestic priorities like opioids, veterans, and pensions, nothing on disaster relief, and, of course, nothing on the immigration issues we have a real urgency to solve. We just kicked the can down the road one more shameful time. I believe it was the fourth time we have done that. My Republican friends speak often of the damage done to our military by lurching from continuing resolution to continuing resolution. We Democrats agree. That is why we offered Secretary Mattis his full budget request, something I offered yesterday in the White House to President Trump as well. My Republican friends know that we have to stop these CRs, and it is time to actually do a budget and fully fund our military. We can't forget about urgent domestic priorities in the budget, but the military has to be given the certainty it needs. This is one of the main reasons the bipartisan coalition rejected the House CR last night--because of the damage that Secretary Mattis has said it has done to the military. Another reason they rejected it is that it was constructed with not an ounce of Democratic input, and I suspect very little input from many Republicans in the Senate. In our democracy, you have to compromise if you wish to govern. That is how our Founding Fathers designed our government to operate. Yet, time and again, the Republican leader believes he can drop legislation on the floor, say ``Take it or leave it,'' and then gear up the machines of partisan war if we decide to leave it. The leader crafts a partisan approach without consulting us and then tries to blame us for not going along. That kind of behavior would not pass in any part of civil society. It would be called bullying. We are happy and eager to compromise, but we will not be bullied. The most important point is this: The Republicans control the White House, the Senate, the House. That is why America and the world are calling this shutdown the Trump shutdown. It is the responsibility of the President and congressional Republicans to govern. It is their responsibility to keep the doors open and the lights on around here, but the Republican leadership can't get a tumultuous President on board with anything, and they don't offer us any compromises on their own. The breakdown of compromise is poisoning this Congress, and it all springs from President Trump. He has turned blowing up bipartisan agreements into an art form. The President can't take yes for an answer. Twice in this long debate, President Trump walked away from partisan deals to solve all of the issues before us. A week ago last Tuesday, President Trump appealed to Congress on national television to come up with a deal, and he said he would sign it; he would sign whatever Congress sent him. He said he would take the heat for it. But when a bipartisan group of Senators, led by Senator Graham and Senator Durbin, brought him that compromise, he blew it up in a volcanic meeting at the White House. The same script played out with the President and me yesterday. The President called me in the morning and asked that I come to the White House. Of course, I accepted. We had an extensive and serious negotiation about every single outstanding issue. We came close to a tentative agreement on the budget after I offered the Pentagon's full budget request. On the thorniest issue of immigration, the President said many times he would take a deal that included DACA in exchange for the wall. I put that deal on the table in the Oval Office in a sincere effort at compromise. I put the wall on the table in exchange for strong DACA protections in the Graham-Durbin compromise. It was a generous offer, and I believe President Trump was inclined to accept it and was willing to do a very short-term CR, he suggested Tuesday night, in order to get the deal finalized. Hours later, I got a phone call telling me that this was not good enough--first from the President saying: I hear it is 3 weeks. I said: No one told me about that. That is not what we discussed. Then a few hours later: Well, we want what you have offered and four or five more things, which they knew were unpalatable to Democrats but appeased the hard right, anti-immigration wing of the Republican Party. The bottom line is simple. President Trump just can't take yes for an answer. He has rejected not one but two viable bipartisan deals, including one where I put his most prominent campaign pledge on the table. What is even more frustrating than President Trump's intransigence is the way he seems amenable to these compromises before completely switching positions and backing off. Negotiating with President Trump is like negotiating with Jell-O. That is why this shutdown will be called the Trump shutdown. The President's behavior is inimical to compromise, which is required to getting things done in our government. It is impossible to negotiate with a constantly moving target. Leader McConnell has found that out, Speaker Ryan has found that out, and I have found that out. Republican leaders refuse to move ahead without President Trump, and President Trump is so mercurial that it has been impossible to get him to agree to anything. Again, to sum it up: The President can't make a deal, and congressional Republicans will not. As a result, a paralysis has descended on Capitol Hill. As Donald Trump said in 2011: ``If there is a shutdown, I think it would be a tremendously negative mark on the President of the United States. He's the one that has to get people together.'' That was President Trump's quote then, in 2011. Getting people together--that is just about the opposite of what he has done in these negotiations. Today, on the 1-year anniversary of President Trump's inauguration, his government has closed its door to the American people, and he hardly seems to care. Early on he said that our country could use ``a good `shutdown.' '' Today he tweeted: ``This is the One Year Anniversary of my Presidency [[Page S361]] and the Democrats wanted to give me a nice present.'' He called the shutdown an anniversary present--a present--which shows just how out of touch and how callous he can be. A government shutdown is no present for the country, for his party, or for him, and it is entirely the President's doing. The only way out of this is for the President to take yes for an answer and to accept the bipartisan compromise we bring him. On our side, we will keep trying. Last night I suggested that the four leaders and President Trump meet immediately to sort all this out. I still hope we can do that. Otherwise, this Trump shutdown will go on longer than anyone wants it to. I yield the floor. The PRESIDING OFFICER. The Senator from Tennessee. Mr. ALEXANDER. Mr. President, the Democratic leader and the Democratic assistant leader know my great respect for them. In fact, I spent a great deal of time with the Democratic leader in 2013, reopening the government after the Republicans shut it down. I would like to say three things about where we are today. First, in my view, shutting down the Government of the United States of America should never, ever be a bargaining chip for any issue, period. Shutting down the Government of the United States of America should never, ever be used as a bargaining chip for any issue, period. It should be to governing as chemical warfare is to real warfare. It should be banned. It should be unthinkable. We should not even allow anybody on either side of the aisle to seriously consider it. Yet we are in the middle of it. I was sent here from Tennessee not to shut the government down but to make it work for taxpayers. I have worked hard to do that. I continue to do that, and I think my friends on the other side of the aisle know that I know how to work in the Senate. If you want a result, that means 60 votes. I respect the fact that the minority has prerogatives. I don't think the Senate is a place where a bulldozer runs over the minority. So we work together, and we get important results that are lasting on issues like fixing No Child Left Behind and on 21st Century Cures. Senator Murray of Washington State and I are working on the first modifications to the Affordable Care Act to lower health insurance premiums. We haven't had any of those in 7 years. We can do that, and when we do it, it works. But we should never, ever say: If you don't do what I want, we are going to shut the government down because we can. We did that on the Republican side in 2013. We shouldn't have done it, but we did it. Barack Obama was the President of the United States then. What he did say? He said: I will not negotiate with the Republicans, who have shut the government down over the Affordable Care Act, while the government is shut down. So we went on day after day after day, and the government shut down. In my part of East Tennessee, where the Presiding Officer has visited, it happened to be right in the middle of the fall tourist season. So the little businesses that make their living off tourists coming to the Great Smoky Mountains to see the colors--they lost a lot of their livelihood. Military people weren't paid. The taxpayers lost hundreds of millions of dollars because we Republicans shut the government down in 2013. President Obama said: I will not negotiate with anybody over any issue when they use as a bargaining chip shutting the government down. He stuck to his guns, and we capitulated in 2 weeks. We got the blame for it, and we deserved it. We deserved it. We were not sent here to shut the government down. We were sent here to make the government work for taxpayers. Now, who is shutting the government down? It is obvious who is shutting the government down. The Republican House passed a continuing resolution to keep the government open. Last night, 50 Senators, including almost all Republicans and 5 Democrats, voted to keep the government open. The President has said he would sign the continuing resolution to keep the government open. The Democrats are closing down the government because they want a result on an important issue, and they want it now--their way. I respect the issue. It is an issue I am trying to solve, too, but we should not be shutting the government down to resolve the issue of these children who were brought here years ago. I am going to talk more about that. We know who is shutting the government down. The Republicans are voting to keep it open, and the Democrats are voting to shut it. Nobody should be shutting down the government. Second, there is a lot of talk about what the President does and what the House does. One of the things I have learned about Washington is that we have three branches of government for a reason, and we have two independent Houses for a reason. The assistant Democratic leader and the Presiding Officer both served in the House of Representatives. I didn't have that privilege. Sometimes we have Senators who want to run over to the House and get them to do things our way. I have found that doesn't work very well. We have a lot to say over here, and usually the best thing for us to do is to do what the Senate can do and say ``Here it is''--say that to the President, and say that to the House. Often, when we do that, then they agree with us or modify it, and we get a result. So it is a pretty poor excuse to sit here and say: We can't deal with President Trump. We don't have to deal with President Trump. We are the U.S Senate. We can make our own decisions about DACA. We can make our own decisions about health insurance. We need his signature to make it a law, but maybe it is a lot easier if we pass what we can pass and say: Here, Mr. President. Here is a solution to an important issue. You can be Nixon to China on the immigration issue. You have said you want to do that; do it. But first, here is the specific solution we have. As far as the House of Representatives, we can't say to Speaker Ryan: Now, Mr. Speaker, before we do anything in the Senate, we want you to write the bill and approve it and send us this, that, or the other. We can have a discussion with him, but that is not how the system works. We should do what the Senate can do, and we should do it with respect for the House. We should show them what we are doing; we should talk to them about it. There is nothing wrong with that. We should consult with the President of the United States. We want his signature, and we want the House's approval, but the main thing for us to do is to do what we can do. How does that happen? Under the current circumstances, I think there is one obvious way to do that, and I suggested it earlier to the majority leader, Senator McConnell. He didn't do that a couple of weeks ago, but I suggested: Look, we have a tough issue here, DACA. We have a lot of Republicans who would like to get a result. We want the result by March 5 because that is when time runs out for these people who have been living in the United States who were brought here illegally as children through no fault of their own. So the best way to do that--why don't we just vote on it? Why don't we take some time on the floor of the Senate, and rather than negotiating in the back rooms and saying we can't get the President, we can't get Paul Ryan, or we can't do this or that, why don't we just put up the Alexander bill or the Daines bill or the Durbin bill or the Schumer bill or the Graham bill, put it on the floor, let Senators amend it, and see if we can get 60 votes? If we can, then we can say to the President of the United States: Mr. President, we have solved the problem here; we would like your support. We can say to the House of Representatives: We would like you to support it, or if you have a better idea, let's see it, or let's put it in the bill we are going to send you. In any event, we would be in much better shape than the Senate just talking; we would have actually done something. I think the majority leader could shorten the period of time for the resolution. I think that would be a good gesture of faith to the Democrats. Second, we should say that if, during that time, a group of leaders, such as the whips on our side--and we could include the whips on the other side--if a group of Senators cannot come to an agreement on a bill, then we will do [[Page S362]] what the Senate is supposed to do: We will put the bills on the floor, and we will vote on them. We will vote on them, and we will do it in the light of day. We will let people see who is for it and who is against it and whose amendments work and whose don't. Lots of times, we come to a better result that way. That is my suggestion. We don't need to shout at each other. We don't need to go on forever. That is bad for the country. It is bad for the military. It is bad for us. It is bad for the government. It is unthinkable that we should be shutting down the Government of the United States of America. Let's open it back up. Let's shorten the period of time. Let's say that if we don't have the DACA decision worked out among the group of Senators who are talking today, then we put it on the floor and we stay here until we get it done. Finally, we are on the verge of doing some very important things for the American people in the U.S Senate, and I think almost everybody knows that. I noticed the temperature in here last night. Despite the fact that we were in this absurd situation of shutting down the government, people were very respectful of one another because they know that we are on the verge of passing a number of important issues that will help our country--No. 1, a 2-year budget agreement that will give the military the funding it needs. At the same time, it will give significantly more funding for biomedical research, for national parks, as well as national defense and national laboratories. We are close to that. I am not really involved in that very much, but everyone says we are close to a 2-year agreement on that. We can write our appropriations bills in 3 weeks. We can have that done by the end of February. That is the first thing. The second thing is children's health insurance. If we don't do that in this bill, we should certainly do it. There is agreement on a 6-year extension of that, and all over the country, people want that to happen. The third is what is often called Alexander-Murray-Collins-Nelson. We have been in a Hatfield and McCoy mud fight over health insurance for 7 years. We actually have some agreement on a way to bring down health insurance rates for self-employed people, such as farmers, small businessmen and women, and song writers. Senator Murray and I have worked on that. Senator Nelson and Senator Collins have worked on that. The President supports it. The House is interested in it. We haven't said that they have pledged allegiance to it before we pass it, but they do know what we are doing, we have consulted with them, and we are working it out here. So that is the third thing. So we have the 2-year budget bill, we have children's health insurance, we have the Alexander-Murray-Collins-Nelson bill, which is aimed at lowering the insurance rates for self-employed people. That is three things. We have disaster aid. After three big hurricanes that hit us, we can get an agreement on that in a matter of days. Then we have what we call DACA, the children who were brought here through no fault of our own. That is the toughest issue, but a lot of work has been done. We have to be finished by March 5. My sense is that everybody on the Democratic side wants to get that done, and most of us on the Republican side want to get it done. So let's get back to work. Let's don't be in a stalemate for a day or two or even an hour or two or a week or two when we could be taking five major, bipartisan steps that are good for the American people. The American people sent us here to make the government work for them, not to shut it down. That should be unthinkable. That should be like chemical warfare. We should never even consider that. So I urge my friends on the other side, let Senator McConnell and Senator Schumer, who are veteran Senators--they respect this institution, they are friends with all of us, and they are able to make a decision--let them sit down and find an agreement to get this government back open. Let's go to work on the 2-year budget agreement, the children's health insurance ***program***, the Alexander-Murray-Collins- Nelson bill to lower health insurance rates for Americans, the DACA bill, and disaster relief. Let's get that done in a very short period of time. That is my hope. That is the way I like to work in the Senate, and my view is, that is the way about 90 of the 100 Senators would like to see this resolved--sooner rather than later. I thank the Presiding Officer. Mr. President, I yield the floor. The PRESIDING OFFICER. The Democratic whip. Mr. DURBIN. Mr. President, let me thank my colleague from Tennessee. He is my friend. We have worked together on a lot of things, and I respect him very much. We have done some good things in areas like medical research and other very important issues. Let me say at the outset that he and I are of the same mind when it comes to the future of the U.S Senate. We have seen better days in this Chamber. In the past year, I don't believe we have had one honest, open debate with amendments on the floor--not one. We maybe got close on a couple, but not like we remember it, when it was an open process and Members brought their best ideas to the floor and the Senate decided things, debated and decided things. We have lost that. I tell new Democratic colleagues: God, you would have loved the old Senate. It was a great place. What you see today is a shell of what it used to be. The second thing I would like to say is that I maybe have an old- fashioned view of these things, but it is one I feel very strongly about. I do not have the right to pass anything on the floor of the Senate. I have the right to offer a measure on the floor of the Senate, to make my best argument, to convince my colleagues that it is the right way to go, and to ask for a fair vote on the outcome. That is what I have a right to do as a Senator. I have seen colleagues--and I would bet the Senator from Tennessee has too--in the past who say: I want to offer my amendment, and I want it to pass. Well, good. Good luck to you. Bring it to the floor, and do your best. As intensely as I feel about this issue when it comes to Dreamers and DACA, I am not entitled to anything. All I am entitled to do is to offer to the Senate what I consider to be the best, most reasonable approach to solve the problem, and that is what I am looking for. I thank the Senator from Tennessee for the litany he ***produced*** of things that we are close to solving. That is a significant list when we consider the paucity of our performance over the last--I won't go into specifics--over a period of time. If we could do those five things that my friend mentioned, it would be significant in restoring the confidence of the American people in what this institution can be. I think there is one element here that is critical. If the Republican leader would come to the floor within the next hour and say: All right, I am going to allow those who have an opinion or a view or an amendment on the issue of Dreamers and immigration an opportunity to offer that on the floor starting tomorrow--we will start the debate on Monday or Tuesday, whenever it might be--and we will put that work product that comes from that--which would require 60 votes--put that work product into the package of five that you mentioned--caps, health insurance, clinics, the great work the Senator from Tennessee has done with Senator Murray on healthcare--then we would know we have done our job as a Senate. We send that measure to the House, understanding that we have to get these things done, and here is the Senate offering. What troubles me is that we seem to be waiting for a permission slip from others--in the Senate. When did this start? When I was over in the House, spending most of my time loathing the Senate and what it did to the great House ideas, they didn't wait on us, they led. They did what they thought was right. Now we are in a situation where we are facing this shutdown-- something that I didn't come to Congress to deal with and never hoped I would be part of. We ought to cure this and solve it as quickly as possible, and we can. There are several problems we have. Let's face it. This President, at this point, is impossible to negotiate with. It is impossible. On January 9, I sat next to this President, at his suggestion, in the Cabinet Room of the White House. He referred to me by my first name, and I was flattered, I guess, because it was only the fourth time we [[Page S363]] had ever spoken to one another. We talked about this issue involving immigration. It was a good meeting. It was a surprising meeting because it was televised. The American people got to see it. For 55 minutes, we were there, with the President leading us in a discussion. He was very clear in what he said. I recall what he said. You send me a bill, and I will sign it, he said. I will take the heat. You send me a bill, and I will sign it. He went on to say: Why is this taking so much time? We ought to do this quickly. You want a room here in the White House, he said to leaders, to sit down and write this thing? Let's get it done. So he was looking for bipartisanship, he was looking for a sense of urgency, and he was willing to accept the verdict of Congress on this. Within 48 hours, Senator Lindsey Graham and I ***produced*** exactly what he asked for--at least we thought we did--and he totally rejected it. So on January 11, Thursday, President Trump was a heck of a lot different from the January 9, Tuesday, President Trump. I just threw up my hands. After 4 months of working on a bipartisan measure, he rejects it out of hand. We can't wait for an approval stamp from the White House to do our work here. We shouldn't anymore. I heard the Republican leader, Senator McConnell, say: We need to know what President Trump wants to do on this. Please. We can't wait long enough for that to happen, and we shouldn't continue this situation--waiting on something that is not likely to ever occur. I would just appeal to my friend from Tennessee: Let's keep this conversation alive. Let's not get back to it on Monday or Tuesday; let's do something today. Let's push this forward, as we tried to last night. That, to me, is the only way to move forward. The Senator from Tennessee is in a strong position. The Republicans are in control of the House, the Senate, and the Presidency. We are in a position that is much weaker politically. But I think if we go at this in good faith, and if we use commonsense, and if we look for common ground, we can get something done. I really believe it. I am not entitled to pass an amendment; I am entitled to offer an amendment. That is the way I see it. I am prepared to do that and ask my Republican friends--and you have been kind enough to express your support for some parts of what we have offered--to come forward. If you have a better idea, bring it to the floor. Let's do this. But let's not languish in this situation with a government shutdown and no conversation and no dialogue taking place. At this point, the President could solve this problem. He could have solved it yesterday with Senator Schumer when he invited him to the White House. Senator Schumer came back and briefed me on the conversation, and I will tell you, I was amazed. I thought, this is it. We finally found the solution with the President. Within 2 hours, President Trump walked away completely from what he had said to Senator Schumer over lunch. In 2 hours, he completely reversed his position. That is why this shutdown really has his fingerprints on it. As the sign says, this President said, and I can't imagine why, but what he said was that our country needs a good shutdown. It doesn't. There are no good shutdowns. There are those that are necessary,

I guess, for a moment, but for goodness' sake, we ought to be solving problems and making this government work and moving forward. I am prepared to do that. There are so many elements that the Senator from Tennessee just described that I think are so important. I can't tell you what the CHIP ***program*** means to all of us. I hope it means the same to the other side. I will just add that most of the services in my State that are provided by CHIP are provided in community healthcare clinics, so we have to make sure we authorize those and fund them properly if we truly want to serve the children of this country. And, please, you and I are both on the Appropriations Committee; wouldn't it be great if that were the committee we remember? Wouldn't it be great? I know the Senator from Vermont behind me here is our ranking Democrat on that committee. I was always proud to be on the Appropriations Committee, but now it is just a faint glimmer in the eye of someone of what it might have been. We don't ***produce*** appropriations bills. We don't have the kinds of votes on the floor that we used to have, exciting moments with open appropriations bills where we honestly debated the goodness or the shortcomings of different ***programs*** of our government and whether to fund them. We don't do that anymore. We do it in the quiet with staff in our committee rooms instead. There is a lot that needs to be done in the Senate. Can we use this moment, this challenging moment of this shutdown, to not only put this behind us but to really move forward in restoring this institution to something we can be proud of and the American people can be proud of as well? I think we can, and I know the Senator from Tennessee could be a constructive part of it because he always has been. I stand ready to work with the Senator from Tennessee on a bipartisan basis to address this issue, and the sooner the better. I yield the floor. The PRESIDING OFFICER. The Senator from Vermont. Mr. LEAHY. Mr. President, I appreciate what the Senator from Illinois, my dear friend, just said. It is interesting when we deal with substance and not sound bites. I used to worry when I was first here and I would hear some of my very senior colleagues--they were all senior to me; I was the most junior Member of the Senate--talk about when this, that, and the other thing happened. I came here with President Ford was the President. I served with President Carter, President Reagan, President George H.W Bush, President Clinton, President George W. Bush, President Obama, and now, of course, President Trump. Every one of these Presidents were different, but when we got in times like this, they believed in substance and not sound bites. Every one of them would reach a point where Republicans and Democrats could sit down and reach an agreement knowing, whether it was a Republican President or Democratic President, they would keep their word and the Members would keep theirs. I was honored to be asked to speak at the Gold Medal presentation to Senator Bob Dole the other day. Senator Dole was a Republican leader and the Republican majority leader, one of the finest Senators I ever served with--this, from a liberal Democrat from New England--because he always kept his word, because he always brought both Republicans and Democrats together, because he knew we would keep our word. Frankly, as I spoke those words at his Gold Medal presentation, I thought: Can't we go back to those days? Can't we have a time when our leaders come together and the Members across the aisle come together and then vote? The Senator from Illinois, Mr. Durbin, said: Let's have votes. Yes, we passed most of the appropriations bills out of committee in the past year, but we want time to bring them up on the floor. There will be amendments I will not like, there will be amendments I will like, but we will get to vote on them. Vote yes or vote no. That is what we should do. Months ago, when President Donald Trump called for a government shutdown, I thought, when I first heard that, it couldn't be. Then I saw what he said: ``Our country needs a good shutdown.'' Well, through his leadership and chaos and inability to govern or keep his word, he got exactly what he wanted. I would tell him, after 43 years' experience in this body, there is no such thing as a good shutdown. It hurts our Nation, it hurts our reputation around the world, it hurts our military, it hurts our civilian population, it hurts our businesspeople, it hurts our educators, and it hurts those who are seeking cures for every kind of disease there is. Now, I know it is the majority--and the majority is, of course, the Republicans who control the White House, the House, and the Senate. It is their responsibility to ***produce*** a bill to send to the President. If they can't get 60 votes because they refuse to negotiate with Democrats, well, that is their responsibility. All they needed was nine [[Page S364]] Democrats. They couldn't get it done. In fact, they lost four of their own Members. They could not get it done because Republicans shut Democrats out of their closed-door meetings. They disenfranchised more than half the American people. They only appealed for our support after they had written a bill without our input. Let me tell you, after my years of experience under Democratic and Republican leadership and Democratic and Republican Presidents, that is not the way to do it. On the first day of this Trump shutdown, the anniversary of his inauguration, we are 112 days into the fiscal year. For 112 days, the leadership has told us they just need more time to negotiate a bipartisan deal. I have yet to see the negotiations. I have yet to see the deal. They spent that time pursuing a hyper-partisan agenda over the last year. They stripped healthcare from millions of Americans. They rolled back commonsense regulations. They passed a tax bill for big corporations and the superwealthy on the backs of middle-class working people. This was not time spent negotiating in good faith on the budget, or the Children's Health Insurance ***Program***, or for veterans, or for community health centers, or for Dreamers or for a comprehensive disaster relief package to address the disasters that have gone across our country in the past year. Now, last night they said let's have another month to negotiate. Come on, we are 112 days into the fiscal year, and now they want another month into the fiscal year--another month of not addressing the consequences of sequestration by reaching a bipartisan deal to increase the spending on our military and invest in our communities. Another month where we fail to adequately take care of our veterans. Our military leaders agree, we cannot govern by a continuing resolution. The military cannot function under sequestration, and I agree with them because we need a budget deal. I admire Defense Secretary General Mattis. He said, ``for all the heartache caused by the loss of our troops during these wars, no enemy in the field has done more to harm the readiness of our military than sequestration.'' Last night, I could not, in good conscience, support another continuing resolution without even the promise of a bipartisan deal. Democrats have been ready and willing and asking to negotiate since June, just as we did in April, to get the budget passed. In July, I offered a path forward that would have raised the budget cap set in place by the Budget Control Act. My ***plan*** would have increased spending for our military by $54 billion and increased investments in our domestic priorities by $54 billion. Parity has always been the path forward. It allows us to both strengthen our military but also invest in our infrastructure, improve our education, combat the opioid epidemic, and address the needs of our veterans. These are bipartisan priorities. I know from my friends in both the Republican Party and the Democratic Party, we share--we share--these goals. But now, for 112 days, the Republican leadership has kicked the can down the road and cast aside the basic responsibility of Congress to fund the government. They gave us this government shutdown. They followed what Donald Trump said in asking for a good shutdown, even though anybody who has had any experience in government knows there is no such thing, as the President has said, as ``a good government shutdown.'' This was done under the careening leadership and chaos of the President. He said he was for extending CHIP in the House bill, and then he was against it. He said he would sign any bipartisan deal we brought to his desk to protect the Dreamers and increase border security. Then, through a bipartisan deal, Republicans and Democrats came and did exactly what he asked for, and he scoffed at it. Now, that is not steady-as-he-goes leadership. If we can't take the word of the President, when we know he is only one tweet away from changing his mind, why should we trust him when he says he will take care of our veterans or get serious about the opioid epidemic? Why would we take his word when he says he wants to protect the Dreamers? After promising to treat DACA recipients with great heart, President Trump and the Republicans instead held our Nation's Dreamers hostage. They caved to the xenophobic voices within their party. President Trump rejected a bipartisan deal--the only bipartisan DACA deal--which Senators Graham, Durbin, and others specifically crafted to meet his demand. As we speak, 122 Dreamers lose their status every day; that is, yesterday on Friday; that is, today on Saturday; and that is tomorrow on Sunday. We know, on March 5, hundreds of thousands of DACA recipients will begin to lose their status due to President Trump's actions. Republicans now argue there is no urgency to provide protection for Dreamers. I wish you would sit with one of these families and listen to them. They are people who are pursuing great educations. They are pillars of our communities and taxpayers. Ask them if there is any urgency, when you have a medical student about to graduate from medical school and he worries that he will hear [knocking] at the door. Well, in light of the decision to end DACA, 122 Dreamers lose their status every day, and the administration has acknowledged to Congress that implementing any Dream legislation would take up to 6 months, during which tens of thousands more could lose their status. No urgency? If that were my family, I would feel the urgency every minute of the day and night. Since President Trump decided to revoke the protected status, hundreds of thousands of Dreamers have had to live with fear and anxiety every day their status has not been resolved. Imagine how they feel when they see the President's views seem to change constantly, almost daily. Talk about causing whiplash. Dreamers have no reason to believe President Trump would not prioritize them for deportation. The fact is, the administration has asked the Supreme Court to immediately nullify a district court decision--immediately nullify it--to protect DACA recipients, and they seem to have no sense of enforcement priorities. They detained a 10- year-old Texas girl with cerebral palsy. They deported a Michigan father, with no criminal record, who came to this country as a child 30 years ago, paid his taxes and obeyed the law. Even the majority leader, to his credit, is uncertain of what the President wants for Dreamers, or for any path forward for that matter. The majority leader, the Republican leader, said earlier this week, ``As soon as we figure out what he is for, then I would be convinced that we were not just spinning our wheels.'' I have never heard a comment like that in 43 years in the Senate. We are spinning our wheels with a Trump shutdown. We are spinning our wheels because the leadership waited for guidance from the President, unfortunately, instead of doing their jobs working with us, sending a bipartisan deal to his desk. We are spinning our wheels because President Trump--I will give him at least credit for this--is very straightforward. He repeatedly called for a government shutdown. He is probably the only person in the government ever who has been foolish enough to do that, but he got exactly what he wanted, a government shutdown. So, today, medical research has ground to a halt. Today, in Vermont and across the Nation, hundreds of thousands of Federal workers are furloughed through no fault of their own. In Vermont and across the Nation, every additional hour of a Trump shutdown deals another blow to the men and women trying to recover from opioid addiction. Every hour, the burden of the Trump shutdown should weigh heavier on the President's shoulders because there is only one person in this country who wanted this shutdown; that is, President Trump. The Trump shutdown is not and was not necessary. We have always had the pieces. Everybody--Republicans and Democrats--want to raise the budget caps set in place by the Budget Control Act. We want to stop the devastating consequence of sequestration. We want to take care of the bipartisan Children's Health Insurance ***Program***. We have a bipartisan agreement to protect the Dreamers. We have all the pieces. Let's put them together. Let's show the honesty and the courage to do our jobs. [[Page S365]] I see other Senators on the floor wishing to speak. I yield the floor. The PRESIDING OFFICER (Mr. Johnson). The Senator from Oklahoma. Mr. INHOFE. Mr. President, I ask unanimous consent that after my remarks, the Senator from Rhode Island, Mr. Whitehouse, be recognized, and after that, the Senator from Arizona be recognized. The PRESIDING OFFICER. Without objection, it is so ordered. Mr. INHOFE. Mr. President, we like to do this because on mornings like this, when we are supposed to be going back and forth between Democrats and Republicans, that is the proper way to do it, and this locks it in. It is really interesting because I have been through every shutdown in the last 30 years. I was in the House for 8 years and in the Senate for 22 years. Every other time there has been some question--there could be a little bit of blame on the Democrats and a little bit of blame on the Republicans, and the finger pointing goes on. That has always happened, until this time. This is the first time there can be no question, if you want to say whose fault it is. I suggest that the aids that were being used with the picture of the ``Trump Shutdown'' were printed up long before last night even took place. This is the first time there can be no question. If you want to play the blame game, it is the Democrats in this case. I think it was ***planned*** that way. I am not in their heads, but there has to be some reason that all this came along on the first anniversary of this Presidency. I can't find anyone in the Nation right now who is saying that there is some question as to whose fault this is, even the New York Times. You have to keep in mind--just use logic--there was one vote that caused this, one vote. Ninety percent of the Democrats voted in that one vote last night to shut down the government. Ninety percent of the Republicans voted to keep the government open. It was done in a premeditated way, I have to say, because all of this was ***planned*** out. They thought that maybe this would have a good ring to people; they can say the ``Trump Shutdown.'' People have to remember, this happened because of one vote, and that one vote was almost unanimous-- Republicans versus Democrats. That is not why I wanted to talk. In listening to all the things that just happened--I think we are sympathetic to all these things. I think most of the reasons stated for shutting down the government by the Schumer group last night had to do with DACA. Let me tell you, I don't know of one Republican serving in the U.S Senate who isn't very sympathetic to the kids, particularly those who had no voice in it. They were here not by their own choice. They didn't personally violate any laws. We want to take care of them, and we are going to take care of them, and our President wants to take care of them. But that seems to be an issue--if they can convince people that this is all put together by Trump to hurt little kids, then that is the only thing they have to hang their hats on. I suggest my very good friend--I do have a very good friend from Rhode Island who already has his picture of Trump up, so we are going to hear more and more of that all day long, until we finally get the government opened up, probably on Monday. We are sorry it happened that way, but it was one vote that caused it. That is behind us now. I agree with the things that were said by each of the Republican Members on the problems that come with this shutdown. Even if it gets opened early--and I think it will be over, maybe by Monday; I am not really sure. I suspect that. But I have had the privilege in the past of being the ranking member of the Armed Services Committee, and that is the area that really concerns me the most. I have been critical of the last administration, the Obama administration, and what has happened to the military. They had a policy, and it is a stated policy, and all the Democrats agreed with it. It said that you can't put any money into sequestration for the military unless you put an equal amount of money in for social ***programs*** or for nondefense ***programs***. That is saying that defending America is not the No. 1 concern, not the No. 1 priority of what we are supposed to be doing here. As bad as it has become over the last 8 years in terms of our ability--the fact that we are overworking our kids, the fact that our maintenance is down--all of those things are bad. But for this to happen right now, at this time, when we are in the middle of arguably two, maybe even three wars, and our defense has gone through a starvation diet--yesterday Secretary Mattis was very clear. At the time he said this, he was begging for it not to happen; he was hoping it wouldn't happen, but he said that a shutdown would have a ``terrible impact'' on the 2 million men and women and their families who serve in our military--a ``terrible impact.'' There are approximately 200,000 troops currently deployed who are now doing their jobs without pay as a result of this. Secretary Mattis said that all maintenance operations for the military will cease as long as there is a shutdown. When you go through starvation, as we did over the 8 years of the previous administration, the first thing that is hit is always maintenance because that is not obvious. Maintenance and modernization are the two things you can starve without the public being aware of it, and that is what happened. Just look at our F-18s that the Marines are using; 62 percent of them can't be flown now because they have not been properly maintained. We are going through this problem already, and it is going to be exacerbated by the fact that we are closing things down, shutting things down. I have gotten over the part in terms of whose fault it is. I know they are going to desperately try to sound as though the President doesn't like kids and all of that. But the bottom line is, there was a vote; it was a partisan shutdown. Secretary Mattis talked about the maintenance operations for the military that were just starting back up and are going to have to cease for as long as the shutdown exists. That is all maintenance. In Oklahoma, we especially know what is important to our civilian workforce. By the way, in a shutdown, the civilian workforce is going to be out of business. They are going to be gone for that period of time. Tinker Air Force Base is the depot that performs maintenance and overhauls our planes. They are going to be shut down. We have another one in McAlester, OK. It is not known as much as some of the others, but it is the largest Army depot in the country. It has all civilian employees. We have one uniformed officer in the depot in McAlester, OK, and that is the commander. All the rest are civilian employees. They are gone. They are the ones who are off work. Half of the civilian workforce will be sent home, and those projects will be halted. The impact will ripple for weeks and potentially months beyond the shutdown. Once we open back up, there will be a high cost of catching back up and getting things back on schedule. Secretary Mattis said that the shutdown will also shutter critical overseas intelligence activities until funding is restored. That is something I was not that familiar with until he came out with this statement. Of course, we looked at the threats we are faced with in America. I don't think anyone can keep a straight face and not admit that we are in the most threatened position we have ever been as a nation. There is a country, North Korea, that is run by someone who is totally unpredictable. That is what all of our military people say. On November 28, he sent a missile that had the range of reaching Washington, DC, and anyplace in the continental United States. That is a different kind of threat. If you think about the old Cold War, that was a threat. It is nothing like what we are facing today. We had two superpowers. We knew what they had; they knew what we had. It was all predictable because mutually assured destruction actually meant nothing at that time--means nothing today. So this is what we are facing now. We have to recognize that we are in a threatened position. Many Democrats have long claimed support for the military, but when the rubber meets the road, they have the problem that was established when President Obama was [[Page S366]] President; that is, we are not going to do anything to rebuild the military unless we put an equal amount of money into the nondefense ***programs***. Every single Democrat went along with the President. That is how we got into this mess. Now we are faced with the fact that we are not giving the right resources. Sometimes I tell people: Up until 1964, we were spending half of all the revenues that came into the Federal Government on defending America. That is what we were supposed to be doing. It was always over 50 percent of the revenues. Do you know what it is now? It is 15 percent. We are devoting only 15 percent of our total revenues to defending America. We have gotten into this position over a period of time, and it is now at the point where we have really serious problems that need to be addressed. Our Army brigade teams right now are very lethal--still very effective--but only 30 percent of them are able to get out and do battle, as it is right now. In our Air Force squadron, we have a shortage of pilots. We are 1,500 pilots short; 1,300 of them are fighting pilots. While they are willing to do it--we will always have enough who will go on overtime, do whatever is necessary to get out there; nonetheless, the equipment is not properly maintained. The Navy is the most stressed it has been in the history of the Navy and the Marine Corps. That is where we are right now, and that is why, if there is one thing that shouldn't happen during this time in our history, it is a shutdown. I think about my State of Oklahoma. We have 663 Oklahoma Army and National Guard soldiers who will be sent home from a ***planned*** training. I was there when they ***planned*** the training. I was there to send them off. And, of course, that will be put on hold. It is not just Oklahoma. Over 100,000 National Guardsmen are being sent home around the country right now because of this shutdown. Our Reserve forces--National Guard, all of them--are going through this problem. As we face the threats from North Korea, Iran, Islamic extremists, and Russia aggression, not to mention our severe readiness crisis, we can't afford the negative effects of a shutdown. I believe this is going to be over with. I am not sure how. I am not in the leadership. Others are going to make the decision. But I can say that the Senate Democrats know all of this is true, and they know now that America knows. If you look at the editorials around the country, they know that it is being used because--legitimately, it is called the Democratic shutdown. We are going to try to get it corrected. I have talked with several of my Democratic friends, and hopefully that will happen in a very short period of time. My concern, of course, is for the military. I think that we will be able to get this thing done. I want to say it one more time. On the DACA issue, I don't know of one Republican in the U.S Senate who isn't just as sympathetic as any Democrat in the U.S Senate in terms of these individuals. The kids had nothing to do with the problem they find themselves in right now. In the meantime, let's get this over with, rebuild our military, and become what I see is happening now that wasn't happening before--that we will once again assert America as the leader of the free world. With that, I yield the floor. The PRESIDING OFFICER. The Senator from Rhode Island. Mr. WHITEHOUSE. Mr. President, let me first thank my friend from Oklahoma. We often disagree; indeed, we often violently disagree on matters of environmental issues. But we have been teammates--indeed, close teammates on the chemical safety legislation, which has been passed into law; on water resources bills, which have been passed into law; and on the last highway bill, which was passed into law. The lesson I take from that is, in the Senate, we can disagree, and we can disagree violently, but where we agree, push the throttles forward and get it done. Mr. INHOFE. Will the Senator yield? Mr. WHITEHOUSE. I will. Mr. INHOFE. There is an old document nobody reads anymore, and it is called the Constitution. If you look at that, it talks about what we are supposed to be doing here. The priorities are defending America and then they called it--transportation infrastructure. I would say this: We are a great team when we do that. We couldn't have had the successes--I could not have had the successes as the chairman of that committee without you on my side, making sure we are doing what we are supposed to be doing here in taking care of our infrastructure. Right now, we are looking at an opportunity in this administration to do the same thing. I will say right now--and predict--it is going to end up with you and a closely knit group of liberal Democrats and conservative Republicans working together to make America great in terms of our infrastructure. Mr. WHITEHOUSE. I appreciate very much the Senator's words of goodwill, and it aligns very well with the note of optimism that I want to open on after last night's vote. Last night's vote provoked the first real conversations--the first real, bipartisan conversations about this continuing resolution that I have seen. People all around the country watching C-SPAN saw right there on the Senate floor the Senators pooling about each other, the conversations, the back-and-forth, the intermediaries going in between the leaders. They saw live what the Senate should have been doing for weeks, which is to work in a bipartisan fashion toward a compromise. When starting at 20 minutes to midnight, it is hard to work it all the way through. My strong hope is that the energy and the spirit of bipartisanship that was evident right down here in the well last night persists through this weekend and as long as necessary to get a bipartisan deal accomplished. We have the weekend to do it, we probably even have Monday to do it, and we should get about our business. We can also be optimistic that the measures that the Democrats want to include are bipartisan. We are not trying to jam one-side-only poison pills through; we are trying to get attention to long overdue matters where there is a bipartisan solution. There is something of a backstory to where we are right now, so I want to mention it. I have obviously considerable sympathy for Majority Leader McConnell's predicament with a President who takes opposite positions within hours. How does one negotiate with that? ``Give me a bipartisan deal and I will take the heat,'' the President said. He has since blown up anything bipartisan that came anywhere near him. Majority Leader McConnell is reduced to saying: I don't know what the President will sign, and I can't act until I know. Well, I think last night shows that we actually can begin to act here in the Senate even if the President can't get his signals straight about where he wants us to come. I can't help but remember Senator Graham's description in our Judiciary Committee of President Trump's reversal on the Durbin-Graham proposal. He described it in 2 hours--he described the 10 o'clock Trump and the 12 o'clock Trump, and within 2 hours, he completely reversed his position. Senator Graham said ``I want that guy back'' about the 10 o'clock Trump. It is very hard to negotiate with someone who doesn't know what his position is, so I do have sympathy, and I hope the White House sits down and has a negotiation with itself so that it can decide what it wants. The other problem over at the White House is that the President has surrounded himself with extremists, and that means that nobody knows how to negotiate. And the advice he is getting doesn't serve him. You really don't do deals--I think virtually anybody in politics knows this--by bringing in the most extreme elements to shout at each other; you do deals by bringing in people who have good faith and a common interest in solving the problem together. If all you have around you are extremists, you have dramatically crippled and shrunk your own capabilities--unless, of course, what you wanted all along is what the extremists want: ``a good shutdown.'' There is another backstory going on that I want to discuss. This is a fight over maybe a dozen legislative issues, but it is also a fight over the institution of the Senate and how far we will let the Senate degrade into a partisan dead zone. In the oceans, we see more and more dead zones where there isn't [[Page S367]] enough oxygen to support life, so there aren't fish and there isn't the mixing and the turbulence that are necessary for the mixing of life and oxygen. The Senate seems to be slowly turning into that dead zone. We know what works around here because the majority leader has a long history of fighting to get it, to make sure that the minority has amendments and to try to block things that are exclusively partisan. Indeed, at various times, he has encouraged his caucus to avoid joining Democrats on any bills, so that they are partisan, so that he can block them. So we have lived the experience of the majority leader's interest in amendments and in opposition to purely partisan legislation. We have also heard it, and in the majority leader's own words, he has called for a Senate ``which honors and respects all the members and allows everybody to participate and offer their ideas, regardless of party.'' He went on to say: ``That's something that the majority leader can do and I intend to do it.'' How do you do that? Well, he went on to say in another interview that the way to do that is ``to ensure that everyone has an opportunity to participate in some way in the passage'' of the legislation. To be specific, he said, ``bills should come to the floor, be thoroughly debated, and include a robust amendment process''--a robust amendment process. He went on: ``The answer is to let [the Senate] debate; to let the Senate work its will. And that means bringing bills to the floor. It means having a free and open amendment process.'' He also said: ``We want to engage members from both parties in the legislative process, to get our democracy working again the way it was designed.'' With that background, let's look at Trump year 1. The opener legislatively in the year was the partisan budget reconciliation bill, a purely partisan measure whose only purpose was to open the door to further purely partisan measures under the budget reconciliation process. So we opened with that partisan process. Having opened that door, sure enough, we went on to partisan ObamaCare repeal, which failed, and they tried again, over and over, but always partisan, whatever the effort. Then we went back to partisan budget reconciliation 2 to tee up a partisan opening for a partisan tax bill. Then, of course, we had the partisan tax bill. There was one briefly shining light on the national defense authorization. Chairman McCain and Ranking Member Reed in the Armed Services Committee led a robust, bipartisan amendment process that brought the committee together and brought forward a bill that I think everybody in the Senate could be proud of, but when it got to the floor, here on the Senate floor, not one Democrat was allowed a floor vote on any amendment. So the grand total for the year for the U.S Senate, setting aside the budget and vote-arama amendments, which, in my view, don't count-- that whole process is a joke. That simply tees up a reconciliation measure that allows further partisanship. So set those aside because they don't count. In real legislation, how many amendments has the minority been able to get on the floor? The grand total all year long, ever since Trump was elected last year, to this year, is a grand total of zero. Zero Democratic amendments considered on the Senate floor since Trump--not one. Compare that to all the things I just read that the Senate majority leader promised on amendments--that bills should come to the floor, be thoroughly debated, and include a robust amendment process; that the answer is to let folks debate, to let the Senate work its will, and that means bringing bills to the floor, and it means having a free and open amendment process. To paraphrase Senator Graham, I want that guy back. When the leader shuts down the amendment process, it is not just the minority party that suffers. Republicans also, under Trump, have gotten virtually zero floor amendments voted on all year long. That leaves the Senate exclusively with partisan ram jobs, which is what we have seen a lot of, and UCs--unanimous consent agreements-- things so noncontroversial that they can avoid the dead zone of the McConnell Senate floor and be agreed to by everyone and passed into law. That is a worthy process, but it is not a process that is going to yield a solution to the big controversies we need to resolve here in this world's greatest deliberative body. This problem of no open process and no amendments is a problem for all of us. When we get all tangled up in leadership chess games, all Senators lose their ability to represent their States. Power gets concentrated in the leader. I remember Senator Sessions, on the floor over there--I was actually in the Presiding Officer's chair on some of the occasions when Senator Sessions was animatedly discussing his concern and irritation with what the masters of the universe were doing in secret rooms that he did not have access to. This is a bipartisan frustration. We all become cogs in the majority leader's leadership chess match, and we all have common cause in going back to a place where the leader helps the Senate work its will, not where leaders impose their will on the Senate. The Senate is broken. Over and over again that has been said on the Senate floor, and by no one more articulately than by Senator Durbin. The longer you have been around--Senators Durbin and Alexander particularly--when you remember what it was like, it is much more apparent how broken it is. And for whose benefit? For big donors, so they can call the shots through the leadership? For the leadership thrill of being a bigger player in DC's ``Game of Thrones''? This ought not just be a Democratic revolt against the mess we are in. Republican Senators are often just as neutered as their minority colleagues when all power moves to the majority leader. Zero amendments--not a single minority amendment in the entire year on real legislation--ought to be a symptom that concerns everyone. And I don't know what Republicans got--two, maybe three amendments in an entire year? How many Republican Senators are there who have never had an amendment of theirs called up and voted on on the Senate floor? Let me add one additional point against this looming specter of a shutdown. Speaker Ryan sent over a bill last night that we voted on last night that he knew was going to fail. I am a junior Senator here, and I had last night's vote predicted exactly. With all the powers of the Speaker of the House, with his direct line to his fellow Republican, the majority leader, is it plausible to think that what happened last night in the Senate was any kind of a surprise to the Speaker of the House? Of course not. We know from Senator Schumer and Leader Pelosi that there was not even consultation with Democrats about the contents of the CR last night--no negotiations, nothing, a partisan ram job that the Speaker had to know would fail when he sent it over. Imagine the cynicism. Imagine the cynicism, with the shutdown of the government looming, of sending to the Senate a partisan bill you know will fail, teeing up a shutdown just so you can tee up a blame war about the shutdown you knowingly provoked. That is ``House of Cards'' cynical stuff. Let me wrap up by saying that the Senate balance is about as close as it could be. Moreover, Democrats in the Senate represent 40 million more Americans than our Republican colleagues do. When the Senate majority is microscopic and you represent a minority of the American people, dictating terms to the Senate minority as if this were the Soviet Duma is not justifiable, and it is destroying the Senate. We on our side have been rolled and we have been rolled and we have been rolled, and there is no end in sight. The Senate of the United States has been turned into a dead zone--the McConnell-partisan dead zone. Those strategies amass power into the leader's hands, away from Republican and Democratic Senators alike, but that breaks all the promises the majority leader made about amendments and regular order, and that is destroying this institution--this institution that we love. You simply cannot have both bipartisanship and utter dominion by the majority leader at the same time. That just can't coexist; it is impossible. You cannot have an open amendment process and utter dominion by the majority leader at the same time. If the majority leader insists on being, to use Senator Sessions' phrase, the ``master of the universe,'' what does that leave for everyone else? Well, we have seen what it leaves on our [[Page S368]] side: zero amendments, zero consultation, no input, no bipartisanship ever. Why should the great affairs of government be worked out in private meetings of two or five or eight? Those rooms may not be smoke-filled any longer, but the atmosphere is just as unhealthy without the smoke. The atmosphere is just as unhealthy when so much gets done in the dark, and so many Senators, who are not the master of the universe, are reduced to begging and pleading to their leader to have favors slipped into the backroom deal. That is not the way the Senate should work. Smoke or no smoke, that is not healthy, but too many Senators, too many Members have never even breathed the fresh air of a healthy Senate. Like the pit ponies of the old coal mines, they trudge and they haul in darkness, trudging and hauling in the darkness so long they don't know what daylight looks like, but Senators like Dick Durbin and Lamar Alexander, who remember what daylight looks like, are here to remind us how healthy a process that should be. Remember, in a Senate in which the minority party--the barely minority party, I should add--is not for an entire year able to get even one amendment voted on, on one piece of meaningful legislation, in a Senate like that, everybody loses or maybe I should say virtually everybody loses. Unanimous consent, partisan ram job, or nothing is no way to govern and no way to run a Senate. I yield the floor. The PRESIDING OFFICER. The Senator from Arizona. Mr. FLAKE. Mr. President, 1 day into a government shutdown, we are in a hole as a body. I was just talking to one of my colleagues who said we ought to spend less time worrying about who threw us in this hole or how we ended up in this hole and more concern about getting out of it. I hope we can dispense with the signs--``The Trump Shutdown'' or ``The Schumer Shutdown''--and realize we are in a shutdown situation, now let's climb out of it. There are ways to do that. I believe we will be coming with a proposal today, and I hope we can vote on it today--we can with consent--to move the date from the 16th to the 8th. That would be significant. We don't need to go 4 weeks more in this CR. We can find an agreement to get out of it, to find some permanent solutions, some permanent funding solutions for the government. We can also find solutions on the DACA situation. I just want to encourage my colleagues to not use loaded phrases as well here. I have heard the term that we can't deal or we shouldn't deal with the illegal alien situation right now. Who could honestly look at a child who was brought across the border--the average age when these DACA kids were brought across the border was the age of 6. Some of them were toddlers, some of them were carried by their parents. Who in the world can look at them and refer to them as illegal aliens? You can have a different description for their parents or others who brought them across, but to put that kind of a label on a child is just wrong, and with that kind of loaded language, it makes it more difficult to come to a solution. There is enough blame to go around for this shutdown on all of us. It is a pox on all of our houses. The question should be: How do we get out of it? I would suggest--and I think we are coming to this--that the best way out of this is for the Senate to be the Senate again. I know the majority leader--and I am glad he does--very jealously guards his prerogative as the majority leader to decide what comes to the floor. That is his right as the elected leader of the majority. I hope he will just as jealously guard the Senate's prerogative, the congressional prerogative. We are an equal branch of government, and to say we will not move on a particular topic until we have agreement from the President, when we have waited for weeks and weeks and weeks for that kind of agreement, for that kind of nod or signal, we can't wait anymore. Let's more jealously guard our prerogative here as legislators, and let's bring an immigration bill to the floor. My understanding now is, that is the agreement; that if we haven't reached an agreement with the White House and with the other negotiators by the 8th, by the time this next CR runs out--if we can agree to a CR that runs to the 8th--we will bring an immigration bill to the floor and/or we will bring a vehicle to the floor that will allow other immigration bills to come. I happen to have been working on a bipartisan bill. There are now seven Republicans and seven Democrats who have signed on. That is my preference. I believe some on the Democratic side may want to bring another one up first; that is great. Some on the Republican side may want to bring another version up as well--great. Sixty votes will be required, and I think we will probably settle on one we can all agree on. We will have to. We have to get 60 votes in the Senate. I think that can be done, and that is a way forward. I hope at that time--there is no guarantee--but I hope the President will, as he has said in the past, agree with what the Senate passes. I believe we can pass a responsible measure that takes care of these DACA kids as well as reinforces the border where we need to and takes care of some other issues as well that the President and our leaders have outlined. I think that can be done. It can be done today. I hope we can have consent to move that, and I hope the President can accept that as the will of the House or the will of the Senate and then promote that solution. We have until March 5 before these kids are subject to deportation. None of these kids should be under that cloud, not knowing what they are going to do with regard to school or work or their legal status here. There is an urgency. For those who say there is no urgency, we have had 6 months to deal with this, and now we are just outside of a month before kids will start being deported. We shouldn't go further than February 8 to actually settle this in the Senate. We can do it. We have people who are working in good faith on both sides of the aisle. Let's just exercise our congressional prerogative to actually legislate. If we will do so, I am confident we can come to a solution. I yield the floor. The PRESIDING OFFICER. The Senator from Texas. Mr. CORNYN. Mr. President, I want to thank the Senator from Arizona who spent an awful lot of time and energy on this topic. I am committed to working with him and all of our colleagues to come up with a solution well in advance of the March 5 deadline. One thing I hope he will work with me to confirm is, my understanding is the March 5 deadline means the current DACA recipients can no longer register again for an additional 2 years and qualify for an additional work permit. I think--but I could be mistaken--it doesn't mean they are subject to deportation. What it means is, they can't sign up again for another 2 years, and they will potentially lose their work permit. Having said that, I am not diminishing the urgency of the timeline, and I am committed to working with him and others to try to beat that well in advance during the month of February. I think it does create enormous anxiety for these young people whom I have met, as the Senator from Arizona has. They don't know what their future looks like, and they need to get the certainty that comes along with us giving them a permanent solution which, again, I am committed to do. So I want to make sure I understand exactly what happens March 5, and I described what I think happens. I also know the administration, the Department of Homeland Security, does not prioritize people unless they have committed crimes or otherwise abused the privilege of staying in the United States. Peaceful, law-abiding individuals who have violated the immigration laws--and, of course, these young adults are not culpable in any manner because they came here with their parents so they are pretty blameless, in my book. The point is, I don't think they would be prioritized for deportation. I am confident they would not be, even if I am wrong about what happens on March 5. Mr. President, I yield momentarily to the Senator from Arizona so we could have maybe a little discussion about that. Certainly, I am committed to finding out what exactly does happens on March 5, but I have described, to the best of my knowledge, what I believe will happen. Mr. FLAKE. Mr. President, I thank the Senator for yielding. On the 5th, as I understand it, the DACA ***Program*** will no longer apply. [[Page S369]] Those who have already registered, that registration will continue until it runs out. There are some now--I think the figure is some 150 a day--who are losing status, and there is a question about whether they can renew. Courts have been trying to weigh in on that, and the administration has asked the courts to finalize--asked the High Court to. The problem is, even if it is not deportation on March 5, there are real questions. They can't get work permits. They will not be able to register for school, in certain circumstances, so they are left in limbo, and that is not fair to them. I thank the Senator for working on a solution, and I thank him for yielding time. Mr. CORNYN. Mr. President, I appreciate the comments of my friend from Arizona. He is right about the work permits. Everything else aside, if these young people, some 690,000, can no longer work, that is going to have a dramatic negative impact, not only on them but also on our economy and on the people who hire them, all of which is to say, we shouldn't play with fire here. We need to get this addressed, we need to get it addressed on a timely basis, and that is something I am committed to doing. What confounds me the most, though, is why we find ourselves here with the Senate in session and the Federal Government otherwise shut down. It strikes me as completely unnecessary, especially when a number of us--me included--are having two and three meetings a day to try and come up with a solution to this problem. I know people are anxious for the status and what happens to the future of these young adults. I am, too, and I am eager to come up with a solution as soon as we can, but I think some have had what I would view as an unrealistic view of the end game. In other words, I know our friends have been--the Senator from Arizona, the Senator from South Carolina, and others have a group, along with the Senator from Illinois, which they think will be the seed of a solution here, but as they found out last week, the President didn't support their work product. As Senator McConnell, our majority leader, likes to point out, there is one indispensable person when it comes to legislation, and that is the person who signs it. All of us write the legislation, but the President ultimately is the one who decides whether it is going to become law. That is a serious problem in terms of their ***plan*** to move forward with the so-called Graham-Durbin proposal. It was just I guess last week--I lose track of the days now--when we met at the White House, where Majority Leader McCarthy suggested that he and I, as the majority whip in the Senate, and the minority whip in the Senate, Senator Durbin, for whom this has been a long, passionate cause, and also the minority leader in the House, Mr. Hoyer, get together and schedule a group of meetings to try to work out our differences and to build consensus. As we all know, nothing happens unless consensus is achieved. Actually, I think the belief--in my view, the unrealistic belief-- that somehow the Graham-Durbin bill was going to be the path forward without the President's signature and with a doubtful future in the House of Representatives--hopefully, that has been set aside. I say that with great respect because I don't want to indicate or send any signal that I don't appreciate their concern or their passion or their effort to try to come up with a solution. It is just that I think it should be clear to everyone that that is not going to be the path forward because of the circumstances I mentioned. The President doesn't support it, and it won't pass in the House of Representatives and even get to the President's desk. So we find ourselves here in a completely unnecessary situation. Our Democratic colleagues were pretty unanimous--with four or five exceptions--in voting down a 4-week continuing resolution and causing the government to shut down. The majority leader, Senator McConnell, has offered them another proposal, which was a 3-week continuing resolution while we continue to do our other work. They objected to voting on that last night, but the majority leader has now filed for cloture, which means that will ripen here tomorrow. They have a choice. They can keep the government shut down for another day before we vote on that, or we could agree to vote on it today and reopen the government while we continue our good-faith negotiations and discussions about these other matters. But when the Democratic leader came to the floor and said that he doesn't want to hurt the military, he doesn't want to hurt people who are suffering from opioid addiction, he doesn't want to hurt the veterans, he doesn't want to hurt people who are relying on the government for a pension or people who are relying on the Federal Government for disaster relief, and so he objected to the continuing resolution and caused a government shutdown--I have to say, that is a strange way of showing your devotion and your support for the military or veterans or opioid addicts or people who are depending on the Federal Government to come up with disaster relief. Shutting down the government helps none of them at all. When he talks about continuing resolutions hurting the military, I agree with that, but the very thing that is hurting the military the most is the shutdown and the uncertainty. Our National Guard can't train, for example. The solution to this short term is an agreement on spending caps so the Appropriations Committee can come up with an appropriations bill that will fund the government through the end of September, through the end of the fiscal year. But what has really happened here, unfortunately, is that our colleagues across the aisle have listened to the most extreme elements in their political party and shut down the government over an unrelated immigration issue that doesn't even ripen until March 5. I say that just to say that it doesn't have to be decided today, nor can it be decided today, but that is what they are trying to hold--all the rest of this--hostage in order to do. All across the country, the headlines reflect the reality. From the Associated Press: ``Senate Democrats derail bill to avert shutdown.'' Even the New York Times headline reads ``Senate Democrats Block a Bill to Keep Government Open Past Midnight.'' I can't help but share in the frustration of those who, in disgust, find us in a situation that we don't want to be in and that makes absolutely no sense to anybody because all the things in the continuing resolution that our colleagues across the aisle voted against last night are things they support. It is support for the military, support for opioid treatment, and support for veterans. But they voted against it in order to hold all of that hostage to this unrelated issue of immigration. The minority leader, my friend from New York, Senator Schumer, has done the best he can to try to spin the story and to try to explain his strategy and to cast blame. I have to admire his talent. Senator Schumer is my friend. We have worked together on a number of items in a bipartisan way to come up with solutions to complicated issues. He is a very talented and smart person, but not even he can come up with a credible story here for why he chose to lead this shutdown effort for the Federal Government because it makes no sense whatsoever. He does have my sympathy. He is the leader of a tough group of Senators-- including some radical Members who are running for President--who have held the rest of their conference hostage and done them no good service in leading them down this box canyon, only to find the government shut down. How do we know that this was their ***plan*** all along? Well, the Democratic whip, the senior Senator from Illinois, laid out the strategy in the Washington Post last November. It said: ``Senator Richard J. Durbin [of Illinois] . . . said he is encouraging his colleagues to join him in blocking spending legislation if the legal status of `dreamers' isn't resolved.'' That was last November, and he was already plotting the shutdown we find ourselves in today for this unrelated issue that we are committed to working on, on a bipartisan basis. So the minority leader can't convince us or anybody who knows the facts that this is somehow President Trump's fault. This was their ***plan***--something they have been plotting for a long time now. Now they find themselves in a position where not even they can explain [[Page S370]] how this helps the country or how this helps these young DACA recipients. It is not going to change anything for them to shut down the government. As a matter of fact, I think it just polarizes people and makes things worse. We are not going to let them hold health insurance for 9 million children hostage over an unrelated immigration issue. That is the Children's Health Insurance ***Program***. The bill they filibustered last night would reauthorize this ***program*** for the most vulnerable 9 million children in the country. For what? They support that bill. It was voted out of the Senate Finance Committee on a bipartisan basis, and they come to the Senate floor and they kill it. Nine million vulnerable children. And they support it. It is a strange way of showing it. Clearly, the American people deserve better. Soon, our colleagues across the aisle will have a chance to reopen the Federal Government, a chance to abandon this brinkmanship which threatens the safety and security of the country. It threatens the very people we depend upon to defend us and their families. It threatens access to healthcare for 9 million vulnerable children. They need to fix this. They need to do the right thing for the American people. They can do that today by agreeing to vote on this 3-week continuing resolution that will take us to February 8 while we continue to work on this issue relating to DACA--deferred action for childhood arrivals-- that we talked about earlier, or they can do it tomorrow and keep the government shut down for another 24 hours. My message to them is, think about the men and women who put on the uniform of our country and deploy in dangerous locations around the globe to fight our Nation's wars and protect our homeland. Think about those who wake up in the morning and put on a badge and go out-- possibly into harm's way--to protect our communities. Think about those 9 million children who depend on us for that health coverage. I hope that after having had a few hours of sleep last night and a chance to think through this fundamentally flawed strategy, our colleagues will reconsider. The country deserves better. I yield the floor. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The bill clerk proceeded to call the roll. Mr. HELLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered. Mr. HELLER. Mr. President, once again, I think Washington, DC, has lost its mind. It is shameful that the minority party has engineered a government shutdown at the expense of our troops and their families, at the expense of our veterans, and at the expense of our children's healthcare. To me, this is politics at its very worst. Just like every American--the public that is out there--I am frustrated. I am frustrated that I have to come to the floor to talk about Congress once again failing the American public by not doing our jobs. At the risk of sounding like a broken record, time after time, Congress has blown past our deadline to complete all the current fiscal year appropriations and has punted on our responsibilities. Now, today, the government has been shut down. For years, I have been talking about how it is Congress's most basic responsibility to create a budget and pass all the appropriations bills on time. While some things in the Senate change, others just stay the same. While the majority has been working to restore normal budgeting practices, I am disappointed that my colleagues across the aisle have spent their time doing everything they can to avoid deadlines and choose routes of not working on appropriations bills and now have shut down this government. Not only is this disappointing, it is also not a surprise, given recent history. I have personally never seen Congress pass all 12 appropriations bills on time and on its own without an omnibus. I have said this before, and I want to inform my colleagues that in recent history, Congress has been able to accomplish its regular budget and appropriations processes. For example, it happened under President Clinton with a Republican Congress. It happened under President Reagan with a Democratic Congress. I have always said Washington is a pain-free zone that faces no consequences if Members fail to do their jobs. Maybe it is time to start facing some pain around here. That is why I have reintroduced-- and have introduced for years--my No Budget, No Pay Act. Regardless of who is in the majority or who is in the minority, my No Budget, No Pay legislation says that if Members of Congress do not pass an annual concurrent budget resolution and all 12 spending bills on time each year, then they should not get paid. I want to repeat that last part: If Congress fails to pass all 12 spending bills on time each year, then they should not get paid. Both Chambers of Congress should pass all 12 appropriations bills on time every year. That is doing our job, and if you don't do your job, you don't get paid. So it is that simple. Most Americans sit around the kitchen table each night paying their bills. Why should Congress be different? It is time for some real responsibility and some real accountability in our Nation's capital. Since I have introduced No Budget, No Pay, I have been getting a lot of positive support for this idea outside of Washington, DC. Rob from Reno, NV, said: ``I'm fully in support of your stand on No Budget, No Pay . . . because our spending is outrageous, it is ridiculous, and it is out of control.'' James from Henderson, NV, said: No Budget, No Pay ``is the sort of accountability that I expect from the nation's leaders.'' Until No Budget, No Pay is passed into law, I don't see any other way to motivate Members of Congress to do their job and avoid the government shutdowns and the continuing resolutions in the future. We must pass the principles outlined in No Budget, No Pay. It will stop these ridiculous government shutdowns in the future, and it will stop Members of Congress from being right back here, year after year, making the same speeches and taking the exact same votes. I would say to any of my colleagues who are tired of this whole process that has unfolded, regardless of what specific issues you are fighting for, support my No Budget, No Pay Act. I believe Congress can work together again, but it will take some accountability like No Budget, No Pay to get us there. Thank you. I yield the floor. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The bill clerk proceeded to call the roll. Mr. TESTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered. Mr. TESTER. Mr. President, we rise today after a long night last night--a night that I think could ***produce*** some fruits today or tomorrow or soon, I hope, because, on behalf of the just over 1 million Montanans and families across this country, and I believe a vast majority of the people in this body, we need to put this shutdown to an end. Folks, whether it be a welder in Butte or a teacher in Billings or a sugar beet farmer in Sidney or a mill worker in Columbia Falls, they have all told me, and they will continue to tell me, that this body is incredibly dysfunctional and that Congress is incredibly dysfunctional. We ought to break that. We ought to start working together. We ought to start listening to one another. We shouldn't be taking off the right side of the Earth nor the left side of the Earth. We should work in the middle for policies that work for America. The budget may be the most important of those policies that work for America. It has been 112 days now since our budget ran out--the end of September of this year. We have responded to that budget running out by passing four short-term continuing resolutions, we call them--stop-gap measures, bandaids, if you will, kicking the can down the road; it is described by a lot of different methods--to fund the budget. That has resulted in costing the taxpayers additional dollars and incredible inefficiencies, and it is caused by the Members of this body not doing their job and leadership not doing their job. [[Page S371]] Enough is enough. We need to roll up our sleeves. We need to work together. We need to talk. We need to listen to one another. We need to come to a resolution of this problem. We can talk about the Children's Health Insurance ***Program***. It is an incredibly important ***program***, there is no doubt about it, but it has been held hostage for the last 4 months. I can tell my colleagues that if it was put on the floor--and it could have been put on the floor at any time in the last 4 months--it would have passed, I believe, overwhelmingly by this body. Why? Because kids need it. Families need it. We are putting, in Montana's case alone, 24,000 kids at risk who do not have credible care. The same can be said for our healthcare centers. The same can be said for the opioid crisis. The same can be said for security on our northern and southern borders. The same can be said for our military. The uncertainty we have without a longer budget that goes to the end of the fiscal year is unacceptable. We all know it. We have been talking about it for months, but nothing ever comes to the floor to solve it, except for a continuing resolution, which is not a solution at all, it is a bandaid. Last night, I proposed a 72-hour--3-day--extension so the shutdown wouldn't happen until Monday night so we could work together to negotiate this deal, to put some pressure on the body to work together to come up with a deal by Monday night. It seemed reasonable enough to me. We have been talking about these issues for months, but the majority leader objected to keeping the government open and pushing ourselves--driving ourselves to the negotiating table to get something done. Look, I have worked in this body with a number of folks on my side of the aisle and on the other side of the aisle, and we have had success. I bring this up often because Johnny Isakson is an incredibly good chairman of the Veterans' Affairs Committee. I happen to be the ranking member. Johnny Isakson and I work well together. We don't always agree, but from the very beginning, we have agreed to put what we disagree on off to the side and work on what we agree on. What has transpired is a record number of votes on tough issues coming out of the Veterans Affairs' Committee. Why? Because we are working for the veterans, and that is what we need to be doing here. We should not be working for a political party. We should not be posturing ourselves for the next election. We should not be putting working families and businesses at risk. We should be working together to make a difference for this country with a long-term funding bill that addresses a number of issues which have all been laid on the table, from healthcare to opioids, to pensions, to our military, to border security--the list goes on, but it is a list we can work with. We know what needs to be done. We need to quit playing games. One of the people I have incredible respect for in this body who has what I believe uncommon common sense is the Senator from Maine. Senator King and I visit, oftentimes off the floor, and we talk about our frustrations with this body because it doesn't have to be this way. We can get things done if we work together. I am hoping Senator King can explain to me why we continue to have a budget that doesn't work for the American people, that continues to be a patchwork of month-by-month or week-by-week continuing resolutions and what we need to do to fix it. Mr. KING. Mr. President, I appreciate the question of the Senator, and it is one I have given a great deal of thought. I think there have been a lot of discussions around here about fancy changes to the budget process and new bills and new budget processes and new rules and everything. I always stop and say: Wait a minute. We could have a budget process written by Aristotle and Thomas Jefferson, but if we don't do our job, it is not going to work. That is essentially where we are now. That is one of the reasons I voted no last night. I have had it with CRs--continuing resolutions--which really means ``can't resolve.'' We can't make decisions. I want to talk, with the indulgence of the Senator from Montana, a bit about this part of why we are where we are. I think this is a deeper issue because where we are today is going to simply be repeated 6 months from now, a year from now, 3 months from now, and 5 years from now. It just keeps going on. It is one of the reasons we can't get where we are going. I was a Governor of Maine in the 1990s. I remember vividly, and I can almost tell you where I was standing in my office when a group of legislators--we had a budget deadline of July 1. A group of legislators came to me because budgets are hard. We all know that. It is hard to resolve some of these issues. They came to me a week or so before the expiration date and said: Governor, we have never done it before here in Maine, but will you go along with a continuing resolution like they do in Washington, and we can solve this in an extra week? I said: Not on your life. Why did I say that? Because that is what we do here, and it doesn't work. That is what has gotten us into trouble. Governments all over the country don't do continuing resolutions. They struggle, they argue, they debate, and they get their budgets done. Yet here we have this constant escape hatch that is in the background. I have done a lot of reading and thinking about the Framers, who were geniuses--the people who wrote the Constitution. If you read the Federalist Papers, read Madison, read Hamilton, they understood human nature. That is why the Constitution has withstood the test of time for 200 years, because it is based upon a deep understanding and perception of why and how people do this. This is a human nature question. If you are confronted with a difficult decision, and you have an easy way out, you will always take it. That is what a continuing resolution is. It is basically a statement that says: We can't solve this. We are just going to kick it down the road a few months or 6 months or a week or a couple of months, and maybe something will happen then. My problem is, we will not know anything in a month that we don't know now, and there is no reason to delay it. The problem is, this government by continuing resolution--and I will give you the figures in a minute; they are breathtaking--but government by continuing resolution is, in fact, like a slow-motion shutdown because the agencies--particularly the military--can't ***plan***. They can't commit. They can't commit to long-term contracts. The military--I am on the Armed Services Committee. I don't think we have had half a dozen hearings in the last 5 years where we haven't talked about sequestration and continuing resolutions. In fact, the Secretary of Defense came to us just a couple of weeks ago and said: Please don't do another continuing resolution. It is crippling to our military. Yes, DACA is important. All the other issues wrapped up in this are important. But I think there is an underlying issue about the functionality of this organization we really need to address. I went back and looked at the last 20 years. Here is some of the data I find amazing: In the last 20 years, we have averaged 5.6 continuing resolutions a year--every year for 20 years. The average number of days before we got to a budget after the deadline was 137 days, approaching half a year. If we can do it 6 months late, why can't we do it on time? What did we know 6 months later that we didn't know when we should have done it in the first place? I believe this is really one of the reasons this place doesn't work very well. If we continue to provide this exit, this easy way out, we will always find ourselves in positions like this, and that is where the problem is. If you could go to your chemistry teacher and say ``The Tuesday exam is looking a little tough for me; I would like a continuing resolution until Friday,'' who is not going to do it? That is what we are doing, and we are going to do it as long as we keep allowing it to happen. Frankly, I have talked to a lot of my colleagues off the floor in the last few days. We need to have a peasants' revolt here where we say we are not going to vote for these things anymore. Then the leadership and the committee chairs and the President are going to have to make the deals and the arrangements they have to make when they have to make them. Last fall, we blew through all kinds of deadlines. We blew through the CHIP [[Page S372]] deadline. We blew through the FQHC deadline. We blew through, of course, the biggest deadline of all--the budget, September 30. Oh, let's do a continuing resolution. And I voted for them. I voted for a bunch of them. But I am tired of it. This is at the core of one of the reasons this place doesn't work. All we have to do is do our job and do it now. It is not going to be easier 1 month or 2 months from now. Assuming we can find some resolution here in the next couple of days--and I deeply hope we can. Nobody wants to shut down the government. It is not good for anybody. But the deeper issue is that we have to get out of the continuing resolution business because as long as that escape hatch is there, it is going to be used. Madison would say that is human nature. I think we as a collective body have to weld that escape hatch shut so that people can't take it and we would have to get our job done at the time that is required. That would go a long way. We don't need fancy changes in the budget process; we just need to do the job we are assigned to do under the current system. As I said, I deeply hope our leadership can negotiate a solution to this problem. It seems to me they were very close last night. Hopefully, we can do it. I frankly don't understand--at the end of the evening last night, when the Senator made the motion for a 3-day continuing resolution so that we didn't have to shut down the government last night--we could have kept talking and found a solution--it was objected to. I found that very puzzling. I don't really understand those who are saying this side of the aisle shut down the government. Well, as of midnight or 10 minutes after, when you made your motion, it was the other side who shut down the government because they had before them an option that would have kept it open for 3 or 4 days to try to get this done. I appreciate the Senator raising these issues. I would like to ask him what is on the minds of the people of Montana. If they are like the people of Maine, they are just puzzled why we can't get these things taken care of. Mr. TESTER. I thank Senator King for the question. Last night, as we approached midnight, I got an email from one of my good friends in Montana who is in the business of ***agriculture***. He is a rancher in North Central Montana, actually on the Rocky Mount front. He said: Why does this have to happen? My comment to him was that continuing resolutions don't work well for this country. They cost taxpayers a bunch of money, and they don't give folks the kind of predictability in their government that they elected us to give them. I am with the Senator. I voted for the continuing resolutions--the one that extended it to December 1 and then the next one, which went to I believe December 19. At that moment in time, I thought, well, Christmas is looming, and we will come to an agreement, and if not, we will just stay here throughout the Christmas break and do it because it is that important. I believe strongly in my family, and I love to be there, and I was there for Christmas, but the truth is, this job here is critically important for the whole country, and we need to do our job. The motion for yet another CR from December 19--to move it to January 19 came up, and I held my nose and I voted for it. At that time, I said: I am not going to do this again. In that month between December 19 through January 19, we were supposed to have worked out a deal. Guess what happened. There was no deal worked out. Now we are back in exactly the same place. What Senator King said is exactly correct. What are we going to know in February that we don't know now? The point is, nothing additional is going to be added to the equation. We all know what it is--deals with border security, the military, healthcare issues, pensions, opioids, and a budget that goes until the end of September, which is the end of the fiscal year for this country--but it is simply not going to happen unless we get folks working together again. Look, the Republicans have majorities in the House and the Senate. They control the Presidency and the White House. I am telling you, if the floor leader doesn't provide the kind of leadership that we need to get to a point where we address the issues that are important to this country, we will never address the issues, and we will continue to have continuing resolution after continuing resolution. So what I would ask is that folks from both sides lock themselves in a room. The two leaders, lock themselves in the room. Ultimately, that is what it is going to come down to, to come to an agreement that works for this country and gives predictability over the long haul. I happen to be on the Appropriations Committee. We are going to be starting to work on the fiscal year 2019 budget, and we are not even done with the 2018 budget because of these continuing resolutions. So I would tell Senator King that the people of Montana are frustrated. They want to see their government work better. What are the folks in Maine telling you? Mr. KING. The same thing. I wish we could banish the phrase ``continuing resolution.'' I know of no business that does business that way. I know of no school district or very few States--I think some States allow 1 or 2 days if they are in really close negotiations, and I understand that. It would be one thing if we were right on it, and just give us a couple more days, and we can iron this out, or, on the other hand, if we had an agreement and it would take several days or perhaps even several weeks to actually do the writing of the bill. I understand that. I think people just scratch their heads because this is so alien to most people's common, everyday experience. This is one of the few places I know of where we have this kind of operation. I have a modest suggestion: no budget, no recess. If we don't get these things done, which is the most basic job we have, let's stay here until it gets done. Maybe that is another reflection of using human nature as an incentive, because everyone wants to have a break every now and then. I am glad we are here on this Saturday. At least we didn't shut down the government last night and then go home. We are going to be here tomorrow, as far as I am concerned and as far as I know. I am certainly going to be here. We have to have some discussion. The Senator mentioned the four leaders. I think this has to involve the President as well. One of the powers of the President is as a convener. I think the President has to be involved in this, he has to make some decisions, and he has to help guide the decisions--here is what I will take, here is what I won't take--and work with this party so we can get a comprehensive agreement on some of these important issues. I understand they have nice meeting rooms in the White House. They probably have sandwiches. I think they can bring the group down there and say: Nobody leaves this place until we get this done. As I say, I think the people of Maine are just scratching their heads and saying: Why can't we do this? I think another important point is that if this were a body and an institution that was one party, if everybody was of the same party, there wouldn't be any dispute--somebody would lay down the law, and that is what would happen. But this is an institution intended to represent the entire country and different views. That means that if you are in the majority--particularly in the Senate--you have a responsibility to get input from the minority, for people. In my case, I am in a minority of two. Everybody here has valid input. To just say: This is it. Here is the deal. Take it or leave it. And if you leave it, we are going to hammer you for not going along--that is no way to make good policy in the long run. There is a lot of good thinking in this Hall. There are a lot of smart people. In fact, I told somebody at home that I have never been in an outfit that has more good people and gets less done. There is something about this structure. I don't think there is anything in the water down here, but there is something about how this structure works that just keeps us from getting there. I respect that the majority has the majority, but there also has to be some role to work together, and that is what the 60-vote margin is all about. I think this is a place where there needs to be some compromise. [[Page S373]] One of my favorite philosophers, Mick Jagger, said: ``You don't always get what you want, but if you try sometime, you might just find you get what you need.'' I think that is where we are right now. Everybody can't get what they want, but if we work together, if we listen to each other, if we respect each other, and if we quit taking the easy way out, we will get what we need. That is what the people of Maine want us to do. Mr. TESTER. I think that is what the whole country wants us to do. The Senator brought up the point that if this body were all one party and they all thought the same, it might be easier. But it would be a lot worse. The truth is, diversity of thought is important. Talking with people, getting compromise, and finding the middle ground is what built this country. That is what built America. We need to look at those principles when we move forward on a bill like this. Ten days ago, I was at the White House. Senator Durbin was there. There were about two dozen folks, between the House and the Senate, from both parties. We saw the President more focused than I have ever seen him before. He said: You bring us a bill on the issue of immigration, and I will sign it. I will be the bad guy, he said. I will sign it. There is a bipartisan group here who got together and did that, and then he said no. So the Senator is exactly right. The White House--the President--has to provide the kind of leadership and assurance to know that he is not just going to say no, that he will take yes for an answer. I think it is very, very important moving forward. Look, we are at a moment in time where everybody looks at us, and I think we have single-digit approval ratings--probably lower than that now after last night. America is saying: Come on, guys. It doesn't have to be like this. You need to work together. Everybody needs to work together and come together and come up with something that works for America, that solves the problems that are there. That is what I ask of this body today. We all say basically the same thing, so let's just do it. Let's put the bill together, let's bring it to the floor, and let's vote and get it done. Mr. KING. I thank the Senator from Montana for his clear thinking, as always, and his contribution to this discussion. I hope our colleagues will pay heed, as they always should, to the Senator from Montana. Mr. TESTER. Mr. President, I yield the floor. The PRESIDING OFFICER. The Senator from Michigan. Unanimous Consent Request--H.R 1301 Ms. STABENOW. Mr. President, we are here on a Saturday on the 1-year anniversary of President Trump's inauguration. After a year of our colleagues on the other side of the aisle being in the majority in the House and the Senate and the White House, we are finding that rather than working together across the aisle to get things done, we have seen either nothing getting done, dysfunction, or partisanship at its worst. That really is not good enough. People in Michigan want us to work together to get things done. They don't want to see a situation where there is a cynical ploy of pitting children against each other--one group of children against another group of children--for some political purpose, some divisive purpose. There are a number of us who are here this afternoon to offer an amendment, which will be coming up, to address needs of children and families around healthcare. It is something which I care deeply about and which my colleagues care deeply about. It is something I have been coming to the floor to speak about since September 30, when we saw two very, very important ***programs*** for children and families in Michigan have their Federal funding expire--the Children's Health Insurance ***Program*** and community health centers. We have hospitals and ambulances and communities around the country that also need us to take action to make sure healthcare is available in their communities. That is what our amendment addresses as a whole. It is deeply concerning to me that when we look at the Children's Health Insurance ***Program***--it covers 9 million children across the country and 100,000 children in Michigan, where many of them get their healthcare at health centers. If we really care about these children and their families and about the families of many people in Michigan--680,000-plus families who go to quality health centers in their community to see a doctor or a nurse to get the care they need--it is deeply concerning that those two pieces of healthcare for families would somehow be divided and pitted against each other. We have strong bipartisan support. It came out of committee. I see our distinguished ranking member from Oregon on the floor. He and the chairman, myself, others--all of us, working together, brought a bill out of committee months ago--I assumed it was going to happen immediately--that would extend children's health insurance. Senator Blunt, the senior Senator from Missouri, and I have bipartisan legislation, which 70 Members of the Senate have signed a letter supporting, extending community health center funding. We assumed that we would bring children's health insurance to the floor right away, that we would combine it with community health centers, which are the way children and families get their healthcare--you have to have both--and we assumed that we would be on our way, that we would pass this and that it would pass the House and go to the President for his signature, and we would ease the minds of millions of families, of parents who are concerned about taking their children to the doctor, dealing with their juvenile diabetes, their asthma attacks, addressing very serious chronic illnesses and the regular things that happen to kids all the time, such as broken bones, bruises, the flu, and so on. We are here today to stand up for those families and for an approach that is bipartisan. All of the items in our amendment have bipartisan support and can get done together, rather than the divisive underlying issue in front of us--the question of dividing groups of children, using children as pawns in some political game. We have the opportunity to come together and extend children's health insurance. We want to permanently extend it. That is what this amendment does. We know that, according to the budget office, because of a number of different things that have happened on healthcare, we can extend it for not 6 years, as has been proposed, but for 10 years, and it can actually save billions of dollars. The families across the country-- certainly the families in Michigan--deserve to know that this particular ***program*** will be extended permanently so it is not used as a political pawn in the future or some game, so that parents and children aren't used in some game because of other agendas. We can address that today as we look at the broader issues of how we give certainty to our military, certainty to our veterans for their healthcare, border security--we are a top border security State--and medical research and the other things that need long-term certainty that have not been able to get done in a very dysfunctional place now, as we look at what is happening here with one party in control. We need to be looking and working together. Let me say again, before turning to my other colleagues, that the Children's Health Insurance ***Program*** covers 9 million children at risk. We want to make sure this is a permanent healthcare ***program*** for the children of this country and for working families. We are talking about families whose moms and dads work but may not have health insurance at their work but still want to make sure the kids can go to the doctor and get covered. We provide a way for them to do that with children's health insurance. Secondly, they go to health centers. Thousands and thousands of parents use their children's health insurance to go to health centers in Michigan, 260 across the State. Nationally, we have 25 million patients, and 300,000 veterans are included in that. Some 7\1/2\ million children are served by health centers, which is the other piece of this that needs to happen. In addition to that, we have a number of other serious healthcare issues that need to be addressed in what has been dubbed in the past the health extenders package. [[Page S374]] Funding the Maternal, Infant, and Early Childhood Home Visiting ***Program***, which is critical to families and children, is part of the commitment. On the floor, we have heard a lot about caring about children. I am happy to hear that. I appreciate, for some, a newfound commitment to children's healthcare. Others have been committed for a long time. Let's come together and fund the Maternal, Infant, and Early Childhood Home Visiting ***Program*** for new babies and moms. This would permanently repeal the therapy caps. That would help make sure that seniors and people with disabilities on Medicare receive the services they need to get healthy. This would provide adequate funding for ambulance providers in rural communities. This is a big issue in Michigan. I am proud to be leading this effort to make sure that the small town where I grew up, Clare, and other small towns all across Michigan have ambulance services so that in an emergency, somebody will show up and show up quickly to take care of people and get them to the hospital. Funding for small rural hospitals, like the one where my mom was the director of nursing when I was growing up in Clare--they need to keep their doors open. This would make sure that happens. All of these things are incredibly important--funding our safety net hospitals, continuing the Special Diabetes ***Program***, leading to new research and therapies and ultimately leading to a cure. In conclusion, let me just say what I have said so many times. Healthcare is not political. Whether it is for children, whether it is for seniors, whether it is for veterans, whether it is for families, healthcare is not political, it is personal. That is what the fight for a long-term budget commitment to our veterans' healthcare is about, a long-term commitment to tackle opioids is about, a long-term commitment for children and families is about, and, frankly, mental health and all of the issues that deal with healthcare above the neck, which needs to be treated the same as healthcare below the neck. It is time to get this done. While other issues are being sorted out, we should not be pitting children against children. Families are counting on us to do the right thing. I hope colleagues will join us in supporting this effort. I now yield. I believe this is Senator Casey, Senator Brown, and I who are offering this amendment. Senator Casey--a passionate, long- term, devoted, committed supporter and champion for children--is right where he ought to be right now: on the floor of the U.S Senate fighting for our children and families. The PRESIDING OFFICER (Mr. Sullivan). The Senator from Pennsylvania. Mr. CASEY. Mr. President, I thank the senior Senator from Michigan for her words today but also, more importantly, for her advocacy for so many years, and maybe especially in the last year, on the Children's Health Insurance ***Program*** and all of the great work she has done. This is a ***program*** which has been bipartisan for a generation. I speak from the vantage point of Pennsylvania. It has been bipartisan in my home State for even longer than the Federal ***program***. In Pennsylvania, the ***program*** was passed in 1992 and became law in 1993, and so for longer than the Federal ***program***, which many people know started in 1997. It has personal connections to me. My father was the Governor who signed the legislation into law in 1993. Since that time, every Republican and Democratic Governor and, for the most part, the legislatures of both parties have supported it, which has been the case here. It is only lately that CHIP has become contentious. The tragic irony here--or if you wanted to use stronger language, I would use the word ``insult''--in this case, you had legislation to reauthorize--which is a fancy Washington word for ``do it again'' with maybe some changes--the legislation was reauthorized in the fall and was ready for passage on the Senate floor. The majority leader indicated that it had to get through committee, and it did. We had a unanimous vote in the Finance Committee to have children's health--to have that ***program*** be part of our law going forward. What happened? The deadline was September 30. The Republican majority had the opportunity to bring that bill, the KIDS Act--that was the bill--to the floor. If that bill were brought to the floor, it would have passed in a matter of hours, if not less. The majority decided not to bring the Children's Health Insurance ***Program*** reauthorization bill, the KIDS Act, to the floor before September 30, so the ***program*** expired September 30. Here we are, more than 100 days--I guess it is 112 days or something like that--since it expired. Republicans had the power to get children's health insurance done by September 30. They failed despite the fact that there was a bill to do that. It could have passed on the floor very quickly. They have all the power to do it, to get it on the floor, and they chose not to. That is bad enough, but it gets worse. They had all of the month of October, and they did nothing on children's health insurance. They had all of the month of November, and they did nothing on children's health insurance. They had all of the month of December, and they did nothing on children's health insurance. Now there is this newfound urgency to make sure they criticize Democrats for not passing this defective piece of legislation that has major holes in it from the House, which was developed only by the Freedom Caucus in the House, and we are supposed to accept, I guess, whatever the Freedom Caucus in the House wants. That is the way we are supposed to run the U.S Senate. Why would Republicans--despite their assertions that they want to move the children's health insurance bill forward--let all of October, all of November, and all of December pass after they already let it expire? Why would they let all that time go by? It is not a mystery. We don't have to hire a private investigator to find out why they let it go that long. One reason is, because for most of November or all of November but certainly all of December, until, I guess, about the 22nd of December, they were focused on one priority, their tax bill, a tax bill which is a giveaway to the superrich. The top 1 percent gets about $51,000 in year one. I hope everyone else is going to do that well-- sorry, they are not. What do they do in that bill in addition to helping the wealthy? They gave big corporations not just the kind of tax cuts we have never seen before--more than almost $1.5 trillion for corporations--but they made it permanent. So they got permanent corporate tax relief when they should have been figuring out a way to get children's health insurance done. So that is the story of how we got from there to here. We hear now that because there are changes in the cost of children's health that this would be a 6-year bill. Well, that is a good amount of time, but guess what. Guess what. Because of all that change in the intervening period, we could do a 10-year Children's Health Insurance ***Program*** and save billions of dollars in doing it, compared to what Republicans want to do now. So if there is this urgency to do something about children's health on the Republican side, I say let's join together and not only get children's health insurance done--today we could do it. We have all day today. We have all day tomorrow. We have a big weekend of work here. Let's get children's health insurance done and knock something off the list. We don't have to worry about it, but while we are at it, let's make it 10 years. I would argue that children's health insurance should be a permanent ***program***, just like the tax cuts for corporations. They found a way to give corporations permanent tax relief. Why wouldn't you support permanent children's health insurance? But if they can't do that, we could at least do it for 10 years. That is easy to do right here today, a 10-year Children's Health Insurance ***Program*** so that 9 million kids and their families and 180,000 in Pennsylvania can have the certainty to know that despite the fact that it is over 100 days late because of Republican failure to get the job done, we could get it done right now, today. So let's see what they do. Here is another issue we have to talk about because this bill that came over from the House didn't address this issue: community health centers. Eight hundred thousand people in Pennsylvania depend upon those community health centers. There is nothing in that bill that we voted on last night to address those 800,000 people in Pennsylvania and tens of millions across the [[Page S375]] country. The House bill didn't even touch that. I guess those people shouldn't have to worry. Community health centers, we know after that expired, just like the Children's Health Insurance ***Program***--and the Republicans have the majority. They could have made sure the health centers continued, but they didn't. So after expiring, we know these health centers face a funding reduction of 60 percent to 70 percent. We also know, at least in my State, of the 180,000 children covered on CHIP, something on the order of 9,000 children enrolled in the CHIP ***program*** go to community health centers. So having CHIP in place is essential, but having community health centers in place alongside it is also essential. What do those 9,000 kids in Pennsylvania do if they have CHIP coverage but can't go to the community health center down the street because it is closed because it wasn't addressed by House Republicans or Senate Republicans? So while we are at it this weekend, why don't we get community health centers done. In my State, 4,915 people work there in full-time jobs-- 4,915 people. The third issue of four--and I will be done in a minute--tax extenders. That is kind of another Washington phrase, right? Well, in this case, not getting these extenders done by the end of the year, which we almost always do no matter who is in charge--but guess what. They couldn't do it. They didn't get to tax extenders for rural hospitals by the end of the year because guess what. They were working on their tax bill for big corporations and rich people. So rural hospitals got pushed aside, just like children's health got pushed aside, just like community health centers got pushed aside because they had to get their tax bill done for those big corporations and rich people. So tax extenders for rural hospitals didn't get done. Rural health providers face hundreds of billions of dollars of cuts across the Nation. I represent a State that has 67 counties, but we have 48 counties of those 67 that are rural. In those 48 rural counties, about 279,000 people got healthcare either through the Medicaid expansion or through the exchanges. In those communities where there is a rural hospital-- sometimes there is only one hospital for a long distance--those communities rely upon that hospital not just for healthcare but for jobs. Sometimes--in most places, it is the biggest employer in the county or the second biggest employer. In my State, there are between 20 and 30 rural counties where the hospital is either the biggest employer or the second biggest. They need those tax provisions in place, but the majority did not get that done. Finally, I will end with this. The senior Senator from Michigan highlighted this, and I think it is important. Another thing that didn't get done that wasn't in this bill coming over from the House was an important ***program*** we don't talk about enough. It has been in place a couple of years. That is the Maternal Infant and Early Child Home Visiting ***Program***, an evidence-based home visiting ***program*** that supports at-risk pregnant women and young families. That didn't get done in this bill. It was not in the bill. In fiscal year 2017, funding for that ***program*** was $400 million. It is the right thing to do to have that in place. We know that just in Pennsylvania, for example, 3,282 families benefit from this ***program***. That is another part of this bill that wasn't included. So if the majority is so concerned, as they professed last night--I wish they did this months ago, but just last night, breaking news, they are concerned about the Children's Health Insurance ***Program***--let's pass it today. Let's get it done today and make it a 10- year ***program***. No one would have to worry for an entire decade about children's health insurance if the Republican majority wants to join us in that effort. I yield the floor, and note that the next speaker is the senior Senator from Ohio, a great fighter for our kids and for our families. The PRESIDING OFFICER. The Senator from Ohio. Mr. BROWN. Mr. President, I thank Senator Casey and Senator Stabenow for their leadership. They are exactly right about this. They are right about maternal health, CHIP, rural hospitals, and community health centers that so many people depend upon, and I thank them very much for their work. I thank the ranking member of the Finance Committee, Mr. Wyden, for joining us. Mr. Carper, I believe, will be joining us too. It has now been 112 days since funding expired for the Children's Health Insurance ***Program***. It has been 112 days of uncertainty for families, 112 days of mothers worrying about being able to afford their child's checkups, 112 days of fathers who will have to choose between the heating bill and medicine for their kids, and for every one of those 112 days, the Republican leaders in Congress have made a choice about extending CHIP, and we know it is something that has been bipartisan for two decades. The chairman of the Finance Committee loves to brag about the fact that he was there at its inception. He invented it with Senator Kennedy or he invented it and Senator Kennedy came along afterward or whatever actually happened 20 years ago, he loves to brag about it. In the Finance Committee, with Senators Casey, Carper, Wyden, Stabenow and others, we asked him about it repeatedly during the tax bill. Again, they were willing to pass a tax cut in December, where 81 percent of the benefits in that tax bill went to the richest 1 percent. That bill will encourage more companies to shut down in Erie, PA, and Ashtabula, OH, or in Pittsburgh or in Cleveland and move overseas. They were willing to do that. We asked them over and over--Senator Hatch and others in the Finance Committee--let's pass CHIP. They just couldn't get around to it. They made a choice. They made a choice to do tax cuts for the rich. They made a choice to let CHIP expire. They made a choice not to bring a bipartisan bill passed out of the Finance Committee to the floor. They made a choice to spend their time and energy on other things. They have a choice today. I am calling on my colleagues on both sides of the aisle--and I think Senator Stabenow will make a motion to do this--to pass a permanent extension of CHIP, with no strings attached, the policy we agree on, protecting health insurance for 9 million children, with an added bonus of saving $6 million in savings for the Federal Government because CHIP frankly doesn't cost very much. Children don't get sick very often and don't require a lot of medical care. Some children do, and that is the whole point of CHIP, so healthy children can stay healthy and get regular checkups and, with an occasional ear infection, go to the family doctor with an ear infection on the first day, rather than the emergency room after the child might experience intense pain or even, later in life, hearing loss, in some cases. It is there for those like Crystal's child in Columbus, OH, whom we talked about. It is a policy that doesn't just make moral sense, it makes financial sense. It is time for Republican leaders to stop holding CHIP hostage and families hostage to their failed budget process. I know they broke out a ***plan*** the other day, as their political talking point, to try to use it to pass a bill that really wasn't all that good a bill. These are not bargaining chips, these are kids. In my State--the State where the Presiding Officer grew up--209,000 Ohio kids, and 9 million kids nationwide, roughly a number not much higher than that in Pennsylvania and lower than that in Michigan, in the 3 of our States, there are 600,000 kids who right now are getting insurance from CHIP. Remember, these are kids whose parents generally work making $8 to $10 to $12 an hour. They are not kids whose parents have jobs that pay insurance. They are not Congressmen and Congresswomen and Senators who have really good health insurance but for some reason think it is OK to deny it from others, from working families. These are working families. These are children whose parents have jobs but don't have insurance. Think about the families and the stress they are facing. Think about the letters I get and Senator Casey gets about the stories we get from Ohio and Pennsylvania families. Josh from Cleveland said CHIP ``helped me arrange for my family to get the health coverage they needed while I looked for a new job. As a parent . . . that peace of mind, knowing that my family is secure getting the [[Page S376]] medical help they need should something God forbid arise, is priceless.'' The letter he sent to us underscores the fact that all kinds of parents over the Christmas season, over the holiday season--low-income, hard-working parents, in most cases, $8 to $12 an hour--they are not buying a lot of stuff for their kids at Christmas anyway. They are trying to figure out how this is going to work over the Christmas season, but they are anxious. They have to worry about whether they are going to have insurance in the new year while Congress passes the tax cuts. Tiffany from Cleveland wrote: My son relied on CHIP. . . . Without CHIP, we would not have been able to afford to get him intensive speech therapy for his severe . . . diagnosis. Without this speech therapy, he would not be able to speak today. CHIP gave him a voice. Now I want to use my own voice to give other kids like him a chance. Linda from Johnstown wrote to me about her daughter and grandchild. The CHIP ***Program*** is vital to my daughter and grandchild. My daughter is a hard-working, tax-paying, 26-year-old, single mother with a 4-year-old son. She works over 40 hours each week as a chef. They do qualify for CHIP and it is a tremendous help. . . . Without the CHIP ***program***, she would be forced to find other ways to make ends meet, or perhaps even to quit working, so that she would qualify for full public assistance. So I remind my colleagues, all of whom have insurance paid for by taxpayers, if we don't pass CHIP, people like this young woman--people like Linda's daughter, who has a child--she might have to quit her job as a chef, her more than 40-hour-a-week job, so she can then go on Medicaid and get insurance for her child. Does that make any sense to anybody? Another grandmother--it is always the grandmothers; never underestimate them--Suzanne from Columbus wrote to me: As a pediatric nurse for 40 years, I have seen firsthand how . . . CHIP . . . has provided essential healthcare and saved lives. As a grandmother, my grandchildren . . . benefited. Their father is deceased and my daughter can't afford the high cost of her company insurance but makes too much to qualify for Medicaid. Without this ***program***, my grandchildren would not have had adequate healthcare. So many of these families--think about them. As Pope Francis admonished his priests: Go out and smell like the flock. Go out and listen to your constituents around the country, I beg my colleagues. I think, if you had, that we would have seen CHIP reauthorized months ago, but that is the past. So many of these families are just like Linda's and Suzanne's daughters. They work full time. They just aren't lucky enough to work for employers that offer health insurance. All of us are that lucky. Again, I don't know how we can stand here with insurance paid by taxpayers and not do anything about it. Make no mistake, that is what Republican leaders did for 112 days. I know that most of my colleagues wanted to pass CHIP in September before it expired, then in October, then in November when we begged the Finance chair to do it, then in December during the tax reform. I know my colleagues wanted to that, but for whatever reason, Senator McConnell, whose office, as we know, is down the hall and has lobbyists running in and out--CHIP families didn't really have very good lobbyists. I don't know why it works that way, but insurance companies did, and I guess that is how this town works. I asked Leader McConnell and Senator Hatch time and again to bring this bill to the floor and allow a vote. Senator Casey asked them; Senator Stabenow and all of us did. It was September, October, November, and December, but they chose to do other things. They have a chance to make a different choice today, a chance to stop using children and families as bargaining chips, a chance to choose making policy over playing politics. If this is really about children's healthcare, I challenge Leader McConnell to bring a clean, permanent CHIP bill to the floor right away. There is no reason to hold this up while we continue to fight over the budget process. Pretending that the two must pass together, of course, is a fallacy. A permanent CHIP extension that provides certainty to families and $6 billion in savings to the Federal Government will pass overwhelmingly. We will be the first enthusiastic votes cast. Thank you. The PRESIDING OFFICER. The Senator from Oregon. Mr. WYDEN. Mr. President, before he leaves the floor, I know the distinguished Senator from Ohio is going off to champion yet another cause for workers--the whole question of justice with pensions. I want to thank him for his eloquent remarks, as well as our colleague from Pennsylvania, Senator Casey, and my seatmate on the Finance Committee, Senator Stabenow. I will be making some remarks, and we may have another colleague or two come, and then Senator Stabenow on behalf of all of us will be making a motion with respect to these health ***programs***. For my three colleagues on the Finance Committee, thank you for your commitment-- months and months of commitment around the proposition. As Senator Brown just said, this ***program*** should have become law a long, long time ago. It is heartbreaking to see these CHIP families put through the political ringer; there is no other way to describe it. They come up to us--the moms, the families--and they talk about how they are being told: Well, maybe this ***program*** isn't going to be around pretty soon. And they heard that at the end of the year there was going to be big slabs of tax relief for those at the top and some multinational corporations. What did these kids get? They got something called a patch. In effect, that says it all. They were given second-class treatment, and the powerful and the well-connected got first-class treatment. As my colleagues have said, you didn't hear much of a mention about the Children's Health Insurance ***Program*** back then. Our friend, the distinguished majority leader, Mitch McConnell, was over here last night--I think my friend from Michigan knows her well, but the majority leader, talking last night about the Children's Health Insurance ***Program***, sounded as if he were Marian Wright Edelman, the founder of the Children's Defense Fund. Last night he was saying that this was the biggest priority to him. We had to make sure the kids got a fair shake. I looked over and I said that I thought I was listening to Senator Ted Kennedy, who had devoted his whole life to healthcare. Before we go to my colleague's important unanimous consent request, I just want to go through a little bit of the history on this. Back in the fall, on the Finance Committee, we were committed to a multiyear Children's Health Insurance ***Program***, generously funded, and we wanted it done in early October. We had virtual unanimity in the Finance Committee. I think there was only one Senator who had reservation, and we worked with him as well. So we were ready to go in the fall. Had we moved then, all of those families wouldn't have had the months and months of heartache, and the wonderful people who run the Children's Health Insurance ***Program***, who were trying to figure out if they had to send out a notice and tell people ``Well, maybe it is not going to be there,'' and how to tell them and when to tell them--we could have spared everybody all of that. People find it hard to follow what goes on here in the U.S Senate. Following government is tricky under the best of circumstances, but this is not a complicated proposition, as my colleague from Michigan has stated. The Republicans in Washington, DC, with respect to the Children's Health Insurance ***Program***, run all of the critical branches of our government that relate to these kids. The Presidency is occupied by a Republican, the Senate is run by Republicans, the House is run by Republicans. All of those institutions could have made it possible for us to take our bipartisan CHIP bill and enact it in October. It could have all happened then. People are trying to watch this now and are wondering why the kids didn't get healthcare, and it didn't have to be this way. I know because Chairman Hatch, whom we all admire--40 years in the proverbial ring; he was a boxer--is retiring. Because this storied ***program*** was so important to him, I spent an enormous amount of my time working both inside and outside the Congress to line up support for this bill, and one of the reasons we moved first in the Senate is that we knew we might have some challenges with this [[Page S377]] ***program*** in the other body. So I spent a lot of my time trying to line up support for a bill that Chairman Hatch felt particularly strongly about because of his history on it, and we could have moved then. Somehow, shortly after the Finance Committee acted in a manner that is really a textbook for how the Senate ought to work, things went off the rails, not because of Democrats but because immediately after we acted, the other body--the House--went forward with a bill that was ensnarled in partisan fighting to the point that many on our side who believe deeply in the Children's Health Insurance ***Program*** couldn't support it because it meant, for example, doing great harm to Medicare and other kinds of ***programs***. That began this kind of odyssey where, for months, there was always something more important for the leadership of the three branches of government--the White House, the Senate, and the House--than these kids. That is the bottom line. For 3 months, there was always something more important. My eloquent colleague, Senator Stabenow, came to the floor during that period day after day after day, saying: Why can't we do this now? All the stars are aligned. Again, there was always a reason not to do it. I will tell you, because we serve on the Finance Committee, it was particularly sad to see in December how those who had power and clout and were well- connected and had lots of lobbyists--their priority went lickety-split through the U.S Senate. A whole tax reform bill--unlike what was done when Ronald Reagan got together with my friend, Bill Bradley, and they spent months working in a bipartisan way, the powerful and the well- connected got what they needed in a matter of weeks. They set a land- speed record for moving a tax reform bill. They had to borrow $1.5 trillion, and hundreds of billions of dollars went to the most influential, the most well-connected, and the kids at the end of the year got their patch. That brings us to last night. I have worked with the majority leader on a host of issues over the years, but I will tell you that having him come to the floor and talk about how committed he was to the Children's Health Insurance ***Program*** after turning his back on it for months and months--that is a little much. That is a little much. Today, months after it ought to have been done, we are going to try to advance this long-delayed priority. It is a long-delayed priority, which has had a storied, bipartisan history which, if we had our way, would have been built upon back in October--a bipartisan bill with the lead sponsor being our distinguished retiring colleague, Chairman Hatch, on its way to the President's desk early in October. But for all of the reasons I have described, it was derailed. Now the hour is late, and I guess it is convenient for them to say ``Well, it was really our priority all along,'' but I think the record shows something else. That is why I look forward to my colleague's motion to make the Children's Health Insurance ***Program*** and the other ***programs*** that we have fought for so hard--particularly the community health center ***program***, which has been a lifeline to so many families who walk an economic tightrope balancing the food bill against the fuel bill and the fuel bill against the rent bill. I look forward to my colleague from Michigan closing this part of the debate. I want to thank her and note that the eloquent speakers on this topic have years and years' worth of expertise. Our colleague, Senator Carper, got held up. He was going to be here--another good member of the Finance Committee who was with Bill Clinton when they really were part of launching this whole effort. I am very grateful to my Finance Committee colleagues. I look forward to the motion to be made by the distinguished Senator from Michigan. The PRESIDING OFFICER. The Senator from Michigan. Ms. STABENOW. Mr. President, before offering a motion, I first want to thank our ranking member from Oregon, who is so dedicated, so passionate, so smart. He works tirelessly every day. It is such a pleasure to serve with him. He is someone who has a distinguished career of fighting for middle-class families, for working people, for the right kinds of things. He came from working with the Gray Panthers and senior citizens, and he brings that to work every single day, and I thank him for that. I want to stress before offering a motion that he and other colleagues--Senator Casey, Senator Brown, Senator Carper, whom we had hoped would be joining us, and I know is trying to as well--have all stressed the fact, first of all, that we are at the 1-year anniversary of this President. For the first time in a number of years, we have the House, the Senate, and the White House all controlled by Republicans, and over and over again, what has gotten the priority? What has gotten done? Things for the wealthiest Americans and people with really big lobbyists, special interest lobbyists. That is what gets done over and over again. So when, in fact, the funding ran out, not only for children's healthcare but also for community health centers and other important priorities that needed to get done for rural hospitals, ambulances, special diabetes ***programs***, and other things, those have been shoved aside over and over and over again with people waiting and waiting and waiting. Why? Because the needs of the wealthiest Americans, the needs of the special interests, the folks with the big lobbyists have been the ones who have taken priority this last year over and over again. So now we get to a point where we are talking about children's health insurance. I am glad we are doing that, but it is in the context of pitting one group of children against another group of children and not recognizing that the majority of families who have children's health insurance need to use community health centers. That is where their doctor is, that is where they get their care, and that is cynically not included in this. We have an opportunity now. I am offering a unanimous consent request on a set of policies that have bipartisan support that we could get done today, not in a divisive way, not pitting children and families against each other but actually doing something together that would be in the best interests of the majority of Americans--middle-class families and folks trying really hard to stay in the middle class or get into the middle class. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration--I am being asked to hold off. I will be happy to do that while we have a moment where details are being worked out. Mr. President, I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk proceeded to call the roll. Ms. STABENOW. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER (Mr. Flake). Is there objection? Without objection, it is so ordered. Ms. STABENOW. Mr. President, before I make a unanimous consent request--and we will do that as soon as it is appropriate--I just want to stress again why we have been on the floor this afternoon. It is because we know we have bipartisan support not only for the Children's Health Insurance ***Program*** but for the health centers where they get their healthcare, and we can address this without pitting children against children through the unanimous consent request I have and the amendment I am offering along with Senator Brown and Senator Casey. In addition to that, there are critical issues that normally get done before the end of the year but did not. Those issues relate to rural hospitals, ambulances, pregnant moms, children, and so on that normally have bipartisan support. So we put these together in a bipartisan effort that really addresses not just one piece of the Children's Health Insurance ***Program*** but the places where they go to get their healthcare. They are going to small hospitals like in the town where I grew up or where my mom was director of nursing, and they are going to community health centers. We need to address these together. These are things we have done together. Therefore, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 36, H.R 1301; that the Stabenow-Brown- [[Page S378]] Casey amendment, providing for a permanent extension of the Children's Health Insurance ***Program***, a 5-year extension of the Community Health Center ***Program***, and extensions of other expired Medicaid, Medicare, and health extenders, which is at the desk, be considered and agreed to; that the bill, as amended, be considered read a third time and passed; and that the motion to reconsider be considered made and laid upon the table with no intervening action or debate. The PRESIDING OFFICER. Is there objection? Mr. McCONNELL. Mr. President, reserving the right to object. The PRESIDING OFFICER. The majority leader. Mr. McCONNELL. Thanks to the Democratic leader's decision, along with my good friend from Michigan, to filibuster an extension of the State Children's Health Insurance ***Program***, low-income families are going to slip closer to losing health coverage for their kids. In many States, it is already an emergency. There was a carefully crafted compromise that she and every Democrat on the committee supported. The Senate has not reviewed this new proposal currently being offered today, but Members are serious about funding CHIP. There is a bill before us that reauthorizes the ***program*** for a full 6 years and can be signed into law today. The only thing preventing CHIP's reauthorization from being signed into law today is the Democratic filibuster of the House-passed bill. Therefore, I object. The PRESIDING OFFICER. Objection is heard. Mr. McCONNELL. Mr. President, the House of Representatives, the President, and a bipartisan majority of Republican and Democratic Senators all agreed on a compromise bill that would have prevented a shutdown. We can pass this bill today and have it signed into law so we can end this nonsense. There is one way to do all of this, and it is right in front of us--the pending measure. It would enable Congress to do the commonsense thing: keep negotiating other issues while providing for our troops, our veterans, and millions of vulnerable Americans, but the Democratic leader chose to filibuster that bipartisan bill. So here we are. Day one, and already funding is in jeopardy for our veterans and our troops. Funding for a 6-year children's health insurance bill is sitting here because the Democratic leader filibustered a bipartisan compromise that a majority of Senators supported and chose instead to shut down the government. Thanks to the Democratic leader's decision to filibuster an extension of the State Children's Health Insurance ***Program***, low-income families will slip closer to losing healthcare coverage for their kids. In many States, this is already an emergency. Again, we can do all of this today. We have a way forward. It is right in front of us and ready to go. Mr. President, I ask unanimous consent that notwithstanding rule XXII, the Senate immediately vote on the motion to invoke cloture on the motion to concur with amendment, which funds CHIP and reopens the government; further, that if cloture is invoked, all postcloture time be considered expired and the Senate immediately vote on the motion to concur with further amendment. The PRESIDING OFFICER. Is there objection? The Senator from Oregon. Mr. WYDEN. Mr. President, reserving the right to object, and I will object here in a moment. I just would like to say that on our side, we feel so strongly about getting this resolved. We now are seeing a whole host of discussions between Members on both sides of the aisle in the Senate. We are hearing about discussions between this body and the other Chamber. It would be my hope that with the good faith we have seen since last night--and I know the distinguished Presiding Officer is involved in some of these discussions--that with those kinds of good-faith discussions, we would have a chance to get this resolved and address the concerns the American people have in a matter of days rather than several weeks. So, for that reason, I object. The PRESIDING OFFICER. Objection is heard. The Senator from Maryland. Unanimous Consent Request--S. 2274 Mr. CARDIN. Mr. President, I take this time to propound a unanimous consent request concerning our Federal workforce. The reason for doing this is we have gone through shutdowns before. It has been our view that our Federal workforce should receive their pay. That has been a bipartisan effort after each of the shutdowns. I can tell my colleagues our Federal workforce is concerned. They are concerned as to those who are on furlough, whether they will receive their paychecks when the government opens up again. I was pleased to see a comment come out of the White House, where the White House said they support the pay for our Federal workforce. I think it is important we give them that assurance. I understand there is disagreement as to what has happened to date and how we are going to reopen government, but let's not make our Federal workforce have anxiety where they should not have it. Our Federal workforce has suffered long enough under furloughs and CRs and pay raises that have been less than cost of living and shutdowns, et cetera. So I would hope, on a bipartisan basis, that we could do what we have done every shutdown; that is, to tell our Federal workforce that when we resolve these issues, we will make sure they are paid if they are furloughed today. I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 290, S. 2274; I further ask unanimous consent that the bill be read a third time and passed, and the motion to reconsider be considered made and laid upon the table with no intervening action or debate. The PRESIDING OFFICER. Is there objection? Mr. McCONNELL. Mr. President, reserving the right to object, the men and women of our armed services should not be left to suffer at the hands of political obstruction. These troops are deployed in harm's way, and left behind are their families and colleagues training to replace them. It is irresponsible that their pay, to include imminent danger pay, would be delayed because the Democrats are insisting that we deal with illegal immigration exclusively on their terms. Let me remind the Senate that we have an All-Volunteer Force that doesn't ask much of us, but we are obliged to pay and support them. We owe them the certainty of a full-year funding bill. Therefore, I object. The PRESIDING OFFICER. Objection is heard. Unanimous Consent Request--H.R 1301 Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 36, H.R 1301; that the McConnell amendment at the desk, which provides for full funding for authorized activities in the National Defense Authorization Act, be considered and agreed to, the bill, as amended, be considered read a third time and passed, and the motion to reconsider be considered made and laid upon the table with no intervening action or debate. The PRESIDING OFFICER. Is there objection? Mr. CARDIN. Mr. President, reserving the right to object, if I might, what Democrats and, I hope, Republicans have been trying to do is to get a budget for this country. That is what we have been saying. Let's stay here and negotiate the budget. Let's pass a very short-term CR. Let's get these budget numbers done so that not only on defense but on nondefense we can provide the support they need. I came to the floor to make sure our Federal workforce knows we are behind them and to make sure they understand that whether they are furloughed or not, they are going to be paid for their services. That is what we have always done together. I take this time because I want to get a budget for the entire country. We are not going to be able to divide the issue and say we are going to take care of some but not all. That was not the purpose of my unanimous consent request. Therefore, for those reasons, I object. The PRESIDING OFFICER. Objection is heard. The Senator from Montana. Mr. DAINES. Mr. President, I am here to make one point crystal clear [[Page S379]] for those Montanans who are wondering what is going on with their government. There have been a lot of speeches given today and last night, and there have been a lot of interviews going on. Let me try to sum it up as succinctly as possible. The reason the government has shut down is because of a controversial illegal immigration policy that was not included in a bill that funds the government. If you don't know that, you are missing the facts. We should not hold the country hostage for a controversial immigration policy that impacts only .0007 percent of Montanans, but a minority of the U.S Senators want to shut down the government, and now their leader is filibustering the U.S Senate. This is a huge mistake. We need to get the government back up and running so the least amount of pain is felt by Montanans and the American people. The PRESIDING OFFICER. The Senator from Alaska. Mr. SULLIVAN. Mr. President, as we all know, right now the government is in a shutdown. It is unfortunate. I certainly don't think it should have happened last night. But I think there is some good news. Watching some of the speeches today, we see a lot of ideas coming to the floor, a lot of bipartisan ideas on a lot of key issues that hopefully our country is going to make some progress on. Let me give a few examples for those who have been watching and those who haven't. The Presiding Officer, my friend from Arizona--I am not trying to embarrass him or anything. I watched his speech a couple hours ago on the way forward and what we can do to break through this unfortunate circumstance we have right now, and he certainly has a lot of good ideas. I commend him and appreciate his leadership on those issues. My good friend, the Senator from Maine, Senator King, was down here talking about continuing resolutions and these huge omnibuses, and I would agree with him completely. As a matter of fact, Senator King and I had a long discussion on the floor last night about how the system is broken. There are a number of Senators--I think some of the newer Senators--who see it that way. This is no way to move forward, to fund our government with these continuing resolutions and huge omnibuses at the end of the year. So a number of us--and I think it is bipartisan-- want to look at reforms to fix this. Senator Perdue of Georgia has been leading efforts. I think it is very important--and I certainly am part of that group--to look at longer term fixes. The Senator from Michigan came down and talked about community health centers. Community health centers are incredibly important for my State of Alaska. Ten percent of all community health centers in the country-- 160--are in my State. So I couldn't agree more about the necessity to move forward on more stable funding. A number of Senators were just down on the floor giving very passionate remarks about the Children's Health Insurance ***Program***, CHIP. Again, it is very important in my State. A lot of people in this country are concerned about the reauthorization of CHIP, and there were some passionate statements on the floor. I would say to my colleagues respectfully, and I respect all of them and welcome the opportunity to work with all of them, they didn't actually address one issue. When they said that a lot of Americans have been worried about this happening for the last 3 months, they didn't actually say why they didn't vote to reauthorize it last night for a 6-year reauthorization. The Senator from Ohio talked about how people were worried and concerned. Well, guess what--last night he had the opportunity to get rid of their worries and concerns. And when they woke up this morning, they were still worried and concerned, and so are my Alaskan constituents, which is why I voted for the bill last night. Had they voted for the bill on CHIP, the worries and concerns would have gone away. So there were a lot of passionate speeches on this issue, but not one of them actually said: But here is why I didn't vote for it last night. It would be good to know what the answer to that is. But I really wanted to come to the floor again to emphasize something I have made a few remarks on in the last couple of days on the floor because it is something that I am concerned about, and it is something I want the American people to recognize, and it is a big issue for me. I think the American people need to be skeptical when they hear on the floor the minority leader and part of his leadership team with their new talking points about their focus on the military and military spending and rebuilding our military. In the run-up to the shutdown, we had started to see the minority leader and some of the leadership team trotting out new talking points. They went like this: With the shutdown approaching, we are really, really concerned about the military and readiness and funding for our troops and their families and rebuilding the military. In fact, in the last 3 days, I think I have heard more from the leadership of the other side on this issue than I have in my 3 years in the Senate. I think the minority leader in the last 3 days is starting to sound like my good friend from Arizona, Senator McCain, this body's true champion of the military and military funding. I actually welcome this change of heart by the minority leader. There is a group of us in the Senate--many who serve on the Armed Services Committee, led by Senator McCain--who have been focused on increasing funding for our troops. A lot of it is Republicans, but it is also some Democrats. I see my good friend from West Virginia is on the floor. He is certainly one of them. He is on that committee. We talk about this issue a lot. Senator King was on the floor again. He is focused on this issue. It is an issue that a lot of us in this body have been focused on daily, whether on the Armed Services or in other committees. The Senator from West Virginia and I also serve on the Committee on Veterans' Affairs together. For me, it is one of the most important issues that we can focus on in this body--the national defense of our country. I have had the honor of serving in the Marine Corps for almost a quarter of a century. For my State--the great State of Alaska--these issues are enormously important to my constituents. We have more veterans per capita than any other State in the country, thousands of Active Duty and Reserve troops, thousands of civilians who support them, and numerous bases in Alaska because of our ***strategic*** location. A number of us really care about these issues regarding the military and funding and supporting our troops. As I mentioned, I welcome the Democratic leader's new focus in the last 72 hours on military readiness and full funding as we put forward a national defense authorization bill that really started to rebuild our military and support our troops and their families. But I must admit that I am a little bit skeptical. As a matter of fact, I am very skeptical. I think the American people who are watching these debates and listening--whether on TV or in the Gallery--when you see these new talking points of concern from the Democratic leader about our troops and funding, you should be skeptical too. Why? What is really going on here? Why all this new talk? Again, there has been more in 72 hours than I have seen as a Presiding Officer and watching C-SPAN in 3 years from the Democratic leader on how important it is to fund our troops. I think he might be overcompensating. I think they might be a bit worried. I think they may be feeling a bit defensive. I think they might be trying to preempt arguments that their policies of late are actually really harmful to the military, our troops, and their families. If you look at the record, their policies of late have been really harmful to our military, our troops, and our families. And this is the most important point. Actions on this issue speak louder than words. Policies that are being promoted are a lot more important to look at than newly crafted, slick talking points. Let me provide a few examples. The most recent was last night. We had a government shutdown. We didn't need to have a government shutdown, but we had a government shutdown. It was driven by the Democratic leader. The people who are hurt the most on this, by far, are our troops and the civilians who support them. We all know this. [[Page S380]] As of today, guess what. The lance corporal in the Marine Corps, who is deployed overseas in Iraq, is not getting paid. A lance corporal doesn't make a lot of money. Well, he is not getting paid. He is risking his life for his country. He is in combat, protecting our national interests, and he doesn't get paid. That happened last night. We talk about how bad a continuing resolution is. Again, the Democratic leader was saying: Hey, a continuing resolution is really bad for our troops. That is why I am so skeptical of it. I want to protect the troops. Wrong. A continuing resolution is really bad for our troops; there is no doubt about it. But what is worse is a government shutdown. Ask any military leader. Ask any military leader what the disruption that happened on the Senate floor last night does to our readiness and our ability to protect this country. I have served in the Reserves and on Active Duty for almost 25 years. I remember, in 2013, getting ready for Reserve duty training. We didn't even know if we were going to train or not--no emails. We had no idea what was going to happen when the government was shut down. It was chaos, just as the Democratic leader predicted it would be. Here is another one--survivor benefits. A survivor benefit goes to a spouse or child of someone who is related to one of our heroes who was killed in the line of duty. It is really important that we, as a government, take care of those families. Guess what happened last night when we shut down the government. Survivor benefits were stopped; they are not being paid. Again, stay skeptical on this idea that ``Hey, we really are--new points, we really are supporting our troops.'' Last night was a case in point where actions speak louder than words--not supporting the troops at all. The civilians--in my State we have hundreds, if not thousands, of patriotic civilian members of the military or civilians who support the military--many of whom are retired military--who are now not going to go to work on Monday, if we are still shut down, at the military bases to support our troops. That is not helping our troops. Let me give another example of where actions speak louder than words. We have been having very difficult discussions, and they are tough. It is one of the reasons we need to fix our budget process as to what level we should be increasing funding for the military. Those on the Armed Services Committee have authorized a significant increase. Again, it was bipartisan on the NDAA bill, but the Democratic leader has been demanding in these negotiations what he calls parity. It sounds simple. What does that mean? Let me give you a little background on that. From 2010 to 2016, we cut our defense spending by 25 percent as national security threats to our country increase. There is nobody who disputes that. ISIS, Iran, Russia, China, North Korea-- these are all challenges facing us right now, and we have been cutting our spending and cutting troops, dramatically cutting troops. I think pretty much everybody in this body is saying: Whoa, bad idea. We shouldn't do that. In the NDAA, we dramatically increased our authorization for the military. That was a good step--very bipartisan. But in these negotiations we have been having over the last several months, the demand from the Democratic leaders was, any increase in the Department of Defense budget has to be met with an equivalent increase in domestic agencies. In other words, if you want to increase the budget for the Marine Corps, increase the budget for the EPA. I think most Americans don't agree with that. It certainly doesn't show some kind of newfound respect for supporting our troops. But that is what is happening right now. Again, actions speak louder than words. Let me provide one final example of actions that certainly don't seem to be supporting our military, speaking louder than words. Unfortunately, the other side is starting to have a practice, a regular practice, of filibustering spending for our troops. Let me explain this. In 2015, a number of us were newly elected, and we said: We need a better budget process. Obviously, we are seeing that it is not working well. Let's go through regular order. Let's get the Appropriations Committee to work really hard and put out 12 appropriations bills, which they debate in the appropriations committee. Then, let's bring them to the floor and vote on them. That is a way to avoid this crazy omnibus, continuing resolution debacle that we find ourselves in today and most of the time. We were really focused on doing that. We tried. As a matter of fact, the Appropriations Committee did a great job. It was a lot of hard work--very bipartisan. They reported out 12 appropriations bills by the spring of 2015. Most of those bills were very bipartisan. What we thought was, all right, that is a good start. Everyone seems to want to do that. Let's bring up the bill that is actually important. In 2015, with the rise of ISIS, our troops are in combat. Let's bring up the Defense appropriations bill, which came out of committee unanimously. Every Senator on the appropriations committee--Democrat and Republican--voted for that. Let's bring that to the floor. We did. Let's have a debate. We are going to fund our military--these new talking points about our supporting our troops. What happened that summer? The Democratic leadership filibustered the spending for our troops. They wouldn't let us vote on the bill. They wouldn't let it come to the floor. They stopped funding for our troops. A number of us were upset. I know some of the Democrats were upset by this because they didn't all support it. You need only 41 to filibuster, as we saw last night. A number of us said: Well, let's keep bringing it up. They can't be serious. Our troops are in combat. Everyone knows we have national security threats. The bill came out of committee unanimously. Let's bring it up again. I guarantee you, if their constituents back home, whatever State they are from, whatever party they are--Democrat, Republican--knew that their Senator was filibustering the spending for their national security, the troops, and their families, they probably wouldn't be very happy. We brought it to the floor again and again and again--five times. Guess what. Every time, the Democratic leadership filibustered spending for our troops. I guarantee you, there was probably 80 percent support in this country, or more: Hey, let's vote on that. It came out of committee unanimously. The troops are protecting us all over the world. Let's vote on that. We never got to vote on it. In conclusion, the next time the minority leader comes to the floor during this debate, emphasizing his concerns about our troops and their funding and the need to rebuild them and their well-being, Shakespeare's insights about protesting a bit too much should come to mind. Be skeptical. Be skeptical. Actions speak louder than words. This has not been a focus of the Democratic leadership. Here is what I believe is happening. Given their actions--including what happened last night, which really harms our military, and everybody knows it--the specter of the Democratic party once again becoming equated with America's anti-military, which occurred in the 1970s, is haunting them. Again, I serve on the Armed Services Committee. I serve with wonderful Senators--Democrats and Republicans--who support the military, who support our veterans being on the Committee on Veterans' Affairs, and I know the vast majority in this body support our troops. But the actions of the leadership on the other side don't show that. Yet they are trotting out new talking points about their newfound focus of rebuilding the military and taking care of our troops and their families. Let me make this final suggestion. The best way to actually show that to the American people, all of whom support it, is not through newly crafted, slick talking points but through actions and policies that truly and sincerely focus on what we all agree we need to do, which is rebuild our military, rebuild readiness, take care of the troops and their families. We can start by ending this ill-conceived government shutdown as soon as possible as one concrete action to actually do that. [[Page S381]] I yield the floor. The PRESIDING OFFICER. The Senator from West Virginia. Mr. MANCHIN. Mr. President, late last night this body voted on the fourth short-term continuing resolution for fiscal year 2018. That means we are already into this by 3 or 4 months. I voted for the continuing resolution last night because I refuse to support a government shutdown in any way, shape, or form, but it doesn't mean I believe this should be the way this Congress works. To my good friend from Alaska and all of the good people here, I consider everyone in this body my friend. To the blame game, I got here in November 2010. The Democrats were the majority at that time, and I wondered why we weren't voting. I didn't understand the process. As I started learning the process, I kept wondering, why aren't we voting? There were filibusters and cloture and we couldn't get things done. I am not here to say who is at fault. I know when you are in the majority, you are in a leadership position, and you are supposed to lead. We expect leadership to lead. Leadership has to make sacrifices sometime to find a pathway forward. Both sides are guilty of not doing that as well as it should be done. We are in a government shutdown. It should never happen. Three hundred million people shouldn't be penalized for the dysfunction of this body. As Democrats and Republicans, I would hope we would be Americans first. I don't think of my Democratic Party before I think of what is good for the country or what is good for the State of West Virginia. I have my Democratic principles I believe in. As a West Virginia Democrat, perhaps they are a little different than maybe a Washington Democrat, and I have my Republican friends in West Virginia who believe a little differently than Washington Republicans. At the end of the day, we always try to do what is right for the State of West Virginia and, most importantly, what is right for the country. We are not going to let our troops down. There is no way, shape, or form. You have to be accountable and responsible. In all the things we are doing, I can't fathom how we have allowed so much power in two people's hands--both leaders of our respective caucuses--where it seems any negotiations are only done between two people. The only negotiations are with the staff of those two people, and we are supposed to, as a body, blindly go along. As you know, I don't do that all the time. My votes are pretty independent, and they will be. I always said if I can go home to West Virginia and I can explain what I am voting for and why I did it, whether they would agree or not, if I can explain it, I can vote for it. If I can't look a West Virginian in the eye and explain my vote, I made it for political reasons for myself or for somebody else but not for my State. I am not going to do that. For us to go beyond tomorrow would absolutely be a travesty. If we can't open this government back up and work through our differences, it would be a travesty. If we allow this country to suffer starting Monday morning--when everybody should be at work, everybody should be paid for the work they are doing for our great country to keep it safe, our military, and everybody down that line--then shame on all of us. I believe we can. I believe the majority leader is going to find a pathway forward, and he will be able to lead and accept what the minority, the Democratic Party, is saying. We can adjust and make some adjustments here. We need some votes on this. We would like to be able to proceed further, and we want to make sure we can come to an agreement that gives us a long-term solution, not every month it is coming back to us. That means getting a pathway forward. I truly believe in my heart that can be done, and it will be done. I have, in my State of West Virginia, 20,000-plus children depending on the CHIP ***program*** for their healthcare, and I know the Presiding Officer does too. We all do. We want to take care of that. We have our military, and we want our military to be funded properly so they can defend us. We need to make sure they have all the necessary equipment and armaments and all the technology they are going to need to be safe themselves. For us to divide ourselves between Democrats and Republicans about who supports the military more or less is wrong. It is the one thing that keeps us bipartisan. It is the one cohesive thing we have in this Senate is our military and our love of our veterans and the work of our military, what they are doing and what they have done for us. I have never found a Democrat or Republican who wouldn't rally behind a veteran or help the military to be as safe as they can. So that should be taken off the table. No one is against the military. Every time we pass another short-term funding bill, we put our national security at risk. We talked about that. We stall critical projects for our economy and our citizens. The CR means we are stagnant. We can't ***plan***, we have no long projection that we can take care of. It basically gets us from one day to the next. If the CR is for 30 days, it gives you 30 days. If it is 3 days, it gets us 3 days. Somebody has to move the needle forward to make sure we can run in a consistent way. We need a 12-month budget. We need the 12 appropriations bills the Senator from Alaska spoke about. We need those to be taken up and leadership must lead and make that happen. During the shutdown, government agencies and services will close. The people we are supposed to serve are going to suffer, and that is just wrong. The Department of Defense--we have talked about that on both sides of the aisle--will not be able to pay death gratuities to families. Think about that. We will not be able to pay the death gratuities to families of servicemembers killed in combat without additional legislation from Congress. With this dysfunctional shutdown, where we can't operate, that is not going to happen. Everyone wants to use something as a wedge and something they can hold against each other, and then they figure out what they can do with it: Well, I am for this or I want to take care of the death benefits. That is the least we can do, but so-and-so doesn't want to do it. That is not right. I can't fix it that way. That doesn't repair it. Yesterday, during negotiations, while government agencies were preparing for a shutdown, I spoke to my good friend Ken Fisher. I don't know if you know about the Fisher House. You may have heard of them. They are all over the country taking care of our military families. When there is someone wounded anywhere in the world, if someone needs-- if a family needs a place to stay, it is similar to the Ronald McDonald House that helps families in need when they want to go visit, and they can't afford these types of trips. They take care of that. Ken Fisher and his family and his foundation have always been there for them. Ken Fisher is making sure there is no funding gap during the time of unfathomable loss. Can you imagine, here is an individual, a private individual, a philanthropist, the Fisher House, they are agreeing to offer the families an advanced grant until the government can make reimbursements at the appropriate time. They will also cover the flights and hotels and incidentals for the family for this period of time. Here is an individual, an American, willing to say: Listen, we are going to put our family money up in support of our military families who have lost a loved one defending our country, making sure they are able to travel to be with that body of the deceased, being able to give them comfort. Knowing we are so dysfunctional right now that we can't make that happen, to have a private individual step up and do that for us is unbelievable. You talk about the love and pride of an American putting their country first. Ken Fisher and his family have put their money where their mouth is. They put their money where they believe what is good about this country, what makes us better than anyplace in the world. Ken and his family and the Fisher House stepped up to help our soldiers and their families during a time of need and especially during this senseless shutdown. As I said before, this shutdown shouldn't go anymore than tomorrow. Tomorrow it should come to an end. This truly unacceptable silliness that we go through should stop. We have important work to do, including ensuring the military is [[Page S382]] equipped to protect our country, fighting the opioid epidemic, keeping our promise to our coal miners and their pensions. We have pension ***plans*** they are going to lose by 2022. The average pension a miner gets, you would think is, what, an exorbitant amount? It is $586, the average pension. That is all we are asking for. Most of them are widows collecting these pensions to keep their homes opened up, to be able to take care of themselves. We need to help there. The Children's Health Insurance ***Program***, the CHIP ***program***--there are 20,000 West Virginians and 9 million Americans who must be taken care of. Funding the government is one of our most basic constitutional obligations, and now because of partisan politics--and everybody in this room is guilty--100, guilty as charged who are not able to sit down and do their job, not able to work through our differences, not able to put your country before yourself and your politics, only thinking of what might benefit you or the party to which you belong, as if that is the only oath and alliance and allegiance you owe. That is not who I am and not whom I am going to be. I am going to do whatever I can to keep this government open and get it back open. This is dangerous to our national security, and it is truly embarrassing. I want to apologize to every citizen in West Virginia and every citizen across this country. We are better than this, and I am ashamed we haven't been able to show the true spirit of who we are and whom we should be and why you sent us here to do our job. I will continue to fight to make America what it should be and what it is, the promise of the world, the hope of the world. There are people all over the world thinking we can be better than what we are. Let's show them. Let's do our job. I yield the floor. The PRESIDING OFFICER (Mr. Young). The Senator from Delaware. Mr. CARPER. Mr. President, as a native West Virginian, I want to say how proud I am of our colleague, Mr. Manchin. Perhaps you have heard the old saying: I am Tom Carper or I am so- and-so, and I approve this message. We do a lot of that on political campaigns. Well, I approve of much of what Joe says, and today is no exception. My wife and I like to go to movies. We don't get to see much of them, but over the holidays we had a chance to see a couple of them. One of the best movies of this past year was a movie about World War II Britain, ``Churchill.'' I am reminded, as we wander through this impasse, of two things Churchill said. About democracy, he said, ``Democracy is the worst form of government [devised by man] except for all the [rest].'' Think about that. This is a hard way to govern, and we have proved it again. A lot of democracies around the world prove it again year after year after year. Churchill knew we saved their behinds over in Britain in World War II. We came to the rescue and helped turn the tide. He was always grateful for that, but he used to like to poke fun at our country. Another great Churchill quote was about America. He said this about America: ``You can always count on America to do the right thing in the end, after trying everything else.'' Think about that. This situation we are in right now with the shutdown--a lot of people are calling it the Trump shutdown--whatever you call it, I think it cries out for leadership. I just want to quote comments of one person at the time, someone who was not in elective office, but he said these words talking about leadership during an earlier shutdown. This individual said: Well, if you say who gets fired it always has to be the top. I mean, problems start from the top and they have to get solved from the top and the president's the leader. And he's got to get everybody in a room and he's got to lead. This person went on to say: When they talk about the government shutdown, they're going to be talking about the president of the United States, who the president was at that time. This individual goes on: They're not going to be talking about who was head of the House, the head of the Senate, who's running things in Washington. So, I really think the pressure is on the president. The President will do what it takes to lead. Those comments were given in 2013 during an earlier shutdown. Those are the words of Donald Trump, criticizing then-President Barack Obama. Think about those words then and think about those words today. The President has ``got to get everybody in a room and he's got to lead''-- has got to get everybody in a room, and he has to lead. This was true 5 years ago, 4 years ago, and it is true today. With this President, we find a willingness on the part of Senator Schumer, Senator McConnell, Speaker Ryan, and Leader Pelosi responding to an invitation to go to the President even tonight, go to the White House even tonight, and sit down and try to hammer things out. It ain't going to be easy, but, frankly, there is a lot of consensus here on what we ought to do, in terms of the budget priorities, defense spending, and nondefense. There is a lot more agreement than disagreement. We heard discussion about that between Senator Manchin and our colleague from Alaska. I think there is a fair amount of agreement, in terms of extending coverage--maybe not permanent but extending the Children's Health Insurance ***Program*** 6 to 10 years. The State and Federal partnership covers about 9 million kids. There is a lot of agreement on that. There is a lot of agreement on the Federal community health centers. They provide a cost-effective, affordable approach to healthcare coverage for primary care for people who don't have coverage, maybe don't have any money, and they can get coverage and have access to primary care, in many cases, in their own community. They are important in Alaska, they are important in West Virginia, they are important in Delaware, and they are important to the speaker from Missouri who is going to succeed me. There is a lot of agreement there. Frankly, you have a lot of agreement on what should happen to the Dreamers, these young people who were brought here by their parents, in many cases years ago. They grew up here and were educated here. In many cases, they are working here. In a lot of cases, they are serving in the military. They are teachers and police officers, and they are doing all kinds of things. It is a time in this country where we have roughly 3 million jobs that are going unfilled because the folks who would like to do those jobs in many cases don't have the education, the experience, the interest in doing those jobs, the willingness. They don't have the work ethics. In many cases, they can't pass a drug test. It is a time where we are in the eighth year of the longest running economic expansion in the history of the country. Barack Obama and Joe Biden took office in 2009, at the bottom of the worst recession since the Great Depression. They handed off to this administration a year ago today the longest running economic expansion in the history of the country, and for the past year, that expansion has continued. One of the keys to making sure our economy expands is to make sure the workforce our employers need is being provided by our schools--high schools, public schools, colleges, universities, community colleges. And at the very time when employers are saying, ``Look, when we open our doors for business on Monday, there are going to be 3 million jobs that we don't have anybody to come to work to fill,'' are we serious about saying that, rather than enabling 800,000 or so Dreamers who have the skills, who have the education, who have the work ethic, who want to do the job--rather than letting you do those jobs, fill those jobs, we are going to send you back to the country where you were born? And by the way, we will send about 200,000 Salvadorans who came here at a time of crisis in their country 10 or 20 years ago--we are going to send them with you. Does that make sense? As a former Governor who for 8 years led the State of Delaware to actually cut taxes 7 out of 8 years, balance our budget 8 years in a row, pay down debt, earn AAA credit ratings, and saw more jobs created in 8 years than any 8-year period in the history of the State of Delaware--I didn't create one of those jobs, but we sure know something in Delaware about creating a nurturing environment for job creation. That is what we do in our jobs. We don't create [[Page S383]] jobs; we help create that nurturing environment. Basically sending close to 1 million people who are able to do jobs that aren't getting done and wouldn't get done, sending them back to the country where they were born--that makes no sense, no sense at all. The last thing I will say is this about my little State. Delaware was the first State to ratify the Constitution. I am very proud of that. We were the first State to ratify the Constitution--on December 7, 1787. For 1 whole week, Delaware was the entire United States of America. We opened up. We let in Maryland, Pennsylvania, New Jersey, and the rest, and I think for the most part it has turned out pretty well. We are struggling a little bit with it right now, but we will get through this. One of the keys in Delaware more often than not is working pretty well--Democrats and Republicans working together, which is what is needed here. We have had a whole bunch of Governors who did lead; who were humble, not haughty; who had the heart of a servant; who believed that Governors unite, not divide; who build bridges, not walls; who don't try to tear other people down to build themselves up; who are aspirational and appeal to our better angels. We had a couple of good Republicans who did that--Michael Castle, Pete du Pont, and others. So it will be done on a bipartisan basis. Here are four reasons why Delaware continues to enjoy success, has enjoyed success. There has been able leadership--and not just Governors but legislators, Democrats and Republicans. We have something we call the Delaware Way. To the amazement of a lot of people, 2 days after the election every other year, winners and losers get together in Georgetown, DE. In Sussex County, DE, the southernmost county, the county seat, Georgetown--we have a big brunch hosted by our community college in Georgetown. Democrats and Republicans are there--the folks who ran against each other--and their families and supporters are there. When the brunch is over, we go outside and we get in these horse- drawn carriages, and winners and losers ride together, side by side, with their families. There is a big parade, and thousands of people come. Schools are closed. When the parade is over, we all gather in the circle in the middle of Georgetown, and we have some speeches, some inspiring patriotic music, and some prayers. Then the political leaders of the Democratic Party, the Republican Party, and maybe the Libertarian Party stand in front of the masses of people. They have what looks like a big glass aquarium, and it is half full of sand. They take an ax, and the party leaders lower this ax into the aquarium. They fill it up with sand from Rehoboth Beach or Bethany or one of our five- star beaches. And then we go off, and people open up their houses, and Democrats and Republicans spend time together. We lick our wounds and sort of get to like each other again, and we go on to govern our State. We use the four c's in Delaware. This is my last point, and I will yield to Senator McCaskill, who is ready to roll behind me. There are four c's. We communicate. We talk to one another in my State. Last night when we were on the floor, there was a lot of communication going on. That is important. We need to continue that communication. But for God's sake, the President needs to invite our four leaders--two from the House, two from the Senate; two Democrats, two Republicans--and have real communication. He needs to provide air cover for the Republicans in the House who are willing to take up a reasonable compromise that I think we are willing to pass here in the Senate. The President has to provide that air cover. First of all, the first ``c'' is communication. Next is compromise. In a compromise, nobody wins everything they want. Senator Schumer was willing to put on the table what Donald Trump has been talking about for years; that is, a wall, actually authorizing the construction of a wall--not on every single inch or mile of the border with Mexico but a good deal of it. That is what Donald Trump is talking about more in terms of border security than anything else. Do I think that is a great idea? No, I don't. In some places, a wall makes some sense, and in a lot of places, it doesn't. There are a lot of other more cost- effective options. There are other things that could be more cost- effective that would enable our 20,000 Border Patrol folks to do their jobs. But Chuck Schumer put on the table the authorization for building the wall. That is a pretty good compromise, and that shows we are willing to compromise. So the second ``c'' is compromise. The third ``c'' is collaboration, to actually work together on this stuff. The last ``c'' is civility, to treat one another the way we would want to be treated. Communicate, compromise, collaborate, civility--it doesn't work just in Delaware; it works in States all over this country. It used to work in this place, in this body, and we could use it again. The quote that I used from Donald Trump from 4 or 5 years ago talking about the leadership that Barack Obama needed to show--I think he did. Sometimes we need to listen to our own words, look at ourselves in the mirror and remember our own words. Mr. President, we would do well to do just that. I yield the floor. The PRESIDING OFFICER. The Senator from Missouri. Mrs. McCASKILL. Mr. President, I would like to once again state for the record of this august body that the very first effort that was made after the vote was declared to not pass the CR was my standing at this podium and asking unanimous consent for us to pass my amendment that would pay the military and the death benefits. That was objected to by the majority leader. I am hopeful that this will get worked out quickly. The last time we had this kind of dysfunction in the government, we did this by unanimous consent very quickly, so there wasn't even a hint that anybody in this body was not 100 percent behind making sure our military got the pay they deserve. I am hopeful that this will be done yet today. I think it would be good if we could do it today, but certainly no later than tomorrow we need to take care of that because I am guessing every single Senator will support it without anyone objecting. Remembering Frankie Muse Freeman Mr. President, the reason I rise today is because I had to miss a very, very important event in St. Louis this morning. There was a going home celebration for a warrior in St. Louis this morning. I have been blessed to have the opportunity to meet so many amazing people in my journey serving the public. I don't think anybody I have met could in many ways stand up to Frankie Freeman. Frankie Freeman was a woman who had a very simple goal in life. Her goal was to do everything she could to eliminate discrimination. Frankie was born in November of 1916. She was one of eight children. She was raised in a segregated neighborhood in Virginia, and she said that from the time she was a very young girl, she wanted to change the world. She met her husband of over 50 years in New York, where he was attending graduate school. Why was he in New York attending graduate school when he was from Missouri? He was in New York attending graduate school because after graduating from Lincoln, a historically Black college in Missouri, the University of Missouri refused to admit him and said: Rather than allow you on our campus, we will pay to send you to New York for graduate school. Frankie was in New York, and her husband was in New York. They met, they fell in love, and they got married. Then they moved to the Washington, DC, area, and Frankie then decided she was going to law school. She went to Howard Law School. She was 9 months pregnant when it was time to sign up for her third year of law school. She went to the dean of the Howard Law School and said: Could you allow me to join a few weeks late in the term? He took one look at her, 9 months pregnant, and said: You are going to have to sit out a year. She said: I don't want to sit out a year. I have to get this done. I have work to do. I have justice to seek. I will not sit it out. So she went out and stood in line to sign up for her third-year classes literally within days of giving birth. Four [[Page S384]] days later, after she finished registering for her third year of law school, she gave birth. Did that slow her down? No. She went on to graduate from Howard Law School that year and was No. 2 in her class. Keep in mind, she graduated from law school. An African-American woman in America graduated from law school in 1944. That is almost 10 years before I was born. Imagine what life was like for a young Black woman lawyer in America in 1944. She had two children--her daughter Shelby and her son, who was also named Shelby but called Butch. She moved to St. Louis with her husband and two children. Butch, by the way, died when he was 11. Shelby remained at her mother's side and helped her remain active until the last days of her life. She moved to St. Louis as a young African-American woman lawyer, and you can imagine there were no law firms that wanted to hire Frankie, so Frankie opened her own law office. Her mission was to go after the institution of discrimination through the courts, and she was fearless, strong, kind, and polite. One of the most famous cases Frankie had occurred in 1952--Davis v. the St. Louis Housing Authority. Keep in mind that in 1952, there was written policy of the St. Louis Public Housing Authority that said that the races should not mix; it was unnatural for the races to mix. Frankie decided she would take that on. She won that case in 1952, and she went on. It was appealed, appealed, and she went on and won the appeal in front of the Supreme Court in 1954. I was 1 the year she won that appeal. One of the stories about Frankie's life that I think is important to put in context happened in 1961. You see, she was a Delta. In fact, she went on to be the president of the Deltas in 1967--a very important sorority for many accomplished African-American women in this country. In 1961, the Delta chapter down in Hayti in the Bootheel--right on the heel--asked her to come down and give a speech. She was famous for having won this case, and she was honored to be asked to give the speech. She didn't have anyone to drive with her, and she was worried about driving by herself into the Bootheel in 1961. This was a year after President Kennedy was elected President. She got on a Greyhound bus. The Greyhound bus stopped at a restaurant along the way so that people on the bus could use the restroom and get a bite to eat. Frankie walked into that restaurant in a small town between St. Louis and the Bootheel, and she was told by the waitress that she couldn't come in the front door. Keep in mind, she had been all the way to the U.S Supreme Court, arguing ugly discrimination in public housing, and this waitress in this restaurant in this small town told her she could not come in the front door. Even worse, when Frankie ignored her and walked toward the restroom, a customer got up and blocked the door so she could not use the restroom. Frankie wrote about this in her book ``A Song of Faith and Hope.'' I think about the strength that this woman had by herself in that situation, and I am filled with awe and admiration. In 1964, Frankie was the first woman on the U.S Commission on Civil Rights, and she did so much more than all of the famous cases and trials. In the midst of her landmark trials and court cases, she became the president of the Deltas. She later went on to travel and visit many African nations, serving as a U.S representative of the United Nations Conference on Housing. In 1978, President Carter appointed her inspector general of the Community Services Administration. She continued to show her commitment to service as an active member on several boards, including the Howard University Board of Trustees, the Urban League of Metropolitan St. Louis as the board chair, and also as the board chair of the National Council on Aging. In 2007, Freeman was inducted into the International Civil Rights Walk of Fame at the Martin Luther King, Jr. National Historic Park in Atlanta, GA, for her leadership in the civil rights movement. Frankie had a nickname among people who were touched by her passion and commitment to that elusive quality known as justice. She was known as ``Frankie Freedom.'' I had an opportunity to get to know Frankie in the last decade of her life. I treasured the time I had with her, the encouragement she gave me, the stories she told me, and the legend that she was. She would always say to me when I would express frustration--and Frankie said this throughout her life; she would quote Luke 9:62: ``No one who puts a hand to the plow and looks back is fit for service in the kingdom of God.'' Frankie would always say: Keep your hand on the plow. Keep your hand on the plow. Keep your hand on the plow. Frankie lived 101 glorious years. She had personal tragedy and countless setbacks, but she never lost her attitude of love and commitment to justice. I was so sad to miss her coming home celebration this morning. She has gone home. There is no question she is reviewing legal briefs for the Good Lord Himself in Heaven above. Thank you, Frankie Freedom, for a life well lived. Thank you, Mr. President. I yield the floor. The PRESIDING OFFICER. The Senator from Oregon. Mr. MERKLEY. Mr. President, I thank my colleague from Missouri for sharing Frankie's story with us today, the fight for progress, and the life she lived. I was thinking last night as we were debating here on the floor about one of the ways that Martin Luther King summarized how we move forward toward justice. He said that it takes ``the tireless exertions and passionate concern of dedicated individuals.'' That is what it takes to move us forward, and it sounds as though she was every bit the tireless individual, the passionate individual, who worked to advance justice. I thank my colleague for sharing that story. Speaking of fighting and justice, we have a lot to talk about. We are here in the middle of the Trump shutdown. Last night was quite interesting. Democrats came to the floor and said that we need to keep the government open. We want to have a debate and a vote on a provision to extend the government by 24 hours so that we could really force leadership to get in the room and work out a resolution on multiple issues that are already bipartisan issues. It shouldn't be that hard, but the majority leader, who is in control of this body, proceeded to say that he objected. It takes unanimous consent to get to a bill, so he sealed the deal on the Trump shutdown. He made sure this body couldn't debate or vote on keeping the government open for another day. Senator Nelson put that forward, and then Senator Tester tried to say: OK, let's take a little more time. If you don't think you can do it in a day, how about 3 days? Senator Tester moved to proceed to consideration of an amendment that would provide a continuing resolution for 3 days--to keep the government open 3 days to force our leadership on both sides to sit down and work out the details on these bipartisan proposals. Again, the majority leader objected. He sealed the deal on the Trump shutdown. Then he had the gall to come to this floor and blame others when he is in charge. This blame game by those who are in charge is fascinating. Republicans are in control of the Presidency. Republicans are in control of the House. Republicans are in control of the Senate. The Republican leader objected to debating an extension for our government to stay open. Not once, but twice last night, he blocked it. Well, it is very clear where the responsibility lies for this situation, which never occurs here in the United States--no. President Trump, back in 2013, said that the responsibility for a shutdown--this was when President Obama was in office. He said that it always comes back to the President. Well, how true those words are today. In 2013, there wasn't unified control. You didn't have the same party in charge of the Presidency and the House and the Senate, so it was a little bit of a more mixed-up story. But then Citizen Trump said: It is all the President's fault. Now we have a different situation where the same party controls all three settings. Let me tell you that the mechanism by which the Senate operates has [[Page S385]] changed dramatically. You can think of the possibility of offering amendments on the floor of the Senate. Here is an amendment box. You can take and put your proposal in that box so that you can get it in line to be debated. But the majority leader has the ability to close that box and put a padlock on it. That is what Mitch McConnell did. The technical term here is ``filling the tree,'' but that is a little hard to picture, so let's talk about the amendment box. He put a padlock on it and said that there would be no Democratic amendments considered. He has that power under the rules of the Senate. Then he did something else, which is interesting, which really is a new level of obstruction of dialogue here in the Senate. He took that box, and he put a tarp over the top of it. That tarp is another type of motion that has to be resolved before you can even get to the amendments to propose that one be taken out of the box so another can be put in. In fact, if you were following the Senate last night, you saw this very crazy motion in which the majority leader himself took the tarp off the box--a resolution related to a motion to move the bill to committee and back--so that he could change the amendments that he put in the box. But that box remained completely forbidden ground for Democrats to be able to participate in, to be able to put a bill on this floor. So it takes particular--I don't know what the right word for it is--I guess ``determination'' to spin the politics for that individual who has locked up the amendment box, preventing Democrats from putting a proposal on the floor--even a bipartisan proposal supported by Republicans--and then to blame Democrats, whom he has locked out of the process. Our responsibility is absolutely clear here. This Trump shutdown sits with the President, who made an offer a week ago Tuesday and took it back a week ago Thursday. He made another offer a couple of days ago. A few hours later, he withdrew it. Yes, I want to take on these issues. No, I don't. Yes, I do. No, I don't. The Democratic leader said it is like negotiating with Jell-O. There is just no ``there'' there to be able to have rational policy consideration. This Trump shutdown is doing a lot of damage across this country. It will do more damage with every succeeding day. And I say this directly to the President of the United States: Get engaged. Your job is to govern, to be part of the dialogue, not to be going off to Pennsylvania to campaign, not to be ignoring issues until it is only 24 hours out before we hit a deadline, not to be spending every weekend golfing and making your personal schedule off limits so that the public won't see that you are virtually never paying attention to governing. Mr. President--and I am speaking to President Trump--get engaged. You have a job to do. This is your shutdown, just as you said it was the President's responsibility in 2013. These issues that we are wrestling with go back to the middle of last year because it was in the middle of last year when we were approaching the deadline for the fiscal year, which ends at the end of September. So it was time to get a bill for children's healthcare to this floor and debate it and reauthorize it, renew it before we hit September 30. It was the time to get the bill for our community health clinics to the floor to be debated and reauthorized so that our community health clinics would stay open. It was the time to get to the floor a bill to take on the opioid epidemic. But what was the Republican Party engaged in? They weren't engaged in facilitating addressing healthcare problems. Oh, no. They were engaged in a bill to try to wipe out healthcare for 30 million Americans. We had five different versions of this bill here on the floor that wiped out healthcare for 22 million to 30 million Americans, and by a bare margin of a vote, we were able to block those bills. I thank my Republican colleagues who joined in that effort. They weren't interested in talking about children's healthcare, community healthcare clinics, or the opioid crisis. Finally, when the healthcare debate was sealed, what did they turn to? Not the governing issue of spending bills that should have been done by October 1. Oh, no, they had a different ***plan***--a tax bill to deliver $1 trillion-plus to the richest Americans. That was more important than children's healthcare. Increasing wealth inequality was more important than our children. Increasing income inequality was more important than our children. We, the Democrats, are saying stop--stop taking up the time of this body on making the situation worse in America on healthcare, making the deficit worse here in America, robbing the common fund to enrich the richest Americans. Stop all of that. Instead, let's address all these issues right before us. The members of our communities who have gone to grade school, high school, community colleges, colleges, who are working in our businesses, doing so much for our community, their immigration status isn't nailed down. There is bipartisan support to nail that down. That is just and fair and right. All of us have members in our communities who are contributing so much, and they are being left in just an incredibly stressful limbo. They deserve better. I think the Democrats and the Republicans who have sent us--here it is, a bipartisan deal waiting to happen, but President Trump says yes today and no tomorrow. He says yes in the morning and no in the afternoon. Quite frankly, the Republican leadership does the same thing. So quit saying yes and no and just say yes. Let's get this bipartisan deal done. Let's get the opioid funding done. It is an epidemic. It is killing more people in America than traffic accidents. Let's get help in the right place. Yes, let's get the children's healthcare bill done. Senator Stabenow asked unanimous consent for immediate consideration of the bill for permanent CHIP funding. Who said no? The Republican leader came to the floor and blocked it because he is in charge. He has the amendment box all locked up, so Democrats can't even put a bipartisan proposal before this body. I thank Senator Nelson for fiercely fighting to keep us open for another day for negotiations. I thank Senator Tester for fighting and putting forward the proposal to stay open for 3 more days while we force negotiations to get these important issues addressed. I thank Senator McCaskill, who just spoke, for working hard to get a bill before this body that would ensure that the pay and death benefits for members of the armed services are taken care of. Who said no in every situation? Who said: I am keeping a lock on the amendment lockbox? Mitch McConnell, the Republican leader of the Senate--complete control. This is no longer a deliberative body. A deliberative body debates issues. A deliberative body invites proposals from all Members. This is completely unlike the Senate I saw as a young man when I first came here as an intern for Senator Hatfield in 1976. Then, each side offered amendments, and they argued their hearts out. They voted, and a simple majority sent an issue forward or killed it. Now we can't even start a conversation, and when we do get an amendment, it is by a supermajority. That is a rare event. Outside of the reconciliation bills, which were a special provision for the budget, we virtually have not had a single Democratic amendment all through 2017. That is what has happened to the Senate, and that is why we are here. The responsibility is clear. This Trump shutdown should never have happened. President Trump needs to get his act together and get engaged. The majority needs to quit locking the amendment box so we can have actual dialogue and debate on the floor. Republicans have to quit blocking things both Democrats and Republicans have agreed to on children's health, on community health clinics, on opioids, and on legal status for our Dreamers. This should not be a hard deal to close. Let's open up this government, and let's get these issues dealt with and done for the benefit of the citizens of the United States of America. Thank you. The PRESIDING OFFICER. The Senator from Hawaii. Mr. SCHATZ. Mr. President, here is what is happening. Last night, Senate Democrats asked to do a 1-day continuing resolution. They also asked to do a 3-day continuing resolution. What [[Page S386]] does that mean? That means we were at an impasse because the House- passed continuing resolution was 4 weeks, and that was not acceptable to enough U.S Senators to pass. If you subject it to a vote, and it doesn't get cloture, it fails. Under normal circumstances, then you try to find out what might be able to get cloture, but we were so close to the deadline that we needed something called a unanimous consent request. In other words, we needed every single U.S Senator to accede to the idea that we should vote on something. It is not unusual for a unanimous consent request to be granted. A lot of times it is just perfunctory stuff, everyday stuff to kind of move something in a schedule, allow someone to have 10 more minutes to speak, or whatever it may be, but on big things, you don't always grant consent. I get that. Think about where we were. We were on the precipice of the government shutdown, and Senator Nelson from Florida asked for unanimous consent-- in other words, all 100 U.S Senators agreeing--to bring up a measure that would have kept the government open; the idea being that is better than a shutdown; the idea being that everybody on the Senate floor was actually behaving like a Senator last night who did not want to shut down the government. There were lots of very interesting, constructive, and productive bipartisan conversations. We were close. We weren't that close--we weren't 10 minutes away--but we weren't so far apart that it wasn't worth trying. That is why Senator Nelson said: Why don't we buy ourselves another 24 hours and not shut down the government. The majority leader objected. It was the majority leader's prerogative to allow it to be voted on. Had that been subjected to a vote, I doubt there would have been more than a handful of people voting against it. Nobody wants a government shutdown. Senator Nelson provided the opportunity for us to avoid this. Then Senator Tester said: OK. Maybe 1 day is too short. Maybe we can't get this done in 20. My view was we should have 12-hour CRs. We should have absolute, burning pressure on ourselves. It should be physically miserable. We should be here. We should be working. We should be negotiating. That is my view. I think we should be on 12-hour CRs. Listen, I can't go home, right? I live pretty far away, but even for those who live on the Eastern Seaboard, I don't think anybody should be comfortable this weekend--politically, physically, mentally. To understand what is happening to the country, you should not be comfortable. You should be embarrassed. I think we should be on 12-hour CRs. OK. A 24-hour CR, I was fine with that. That got rejected. How about a 3-day CR? That is what President Trump wanted to do to try to close the deal, but those were rejected. No one can explain to the public why we can't keep the government open for a few days to negotiate without punishing the whole country. Nobody wins during a shutdown. We were so close to an agreement. The overarching reason we didn't reach an agreement is, we have an erratic White House. I have been trying to dial down my rhetoric in this context. I am looking at the Presiding Officer, who is a Republican, with whom I have a constructive working relationship. If we are going to get out of this, we have to get out of this together. So I am trying to watch my tone because we are going to have to vote on something together at some point. The simple fact is, the White House has been erratic and inconsistent in this process. There was at least a framework for a deal on January 11, and it got blown up in that very famous meeting with the expletives. Then there was at least a framework for a deal yesterday, and it got--now very famously--blown up by a subsequent meeting and a subsequent phone call. Here we are with four continuing resolutions in 4 months. We haven't actually been able to work on the appropriations process. We haven't done great with appropriations in the past 5 years since I have been here, but, occasionally we will get an omnibus done. Occasionally, we will have proper markups. Occasionally, we will look at each executive agency and do our job properly. It is not the regular order like it used to be with my predecessor and many of the people of the Senate of old. It was not as bad as this. A CR month by month, week by week--enough is enough. Instead of trying to deal with this, the White House is failing to address these baseline issues and then creates new crises. This was a manufactured crisis on DACA. They didn't need to create this crisis, but now we have one. Instead of using the Executive's authority to solve problems, they are focusing on the wrong things. They are punishing children who were brought to this country through no fault of their own and now are as American as anyone in Congress, except in the eyes of the law, but there is a level of inconsistency, as a euphemism, that we have had to deal with in these negotiations. The White House told the Republicans to fund CHIP as part of a 30-day spending bill, and then the President tweeted we should only fund CHIP if it is part of a long-term solution. We had a deal on the table to help Dreamers in exchange for border funding only to have the White House change its mind. That happened once when the deal was blown up a couple weeks ago and then yesterday. Senate Republicans may feel comfortable; they may feel uncomfortable. I don't know. I think it probably depends on the Member, but they are in a holding pattern waiting for Presidential leadership, and they don't know what the White House wants. They don't want to move on legislation without the White House's approval, but trying to get clarity from the administration on this or any other issue is a fool's errand because it changes by the hour and certainly by the day. That is why we are in this position. It is not unusual for Congress to have disagreements between the parties, within the political parties, between the House and the Senate. That is the way the legislative process works. It is a messy process, but the way an executive is supposed to play that role, they are supposed to wield that authority, that power. Whether it is a Governor or a mayor or a President, when it gets close--and we are close--the executive is supposed to close the deal. This Executive does the opposite. This Executive has blown up every deal every time. Sometimes we are far apart, and it gets worse. Sometimes we are vanishingly close, and it gets blown up, but what an executive is supposed to do is play that role, play that adult in the room. Right now, we are a ship without a captain. That is why we are marking the 1-year anniversary of this administration with a government shutdown. That is why hundreds of thousands of people across the country are marching to say they are dissatisfied with the direction of this country. The year 2017 in this U.S Senate, it was a unique year. That is because we had basically no bipartisanship on the Senate floor. There were a few things that went by unanimous consent. The process of the U.S Senate is supposed to be that you submit a bill on the floor, and it takes a week or two. Everybody offers amendments. There is lots of haggling. It is kind of messy. People talk too long, people argue, but in the end, you move a piece of legislation. It is a bipartisan process by construct. We are supposed to be different than the House. We are not a majoritarian institution. We are supposed to be a moderating force on the country. We are supposed to be the adults in the room. The way you do that is through an open amendment process. I want everybody to know we had a couple of situations where Democrats were allowed to offer amendments, but that was in something called vote-arama. I know the Presiding Officer hates vote-arama. I know most people in the U.S Senate hate vote-arama. Why? Because it is a farce. It is worse than student council. Everyone is just doing stuff to position themselves back home. None of the things we vote on in the vote-arama process has any force of law or is going to be enacted. There is nothing meaningful that happens in vote-arama. Other than that, not one single, solitary Democratic amendment was considered on the U.S Senate floor. No Democratic Senator had their amendment considered on the Senate floor except inside of the process called vote- [[Page S387]] arama, which we all know is a farce. So we haven't had bipartisanship. I was so encouraged when the majority leader, early this year--I think the first week of the year right before convening--said he wants to do things on the basis of 60 votes, which is the way the Senate has always worked. I know he considers himself an institutionalist. I understand they felt it imperative to try to repeal the Affordable Care Act and do their tax cuts via the reconciliation process, which is a 51-vote threshold, but he basically announced: We are going to do bipartisan stuff this year. But what we have is an erratic administration that changes its position every hour, and so it is very difficult to get to 60. They lack the clarity, they lack the capacity, and it appears they lack the desire to govern in a bipartisan fashion. So I just want to be very clear. Democrats are ready and eager to talk. We are here to find a way forward, but that does require Presidential leadership. I don't understand why we couldn't have a 1-day CR, a 2-day CR, or a 5-day CR. I don't understand why we can't negotiate with the government open. When Bill Nelson comes to the floor and says: Why don't we buy ourselves another 24 hours so that civilian DOD employees can get paid, so people at the Pearl Harbor Shipyard can get paid, so people who work for the Federal Government can get paid, so some of the people who work in the U.S Congress, in security and elsewhere, parking--all of these wonderful civil servants are not going to get paid. All of these services are going to get shut down tomorrow--not tomorrow but Monday morning--because nobody is even going to allow Bill Nelson's proposal to even get a vote. If you guys don't want to do a 24-hour CR, vote against it, but at least allow us to keep the government open and keep these negotiations open. Now is the time for Congress to conduct itself as the article I branch--as a separate, coequal branch of government. And we are not--I understand the politics. We just had 8 years of President Obama, and obviously Democrats were very eager to understand the administration's position so we could calibrate and coordinate. We didn't always do the same thing, but you have to keep an open ear to what a President of your party desires to do. But when a President of your party is either totally unclear or changes his mind every 12 hours, then you have to make a judgment that you are going to exercise your constitutional obligation and get the job done with his participation or over his objections. That is what we need to do on a bipartisan basis. I yield the floor. Mr. President, I suggest the absence of a quorum. The PRESIDING OFFICER (Mr. Perdue). The clerk will call the roll. The bill clerk proceeded to call the roll. Ms. DUCKWORTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered. Ms. DUCKWORTH. Mr. President, this morning Donald Trump tweeted that ``Democrats are holding our military hostage'' in this shutdown--just the latest in a string of recent comments wherein he accuses Democrats like me of not caring about our military, and it is the latest example of his failing to show leadership, to take responsibility for leading this Nation. Does he even know that there are servicemembers who are in harm's way right now watching him, looking for the Commander in Chief to show leadership rather than to try to deflect blame, or that his own Pentagon says that the short-term funding ***plans*** he seems intent on pushing are actually harmful to not just the military but to our national security? I spent my entire adult life looking out for the well-being, the training, and the equipping of the troops for whom I was responsible-- sadly, this is something the current occupant of the Oval Office does not seem to care to do--and I will not be lectured about what our military needs by a five-deferment draft dodger. I have a message for Cadet Bones Spurs: If you cared about our military, you would stop baiting Kim Jong Un into a war that could put 85,000 American troops and millions of innocent civilians in danger. Last night, after the lights had been turned out in the White House and the President had gone to his private quarters, I voted to better train and equip our troops, to stop wasting taxpayers' dollars with yet another CR. I voted to make sure that our military men and women--who are standing on the line in the DMZ, who are in Iraq and Afghanistan, across Africa, in Asia--get the help, the support, and the equipment they need. If the President truly cared about them, then he would stop hiding behind his Twitter account and stop blaming everyone else. And he can tell his party--a party that controls the House, the White House, and the Senate--to do their job, to govern, to stop allowing the most extreme wing of your party to prevent us from passing a long-term funding solution that the military itself--your own leaders whom you nominated and appointed--is asking for. At the very least, you could ask your party to guarantee military pay and death benefits for our servicemembers and their families so that the troops downrange aren't putting their lives at risk overseas while also worrying about whether they are going to be able to feed their families or if our government will take care of those families if, God forbid, they must make that last full measure of devotion for our Nation. I am so disappointed that my Republican colleagues refused to allow us a vote for our troops last night, and I encourage them to please reconsider that vote. Let's get to a full budget. Let's move on. We can compromise. We can do this together. So many of the options on the table are bipartisan. In fact, a majority of them are Republican- authored. Our troops know how to work together. They stand shoulder-to- shoulder when they protect and defend this country. We surely in these Chambers can do the same. So let's stop blaming each other, and let's get to work. I will be here, as I was today, tomorrow and the day after until we get this done. Our men and women in uniform deserve nothing less. Thank you. The PRESIDING OFFICER. The majority leader. Mr. McCONNELL. Mr. President, the United States is 1 day into a government shutdown that Senate Democrats have forced on our country. Let's take a look at where we are. Last night, a bipartisan majority of Senators--Republicans and Democrats--voted to avoid this. A bipartisan majority voted to advance a noncontroversial bill that has already passed the House and which the President has already said he will sign. Of course, like any compromise, this funding bill cannot be all things to all people. But this bipartisan bill does what we need to do right now. It ends this pointless--pointless--irresponsible shutdown, funds the government for our troops, our veterans, and millions of vulnerable Americans, and extends health coverage for millions of children in low-income families. None of my colleagues on the other side of the aisle can point to a single thing in the bill that they oppose. Not one thing. That is why a bipartisan majority voted for it last night. It would have passed smoothly and been sent for the President's signature, except that the Democratic leader took the extraordinary step of filibustering this bipartisan bill and initiating his own government shutdown. Why? Because, he explains, the President would not give him everything he wants on the issue of illegal immigration in one afternoon in the Oval Office. That is it. That is it. The leaders from both parties have spent months negotiating long-term fixes for immigration policy, government spending, and other important priorities. Senators on both sides want a bipartisan solution to DACA and other immigration issues. Senators on both sides want long-term funding for our troops. Bipartisan, bicameral negotiations on these matters have been under way for months. Here is the difference between the Democratic leader and the rest of us tonight--the difference. He wants to keep the government shut down for hundreds of millions of Americans until we finish negotiating on the subject of illegal immigration. He wants [[Page S388]] to keep the government shut down until we finish a negotiation on the subject of illegal immigration--shutting down the government over illegal immigration. Look, those discussions on the immigration issue continue. We don't have to shut down funding for our veterans, military families, opioid centers, or anyone else who relies on the Federal Government over the issue of illegal immigration. The occupant of the Chair is one of the people involved on that very subject. There is a lot of interest here on both sides of the aisle in dealing with it. But it is not an emergency. All of these other issues, which are affected by the government's shutdown, are emergencies, particularly the children's healthcare issue. Look, the American people know what is going on here. They have this figured out. The survey this week shows that a majority of Americans say that funding the government is more important than passing legislation on DACA--legislation, by the way, that doesn't really exist, which the Democratic leader cannot present to us. We hear a lot of talk about it, but we haven't seen it. Fewer than half of Democrats--in this poll I am talking about--say that dealing with DACA is more urgent than keeping the government open. These numbers came in before Americans picked up their newspapers this morning. When they did, they read from the Associated Press exactly who is responsible for this chaos. From the AP: ``Democrats blocked a four- week stopgap extension in a late-night vote, causing the fourth government shutdown in a quarter of a century.'' You might say that they pinned the tail on the donkey. The New York Times, not exactly a bastion of rightwing sentiment, put the blame exactly where it belongs. ``Senate Democrats blocked passage of a stopgap spending bill to keep the government open.'' Senate Republicans remain ready and eager to end this totally manufactured crisis. This is not a crisis. This is a manufactured crisis. We voted to avoid it entirely in our bipartisan vote last night. We are ready to vote again. All the country needs is the Democratic leader to withdraw his filibuster and let a bipartisan majority pass this bill and reopen the U.S Government. Earlier today, I asked for consent to move up a vote on this bipartisan solution and to end the craziness today. The Democrats objected. That will not work forever. If they continue to object, we cannot proceed to a cloture vote until 1 a.m on Monday. But I assure you, we will have the vote at 1 a.m on Monday unless there is a desire to have it sooner. In the meantime, shutdowns have consequences. The Democratic leader may be playing for political points. But the rest of us understand the readiness of our Armed Forces, health coverage for poor children, and survivor benefits for families of fallen servicemembers are the furthest thing from a game--playing with all of those lives over the issue of illegal immigration. Congress has a lot of work to do. We need to provide for our war fighters, secure the border, resolve the DACA issue, continue work on healthcare, and attend to many other key priorities. I want to move forward on all these issues, and we can when the Democratic leader's filibuster comes to an end. These talks are only being delayed--not advanced, but delayed--by the Democrats' filibuster and the Democratic shutdown it has created. I want to assure the American people that we will be right back at this tomorrow. I say again to the American people, we will be right back at this tomorrow and for as long as it takes. We will keep at this until Democrats end their extraordinary filibuster of government funding and children's healthcare and allow a bipartisan majority of Senators to reopen the Federal Government for all Americans and to get Congress back on track. The Democratic leader may put his personal political priorities ahead of everything else, no matter the cost, but Republicans stand with the American people. The PRESIDING OFFICER. The Senator from Florida. Mr. RUBIO. Mr. President, it might surprise some people here that while what we are dealing with here is important, we are not the center of the universe. All across this country, as I was reminded this morning when calling home and speaking with friends and family and my wife and my children, life goes on. Most Americans, I think, are aware that there is an issue going on here in Washington, DC, with regard to funding the government. But I doubt very few of them are sitting in front of the CNN countdown clock, where I guess now we are on the ticker because we are into the shutdown, living it--some sort of reality drama. It doesn't mean it is not important, but it is a reality that life goes on. People aren't following this every single day and aren't checking their phones on a 15-minute basis to find out how this thing is going to be fixed. I think a lot of people are a little bit confused about what is happening here. If you are just listening to it off the top, in between things or maybe on the radio, maybe some people have the perception that this is all about a disagreement regarding the budget and/or a disagreement solely about an issue that is of critical importance, and we need to deal with it right away. That is just not accurate. I will get to that in a moment. But it is still hard for people to understand how this happens. When I explain to people where we are and how we got here, it doesn't make sense to a lot of people. I want to begin by saying, the Bible says that there is nothing new under the Sun. It is one of the things that came into my mind early this morning. I had occasion a few weeks ago, around the New Year, to spend some time with my family at the wonderful national park facilities, which I hope are open today, in Philadelphia and in the halls where our Constitution, the very document that designed our system of government, that each of us appeals to, that each of us has sworn allegiance to, was debated. That debate was a contentious one. It began on the 23rd of May and ended on the 17th of September of the year 1787. It was actually contentious from the start. In fact, the New York delegation stayed only a few days, and the delegation from Rhode Island straight- out boycotted it. What is ironic, by the way, is one of the most contentious issues in that Constitutional Convention was the creation of the Senate. The creation of this body was a heated discussion. We don't know a lot about the details of that discussion because they had closed the windows, even though it was hot. They didn't go around talking about it. There weren't 24-hour news cycles and Twitter, but we know it was contentious. We know that in the end, this Constitution that we all swear allegiance to and that for over two centuries has helped create an exceptional system of government was approved by 39 of the 55 delegates. There were people who voted against the Constitution. The one thing that was clear is that none of them got everything they wanted. At that time, by the end of that convention--in fact, Monday, September 17, 1787, was the last day of that convention, and one of the delegates was someone named Benjamin Franklin. We all know who that is. He was internationally well known. He wanted to give a short speech to that convention before signing it. He was actually too weak to do the speech himself, so he had someone else deliver the speech. Based on the notes that Madison took, here is what we know, generally, he said. It begins with a line that says: I confess that there are several parts of this constitution which I do not at present approve. He goes on to say: I agree to this Constitution with all of its faults. He says: I doubt too whether any other Convention we can obtain, may be able to make a better Constitution. For when you assemble a number of men to have the advantage of their joint wisdom, you inevitably assemble with those men, all their prejudices, their passions, their errors of opinion, their local interests, and their selfish views. From such an assembly can a perfect production be expected? So right from the very beginning in the history of this Nation, we have acknowledged that in order to make progress, it is virtually impossible for everybody in that process to get everything they want. Our job is to move things forward--and I don't want to read the whole thing--but suffice it to [[Page S389]] say, Franklin's point is maybe he was wrong. He is not perfect. Even though many of us tend to believe we are the only people who are right on this issue, at that stage in his life, he had learned enough to understand he was not the holder of all wisdom; that he had changed his mind on issues when he came upon new information. He also understood that when you bring a group of people together and ask them to come to agreement on something, unless they are clones of one another or unless they all come from the same thought process, you are going to have disagreement, but in order to reach a conclusion, everyone is going to have to get something they need even though no one is going to get everything they want. That was from the very beginning from our very Founders, and it was hard then. Imagine now, in the 21st century, with 50 States and several territories, extraordinary diversity in terms of ideology, opinion, geography, background, and all of it covered by 24-hour news, which basically covers American politics like entertainment, and Twitter feeds on both sides that are constantly driving narratives. Imagine if they had Twitter and 24-hour news during the Constitutional Convention? A, we would know a lot more about what they were saying to and about each other and, B, we may never have had a Constitution, simply because of exacerbating those tensions. I am not here to say we should not have Twitter and 24-hour news, but I am telling you these were factors that were always difficult. Self- government was always hard. Imagine today, with these additional factors of diversity and the way politics is covered, practiced, and discussed. I say that because there is a growing temptation from American politics that largely comes from the base of both parties but often is fed through media narratives, but the goal is to achieve total victory. Total victory is what you want to achieve in a sporting event. You want to win and beat your opponent by as many points as possible, but in a constitutional republic, total victory is nearly impossible, especially in a country like America. It is impossible--impossible--for a President, for any party, or for a faction on any issue to get 100 percent of what they want all the time. Instinctively, despite the fact that they don't work here every day, despite the fact that they don't sit glued in front of the television all day watching politics, most Americans understand this. They know this because it is a reality of life, and they know it instinctively because that is the way our system was designed. That is the way self- government was supposed to function. It is hard. Self-government has never been easy, and it has only gotten harder. So when you talk to someone and you explain what has happened, here are the facts. We had a government funding deadline, meaning that if by midnight this morning we had not passed a bill to authorize more spending, we had a sort of mini-shutdown or partial shutdown of the government. There is a provision that was put in law by President Obama that gave status to young people who were brought into this country illegally by their parents, through no fault of their own, and that provision expires on the 5th of March, about 43 days away. We have a bill before the Senate that funds the government, that keeps it open for 4 weeks--initially. I think now we are down to--with this proposal before the Senate, I think it is going to end on the 9th, so about 3 weeks. There is nothing in that bill that the Democrats are against, but they voted against that bill last night. They are not letting us vote on the other bill today--right now--and intend to vote against it, apparently, when we do vote on it Monday morning, because they want to see their demands met on something that doesn't expire for 43 days. So this is not about whether you are for or against doing something about DACA. It is not because it is not like the government funding expired last night and DACA expired last night and so you have to do both. This is the government funding expired last night and DACA expires in 43 days. When you explain that to people--why would--how does that work? Why does that make sense? Why would they do this? In fairness, I listened to the argument of my Democratic colleagues, and one of the arguments they make is they don't trust the Republican Party on the issue of DACA, but more particularly they don't trust the President to deal with it. So they need to force action now. They need to do something, and they need to use government funding as the leverage to force something to happen. Let me say at the outset that it is a legitimate tool in the toolbox of the legislator on a matter of deep principle to not vote on an important bill in order to get leverage for what you want. If there is something you are deeply principled about and you believe we need to do, it is a legitimate tool to say: I know you really need to do this, and I really need to do that, so I am not going to let you do what you need to do unless you let me do what I need to do. I think that is the argument they are making now. As I pointed out to you earlier, this is not kind of the same because this is a spending bill. In fact, the bill they voted against would expire even before the March 5 deadline. In essence, we would have to have another government funding vote even before we got to March 5, so it is really not a leverage argument. Even if it were, I would say that in order for self-government to work as I have described already, we have to be judicious and careful about how we use these tools. You can't be using them all the time. You have to reserve them for key moments for a lot of reasons. The first, frankly, is international implications. We can talk a lot about Russian interference that occurred. The goal of Russian interference above all else is to sow discord and to create conflict and controversy in American politics so Putin can go around the world saying America likes to lecture everyone about democracy, but their democracy is not a real democracy and their leaders are corrupt and their elections are rigged and all kinds of stuff. That is what he wanted to drive. There are nations like China which under our nose are rapidly working to change the world in our time. While we spend all these days arguing with each other about whatever the outrage of the day is--and every day it is something else--China is working underneath us and all around us to rebuild the world in their image and to their advantage and to our detriment. One of the things they tell other countries is, Americans have a country in decline. These people are in total decline. They are abandoning the world and, more importantly, they can't even govern themselves. So we are doing their job for them when we create these sorts of controversies. That doesn't mean we shouldn't have heated debates on tough issues, and that shouldn't mean that from time to time people reserve the right--and I reserve the right--to use leverage to achieve our goals. I have done it before, and I imagine I will do it again, but we have to be careful about it because it does impact the way the world views us. People watch us all over the world. They don't understand, as some of us do, that this stuff happens, and it all works out. They think, literally, some places believe we are crumbling, being ripped apart at the seams, and it encourages people to do things and nations to do things sometimes through miscalculation. That is the first reason you want to be careful. The second reason you want to be judicious about using these sorts of tools is because, quite frankly, it poisons the process. I would state that the abuse and overuse of these prerogatives of Senators over the last decade has done tremendous damage to the Senate, and it really has impacted our ability to tackle and to solve real problems. I say that as someone who acknowledges the Republicans have done this. Republicans did this kind of stuff. I would argue it was different, but it doesn't matter. Republicans used leverage in situations that people thought we shouldn't have used. Democratic activists now insist that Democrats use the same tool. They did it when they were in the minority, and you need to do it now when you are in the minority. I would also say we have to be careful because, the truth is, we all have matters of deep principle. I have matters of deep principle that haven't been addressed yet. I have a matter of deep principle, and as much as I believe we need to do something about DACA, I have a matter of deep principle that I believe is [[Page S390]] more urgent and requires attention right away. The people of Florida and the people of Puerto Rico and the people of Texas have a desperate need for disaster relief. Forty percent of the island of Puerto Rico has no electricity. This is a U.S territory. American citizens are living in third-world conditions. In the State of Florida, our citrus growers are in critical condition. We may not have a U.S citrus industry based in Florida if this goes on much longer. We still have people living in hotels and motel rooms in Florida because their homes were destroyed. That is a real need that doesn't have any deadline. They needed it yesterday, and we still haven't addressed it. I suppose if I wanted to use this tool-- and some maybe encouraged me to do that--I could come and say: I am not voting on any funding for the government, and I will shut down the government until we deal with disaster relief. The problem is, all 99 other Senators have a principled position as well. So basically all we do is take hostages all day on every principled issue we have at every opportunity we get. Well, you get the picture, and this is happening more and more. By the way, I say all this to you, understanding that if we passed a long-term funding bill--let's say the bill before us funded government through October, and I voted for that and disaster relief hasn't happened yet, there is no guarantee we would get disaster relief. What leverage would I have? So we have to be very judicious about how we use it. I ultimately decided not to do it because I believe the government shutdown ends up hurting the people I am trying to help with disaster relief. There are Federal employees in Puerto Rico who got hit by a hurricane a few months ago and now can't go to work on Monday. If they go to work, they are not getting paid, and it is already difficult over there. There are Federal services in Florida. People are going to call our offices around the country and in Florida on Monday, and even if I have essential staff there to answer the call, there may not be an employee at the Federal agency, where we can pick up the phone and intervene on their behalf. It happens all the time. One of the very common things we face in calls we get is someone has a loved one or relative who was visiting somewhere around the world, maybe in the Western Hemisphere, they were killed in an accident, and they want to bring their body home to be buried. We have to deal with all the paperwork with the Embassy or the consulate and the host country to bring them home. We are not going to be there on Monday to do it because the people we have to call might not even be there to answer the call. In the end, my view of it is, you don't cut off your nose to spite your face, and at this point, you don't shut down the government only to hurt them somewhere else. At the end of the day, this really is not about leverage. It is not. I say this with the highest respect. We disagree on a lot of issues, but the Democratic leader is someone I know understands legislation and understands politics. I personally do not believe this is about leverage. He has to know this because this is really no different than in December. We passed a short-term spending bill in December. Democratic Members voted for that, and the DACA issue was unresolved at the time. By the way, we had a chance to deal with disaster relief in December too. They sent a disaster relief bill over from the House to the Senate, and the Republican leader chose not to take it up--I believe because he wanted to hold it over for this debate. The more things that are pending, the more leverage you have to pose to them. I mean we were going to put additional things on the House bill and send it back. We knew what those things were, but suffice it to say, everything is unresolved, but I don't think this is purely about leverage. Here is what I actually think this is about, and I am here to cite some examples why. In December, as I said, before we got ready to leave for the end of the year, there were a lot of activists involved in the DACA issue that were really pounding on the Democrats to shut down the government unless DACA was handled. To their credit, a number of Democratic Senators didn't do so. They voted not to shut down the government, and the end result was they unleashed a fury of assaults, in terms of pressure and protests and sleep-ins and all kinds of things. This really started in October. I have a number of articles I want to cite. Let's go to October 2, 2017. This is an article that talks about--I will quote from it. I underlined the key provisions. ``Democrats seeking an immigration deal . . . are facing resistance from immigrant activists who are rejecting any compromise that would tighten border security and demanding more extensive legislation to protect . . . immigrants from deportation.'' It goes on to say: ``Despite Democratic leaders' declared commitment to help so-called Dreamers . . . they are catching sustained flak from immigration activists.'' It goes on to say the minority leader in the House, Congresswoman Pelosi, ``faced a vociferous protest from Dreamers a few weeks ago, when activists shouted down her speech and called her a `liar' who helped create a `deportation machine.' '' If you haven't seen the video, she did a press conference in, I believe, San Francisco. As she was there doing this press conference for Dreamers, these other Dream activist people showed up and started screaming at her. For those of us on my side of the aisle, we view her as one of the more liberal Members in Congress and certainly someone I have identified as a supporter of the Dream Act. Then you have people saying the Dream Act isn't enough, you have to cover other people. So they are under a lot of pressure. Here is a quote from an immigrant rights activist and a DACA recipient. He said: ``I think Senator Schumer crumbles under pressure just so he can deliver on something.'' These are harsh words from these activists, and this started in October of last year. Now, let's go to this article of December 19. This article begins by saying: Dozens of immigration advocates rallied outside Sen. Chuck Schumer's Manhattan office Tuesday. In both Spanish and English, speakers at the rally demanded that the Senate minority leader ask his fellow Democrats to refrain from supporting any legislation until a clean Dream Act is passed. A clean Dream Act means just vote for the Dream Act, nothing else--no border security or, by the way, any legislation; don't vote for anything until that happens. That is the pressure they were under. The article goes on to say: As Congress negotiates the budget, protesters called for Schumer to help shut down the government if a Dream Act isn't passed by the end of the year, chanting, ``If we don't get it, shut it down.'' Those are the quotes. This was in December. So this article was December 19; this must have been December 18, and the chant outside his office in Manhattan was ``If we don't get it, shut it down.'' So the calls for a shutdown began as far back as December, not 43 days before the deadline but 60 or 70 days before the deadline. Finally, the spokeswoman for the minority leader put out a statement for, I believe, the protesters, and, I guess, the press was assembled. She said: We want to make sure nothing passes until we have the Dream Act in there. They were already telegraphing this in December, so this is not something that has happened in the last 2 days or 3 days. This was ongoing and sustained pressure. There is more. On December 21, there was an article in the Washington Post. The headline is ``In private meeting, Schumer angrily confronted by Hispanic Caucus members as prospects for DACA deal slip again.'' It begins: Disagreements among Democrats over how to keep fighting to enact legal protections for immigrant ``dreamers'' boiled over in the office of Senate Minority Leader Charles E. Schumer on Thursday as he met with members of the Congressional Hispanic Caucus in what several participants described as a tense and heated exchange. With just a few minutes' notice, they showed up in the lobby of Schumer's suite across from the Senate floor in hopes of pressing him to persuade more Senators to vote against the GOP spending ***plan*** that was set to be approved in the coming hours. The latest short-term spending ***plan*** was set for approval as Democrats this week backed off a pledge to force a vote this month over the fate of thousands of undocumented immigrants brought to this country as children. The decision angered immigration activists. [[Page S391]] Later in the article: Several people who attended the meeting, granted anonymity to describe what was expected to be a private exchange, said the meeting with Schumer began with cordial remarks. Rep. Luis Gutierrez . . . unloaded on Schumer, accusing him and Democratic senators of not caring about the fate of dreamers and ``throwing them under the bus.'' In response, Schumer raised his voice, telling Gutierrez not to insult fellow Democrats. Gutierrez shot back, telling Schumer, ``Don't raise your voice.'' [A] few other caucus members made pointed comments toward Schumer. Later in the day, Gutierrez tweeted after all that: ``The fight continues in January . . . I think [we] are [all] on the same page.'' Incredible pressure is being mounted the whole time. There is one more thing I will cite here, and this is from the New Yorker on January 18. [M]any Democratic activists are demanding that Schumer and other elected Democrats vote against the G.O.P spending bill even at the risk of a government shutdown. . . . On Wednesday, three protesters from the Dream Action Coalition . . . were arrested while demonstrating outside Schumer's office in New York City. Some Democratic activists and strategists are arguing that the Party should take its stand now while the stench of Trump's [alleged you-know-what] comment is still hanging in the air. So this is all about political pressure. That is the leverage point, and that is why this is happening. It is untenable. The position they have established is untenable. Most people in America just wouldn't agree with this. If you are being honest with yourself--I challenge anyone to go into any diner in your State or call 10 people who just kind of follow politics a little bit but are not activists or whatever and ask them: Do you think it is right to shut down the government over an issue that we have until March 5 to fix? Ask them that. Call people and ask them: Do you think it is a smart thing to do to close the Federal Government over an issue that we have another 43 days to address? You know what the answer is going to be; you do. That is why the position they have adopted is untenable, but that tells you the amount of political pressure they are under to do this. This is all motivated by that. This is all motivated by an incredible amount of pressure brought to bear on my Democratic colleagues--in particular, on the Democratic leader--by activists, and it brings us to this point. By the way, I would also argue that the strategy, in addition to being driven by that, is counterproductive. Yesterday, there was supposed to be a meeting with the White House and congressional leaders from both parties to keep working on this issue of DACA. The Democrats didn't show up, probably because they were too busy dealing with the shutdown. So this isn't making arriving at a deal for DACA easier; it is making it harder. On this argument that they don't trust--if we don't do this, we can't trust the President is going to do this, I don't think that is true. I think there is a balance of leverage here that exists that almost guarantees something can happen if we want something to happen. So let's begin with facts. The President of the United States campaigned on a very specific promise, and we know what that promise was. He was going to build a wall and secure the border. The President knows that he needs 60 votes in the Senate. The President knows that he is not going to get a border wall and get increased security unless we do something about DACA. They are well aware of that at the White House, and I think they have said that openly. What is important to remember, as well, is that there isn't going to be a deal on DACA unless we have a deal on the wall. That is the way our system works. I say that to you as someone who supports a wall and supports dealing with DACA. But as I have already talked about earlier, in this system of government, it is not a zero-sum game. It cannot be ``I get the wall and you get nothing,'' and it cannot be ``We get DACA and even more, and you don't get the wall.'' It is not going to work. Right now, we have a lot of wasting of time going on, entertaining ridiculous fantasies about what could be achieved here. A bill that creates permanent status under DACA but would allow some future Congress to stop funding the wall isn't going to pass. The President is not going to sign that. Think about it. If you have a wall that takes 10 years to build and you have DACA that is permanent, the next year they don't fund it, DACA stays, and the wall is not there. They are not going to sign that. A bill that creates a path to citizenship under DACA but then also allows the recipients of that citizenship to use it to bring in their parents who brought them into the country illegally--the President is not going to sign that. That is just reality, and I say this to you as someone who has tremendous sympathy for the young people who were brought here as minors, yes, in violation of the law but through no fault of their own. They didn't commit a crime, and now they find themselves with no legal immigration status. It would be a mistake, in my opinion, to allow their status to expire without a replacement. There are practical reasons why it would be a mistake. We have spent years and taxpayer money educating them. We would be hurting their employers. These people are working somewhere now, and overnight they can't work there anymore. They might own a business, and you would be hurting the people who work for them. Maybe they are married to a U.S citizen; you would be hurting a U.S citizen who is their spouse. Maybe they have children who are U.S citizens, and these children need those parents. You would be hurting them. These are the practical reasons we shouldn't let it expire. There are more reasons we shouldn't let it expire. It is immoral to have laws that punish anyone for the mistakes their parents made. It is immoral to deport someone to a country they have never really lived in. You were 2 years old when you came from Honduras, you don't even speak Spanish, you don't know anybody there, and they are going to send you there--it just doesn't feel right. It is my deepest belief that if DACA expires and 700,000 young adults who have spent the majority of their lives among us are forced to leave this country, I think it would be a dark stain on our history. I think future generations would look back at that and say that was a terrible thing those people did back then. I think we have more support for what I just said in the Republican Party than we have ever had in the 7 years that I have been here. But I have to be fair and I want to be frank. It is also a mistake to overreach on the other side of this argument. It is fair to argue that we should deal with DACA because it is the moral and compassionate thing to do. It is fair to argue that dealing with DACA is in our national interest, but it is a big mistake to demand a right that does not exist. There is no right to illegally immigrate to any country on the planet. No one has a right to DACA, but dealing with DACA is the right thing to do. I think it is also overreaching to insist that not only must DACA recipients be accommodated, but we also have to accommodate their parents. Maybe because I personally know so many people under these circumstances, I am personally open to figuring out something that allows their parents to stay, especially if the children are minors. I understand that is not a majority position in my party, and I have to be honest with you that I believe that if we take the position around here that we are not accepting any deal unless it takes care of both the DACA recipient and the parent--if that is the hard position we adopt and people aren't willing to move off of it, I think there may be no deal at all, and that means that neither the recipients of DACA nor the parents will have anything. By the way, I also think it is overreach to oppose a border wall because you find it symbolically offensive. First, America has a right and, more importantly, a responsibility to protect its borders and enforce its laws. Second, there is not going to be a DACA deal of any kind without a wall, period. Donald Trump is not going to sign, cannot sign, and will not sign a bill that doesn't have real enforcement. That is a fact. That has to happen. So what is the way forward? Right now, the government is shut down. You won't really notice until Monday, but on Monday people will start to notice. DACA expires 6 weeks from Monday. [[Page S392]] So on Monday, if we haven't done anything, the government will be shut down, and we have 43 days to go until DACA. I think we need to fund the government on a short-term basis--maybe it is February 9--and then we spend the next 3 weeks working on an agreement on defense, an agreement on disaster relief, and an agreement on border security and DACA. For Democrats who are worried they don't have leverage, you have plenty of leverage without shutting down the government. For example, there are two Republicans who oppose short-term spending in general. Then you have several Republican Members who oppose any longer term spending without defense spending increases. In essence, this worry that you have that they are going to fund the government for just 6 months and walk away from DACA--there are at least five Republicans who are going to vote no on that, several because of defense and two because of short-term spending. Then add to that, there are at least three other Republican Members--myself being one of them--who will have a lot of trouble voting for a long-term spending ***plan*** that doesn't include disaster relief. That alone gives you leverage to ensure that not only do those issues need to be dealt with, but all three of them would have to be dealt with in order for there to be any long-term deal that forecloses the leverage you want. You have another piece of leverage: The President needs to fulfill his campaign promise, which Americans supported at the ballot box: Build a wall. He knows he can't do that without a DACA deal. So, really, both sides here have leverage. But as long as the government is shut down, we are wasting valuable time. Monday could have been a day that people met and hashed out key details of DACA. Instead, Monday will probably be all about the shutdown--and maybe Tuesday and maybe Wednesday. We are wasting time we do not have. Finally, as for DACA, what is the way forward on that? There are a lot of ideas going around. Here is what I would say to you: The baseline in the core of any agreement is one that basically codifies DACA, in essence, deals with the President's decision to suspend the Executive order on it and funds in a way that can guarantee continued funding the President's immigration enforcement ***plan***. That is the core. You codify DACA, and you do something to ensure that the wall is going to be built and that they can't come back and cancel the funding. Then the Senate can go into an open amendment process and debate any additional matters you want put in there. For example, maybe there is a deal that, instead of codifying DACA alone, it actually creates a pathway to citizenship under DACA, but it eliminates not just DACA applicants but future applicants from being able to sponsor parents. I am not saying that it will pass, but that might be a debate that happens. Even if you can't reach 60 votes on any of these amendments people are offering, even if all those amendments fail, in the end, you are at least left with a bill that secures our border and gives permanent certainty to close to 700,000 people who currently are registered under DACA. As Benjamin Franklin said after he agreed to the Constitution in 1787: We may all be left with a law in which none of us got everything we wanted, but everyone got something that they needed. The DACA recipients would have the certainty of knowing that they can stay in America legally for the rest of their lives, and perhaps future Congresses and future Presidents may build upon that, and the President will have achieved a signature campaign promise and achieved something Republicans--and many Democrats--have been promising to do but have failed to deliver for over 15 years; that is, to secure the border and build a wall. There is a way forward on all of these things. If we remember how our system works, we can start making it happen, but I think it will require us to accept what it takes to make progress in a constitutional Republic. We can't even begin to do it until we end the shutdown. And that is what I hope we will do sooner, rather than later. Mr. President, I yield the floor. The PRESIDING OFFICER (Mr. Sasse). The Senator from Connecticut. Mr. BLUMENTHAL. Mr. President, we are in the midst of the Trump shutdown, aptly named for him because he is the one--perhaps the only one in America--who thinks it is a good shutdown. In fact, his head of Office of Management and Budget, Mick Mulvaney, gloated that it was ``kind of cool'' that he was the one who got to shut down the government. ``Kind of cool,'' he said on Friday in a radio interview. As I speak tonight, all Americans know there is no such thing as a good shutdown. All of us in this body strongly believe that we must end this shutdown. We mark the first-year anniversary of the Trump Presidency with the Trump shutdown and his now infamously saying on May 2 that our country needs a ``good shutdown.'' But this shutdown has damaging, even potentially devastating effects on millions of Americans--our troops whose pay will be delayed, our families who rely on the Children's Health Insurance ***Program*** and who will soon be without funding, community health center patients whose source of healthcare will be closed, government workers who keep our Nation running every day, the disaster relief victims in Puerto Rico who will be denied relief, along with their fellow Americans in Texas and Florida. This shutdown is not a ``good shutdown,'' and it is not ``kind of cool.'' I beg to differ with the majority leader, who has just come to the floor saying that Democrats agree with everything that is in the measure that came to us from the House, because, as damaging as a shutdown is, so is a continuing resolution. It is corrosive and destructive to good government. We have been through three continuing resolutions--each a month--in as many months, and now a fourth in the fourth month is proposed. That is no way to run a government. Whether it is 3 weeks or 4 weeks, at the end of that so-called continuing resolution--a short-term temporary patch--we will be in the same place as we are today. The good news is that we have bipartisan consensus not only that we must end the shutdown but also on each of those issues that are necessary to reach consensus on a longer term, full fiscal year package. That is also why a continuing resolution and the measure that came to us from the House are completely inadequate--because they continue to fund those ***programs*** at the same level as the previous year, 2017. The Pentagon, the Secretary of Defense, and our military leaders have told us unequivocally and clearly that those levels are inadequate to our national defense. I hope there is bipartisan consensus among us on the Armed Services Committee and in the Chamber as a whole that we need a strong national defense--both military and nonmilitary funding--and there needs to be an increase in that funding, which the bill presented last night did not provide. So far from agreeing with every provision in that 4-week extension, it is inadequate. It would be irresponsible and reprehensible for this body to go along with it, and that is why four of our Republican colleagues joined us in opposing it. We are all here tonight ready to vote but waiting on one man-- President Trump--to finally be the leader that we expect and demand the President to be; the leader that Donald Trump himself in 2013 said that President Obama should be in ending or stopping the shutdown then. He said, in effect, that the buck would stop with President Obama--just as now it does with President Trump. In President Obama's case, his party did not control the two branches and Houses of the Congress. The Republicans control the House, they control the Senate, and they control the White House. They are in charge. They are responsible, and they are dysfunctional, in disarray and division. There have been weeks--indeed, months--of difficult negotiations. I am not here to blame my Republican colleagues. I think they have worked--many of them--in good faith. And that is the reason we have arrived at bipartisan agreements on the need for increases in defense spending, both military and nonmilitary; on the need for the Children's Health Insurance ***Program*** to be reauthorized, along with [[Page S393]] community health centers; the needs of veterans and pensioners and disaster relief to aid the victims of the recent hurricanes, Irma and Maria. That is why we need also to prevent the mass, draconian deportation of 800,000 young people brought here as infants and children through no choice of their own. Those bipartisan agreements on each of those issues can be turned into a package that can unite both sides of the aisle--maybe not everyone but a majority here and a majority in the House of Representatives--if they are simply put to a vote. We are here to vote on the substance. Give us that opportunity to vote on a package that embodies those bipartisan agreements. The President must either lead or get out of the way. These difficult negotiations have to be contrasted with the talks that took place just yesterday between the President and the minority leader, Senator Schumer. In a kind of microcosm, that day epitomizes the kind of leadership that got us to this point. The President and minority leader emerged from that conversation at midday with a conceptual framework and agreement--virtually--on a constructive set of principles, including a path to citizenship for the Dreamers. To the consternation of some on our side, the minority leader put on the table, in effect, full funding for the wall--the wall that my colleague Senator Rubio just discussed as a condition for such an agreement. This wall was supposed to be funded by the Mexicans. It is, in my view, excessively costly and a waste of money. Border security is absolutely necessary, but it can be done more effectively and less expensively with surveillance, drones, sensors, more patrol officers, and better training. There is a set of fencing system improvements that we can agree on. But if Donald Trump wants that wall and it is a condition for literally the survival of 800,000 young people, the minority leader was willing to put it on the table. That flexibility and willingness to compromise epitomizes the approach that we have offered to take--and must be taken--to reach an agreement. Within hours, literally, the President backed away from that virtual agreement--maybe ``backed away,'' in fact, is inaccurate. He was pulled away by his far-right extremist staff and supporters. We may never know all of the names that spoke to him, but the fact is, the agreement fell apart. The shutdown is almost entirely the making of one man, who happens to be President of the United States and who today marks his 1-year anniversary--a year characterized by chaos and conflict, disarray and dysfunction, personal invective and partisan controversy. He has reversed himself so many times that the majority leader himself expressed frustration just a day or so ago because we have no idea what he wants to emerge from these bodies on any of these issues. The minority leader characterized negotiating with him as trying to deal with Jell-O. I think it is equally like a ping pong ball that ricochets back and forth, depending on who has last talked to him and what his mood is and what his last tweet may have been. So, just as many times before, the President is likely to put the extreme rightwing members of his party before all else--before children and their health, before Dreamers and their potential deportation, and before funding for our troops. One party is in charge of the Senate and the House and the White House. It owns this shutdown. But more important than pointing fingers and assigning blame is reaching an end and reaching agreement on what is necessary to end this shutdown. And more important than who is hurt politically in this body or the House or in the White House is who is hurt in the country by the failure of this government to function. We have work to do. We are here tonight. I will be here tonight and tomorrow. We have engaged in some very constructive conversation and discussion across the aisle. I think there is good will on both sides because ultimately we have in our hearts and minds this great Nation. If the President is not able to take yes for an answer, he needs to accept what we provide and resolve that the great dealmaker has to be a deal acceptor. He has repeatedly shown himself to be an erratic, unreliable, unpredictable, and capricious negotiator. There are a number of ways to resolve this shutdown that are within reach with the right kind of leadership on both sides. I went today to the Women's March here in Washington. I was impressed with the excitement and energy and the dedication of many of the young people who were there. Far from the cynicism and the partisanship that maybe we find all too rampant in this body, their idealism seems balanced. It is inspiring and exciting, their dedication to equal rights and equality, to women's healthcare, and engaging in the political process, believing that one person--one of them, one of us-- can make a difference. If we are impressed by the resolve and determination of those young people, as I was, we should fulfill those high expectations which they and all America have for us. Restoring trust in our institutions is a service we can help perform by ending this shutdown, coming to an agreement, and making sure we do what is truly in the public interest. Looking into their eyes, I was reminded also of the Dreamers. They are known as Dreamers because they believe in that same American dream. Many of the individuals at the Women's March on the Mall in Washington, DC, this morning were, in fact, Dreamers. They were not a majority but many. They were there because they believe in America, the only country they have ever known. Their communities, their schools, their families are intricately part of this Nation. They are Americans except for the papers, the documents they lack. I know that my Republican colleagues want to give them a path to citizenship. It is not so much give but afford them the opportunity for a path to citizenship because they have so much to give back to this country. They have lived here all their lives. They played by the rules. They are our future doctors, engineers, nurses, business owners, and entrepreneurs. We can fulfill the American dream for them and for us if we give them that path to citizenship. A great nation fulfills its promises. America is the greatest Nation in the history of the world. We need to keep our promise. We need to keep our promise in this body to the American people--the oath we have taken to uphold the law and the Constitution--and to do what is right. We should do what is right for the Dreamers and their American dream, for our military who need support, children who need health insurance, families who need health facilities, veterans who need ***programs*** that they have earned and deserve, and fellow Americans who need disaster relief. Every one of them should be done now, not 3 weeks from now, not 4 weeks from now. We are already 112 days into this fiscal year. Now is the time to do the right thing. Thank you, Mr. President. I yield the floor. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk proceeded to call the roll. Mr. RUBIO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered.

**Load-Date:** January 23, 2018

**End of Document**



[***Washington: COUNTERING IRAN'S DESTABILIZING ACTIVITIES ACT OF 2017***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P52-B0C1-F0YC-N1C3-00000-00&context=1516831)

Impact News Service

June 16, 2017 Friday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 35303 words

**Body**

Washington: The Library of Congress, The Government of USA has issued the following house proceeding:

 The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. 722, which the clerk will report. The legislative clerk read as follows: A bill (S. 722) to impose sanctions with respect to Iran in relation to Iran's ballistic missile ***program***, support for acts of international terrorism, and violations of human rights, and for other purposes. Pending: Corker (for Graham) amendment No. 240, to reaffirm the ***strategic*** importance of Article 5 of the North Atlantic Treaty to the member nations of the North Atlantic Treaty Organization and its contribution to maintaining stability throughout the world. Gardner modified amendment No. 250, to provide an exception for activities of the National Aeronautics and Space Administration.

The PRESIDING OFFICER. Under the previous order, the time until 11 a.m will be equally divided between the two leaders or their designees. Recognition of the Majority Leader The PRESIDING OFFICER. The majority leader is recognized. prayers for the Victims of the Congressional Baseball Practice Shooting Mr. McCONNELL. Mr. President, this morning, the Senate continues to send its prayers to all the victims of yesterday's horrific shooting. We know our House colleagues are all thinking about their colleague, Majority Whip Scalise. It has been an immensely difficult 24 hours for all the victims, including Matt Mika, who remains in ICU, Zach Barth, and, of course, Capitol Police Officers Crystal Griner and David Bailey. Those officers didn't back down when faced with this threat. Instead, as the Capitol Police always do, they put themselves in harm's way to help protect others. Without them, we know so many more would have been injured. So we want to continue to express our gratitude to all those who graciously put their lives on the line to keep the Capitol community safe. In doing so, we are also reminded of the bravery of our colleagues on the field yesterday--those who stepped in to help friends who had been injured as they waited for first responders to arrive. I think it says something about the character of those people as well. The events of yesterday were devastating, and we know it will take time to heal. But for now, the members of the congressional baseball team have made the decision to go forward with tonight's game, which will be played for charity. I know we will be thinking about each of them as they take the field tonight. Mr. President, the Senate today will take a final vote on the bipartisan first step to hold Iran and Russia accountable. This follows overwhelmingly bipartisan action yesterday to approve the Russia sanctions amendment, an effort that would not have been possible without the good work of our Foreign Relations Committee chairman, Senator Corker, and our Banking chair, Senator Crapo, and their ranking members. After 8 years of failed foreign policy under the Obama administration, 8 years of following the Obama administration's preferred strategy of drawing down both our forces and our commitments, we must take a stronger stance in deterring Iran and holding its regime accountable for its actions and addressing Russia's years-long pattern of provocations. These sanctions, which are just one of our foreign policy tools, will only work as part of a broader effort to rebuild our military force structure and combat readiness in order to send a strong signal to friend and foe alike. The United States should no longer stand by and allow threats like these to go unaddressed. When the administration completes its series of ***strategic*** reviews, I will [[Page S3506]] look forward to hearing from the President and his advisers their recommendations for countering Iran's malign conduct across the Middle East and their recommendations for countering Russia's persistent efforts to undermine NATO. As I said earlier this week, this Iran and Russia sanctions agreement reflects good bipartisan work. I want to thank Senators on both sides of the aisle for coming together to codify and strengthen existing sanctions. Let's come together again now and pass these sanctions later this morning. I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk proceeded to call the roll. Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered. Mr. DURBIN. Mr. President, have you announced the business for the day? The PRESIDING OFFICER. We have laid down the business. Mr. DURBIN. I ask unanimous consent to speak as in morning business. The PRESIDING OFFICER. Without objection, it is so ordered. DACA Mr. DURBIN. Mr. President, today is the fifth anniversary of the Deferred Action for Childhood Arrivals ***Program***, known as DACA. DACA provides temporary legal status to immigrant students who arrived in the United States as children and infants, if they register with the government, pay a fee, and pass a criminal background check. The ***program*** is based on the DREAM Act, a piece of legislation I introduced 16 years ago in 2001. That legislation gave undocumented students who grew up in this country a chance to earn a path to legal status and citizenship. These young people have come to be known as DREAMers. What used to be a word reserved for rock-and-roll groups is now a word that has become part of our common language to describe an immigration challenge and opportunity. These DREAMers came to the United States as children. They are American in every way except for their legal immigration status. We have already invested a lot of money in these kids. We educated them. We made them part of this country, and it makes no sense to squander their talents by deporting them at this moment in their lives. In April 2010, I sent a letter to President Obama. Dick Lugar, the Republican Senator from Indiana, joined me. On a bipartisan basis, we said to President Obama: Stop deporting these young kids. They did nothing wrong. Their parents made the decision to come here. Give them a chance. The President responded. It is now clear the DACA ***Program*** he created by Executive order has been a great success. More than 780,000 DREAMers have come forward and received DACA protection and status that has allowed them to contribute more fully to this country as students, as teachers, as nurses, as engineers, as entrepreneurs. A recent study by the Center for American Progress found that ending DACA--saying to these 780,000 young people they are no longer part of America--would cost us. It would cost our economy over $400 billion in gross domestic product over the next 10 years. These are productive citizens doing good things for America. I should take that back. They are not citizens yet. They are productive people doing good things for America whom I want to make citizens if the DREAM Act becomes law. I have many differences with President Trump on immigration. For example, the President's January 25 Executive order makes up to 8 million immigrants priorities for deportation, and seeks to create a deportation force by tripling the number of immigration agents. This ignores the reality that the vast majority of undocumented immigrants are law-abiding individuals who make important economic contributions to this country, and have deep roots in the United States. I am grateful, and I say that publicly. I have said it before. I am grateful President Trump has decided to keep the DACA ***Program*** in place. Homeland Security Secretary John Kelly and the U.S Citizenship and Immigration Service Director nominee, Francis Cissna, have promised me personally and publicly that they will maintain the existing guidelines for the DACA ***Program***. I appreciate this commitment. I intend to hold them to it. Congress also has an obligation to do its job. We ought to do something we rarely do in the U.S Senate--pass legislation, fix our broken immigration system. Think about this: On June 27, 2013--4 years ago--the Senate, on a bipartisan basis, passed comprehensive immigration reform by a vote of 68 to 32, better than 2 to 1. I was glad to be part of the Gang of 8 Democratic and Republican Senators who worked for months on the bill that passed by this margin. It strengthened border security, protected American workers, and it established a tough but fair path to citizenship for 11 million undocumented people in this country. Unfortunately, the Republican majority of the House of Representatives would not debate it, would not consider it, would not bring it for a vote, and it died in the U.S House of Representatives. If they had done their job, their work, it would have passed with a bipartisan majority. President Obama would have signed it into law. I might not be standing here today talking about this issue. Over the years, I have come to the floor of the Senate to tell story after story about DREAMers, the young immigrant students who grew up in this country. These stories put a human face on the DACA ***Program*** and the DREAM legislation. They show that immigration makes our country stronger. Today, I want to say a word about Gissel Escobedo. This is Gissel. She came to the United States at the age of 3. Her family emigrated from Mexico. She grew up in my home State of Illinois, in the town of Cicero. She was an honors student in high school. She attended their gifted ***program***. She had a big responsibility personally. From a young age, she was one of the primary caregivers for her brother who suffers from severe autism. During the little spare time she had, Gissel was a volunteer in her community, helping organizations provide care for children with autism. As an undocumented student though, Gissel was not eligible for any Federal assistance to go to college, but as a result of her academic achievements in high school, she received a private scholarship to attend the University of Illinois at Chicago. As a college student, Gissel was a writing tutor and a leader in student organizations for future teachers. In 2010, she graduated from the University of Illinois Chicago and the College of Education with a degree in elementary education. After the graduation ceremony, Gissel received a Dean's Merit Award. She delivered the graduation speech for her class. She wanted to start using her degree as an elementary school teacher, but because she was undocumented, that wasn't possible. Instead, she continued her education and earned a master's degree at the University of Illinois. She was accepted into a disability leadership ***program*** as a family advocate. Then, in 2012, the world changed for the better for Gissel. President Obama established the DACA ***Program***. She immediately applied for DACA. Then, in 2013, she completed her master's degree and became an elementary school teacher. For the last 4 years, Gissel has been a teacher in the Berwyn South School District. Last year, she was awarded a certificate of achievement for her leadership as one of two teachers to implement the first-ever dual-language ***program*** in the district. Gissel sent me a letter. I would like to read part of it as part of the Record. Here is what she said: DACA has enabled me to become a meaningful member of society by opening doors that would have otherwise not been accessible. DACA recipients, like myself, are more than just a policy. My hope is that when people listen to our stories, they will notice the kind of individuals that we are and the kind of contributions we make--not only to the economy, but to our society. I reflect on that paragraph to think about this young woman, the challenges she has faced within her family, and challenges imposed by the fact that she was undocumented. She has never lost sight of her commitment to her family, to her disabled sibling, and to many others in her community. [[Page S3507]] Now she wants to be a teacher. Wouldn't you be proud and honored to have your child in a classroom with someone with Gissel's master's degree and values? I certainly would. Gissel and other DREAMers have so much to give to the United States, but without DACA and without the DREAM Act, Gissel would be deported back to Mexico--a country she hasn't lived in since she was 3 years old. Will America be a stronger country if we send away people like Gissel, if we deport them and say we don't need them in our future? Of course not. The answer is clear. Gissel will make America a better place. Today we celebrate the DACA ***Program***, which has given Gissel and hundreds of thousands of other DREAMers the chance to finally come out of the shadows, but we also recognize DACA as a temporary solution. Ultimately, Congress--and especially the Senate--must step up and show leadership here; make certain that we address the failings and weaknesses of our broken immigration system; say to the 780,000 protected by DACA that you stepped forward, paid your fee, submitted yourself to a background check, and have been given a temporary opportunity to be part of America. Now it is our job to translate that into a permanent opportunity for these young people to make America a better place. Mr. President, I yield the floor. Recognition of the Minority Leader The PRESIDING OFFICER. The Democratic leader is recognized. Thanking Senator Durbin Mr. SCHUMER. First, I thank my friend and colleague for his outstanding words on DACA. No one has fought more for the DACA kids than he has, not just in the last year but over the last decade. The fact that so many of them are here is, in good part, due to his great work and effort. Thank you. Thoughts and Prayers for the Victims of the Congressional Baseball Practice Shooting Mr. President, we are still all a bit shaken by the horrors of yesterday's shooting. It was a senseless act of violence, made even more chilling by the circumstances at a baseball practice for a bipartisan charity event. I understand that Representative Scalise is still in critical condition following surgery last night. When we hear the word ``critical'' attached to his condition, it sends shivers down our spines. We hope and pray for a quick and full recovery. I know that all of his House colleagues are wishing him well right now, and I want him to know his friends in the Senate do as well. The same goes for the other four who were injured in the attack, including two members of our Capitol Police Force. Our thoughts and prayers go with them as well. We remain grateful for their service and bravery and for the service and bravery of all of our Capitol police officers. Their presence at the field yesterday--the presence of those two Capitol police officers at the field yesterday prevented a bad situation from getting worse and undoubtedly saved lives. Had the two brave police officers not acted or if they had not been there, it might well have been a massacre. We would all be wise to reflect on the importance of civility in our Nation's politics this morning. We disagree vehemently at times in Congress and folks out in the country do, too, but the level of nastiness, vitriol, and hate that has seeped into our politics must be excised. Let us all strive at all times--whatever our disagreements--to respect those who disagree with us, to seek a greater understanding of them, to walk in their moccasins--as Native Americans have always said. Let us strive always to conduct our politics with civility. I was heartened to hear that the congressional baseball game will still be played this evening. Let it be a symbol that hate and violence do not cast too long or too great a shadow, that we can and will come together this evening, and the game will go on. I will be going to the game with the three congressional leaders as a show of solidarity. Mr. President, last evening, the Senate showed it can come together. Last night, we voted, in an overwhelmingly bipartisan fashion, to strengthen a package of sanctions against Russia. It was the product of diligent weeks of bipartisan negotiations. I saw the Senator from Maryland behind me a few minutes ago. He deserves lots of credit, as do the Senators from Ohio, Tennessee, and Idaho. The final result is a very good one for our country because yesterday the U.S Senate said to Mr. Putin, in no uncertain terms, that when he violates international norms and interferes with our election, he will not escape reproach. Not only did we pass a new round of tough sanctions for Russia's meddling in our election, we codified existing sanctions into law, making them harder to lift, and we moved to make the Congress--not the President--the final arbiter of sanctions relief when necessary. Any ideas of the President that he can lift sanctions on his own, for any reason, are dashed by this legislation. The House of Representatives should take notice that 97 Senators voted in favor of this package. I hope Leader Ryan will move with the same haste to pass this package of sanctions through the House. I hope the President will sign it. The months-long effort to forge bipartisan consensus on Russia sanctions--an issue that gets to the vital interests of our country, the wellspring of our democracy--gives me hope that Democrats and Republicans can come together and work together on a number of big issues this year. There are several issues coming before this body soon where we can come together: another budget--passing another budget; reauthorizing flood insurance and children's health insurance; raising the debt ceiling. Each of those issues will, by definition, demand bipartisan effort. A lesson that all of us have learned here in the Senate is that legislation is made better and much more likely to pass when both parties are involved in crafting it. I have noticed the media has been questioning all morning why Congress isn't more bipartisan. We should be. But when the Russia sanctions agreement passes and the budget deal passes, both major bipartisan efforts, they are proof that we can get things done together. If those agreements were given a little more recognition by the media--the fact that we can at times, at least, work in a bipartisan way--that would help. For too many of us on both sides of the aisle, it seems as though when there is divisiveness, it gets far more attention in the media than when there is comity between the parties. Healthcare Legislation Mr. President, finally, I would suggest to my colleagues that the most immediate place where we can translate the rhetoric calling for us to come together into reality is on healthcare. A goal many of us share on both sides of the aisle is to improve the law, bring costs down for consumers, stabilize the marketplace, and make it easier for older Americans to afford the ever-rising out-of-pocket costs of prescription drugs. I would conclude by stating that we can make the rhetoric of bipartisanship not empty by both parties coming together and working together on healthcare. We have shown thus far in this Congress with the passage of the budget and Russia sanctions that significant legislation can best be served by bipartisanship. Opening up the process and having us all come together on healthcare would be a very good, concrete reaffirmation of bipartisanship and would translate the rhetoric--not bad at all--that we have heard here today into reality. In conclusion, the rhetoric about bipartisanship can be strengthened. Hopefully healthcare is a place where we can strengthen it, by opening up the process, having hearings, and having open discussion. Mr. President, I ask unanimous consent that the time during the quorum calls on S. 722 be charged equally to both sides. The PRESIDING OFFICER (Mr. Strange). Without objection, it is so ordered. Mr. SCHUMER. Mr. President, I suggest the absence of a quorum. The PRESIDING OFFICER. The clerk will call the roll. The legislative clerk proceeded to call the roll. Mr. GARDNER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded. The PRESIDING OFFICER. Without objection, it is so ordered. Amendment No. 250, as Modified Mr. GARDNER. Mr. President, I am very pleased that the Senator from [[Page S3508]] Alabama is presiding over this very important debate because one of the most important issues to both of our States, Colorado and Alabama, is the economy and the economic well-being of our great country. The amendment that I will be discussing today goes to the very heart of our opportunities in space, our opportunities in innovation, our opportunities to ensure that we have the most reliable information as it relates to weather and to weather events. It is a great partnership that we have had with the Senator from Alabama, who has been absolutely critical and instrumental in ensuring a persistent, reliable space presence. I thank the Senator from Alabama, Mr. Strange, for his incredible leadership when it comes to making sure that we are able to reach space, that we are able to continue our space mission. Whether it is in the defense of this country or in understanding where the next tornado may strike, I thank the Senator from Alabama for the leadership that has been provided to ensure that constant presence and persistence. Of course, I rise to speak in support of the bipartisan Gardner- Nelson-Warner et al. amendment, amendment No. 250. Yet, truly, to the Senate--to my colleagues here--I rise in support of America's role and leadership in space. I rise on behalf of the hardworking men and women across this Nation who make our country's aerospace industry second to none, because, over the past 70 years, the United States has led the way in space exploration. From the Apollo missions to the space shuttle to the Orion ***program***, we are the leaders in exploring the great frontier of space. That is who this country is. That is who we are--explorers, pioneers. We were the first to the Moon, and I hope we are the first to Mars, but we cannot give up that pioneering innovation that has led this country to greatness. I will share with colleagues of the Senate a CNBC story from March that China is building a manned spacecraft that is capable of sending astronauts to the Moon as well as to near-Earth orbit flight. Can you imagine the day when the stars and stripes on the lunar surface stands not alone but stands next to the stars of a flag of another nation--perhaps China's, perhaps somebody else's? When it comes to our access to space, this debate is absolutely critical because without the passage of amendment No. 250, we lose a tremendous portion of our access to space. We lose it for commercial applications, and we lose it for civil applications. In the past few months, this China activity has shown the importance of U.S leadership. That is why this bipartisan amendment comes with a very simple point. It ensures that NASA and our commercial space industry will continue to be the country's leader in aerospace. The ranking member of the Senate Intelligence Committee, Senator Mark Warner, of Virginia, is coleading my amendment. The Senator has done a phenomenal job in leadership on the Intelligence Committee in leading this amendment. I see that my colleague from Florida, Senator Nelson, has joined this debate. He has done a phenomenal job in leading this effort. As the ranking member of the Senate Commerce, Science, and Transportation Committee, with jurisdiction over NASA, Senator Bill Nelson is the leading cosponsor of this effort. They understand how important it is to address this issue for NASA and other space missions. I stand here in support of the greater goals of the underlying bill that we will be amending today. I believe sanctions against our adversaries are warranted and justified and, indeed, should move forward. This amendment is not designed to undermine the intent of the bill, but it seeks to ensure that space exploration may continue as it is currently ***planned***. Without this bipartisan amendment, multiple missions on the books today--that are already ***planned*** today--will be delayed or even canceled and will be subjecting the U.S taxpayers to significant cost increases. Without this amendment, missions like the commercial resupply ***program***, which delivers critical supplies to the International Space Station, will be jeopardized by the language of the bill as it is written. American astronauts at the International Space Station, as we speak, are dependent on those supplies, but we are cutting off the American lifeline without the adoption of this amendment. Future missions, like the commercial crew ***program***--a partnership between NASA and private industry to bring astronauts to the International Space Station on a U.S -manufactured spacecraft--will be put at risk without the adoption of this amendment. Without this bipartisan amendment, we will continue to rely on Russian spacecraft to take U.S astronauts to the International Space Station. Let me just make that more clear. Without the adoption of this amendment, NASA and our astronauts will be dependent on Russia for access to space for even longer. Rejection of this bipartisan amendment results in further Russian dependence. I do not believe this was the intent of the language when the bill was first written. The Gardner-Nelson-Warner-Shelby et al. amendment creates the certainty that NASA needs and supports to ensure currently ***planned*** NASA and commercial launch missions can continue without interruption. NASA contacted my office yesterday and said of amendment No. 250: ``We believe this provides us the flexibility to maintain our commitments to our national space ***program***.'' It is not just the commercial crew and cargo missions that are going to be impacted. Several other missions will be subjected to delays-- missions like the Joint Polar Satellite System. This constellation of satellites will give us the ability to constantly monitor the globe for significant weather events, such as floods, tornadoes, and hurricanes. As I stand here today, the three Senators on the floor who are listening to this important debate--with more on C-SPAN--have been impacted dramatically by floods, tornadoes, and hurricanes. In 2013, we had dramatic flooding in Colorado that damaged thousands and thousands of homes and cost lives. I know the Presiding Officer has faced the same challenge when it has come to tornadoes and incredibly tragic weather events. The Senator from Florida has faced hurricanes, floods, and tornadoes. That is the importance of this amendment--to understand our weather systems and predictions. I am proud to say that JPSS is being developed in my home State of Colorado. The JPSS and other essential ***programs*** in which we have already invested hundreds of millions of dollars, if not billions of dollars already, are now put at risk of significant delays or cost increases to the taxpayer without the adoption of this amendment. I am also on the floor to talk about a longer term mission that I truly believe in and hope to see our Nation achieve, one that goes to the very heart of our pioneering spirit of who we are as a people. It is our future manned mission to Mars. As I have spoken on the floor before, as I child I wanted to be an astronaut. I was inspired as I watched NASA astronauts explore that next frontier. I believe that the next destination for human beings to explore is, indeed, Mars, but without this bipartisan amendment, the Mars 2020 rover, which will continue to prepare us for that future manned mission, will be put in doubt. It will be a significant setback and will make the future goal of getting to Mars seem that much further away. This amendment, amendment No. 250, allows these missions to move forward with certainty and as scheduled. It is a bipartisan effort to affirm America's leadership in space. Let's be clear. Last summer we had a debate on this very same issue-- that by 2022 we were going to have an ``America first'' opportunity. That is the spirit of this amendment--to make sure that we have access to these vital and critical space missions, access to space, and to continue to grow economic opportunities for the American people. That is what this debate is all about. I yield the floor to my colleague Senator Nelson and then, of course, will continue with debate. The PRESIDING OFFICER. The Senator from Florida. Mr. NELSON. Mr. President, I thank Senator Gardner. Indeed, this is an example of the Senate working together. There is, simply, a problem in the bill that was passed. [[Page S3509]] It is a technical problem, but it goes to the heart of our military- civilian space ***program***. It goes to the heart of the cooperation that we have had with Russia that goes back to the Soviet Union days when, in fact, in 1975, in the middle of the Cold War, a crew from America rendezvoused and docked with the crew from the Soviet Union. Ever since that crew, which was led by Lt. Gen. Tom Stafford, of the United States, and General Alexey Leonov, of the Soviet Union, we have had cooperation in space, and that ***program*** continues today on the International Space Station. Before I get into talking about the details of the amendment, as Senator Gardner has discussed so well already, I hope that the Senate will treat it as technical in nature because it corrects what was not intended. Unless corrected, it will be disastrous not only for NASA but for all of the burgeoning commercial space industry, which we are bringing back to America. What has happened over the last four decades, in the meantime, is that a lot of that commercial space industry has flown the coop to other launchers from other nations. But it is coming back to America. prayers for the Victims of the Congressional Baseball Practice Shooting Mr. President, before I get into the substance, I just want to speak with regard to the terrible tragedy that occurred yesterday and of my feelings about this violence that has occurred. I don't know whether it has occurred because of the excessive rhetoric and the sharpness and the fact that politics has become a blood sport, but we are so divided. This is what I want to say. We are Americans first, regardless of party. In times of threat, we come together. We are all on the same team. This Senator has prayed, as I know others have, for the complete recovery of all of those who were wounded yesterday, two of whom were apparently grievously wounded. We pray for their full recovery. It was a heinous attack. Let's come together in bipartisanship. Amendment No. 250, as Modified Mr. President, right here is an example of coming together. Recognizing there is a technical problem, we are coming together to fix that problem. Let's do this in the spirit of what Americans do. We are Americans first. I am obviously here, as I demonstrated in my vote yesterday, for the Iran sanctions bill, as well as the Russia sanctions amendment, which we adopted yesterday. Both were bipartisan efforts. I wish to thank our colleagues, especially the members of the Banking and Foreign Relations Committees. This Senator is a cosponsor of the sanctions bill which addresses Iran's support for terrorism, ballistic missile activity, and human rights violations--these destabilizing activities--and this bill strengthens the hand of the United States in countering Iran. These are destabilizing activities separate and apart from the Iran nuclear agreement, and to date, the United States has the evidence that they have complied with the Iran nuclear agreement. At the same time, we are facing an aggressive Vladimir Putin. The Russia bill which we debated yesterday and which will come to final passage shortly strengthens our hand against Putin's Russia. The U.S intelligence community has already made clear that Putin attempted to interfere in our election. Let me tell my colleagues, that didn't stop with the past election. It is continuing. And we better be ready for it next year in the 2018 elections because Putin and the GRU have done all the groundwork. But that is nothing new because he had done it in elections before in Europe, and he has been doing it in elections right now, as we saw in France. It boomeranged on him, thank goodness. We will see an attempt on the upcoming German elections. The intelligence community has made it very clear--the ranking member of the Intelligence Committee is here--that Putin and the GRU are likely to do this again. That is why I say beware. They have laid the groundwork for next year's elections to try to interfere. Putin's influence campaign struck at the very core of our democracy and simply must not be permitted to do it again. Now is not the t

ime to cozy up to Russia; rather, the United States must redouble our cyber defenses and our cyber offenses to deter him, to make him feel enough pain so that he won't do it again. The sanctions we will adopt today are tough. We need this, but we need more. Shortly, we are going to vote on the amendment Senator Gardner has explained. Interestingly, in all of this angst and conflict with Russia, we get along with Russia in the civilian and commercial space ***program***. We have had peaceful cooperation in outer space ever since what I told my colleagues about; that is, since 1975, in the middle of the Cold War, the rendezvous and docking and living together in space for 9 days, a Soviet crew and an American crew. That has been the central theme of our space ***program*** since that time. The shining example of that now is the cooperation in the International Space Station, the football field-sized--it is 120 yards long; think one goalpost to another. People don't have any idea of how big it is on orbit. It circles the Earth every 90 minutes. We have been working in space together with many nations but especially our partner the Russians for over 16 years. So the peaceful cooperation in space has been good for business. It has been good for jobs in America. And we are working to grow our share of an over $300 billion global space economy. That is what this amendment is about. It is about fixing the question on the purchase of those RD-180 engines, the Russian engine that is used in the Atlas V, that is used not only for defense launches but for commercial launches and will be one of the two rockets launching American astronauts within a year and a half to and from the International Space Station. So this amendment is for the benefit of our economy, as well as the betterment of our civilization. Mr. President, I yield the floor. The PRESIDING OFFICER. The Senator from Virginia. Mr. WARNER. Mr. President, first of all, I wish to thank my friend, the Senator from Florida, for his comments. There is no one in this body who is more familiar with and more knowledgeable about our space ***programs*** than is Senator Nelson. I also want to associate myself with two comments he made. No. 1, as the vice chairman of the Intelligence Committee, I echo what he said about the very real, tangible threat the Russians, their spy agencies, and their agents pose to not just our democratic process but--as the Senator from Florida has outlined, not only did they attack us in 2016, they attacked the Dutch, which is why they had to hand-count their ballots, and they attacked the French, and Facebook took down 30,000 Facebook accounts because of fear of Russian manipulation. They will attack the Germans. One of the things that is so concerning to me is that if you add up the amount of disruption the Russians have caused in Western societies at large without firing a shot or shooting a missile--and all that for less than 5 percent of the cost of an aircraft carrier--it is a pretty good return. Our country needs to be strong against Russia, and I support the Russia sanctions, but I also support, as the Senator has indicated, a really critical part--that we continue our space ***program***. I stand here to join with Senator Nelson and my good friend, the Senator from Colorado, Mr. Gardner, in support of this amendment No. 250, which will allow civilian agencies to continue to launch crucial science, civil, and commercial space missions and which will continue to support NOAA and NASA, which depend upon their research. Without this amendment--and I think this is an amendment that corrects a mistake in the original bill--billions of dollars and years of ***planning*** that have gone into missions like, as the Senator mentioned, the International Space Station, commercial cargo, Mars 2020, and the Joint Polar Satellite System, just wouldn't be possible. In many ways, without this amendment, we could even become more dependent upon Russian technology. Again, as the Senator mentioned, I think the overwhelming majority of this body is very supportive of sanctions against Iran. We are very supportive, and I appreciate the opportunity to add stronger sanctions against Russia and sanctions that this [[Page S3510]] President cannot arbitrarily withdraw. But we have to make sure that in this bill we don't do unintentional harm to our space interests--space interests that I know are in Colorado and Florida and my home State of Virginia, where we have a flight facility at NASA Wallops, which is over on our Eastern Shore, where we launch both NASA and commercial satellites. We have one of America's leading commercial and military companies, Orbital ATK, which is headquartered in Virginia and launches the Antares rocket from Wallops. The fact is, without this amendment, Orbital ATK would be prevented from buying the Russian RD-181 engines for its Antares rockets. That will do nothing to help America's space mission. The fact is, without those engines, Orbital would not be able to fulfill a $1.2 billion contract for launching from Wallops. Quite simply, as the Senator indicated and I am repeating, this amendment is broadly bipartisan. My friend Senator Gardner and I chair the Cyber Caucus. The amendment is supported by our leading expert in the Senate on space, Senator Nelson, as well as Senator Shelby and Senator Bennet and a host of others. I imagine the Presiding Officer is also a supporter of this. The amendment would simply provide civil and commercial space parity with the defense industry, for which an exemption has already been provided. It is in the interests of defense and civil space to continue the current status quo in order to maintain a competitive environment until a domestic capability has been developed. Let me be clear. I think it is important that over a very short time, we get away from purchasing Russian rockets, but we need that transition period, and the transition period the chairman of the Armed Services Committee laid out on the defense side ought to be extended as well on the commercial side. So a ``yes'' vote on amendment No. 250 will support continued access to space for NASA, as well as for those equally important commercial space missions. One of the things that I feel is so important about the commercial space missions is that we have to have that competition, candidly, with NASA and to push our defense industry if we are going to bring down space costs. To put a dagger in the heart of our commercial space industry as it has been slowly evolving would be a grave mistake. I have taken on this issue on the intelligence side as I have tried to get smarter on the whole question of our overhead capabilities. The amount of dollars that we spend and the lack of competitiveness that we have in terms of some of our more traditional government-purchased space assets are both a waste of taxpayer dollars, and, candidly, we have an architecture overhead that is not modern enough to recognize the threats that Russians, Chinese, and others pose in terms of the ability to jam our satellites and use laser beams and other things. In a sense, in many ways, it is almost as if our defense and the intelligence community, on overhead architecture--nobody ever saw a James Bond movie. We built these large, bulky platforms in the sky with the assumption that America would always dominate space. That dominance--it is unfortunate because our adversary changes, it is coming to an end, and we need the competition from the commercial industry, quite honestly, to push the IC and push the defense toward smaller, more resilient, and more flexible platforms. While I share the desire of the chairman of the Arms Services Committee to get us off this Russian hardware, we do need this transition. I think the amendment that has been put forward by the Senator from Colorado provides that transition, led by the transition that was laid out on defense. I believe commercial space needs that same type of transition. I hope the amendment will pass. I look forward to our continued bipartisan support of both NASA and commercial space and obviously our defense assets and IC assets as well. Mr. President, I yield the floor. The PRESIDING OFFICER. The Senator from Arizona. Mr. McCAIN. Mr. President, the Russian sanctions amendment passed by this body 97 to 2 last year--I take it the Senator from Florida and the Senator from Virginia were here at the time; it was one person who was not--was negotiated between Senators of both parties on multiple committees, including Foreign Relations, Banking, and Armed Services. It was specifically designed to impose tough sanctions on Russian defense and intelligence sectors, to impose tough sanctions on the Russian military industrial complex and intelligence agencies that have made it possible for Russia to invade Ukraine, annex Crimea, terrorize Syria, threaten our NATO allies, and attack America's election in 2016. Have no doubt about what this amendment is, my dear colleagues and friends. It is a giveaway to the Russian military industrial complex. There has always been a collection of lawmakers, executives, and lobbyists who have accepted continuing, even deepening, our Nation's dependence on Russian rocket engines. That is exactly what will happen if we allow this amendment to pass, and the door will once again fly open for taxpayer dollars to be used to subsidize purchases of Russian rocket engines--purchases which line the pockets of Vladimir Putin's cronies. My friends, if you want to vote to buy more Russian rocket engines, just say it. That is fine. That is fine with me, but to cloak it in some kind of bipartisan agreement that somehow we are going to have to continue to buy these Russian rocket engines, after we had an agreement last year 97 to 2--97 to 2--what does this do? This undoes last year's 97-to-2 agreement. We don't need this amendment to meet America's needs in space. As a result of last year's bipartisan agreement and the NDAA, the Department of Defense is on a path to gradually eliminate dependence on Russia as quickly as possible while fostering competition among American companies. NASA needs to do the same. NASA needs to do the same. NASA needs to do the same. Sanctions, by definition, require tradeoffs. Sanctions are not free. Countries that impose sanctions must be willing to pay a cost, too, if and when a greater principle, a great national security interest, is at stake. Let me conclude because I note the chairman of the Foreign Relations Committee and the ranking member here. There are costs and tradeoffs the United States has been asking our European allies to make in the last few years. We have leaned on France to cancel a sale of naval vessels to Russia. We have been warning Central and Eastern European allies against deepening their dependence on Russian energy with various energy deals and infrastructure projects. We should not be asking our allies to make these sacrifices unless we are prepared to do the same. We will probably pass this amendment. If there is ever a doubt in any of our constituents' minds about the influence of special interests, it will be with passage of this amendment--which, by the way, with all due respect to my friends and colleagues, was the one thing they didn't want. The one thing they didn't want was an on-the-record vote on this amendment, which is why I am confident it will lose, but I want every Member of the U.S Senate to look in the eyes of the mother whose son was just killed by a Russian sniper, as I did, down in Mariupol not too long ago. I urge a ``no'' vote on the amendment. I know how it is going to come out, but Members of the U.S Senate will at least be on record. I say this is not the most courageous chapter in the history of this institution. I urge a ``no'' vote. The PRESIDING OFFICER. The Senator from Tennessee. Mr. CORKER. Mr. President, I am not involving myself in this debate. I just want to say to Senator McCain: You demonstrated yesterday the best of the U.S Senate when an issue like this arose, and instead of blocking a vote, you said you were glad to have a vote. You are obviously in strong disagreement with the substance of this amendment. I just want to tell you how much I personally appreciate your allowing a vote on this, the role you played in all things Russia and Iran, your forceful nature on these issues, your great leadership, and the role you have played in getting us today to a vote that isn't requiring cloture, where you have allowed this amendment to take place. I [[Page S3511]] cannot tell you how much I appreciate that and appreciate the role you play in this body. Mr. McCAIN. I thank the Senator from Tennessee and my friend from Maryland. I yield the floor. The PRESIDING OFFICER. The Senator from Colorado. Mr. GARDNER. Mr. President, I thank my colleague from Arizona as well for allowing this vote to move forward, but in his statements, he said NASA needs to do the same. He repeated it several times. I would just say that this amendment could actually be titled ``NASA Needs to Do the Same'' because what we had agreed to last year, when it comes to defense, is a way forward on the Atlas V rocket, the RD-180. We agreed to that. I believe it was a unanimous consent agreement. If there was an objection at that time, then it should have been expressed when we made this agreement. Our colleagues across the aisle, for a unanimous consent, it takes all of us 100 people to agree to a unanimous consent agreement. That agreement was made on the National Defense Authorization Act. NASA needs to do the same. Our colleague, the ranking member of the Intelligence Committee, Mark Warner, made the point of parity between civil, commercial, and defense. That is what this amendment does. There are a lot of issues that we come to the floor and we talk about this issue not being rocket science: It is not that difficult. It is not rocket science. Well, we actually have an issue that is rocket science. The mission set before American astronauts is jeopardized if this amendment doesn't pass. The taxpayers of this country face billions of dollars in costs if this amendment doesn't pass. Reliance on Russian technology to get to the space station or resupplying American astronauts will increase if this amendment doesn't pass. If we want to talk about protecting the people of this country, let's talk about the victims of floods in Colorado, let's talk about people who have died in tornadoes because we didn't have the most accurate ability to forecast where they were coming from, when they were going to strike, and who would be hit. This amendment will allow these weather satellites to go into space to protect the men and women of this country from natural disasters. Again, it brings parity to an agreement that was decided upon through unanimous consent last year. I support the underlying legislation, and I support this amendment and urge my colleagues to support it as well. I thank the chairman of the Foreign Relations Committee and the ranking member of the Foreign Relations Committee for their leadership on this committee. I yield the floor. Mr. KAINE. Mr. President, I applaud the bipartisan work that my Senate colleagues have put into legislation to impose sanctions on Russia. Russia's interference in the 2016 election represents an assault on our democracy that, until this point, has gone largely unanswered by the Administration and Congress. Russia has also conducted cyber attacks on allies and illegally invaded and violated the sovereignty of Ukraine and Georgia. I know that my colleagues take this issue very seriously, and I support the bipartisan compromise, which will maintain existing sanctions on Russia for its cyber and military intrusions in Ukraine and require additional mandatory sanctions on Russia's energy sector, those providing arms to Syrian troops, corrupt Russian oligarchs and their networks, and human rights abusers. We cannot allow Russia's hostile actions toward Western democracies to go unchecked. This legislation sends an important message to Russia and the world that the United States stands strongly against Russia's anti-democratic actions. At the same time, the original version of the legislation would have had unintended consequences for our nation's civil and commercial space sectors. National Aeronautics and Space Administration, NASA, and commercial space missions are critical to space exploration, weather data, and sending U.S astronauts to the International Space Station, as well as supplying them with cargo and instruments for scientific research. Under the original legislation, these missions would have been threatened or prevented from moving forward. In response, Senator Gardner introduced an amendment that would exempt NASA and commercial space-related launch activities from the sanctions bill. I was proud to cosponsor this amendment. In addition to our defense assets, Virginia is at the epicenter of the Nation's civil space ***program*** and commercial space industry. For more than 70 years, NASA's Wallops Flight Facility has served as a key national asset to the U.S space ***program***, an economic driver for the Eastern Shore, and an invaluable benefit to the Commonwealth. The Mid- Atlantic Regional Spaceport at Wallops Island serves as a leader in commercial space, partnering with Virginia-headquartered Orbital ATK to launch critical cargo to the International Space Station. Finally, research projects at NASA Langley Research Center and Virginia's superb academic institutions are developing tomorrow's innovative technologies and scientific discoveries. As Governor and now Senator, I have remained a strong supporter of Virginia's booming industry, research, and launch services. Without Senator Gardner's amendment, some of these activities in Virginia would cease to exist. To be clear, I stand in agreement with my Senate colleagues on the issue of Russian sanctions. I also believe that our space ***program*** must transition to American-made rocket engines and parts, and I know that U.S companies are working hard in conjunction with NASA toward that goal. But we need time for that transition to occur, and this important amendment would make it possible without hurting our current capabilities. In addition, while the Department of Defense has been afforded the opportunity to develop new technologies while maintaining the status quo, it is only fair that we provide the same chance to civil and commercial space entities. For these reasons, I was proud to cosponsor Senator Gardner's bipartisan amendment to S. 722. I look forward to working with my colleagues in the future to enhance and expand our Nation's space ***program***. The PRESIDING OFFICER. The Senator from Tennessee. Mr. CORKER. Mr. President, it is my understanding that Senator Cardin and I will speak for a few moments, and then we will have three votes, one of which will be on the RD-180 issue, one of which will be on the NATO issue, and then final passage; is that correct? Am I correct in that? The PRESIDING OFFICER. There is 6 minutes remaining before the first vote on the Gardner amendment. Mr. CORKER. Then there will be a series of votes, with no comments made in advance of those votes; is that correct? The PRESIDING OFFICER. The Senator is correct. Mr. CORKER. Mr. President, I will be very brief, and we will split our time. I want to say that, to me, today the U.S Senate is functioning in the way our Founders intended for it to function. It has been my goal, since the beginning of my leadership on the Foreign Relations Committee, for our committee and for this Senate to reaffirm its role in foreign policy issues. Today, the U.S Senate, in a time of uncertainty around our Nation and uncertainty about some of our foreign policy issues, is asserting its responsibilities as it relates to foreign policy for the United States of America. I thank Senators on both sides of the aisle for the role they have played in getting us here. This is a very strong piece of legislation that in many ways has almost occurred under the radar screen because of the way it has been done. The fact that we have had no cloture vote, the fact that we are having amendments, as has been discussed before, and the fact that this legislation sends a very strong signal to Russia that the nefarious activities they have been involved in--it does the same with Iran, with the activities outside of the JCPOA that they have been involved in, affirming our commitment to NATO, which we will do to article 5, NATO, in just a few moments. I thank this body. I thank Leaders McConnell and Schumer for allowing the environment to exist for us to work [[Page S3512]] in the manner we have. I thank our ranking member, Senator Cardin, and those members--Senator Crapo and Brown and others--who have played such a significant role. Senator McCain is on the floor, Senator Graham, Senator Rubio, Senator Menendez, Senator Shaheen--so many members who have gotten us to this place. This is a great moment for the U.S Senate. This is the way the Senate is supposed to function, and this is the way the Senate is supposed to exercise its prerogatives as it relates to foreign policy, a great moment for our body. Senator Cardin. Mr. CARDIN. Well, first, to Senator Corker. There is a reason Members want to serve on the Senate Foreign Relations Committee. We had a long list of Members who wanted to join our committee in this Congress. Quite frankly, I think the reason they want to join is not only the challenges we have globally but the fact that this is a committee that works bipartisanly and respects the views of every single Member, both Democratic and Republican, on the Senate Foreign Relations Committee. The bill we have before us reflects that--in the best tradition of the U.S Senate and the Senate Foreign Relations Committee. That is due, in large part, because of the talent, leadership, and commitment of our chairman. I thank Senator Corker for allowing us to reach this very important moment in the U.S Senate, to be able to vote on a bill that is consequential for America's national security. I believe this is the first major bill we have had on the floor of the U.S Senate, the first bill we have had amendments to, and I concur in the Senator's observations that our leaders allowed us to let the process work in the best traditions of the U.S Senate. It is difficult for many of us to explain how the Senate operates at times. It really is difficult, but it is a body which respects the rights of each Member, and they have certain abilities to slow things down or bring us to a stop, and the process doesn't work the way it is supposed to work, but this bill has been handled very quickly on a major subject because we respected the rights of every single Member of the U.S Senate. It doesn't mean we reach total agreement. We didn't, but we have a bill that accomplishes three very important things: First, it stands up to the aggression of Russia and Iran. Yes, we have been talking about this--and I am glad Senator McCain is on the floor. Senator McCain has been one of the most ardent crusaders to point out the risk factors of Russia to our national security and that of our allies. I started with Senator McCain in January. We sat down, and he informed me why we had to do certain things and make it very clear and not have any ambiguity because Russia would run right through that ambiguity. Thanks to that initial leadership, we have those provisions in the underlying bill. There will be no ambiguity as to what Congress is saying in regard to Russia's behavior. I also acknowledge we have a review process in here. Senator Graham brought that to our attention very early in the process in January so Congress can insert itself. Mr. President, I ask unanimous consent for 2 additional minutes. The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. Mr. CARDIN. That review process will give Congress the right role to review executive actions so we are stronger, working together. It also gives the President a stronger hand in negotiating with Mr. Putin and Russia because Congress has said: You must accomplish certain objectives, such as getting Russia's aggression to end in Ukraine or get Russia to stop supporting war crimes in Syria, to stop interfering with our democratic election systems. That is what we say, and we are very clear about that. Then we take the third step, which I think is very important; that is, provide the wherewithal of U.S leadership, working with our European allies, to protect our democratic institutions. All of that is included in the bill that we are going to have a chance to vote on in a few minutes, and I want to thank all who were involved. I am going to include staff who worked so hard on this. They were here 24/7 putting this bill together--Damian Murphy, in my office; Margaret Taylor; and Jessica Lewis, Dana Stroul, Lowell Schwartz, Sean Bartlett, Chris Barr, John Ryan, Leslie Bull, Danny Ricchetti, as well as Todd Womack, Rob Strayer, David Kinzler, and Ben Purser. They were extraordinary in helping us reach this day. Mr. CORKER. No question. I thank the Senator for those comments. Our staffs have been remarkable, and the years of experience and knowledge they bring to this no doubt allowed us to do something so substantial in an amount of time, yet do so in a methodical way. With that, I ask unanimous consent that the votes following the first vote in this series be 10 minutes in length. The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. All time has expired. Vote on Amendment No. 250, as Modified The question now occurs on agreeing to amendment No. 250, as modified, offered by the Senator from Colorado, Mr. Gardner. Mr. BARRASSO. I ask for the yeas and nays. The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second. The clerk will call the roll. The assistant bill clerk called the roll. The result was announced--yeas 94, nays 6, as follows: [Rollcall Vote No. 145 Leg.] YEAS--94 Alexander Baldwin Barrasso Bennet Blunt Booker Boozman Brown Burr Cantwell Capito Cardin Carper Casey Cassidy Cochran Collins Coons Corker Cornyn Cortez Masto Cotton Crapo Cruz Daines Donnelly Duckworth Durbin Enzi Feinstein Fischer Flake Franken Gardner Gillibrand Grassley Harris Hassan Hatch Heinrich Heitkamp Heller Hirono Hoeven Inhofe Isakson Johnson Kaine Kennedy King Klobuchar Lankford Leahy Lee Manchin Markey McCaskill McConnell Menendez Merkley Moran Murkowski Murphy Murray Nelson Paul Perdue Peters Portman Reed Risch Roberts Rounds Rubio Sanders Schatz Schumer Scott Shaheen Shelby Stabenow Strange Tester Thune Tillis Toomey Udall Van Hollen Warner Warren Whitehouse Wicker Wyden Young NAYS--6 Blumenthal Ernst Graham McCain Sasse Sullivan The amendment (No. 250), as modified, was agreed to. The PRESIDING OFFICER. The Senator from Ohio. Amendment No. 240 Mr. BROWN. Mr. President, I ask unanimous consent for 2 minutes, evenly split between Senator Corker and me, to speak on the NATO amendment. The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. Mr. BROWN. Mr. President, I would add that my fellow Ohioan, Senator Portman, is a cosponsor of this. Special thanks go to Senator Graham-- this is the Graham-Brown NATO amendment--also to Senators McCain, Rubio, Casey, and Jack Reed and Sheldon Whitehouse from Rhode Island. This is especially important to the Ukrainian community in my State. A number of them have been in town the last couple of days. They know how critical support for our allies is and how important it is that this amendment sends a clear message that the United States will uphold our half-century commitment to NATO, combined with a strong signal to Russia to clean up its act. That is the importance of this amendment. I ask support from my colleagues. I yield to Senator Corker. Mr. CORKER. Mr. President, I thank all those involved in the message that is being sent. I support the amendment, and I urge a ``yes'' vote. Thank you. The PRESIDING OFFICER. The question now occurs on agreeing to amendment No. 240, offered by the Senator from Tennessee, Mr. Corker. Mr. CORKER. I ask for the yeas and nays. [[Page S3513]] The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second. The clerk will call the roll. The bill clerk proceeded to call the roll. The result was announced--yeas 100, nays 0, as follows: [Rollcall Vote No. 146 Leg.] YEAS--100 Alexander Baldwin Barrasso Bennet Blumenthal Blunt Booker Boozman Brown Burr Cantwell Capito Cardin Carper Casey Cassidy Cochran Collins Coons Corker Cornyn Cortez Masto Cotton Crapo Cruz Daines Donnelly Duckworth Durbin Enzi Ernst Feinstein Fischer Flake Franken Gardner Gillibrand Graham Grassley Harris Hassan Hatch Heinrich Heitkamp Heller Hirono Hoeven Inhofe Isakson Johnson Kaine Kennedy King Klobuchar Lankford Leahy Lee Manchin Markey McCain McCaskill McConnell Menendez Merkley Moran Murkowski Murphy Murray Nelson Paul Perdue Peters Portman Reed Risch Roberts Rounds Rubio Sanders Sasse Schatz Schumer Scott Shaheen Shelby Stabenow Strange Sullivan Tester Thune Tillis Toomey Udall Van Hollen Warner Warren Whitehouse Wicker Wyden Young The amendment (No. 240) was agreed to. The PRESIDING OFFICER (Mrs. Fischer). Under the previous order, the committee-reported substitute, as amended, is agreed to. The bill was ordered to be engrossed for a third reading and was read the third time. The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? Mr. CARDIN. Madam President, I ask for the yeas and nays. The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second. The clerk will call the roll. The senior assistant legislative clerk called the roll. The result was announced--yeas 98, nays 2, as follows: [Rollcall Vote No. 147 Leg.] YEAS--98 Alexander Baldwin Barrasso Bennet Blumenthal Blunt Booker Boozman Brown Burr Cantwell Capito Cardin Carper Casey Cassidy Cochran Collins Coons Corker Cornyn Cortez Masto Cotton Crapo Cruz Daines Donnelly Duckworth Durbin Enzi Ernst Feinstein Fischer Flake Franken Gardner Gillibrand Graham Grassley Harris Hassan Hatch Heinrich Heitkamp Heller Hirono Hoeven Inhofe Isakson Johnson Kaine Kennedy King Klobuchar Lankford Leahy Lee Manchin Markey McCain McCaskill McConnell Menendez Merkley Moran Murkowski Murphy Murray Nelson Perdue Peters Portman Reed Risch Roberts Rounds Rubio Sasse Schatz Schumer Scott Shaheen Shelby Stabenow Strange Sullivan Tester Thune Tillis Toomey Udall Van Hollen Warner Warren Whitehouse Wicker Wyden Young NAYS--2 Paul Sanders The bill (S. 722), as amended, was passed, as follows: S. 722 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, SECTION 1. SHORT TITLE; TABLE OF CONTENTS. (a) Short Title.--This Act may be cited as the ``Countering Iran's Destabilizing Activities Act of 2017''. (b) Table of Contents.--The table of contents for this Act is as follows: Sec. 1. Short title; table of contents. Sec. 2. Definitions. Sec. 3. Regional strategy for countering conventional and asymmetric Iranian threats in the Middle East and North Africa. Sec. 4. Imposition of additional sanctions in response to Iran's ballistic missile ***program***. Sec. 5. Imposition of terrorism-related sanctions with respect to the IRGC. Sec. 6. Imposition of additional sanctions with respect to persons responsible for human rights abuses. Sec. 7. Enforcement of arms embargos. Sec. 8. Review of applicability of sanctions relating to Iran's support for terrorism and its ballistic missile ***program***. Sec. 9. Report on coordination of sanctions between the United States and the European Union. Sec. 10. Report on United States citizens detained by Iran. Sec. 11. Exceptions for national security and humanitarian assistance; rule of construction. Sec. 12. Presidential waiver authority. TITLE II--SANCTIONS WITH RESPECT TO THE RUSSIAN FEDERATION AND COMBATING TERRORISM AND ILLICIT FINANCING Sec. 201. Short title. Subtitle A--Sanctions and Other Measures With Respect to the Russian Federation Sec. 211. Findings. Sec. 212. Sense of Congress. PART I--Congressional Review of Sanctions Imposed With Respect to the Russian Federation Sec. 215. Short title. Sec. 216. Congressional review of certain actions relating to sanctions imposed with respect to the Russian Federation. PART II--Sanctions With Respect to the Russian Federation Sec. 221. Definitions. Sec. 222. Codification of sanctions relating to the Russian Federation. Sec. 223. Modification of implementation of Executive Order 13662. Sec. 224. Imposition of sanctions with respect to activities of the Russian Federation undermining cybersecurity. Sec. 225. Imposition of sanctions relating to special Russian crude oil projects. Sec. 226. Imposition of sanctions with respect to Russian and other foreign financial institutions. Sec. 227. Mandatory imposition of sanctions with respect to significant corruption in the Russian Federation. Sec. 228. Mandatory imposition of sanctions with respect to certain transactions with foreign sanctions evaders and serious human rights abusers in the Russian Federation. Sec. 229. Notifications to Congress under Ukraine Freedom Support Act of 2014. Sec. 230. Standards for termination of certain sanctions with respect to the Russian Federation. Sec. 231. Imposition of sanctions with respect to persons engaging in transactions with the intelligence or defense sectors of the Government of the Russian Federation. Sec. 232. Sanctions with respect to the development of pipelines in the Russian Federation. Sec. 233. Sanctions with respect to investment in or facilitation of privatization of state-owned assets by the Russian Federation. Sec. 234. Sanctions with respect to the transfer of arms and related materiel to Syria. Sec. 235. Sanctions described. Sec. 236. Exceptions, waiver, and termination. Sec. 237. Exception relating to activities of the National Aeronautics and Space Administration. Sec. 238. Rule of construction. PART III--Reports Sec. 241. Report on oligarchs and parastatal entities of the Russian Federation. Sec. 242. Report on effects of expanding sanctions to include sovereign debt and derivative products. Sec. 243. Report on illicit finance relating to the Russian Federation. Subtitle B--Countering Russian Influence in Europe and Eurasia Sec. 251. Findings. Sec. 252. Sense of Congress. Sec. 253. Statement of policy. Sec. 254. Coordinating aid and assistance across Europe and Eurasia. Sec. 255. Report on media organizations controlled and funded by the Government of the Russian Federation. Sec. 256. Report on Russian Federation influence on elections in Europe and Eurasia. Sec. 257. Ukranian energy security. Sec. 258. Termination. Sec. 259. Appropriate congressional committees defined. Subtitle C--Combating Terrorism and Illicit Financing PART I--National Strategy for Combating Terrorist and Other Illicit Financing Sec. 261. Development of national strategy. Sec. 262. Contents of national strategy. PART II--Enhancing Antiterrorism Tools of the Department of the Treasury Sec. 271. Improving antiterror finance monitoring of funds transfers. Sec. 272. Sense of Congress on international cooperation regarding terrorist financing intelligence. [[Page S3514]] Sec. 273. Examining the counter-terror financing role of the Department of the Treasury in embassies. Sec. 274. Inclusion of Secretary of the Treasury on the National Security Council. Sec. 275. Inclusion of all funds. PART III--Definitions Sec. 281. Definitions. Subtitle D--Rule of Construction Sec. 291. Rule of construction. Sec. 292. Sense of Senate on the ***strategic*** importance of Article 5 of the North Atlantic Treaty. SEC. 2. DEFINITIONS. In this Act: (1) Act of international terrorism.--The term ``act of international terrorism'' has the meaning given that term in section 14 of the Iran Sanctions Act of 1996 (Public Law 104- 172; 50 U.S.C 1701 note). (2) Appropriate congressional committees.--The term ``appropriate congressional committees'' has the meaning given that term in section 14 of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C 1701 note). (3) Foreign person.--The term ``foreign person'' means a person that is not a United States person. (4) Iranian person.--The term ``Iranian person'' means-- (A) an individual who is a citizen or national of Iran; or (B) an entity organized under the laws of Iran or otherwise subject to the jurisdiction of the Government of Iran. (5) IRGC.--The term ``IRGC'' means Iran's Islamic Revolutionary Guard Corps. (6) Knowingly.--The term ``knowingly'' has the meaning given that term in section 14 of the Iran Sanctions Act of 1996 (Public Law 104-172; 50 U.S.C 1701 note). (7) United states person.--The term ``United States person'' means-- (A) a United States citizen or an alien lawfully admitted for permanent residence to the United States; or (B) an entity organized under the laws of the United States or of any jurisdiction within the United States, including a foreign branch of such an entity. SEC. 3. REGIONAL STRATEGY FOR COUNTERING CONVENTIONAL AND ASYMMETRIC IRANIAN THREATS IN THE MIDDLE EAST AND NORTH AFRICA. (a) In General.--Not later than 180 days after the date of the enactment of this Act, and every 2 years thereafter, the Secretary of State, the Secretary of Defense, the Secretary of the Treasury, and the Director of National Intelligence shall jointly develop and submit to the appropriate congressional committees a strategy for deterring conventional and asymmetric Iranian activities and threats that directly threaten the United States and key allies in the Middle East, North Africa, and beyond. (b) Elements.--The strategy required by subsection (a) shall include at a minimum the following: (1) A summary of the near- and long-term United States objectives, ***plans***, and means for countering Iran's destabilizing activities, including identification of countries that share the objective of countering Iran's destabilizing activities. (2) A summary of the capabilities and contributions of individual countries to shared efforts to counter Iran's destabilizing activities, and a summary of additional actions or contributions that each country could take to further contribute. (3) An assessment of Iran's conventional force capabilities and an assessment of Iran's ***plans*** to upgrade its conventional force capabilities, including its acquisition, development, and deployment of ballistic and cruise missile capabilities, unmanned aerial vehicles, and maritime offensive and anti- access or area denial capabilities. (4) An assessment of Iran's chemical and biological weapons capabilities and an assessment of Iranian ***plans*** to upgrade its chemical or biological weapons capabilities. (5) An assessment of Iran's asymmetric activities in the region, including-- (A) the size, capabilities, and activities of the IRGC, including the Quds Force; (B) the size, capabilities, and activities of Iran's cyber operations; (C) the types and amount of support, including funding, lethal and nonlethal contributions, and training, provided to Hezbollah, Hamas, special groups in Iraq, the regime of Bashar al-Assad in Syria, Houthi fighters in Yemen, and other violent groups across the Middle East; and (D) the scope and objectives of Iran's information operations and use of propaganda. (6) A summary of United States actions, unilaterally and in cooperation with foreign governments, to counter destabilizing Iranian activities, including-- (A) interdiction of Iranian lethal arms bound for groups designated as foreign terrorist organizations under section 219 of the Immigration and Nationality Act (8 U.S.C 1189); (B) Iran's interference in international commercial shipping lanes; (C) attempts by Iran to undermine or subvert internationally recognized governments in the Middle East region; and (D) Iran's support for the regime of Bashar al-Assad in Syria, including-- (i) financial assistance, military equipment and personnel, and other support provided to that regime; and (ii) support and direction to other armed actors that are not Syrian or Iranian and are acting on behalf of that regime. (c) Form of Strategy.--The strategy required by subsection (a) shall be submitted in unclassified form but may include a classified annex. SEC. 4. IMPOSITION OF ADDITIONAL SANCTIONS IN RESPONSE TO IRAN'S BALLISTIC MISSILE ***PROGRAM***. (a) Sense of Congress.--It is the sense of Congress that the Secretary of the Treasury and the Secretary of State should continue to implement Executive Order 13382 (50 U.S.C 1701 note; relating to blocking property of weapons of mass destruction delivery system proliferators and their supporters). (b) Imposition of Sanctions.--The President shall impose the sanctions described in subsection (c) with respect to any person that the President determines, on or after the date of the enactment of this Act-- (1) knowingly engages in any activity that materially contributes to the activities of the Government of Iran with respect to its ballistic missile ***program***, or any other ***program*** in Iran for developing, deploying, or maintaining systems capable of delivering weapons of mass destruction, including any efforts to manufacture, acquire, possess, develop, transport, transfer, or use such capabilities; (2) is a successor entity to a person referred to in paragraph (1); (3) owns or controls or is owned or controlled by a person referred to in paragraph (1); (4) forms an entity with the purpose of evading sanctions that would otherwise be imposed pursuant to paragraph (3); (5) is acting for or on behalf of a person referred to in paragraph (1), (2), (3), or (4); or (6) knowingly provides or attempts to provide financial, material, technological, or other support for, or goods or services in support of, a person referred to in paragraph (1), (2), (3), (4) or (5). (c) Sanctions Described.--The sanctions described in this subsection are the following: (1) Blocking of property.--The President shall block, in accordance with the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.), all transactions in all property and interests in property of any person subject to subsection (b) if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person. (2) Exclusion from united states.--The Secretary of State shall deny a visa to, and the Secretary of Homeland Security shall exclude from the United States, any person subject to subsection (b) that is an alien. (d) Penalties.--A person that violates, attempts to violate, conspires to violate, or causes a violation of subsection (c)(1) or any regulation, license, or order issued to carry out that subsection shall be subject to the penalties set forth in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C 1705) to the same extent as a person that commits an unlawful act described in subsection (a) of that section. (e) Report on Contributions to Iran's Ballistic Missile ***Program***.-- (1) In general.--Not later than 180 days after the date of the enactment of this Act, and every 180 days thereafter, the President shall submit to the appropriate congressional committees a report describing each person that-- (A) has, during the period specified in paragraph (2), conducted any activity that has materially contributed to the activities of the Government of Iran with respect to its ballistic missile ***program***, or any other ***program*** in Iran for developing, deploying, or maintaining systems capable of delivering weapons of mass destruction, including any efforts to manufacture, acquire, possess, develop, transport, transfer, or use such capabilities; (B) is a successor entity to a person referred to in subparagraph (A); (C) owns or controls or is owned or controlled by a person referred to in subparagraph (A); (D) forms an entity with the purpose of evading sanctions that could be imposed as a result of a relationship described in subparagraph (C); (E) is acting for or on behalf of a person referred to in subparagraph (A), (B), (C), or (D); or (F) is known or believed to have provided, or attempted to provide, during the period specified in paragraph (2), financial, material, technological, or other support for, or goods or services in support of, any material contribution to a ***program*** described in subparagraph (A) carried out by a person described in subparagraph (A), (B), (C), (D), or (E). (2) Period specified.--The period specified in this paragraph is-- (A) in the case of the first report submitted under paragraph (1), the period beginning January 1, 2016, and ending on the date the report is submitted; and (B) in the case of a subsequent such report, the 180-day period preceding the submission of the report. (3) Form of report.--Each report required by paragraph (1) shall be submitted in unclassified form but may include a classified annex. [[Page S3515]] SEC. 5. IMPOSITION OF TERRORISM-RELATED SANCTIONS WITH RESPECT TO THE IRGC. (a) Findings.--Congress makes the following findings: (1) The IRGC is subject to sanctions pursuant to Executive Order 13382 (50 U.S.C 1701 note; relating to blocking property of weapons of mass destruction delivery system proliferators and their supporters), the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C 8501 et seq.), Executive Order 13553 (50 U.S.C 1701 note; relating to blocking property of certain persons with respect to serious human rights abuses by the Government of Iran), and Executive Order 13606 (50 U.S.C 1701 note; relating to blocking the property and suspending entry into the United States of certain persons with respect to grave human rights abuses by the Governments of Iran and Syria via information technology). (2) The Iranian Revolutionary Guard Corps-Quds Force (in this section referred to as the ``IRGC-QF'') is the primary arm of the Government of Iran for executing its policy of supporting terrorist and insurgent groups. The IRGC-QF provides material, logistical assistance, training, and financial support to militants and terrorist operatives throughout the Middle East and South Asia and was designated for the imposition of sanctions by the Secretary of Treasury pursuant to Executive Order 13224 (50 U.S.C 1701 note; relating to blocking property and prohibiting transactions with persons who commit, threaten to commit, or support terrorism) in October 2007 for its support of terrorism. (3) The IRGC, not just the IRGC-QF, is responsible for implementing Iran's international ***program*** of destabilizing activities, support for acts of international terrorism, and ballistic missile ***program***. (b) In General.--Beginning on the date that is 90 days after the date of the enactment of this Act, the President shall impose the sanctions described in subsection (c) with respect to the IRGC and foreign persons that are officials, agents, or affiliates of the IRGC. (c) Sanctions Described.--The sanctions described in this subsection are sanctions applicable with respect to a foreign person pursuant to Executive Order 13224 (50 U.S.C 1701 note; relating to blocking property and prohibiting transactions with persons who commit, threaten to commit, or support terrorism). SEC. 6. IMPOSITION OF ADDITIONAL SANCTIONS WITH RESPECT TO PERSONS RESPONSIBLE FOR HUMAN RIGHTS ABUSES. (a) In General.--Not later than 90 days after the date of the enactment of this Act, and annually thereafter, the Secretary of State shall submit to the appropriate congressional committees a list of each person the Secretary determines, based on credible evidence, on or after the date of the enactment of this Act-- (1) is responsible for extrajudicial killings, torture, or other gross violations of internationally recognized human rights committed against individuals in Iran who seek-- (A) to expose illegal activity carried out by officials of the Government of Iran; or (B) to obtain, exercise, defend, or promote internationally recognized human rights and freedoms, such as the freedoms of religion, expression, association, and assembly, and the rights to a fair trial and democratic elections; or (2) acts as an agent of or on behalf of a foreign person in a matter relating to an activity described in paragraph (1). (b) Sanctions Described.-- (1) In general.--The President may, in accordance with the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.), block all transactions in all property and interests in property of a person on the list required by subsection (a) if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person. (2) Penalties.--A person that violates, attempts to violate, conspires to violate, or causes a violation of paragraph (1) or any regulation, license, or order issued to carry out paragraph (1) shall be subject to the penalties set forth in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C 1705) to the same extent as a person that commits an unlawful act described in subsection (a) of that section. SEC. 7. ENFORCEMENT OF ARMS EMBARGOS. (a) In General.--Except as provided in subsection (d), the President shall impose the sanctions described in subsection (b) with respect to any person that the President determines-- (1) knowingly engages in any activity that materially contributes to the supply, sale, or transfer directly or indirectly to or from Iran, or for the use in or benefit of Iran, of any battle tanks, armored combat vehicles, large caliber artillery systems, combat aircraft, attack helicopters, warships, missiles or missile systems, as defined for the purpose of the United Nations Register of Conventional Arms, or related materiel, including spare parts; or (2) knowingly provides to Iran any technical training, financial resources or services, advice, other services or assistance related to the supply, sale, transfer, manufacture, maintenance, or use of arms and related materiel described in paragraph (1). (b) Sanctions Described.-- (1) Blocking of property.--The President shall block, in accordance with the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.), all transactions in all property and interests in property of any person subject to subsection (a) if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person. (2) Exclusion from united states.--The Secretary of State shall deny a visa to, and the Secretary of Homeland Security shall exclude from the United States, any person subject to subsection (a) that is an alien. (c) Penalties.--A person that violates, attempts to violate, conspires to violate, or causes a violation of subsection (b)(1) or any regulation, license, or order issued to carry out that subsection shall be subject to the penalties set forth in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C 1705) to the same extent as a person that commits an unlawful act described in subsection (a) of that section. (d) Exception.--The President is not required to impose sanctions under subsection (a) with respect to a person for engaging in an activity described in that subsection if the President certifies to the appropriate congressional committees that-- (1) permitting the activity is in the national security interest of the United States; (2) Iran no longer presents a significant threat to the national security of the United States and to the allies of the United States; and (3) the Government of Iran has ceased providing operational or financial support for acts of international terrorism and no longer satisfies the requirements for designation as a state sponsor of terrorism. (e) State Sponsor of Terrorism Defined.--In this section, the term ``state sponsor of terrorism'' means a country the government of which the Secretary of State has determined to be a government that has repeatedly provided support for acts of international terrorism for purposes of-- (1) section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C 4605(j)(1)(A)) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.)); (2) section 620A(a) of the Foreign Assistance Act of 1961 (22 U.S.C 2371(a)); (3) section 40(d) of the Arms Export Control Act (22 U.S.C 2780(d)); or (4) any other provision of law. SEC. 8. REVIEW OF APPLICABILITY OF SANCTIONS RELATING TO IRAN'S SUPPORT FOR TERRORISM AND ITS BALLISTIC MISSILE ***PROGRAM***. (a) In General.--Not later than 5 years after the date of the enactment of this Act, the President shall conduct a review of all persons on the list of specially designated nationals and blocked persons maintained by the Office of Foreign Assets Control of the Department of the Treasury for activities relating to Iran-- (1) to assess the conduct of such persons as that conduct relates to-- (A) any activity that materially contributes to the activities of the Government of Iran with respect to its ballistic missile ***program***; or (B) support by the Government of Iran for acts of international terrorism; and (2) to determine the applicability of sanctions with respect to such persons under-- (A) Executive Order 13382 (50 U.S.C 1701 note; relating to blocking property of weapons of mass destruction delivery system proliferators and their supporters); or (B) Executive Order 13224 (50 U.S.C 1701 note; relating to blocking property and prohibiting transactions with persons who commit, threaten to commit, or support terrorism). (b) Implementation of Sanctions.--If the President determines under subsection (a) that sanctions under an Executive Order specified in paragraph (2) of that subsection are applicable with respect to a person, the President shall-- (1) impose sanctions with respect to that person pursuant to that Executive Order; or (2) exercise the waiver authority provided under section 12. SEC. 9. REPORT ON COORDINATION OF SANCTIONS BETWEEN THE UNITED STATES AND THE EUROPEAN UNION. (a) In General.--Not later than 180 days after the date of the enactment of this Act, and every 180 days thereafter, the President shall submit to the appropriate congressional committees a report that includes the following: (1) A description of each instance, during the period specified in subsection (b)-- (A) in which the United States has imposed sanctions with respect to a person for activity related to the proliferation of weapons of mass destruction or delivery systems for such weapons to or by Iran, support for acts of international terrorism by Iran, or human rights abuses in Iran, but in which the European Union has not imposed corresponding sanctions; and (B) in which the European Union has imposed sanctions with respect to a person for activity related to the proliferation of weapons of mass destruction or delivery systems for such weapons to or by Iran, support for acts of international terrorism by Iran, or human rights abuses in Iran, but in which the United States has not imposed corresponding sanctions. (2) An explanation for the reason for each discrepancy between sanctions imposed by the European Union and sanctions imposed [[Page S3516]] by the United States described in subparagraphs (A) and (B) of paragraph (1). (b) Period Specified.--The period specified in this subsection is-- (1) in the case of the first report submitted under subsection (a), the period beginning on the date of the enactment of this Act and ending on the date the report is submitted; and (2) in the case of a subsequent such report, the 180-day period preceding the submission of the report. (c) Form of Report.--The report required by subsection (a) shall be submitted in unclassified form but may include a classified annex. SEC. 10. REPORT ON UNITED STATES CITIZENS DETAINED BY IRAN. (a) In General.--Not later than 90 days after the date of the enactment of this Act, and every 180 days thereafter, the President shall submit to the appropriate congressional committees a report on United States citizens, including United States citizens who are also citizens of other countries, detained by Iran or groups supported by Iran that includes-- (1) information regarding any officials of the Government of Iran involved in any way in the detentions; and (2) a summary of efforts the United States Government has taken to secure the swift release of those United States citizens. (b) Form of Report.--The report required by subsection (a) shall be submitted in unclassified form, but may include a classified annex. SEC. 11. EXCEPTIONS FOR NATIONAL SECURITY AND HUMANITARIAN ASSISTANCE; RULE OF CONSTRUCTION. (a) In General.--The following activities shall be exempt from sanctions under sections 4, 5, 6, and 7: (1) Any activity subject to the reporting requirements under title V of the National Security Act of 1947 (50 U.S.C 3091 et seq.), or to any authorized intelligence activities of the United States. (2) The admission of an alien to the United States if such admission is necessary to comply with United States obligations under the Agreement between the United Nations and the United States of America regarding the Headquarters of the United Nations, signed at Lake Success June 26, 1947, and entered into force November 21, 1947, or under the Convention on Consular Relations, done at Vienna April 24, 1963, and entered into force March 19, 1967, or other applicable international obligations of the United States. (3) The conduct or facilitation of a transaction for the sale of ***agricultural*** commodities, food, medicine, or medical devices to Iran or for the provision of humanitarian assistance to the people of Iran, including engaging in a financial transaction relating to humanitarian assistance or for humanitarian purposes or transporting goods or services that are necessary to carry out operations relating to humanitarian assistance or humanitarian purposes. (b) Exception Relating to Importation of Goods.--A requirement or the authority to block and prohibit all transactions in all property and interests in property under section 4, 5, 6, 7, or 8 shall not include the authority to impose sanctions with respect to the importation of goods. (c) Implementation.--Except as provided in subsection (b), the President may exercise all authorities provided under sections 203 and 205 of the International Emergency Economic Powers Act (50 U.S.C 1702 and 1704) to carry out this Act. (d) Rule of Construction.--Nothing in this Act (other than subsection (b)) shall be construed to limit the authority of the President under the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.). (e) Definitions.--In this section: (1) ***Agricultural*** commodity.--The term ``***agricultural*** commodity'' has the meaning given that term in section 102 of the ***Agricultural*** Trade Act of 1978 (7 U.S.C 5602). (2) Good.--The term ``good'' has the meaning given that term in section 16 of the Export Administration Act of 1979 (50 U.S.C 4618) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.)). (3) Medical device.--The term ``medical device'' has the meaning given the term ``device'' in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C 321). (4) Medicine.--The term ``medicine'' has the meaning given the term ``drug'' in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C 321). SEC. 12. PRESIDENTIAL WAIVER AUTHORITY. (a) Case-by-Case Waiver Authority.-- (1) In general.--The President may waive, on a case-by-case basis and for a period of not more than 180 days, a requirement under section 4, 5, 6, 7, or 8 to impose or maintain sanctions with respect to a person, and may waive the continued imposition of such sanctions, not less than 30 days after the President determines and reports to the appropriate congressional committees that it is vital to the national security interests of the United States to waive such sanctions. (2) Renewal of waivers.--The President may, on a case-by- case basis, renew a waiver under paragraph (1) for an additional period of not more than 180 days if, not later than 15 days before that waiver expires, the President makes the determination and submits to the appropriate congressional committees a report described in paragraph (1). (3) Successive renewal.--The renewal authority provided under paragraph (2) may be exercised for additional successive periods of not more than 180 days if the President follows the procedures set forth in paragraph (2), and submits the report described in paragraph (1), for each such renewal. (b) Contents of Waiver Reports.--Each report submitted under subsection (a) in connection with a waiver of sanctions under section 4, 5, 6, 7, or 8 with respect to a person, or the renewal of such a waiver, shall include-- (1) a specific and detailed rationale for the determination that the waiver is vital to the national security interests of the United States; (2) a description of the activity that resulted in the person being subject to sanctions; (3) an explanation of any efforts made by the United States, as applicable, to secure the cooperation of the government with primary jurisdiction over the person or the location where the activity described in paragraph (2) occurred in terminating or, as appropriate, penalizing the activity; and (4) an assessment of the significance of the activity described in paragraph (2) in contributing to the ability of Iran to threaten the interests of the United States or allies of the United States, develop systems capable of delivering weapons of mass destruction, support acts of international terrorism, or violate the human rights of any person in Iran. (c) Effect of Report on Waiver.--If the President submits a report under subsection (a) in connection with a waiver of sanctions under section 4, 5, 6, 7, or 8 with respect to a person, or the renewal of such a waiver, the President shall not be required to impose or maintain sanctions under section 4, 5, 6, 7, or 8, as applicable, with respect to the person described in the report during the 30-day period referred to in subsection (a). TITLE II--SANCTIONS WITH RESPECT TO THE RUSSIAN FEDERATION AND COMBATING TERRORISM AND ILLICIT FINANCING SEC. 201. SHORT TITLE. This title may be cited as the ``Countering Russian Influence in Europe and Eurasia Act of 2017''. Subtitle A--Sanctions and Other Measures With Respect to the Russian Federation SEC. 211. FINDINGS. Congress makes the following findings: (1) On March 6, 2014, President Barack Obama issued Executive Order 13660 (79 Fed. Reg. 13493; relating to blocking property of certain persons contributing to the situation in Ukraine), which authorizes the Secretary of the Treasury, in consultation with the Secretary of State, to impose sanctions on those determined to be undermining democratic processes and institutions in Ukraine or threatening the peace, security, stability, sovereignty, and territorial integrity of Ukraine. President Obama subsequently issued Executive Order 13661 (79 Fed. Reg. 15535; relating to blocking property of additional persons contributing to the situation in Ukraine) and Executive Order 13662 (79 Fed. Reg. 16169; relating to blocking property of additional persons contributing to the situation in Ukraine) to expand sanctions on certain persons contributing to the situation in Ukraine. (2) On December 18, 2014, the Ukraine Freedom Support Act of 2014 was enacted (Public Law 113-272; 22 U.S.C 8921 et seq.), which includes provisions directing the President to impose sanctions on foreign persons that the President determines to be entities owned or controlled by the Government of the Russian Federation or nationals of the Russian Federation that manufacture, sell, transfer, or otherwise provide certain defense articles into Syria. (3) On April 1, 2015, President Obama issued Executive Order 13694 (80 Fed. Reg. 18077; relating to blocking the property of certain persons engaging in significant malicious cyber-enabled activities), which authorizes the Secretary of the Treasury, in consultation with the Attorney General and the Secretary of State, to impose sanctions on persons determined to be engaged in malicious cyber-hacking. (4) On July 26, 2016, President Obama approved a Presidential Policy Directive on United States Cyber Incident Coordination, which states, ``certain cyber incidents that have significant impacts on an entity, our national security, or the broader economy require a unique approach to response efforts''. (5) On December 29, 2016, President Obama issued an annex to Executive Order 13694, which authorized sanctions on the following entities and individuals: (A) The Main Intelligence Directorate (also known as Glavnoe Razvedyvatel'noe Upravlenie or the GRU) in Moscow, Russian Federation. (B) The Federal Security Service (also known as Federalnaya Sluzhba Bezopasnosti or the FSB) in Moscow, Russian Federation. (C) The Special Technology Center (also known as STLC, Ltd. Special Technology Center St. Petersburg) in St. Petersburg, Russian Federation. (D) Zorsecurity (also known as Esage Lab) in Moscow, Russian Federation. (E) The autonomous noncommercial organization known as the Professional Association of Designers of Data Processing Systems (also known as ANO PO KSI) in Moscow, Russian Federation. (F) Igor Valentinovich Korobov. (G) Sergey Aleksandrovich Gizunov. (H) Igor Olegovich Kostyukov. [[Page S3517]] (I) Vladimir Stepanovich Alexseyev. (6) On January 6, 2017, an assessment of the United States intelligence community entitled, ``Assessing Russian Activities and Intentions in Recent U.S Elections'' stated, ``Russian President Vladimir Putin ordered an influence campaign in 2016 aimed at the United States presidential election.'' The assessment warns that ``Moscow will apply lessons learned from its Putin-ordered campaign aimed at the U.S Presidential election to future influence efforts worldwide, including against U.S allies and their election processes''. SEC. 212. SENSE OF CONGRESS. It is the sense of Congress that the President-- (1) should engage to the fullest extent possible with partner governments with regard to closing loopholes, including the allowance of extended prepayment for the delivery of goods and commodities and other loopholes, in multilateral and unilateral restrictive measures against the Russian Federation, with the aim of maximizing alignment of those measures; and (2) should increase efforts to vigorously enforce compliance with sanctions in place as of the date of the enactment of this Act with respect to the Russian Federation in response to the crisis in eastern Ukraine, cyber intrusions and attacks, and human rights violators in the Russian Federation. PART I--CONGRESSIONAL REVIEW OF SANCTIONS IMPOSED WITH RESPECT TO THE RUSSIAN FEDERATION SEC. 215. SHORT TITLE. The part may be cited as the ``Russia Sanctions Review Act of 2017''. SEC. 216. CONGRESSIONAL REVIEW OF CERTAIN ACTIONS RELATING TO SANCTIONS IMPOSED WITH RESPECT TO THE RUSSIAN FEDERATION. (a) Submission to Congress of Proposed Action.-- (1) In general.--Notwithstanding any other provision of law, before taking any action described in paragraph (2), the President shall submit to the appropriate congressional committees and leadership a report that describes the proposed action and the reasons for that action. (2) Actions described.-- (A) In general.--An action described in this paragraph is-- (i) an action to terminate the application of any sanctions described in subparagraph (B); (ii) with respect to sanctions described in subparagraph (B) imposed by the President with respect to a person, an action to waive the application of those sanctions with respect to that person; or (iii) a licensing action that significantly alters United States' foreign policy with regard to the Russian Federation. (B) Sanctions described.--The sanctions described in this subparagraph are-- (i) sanctions provided for under-- (I) this title or any provision of law amended by this title, including the Executive Orders codified under section 222; (II) the Support for the Sovereignty, Integrity, Democracy, and Economic Stability of Ukraine Act of 2014 (22 U.S.C 8901 et seq.); or (III) the Ukraine Freedom Support Act of 2014 (22 U.S.C 8921 et seq.); and (ii) the prohibition on access to the properties of the Government of the Russian Federation located in Maryland and New York that the President ordered vacated on December 29, 2016. (3) Description of type of action.--Each report submitted under paragraph (1) with respect to an action described in paragraph (2) shall include a description of whether the action-- (A) is not intended to significantly alter United States foreign policy with regard to the Russian Federation; or (B) is intended to significantly alter United States foreign policy with regard to the Russian Federation. (4) Inclusion of additional matter.-- (A) In general.--Each report submitted under paragraph (1) that relates to an action that is intended to significantly alter United States foreign policy with regard to the Russian Federation shall include a description of-- (i) the significant alteration to United States foreign policy with regard to the Russian Federation; (ii) the anticipated effect of the action on the national security interests of the United States; and (iii) the policy objectives for which the sanctions affected by the action were initially imposed. (B) Requests from banking and financial services committees.--The Committee on Banking, Housing, and Urban Affairs of the Senate or the Committee on Financial Services of the House of Representatives may request the submission to the Committee of the matter described in clauses (ii) and (iii) of subparagraph (A) with respect to a report submitted under paragraph (1) that relates to an action that is not intended to significantly alter United States foreign policy with regard to the Russian Federation. (b) Period for Review by Congress.-- (1) In general.--During the period of 30 calendar days beginning on the date on which the President submits a report under subsection (a)(1)-- (A) in the case of a report that relates to an action that is not intended to significantly alter United States foreign policy with regard to the Russian Federation, the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives should, as appropriate, hold hearings and briefings and otherwise obtain information in order to fully review the report; and (B) in the case of a report that relates to an action that is intended to significantly alter United States foreign policy with regard to the Russian Federation, the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives should, as appropriate, hold hearings and briefings and otherwise obtain information in order to fully review the report. (2) Exception.--The period for congressional review under paragraph (1) of a report required to be submitted under subsection (a)(1) shall be 60 calendar days if the report is submitted on or after July 10 and on or before September 7 in any calendar year. (3) Limitation on actions during initial congressional review period.--Notwithstanding any other provision of law, during the period for congressional review provided for under paragraph (1) of a report submitted under subsection (a)(1) proposing an action described in subsection (a)(2), including any additional period for such review as applicable under the exception provided in paragraph (2), the President may not take that action unless a joint resolution of approval with respect to that action is enacted in accordance with subsection (c). (4) Limitation on actions during presidential consideration of a joint resolution of disapproval.--Notwithstanding any other provision of law, if a joint resolution of disapproval relating to a report submitted under subsection (a)(1) proposing an action described in subsection (a)(2) passes both Houses of Congress in accordance with subsection (c), the President may not take that action for a period of 12 calendar days after the date of passage of the joint resolution of disapproval. (5) Limitation on actions during congressional reconsideration of a joint resolution of disapproval.-- Notwithstanding any other provision of law, if a joint resolution of disapproval relating to a report submitted under subsection (a)(1) proposing an action described in subsection (a)(2) passes both Houses of Congress in accordance with subsection (c), and the President vetoes the joint resolution, the President may not take that action for a period of 10 calendar days after the date of the President's veto. (6) Effect of enactment of a joint resolution of disapproval.--Notwithstanding any other provision of law, if a joint resolution of disapproval relating to a report submitted under subsection (a)(1) proposing an action described in subsection (a)(2) is enacted in accordance with subsection (c), the President may not take that action. (c) Joint Resolutions of Disapproval or Approval Defined.-- In this subsection: (1) Joint resolution of approval.--The term ``joint resolution of approval'' means only a joint resolution of either House of Congress-- (A) the title of which is as follows: ``A joint resolution approving the President's proposal to take an action relating to the application of certain sanctions with respect to the Russian Federation.''; and (B) the sole matter after the resolving clause of which is the following: ``Congress approves of the action relating to the application of sanctions imposed with respect to the Russian Federation proposed by the President in the report submitted to Congress under section 216(a)(1) of the Russia Sanctions Review Act of 2017 on \_\_\_\_\_\_\_ relating to \_\_\_\_\_\_\_\_.'', with the first blank space being filled with the appropriate date and the second blank space being filled with a short description of the proposed action. (2) Joint resolution of disapproval.--The term ``joint resolution of disapproval'' means only a joint resolution of either House of Congress-- (A) the title of which is as follows: ``A joint resolution disapproving the President's proposal to take an action relating to the application of certain sanctions with respect to the Russian Federation.''; and (B) the sole matter after the resolving clause of which is the following: ``Congress disapproves of the action relating to the application of sanctions imposed with respect to the Russian Federation proposed by the President in the report submitted to Congress under section 216(a)(1) of the Russia Sanctions Review Act of 2017 on \_\_\_\_\_\_\_ relating to \_\_\_\_\_\_\_\_.'', with the first blank space being filled with the appropriate date and the second blank space being filled with a short description of the proposed action. (3) Introduction.--During the period of 30 calendar days provided for under subsection (b)(1), including any additional period as applicable under the exception provided in subsection (b)(2), a joint resolution of approval or joint resolution of disapproval may be introduced-- (A) in the House of Representatives, by the majority leader or the minority leader; and (B) in the Senate, by the majority leader (or the majority leader's designee) or the minority leader (or the minority leader's designee). (4) Floor consideration in house of representatives.-- (A) Reporting and discharge.--If a committee of the House of Representatives to which a joint resolution of approval or joint resolution of disapproval has been referred [[Page S3518]] has not reported the joint resolution within 10 calendar days after the date of referral, that committee shall be discharged from further consideration of the joint resolution. (B) Proceeding to consideration.--Beginning on the third legislative day after each committee to which a joint resolution of approval or joint resolution of disapproval has been referred reports the joint resolution to the House or has been discharged from further consideration of the joint resolution, it shall be in order to move to proceed to consider the joint resolution in the House. All points of order against the motion are waived. Such a motion shall not be in order after the House has disposed of a motion to proceed on the joint resolution. The previous question shall be considered as ordered on the motion to its adoption without intervening motion. The motion shall not be debatable. A motion to reconsider the vote by which the motion is disposed of shall not be in order. (C) Consideration.--The joint resolution of approval or joint resolution of disapproval shall be considered as read. All points of order against the joint resolution and against its consideration are waived. The previous question shall be considered as ordered on the joint resolution to final passage without intervening motion except 2 hours of debate equally divided and controlled by the sponsor of the joint resolution (or a designee) and an opponent. A motion to reconsider the vote on passage of the joint resolution shall not be in order. (5) Consideration in the senate.-- (A) Committee referral.--A joint resolution of approval or joint resolution of disapproval introduced in the Senate shall be-- (i) referred to the Committee on Banking, Housing, and Urban Affairs if the joint resolution relates to a report under section 216 A3 that is described as an action that is not intended to significantly alter United States foreign policy with regard to the Russian Federation; and (ii) referred to the Committee on Foreign Relations if the joint resolution relates to a report under section 216 A3 that is described as an action that is intended to significantly alter United States foreign policy with respect to the Russian Federation. (B) Reporting and discharge.--If the committee to which a joint resolution of approval or joint resolution of disapproval was referred has not reported the joint resolution within 10 calendar days after the date of referral of the joint resolution, that committee shall be discharged from further consideration of the joint resolution and the joint resolution shall be placed on the appropriate calendar. (C) Proceeding to consideration.--Notwithstanding Rule XXII of the Standing Rules of the Senate, it is in order at any time after the Committee on Banking, Housing, and Urban Affairs or the Committee on Foreign Relations, as the case may be, reports a joint resolution of approval or joint resolution of disapproval to the Senate or has been discharged from consideration of such a joint resolution (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived. The motion to proceed is not debatable. The motion is not subject to a motion to postpone. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. (D) Rulings of the chair on procedure.--Appeals from the decisions of the Chair relating to the application of the rules of the Senate, as the case may be, to the procedure relating to a joint resolution of approval or joint resolution of disapproval shall be decided without debate. (E) Consideration of veto messages.--Debate in the Senate of any veto message with respect to a joint resolution of approval or joint resolution of disapproval, including all debatable motions and appeals in connection with the joint resolution, shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees. (6) Rules relating to senate and house of representatives.-- (A) Coordination with action by other house.--If, before the passage by one House of a joint resolution of approval or joint resolution of disapproval of that House, that House receives an identical joint resolution from the other House, the following procedures shall apply: (i) The joint resolution of the other House shall not be referred to a committee. (ii) With respect to the joint resolution of the House receiving the joint resolution from the other House-- (I) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but (II) the vote on passage shall be on the joint resolution of the other House. (B) Treatment of a joint resolution of other house.--If one House fails to introduce a joint resolution of approval or joint resolution of disapproval, a joint resolution of approval or joint resolution of disapproval of the other House shall be entitled to expedited procedures in that House under this subsection. (C) Treatment of house joint resolution in senate.--If, following passage of a joint resolution of approval or joint resolution of disapproval in the Senate, the Senate receives an identical joint resolution from the House of Representatives, that joint resolution shall be placed on the appropriate Senate calendar. (D) Application to revenue measures.--The provisions of this paragraph shall not apply in the House of Representatives to a joint resolution of approval or joint resolution of disapproval that is a revenue measure. (7) Rules of house of representatives and senate.--This subsection is enacted by Congress-- (A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution of approval or joint resolution of disapproval, and supersedes other rules only to the extent that it is inconsistent with such rules; and (B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House. (d) Appropriate Congressional Committees and Leadership Defined.--In this section, the term ``appropriate congressional committees and leadership'' means-- (1) the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, and the majority and minority leaders of the Senate; and (2) the Committee on Financial Services, the Committee on Foreign Affairs, and the Speaker, the majority leader, and the minority leader of the House of Representatives. PART II--SANCTIONS WITH RESPECT TO THE RUSSIAN FEDERATION SEC. 221. DEFINITIONS. In this part: (1) Appropriate congressional committees.--The term ``appropriate congressional committees'' means-- (A) the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, and the Committee on Finance of the Senate; and (B) the Committee on Foreign Affairs, the Committee on Financial Services, and the Committee on Ways and Means of the House of Representatives. (2) Good.--The term ``good'' has the meaning given that term in section 16 of the Export Administration Act of 1979 (50 U.S.C 4618) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.)). (3) International financial institution.--The term ``international financial institution'' has the meaning given that term in section 1701(c) of the International Financial Institutions Act (22 U.S.C 262r(c)). (4) Knowingly.--The term ``knowingly'', with respect to conduct, a circumstance, or a result, means that a person has actual knowledge, or should have known, of the conduct, the circumstance, or the result. (5) Person.--The term ``person'' means an individual or entity. (6) United states person.--The term ``United States person'' means-- (A) a United States citizen or an alien lawfully admitted for permanent residence to the United States; or (B) an entity organized under the laws of the United States or of any jurisdiction within the United States, including a foreign branch of such an entity. SEC. 222. CODIFICATION OF SANCTIONS RELATING TO THE RUSSIAN FEDERATION. (a) Codification.--United States sanctions provided for in Executive Order 13660 (79 Fed. Reg. 13493; relating to blocking property of certain persons contributing to the situation in Ukraine), Executive Order 13661 (79 Fed. Reg. 15535; relating to blocking property of additional persons contributing to the situation in Ukraine), Executive Order 13662 (79 Fed. Reg. 16169; relating to blocking property of additional persons contributing to the situation in Ukraine), Executive Order 13685 (79 Fed. Reg. 77357; relating to blocking property of certain persons and prohibiting certain transactions with respect to the Crimea region of Ukraine), Executive Order 13694 (80 Fed. Reg. 18077; relating to blocking the property of certain persons engaging in significant malicious cyber-enabled activities), and Executive Order 13757 (82 Fed. Reg. 1; relating to taking additional steps to address the national emergency with respect to significant malicious cyber-enabled activities), as in effect on the day before the date of the enactment of this Act, including with respect to all persons sanctioned under such Executive Orders, shall remain in effect except as provided in subsection (b). (b) Termination of Certain Sanctions.--Subject to section 216, the President may terminate the application of sanctions described in subsection (a) that are imposed on a person in connection with activity conducted by the person if the President submits to the appropriate congressional committees a notice that-- (1) the person is not engaging in the activity that was the basis for the sanctions or has taken significant verifiable steps toward stopping the activity; and (2) the President has received reliable assurances that the person will not knowingly engage in activity subject to sanctions described in subsection (a) in the future. (c) Application of New Cyber Sanctions.--The President may waive the initial application under subsection (a) of sanctions with respect to a person under Executive [[Page S3519]] Order 13694 or 13757 only if the President submits to the appropriate congressional committees-- (1) a written determination that the waiver-- (A) is in the vital national security interests of the United States; or (B) will further the enforcement of this title; and (2) a certification that the Government of the Russian Federation has made significant efforts to reduce the number and intensity of cyber intrusions conducted by that Government. (d) Application of New Ukraine-related Sanctions.--The President may waive the initial application under subsection (a) of sanctions with respect to a person under Executive Order 13660, 13661, 13662, or 13685 only if the President submits to the appropriate congressional committees-- (1) a written determination that the waiver-- (A) is in the vital national security interests of the United States; or (B) will further the enforcement of this title; and (2) a certification that the Government of the Russian Federation is taking steps to implement the Minsk Agreement to address the ongoing conflict in eastern Ukraine, signed in Minsk, Belarus, on February 11, 2015, by the leaders of Ukraine, Russia, France, and Germany, the Minsk Protocol, which was agreed to on September 5, 2014, and any successor agreements that are agreed to by the Government of Ukraine. SEC. 223. MODIFICATION OF IMPLEMENTATION OF EXECUTIVE ORDER 13662. (a) Determination That Certain Entities Are Subject to Sanctions.--The Secretary of the Treasury may determine that a person meets one or more of the criteria in section 1(a) of Executive Order 13662 if that person is a state-owned entity operating in the railway, shipping, or metals and mining sector of the economy of the Russian Federation. (b) Modification of Directive 1 With Respect to the Financial Services Sector of the Russian Federation Economy.--The Director of the Office of Foreign Assets Control shall modify Directive 1 (as amended), dated September 12, 2014, issued by the Office of Foreign Assets Control under Executive Order 13662, or any successor directive, to ensure that the directive prohibits the conduct by United States persons or persons within the United States of all transactions in, provision of financing for, and other dealings in new debt of longer than 14 days maturity or new equity of persons determined to be subject to the directive, their property, or their interests in property. (c) Modification of Directive 2 With Respect to the Energy Sector of the Russian Federation Economy.--The Director of the Office of Foreign Assets Control shall modify Directive 2 (as amended), dated September 12, 2014, issued by the Office of Foreign Assets Control under Executive Order 13662, or any successor directive, to ensure that the directive prohibits the conduct by United States persons or persons within the United States of all transactions in, provision of financing for, and other dealings in new debt of longer than 30 days maturity of persons determined to be subject to the directive, their property, or their interests in property. (d) Modification of Directive 4.--The Director of the Office of Foreign Assets Control shall modify Directive 4, dated September 12, 2014, issued by the Office of Foreign Assets Control under Executive Order 13662, or any successor directive, to ensure that the directive prohibits the provision, exportation, or reexportation, directly or indirectly, by United States persons or persons within the United States, of goods, services (except for financial services), or technology in support of exploration or production for deepwater, Arctic offshore, or shale projects-- (1) that have the potential to ***produce*** oil; (2) in which a Russian energy firm is involved; and (3) that involve any person determined to be subject to the directive or the property or interests in property of such a person. SEC. 224. IMPOSITION OF SANCTIONS WITH RESPECT TO ACTIVITIES OF THE RUSSIAN FEDERATION UNDERMINING CYBERSECURITY. (a) In General.--On and after the date that is 60 days after the date of the enactment of this Act, the President shall-- (1) impose the sanctions described in subsection (b) with respect to any person that the President determines-- (A) knowingly engages in significant activities undermining cybersecurity against any person, including a democratic institution, or government on behalf of the Government of the Russian Federation; or (B) is owned or controlled by, or acts or purports to act for or on behalf of, directly or indirectly, a person described in subparagraph (A); (2) impose 5 or more of the sanctions described in section 235 with respect to any person that the President determines knowingly materially assists, sponsors, or provides financial, material, or technological support for, or goods or services (except financial services) in support of, an activity described in paragraph (1)(A); and (3) impose 3 or more of the sanctions described in section 4(c) of the of the Ukraine Freedom Support Act of 2014 (22 U.S.C 8923(c)) with respect to any person that the President determines knowingly provides financial services in support of an activity described in paragraph (1)(A). (b) Sanctions Described.--The sanctions described in this subsection are the following: (1) Asset blocking.--The exercise of all powers granted to the President by the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.) to the extent necessary to block and prohibit all transactions in all property and interests in property of a person determined by the President to be subject to subsection (a)(1) if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person. (2) Exclusion from the united states and revocation of visa or other documentation.--In the case of an alien determined by the President to be subject to subsection (a)(1), denial of a visa to, and exclusion from the United States of, the alien, and revocation in accordance with section 221(i) of the Immigration and Nationality Act (8 U.S.C 1201(i)), of any visa or other documentation of the alien. (c) Application of New Cyber Sanctions.--The President may waive the initial application under subsection (a) of sanctions with respect to a person only if the President submits to the appropriate congressional committees-- (1) a written determination that the waiver-- (A) is in the vital national security interests of the United States; or (B) will further the enforcement of this title; and (2) a certification that the Government of the Russian Federation has made significant efforts to reduce the number and intensity of cyber intrusions conducted by that Government. (d) Significant Activities Undermining Cybersecurity Defined.--In this section, the term ``significant activities undermining cybersecurity'' includes-- (1) significant efforts-- (A) to deny access to or degrade, disrupt, or destroy an information and communications technology system or network; or (B) to exfiltrate, degrade, corrupt, destroy, or release information from such a system or network without authorization for purposes of-- (i) conducting influence operations; or (ii) causing a significant misappropriation of funds, economic resources, trade secrets, personal identifications, or financial information for commercial or competitive advantage or private financial gain; (2) significant destructive malware attacks; and (3) significant denial of service activities. SEC. 225. IMPOSITION OF SANCTIONS RELATING TO SPECIAL RUSSIAN CRUDE OIL PROJECTS. Section 4(b)(1) of the Ukraine Freedom Support Act of 2014 (22 U.S.C 8923(b)(1)) is amended by striking ``on and after the date that is 45 days after the date of the enactment of this Act, the President may impose'' and inserting ``on and after the date that is 30 days after the date of the enactment of the Countering Russian Influence in Europe and Eurasia Act of 2017, the President shall impose, unless the President determines that it is not in the national interest of the United States to do so,''. SEC. 226. IMPOSITION OF SANCTIONS WITH RESPECT TO RUSSIAN AND OTHER FOREIGN FINANCIAL INSTITUTIONS. Section 5 of the Ukraine Freedom Support Act of 2014 (22 U.S.C 8924) is amended-- (1) in subsection (a)-- (A) by striking ``may impose'' and inserting ``shall impose, unless the President determines that it is not in the national interest of the United States to do so,''; and (B) by striking ``on or after the date of the enactment of this Act'' and inserting ``on or after the date of the enactment of the Countering Russian Influence in Europe and Eurasia Act of 2017''; and (2) in subsection (b)-- (A) by striking ``may impose'' and inserting ``shall impose, unless the President determines that it is not in the national interest of the United States to do so,''; and (B) by striking ``on or after the date that is 180 days after the date of the enactment of this Act'' and inserting ``on or after the date that is 30 days after the date of the enactment of the Countering Russian Influence in Europe and Eurasia Act of 2017''. SEC. 227. MANDATORY IMPOSITION OF SANCTIONS WITH RESPECT TO SIGNIFICANT CORRUPTION IN THE RUSSIAN FEDERATION. Section 9 of the Sovereignty, Integrity, Democracy, and Economic Stability of Ukraine Act of 2014 (22 U.S.C 8908(a)) is amended-- (1) in subsection (a)-- (A) in the matter preceding paragraph (1), by striking ``is authorized and encouraged to'' and inserting ``shall''; and (B) in paragraph (1)-- (i) by striking ``President determines is'' and inserting ``President determines is, on or after the date of the enactment of the Countering Russian Influence in Europe and Eurasia Act of 2017,''; and (ii) by inserting ``or elsewhere'' after ``in the Russian Federation''; (2) by redesignating subsection (d) as subsection (e); (3) in subsection (c), by striking ``The President'' and inserting ``except as provided in subsection (d), the President''; and (4) by inserting after subsection (c) the following: ``(d) Application of New Sanctions.--The President may waive the initial application [[Page S3520]] of sanctions under subsection (b) with respect to a person only if the President submits to the appropriate congressional committees-- ``(1) a written determination that the waiver-- ``(A) is in the vital national security interests of the United States; or ``(B) will further the enforcement of this Act; and ``(2) a certification that the Government of the Russian Federation is taking steps to implement the Minsk Agreement to address the ongoing conflict in eastern Ukraine, signed in Minsk, Belarus, on February 11, 2015, by the leaders of Ukraine, Russia, France, and Germany, the Minsk Protocol, which was agreed to on September 5, 2014, and any successor agreements that are agreed to by the Government of Ukraine.''. SEC. 228. MANDATORY IMPOSITION OF SANCTIONS WITH RESPECT TO CERTAIN TRANSACTIONS WITH FOREIGN SANCTIONS EVADERS AND SERIOUS HUMAN RIGHTS ABUSERS IN THE RUSSIAN FEDERATION. (a) In General.--The Support for the Sovereignty, Integrity, Democracy, and Economic Stability of Ukraine Act of 2014 (22 U.S.C 8901 et seq.) is amended by adding at the end the following: ``SEC. 10. MANDATORY IMPOSITION OF SANCTIONS WITH RESPECT TO CERTAIN TRANSACTIONS WITH PERSONS THAT EVADE SANCTIONS IMPOSED WITH RESPECT TO THE RUSSIAN FEDERATION. ``(a) In General.--The President shall impose the sanctions described in subsection (b) with respect to a foreign person if the President determines that the foreign person knowingly, on or after the date of the enactment of the Countering Russian Influence in Europe and Eurasia Act of 2017-- ``(1) materially violates, attempts to violate, conspires to violate, or causes a violation of any license, order, regulation, or prohibition contained in or issued pursuant to any covered Executive order; or ``(2) facilitates significant deceptive or structured transactions for or on behalf of-- ``(A) any person subject to sanctions imposed by the United States with respect to the Russian Federation; or ``(B) any child, spouse, parent, or sibling of an individual described in subparagraph (A). ``(b) Sanctions Described.--The sanctions described in this subsection are the exercise of all powers granted to the President by the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.) to the extent necessary to block and prohibit all transactions in all property and interests in property of a person determined by the President to be subject to subsection (a) if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person. ``(c) Implementation; Penalties.-- ``(1) Implementation.--The President may exercise all authorities provided to the President under sections 203 and 205 of the International Emergency Economic Powers Act (50 U.S.C 1702 and 1704) to carry out subsection (b). ``(2) Penalties.--A person that violates, attempts to violate, conspires to violate, or causes a violation of subsection (b) or any regulation, license, or order issued to carry out subsection (b) shall be subject to the penalties set forth in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C 1705) to the same extent as a person that commits an unlawful act described in subsection (a) of that section. ``(d) Application of New Sanctions.--The President may waive the initial application of sanctions under subsection (b) with respect to a person only if the President submits to the appropriate congressional committees-- ``(1) a written determination that the waiver-- ``(A) is in the vital national security interests of the United States; or ``(B) will further the enforcement of this Act; ``(2) in the case of sanctions imposed under this section in connection with a covered Executive order described in subparagraph (A), (B), (C), or (D) of subsection (f)(1), a certification that the Government of the Russian Federation is taking steps to implement the Minsk Agreement to address the ongoing conflict in eastern Ukraine, signed in Minsk, Belarus, on February 11, 2015, by the leaders of Ukraine, Russia, France, and Germany, the Minsk Protocol, which was agreed to on September 5, 2014, and any successor agreements that are agreed to by the Government of Ukraine; and ``(3) in the case of sanctions imposed under this section in connection with a covered Executive order described in subparagraphs (E) or (F) of subsection (f)(1), a certification that the Government of the Russian Federation has made significant efforts to reduce the number and intensity of cyber intrusions conducted by that Government. ``(e) Termination.--Subject to section 216 of the Russia Sanctions Review Act of 2017, the President may terminate the application of sanctions under subsection (b) with respect to a person if the President submits to the appropriate congressional committees-- ``(1) a notice of and justification for the termination; and ``(2) a notice that-- ``(A) the person is not engaging in the activity that was the basis for the sanctions or has taken significant verifiable steps toward stopping the activity; and ``(B) the President has received reliable assurances that the person will not knowingly engage in activity subject to sanctions under subsection (a) in the future. ``(f) Definitions.--In this section: ``(1) Covered executive order.--The term `covered Executive order' means any of the following: ``(A) Executive Order 13660 (79 Fed. Reg. 13493; relating to blocking property of certain persons contributing to the situation in Ukraine). ``(B) Executive Order 13661 (79 Fed. Reg. 15535; relating to blocking property of additional persons contributing to the situation in Ukraine). ``(C) Executive Order 13662 (79 Fed. Reg. 16169; relating to blocking property of additional persons contributing to the situation in Ukraine). ``(D) Executive Order 13685 (79 Fed. Reg. 77357; relating to blocking property of certain persons and prohibiting certain transactions with respect to the Crimea region of Ukraine). ``(E) Executive Order 13694 (80 Fed. Reg. 18077; relating to blocking the property of certain persons engaging in significant malicious cyber-enabled activities). ``(F) Executive Order 13757 (82 Fed. Reg. 1; relating to taking additional steps to address the national emergency with respect to significant malicious cyber-enabled activities). ``(2) Foreign person.--The term `foreign person' has the meaning given such term in section 595.304 of title 31, Code of Federal Regulations (as in effect on the date of the enactment of the Countering Russian Influence in Europe and Eurasia Act of 2017). ``(3) Structured.--The term `structured', with respect to a transaction, has the meaning given the term `structure' in paragraph (xx) of section 1010.100 of title 31, Code of Federal Regulations (or any corresponding similar regulation or ruling). ``SEC. 11. MANDATORY IMPOSITION OF SANCTIONS WITH RESPECT TO TRANSACTIONS WITH PERSONS RESPONSIBLE FOR HUMAN RIGHTS ABUSES. ``(a) In General.--The President shall impose the sanctions described in subsection (b) with respect to a foreign person if the President determines that the foreign person, based on credible information, on or after the date of the enactment of the Countering Russian Influence in Europe and Eurasia Act of 2017-- ``(1) is responsible for, complicit in, or responsible for ordering, controlling, or otherwise directing, the commission of serious human rights abuses in any territory forcibly occupied or otherwise controlled by the Government of the Russian Federation; ``(2) materially assists, sponsors, or provides financial, material, or technological support for, or goods or services to, a foreign person described in paragraph (1); or ``(3) is owned or controlled by, or acts or purports to act for or on behalf of, directly or indirectly, a foreign person described in paragraph (1). ``(b) Sanctions Described.-- ``(1) Asset blocking.--The exercise of all powers granted to the President by the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.) to the extent necessary to block and prohibit all transactions in all property and interests in property of a person determined by the President to be subject to subsection (a) if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person. ``(2) Exclusion from the united states and revocation of visa or other documentation.--In the case of an alien determined by the President to be subject to subsection (a), denial of a visa to, and exclusion from the United States of, the alien, and revocation in accordance with section 221(i) of the Immigration and Nationality Act (8 U.S.C 1201(i)), of any visa or other documentation of the alien. ``(c) Application of New Sanctions.--The President may waive the initial application of sanctions under subsection (b) with respect to a person only if the President submits to the appropriate congressional committees-- ``(1) a written determination that the waiver-- ``(A) is in the vital national security interests of the United States; or ``(B) will further the enforcement of this Act; and ``(2) a certification that the Government of the Russian Federation has made efforts to reduce serious human rights abuses in territory forcibly occupied or otherwise controlled by that Government. ``(d) Implementation; Penalties.-- ``(1) Implementation.--The President may exercise all authorities provided to the President under sections 203 and 205 of the International Emergency Economic Powers Act (50 U.S.C 1702 and 1704) to carry out subsection (b)(1). ``(2) Penalties.--A person that violates, attempts to violate, conspires to violate, or causes a violation of subsection (b)(1) or any regulation, license, or order issued to carry out subsection (b)(1) shall be subject to the penalties set forth in subsections (b) and (c) of section 206 of the International Emergency Economic Powers Act (50 U.S.C 1705) to the same extent as a person that commits an unlawful act described in subsection (a) of that section. ``(e) Termination.--Subject to section 216 of the Russia Sanctions Review Act of 2017, [[Page S3521]] the President may terminate the application of sanctions under subsection (b) with respect to a person if the President submits to the appropriate congressional committees-- ``(1) a notice of and justification for the termination; and ``(2) a notice-- ``(A) that-- ``(i) the person is not engaging in the activity that was the basis for the sanctions or has taken significant verifiable steps toward stopping the activity; and ``(ii) the President has received reliable assurances that the person will not knowingly engage in activity subject to sanctions under subsection (a) in the future; or ``(B) that the President determines that insufficient basis exists for the determination by the President under subsection (a) with respect to the person.''. (b) Definition of Appropriate Congressional Committees.-- Section 2(2) of the Support for the Sovereignty, Integrity, Democracy, and Economic Stability of Ukraine Act of 2014 (22 U.S.C 8901(2)) is amended-- (1) in subparagraph (A), by inserting ``the Committee on Banking, Housing, and Urban Affairs,'' before ``the Committee on Foreign Relations''; and (2) in subparagraph (B), by inserting ``the Committee on Financial Services'' before ``the Committee on Foreign Affairs''. SEC. 229. NOTIFICATIONS TO CONGRESS UNDER UKRAINE FREEDOM SUPPORT ACT OF 2014. (a) Sanctions Relating to Defense and Energy Sectors of the Russian Federation.--Section 4 of the Ukraine Freedom Support Act of 2014 (22 U.S.C 8923) is amended-- (1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; (2) by inserting after subsection (f) the following: ``(g) Notifications and Certifications to Congress.-- ``(1) Imposition of sanctions.--The President shall notify the appropriate congressional committees in writing not later than 15 days after imposing sanctions with respect to a foreign person under subsection (a) or (b). ``(2) Termination of sanctions with respect to russian ***producers***, transferors, or brokers of defense articles.-- Subject to section 216 of the Russia Sanctions Review Act of 2017, the President may terminate the imposition of sanctions under subsection (a)(2) with respect to a foreign person if the President submits to the appropriate congressional committees-- ``(A) a notice of and justification for the termination; and ``(B) a notice that-- ``(i) the foreign person is not engaging in the activity that was the basis for the sanctions or has taken significant verifiable steps toward stopping the activity; and ``(ii) the President has received reliable assurances that the foreign person will not knowingly engage in activity subject to sanctions under subsection (a)(2) in the future.''; and (3) in subparagraph (B)(ii) of subsection (a)(3), by striking ``subsection (h)'' and inserting ``subsection (i)''. (b) Sanctions on Russian and Other Foreign Financial Institutions.--Section 5 of the Ukraine Freedom Support Act of 2014 (22 U.S.C 8924) is amended-- (1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; (2) by inserting after subsection (d) the following: ``(e) Notification to Congress on Imposition of Sanctions.--The President shall notify the appropriate congressional committees in writing not later than 15 days after imposing sanctions with respect to a foreign financial institution under subsection (a) or (b).''; and (3) in subsection (g), as redesignated by paragraph (1), by striking ``section 4(h)'' and inserting ``section 4(i)''. SEC. 230. STANDARDS FOR TERMINATION OF CERTAIN SANCTIONS WITH RESPECT TO THE RUSSIAN FEDERATION. (a) Sanctions Relating to Undermining the Peace, Security, Stability, Sovereignty, or Territorial Integrity of Ukraine.--Section 8 of the Sovereignty, Integrity, Democracy, and Economic Stability of Ukraine Act of 2014 (22 U.S.C 8907) is amended-- (1) by redesignating subsection (d) as subsection (e); and (2) by inserting after subsection (c) the following: ``(d) Termination.--Subject to section 216 of the Russia Sanctions Review Act of 2017, the President may terminate the application of sanctions under subsection (b) with respect to a person if the President submits to the appropriate congressional committees a notice that-- ``(1) the person is not engaging in the activity that was the basis for the sanctions or has taken significant verifiable steps toward stopping the activity; and ``(2) the President has received reliable assurances that the person will not knowingly engage in activity subject to sanctions under subsection (a) in the future.''. (b) Sanctions Relating to Corruption.--Section 9 of the Sovereignty, Integrity, Democracy, and Economic Stability of Ukraine Act of 2014 (22 U.S.C 8908) is amended-- (1) by redesignating subsection (d) as subsection (e); and (2) by inserting after subsection (c) the following: ``(d) Termination.--Subject to section 216 of the Russia Sanctions Review Act of 2017, the President may terminate the application of sanctions under subsection (b) with respect to a person if the President submits to the appropriate congressional committees a notice that-- ``(1) the person is not engaging in the activity that was the basis for the sanctions or has taken significant verifiable steps toward stopping the activity; and ``(2) the President has received reliable assurances that the person will not knowingly engage in activity subject to sanctions under subsection (a) in the future.''. SEC. 231. IMPOSITION OF SANCTIONS WITH RESPECT TO PERSONS ENGAGING IN TRANSACTIONS WITH THE INTELLIGENCE OR DEFENSE SECTORS OF THE GOVERNMENT OF THE RUSSIAN FEDERATION. (a) In General.--On and after the date that is 180 days after the date of the enactment of this Act, the President shall impose 5 or more of the sanctions described in section 235 with respect to a person the President determines knowingly, on or after such date of enactment, engages in a significant transaction with a person that is part of, or operates for or on behalf of, the defense or intelligence sectors of the Government of the Russian Federation, including the Main Intelligence Agency of the General Staff of the Armed Forces of the Russian Federation or the Federal Security Service of the Russian Federation. (b) Application of New Sanctions.--The President may waive the initial application of sanctions under subsection (a) with respect to a person only if the President submits to the appropriate congressional committees-- (1) a written determination that the waiver-- (A) is in the vital national security interests of the United States; or (B) will further the enforcement of this title; and (2) a certification that the Government of the Russian Federation has made significant efforts to reduce the number and intensity of cyber intrusions conducted by that Government. SEC. 232. SANCTIONS WITH RESPECT TO THE DEVELOPMENT OF PIPELINES IN THE RUSSIAN FEDERATION. (a) In General.--The President may impose 5 or more of the sanctions described in section 235 with respect to a person if the President determines that the person knowingly, on or after the date of the enactment of this Act, makes an investment described in subsection (b) or sells, leases, or provides to the Russian Federation, for the construction of Russian energy export pipelines, goods, services, technology, information, or support described in subsection (c)-- (1) any of which has a fair market value of $1,000,000 or more; or (2) that, during a 12-month period, have an aggregate fair market value of $5,000,000 or more. (b) Investment Described.--An investment described in this subsection is an investment that directly and significantly contributes to the enhancement of the ability of the Russian Federation to construct energy export pipelines. (c) Goods, Services, Technology, Information, or Support Described.--Goods, services, technology, information, or support described in this subsection are goods, services, technology, information, or support that could directly and significantly facilitate the maintenance or expansion of the construction, modernization, or repair of energy pipelines by the Russian Federation. SEC. 233. SANCTIONS WITH RESPECT TO INVESTMENT IN OR FACILITATION OF PRIVATIZATION OF STATE-OWNED ASSETS BY THE RUSSIAN FEDERATION. (a) In General.--The President shall impose 5 or more of the sanctions described in section 235 if the President determines that a person, with actual knowledge, on or after the date of the enactment of this Act, makes an investment of $10,000,000 or more (or any combination of investments of not less than $1,000,000 each, which in the aggregate equals or exceeds $10,000,000 in any 12-month period), or facilitates such an investment, if the investment directly and significantly contributes to the ability of the Russian Federation to privatize state-owned assets in a manner that unjustly benefits-- (1) officials of the Government of the Russian Federation; or (2) close associates or family members of those officials. (b) Application of New Sanctions.--The President may waive the initial application of sanctions under subsection (a) with respect to a person only if the President submits to the appropriate congressional committees-- (1) a written determination that the waiver-- (A) is in the vital national security interests of the United States; or (B) will further the enforcement of this title; and (2) a certification that the Government of the Russian Federation is taking steps to implement the Minsk Agreement to address the ongoing conflict in eastern Ukraine, signed in Minsk, Belarus, on February 11, 2015, by the leaders of Ukraine, Russia, France, and Germany, the Minsk Protocol, which was agreed to on September 5, 2014, and any successor agreements that are agreed to by the Government of Ukraine. SEC. 234. SANCTIONS WITH RESPECT TO THE TRANSFER OF ARMS AND RELATED MATERIEL TO SYRIA. (a) Imposition of Sanctions.-- [[Page S3522]] (1) In general.--The President shall impose on a foreign person the sanctions described in subsection (b) if the President determines that such foreign person has, on or after the date of the enactment of this Act, knowingly exported, transferred, or otherwise provided to Syria significant financial, material, or technological support that contributes materially to the ability of the Government of Syria to-- (A) acquire or develop chemical, biological, or nuclear weapons or related technologies; (B) acquire or develop ballistic or cruise missile capabilities; (C) acquire or develop destabilizing numbers and types of advanced conventional weapons; (D) acquire significant defense articles, defense services, or defense information (as such terms are defined under the Arms Export Control Act (22 U.S.C 2751 et seq.)); or (E) acquire items designated by the President for purposes of the United States Munitions List under section 38(a)(1) of the Arms Export Control Act (22 U.S.C 2778(a)(1)). (2) Applicability to other foreign persons.--The sanctions described in subsection (b) shall also be imposed on any foreign person that-- (A) is a successor entity to a foreign person described in paragraph (1); or (B) is owned or controlled by, or has acted for or on behalf of, a foreign person described in paragraph (1). (b) Sanctions Described.--The sanctions to be imposed on a foreign person described in subsection (a) are the following: (1) Blocking of property.--The President shall exercise all powers granted by the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.) (except that the requirements of section 202 of such Act (50 U.S.C 1701) shall not apply) to the extent necessary to block and prohibit all transactions in all property and interests in property of the foreign person if such property and interests in property are in the United States, come within the United States, or are or come within the possession or control of a United States person. (2) Aliens ineligible for visas, admission, or parole.-- (A) Exclusion from the united states.--If the foreign person is an individual, the Secretary of State shall deny a visa to, and the Secretary of Homeland Security shall exclude from the United States, the foreign person. (B) Current visas revoked.-- (i) In general.--The issuing consular officer, the Secretary of State, or the Secretary of Homeland Security (or a designee of one of such Secretaries) shall revoke any visa or other entry documentation issued to the foreign person regardless of when issued. (ii) Effect of revocation.--A revocation under clause (i) shall take effect immediately and shall automatically cancel any other valid visa or entry documentation that is in the possession of the foreign person. (c) Waiver.--Subject to section 216, the President may waive the application of sanctions under subsection (b) with respect to a person if the President determines that such a waiver is in the national security interest of the United States. (d) Definitions.--In this section: (1) Financial, material, or technological support.--The term ``financial, material, or technological support'' has the meaning given such term in section 542.304 of title 31, Code of Federal Regulations (or any corresponding similar regulation or ruling). (2) Foreign person.--The term ``foreign person'' has the meaning given such term in section 594.304 of title 31, Code of Federal Regulations (or any corresponding similar regulation or ruling). (3) Syria.--The term ``Syria'' has the meaning given such term in section 542.316 of title 31, Code of Federal Regulations (or any corresponding similar regulation or ruling). SEC. 235. SANCTIONS DESCRIBED. (a) Sanctions Described.--The sanctions to be imposed with respect to a person under section 224(a)(2), 231(b), 232(a), or 233(a) are the following: (1) Export-import bank assistance for exports to sanctioned persons.--The President may direct the Export-Import Bank of the United States not to give approval to the issuance of any guarantee, insurance, extension of credit, or participation in the extension of credit in connection with the export of any goods or services to the sanctioned person. (2) Export sanction.--The President may order the United States Government not to issue any specific license and not to grant any other specific permission or authority to export any goods or technology to the sanctioned person under-- (A) the Export Administration Act of 1979 (50 U.S.C 4601 et seq.) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.)); (B) the Arms Export Control Act (22 U.S.C 2751 et seq.); (C) the Atomic Energy Act of 1954 (42 U.S.C 2011 et seq.); or (D) any other statute that requires the prior review and approval of the United States Government as a condition for the export or reexport of goods or services. (3) Loans from united states financial institutions.--The President may prohibit any United States financial institution from making loans or providing credits to the sanctioned person totaling more than $10,000,000 in any 12- month period unless the person is engaged in activities to relieve human suffering and the loans or credits are provided for such activities. (4) Loans from international financial institutions.--The President may direct the United States executive director to each international financial institution to use the voice and vote of the United States to oppose any loan from the international financial institution that would benefit the sanctioned person. (5) Prohibitions on financial institutions.--The following prohibitions may be imposed against the sanctioned person if that person is a financial institution: (A) Prohibition on designation as primary dealer.--Neither the Board of Governors of the Federal Reserve System nor the Federal Reserve Bank of New York may designate, or permit the continuation of any prior designation of, the financial institution as a primary dealer in United States Government debt instruments. (B) Prohibition on service as a repository of government funds.--The financial institution may not serve as agent of the United States Government or serve as repository for United States Government funds. The imposition of either sanction under subparagraph (A) or (B) shall be treated as 1 sanction for purposes of subsection (b), and the imposition of both such sanctions shall be treated as 2 sanctions for purposes of subsection (b). (6) Procurement sanction.--The United States Government may not procure, or enter into any contract for the procurement of, any goods or services from the sanctioned person. (7) Foreign exchange.--The President may, pursuant to such regulations as the President may prescribe, prohibit any transactions in foreign exchange that are subject to the jurisdiction of the United States and in which the sanctioned person has any interest. (8) Banking transactions.--The President may, pursuant to such regulations as the President may prescribe, prohibit any transfers of credit or payments between financial institutions or by, through, or to any financial institution, to the extent that such transfers or payments are subject to the jurisdiction of the United States and involve any interest of the sanctioned person. (9) Property transactions.--The President may, pursuant to such regulations as the President may prescribe, prohibit any person from-- (A) acquiring, holding, withholding, using, transferring, withdrawing, transporting, importing, or exporting any property that is subject to the jurisdiction of the United States and with respect to which the sanctioned person has any interest; (B) dealing in or exercising any right, power, or privilege with respect to such property; or (C) conducting any transaction involving such property. (10) Ban on investment in equity or debt of sanctioned person.--The President may, pursuant to such regulations or guidelines as the President may prescribe, prohibit any United States person from investing in or purchasing significant amounts of equity or debt instruments of the sanctioned person. (11) Exclusion of corporate officers.--The President may direct the Secretary of State to deny a visa to, and the Secretary of Homeland Security to exclude from the United States, any alien that the President determines is a corporate officer or principal of, or a shareholder with a controlling interest in, the sanctioned person. (12) Sanctions on principal executive officers.--The President may impose on the principal executive officer or officers of the sanctioned person, or on persons performing similar functions and with similar authorities as such officer or officers, any of the sanctions under this subsection. (b) Sanctioned Person Defined.--In this section, the term ``sanctioned person'' means a person subject to sanctions under section 224(a)(2), 231(b), 232(a), or 233(a). SEC. 236. EXCEPTIONS, WAIVER, AND TERMINATION. (a) Exceptions.--The provisions of this part and amendments made by this part shall not apply with respect to the following: (1) Activities subject to the reporting requirements under title V of the National Security Act of 1947 (50 U.S.C 3091 et seq.), or any authorized intelligence activities of the United States. (2) The admission of an alien to the United States if such admission is necessary to comply with United States obligations under the Agreement between the United Nations and the United States of America regarding the Headquarters of the United Nations, signed at Lake Success June 26, 1947, and entered into force November 21, 1947, under the Convention on Consular Relations, done at Vienna April 24, 1963, and entered into force March 19, 1967, or under other international agreements. (b) Exception Relating to Importation of Goods.--No requirement to impose sanctions under this part or an amendment made by this part shall include the authority to impose sanctions on the importation of goods. (c) Waiver of Sanctions That Are Imposed.--Subject to section 216, if the President imposes sanctions with respect to a person under this part or the amendments made by this part, the President may waive the application of those sanctions if the President determines that such a waiver is in the national security interest of the United States. [[Page S3523]] (d) Termination.--Subject to section 216, the President may terminate the application of sanctions under section 224, 231, 232, 233, or 234 with respect to a person if the President submits to the appropriate congressional committees-- (1) a notice of and justification for the termination; and (2) a notice that-- (A) the person is not engaging in the activity that was the basis for the sanctions or has taken significant verifiable steps toward stopping the activity; and (B) the President has received reliable assurances that the person will not knowingly engage in activity subject to sanctions under this part in the future. SEC. 237. EXCEPTION RELATING TO ACTIVITIES OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION. (a) In General.--This Act and the amendments made by this Act shall not apply with respect to activities of the National Aeronautics and Space Administration. (b) Rule of Construction.--Nothing in this Act or the amendments made by this Act shall be construed to authorize the imposition of any sanction or other condition, limitation, restriction, or prohibition, that directly or indirectly impedes the supply by any entity of the Russian Federation of any product or service, or the procurement of such product or service by any contractor or subcontractor of the United States or any other entity, relating to or in connection with any space launch conducted for-- (1) the National Aeronautics and Space Administration; or (2) any other non-Department of Defense customer. SEC. 238. RULE OF CONSTRUCTION. Nothing in this part or the amendments made by this part shall be construed-- (1) to supersede the limitations or exceptions on the use of rocket engines for national security purposes under section 1608 of the Carl Levin and Howard P. ``Buck'' McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 113-291; 128 Stat. 3626; 10 U.S.C 2271 note), as amended by section 1607 of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114-92; 129 Stat. 1100) and section 1602 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328; 130 Stat. 2582); or (2) to prohibit a contractor or subcontractor of the Department of Defense from acquiring components referred to in such section 1608. PART III--REPORTS SEC. 241. REPORT ON OLIGARCHS AND PARASTATAL ENTITIES OF THE RUSSIAN FEDERATION. (a) In General.--Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Director of National Intelligence and the Secretary of State, shall submit to the appropriate congressional committees a detailed report on the following: (1) Senior foreign political figures and oligarchs in the Russian Federation, including the following: (A) An identification of the most significant senior foreign political figures and oligarchs in the Russian Federation, as determined by their closeness to the Russian regime and their net worth. (B) An assessment of the relationship between individuals identified under subparagraph (A) and President Vladimir Putin or other members of the Russian ruling elite. (C) An identification of any indices of corruption with respect to those individuals. (D) The estimated net worth and known sources of income of those individuals and their family members (including spouses, children, parents, and siblings), including assets, investments, other business interests, and relevant beneficial ownership information. (E) An identification of the non-Russian business affiliations of those individuals. (2) Russian parastatal entities, including an assessment of the following: (A) The emergence of Russian parastatal entities and their role in the economy of the Russian Federation. (B) The leadership structures and beneficial ownership of those entities. (C) The scope of the non-Russian business affiliations of those entities. (3) The exposure of key economic sectors of the United States to Russian politically exposed persons and parastatal entities, including, at a minimum, the banking, securities, insurance, and real estate sectors. (4) The likely effects of imposing debt and equity restrictions on Russian parastatal entities, as well as the anticipated effects of adding Russian parastatal entities to the list of specially designated nationals and blocked persons maintained by the Office of Foreign Assets Control of the Department of the Treasury. (5) The potential impacts of imposing secondary sanctions with respect to Russian oligarchs, Russian state-owned enterprises, and Russian parastatal entities, including impacts on the entities themselves and on the economy of the Russian Federation, as well as on the economies of the United States and allies of the United States. (b) Form of Report.--The report required under subsection (a) shall be submitted in an unclassified form, but may contain a classified annex. (c) Definitions.--In this section: (1) Appropriate congressional committees.--The term ``appropriate congressional committees'' means-- (A) the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, and the Committee on Finance of the Senate; and (B) the Committee on Foreign Affairs, the Committee on Financial Services, and the Committee on Ways and Means of the House of Representatives. (2) Senior foreign political figure.--The term ``senior foreign political figure'' has the meaning given that term in section 1010.605 of title 31, Code of Federal Regulations (or any corresponding similar regulation or ruling). SEC. 242. REPORT ON EFFECTS OF EXPANDING SANCTIONS TO INCLUDE SOVEREIGN DEBT AND DERIVATIVE PRODUCTS. (a) In General.--Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Director of National Intelligence and the Secretary of State, shall submit to the appropriate congressional committees a report describing in detail the potential effects of expanding sanctions under Directive 1 (as amended), dated September 12, 2014, issued by the Office of Foreign Assets Control under Executive Order 13662 (79 Fed. Reg. 16169; relating to blocking property of additional persons contributing to the situation in Ukraine), or any successor directive, to include sovereign debt and the full range of derivative products. (b) Form of Report.--The report required under subsection (a) shall be submitted in an unclassified form, but may contain a classified annex. (c) Appropriate Congressional Committees Defined.--In this section, the term ``appropriate congressional committees'' means-- (1) the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, and the Committee on Finance of the Senate; and (2) the Committee on Foreign Affairs, the Committee on Financial Services, and the Committee on Ways and Means of the House of Representatives. SEC. 243. REPORT ON ILLICIT FINANCE RELATING TO THE RUSSIAN FEDERATION. (a) In General.--Not later than one year after the date of the enactment of this Act, and not later than the end of each one-year period thereafter until 2021, the Secretary of the Treasury shall submit to the appropriate congressional committees a report describing interagency efforts in the United States to combat illicit finance relating to the Russian Federation. (b) Elements.--The report required by subsection (a) shall contain a summary of efforts by the United States to do the following: (1) Identify, investigate, map, and disrupt illicit financial flows linked to the Russian Federation if such flows affect the United States financial system or those of major allies of the United States. (2) Conduct outreach to the private sector, including information sharing efforts to strengthen compliance efforts by entities, including financial institutions, to prevent illicit financial flows described in paragraph (1). (3) Engage and coordinate with allied international partners on illicit finance, especially in Europe, to coordinate efforts to uncover and prosecute the networks responsible for illicit financial flows described in paragraph (1), including examples of that engagement and coordination. (4) Identify foreign sanctions evaders and loopholes within the sanctions regimes of foreign partners of the United States. (5) Expand the number of real estate geographic targeting orders or other regulatory actions, as appropriate, to degrade illicit financial activity relating to the Russian Federation in relation to the financial system of the United States. (6) Provide support to counter those involved in illicit finance relating to the Russian Federation across all appropriate law enforcement, intelligence, regulatory, and financial authorities of the Federal Government, including by imposing sanctions with respect to or prosecuting those involved. (7) In the case of the Department of the Treasury and the Department of Justice, investigate or otherwise develop major cases, including a description of those cases. (c) Briefing.--After submitting a report under this section, the Secretary of the Treasury shall provide briefings to the appropriate congressional committees with respect to that report. (d) Coordination.--The Secretary of the Treasury shall coordinate with the Attorney General, the Director of National Intelligence, the Secretary of Homeland Security, and the Secretary of State in preparing each report under this section. (e) Form.--Each report submitted under this section shall be submitted in unclassified form, but may contain a classified annex. (f) Definitions.--In this section: (1) Appropriate congressional committees.--The term ``appropriate congressional committees'' means-- (A) the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, and the Committee on Finance of the Senate; and (B) the Committee on Foreign Affairs, the Committee on Financial Services, and the Committee on Ways and Means of the House of Representatives. (2) Illicit finance.--The term ``illicit finance'' means the financing of terrorism, [[Page S3524]] narcotics trafficking, or proliferation, money laundering, or other forms of illicit financing domestically or internationally, as defined by the President. Subtitle B--Countering Russian Influence in Europe and Eurasia SEC. 251. FINDINGS. Congress makes the following findings: (1) The Government of the Russian Federation has sought to exert influence throughout Europe and Eurasia, including in the former states of the Soviet Union, by providing resources to political parties, think tanks, and civil society groups that sow distrust in democratic institutions and actors, promote xenophobic and illiberal views, and otherwise undermine European unity. The Government of the Russian Federation has also engaged in well-documented corruption practices as a means toward undermining and buying influence in European and Eurasian countries. (2) The Government of the Russian Federation has largely eliminated a once-vibrant Russian-language independent media sector and severely curtails free and independent media within the borders of the Russian Federation. Russian- language media organizations that are funded and controlled by the Government of the Russian Federation and disseminate information within and outside of the Russian Federation routinely traffic in anti-Western disinformation, while few independent, fact-based media sources provide objective reporting for Russian-speaking audiences inside or outside of the Russian Federation. (3) The Government of the Russian Federation continues to violate its commitments under the Memorandum on Security Assurances in connection with Ukraine's Accession to the Treaty on the Non-Proliferation of Nuclear Weapons, done at Budapest December 5, 1994, and the Conference on Security and Co-operation in Europe Final Act, concluded at Helsinki August 1, 1975 (commonly referred to as the ``Helsinki Final Act''), which laid the ground-work for the establishment of the Organization for Security and Co-operation in Europe, of which the Russian Federation is a member, by its illegal annexation of Crimea in 2014, its illegal occupation of South Ossetia and Abkhazia in Georgia in 2008, and its ongoing destabilizing activities in eastern Ukraine. (4) The Government of the Russian Federation continues to ignore the terms of the August 2008 ceasefire agreement relating to Georgia, which requires the withdrawal of Russian Federation troops, free access by humanitarian groups to the regions of South Ossetia and Abkhazia, and monitoring of the conflict areas by the European Union Monitoring Mission. (5) The Government of the Russian Federation is failing to comply with the terms of the Minsk Agreement to address the ongoing conflict in eastern Ukraine, signed in Minsk, Belarus, on February 11, 2015, by the leaders of Ukraine, Russia, France, and Germany, as well as the Minsk Protocol, which was agreed to on September 5, 2014. (6) The Government of the Russian Federation is-- (A) in violation of the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Elimination of their Intermediate-Range and Shorter-Range Missiles, signed at Washington December 8, 1987, and entered into force June 1, 1988 (commonly known as the ``INF Treaty''); and (B) failing to meet its obligations under the Treaty on Open Skies, done at Helsinki March 24, 1992, and entered into force January 1, 2002 (commonly known as the ``Open Skies Treaty''). SEC. 252. SENSE OF CONGRESS. It is the sense of Congress that-- (1) the Government of the Russian Federation bears responsibility for the continuing violence in Eastern Ukraine, including the death on April 24, 2017, of Joseph Stone, a citizen of the United States working as a monitor for the Organization for Security and Co-operation in Europe; (2) the President should call on the Government of the Russian Federation-- (A) to withdraw all of its forces from the territories of Georgia, Ukraine, and Moldova; (B) to return control of the borders of those territories to their respective governments; and (C) to cease all efforts to undermine the popularly elected governments of those countries; (3) the Government of the Russian Federation has applied, and continues to apply, to the countries and peoples of Georgia and Ukraine, traditional uses of force, intelligence operations, and influence campaigns, which represent clear and present threats to the countries of Europe and Eurasia; (4) in response, the countries of Europe and Eurasia should redouble efforts to build resilience within their institutions, political systems, and civil societies; (5) the United States supports the institutions that the Government of the Russian Federation seeks to undermine, including the North Atlantic Treaty Organization and the European Union; (6) a strong North Atlantic Treaty Organization is critical to maintaining peace and security in Europe and Eurasia; (7) the United States should continue to work with the European Union as a partner against aggression by the Government of the Russian Federation, coordinating aid ***programs***, development assistance, and other counter-Russian efforts; (8) the United States should encourage the establishment of a commission for media freedom within the Council of Europe, modeled on the Venice Commission regarding rule of law issues, that would be chartered to provide governments with expert recommendations on maintaining legal and regulatory regimes supportive of free and independent media and an informed citizenry able to distinguish between fact-based reporting, opinion, and disinformation; (9) in addition to working to strengthen the North Atlantic Treaty Organization and the European Union, the United States should work with the individual countries of Europe and Eurasia-- (A) to identify vulnerabilities to aggression, disinformation, corruption, and so-called hybrid warfare by the Government of the Russian Federation; (B) to establish ***strategic*** and technical ***plans*** for addressing those vulnerabilities; (C) to ensure that the financial systems of those countries are not being used to shield illicit financial activity by officials of the Government of the Russian Federation or individuals in President Vladimir Putin's inner circle who have been enriched through corruption; (D) to investigate and prosecute cases of corruption by Russian actors; and (E) to work toward full compliance with the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (commonly referred to as the ``Anti-Bribery Convention'') of the Organization for Economic Co-operation and Development; and (10) the President of the United States should use the authority of the President to impose sanctions under-- (A) the Sergei Magnitsky Rule of Law Accountability Act of 2012 (title IV of Public Law 112-208; 22 U.S.C 5811 note); and (B) the Global Magnitsky Human Rights Accountability Act (subtitle F of title XII of Public Law 114-328; 22 U.S.C 2656 note). SEC. 253. STATEMENT OF POLICY. The United States, consistent with the principle of ex injuria jus non oritur, supports the policy known as the ``Stimson Doctrine'' and thus does not recognize territorial changes effected by force, including the illegal invasions and occupations of Abkhazia, South Ossetia, Crimea, Eastern Ukraine, and Transnistria. SEC. 254. COORDINATING AID AND ASSISTANCE ACROSS EUROPE AND EURASIA. (a) Authorization of Appropriations.--There are authorized to be appropriated for the Countering Russian Influence Fund $250,000,000 for fiscal years 2018 and 2019. (b) Use of Funds.--Amounts in the Countering Russian Influence Fund shall be used to effectively implement, prioritized in the following order and subject to the availability of funds, the following goals: (1) To assist in protecting critical infrastructure and electoral mechanisms from cyberattacks in the following countries: (A) Countries that are members of the North Atlantic Treaty Organization or the European Union that the Secretary of State determines-- (i) are vulnerable to influence by the Russian Federation; and (ii) lack the economic capability to effectively respond to aggression by the Russian Federation without the support of the United States. (B) Countries that are participating in the enlargement process of the North Atlantic Treaty Organization or the European Union, including Albania, Bosnia and Herzegovina, Georgia, Macedonia, Moldova, Kosovo, Serbia, and Ukraine. (2) To combat corruption, improve the rule of law, and otherwise strengthen independent judiciaries and prosecutors general offices in the countries described in paragraph (1). (3) To respond to the humanitarian crises and instability caused or aggravated by the invasions and occupations of Georgia and Ukraine by the Russian Federation. (4) To improve participatory legislative processes and legal education, political transparency and competition, and compliance with international obligations in the countries described in paragraph (1). (5) To build the capacity of civil society, media, and other nongovernmental organizations countering the influence and propaganda of the Russian Federation to combat corruption, prioritize access to truthful information, and operate freely in all regions in the countries described in paragraph (1). (6) To assist the Secretary of State in executing the functions specified in section 1287(b) of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328; 22 U.S.C 2656 note) for the purposes of recognizing, understanding, exposing, and countering propaganda and disinformation efforts by foreign governments, in coordination with the relevant regional Assistant Secretary or Assistant Secretaries of the Department of State. (c) Revision of Activities for Which Amounts May Be Used.-- The Secretary of State may modify the goals described in subsection (b) if, not later than 15 days before revising such a goal, the Secretary notifies the appropriate congressional committees of the revision. (d) Implementation.-- (1) In general.--The Secretary of State shall, acting through the Coordinator of United States Assistance to Europe and Eurasia (authorized pursuant to section 601 of the Support for East European Democracy [[Page S3525]] (SEED) Act of 1989 (22 U.S.C 5461) and section 102 of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992 (22 U.S.C 5812)), and in consultation with the Administrator for the United States Agency for International Development, the Director of the Global Engagement Center of the Department of State, the Secretary of Defense, the Chairman of the Broadcasting Board of Governors, and the heads of other relevant Federal agencies, coordinate and carry out activities to achieve the goals described in subsection (b). (2) Method.--Activities to achieve the goals described in subsection (b) shall be carried out through-- (A) initiatives of the United States Government; (B) Federal grant ***programs*** such as the Information Access Fund; or (C) nongovernmental or international organizations, such as the Organization for Security and Co-operation in Europe, the National Endowment for Democracy, the Black Sea Trust, the Balkan Trust for Democracy, the Prague Civil Society Centre, the North Atlantic Treaty Organization ***Strategic*** Communications Centre of Excellence, the European Endowment for Democracy, and related organizations. (3) Report on implementation.-- (A) In general.--Not later than April 1 of each year, the Secretary of State, acting through the Coordinator of United States Assistance to Europe and Eurasia, shall submit to the appropriate congressional committees a report on the ***programs*** and activities carried out to achieve the goals described in subsection (b) during the preceding fiscal year. (B) Elements.--Each report required by subparagraph (A) shall include, with respect to each ***program*** or activity described in that subparagraph-- (i) the amount of funding for the ***program*** or activity; (ii) the goal described in subsection (b) to which the ***program*** or activity relates; and (iii) an assessment of whether or not the goal was met. (e) Coordination With Global Partners.-- (1) In general.--In order to maximize cost efficiency, eliminate duplication, and speed the achievement of the goals described in subsection (b), the Secretary of State shall ensure coordination with-- (A) the European Union and its institutions; (B) the governments of countries that are members of the North Atlantic Treaty Organization or the European Union; and (C) international organizations and quasi-governmental funding entities that carry out ***programs*** and activities that seek to accomplish the goals described in subsection (b). (2) Report by secretary of state.--Not later than April 1 of each year, the Secretary of State shall submit to the appropriate congressional committees a report that includes-- (A) the amount of funding provided to each country referred to in subsection (b) by-- (i) the European Union or its institutions; (ii) the government of each country that is a member of the European Union or the North Atlantic Treaty Organization; and (iii) international organizations and quasi-governmental funding entities that carry out ***programs*** and activities that seek to accomplish the goals described in subsection (b); and (B) an assessment of whether the funding described in subparagraph (A) is commensurate with funding provided by the United States for those goals. (f) Rule of Construction.--Nothing in this section shall be construed to apply to or limit United States foreign assistance not provided using amounts available in the Countering Russian Influence Fund. (g) Ensuring Adequate Staffing for Governance Activities.-- In order to ensure that the United States Government is properly focused on combating corruption, improving rule of law, and building the capacity of civil society, media, and other nongovernmental organizations in countries described in subsection (b)(1), the Secretary of State shall establish a pilot ***program*** for Foreign Service officer positions focused on governance and anticorruption activities in such countries. SEC. 255. REPORT ON MEDIA ORGANIZATIONS CONTROLLED AND FUNDED BY THE GOVERNMENT OF THE RUSSIAN FEDERATION. (a) In General.--Not later than 90 days after the date of the enactment of this Act, and annually thereafter, the President shall submit to the appropriate congressional committees a report that includes a description of media organizations that are controlled and funded by the Government of the Russian Federation, and any affiliated entities, whether operating within or outside the Russian Federation, including broadcast and satellite-based television, radio, Internet, and print media organizations. (b) Form of Report.--The report required by subsection (a) shall be submitted in unclassified form but may include a classified annex. SEC. 256. REPORT ON RUSSIAN FEDERATION INFLUENCE ON ELECTIONS IN EUROPE AND EURASIA. (a) In General.--Not later than 90 days after the date of the enactment of this Act, and annually thereafter, the President shall submit to the appropriate congressional committees a report on funds provided by, or funds the use of which was directed by, the Government of the Russian Federation or any Russian person with the intention of influencing the outcome of any election or campaign in any country in Europe or Eurasia during the preceding year, including through direct support to any political party, candidate, lobbying campaign, nongovernmental organization, or civic organization. (b) Form of Report.--Each report required by subsection (a) shall be submitted in unclassified form but may include a classified annex. (c) Russian Person Defined.--In this section, the term ``Russian person'' means-- (1) an individual who is a citizen or national of the Russian Federation; or (2) an entity organized under the laws of the Russian Federation or otherwise subject to the jurisdiction of the Government of the Russian Federation. SEC. 257. UKRANIAN ENERGY SECURITY. (a) Statement of Policy.--It is the policy of the United States-- (1) to support the Government of Ukraine in restoring its sovereign and territorial integrity; (2) to condemn and oppose all of the destabilizing efforts by the Government of the Russian Federation in Ukraine in violation of its obligations and international commitments; (3) to never recognize the illegal annexation of Crimea by the Government of the Russian Federation or the separation of any portion of Ukrainian territory through the use of military force; (4) to deter the Government of the Russian Federation from further destabilizing and invading Ukraine and other independent countries in Central and Eastern Europe and the Caucuses; (5) to assist in promoting reform in regulatory oversight and operations in Ukraine's energy sector, including the establishment and empowerment of an independent regulatory organization; (6) to encourage and support fair competition, market liberalization, and reliability in Ukraine's energy sector; (7) to help Ukraine and United States allies and partners in Europe reduce their dependence on Russian energy resources, especially natural gas, which the Government of the Russian Federation uses as a weapon to coerce, intimidate, and influence other countries; (8) to work with European Union member states and European Union institutions to promote energy security through developing diversified and liberalized energy markets that provide diversified sources, suppliers, and routes; (9) to continue to oppose the NordStream 2 pipeline given its detrimental impacts on the European Union's energy security, gas market development in Central and Eastern Europe, and energy reforms in Ukraine; and (10) that the United States Government should prioritize the export of United States energy resources in order to create American jobs, help United States allies and partners, and strengthen United States foreign policy. (b) ***Plan*** To Promote Energy Security in Ukraine.-- (1) In general.--The Secretary of State, in coordination with the Administrator of the United States Agency for International Development and the Secretary of Energy, shall work with the Government of Ukraine to develop a ***plan*** to increase energy security in Ukraine, increase the amount of energy ***produced*** in Ukraine, and reduce Ukraine's reliance on energy imports from the Russian Federation. (2) Elements.--The ***plan*** developed under paragraph (1) shall include strategies for market liberalization, effective regulation and oversight, supply diversification, energy reliability, and energy efficiency, such as through supporting-- (A) the promotion of advanced technology and modern operating practices in Ukraine's oil and gas sector; (B) modern geophysical and meteorological survey work as needed followed by international tenders to help attract qualified investment into exploration and development of areas with untapped resources in Ukraine; (C) a broadening of Ukraine's electric power transmission interconnection with Europe; (D) the strengthening of Ukraine's capability to maintain electric power grid stability and reliability; (E) independent regulatory oversight and operations of Ukraine's gas market and electricity sector; (F) the implementation of primary gas law including pricing, tariff structure, and legal regulatory implementation; (G) privatization of government owned energy companies through credible legal frameworks and a transparent process compliant with international best practices; (H) procurement and transport of emergency fuel supplies, including reverse pipeline flows from Europe; (I) provision of technical assistance for crisis ***planning***, crisis response, and public outreach; (J) repair of infrastructure to enable the transport of fuel supplies; (K) repair of power generating or power transmission equipment or facilities; and (L) improved building energy efficiency and other measures designed to reduce energy demand in Ukraine. (3) Reports.-- (A) Implementation of ukraine freedom support act of 2014 provisions.--Not later than 180 days after the date of the enactment [[Page S3526]] of this Act, the Secretary of State shall submit to the appropriate congressional committees a report detailing the status of implementing the provisions required under section 7(c) of the Ukraine Freedom Support Act of 2014 (22 U.S.C 8926(c)), including detailing the ***plans*** required under that section, the level of funding that has been allocated to and expended for the strategies set forth under that section, and progress that has been made in implementing the strategies developed pursuant to that section. (B) In general.--Not later than 180 days after the date of the enactment of this Act, and every 180 days thereafter, the Secretary of State shall submit to the appropriate congressional committees a report detailing the ***plan*** developed under paragraph (1), the level of funding that has been allocated to and expended for the strategies set forth in paragraph (2), and progress that has been made in implementing the strategies. (C) Briefings.--The Secretary of State, or a designee of the Secretary, shall brief the appropriate congressional committees not later than 30 days after the submission of each report under subparagraph (B). In addition, the Department of State shall make relevant officials available upon request to brief the appropriate congressional committees on all available information that relates directly or indirectly to Ukraine or energy security in Eastern Europe. (D) Appropriate congressional committees defined.--In this paragraph, the term ``appropriate congressional committees'' means-- (i) the Committee on Foreign Relations and the Committee on Appropriations of the Senate; and (ii) the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives. (c) Supporting Efforts of Countries in Europe and Eurasia To Decrease Their Dependence on Russian Sources of Energy.-- (1) Findings.--Congress makes the following findings: (A) The Government of the Russian Federation uses its strong position in the energy sector as leverage to manipulate the internal politics and foreign relations of the countries of Europe and Eurasia. (B) This influence is based not only on the Russian Federation's oil and natural gas resources, but also on its state-owned nuclear power and electricity companies. (2) Sense of congress.--It is the sense of Congress that-- (A) the United States should assist the efforts of the countries of Europe and Eurasia to enhance their energy security through diversification of energy supplies in order to lessen dependencies on Russian Federation energy resources and state-owned entities; and (B) the Export-Import Bank of the United States and the Overseas Private Investment Corporation should play key roles in supporting critical energy projects that contribute to that goal. (3) Use of countering russian influence fund to provide technical assistance.--Amounts in the Countering Russian Influence Fund pursuant to section 254 shall be used to provide technical advice to countries described in subsection (b)(1) of such section designed to enhance energy security and lessen dependence on energy from Russian Federation sources. (d) Authorization of Appropriations.--There is authorized to be appropriated for the Department of State a total of $30,000,000 for fiscal years 2018 and 2019 to carry out the strategies set forth in subsection (b)(2) and other activities under this section related to the promotion of energy security in Ukraine. (e) Rule of Construction.--Nothing in this section shall be construed as affecting the responsibilities required and authorities provided under section 7 of the Ukraine Freedom Support Act of 2014 (22 U.S.C 8926). SEC. 258. TERMINATION. The provisions of this subtitle shall terminate on the date that is 5 years after the date of the enactment of this Act. SEC. 259. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED. Except as otherwise provided, in this subtitle, the term ``appropriate congressional committees'' means-- (1) the Committee on Foreign Relations, the Committee on Banking, Housing, and Urban Affairs, the Committee on Armed Services, the Committee on Homeland Security and Governmental Affairs, the Committee on Appropriations, and the Select Committee on Intelligence of the Senate; and (2) the Committee on Foreign Affairs, the Committee on Financial Services, the Committee on Armed Services, the Committee on Homeland Security, the Committee on Appropriations, and the Permanent Select Committee on Intelligence of the House of Representatives. Subtitle C--Combating Terrorism and Illicit Financing PART I--NATIONAL STRATEGY FOR COMBATING TERRORIST AND OTHER ILLICIT FINANCING SEC. 261. DEVELOPMENT OF NATIONAL STRATEGY. (a) In General.--The President, acting through the Secretary, shall, in consultation with the Attorney General, the Secretary of State, the Secretary of Homeland Security, the Director of National Intelligence, and the appropriate Federal banking agencies and Federal functional regulators, develop a national strategy for combating the financing of terrorism and related forms of illicit finance. (b) Transmittal to Congress.-- (1) In general.--Not later than one year after the date of the enactment of this Act, the President shall submit to the appropriate congressional committees a comprehensive national strategy developed in accordance with subsection (a). (2) Updates.--Not later than January 31, 2020, and January 31, 2022, the President shall submit to the appropriate congressional committees updated versions of the national strategy submitted under paragraph (1). (c) Separate Presentation of Classified Material.--Any part of the national strategy that involves information that is properly classified under criteria established by the President shall be submitted to Congress separately in a classified annex and, if requested by the chairman or ranking member of one of the appropriate congressional committees, as a briefing at an appropriate level of security. SEC. 262. CONTENTS OF NATIONAL STRATEGY. The strategy described in section 261 shall contain the following: (1) Evaluation of existing efforts.--An assessment of the effectiveness of and ways in which the United States is currently addressing the highest levels of risk of various forms of illicit finance, including those identified in the documents entitled ``2015 National Money Laundering Risk Assessment'' and ``2015 National Terrorist Financing Risk Assessment'', published by the Department of the Treasury and a description of how the strategy is integrated into, and supports, the broader counter terrorism strategy of the United States. (2) Goals, objectives, and priorities.--A comprehensive, research-based, long-range, quantifiable discussion of goals, objectives, and priorities for disrupting and preventing illicit finance activities within and transiting the financial system of the United States that outlines priorities to reduce the incidence, dollar value, and effects of illicit finance. (3) Threats.--An identification of the most significant illicit finance threats to the financial system of the United States. (4) Reviews and proposed changes.--Reviews of enforcement efforts, relevant regulations and relevant provisions of law and, if appropriate, discussions of proposed changes determined to be appropriate to ensure that the United States pursues coordinated and effective efforts at all levels of government, and with international partners of the United States, in the fight against illicit finance. (5) Detection and prosecution initiatives.--A description of efforts to improve, as necessary, detection and prosecution of illicit finance, including efforts to ensure that-- (A) subject to legal restrictions, all appropriate data collected by the Federal Government that is relevant to the efforts described in this section be available in a timely fashion to-- (i) all appropriate Federal departments and agencies; and (ii) as appropriate and consistent with section 314 of the International Money Laundering Abatement and Financial Anti- Terrorism Act of 2001 (31 U.S.C 5311 note), to financial institutions to assist the financial institutions in efforts to comply with laws aimed at curbing illicit finance; and (B) appropriate efforts are undertaken to ensure that Federal departments and agencies charged with reducing and preventing illicit finance make thorough use of publicly available data in furtherance of this effort. (6) The role of the private financial sector in prevention of illicit finance.--A discussion of ways to enhance partnerships between the private financial sector and Federal departments and agencies with regard to the prevention and detection of illicit finance, including-- (A) efforts to facilitate compliance with laws aimed at stopping such illicit finance while maintaining the effectiveness of such efforts; and (B) providing guidance to strengthen internal controls and to adopt on an industry-wide basis more effective policies. (7) Enhancement of intergovernmental cooperation.--A discussion of ways to combat illicit finance by enhancing-- (A) cooperative efforts between and among Federal, State, and local officials, including State regulators, State and local prosecutors, and other law enforcement officials; and (B) cooperative efforts with and between governments of countries and with and between multinational institutions with expertise in fighting illicit finance, including the Financial Action Task Force and the Egmont Group of Financial Intelligence Units. (8) Trend analysis of emerging illicit finance threats.--A discussion of and data regarding trends in illicit finance, including evolving forms of value transfer such as so-called cryptocurrencies, other methods that are computer, telecommunications, or Internet-based, cyber crime, or any other threats that the Secretary may choose to identify. (9) Budget priorities.--A multiyear budget ***plan*** that identifies sufficient resources needed to successfully execute the full range of missions called for in this section. (10) Technology enhancements.--An analysis of current and developing ways to leverage technology to improve the effectiveness [[Page S3527]] of efforts to stop the financing of terrorism and other forms of illicit finance, including better integration of open- source data. PART II--ENHANCING ANTITERRORISM TOOLS OF THE DEPARTMENT OF THE TREASURY SEC. 271. IMPROVING ANTITERROR FINANCE MONITORING OF FUNDS TRANSFERS. (a) Study.-- (1) In general.--To improve the ability of the Department of the Treasury to better track cross-border fund transfers and identify potential financing of terrorist or other forms of illicit finance, the Secretary shall carry out a study to assess-- (A) the potential efficacy of requiring banking regulators to establish a pilot ***program*** to provide technical assistance to depository institutions and credit unions that wish to provide account services to money services businesses serving individuals in Somalia; (B) whether such a pilot ***program*** could be a model for improving the ability of United States persons to make legitimate funds transfers through transparent and easily monitored channels while preserving strict compliance with the Bank Secrecy Act (Public Law 91-508; 84 Stat. 1114) and related controls aimed at stopping money laundering and the financing of terrorism; and (C) consistent with current legal requirements regarding confidential supervisory information, the potential impact of allowing money services businesses to share certain State examination information with depository institutions and credit unions, or whether another appropriate mechanism could be identified to allow a similar exchange of information to give the depository institutions and credit unions a better understanding of whether an individual money services business is adequately meeting its anti-money laundering and counter-terror financing obligations to combat money laundering, the financing of terror, or related illicit finance. (2) Public input.--The Secretary should solicit and consider public input as appropriate in developing the study required under subsection (a). (b) Report.--Not later than 270 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Financial Services and the Committee on Foreign Affairs of the House of Representatives a report that contains all findings and determinations made in carrying out the study required under subsection (a). SEC. 272. SENSE OF CONGRESS ON INTERNATIONAL COOPERATION REGARDING TERRORIST FINANCING INTELLIGENCE. It is the sense of Congress that the Secretary, acting through the Under Secretary for Terrorism and Financial Crimes, should intensify work with foreign partners to help the foreign partners develop intelligence analytic capacities, in a financial intelligence unit, finance ministry, or other appropriate agency, that are-- (1) commensurate to the threats faced by the foreign partner; and (2) designed to better integrate intelligence efforts with the anti-money laundering and counter-terrorist financing regimes of the foreign partner. SEC. 273. EXAMINING THE COUNTER-TERROR FINANCING ROLE OF THE DEPARTMENT OF THE TREASURY IN EMBASSIES. Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs and the Committee on Foreign Relations of the Senate and the Committee on Financial Services and the Committee on Foreign Affairs of the House of Representatives a report that contains-- (1) a list of the United States embassies in which a full- time Department of the Treasury financial attache is stationed and a description of how the interests of the Department of the Treasury relating to terrorist financing and money laundering are addressed (via regional attaches or otherwise) at United States embassies where no such attaches are present; (2) a list of the United States embassies at which the Department of the Treasury has assigned a technical assistance advisor from the Office of Technical Assistance of the Department of the Treasury; (3) an overview of how Department of the Treasury financial attaches and technical assistance advisors assist in efforts to counter illicit finance, to include money laundering, terrorist financing, and proliferation financing; and (4) an overview of patterns, trends, or other issues identified by the Department of the Treasury and whether resources are sufficient to address these issues. SEC. 274. INCLUSION OF SECRETARY OF THE TREASURY ON THE NATIONAL SECURITY COUNCIL. (a) In General.--Section 101(c)(1) of the National Security Act of 1947 (50 U.S.C 3021(c)(1)) is amended by inserting ``the Secretary of the Treasury,'' before ``and such other officers''. (b) Rule of Construction.--The amendment made by subsection (a) may not be construed to authorize the National Security Council to have a professional staff level that exceeds the limitation set forth under section 101(e)(3) of the National Security Act of 1947 (50 U.S.C 3021(e)(3)). SEC. 275. INCLUSION OF ALL FUNDS. (a) In General.--Section 5326 of title 31, United States Code, is amended-- (1) in the heading of such section, by striking ``coin and currency''; (2) in subsection (a)-- (A) by striking ``subtitle and'' and inserting ``subtitle or to''; and (B) in paragraph (1)(A), by striking ``United States coins or currency (or such other monetary instruments as the Secretary may describe in such order)'' and inserting ``funds (as the Secretary may describe in such order),''; and (3) in subsection (b)-- (A) in paragraph (1)(A), by striking ``coins or currency (or monetary instruments)'' and inserting ``funds''; and (B) in paragraph (2), by striking ``coins or currency (or such other monetary instruments as the Secretary may describe in the regulation or order)'' and inserting ``funds (as the Secretary may describe in the regulation or order)''. (b) Clerical Amendment.--The table of contents for chapter 53 of title 31, United States Code, is amended in the item relating to section 5326 by striking ``coin and currency''. PART III--DEFINITIONS SEC. 281. DEFINITIONS. In this subtitle-- (1) the term ``appropriate congressional committees'' means-- (A) the Committee on Banking, Housing, and Urban Affairs, the Committee on Foreign Relations, Committee on Armed Services, Committee on the Judiciary, Committee on Homeland Security and Governmental Affairs, and the Select Committee on Intelligence of the Senate; and (B) the Committee on Financial Services, the Committee on Foreign Affairs, the Committee on Armed Services, the Committee on the Judiciary, Committee on Homeland Security, and the Permanent Select Committee on Intelligence of the House of Representatives; (2) the term ``appropriate Federal banking agencies'' has the meaning given the term in section 3 of the Federal Deposit Insurance Act (12 U.S.C 1813); (3) the term ``Bank Secrecy Act'' means-- (A) section 21 of the Federal Deposit Insurance Act (12 U.S.C 1829b); (B) chapter 2 of title I of Public Law 91-508 (12 U.S.C 1951 et seq.); and (C) subchapter II of chapter 53 of title 31, United States Code; (4) the term ``Federal functional regulator'' has the meaning given that term in section 509 of the Gramm-Leach- Bliley Act (15 U.S.C 6809); (5) the term ``illicit finance'' means the financing of terrorism, narcotics trafficking, or proliferation, money laundering, or other forms of illicit financing domestically or internationally, as defined by the President; (6) the term ``money services business'' has the meaning given the term under section 1010.100 of title 31, Code of Federal Regulations; (7) the term ``Secretary'' means the Secretary of the Treasury; and (8) the term ``State'' means each of the several States, the District of Columbia, and each territory or possession of the United States. Subtitle D--Rule of Construction SEC. 291. RULE OF CONSTRUCTION. Nothing in this title or the amendments made by this title (other than sections 216 and 236(b)) shall be construed to limit the authority of the President under the International Emergency Economic Powers Act (50 U.S.C 1701 et seq.). SEC. 292. SENSE OF SENATE ON THE ***STRATEGIC*** IMPORTANCE OF ARTICLE 5 OF THE NORTH ATLANTIC TREATY. (a) Findings.--The Senate makes the following findings: (1) The principle of collective defense of the North Atlantic Treaty Organization (NATO) is immortalized in Article 5 of the North Atlantic Treaty in which members pledge that ``an armed attack against one or more of them in Europe or North America shall be considered an attack against them all''. (2) For almost 7 decades, the principle of collective defense has effectively served as a ***strategic*** deterrent for the member nations of the North Atlantic Treaty Organization and provided stability throughout the world, strengthening the security of the United States and all 28 other member nations. (3) Following the September 11, 2001, terrorist attacks in New York, Washington, and Pennsylvania, the Alliance agreed to invoke Article 5 for the first time, affirming its commitment to collective defense. (4) Countries that are members of the North Atlantic Treaty Organization have made historic contributions and sacrifices while combating terrorism in Afghanistan through the International Security Assistance Force and the Resolute Support Mission. (5) The recent attacks in the United Kingdom underscore the importance of an international alliance to combat hostile nation states and terrorist groups. (6) At the 2014 NATO summit in Wales, the member countries of the North Atlantic Treaty Organization decided that all countries that are members of NATO would spend an amount equal to 2 percent of their gross domestic product on defense by 2024. [[Page S3528]] (7) Collective defense unites the 29 members of the North Atlantic Treaty Organization, each committing to protecting and supporting one another from external adversaries, which bolsters the North Atlantic Alliance. (b) Sense of Senate.--It is the sense of the Senate-- (1) to express the vital importance of Article 5 of the North Atlantic Treaty, the charter of the North Atlantic Treaty Organization, as it continues to serve as a critical deterrent to potential hostile nations and terrorist organizations; (2) to remember the first and only invocation of Article 5 by the North Atlantic Treaty Organization in support of the United States after the terrorist attacks of September 11, 2001; (3) to affirm that the United States remains fully committed to the North Atlantic Treaty Organization and will honor its obligations enshrined in Article 5; and (4) to condemn any threat to the sovereignty, territorial integrity, freedom, or democracy of any country that is a member of the North Atlantic Treaty Organization. The PRESIDING OFFICER. The majority leader. Amendment No. 255 Mr. McCONNELL. Madam President, I ask unanimous consent that the title amendment at the desk be agreed to. The PRESIDING OFFICER. Without objection, it is so ordered. The amendment (No. 255) was agreed to, as follows: Amend the title so as to read: ``An Act to Provide Congressional Review and to Counter Iranian and Russian Governments' Aggression.''

**Load-Date:** August 1, 2017

**End of Document**



[***Register of Commission documents: Commission staff working document Empowering Development: Implementation of the new European Consensus on Development in energy cooperation Document date: 2017-12-15 COM\_SWD(2017)0482 SEC documents***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5R96-RG01-JDG9-Y416-00000-00&context=1516831)

Impact News Service

December 30, 2017 Saturday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 14636 words

**Body**

Brussels: Public Register European Parliament has issued the following document:

EN EN EUROPEAN COMMISSION Brussels, 15.12.2017 SWD(2017) 482 final COMMISSION STAFF WORKING DOCUMENT Empowering Development: Implementation of the new European Consensus on Development in energy cooperation 2 CONTENTS EXECUTIVE SUMMARY ......................................................................................................................... 3 1. INTRODUCTION: ENERGY IN THE DEVELOPMENT CONTEXT ....................................................... 5 1.1 Billion people in energy poverty ........................................................................................................................... 5 1.2 Climate change as a global challenge to sustainable development .................................................................... 6 1.3 Unlocking the potential of the energy sector ....................................................................................................... 7 1.4 The cost of the required investments ................................................................................................................... 9 2. THE EU IN THE GLOBAL DEVELOPMENT ARENA ....................................................................... 10 2.1 The 2030 Agenda for Sustainable Development ............................................................................................... 10 2.2 The Paris Agreement ........................................................................................................................................... 10 2.3 Addis Ababa Action Agenda (Financing for Development) ............................................................................ 10 2.4 Global Strategy on the European Union's Foreign and Security Policy (EUGS) .......................................... 12 2.5 The international dimension of the EU Energy Union ..................................................................................... 12 2.6 Sustainable energy in the EU policies for development ................................................................................... 13 2.6.1 New European Consensus on Development ................................................................................................... 13 2.6.2 Council conclusions on energy and development ........................................................................................... 13 2.6.3 European External Investment ***Plan*** (EIP) ..................................................................................................... 14 3. EMPOWERING DEVELOPMENT ................................................................................................... 15 3.1 The three 'big bets' for Empowering Development .......................................................................................... 15 3.1.1 Access to energy ............................................................................................................................................. 15 3.1.2 Renewable energy generation and energy efficiency ..................................................................................... 17 3.1.3 Contribution to the fight against climate change ........................................................................................... 17 3.1.4 Crosscutting issue: women and sustainable energy ....................................................................................... 18 3.2 The three methodological drivers for Empowering Development .................................................................. 19 3.2.1 Promoting political ownership & partnerships for implementation ............................................................... 19 3.2.2 Improving governance and reforms of the energy sector ............................................................................... 20 3.2.3 Boosting investment through innovative financial instruments ...................................................................... 23 4. FINANCIAL ASPECTS ................................................................................................................... 25 5. IMPLEMENTATION ...................................................................................................................... 26 5.1 Estimation of impact of EU cooperation in sustainable energy ....................................................................... 26 5.2 Challenges faced .................................................................................................................................................. 26 5.3 Monitoring EU cooperation in sustainable energy ........................................................................................... 27 6. APPLYING THE EMPOWERING DEVELOPMENT APPROACH ....................................................... 28 7. CONCLUSIONS ............................................................................................................................. 29 3 EXECUTIVE SUMMARY Sustainable energy is fundamental to social and economic development and to power sustainable growth.

It is needed to improve livelihoods in developing countries, ensuring access to clean water, cooking, education and healthcare for their people. Energy poverty is also among root causes of migration in search of better livelihoods, whereas sustainable energy powers industry and ***agriculture***. It gives rise to novel business models and services, to creating prosperity, jobs and opportunities at home. At the same time, ensuring that energy is sustainable is essential to protect ecosystems and public health. 'Empowering development' constitutes a response to this complex challenge: it contributes simultaneously to Sustainable Development Goal (SDG) 7 —'access to affordable, reliable, sustainable and modern energy for all by 2030'— as well as to SDG 13 on climate action and the Paris Agreement1. This Staff Working Document (SWD) explains how energy cooperation contributes to the implementation of the new European Consensus on Development2. In particular, it takes forward the special focus the new Consensus puts on the close coordination of the 2030 Agenda for Sustainable Development3 (2030 Agenda) key themes for People: increasing access to affordable energy, Prosperity: benefitting from the high potential of the sustainable energy sector for growth and job creation, both directly (sustainable energy value chain) and through productive uses; and Planet: tackling climate change and addressing environmental degradation. The SWD also draws on the new Consensus Partnership objective, through fostering common action of the EU and its Member states and inclusive multi-stakeholder partnerships for the implementation of the 2030 Agenda. Good examples are the renewed impetus of the Africa-EU Partnership4, the Global Strategy on the EU's Foreign and Security Policy5, and the Energy Union6, including its research and innovation pillar. The SWD also takes into account the Council Conclusions adopted on 28 November 20167 and 6 March 20178. Although the approach laid out in this SWD applies to all development cooperation countries, particular attention is paid to the cooperation with Africa, which represents a privileged 1 United Nations — Framework Convention on Climate Change (2015) Adoption of the Paris Agreement, 21st Conference of the Parties, Paris: United Nations. 2 The New European Consensus on Development — Our World, Our Dignity, Our Future — Joint Statement by the Council and the Representatives of the Governments of the Member States Meeting within the Council, the European Parliament and the European Commission, 7 June 2017. Official Journal of the European Union, C 210, 30.6.2017 3 Transforming our world: the 2030 Agenda for Sustainable Development — Resolution 70/1 adopted by the General Assembly of the United Nations on 25 September 2015. 4 For a renewed impetus of the Africa-EU Partnership — Joint Communication to the European Parliament and the Council, JOIN(2017) 17, 4.5.2017 5 Shared Vision, Common Action: A Stronger Europe — A Global Strategy for the European Union's Foreign And Security Policy, 56 p., June 2016. ([*https://europa.eu/globalstrategy*](https://europa.eu/globalstrategy)). 6 Energy Union package — A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy, COM(2015) 80. See, in particular, Accelerating Clean Energy Innovation, COM(2016) 763. 7 Energy and Development — Council of the European Union 14839/16, 28.11.2016 8 Implementing the EU Global Strategy — strengthening synergies between EU climate and energy diplomacies and elements for priorities for 2017, Council of the European Union 6981/17, 6.3.2017 4 partner. Europe and Africa's fates are interlinked. Africa is as close as 15 kilometres to Europe. Access to affordable and reliable energy services is limited and remains a critical challenge to economic growth and industrialisation in the continent. Africa's energy sector presents vast business and investment opportunities and thus a significant potential for boosting growth and jobs, both domestically as well as in Europe, for example in the field of renewable energy technologies where the EU aspires to be a global leader. In 2014 in sub-Saharan Africa, 609 million people (6 out of 10) do not have access to electricity9 despite substantial progress being made. Furthermore, 75 % of the global population without electricity access will concentrate in rural areas of sub-Saharan Africa by 204010. Sustainable growth in partner countries is promoted through the energy sector, highlighting three areas of particular focus: increase access to energy; increase renewable energy generation and energy efficiency; and contribute to the fight against climate change. These preferences are supported by three drivers: political ownership and partnerships on sustainable energy; unlocking the potential of indigenous sustainable energy resources through adequate regulatory frameworks, market reforms and improvement of the governance of the energy sector; and boosting investments in renewable energy generation and interconnections, notably through innovative financial instruments. Under the 2014-2020 financial perspective, EUR 3.7 billion have been allocated to sustainable energy cooperation for development11 to contribute to the three EU global objectives by 2020 of providing access to energy to about 40 million people, increasing renewable energy generation by about 6.5 gigawatt and contribute to fighting climate change, by saving about 15 million tons of CO2e/year. Of this budget, around EUR 2.7 billion have been allocated to sub-Saharan Africa contributing to the provision of access to energy to about 30 million people, about 5 gigawatt of renewable energy generation, and to saving about 11 million tons of CO2e/year12. Given the size of the investments needed to achieve a universal access to energy, it is necessary to crowd in additional funds, including through the involvement of the private sector. Further efforts are therefore oriented to support the governance of the energy sector and to provide innovative financial mechanisms (blending) to leverage private sector finance. The European External Investment ***Plan*** (EIP)13 is expected to significantly leverage the efforts already launched in this crucial sector. 9 World Bank — State of electricity access report 2017. 10 International Energy Agency —   [*http://www.worldenergyoutlook.org/resources/energydevelopment/energyaccessprojections/*](http://www.worldenergyoutlook.org/resources/energydevelopment/energyaccessprojections/) 11 Indicative allocations done in accordance with existing Commission's Decisions (National and regional indicative ***programmes***, European Development Fund (intra-ACP) and Development Cooperation Instrument (Global public goods and challenges ***programme***). 12 Joint Communication to the European Parliament and the Council for a renewed impetus of the Africa-EU Partnership, JOIN(2017) 17, 4.5.2017 13 Strengthening European Investments for jobs and growth — Towards a second phase of the European Fund for ***Strategic*** Investments and a new European External Investment ***Plan***, Communication from the Commission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank, COM(2016) 581, 14.9.2016 5 1. INTRODUCTION: ENERGY IN THE DEVELOPMENT CONTEXT Without access to energy, there is no development. Increasing sustainable energy services in the developing world offers the opportunity to address poverty, create additional jobs, allow for education, reduce pollution, improve human health and conservation of ecosystems while contributing to climate change mitigation. Energy poverty is one root cause of migration. It is also critical for meeting the targets contained in the Paris Agreement on climate change. 1.1 Billion people in energy poverty Worldwide, about 1.2 billion people have no access to electricity, mainly in rural areas. Up to a billion more have access only to unreliable electricity networks. Women disproportionately bear the burden of energy poverty. The biggest challenges are located on the African continent, where access to electricity in rural areas can be as low as 10-15 % in some countries. Africa is also the only region where, because of demographic pressure, the number of energy poor is increasing over time despite international efforts. Nevertheless, the issue is global and affects many other parts of the world (Figure 1). Modernising economies, demographic growth, changing lifestyles and expectations together with the need for reliable, clean and affordable energy access are expected to require tripling of the electricity supply across Africa by 203014. Figure 1: Trends in population lacking access to electricity (2000-2014). Sub-Saharan Africa is not keeping up with population growth for electricity access (State of electricity access report 2017, International Bank for Reconstruction and Development / World Bank). More than 2.7 billion people, mostly in Asia and Africa, still rely on wood, charcoal, animal dung, crop waste and coal, for cooking and heating. According to the World Health Organisation15, over four million people die prematurely every year from illness attributable to the household air pollution from cooking with solid fuels. The use of such fuels also poses a major burden on sustainable development. Fuel gathering consumes considerable time for women and perpetuate child labour, limiting other productive activities (e.g income generation) and taking children away from school (Figure 2). In less secure environments, women and children are at risk of injury and violence during fuel gathering. Last but not least, black carbon (sooty particles) and methane emitted by inefficient 14 IRENA Africa 2030. 15 WHO — Household air pollution and health, Fact sheet N°292, Updated February 2016. 6 stove combustion are a recognized cause of health impacting indoor pollution and also contributing to climate change16 while wood collection done in a non-sustainable manner risks leading to deforestation and land degradation. At the same time, women are largely absent in the industries that ***produce*** modern sources of renewable energy, comprising only 20 per cent of the workforce17. There are also negative impacts from various types of predominantly large scale energy production: carbon emissions and impacts on air quality, but also loss of land from dam construction and distribution networks, and risks of accidents and spills from storage facilities, amongst others. The focus on sustainable and renewable energy therefore is important to ensure maximum benefits with few trade-offs in other areas. As it is for access to electricity, demographic growth makes the universal adoption of clean cooking facilities also a moving target. Figure 2: Time spent on average per day on firewood collection in Africa. Source: Clean and improved cooking in sub-Saharan Africa — A Landscape Report, World Bank, 2014 (second edition, November 2014). 1.2 Climate change as a global challenge to sustainable development The challenge of climate change threatens development gains and disproportionately affects the poor, thus being 'one of the greatest challenges of our time … Its adverse impacts undermine the ability of all countries to achieve sustainable development'18. Climate change is already exacerbating environmental impacts more than ever before in terms of water crisis, land degradation, food shortage, and affects economic growth, societal cohesion and security19. Energy security is also impacted by climate change – for example hydropower generation can be jeopardised by droughts and energy-related infrastructure could be damaged 16 World Health Organization — Household air pollution and health, Fact sheet N°292, Updated February 2016. 17 UN WOMEN data —   [*http://www.unwomen.org/en/news/stories/2017/6/press-release--un-women-at-expo-2017*](http://www.unwomen.org/en/news/stories/2017/6/press-release--un-women-at-expo-2017). 18 2030 Agenda for Sustainable Development — para. 14. 19 World Economic Forum — Global Risks Report 2016. 7 by severe weather conditions. At the same time, the energy sector represents roughly two-thirds of all anthropogenic greenhouse gases emissions20. Effective action towards a safe and sustainable low-carbon climate-resilient energy system is, consequentially, essential to tackling climate change. 1.3 Unlocking the potential of the energy sector Developing countries are often among those richest on sustainable energy resources, yet experience the highest levels of energy poverty. In most of the developing countries a series of barriers impede the energy sector from benefiting from investments, in particular from private actors that would ensure a rapid expansion of access and renewable energy generation. The EU sustainable energy cooperation is intended to unlock the energy potential of developing partners, by supporting their efforts to overcome barriers to transparent and well-functioning markets and investment-enabling governance. Shared efforts with developing partners would be needed, for example, in order to: • Make legislative frameworks clearer and more predictable and introduce more transparency in the ***planning*** of the necessary infrastructures (electricity generation and grid expansion master ***plans***) ; • Encourage private sector involvement by tackling public control and vertical integration of the energy supply chain; • Enhance the accountability of the sector institutions and operators; Strengthen the financial stability of energy utilities thus alleviating the burden on the government's budget by improving payment recovery and phasing out non-cost-reflective tariffs (Figure 3); an associated issue is a customer base often lacking financial solvency, with low energy consumptions per capita and limited purchasing power, contributing to the low profitability of the sector; • Boost investment in renewables and other climate change mitigation actions by phasing out inefficient subsidies (production and consumption); • Pricing-in pollution, climate change and other negative externalities; • Improve institutional capacities of energy administrations; • Facilitate credit for local investments by enhancing experience/knowledge of the energy sector by local financial institutions; • Enhance technical qualifications of workforce; • Promote cross-border interconnections, as well as harmonised regulations and standards, curtailing the options for international power exchange and regional integration; • Strengthen understanding and knowledge of the potential of energy efficiency, particularly in fossil fuel ***producing*** regions. • Fill the gaps in research and innovation capacities in order to support transition to and steady implementation of a low-carbon energy system in developing countries. 20 IEA's 2015 World Energy Outlook — Special Report on Energy and Climate Change. The Energy sector refers to energy supply, energy transformation (including power generation) and energy consuming sectors (including buildings, industry, transport and ***agriculture***). 8 Figure 3: Comparison of electric supply costs with cash collected in 2014 U.S dollars per kWh billed. Most African utilities do not collect enough cash to cover costs. Source: Masami Kojima and Chris Trimble. Making power affordable for Africa and viable for its utilities. World Bank, 2016. 9 1.4 The cost of the required investments More than USD 1 trillion of annual investment from both public and private sectors will be needed to achieve the goals of universal access to modern energy services and doubling the share of renewable energy and energy efficiency in the global mix by 203021. 21 SE4All Advisory Board's Finance Committee Report Scaling up Finance for Sustainable Energy Investments, 2015,   [*http://www.se4all.org/sites/default/files/SE4All-Advisory-Board-Finance-Committee-Report.pdf*](http://www.se4all.org/sites/default/files/SE4All-Advisory-Board-Finance-Committee-Report.pdf) Annual investment needed to achieve the universal access to modern energy services and doubling the share of energy efficiency and renewable energy in the global mix (   [*http://www.se4all.org/sites/default/files/SE4All-Advisory-Board-Finance-Committee-Report.pdf*](http://www.se4all.org/sites/default/files/SE4All-Advisory-Board-Finance-Committee-Report.pdf)). • USD 50 billion (2011 annual spending was an estimated USD 9 billion) to provide universal energy access mainly in Sub-Saharan Africa, South Asia and East Asia & Pacific. • USD 442-650 billion to double the share of renewable energy from a current baseline of USD 258 billion. Except for Europe all regions need to increase investment to meet targets. The largest annual funding gap by far is in developing Asia. • USD 560 billion to doubling the rate of improvement in energy efficiency (current spending is USD 130 billion). Energy efficiency investment needs to increase by 4.3 relative to current levels, with the greatest opportunities in Europe, developing Asia and North America. IEA's latest estimates indicate that fossil-fuel consumption subsidies worldwide amounted to USD 493 billion in 2014, over four-times the value of subsidies to renewable energy. 10 2. THE EU IN THE GLOBAL DEVELOPMENT ARENA 2.1 The 2030 Agenda for Sustainable Development Sustainable energy has become a high topic of interest for the EU as well as for the international community, as acknowledged by the fact that one of the 17 Sustainable Development Goals (SDG 7, ensure access to affordable, reliable, sustainable and modern energy for all) is specifically dedicated to this objective. In addition, the achievement of SDG 7 is closely linked to that of several other SDGs. The EU is also fully committed to support partner countries in their energy transition towards sustainable energy, low carbon growth and the achievement of SDG 7 and SDG 13. 2.2 The Paris Agreement The Paris Agreement22, which entered into force on 4 November 2016, points to the need of accelerating energy system transformation and creating new opportunities for jobs and growth. Implementation of the Nationally Determined Contributions (NDCs)23 will be closely linked with the achievements of the 2030 Sustainable Development Agenda. The EU has been at the forefront of international efforts towards a global climate deal and will continue to support action to reduce emissions and build resilience to climate change impacts in developing countries. 2.3 Addis Ababa Action Agenda (Financing for Development) The Addis Ababa declaration on Financing for development24, an integral part of the 2030 Agenda, sets out a vision of how development financing should evolve, bringing together a full range of mutually reinforcing means of implementation, including domestic resources, aid and investment. It also put an emphasis on the use of international public finance, including official development assistance, to catalyse additional resource mobilisation from other sources, public and private. The private sector is recognised as a key driver for inclusive growth and job creation25. An appropriate regulatory environment and innovative ways of financing, are recognised to play an important role in leveraging resources —an area in which the EU has been a pioneer. 22 United Nations — Framework Convention on Climate Change (2015) Adoption of the Paris Agreement, 21st Conference of the Parties, Paris: United Nations. 23 The EU Foreign Affairs Council conclusions on European climate diplomacy after COP21 (15 February 2016) recognised the importance to be placed on securing ambitious global implementation of NDCs and identified support for the INDCs as one of the main strands of work to maintain the positive momentum from Paris, taking into account third countries' strategies and circumstances. The EU Environment Council (4 March 2016) also stressed the importance of supporting the implementation of the NDCs. 24 The Addis Ababa Action Agenda of the Third International Conference on Financing for Development (July 2015). 25 A Stronger Role of the Private Sector in Achieving Inclusive and Sustainable Growth in Developing Countries — Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, COM(2014) 263, 13.5.2014 11 The Africa-EU ***strategic*** partnership for energy: 'Energising Africa' The Joint Africa-EU Strategy (JAES) is the formal channel through which the European Union and the African continent work together. It contributes also to the ongoing reflection, launched through the Joint Communication on a renewed partnership with the countries of Africa, the Caribbean and Pacific26. In May 2017, in order to renew the impetus of the Africa-EU partnership27, the EU proposed to take the partnership a step further, and in the energy sector, committed to (i) spur public and private investments in sustainable energy in Africa, in particular in the context of the proposed EIP and (ii) deepen ***strategic*** alliances and collaboration. The African Union-European Union Summit of November 2017 envisages a stronger, deeper and more action-oriented ***strategic*** partnership for more prosperity and stability on the two continents. One of the proposed actions for 2018 to 2020 and beyond, to be coordinated and strengthened with EU Member States and further developed jointly with African partners, in response to Africa's own Agenda 2063, is 'Energising Africa', in which three flagships are proposed: support to the Africa Renewable Energy Initiative (AREI), a high-level platform to facilitate EU and African public-private cooperation, and a new Partnership on Research and Innovation on climate change and sustainable energy. The first flagship is the EU's contribution to the Africa Renewable Energy Initiative (AREI) targets (10 GW) of renewable energy generation capacity by 2020. The objective is to increase Africa's renewable energy generation and access to sustainable energy, in support to the implementation of countries' Nationally Determined Contributions and the objectives of SDG 7, SDG 13 and the Paris Agreement. The second flagship intends to facilitate EU and African public-private cooperation on increased investment in Africa's sustainable energy sector. A high-level platform will be established to improve the business climate and de-risk private investment. In addition it will facilitate knowledge-sharing on innovative business, financing models and best practice on public finance leveraging. The third flagship is the AU-EU Partnership on Research and Innovation on climate change and sustainable energy, which provides a long term framework for cooperation for jointly funded and co-owned climate and energy actions and aims to boost alignment and consolidation of relevant Research and Innovation activities. The roadmap for its implementation foresees five main action fields for joint research in the energy sector (development and integration of renewable energy in the energy system; ***planning*** and modelling future sustainable energy systems; including society as an important stakeholder; market, pricing and business models for future sustainable energy systems; strengthening basic research and technology development) combined with cross-cutting capacity building activity. 26 A renewed partnership with the countries of Africa, the Caribbean and the Pacific — Joint Communication to the European Parliament and the Council, JOIN(2016) 52, 22.11.2016 27 For a renewed impetus of the Africa-EU Partnership — Joint Communication to the European Parliament and the Council, JOIN(2017) 17, 4.5.2017 12 2.4 Global Strategy on the European Union's Foreign and Security Policy (EUGS)28 EU climate and energy diplomacies are fundamental instruments to implement the EU Global Strategy on the European Union's Foreign and Security Policy29. European investments in the field of renewable energy and energy efficiency in Africa will build stronger links between trade, development and security policies in Africa, and blend development efforts with actions notably on energy and climate. As recalled in the Council Conclusions of 6 March 201730, EU climate and energy diplomacies must continue to encourage and back initiatives in vulnerable countries that are affected by the impacts of climate change as well as from lack of or uneven access to, safe and sustainable energy. 2.5 The international dimension of the EU Energy Union The framework strategy for a resilient Energy Union with a forward-looking climate change policy31 calls on the European Union to improve its ability to project its weight on global energy markets and to become number one in renewables. In addition, together with its major partners, the European Union works towards improved global energy architecture, leading to more competitive, transparent and sustainable global energy markets. ***Strategic*** documents implementing the EU energy policy32 emphasise the need for sustainable energy production, efficient energy use, research and innovation activities on climate and clean technologies and modern and adequate infrastructure. The EU is committed to devoting (from 2014 to 2020) at least 20 % of the EU budget to climate change-related actions33. The Commission aims to ensure coherence and complementarity of development actions in the field of energy with efforts in related EU policy areas, such as trade, environment, 28 Shared Vision, Common Action: A Stronger Europe — A global strategy for the European Union's foreign and security policy, High Representative of the Union for Foreign Affairs and Security Policy, June 2016; see Council conclusions on the Global Strategy on the European Union's foreign and security policy, Council of the European Union, 17.10.2016 (13202/16). 29 The Global Strategy for the European Union's Foreign and Security Policy states that, in light of 'the growing interconnections between North and sub-Saharan Africa, as well as between the Horn of Africa and the Middle East, the EU will support cooperation across these sub-regions. This includes fostering triangular relationships across the Red Sea between Europe, the Horn and the Gulf to face shared security challenges and economic opportunities. It means systematically addressing cross-border dynamics in North and West Africa, the Sahel and Lake Chad regions through closer links with the African Union, the Economic Community of Western African States (ECOWAS) and the G5 Sahel'. 30 Implementing the EU Global Strategy — strengthening synergies between EU climate and energy diplomacies and elements for priorities for 2017. Council of the European Union 6981/17, 6.3.2017 31 A Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy — COM(2015) 80. 32 The European Union and its Member States were the first major economy to communicate their INDC on 6 March 2015, setting a target of at least 40 % domestic reduction in greenhouse gases emissions by 2030 compared to 1990. - Energy 2020 — A strategy for competitive, sustainable and secure energy. COM(2010) 639. - A policy framework for climate and energy in the period from 2020 to 2030. COM(2014) 15. - Energy Roadmap 2050, COM (2011)885. - Clean Energy For All Europeans, COM(2016) 860 and EU legislation energy package of 30.11.2016 33 A Budget for Europe 2020. Communication from the

commission to the European Parliament, the Council, the European economic and social Committee and the Committee of the regions — COM(2011) 500, 29.6.2011 This target was recalled when signing the Paris Agreement. 13 migration, employment, ***agriculture*** and research34. In the context of the implementation of the Energy Union package, the EU institutions cooperate in order to ensure a better Policy Coherence for Development. For instance, regarding innovation35, the Energy Union focuses on strengthening ***strategic*** research partnerships and exchanging knowledge, expertise, technology and qualified personnel to support developing and emerging countries in their energy transition. Similarly, the EU uses its trade policy instruments and related technical assistance to encourage third countries to adopt climate-neutral solutions. 2.6 Sustainable energy in the EU policies for development 2.6.1 New European Consensus on Development The new European Consensus on Development36 proposes a shared vision and framework for development cooperation for the EU and its Member States, aligned with the 2030 Agenda. Particular emphasis is put on cross-cutting drivers of development, such as gender equality and youth, sustainable energy and climate action, investment, migration and mobility. Development cooperation will support improving the access for all to clean and affordable energy without damaging the environment. Cooperation with all relevant parties, including the private sector, will be increased on energy demand management, energy efficiency, renewable energy generation and clean technology development and transfer. The new Consensus framework for action reflects the key themes of the 2030 Agenda37. The key theme People encourages supporting the poorest communities in improving access for clean, affordable and sustainable energy, while avoiding any damaging effects on the environment, increasing cooperation with all relevant stakeholders, including the private sector. The mobilisation of private resources for development for safe and clean energy is also relevant for the key theme Prosperity as the sector has significant transformation potential for sustainable development. Energy is a critically important development enabler and is central to solutions for a sustainable Planet in order to fostering the transition to renewable energy to tackle climate change and address environmental degradation. 2.6.2 Council conclusions on energy and development On the 28 November 2016, the Council adopted conclusions on energy and development38, stressing the need for strengthened cooperation and development in energy and setting the objectives of this cooperation. 34 In particular through Horizon 2020 important investments are already foreseen in the years 2018-2020 in line with the recently adopted roadmap for the AU-EU Research and Innovation Partnership for climate change and sustainable energy, to support climate services for climate adaptation in Africa and for the launch of a joint ***programme*** in the area of renewable energy. 35 Accelerating Clean Energy Innovation, COM(2016) 763. 36 The new European Consensus on Development — Our World, Our Dignity, Our Future — Joint Statement by the Council and the Representatives of the Governments of the Member States Meeting within the Council, the European Parliament and the European Commission, 7.6.2017 37 The new European Consensus on Development sets 4 key themes, a framework for common action for the EU and its Member States: People, Planet, Prosperity, and Peace. 38 Energy and Development — Council of the European Union, 14839/16, 28.11.2016 14 2.6.3 European External Investment Plan39 (EIP) As part of the broader efforts the EU is pursuing on the basis of the new Partnership Framework, the EIP complements the Union's development aid, strengthens its partnerships, promotes a new model of active participation of the private sector and contributes to achieving the Sustainable Development Goals. The purpose of the European External Investment ***Plan*** is to provide an integrated and comprehensive structure to finance investments in Africa and the EU neighbourhood. The EIP is based on three pillars: (i) the European Fund for Sustainable Development (EFSD)40, (ii) technical assistance and (iii) improved investment climate and overall policy environment. The EFSD constitutes the integrated financial package of the EIP, combining regional blending facilities and an EFSD Guarantee, backed by an EFSD Guarantee Fund. The EFSD Guarantee follows the same logic as the European Fund for ***Strategic*** Investments (EFSI): use of public funding as a guarantee to attract public and private investment. The European Commission singles out five areas of investment, so-called 'investment windows', in which the first actions of the EIP will be implemented. One of the windows is dedicated to 'Sustainable Energy and Connectivity' – to attract investments in renewable energy, energy efficiency and transport41. 39 Strengthening European Investments for jobs and growth — Towards a second phase of the European Fund for ***Strategic*** Investments and a new European External Investment ***Plan***, Communication from the Commission to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank, COM(2016) 581, 14.9.2016 40 Regulation (EU) 2017/1601 of the European Parliament and of the Council of 26 September 2017 establishing the European Fund for Sustainable Development (EFSD), the EFSD Guarantee and the EFSD Guarantee Fund. 41 The first four other investment windows are: - 'Micro, Small and Medium Sized Enterprises (MSMEs) Financing' – to improve MSME's access to finance. Such businesses are the main employers in Africa and the EU Neighbourhood, and offer important and more sustainable alternatives to the informal economy. - 'Sustainable ***Agriculture***, Rural Entrepreneurs and Agribusiness' – to provide better access to finance for smallholders, cooperatives and micro, small and medium sized enterprises agribusiness, allowing to address food security issues. - 'Sustainable Cities' – to mobilise investments in sustainable urban development of municipal infrastructure, including urban mobility, water, sanitation, waste management, renewable energy services. - 'Digital for Development' – to promote investments in innovative digital solutions for local needs, financial inclusion and decent job creation. 15 3. EMPOWERING DEVELOPMENT The challenges of energy poverty and climate change (addressing SDG 7 and 13) and the opportunities to strengthen the energy sector in developing partner countries are addressed through three 'thematic bets' and three 'methodological drivers'. 3.1 The three 'big bets' for Empowering Development In order for the EU to reach its commitments, implementation of the European Consensus on Development in the area of sustainable energy will focus on: Access to energy Renewable energy generation and energy efficiency Contribution to the fight against climate change 3.1.1 Access to energy Currently, there is not a common internationally agreed definition of 'access to energy' yet42. While acknowledging the work of international partners on a common definition, for the purposes of this document, energy access is considered in a broad sense, taking into account direct new access from new connections or off-grid technologies as well as improved and inferred access resulting from grid rehabilitation, new generation or extension of transmission lines. The objective is to increase access, especially for vulnerable customers (e.g women, youth and the poor), to electricity and modern energy services, including lighting as well as clean/improved cooking systems. Regarding electrification, both grid extensions, including cross-border interconnections and off-grid solutions (from mini-grids to stand-alone systems) are supported. The provision of electricity for productive uses (creation and improvement of economic activities and employment, such as energy for agri-business value chains, MSMEs) is prioritised. In order to ensure quality and sustainability of the energy services that are supported, as a general principle, cost-reflective business models are privileged. The role of natural ecosystems that provide services essential to renewable energy production, such as water provision and regulation for hydropower plants, must be promoted in all energy ***programs***. Robust environmental impact assessments and ***strategic*** impact assessment can help ensure that projects have reduced environmental footprints. 42 IEA 2017 defines energy access as 'a household having reliable and affordable access to both clean cooking facilities and to electricity, which is enough to supply a basic bundle of energy services initially, and then an increasing level of electricity over time to reach the regional average'. The World Bank42 'multi-tier energy access tracking' redefines energy access from a binary count to a multi-dimensional definition as 'the ability to obtain energy that is adequate, available when needed, reliable, of good quality, affordable, legal, convenient, healthy and safe for all required energy applications across households, productive enterprises, and community institutions'. Energy access is measured in the tiered-spectrum, from Tier 0 (no access) to Tier 5 (the highest level of access, that most citizens enjoy in developed countries). 16 Grid extension and off-grid development in Africa Grid extension of the electricity backbones and additional on-grid distribution are crucial actions for increasing access to modern energy, enabling regional integration of power markets (for example African Power Pools), and allowing transboundary energy trade, connecting resources with demand hot spots, optimising return on investments, achieving system efficiencies and balancing consumption and production from variable sources like renewables as well as reinforcing security of power supply. Granting universal access to electricity in a vast continent like Africa cannot realistically be achieved only by extending the electricity grid. The cost of connecting remote villages and sparsely populated areas to the national grid is disproportionally high, while low consumption from village households would yield very little revenue for utilities. Such an option would be too expensive and seriously jeopardise the financial health of utilities in the mid-long term. In addition, many countries apply a subsidised tariff policy instead of a cost reflective tariff policy, with the effect that energy utilities are often in a dire financial situation. The ***planning*** for electrification should take into account financial and technical realities. As a consequence, populations in remote areas risk to be left behind without basic energy services while waiting for the grid to arrive. Innovative solutions allows now for covering most of the electricity needs of remote villages in a sustainable and autonomous way. These solutions range from independent local mini and micro grids, to community managed systems, and stand-alone solar home systems (SHS) combined with portable photovoltaic appliances for light. These systems overcome the distance barrier as they utilise local renewable resources such as hydropower, wind, renewable biogas and in most instances solar power. They can become the main energy source or can be used to hybridise existing power sources (such as diesel generators). Community involvement is important to handle demand side management as well as maintenance, production and distribution aspects. Grid extension and rural electrification ***planning*** should be realistic and predictable in order to allow for evidence-based decision-making (for example, reducing the risk of off-grid investments losing value because the area has been electrified sooner than it was expected). ***Planning*** of rural electrification should carefully define suitable areas for off-grid systems development based on economic and proximity to energy resource criteria. The framework for rural electrification businesses should be conducive to attract local entrepreneurs and private investments as part of a government strategy. Electricity tariffs (on- and off-grid) should be cost covering in order to unlock investments in decentralised electrification—the so called 'off-grid utilities'. Lastly, it is important that local ownership and capacities are developed within the communities. Figure 4: A growing role for mini grids and renewable energy. Opportunities for grid extension, mini grids and distributed renewable energy systems. EUEI PDF and REN21. 17 3.1.2 Renewable energy generation and energy efficiency As a global leader in fostering low carbon economy, the EU considers the development of renewable energy and energy efficiency as part of the solution to fight against climate change and preserve the environment, reduce the air pollution burden on human health, as well as a source of creation of quality jobs. The increased use of renewable energy and energy efficiency is further enhanced by progress achieved in technological development and transfer, including significant cost reductions and digitalisation, and allows a consumer-centred approach. In particular, many developing countries have significant renewable energy potential. According to the international renewable energy agency (IRENA)43, the potential for solar, geothermal, hydro and wind energy in Africa is among the highest in the world. Optimising the use of these resources would shield economies from price volatility of fossil fuels and from foreign currency drain, allowing them to diversify their energy supply and leapfrog the energy transition. With more renewable energy in the energy mix, sustainable growth could be decoupled from harmful emissions causing climate change. Renewable energy is also important to provide energy access through off-grid or mini-grid solutions in both rural and peri-urban areas. Energy efficiency keeps in check growing energy demand and frees up capacity to increase access for those in need. Partner countries are supported in their efforts to increase the energy generation capacity from renewables, and diversify the energy mix by exploiting various renewable energy sources and technologies, according to the most appropriate and efficient solutions available. A particular care is given to ensure the sustainable use of natural resources (including water, land, forests, biomass), especially when possible risks of competition exist, such as for hydro or bioenergy projects. Ensuring consistency with EU policies on environmental and social sustainability is essential in that regard. Circular economy approaches, for instance, contribute to efficient use of resources44 and to reducing energy demand, for example, through increased recycling or efficient use. Beyond energy generation, energy efficiency measures are a key complement tool to reduce energy and resources needs and improve the quality of life. Of course, just as within the EU's borders, partner countries remain in charge of choices on the energy mix that best responds to their energy needs. However, policy dialogue plays a crucial role in supporting sustainable low carbon energy transitions, and the bulk of available financial support, dedicated to increase the capacity of energy generation, is reserved for sustainable renewable energy projects and hybridisation of existing systems towards more renewables. Setting up conductive and stable regulatory frameworks, building capacity, improving governance and the business environment benefit the entire energy sector. 3.1.3 Contribution to the fight against climate change For many countries, the elaboration of the NDC was the first opportunity to articulate a programmatic vision for low greenhouse gas emissions in line with national development 43 Africa 2030 — Roadmap for a renewable energy future, IRENA, 72 p., 2015. 44 As mentioned in the Report on the implementation of the Circular Economy Action ***Plan*** — COM(2017) 33: 'on 30 November 2016, in its recast of the Renewable Energy Directive as part of the package on Clean Energy for all Europeans, the Commission adopted sustainability criteria for all bioenergy uses. In order to limit pressure on limited biomass resources, the Commission proposed that only efficient conversion of biomass to electricity should receive public support. This will facilitate synergies with the circular economy in the uses of biomass and particularly wood, which can be used for a range of products as well as for energy'. 18 ***plans*** and aspirations. In addition, population growth and rampant urbanisation rates in developing countries create a specific challenge and mega cities remain major hotspots of vulnerability to the impacts of climate change. Local authorities and Mayors are therefore critical partners in a bottom-up transition to global low-carbon and climate resilient economies and societies. The support to partner countries in the development of sustainable energy projects and in the implementation of their NDCs involves reducing greenhouse gas emissions from the energy system while satisfying the increasing demand for energy e.g fostering energy efficiency of products, systems and buildings, including grid and power plant rehabilitation. Encouraging low carbon technology deployment covers the support to additional renewable energy generation or replacing/hybridising fossil fuel generation with renewable energy. Smart energy uses and energy efficiency solutions are prioritised in urban and peri-urban areas, where currently most of the economic activities take place and most greenhouse gas emissions are generated. Support is provided to strengthening capacities, fostering twinning arrangements and building a network of local authorities and cities for climate action on a global scale. This contribution from the energy sector comes in addition to other measures taken to fight climate change in other sectors of cooperation. 3.1.4 Crosscutting issue: women and sustainable energy The opportunities for human development and economic growth arising from progress in the energy sector often do not offer equal participation and impact between men and women. Benefiting women and girls requires more than just providing energy. Improved sustainable energy access is most beneficial to women if their status is raised and they can make decisions in the household and in their communities, if they have access to resources like credit, if they are involved in helping design energy access projects, and if they have opportunities to be employed in the energy sector. The social and economic rights and empowerment of girls and women are promoted as one of the pivotal areas of the EU as mentioned in the staff working document on Gender Equality and Women's Empowerment: transforming the lives of girls and women through EU external relations 2016-202045, in particular ensuring equal access and control over energy resources as well as equitable engagement in their management. Existing energy projects, ***programmes*** and policies explicitly recognise imbalances and intentionally strive to reduce inequalities. Women are not only energy users for domestic purposes or for economic activities. They should also contribute actively in the energy value chains, in particular in promoting renewable energies distribution and increasing access to energy and energy services. As supporting the empowerment of women contributes to sustainable and inclusive growth, the EU mainstreams gender equality in all development actions. In the energy sector, specific ***programmes*** are designed to foster women involvement in the energy value chain, increase their technical and business capacity and strengthen their role as energy entrepreneurs. 45 Gender Equality and Women's Empowerment — Transforming the Lives of Girls and Women through EU External Relations 2016-2020, SWD(2015) 182. 19 3.2 The three methodological drivers for Empowering Development Transparent and efficient energy markets and well-functioning energy institutions are an important enabler for universal access to affordable, reliable, sustainable and modern energy services. In order to attract public-private investments in renewable energy and energy efficiency, the business environment should be conducive and the legislative/regulatory framework and governance adequate. It is only then that the innovative financial instruments can be deployed to unlock and boost investments. Blending available resources is a way of reaching the investment level needed to achieve SDG 7 targets. Therefore, three main drivers are promoted in the implementation of the approach: Promoting political ownership & partnerships for implementation Improving governance and reforms of the energy sector Boosting investment through innovative financial instruments 3.2.1 Promoting political ownership & partnerships for implementation The EU works in close cooperation with partner countries, and bilateral development policy aligns to and complements as much as possible countries' and regions' own policies and ***plans***. Ownership of the reform process is the most important precondition for any action to be successful and yield sustainable and durable impact. EU Delegations facilitate a structured dialogue on development cooperation in energy matters with national authorities, agreeing on specific ***interventions*** and projects, identify technical support needs, fostering sector coordination with all stakeholders — local and international. In some cases, political joint declarations on reinforced cooperation in the field of sustainable energy, agreed with governments or regional organisations and the most active donors in each country, provide a framework for strengthened cooperation and a stronger sense of ownership of the reform agenda to the partner country's governments. Africa is a privileged partner for the EU development cooperation. The continuous coordination with African Partners in the energy sector is organised in the context of the Africa-EU Energy Partnership46. Toolbox for promoting political ownership & partnerships EU Delegations and Offices around the world play a key role in the policy dialogue with stakeholders in partner countries. The policy dialogue on energy cooperation is promoted not only in the countries/regions where energy is a focal sector. It represents in fact an important tool to design all national and regional indicative ***programmes*** (NIPs and RIPs) together with the countries' governments and regional organisations, and to ***plan*** and implement a development ***programme*** fully aligned with partner's ***plans*** and strategies. In addition joint declarations on reinforced cooperation on sustainable energy have been signed with partner countries and regions. Budget support, through the Sector Reform Contracts, can be an important tool to promote reforms and economic governance in the energy sector through its comprehensive sector-wide dialogue and continuous 46 Joint Communication to the European Parliament and the Council for a renewed impetus of the Africa-EU Partnership, JOIN(2017) 17 of 4.5.2017 20 monitoring of the eligibility and performance criteria. It can be complementary to blending and technical assistance projects. In the energy sector the beneficiary government is supported through budget injection in the setting-up and implementation of sustainable energy policy with the aim of improving the enabling environment, attracting investments, reducing energy poverty and boosting sustainable growth. Budget support is applied when the governance and the capacity of the sector as well as political willingness are sound enough to engage in a constructive dialogue, to share all relevant information and to successfully implement the appropriate reforms and financial measures required for the sustainable development of the energy sector. Coordination with Member States and their implementing agencies on energy cooperation is fostered through the EU Energy Initiative (EUEI), a platform for regular information exchange on policy and ***programmes***. The EU has been active in promoting the objectives of the SE4All initiative since its launch and remains committed to its objectives which are now translated into the objectives of SDG 7. The EU works closely with key partners, including in the frameworks of the G7 and G20 to contribute towards SDG7. As a result of a Memorandum of Understanding with the USA signed in 201647, the EU and USAID/Power Africa strengthened their relations with the common aim of increasing access to energy in sub-Saharan Africa. Areas of cooperation include scaling-up off-grid efforts to increase access to energy services, coordinate respective technical assistance activities and policy dialogue, work on energy efficiency. As a result of closer cooperation, Power Africa also contributed USD 10 million48 to the EU ElectriFI initiative49 (see below). A partnership with cities under the Covenant of Mayors in sub-Saharan Africa50 aims to increase the capacities of cities to provide access to sufficient, sustainable and safe energy services to urban and peri-urban populations, and to support actions at city-level to combat climate change and its impacts. This initiative is one of the Regional Covenants forming the Global Covenant of Mayors for Climate and Energy, a global coalition of cities and local governments with a shared long-term vision of moving to a low emission, resilient society. The EU supports, through the Technical Assistance Facility, the increasing number of African countries interested in joining the International Energy Charter51 which ultimate goal is 'to strengthen the rule of law on energy issues, by creating a level playing field of rules to be observed by all participating governments, thereby mitigating risks associated with energy-related investment and trade'. Amongst the signatories of the European Energy Charter (1991) are Burundi, Chad, Mauritania, Morocco, Niger. Amongst the signatories of the new International Energy Charter (2015) are Benin, Economic Community of West African States, Swaziland, Tanzania and Uganda. 3.2.2 Improving governance and reforms of the energy sector As described above, the energy sector in developing countries is often perceived by private investors as difficult and risky. Market distortions and non-cost-reflective tariffs (including non-inclusion of negative externalities) applied by national utilities and other key stakeholders can limit the effectiveness of investments in the sector. In some countries, legislation/regulations explicitly forbid the engagement of private sector. In addition, targeted and inefficient subsidies distort consumption patterns, drain public finances and lead to poor 47 Memorandum of understanding between the European Union and the United States of America for reducing energy poverty and increasing energy access in sub-Saharan Africa. Signed in Addis Ababa, 14 July 2015. European Commission, European Union and the U.S Power Africa Initiative Join Forces to Assist Partner Countries to Reduce Energy Poverty and Increase Access to Electricity in sub-Saharan Africa, 14 July 2015, [*https://ec.europa.eu/europeaid/sites/devco/files/web-release-power-africa-eumou-addis\_en.pdf*](https://ec.europa.eu/europeaid/sites/devco/files/web-release-power-africa-eumou-addis_en.pdf) 48 Commission implementing decision of 14.6.2016 amending Commission implementing Decision C(2014) 9451 of 15.12.2014 on the Annual Action ***Programme*** 2014 for Sustainable Energy under the Global Public Goods and Challenges, to be financed from the general budget of the European Union. 49 C(2016) 3788, C(2017) 7497. 50 C(2015) 7244, C(2016) 8086, C(2017) 7497. 51   [*http://www.energycharter.org/process/international-energy-charter-2015/overview/*](http://www.energycharter.org/process/international-energy-charter-2015/overview/) 21 performance in public utilities (apart from often working against stated objectives such as tackling climate change). In other cases, investors could simply lack the confidence to engage in the sector because of (real or perceived) risks and dysfunctions. In any case, investments need healthy public economic governance, clear rules and a stable environment with regard to sector policy legislation and regulations, ***strategic*** ***planning*** of investments, articulation with a stability-oriented macroeconomic policy and good public finance management (e.g procurement reforms, PPP risk management or asset monitoring). Institutional capacity and skills of workforces are also important factors. The starting point for a well-designed energy sector framework is the strategy level, where the policy direction must be defined on the basis of sound evidence and information. This includes, for example, long-term ***planning*** for renewable energy deployment, electrification and infrastructure development, as well as the definition of the sector objectives and structure. Primary regulation at legislative level sets the legal foundation and assigns roles and responsibilities to executive bodies. Key rules and provisions, essential elements for investment decisions of private developers, are set at the level of the secondary regulation, put in place by executive bodies (e. g. energy ministries and regulators). They define the framework that governs project development and guide investments according to the different business models. Policymakers may also design fiscal incentives or subsidy schemes tailored to steer and direct investment flows. Licensing, import regulations and taxation affect all market segments and can make a crucial difference to the viability of business models and entire markets. Generally, a close coordination with the NDCs under the Paris Agreement shall be sought. Going beyond national boundaries, an integrated regional energy market requires harmonisation of regulations and compatible standards. The EU supports partner countries and regions throughout the policy-definition process notably in providing —following partners' requests— support and expertise for drafting sector reforms and missing regulations, strengthening technical capacities of ministries and regulators, restructure utilities' financial situation. The main tools are policy dialogue and technical assistance. The expected improvement in efficiency and governance includes for instance the application of cost-reflective tariffs, better maintenance of energy infrastructure, more transparency in financial transactions and better process of award of concessions (such as support to define auction procedures). Beyond that, the EU's own sophisticated policy framework on energy and climate could be shared and benchmarked as an accelerator for domestic policy reforms. Progress regarding sustainable energy policies and regulation in Africa is needed. In the Regulatory Indicators for Sustainable Energy (RISE) 2016 Report52, which assesses national policy and regulatory frameworks for sustainable energy, score is moderate in 15 countries and few or no elements of a supportive policy framework have been enacted in 19 countries (see Figure 5). 52 RISE scores reflect a snapshot of a country's policies and regulations in the energy sector, organized by the three pillars of the SEforAll initiative: energy access, energy efficiency, and renewable energy. RISE 2016 Regulatory indicators for sustainable energy, A global scorecard for policy makers. 2017 International Bank for Reconstruction and Development / The World Bank (   [*http://rise.esmap.org*](http://rise.esmap.org)). 22 Figure 5: Assessment of national policy and regulatory frameworks for sustainable energy. Green: most elements of a strong policy framework to support sustainable energy are in place – Yellow: Significant opportunities exist – Red: Few or no elements of a supportive policy framework have been enacted (RISE 2016 report, World Bank). Improving the enabling and regulatory environment – the catalysing role of the EU's Technical Assistance Facility Through its Development Cooperation Instrument, the EU makes available a Technical Assistance Facility (TAF)53 to all partner countries to support them elaborating appropriate sector policies and reforms towards a better enabling environment. With a total budget of EUR 65 million for 48 months, the TAF helps developing countries to set up country action ***plans*** for energy and carry out the regulatory reforms needed to unblock the necessary private investments to implement these ***plans***. The TAF Sub-Saharan Africa started in December 2013 and has implemented more than 100 missions in 34 countries. Since December 2014, the TAF covering Asia, Neighbourhood, Latina America, Caribbean and Pacific carried out 15 missions in 8 countries. TAF provides support upon request from the partners in countries, for the elaboration and implementation of national energy sector policies and reforms; capacity building in policy and regulatory framework; technical support in the ***programming*** and preparation of concrete investment projects; mobilisation of funds and facilitation of partnership (with particular emphasis on the private sector and the banking institutions); industrial and technology cooperation; project demonstration. In Côte d'Ivoire the TAF helped operationalising the renewable energy law by developing the detailed provision in the relevant decrees. Such actions created the relevant framework for private sector participation and for concessions in the electricity sector. In Rwanda the TAF provided support for the development of the electricity master ***plan*** for increased energy access. In Cameroun and Burkina Faso cooperation with the regulatory authorities and stakeholders created the framework for solar power generation at a large scale. In Kenya, the TAF team has been studying how EU funds can assist promising initiatives for off-grid solutions such as the Kenya's bio-digester ***programme***. Support is also provided to the Department of Infrastructure and Energy of the African Union Commission on harmonising the different regulatory framework on the African continent. The EU TAF cooperates with other similar mechanisms as the Africa-EU renewable Energy Cooperation ***Programme***, the EU Energy Initiative Partnership Dialogue Facility and the ElectriFI team, as for instance ***producing*** common studies54. 53 C(2012) 5436. 54 Enabling policies for addressing climate change and energy poverty through renewable energy investments in Africa, policy paper, 6 pages,2017 —   [*http://electrifi.org/wp-content/uploads/2016/12/Policy-Paper-ElectriFI-TAF-RECP-6pager-112016-single-page.pdf*](http://electrifi.org/wp-content/uploads/2016/12/Policy-Paper-ElectriFI-TAF-RECP-6pager-112016-single-page.pdf) 23 3.2.3 Boosting investment through innovative financial instruments Energy infrastructures require a high amount of investments which, in general, would bring together different sources of funding into complex financial arrangements. Projects need to be bankable to ensure sustainability. While energy could be a revenue-generating activity and can stimulate commercial interest, underlying market barriers and a perception of high risk still hamper the development and financing of renewable and energy efficient projects, especially in more fragile countries where additional uncertainties (of political, inflationary, security nature) enter into consideration. Financial risk mitigation schemes, such as guarantees, can be instrumental in making projects possible. Early stage/seed finance and support for project preparation are also crucial to bring more projects to maturity. Small projects need to be aggregated to make them more interesting for financing and attract the interest of mainstream investors. These are the areas where public ***intervention*** from international donors such as the EU is needed, to unblock and move forward investments that would have not happened otherwise. To address the investor's reluctance and unlock investments, the EU response introduced blending operations, which involves the combination of grant aid55 in various forms (including, when appropriate, reimbursable grants, early stage finance and provision of guarantees) and private or public sources of finance, such as loans, risk capital and/or equity. Partnerships with financial institutions such as the European Investment Bank (EIB) and with multiple other development banks, under the blending frameworks, aim at the provision of an efficient support to investments in sustainable energy. Toolbox on innovative financial instruments The use of blending in the external cooperation of the EU is promoted increasingly in order to unlock additional public and private resources and thereby increase the impact of EU development policy. Grants provided through blending can take a number of forms, most commonly direct investment grants and/or technical assistance. EU development aid contributes to the financing of large scale infrastructures, such as generation plants or transmission lines, through the EU regional blending facilities which are evolving into regional investment platforms within the context of the External Investment ***Plan*** (EIP). Additionally, the EIP includes the European Fund for Sustainable Development Guarantee to providing guarantees to eligible counterparts, which in turn would conclude agreements with co-financing private sector partners, financial intermediaries or final beneficiaries to cover the risks of different forms of support, such as loans, guarantees, equity and other credit enhancement products. A specific window dedicated to 'Sustainable Energy and Connectivity' is one of the EFSD investment windows. In addition to the regional blending facilities, and in order to support small and medium scale projects, the EU launched a dedicated financing initiative, ElectriFI, together with Member States, private sector actors, civil society and the involvement of European Development Financial Institutions (EDFIs). The aim of ElectriFI is to boost private sector investments providing access to reliable, affordable and renewable electricity and energy services in developing countries. To best address the needs of the market, all forms of support available under the blending facilities can also be provided under ElectriFI (i.e investment grants, equity, guarantees, local bank credit lines, currency risk mitigation, technical assistance). A number of partner countries have decided to earmark part of their National Indicative ***Programmes***' energy allocations for dedicated ElectriFI 'country windows'56, with the objective of boosting in-country private sector participation in renewable energy projects. 55 Both thematic and EDF funds can be used for blending, with the agreement of partner countries. 56 As for instance Zambia, C(2017) 6314. 24 One of the first ElectriFI approved projects57 to be supported is NextGen Solawazi, a 5 MW solar photovoltaic power plant to be connected to the isolated mini-grid of Kigoma region to support the ***strategic*** rural electrification efforts of the Government of Tanzania. The solar plant will replace and complement diesel generators, having a positive impact not only on the environment but also on the cost price to the off-taker, the national power utility of Tanzania. Lowering the cost price for such isolated grids will make it more attractive to expand the distribution network to more remote areas. Another example of an ElectriFI funded project is the Sigora Haiti Northwest electrification project making it the first privately owned utility company in Haiti with the right to distribute electricity and collect payments from the population. It will expand the company's existing pilot grid network from 5,000 customers to 136,000 (27,000 accounts) and have a renewable energy capacity of 3.5 MW. The project deploys prepaid metering and revenue management technology designed to enable utilities in frontier markets to consistently and effectively collect revenue. Other financial instruments implemented through the Infrastructure Trust Fund (ITF)58 include the European Union-European Development Finance Institutions Private Sector Development Facility59, created in order to catalyse private investment in small and medium scale energy projects in Africa. The ***programme*** comprises a Guarantee Facility whereby the EU shares risk with EDFIs to enable the financing of riskier energy projects. It can also provide funding for early-stage development projects and technical assistance to build the capacity of private sector enterprises in the energy sector in Africa. The EU ITF contributes also to the Global Energy Efficiency and Renewable Energy Fund – GEEREF60, a fund-of-funds catalysing private sector capital into clean energy projects in developing countries and economies in transition. GEEREF, managed by the European Investment Bank, provides global risk capital through private investment for medium scale renewable energy and energy efficiency projects. The current portfolio of funds supports 525 MW of renewable capacity with the aim of reaching 1.83 GW by the end of the implementation period of the project. And finally, the EU ITF contributes up to EUR 30 million to the Geothermal Risk Mitigation Facility (GRMF)61 to support geothermal development in East Africa. GRMF provides financial support for surface studies, exploration drilling and testing ***programmes***. It has supported for instance, notably with private developers, two drilling projects in Kenya, one surface study project and one drilling project in Ethiopia and one project in Comoros. The EU InnovFin Energy Demonstration Projects (EDP) Facility62, by which the European Commission provides guarantees for loans from the EIB to innovative projects in the area of renewable energy, is also open to projects with implementation in Africa. 57   [*http://electrifi.org*](http://electrifi.org)/ 58 C(2012) 8793,   [*http://www.eu-africa-infrastructure-tf.net*](http://www.eu-africa-infrastructure-tf.net)/ 59   [*http://www.eib.org/projects/regions/acp/index.htm*](http://www.eib.org/projects/regions/acp/index.htm) 60   [*http://geeref.com*](http://geeref.com)/ 61   [*http://www.grmf-eastafrica.org*](http://www.grmf-eastafrica.org)/ 62 Financed under the Horizon2020 ***programme***. 25 4. FINANCIAL ASPECTS In the period 2014-2020, EUR 3.7 billion have been allocated from EU development funds to sustainable energy actions in developing countries63, out of it, around EUR 2.7 billion for sub-Saharan Africa64. More in detail, 30 partner countries65 either have energy as focal sector of cooperation with the EU or have significant allocations to the energy sector under other thematic sectors (such as rural development/***agriculture*** or sustainable infrastructure); of these countries, 17 are located in sub-Saharan Africa. In addition, energy is among the priority areas for EU cooperation with sub-Saharan African, ACP, Central Asia and Caribbean regions (through their regional indicative ***programmes*** and intra-ACP). Finally, sustainable energy is one of the five thematic areas under the Development Cooperation Instrument (DCI) thematic ***programme*** Global Public Goods and Challenges (GPGC) for 2014-202066. Figure 6: EU energy sector cooperation in sub-Saharan Africa at national level. 63 Indicative allocation done in accordance with existing Commission's decisions (national and regional indicative ***programmes***, European Development Fund (intra-ACP) and Development Cooperation Instrument (Global public goods and challenges ***programme***). 64 Including contributions of the Intra-ACP and global instruments, estimated. 65 Countries in the EU Neighbourhood (East and South) are not considered for the purposes of this SWD. In addition to Africa, countries that have chosen energy as focal sector of EU cooperation are Iraq, Philippines, Vietnam, Barbados, Belize, Dominica, St Kitts and Nevis, Marshall Islands, Micronesia, Nauru, Niue, Palau and Tonga. 66 C(2014) 5072 of 23.7.2014 26 5. IMPLEMENTATION 5.1 Estimation of impact of EU cooperation in sustainable energy By mean of a number of assumptions67 formulated on the likely implementation of sustainable energy ***programmes*** and projects for the amount foreseen in the current multi-annual financial framework, it can be estimated ex-ante that the EU would contribute to the three global objectives of access to energy, increasing renewable energy generation and contribute to fighting climate change, with the minimum following figures: Globally In sub-Saharan Africa Access to energy about 40 million people about 30 million people Renewable energy generation about 6.5 gigawatt68 about 5 gigawatt Contribution to the fight against climate change (emission savings) about 15 million tons CO2e saved per year about 11 million tons CO2e saved per year Substantial variation of these figures would be reached, considering the range of options in assumptions, as for instance the expected leverage of the support, the part of blending operations in the portfolio, the level of energy services reached by each projects or the costs of the involved technologies, all these factors being not yet known. An ex-post evaluation of impact of projects implemented under the current multi-annual financial framework will be prepared taking into account the methodological constraints mentioned below and in the next section. 5.2 Challenges faced Initial forecasts on the actions approved so far show that by September 2017 we are on track. Nevertheless a number of challenges are still to be faced: • Lack of mature projects submitted to the EU blending facilities by international financing institutions, especially in Eastern, Central and Southern Africa regions, addressed with an intensification of dialogue and cooperation with financial institutions active in the area. • Projects submitted to the investment facilities (especially in Africa), particularly to be financed under regional funds, are more often targeting transmission lines and interconnections rather than renewable energy generation plants. This trend has been reversed in most regions recently, thanks to improved cooperation with financial institutions. Yet for Central Africa the need for investments in renewable energy generation but also electrical grids too is huge. 67 Assumptions include: an average leverage factor of 4 applied to 60 % of the available budget (considering that 40 % is spent through modalities different than blending); a balanced portfolio of actions covering a mix of on- and off-grids operations and both projects contributing to increasing renewable energy generation and to access to energy (such as transmission and distribution lines), in line with NIP indications in the different countries; estimated number of direct and indirect beneficiaries; and average costs of technologies in line with market surveys. 68 Of which 5.8 gigawatt new generation and 0.7 gigawatt through energy savings initiatives. 27 • It is a challenge to aggregate forecasts on energy access, generation capacity and greenhouse gases emissions from various instruments, because of a lack of harmonised methodologies (this aspect is discussed in the next section). 5.3 Monitoring EU cooperation in sustainable energy Monitoring and measurement of the impact in partner's countries are considerable challenges. There might be a significant time lag between reporting of achieved results, since in some projects, access can only be counted once the last mile connection is operational, which could be years after the EU is no longer involved. It is also very complex to estimate greenhouse gas emission savings. Therefore, due to the complexity of the issue and the lack of internationally agreed methodologies, the EU is working with the international community on the definition of a shared methodology and a robust set of indicators. The monitoring of the ongoing supports to the energy sector for internal purposes and for external communication69 has so far been implemented for each initiative in isolation and with standalone appropriate methodologies and indicators70. This prevent aggregation and consolidation of data, specifically for forecasting purpose or at the moment of ex-post evaluation of EU cooperation in the energy sector performed in the context of the EU result framework. EU aggregated indicators would have to cover different aspects of energy access (including on- and off-grid, direct and indirect access), renewable energy generation (capacity and production) and greenhouse gas savings, and be aligned and compatible with indicators selected for the tracking of progress towards the achievement of SDG 7 and SDG 13. Using the appropriate indicators would help streamlining incentives which will end up with a strong set of projects supporting the effectiveness of the ***intervention***. Data collection should start well in advance and be an explicit part of project preparation. A timely and accurate result reporting methodology is promoted throughout all ***interventions*** supported by the EU, to allow for a more efficient monitoring of results of EU energy cooperation. 69 For instance: the annual report where energy indicators are collected as part of the corporate result framework. 70 For example: the 9th and 10th EDF Energy Facility projects are monitored through a specific contract; the energy projects financed through the Africa Infrastructure Trust Fund (AITF) are monitored by the fund manager (EIB) which periodically reports to the Commission; each project financed through the African Investment facility is monitored in the framework of the specific PAGODA contract. 28 6. APPLYING THE EMPOWERING DEVELOPMENT APPROACH The implementation of the new European Consensus on development in energy cooperation is reinforced and further sharpened through numerous ongoing processes. • The EU policy agenda on EU sustainable energy cooperation is pursued with all interested developing partner countries, to ensure strengthening synergies and links between EU energy and climate diplomacies71; using policy dialogue as the primary instrument to address governance issues. • Mutually beneficial knowledge and technology-transfer with developing countries is implemented in line with the EU's commitments under the Paris Agreement and preferably by sharing the European stock of best practices in (e.g building a model of integrated market, promoting the interconnected pan-European infrastructures, increasing the share of the renewables in the energy mix and of clean technologies, promoting innovative energy efficiency measures), taking due account of partner's specific needs and circumstances. • Innovation in sustainable energy and climate change in developing countries is fostered by the EU working closely with its Member States. To this end, research and innovation ***programmes*** targeting developing countries in the areas of renewable energy have been launched, with a focus on Africa as a privileged partner and participant72. • The deployment of technical assistance can be sharpened, including by better coordinating it with relevant research and analysis. That way, it contributes even more to: i) creating an environment conducive for mobilising private sector stakeholders into energy investments in developing countries, ii) providing services dedicated to project development and pipeline boosting, available to financing institutions as well as private developers, to work in synergy with other financial instruments such as ElectriFI; iii) integrating climate and disaster risk management into energy sector ***interventions*** to build resilience and to safeguard future gains. • Strengthening the coordination of actions with international partners active in the energy cooperation sector so as to pass consistent messages on sustainable energy and ensure consistent monitoring methodologies. This is all the more true for the interaction with EU Member States' actions. Coordination with EU Member States continues and can be reinforced through the EUEI mechanism. • In line with the Joint Communication on a renewed partnership with Africa, the unique relationship with Africa in the area of sustainable energy must be highlighted in the context of the African Union-European Union Summit process. The Summit of November 2017 offered the opportunity for reiterating the crucial role played by sustainable energy for the future of the African continent and for securing political backing at the highest level from countries and institutions. 71 In line with Council of the European Union 6981/17, 6.3.2017 72 C(2017) 7124 of 27.10.2017 29 • Partnerships with the private sector continue. To this aim, a High-Level Public-Private Platform on Sustainable Energy Investments, in particular with Africa, is promoted73, with the aim to support private sector engagement and foster public-private cooperation to improve the business climate and help de-risk investments in African countries. • Regional and thematic blending instruments adjusted to offer financial support (convertible grants, equity, junior loans, guarantees, etc.) tailored according to the specific needs of the energy sector (type of promoter, scale of the project, level of associated risks, etc.) are used in development cooperation. • In order to reflect the crucial role of cities in taking actions, deepen ***strategic*** alliances and collaboration, by partnering with local authorities in a bottom-up transition to a global low-carbon and climate-resilient economy and society, including through initiatives such as the Global Covenant of Mayors (which builds on the successful EU Covenant of Mayors) and the further extension of its regional Africa components. • In cooperation with partner countries, their statistical capacity, production and analysis of data should be strengthened in order to further inform policy and decision-making. • Addressing energy nexuses providing cross-sector responses to complex situations should be reinforced, in line with the European Consensus on Development. For instance, climate objectives under the NDCs are further integrated into national energy strategies. The water-energy-food nexus, energy and ecosystem services (in particular in and around protected areas), energy-science, energy-mobility-ICT for smart cities, and the opportunities offered by digital communications for development, which can facilitate access to the electricity market by mobile devices and facilitate grid management operations and demand side management. 7. CONCLUSIONS The EU is committed to reinforcing its sustainable energy cooperation with the objectives of (i) increasing access to energy, (ii) increasing renewable energy generation capacity and (iii) contributing to the fight against climate change in developing countries, in line with international commitments. This is ***planned*** to be achieved through a well-coordinated and targeted set of measures, with a three-fold approach working at the same time on the political ownership and partnership of actions, on the improvement of energy sector governance and on the deployment of innovative financial instruments able to catalyse additional investments particularly from private sector. Empowering Development is not implemented in isolation, but in synergy and coordination with relevant stakeholders: first and foremost partner countries, regions and cities, EU Member States, international donors, financial institutions, sector bodies and institutions, private sector operators, civil society, in the common strive to achieve the targets of SDG 7 and a sustainable development powered by sustainable energy. The monitoring system is progressively adapted and made more consistent in order to regularly report on development cooperation on sustainable energy in line with the global commitment of the EU. 73 Joint Communication to the European Parliament and the Council for a renewed impetus of the Africa-EU Partnership, JOIN(2017) 17, 4.5.2017

**Load-Date:** December 30, 2017

**End of Document**



[***-Ivanhoe Mines releases positive results of an independent definitive feasibility study for the planned first phase***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P51-HBR1-JD3Y-Y14M-00000-00&context=1516831)

ENP Newswire

August 1, 2017 Tuesday

Copyright 2017 Normans Media Limited All Rights Reserved



**Length:** 5040 words

**Body**

MOKOPANE, SOUTH AFRICA - Ivanhoe Mines' (TSX: IVN; OTCQX: IVPAF) Executive Chairman Robert Friedland, Chief Executive Officer Lars-Eric Johansson and Platreef Project Managing Director Dr. Patricia Makhesha today welcomed the positive findings of an independent definitive feasibility study ( DFS ) of the ***planned*** initial four million tonnes per annum (Mtpa) mine and concentrator in the first phase of development of the company's Platreef platinum, palladium, rhodium, gold, nickel and copper mine.

The Platreef Project, which contains the Flatreef Deposit, is a Tier One discovery by Ivanhoe Mines' geologists on the Northern Limb of South Africa's Bushveld Igneous Complex, the world's premier platinum ***producing*** region.

Ivanhoe Mines ***plans*** to develop the Platreef Mine in three phases: 1) An initial rate of four Mtpa to establish an operating platform to support future expansions; 2) a doubling of production to eight Mtpa and 3) expansion to a steady-state 12 Mtpa.

The independent Platreef DFS covers the first phase of development that would include construction of a state-of-the-artunderground mine, concentrator and other associated infrastructure to support initial concentrate production by early 2022. As Phase 1 is being developed and commissioned, there would be opportunities to refine the timing and scope of subsequent phases of expanded production.

'The completion of the definitive feasibility study for the first phase of production is another key milestone in Ivanhoe's ***planned*** transformation of the Platreef Discovery into one of the pre-eminent South African ***producers*** of platinum-group metals,' said Mr. Friedland.

'Platreef is a massive, high-grade, long-life and Tier One deposit that will ***produce*** a suite of vital metals, many of which are essential to sustain our urbanizing planet. The nickel and copper by-products are essential in the electric car revolution and the platinum and palladium are equally vital for hydrogen fuel cell technology and catalytic converters to clean the air.'

'We now have a clear and defined path forward to initial production and subsequent phases of development. We are confident that the Platreef Project will benefit all of our stakeholders, including the 20 local communities that are our equity partners, for generations to come,' Mr. Friedland added.

Mr. Friedland said the results reported in the new study demonstrate Platreef's robust economics, which first were highlighted in the March 2014 preliminary economic assessment and further reinforced by the January 2015 pre-feasibility study.

'Now this definitive study has confirmed the technical viability of what is projected to be the world's lowest-cost, and in time expected to be the largest, single primary ***producer*** of platinum-group metals.

'Despite lower metal prices used in the definitive feasibility study compared to the 2015 pre-feasibility study , we have maintained the excellent economics of the Platreef Project due, in part, to the mine optimization work completed with assistance from industry-leading experts, such as Whittle Consulting of Melbourne, Australia. Even at today's spot metal prices, the Platreef Project would generate an operating margin in excess of 40%,' Mr. Friedland added.

Dr. Makhesha said: 'We are proud to have shared our almost 20 years of exploration and development achievements at Platreef with supportive stakeholders. These stakeholders, including more than 150,000 local Mokopane area residents, see international investment and professionally managed development of natural resources as keys to unlock widely shared opportunities and prosperity.'

Key features of the Platreef DFS include: Indicated Mineral Resources contain an estimated 41.9 million ounces of platinum, palladium, rhodium and gold with an additional 52.8 million ounces of platinum, palladium, rhodium and gold in Inferred Resources.

Enhanced Mineral Reserve containing 17.6 million ounces of platinum, palladium, rhodium and gold - an increase of 13% - following stope optimization and mine sequencing work.

Development of a large, safe, mechanized, underground mine with an initial four Mtpa concentrator and associated infrastructure.

***Planned*** initial average annual production rate of 476,000 ounces (oz.) of platinum, palladium, rhodium and gold (3PE+Au), plus 21 million pounds of nickel and 13 million pounds of copper.

Estimated pre-production capital requirement of approximately US$ 1.5 billion, at a ZAR: USD exchange rate of 13 to 1.

Platreef would rank at the bottom of the cash-cost curve, at an estimated US$ 351 per ounce of 3PE+Au ***produced***, net of by-products and including sustaining capital costs, and US$ 326 per ounce before sustaining capital costs.

After-tax Net Present Value (NPV) of US$ 916 million, at an 8% discount rate.

After-tax Internal Rate of Return (IRR) of 14.2%. The actual return to project equity owners is expected to be higher as a result of the significant amount of project financing which is being raised.

Ivanhoe Mines indirectly owns 64% of the Platreef Project through its subsidiary, Ivanplats, and is directing all mine development work. The South African beneficiaries of the approved broad-based, black economic empowerment structure have a 26% stake in the Platreef Project. The remaining 10% is owned by a Japanese consortium of ITOCHU Corporation; Japan Oil, Gas and Metals National Corporation; ITC Platinum Development Ltd., an ITOCHU affiliate and Japan Gas Corporation.

The Platreef DFS was prepared for Ivanhoe Mines by principal consultant DRA Global, with economic analysis led by OreWin, and specialized sub-consultants including Amec Foster Wheeler, Stantec Consulting, Murray & Roberts Cementation, SRKConsulting, Golder Associates and Digby Wells Environmental.

Summary of financial results

The DFS economic analysis used life-of-mine (LoM) price assumptions of US$ 1,250/oz platinum, US$ 825/oz palladium, US$ 1,300/oz gold, US$ 1,000/oz rhodium, US$ 7.60/lb nickel and US$ 3.00/lb copper. These prices were based on a review of consensus price forecasts from financial institutions and similar studies that had been published recently.

The results of the financial analysis show an after-tax NPV8 of US$ 916 million, an after-tax IRR of approximately 14% and a payback period of approximately five years. The cash flow estimates have been prepared on a real basis, as at January 1, 2017, and using mid-year discounting to calculate the NPV.

Higher nickel and copper grades contribute to lower cash costs for operations on the Northern Limb of South Africa's Bushveld Igneous Complex, as illustrated by Figure 2.0. Among the current and potential future Northern Limb ***producers***, Platreef's estimated net total cash cost of US$ 351 per 3PE+Au ounce, net of copper and nickel by-product credits and including stay-in-business (SIB) capital costs, ranks at the bottom of the cash-cost curve.

At a projected production rate of 12 Mtpa, Platreef would be the largest primary platinum-group metals mine in the world, ***producing*** over 1.2 million platinum equivalent ounces per annum (including nickel and copper), as illustrated by Figure 3.0.

Production estimates for projects other than Ivanhoe's Platreef Project have been prepared by SFA (Oxford). Production data for the Platreef Project (platinum, palladium, rhodium, gold, nickel and copper) is based on reported DFS and PEA data and is not representative of SFA's view. All metals have been converted by SFA (Oxford) to platinum equivalent ounces at price assumptions of US$ 1,076/oz platinum, US$ 761/oz palladium, US$ 1,235/oz gold, US$ 821/oz rhodium, US$ 5.07/lb nickel and US$ 2.42/lb copper. Note: As the figures are platinum-equivalent ounces of production they will not be equal to 3PE+Au production.

Mineral Resource

The mineral resources used as the basis of the DFS were those amenable to underground selective mining. Information on Platreef Project geology and mineralization is contained in the Platreef Project National Instrument (NI) 43-101 Technical Report dated April 22, 2016, filed on SEDAR at [*www.sedar.com*](http://www.sedar.com) and on the Ivanhoe Mines website at   [*www.ivanhoemines.com*](http://www.ivanhoemines.com).

Proposed mining methods

Mining zones in the current Platreef mine ***plan*** occur at depths ranging from approximately 700 metres to 1,200 metres below surface. Primary access to the mine will be by way of a 1,104-metre-deep, 10-metre-diameter production shaft (Shaft 2). Secondary access to the mine will be via a 980-metre-deep, 7.25-metre-diameter ventilation shaft (Shaft 1), which is under construction. During mine production, both shafts also will serve as ventilation intakes. Three additional ventilation exhaust raises (Ventilation Raise 1, 2, and 3) are ***planned*** to achieve steady-state production.

Mining will be performed using highly productive mechanized methods, including long-hole stoping and drift-and-fill. Each method will utilize cemented backfill for maximum ore extraction. The current mine ***plan*** has been improved over the 2015 PFS mine ***plan*** by optimizing stope design, employing a declining Net Smelter Return (NSR) strategy and targeting higher-grade zones early in the mine life. This strategy has increased the grade profile by 23% on a 3PE+Au basis in the first 10 years of operation and 10% over the life of the mine.

The ore will be hauled from the stopes to a series of internal ore passes and fed to the bottom of Shaft 2, where it will be crushed and hoisted to surface.

Increased Mineral Reserves at Platreef Project

Ivanhoe has declared an increased Probable Mineral Reserve of 17.6 million ounces of platinum, palladium, rhodium and gold, using a declining NSR cut-off of $ 155/t to $ 80/t. This increase of 13% follows stope optimization and mine sequencing work, resulting in improved head grades.

Based on the cut-off grade and mining criteria applied to the Platreef resource model, the Probable Mineral Reserve will support a 32-year mine life at a steady-state production rate of four Mtpa. The Mineral Reserve at four Mtpa only includes a third of the Mineral Resource estimate above an $ 80 per tonne NSR cut-off, which provides an opportunity to ramp-up production in future.

Metallurgy and processing methods

Metallurgical test work has focused on maximizing recovery of platinum-group elements (PGE) and base metals, mainly nickel, while ***producing*** an acceptably high-grade concentrate suitable for further processing and/or sale to a third party. The three main geo-metallurgical units and composites tested ***produced*** smelter-grade final concentrates of approximately 85 g/t PGE+Au at acceptable PGE recoveries. Test work also has shown that the material is amenable to treatment by conventional flotation without the need for mainstream or concentrate ultrafine re-grinding. Extensive bench scale testwork comprising of open circuit and locked cycled flotation testing, comminution testing, mineralogical characterisation, dewatering and rheological characterisation was performed at Mintek in South Africa, which is an internationally accredited metallurgical testing facility and laboratory.

Comminution and flotation test work has indicated that the optimum grind for beneficiation is 80% passing 75 micrometres. Platreef ore is classified as being 'hard' to 'very hard' and thus not suitable for semi-autogenous grinding; a multi-stage crushing and ball-milling circuit has been selected as the preferred size reduction route.

Improved flotation performance has been achieved using high-chrome grinding media as opposed to carbon steel media. The inclusion of a split-cleaner flotation circuit configuration, in which the fast-floating fraction is treated in a cleaner circuit separate from the medium- and slow-floating fractions, resulted in improved PGE, copper and nickel recoveries and concentrate grades.

As with the PFS, a two-phased development approach was used for the DFS flow-sheet design. The selected flow sheet comprises a common four Mtpa, three-stage crushing circuit, feeding crushed material to two parallel milling-flotation modules, each with a nominal capacity of two Mtpa. Flotation is followed by a common concentrate thickening, concentrate filtration, tailings disposal and tailings-handling facility.

Future expansion options

Given the size and potential of the Platreef resource, as demonstrated by the phased expansions outlined in the PEA, Shaft 2 has been engineered with a crushing and hoisting capacity of six Mtpa.

This allows for a relatively quick and capital-efficient first expansion of the Platreef Project to six Mtpa by increasing underground development and commissioning a third, two-Mtpa processing module and associated surface infrastructure as required.

A further expansion to more than eight Mtpa would entail converting Shaft 1 from a ventilation shaft into a hoisting shaft. This would require additional ventilation exhaust raises, as well as a further increase of underground development, commissioning of a fourth, two-Mtpa processing module and associated surface infrastructure, as described in the PEA as Phase 2 of the project.

Supply of water and electricity

The Olifants River Water Resource Development Project (ORWRDP) is designed to deliver water to the Eastern and Northern limbs of South Africa's Bushveld Complex. The project consists of the new De Hoop Dam, the raised wall of the Flag Boshielo Dam and related pipeline infrastructure that ultimately is expected to deliver water to Pruissen, southeast of the Northern Limb. The Pruissen Pipeline Project is expected to be developed to deliver water onward from Pruissen to the municipalities, communities and mining projects on the Northern Limb. Ivanhoe Mines is a member of the ORWRDP's Joint Water Forum.

The Platreef Project's water requirement for the first phase of development is projected to peak at approximately 7.5 million litres per day, which is expected to be supplied by the water network. Ivanhoe also is investigating various alternative sources of bulk water, including an allocation of bulk grey-water from a local source.

On February 24, 2017, the five-million-volt-ampere (MVA) electrical power line connecting the Platreef site to the South African public electricity utility (Eskom) was energized and now is supplying electricity to Platreef for shaft sinking and construction activities. The new power line, a collaboration between Platreef, Eskom and the Mogalakwena Local Municipality, also established a platform to provide energy to the neighboring community of Mzombane, which previously was without electricity reticulation and supply.

Platreef's electrical power requirement for the phase one, four Mtpa, underground mine, concentrator and associated infrastructure has been estimated at approximately 100 MVA. An agreement has been reached with Eskom for the supply of phase-one power. Ivanhoe chose a self-build option for permanent power that will enable the company to manage the construction of the distribution lines from Eskom's Burutho sub-station to the Platreef Mine.

Update on construction progress

Shaft 1 sinking continues to advance at a rate of 45 to 50 metres per month, and has reached a depth of 450 metres below surface. Shaft 1 is expected to reach its projected, final depth of 980 metres below surface in 2018. The first lateral development off-shaft at 450 metres below surface is underway. This station will serve as an intermediate water pumping and shaft cable termination station.

Early-works surface construction for Shaft 2 began in late May 2017. It includes the excavation of a surface box-cut to a depth of approximately 29 metres below surface and construction of the concrete hitch for the 103-metre-tall concrete headgear (headframe) that will house the shaft's permanent hoisting facilities and support the shaft collar. The early-works construction is expected to be completed in approximately 12 months.

Concentrate off-take

Concentrate off-take discussions are underway with several South African PGM smelters. Ivanhoe Mines has received indications of interest from a number of these parties. Ivanhoe Mines' internal studies forecast sufficient smelting capacity in South Africa for the first phase of production from the Platreef Project. Several off-take agreements may have to be negotiated to achieve optimal terms for the Platreef Project. Technical discussions have begun with the objective of finalizing one or more off-take agreements before the production of first concentrate.

Project financing and ***strategic*** discussions underway

On July 19, 2017, Ivanhoe Mines announced the appointment of two leading mine-financing institutions, in addition to the three leading financial institutions appointed earlier this year, to arrange project financing for the development of the Platreef Project. The five Initial Mandated Lead Arrangers (IMLAs) will make best efforts to arrange a total debt financing of up to US$ 1 billion for the development of Platreef's first-phase, four Mtpa mine. Preliminary expressions of interest now have been received for approximately US$ 900 million of the targeted US$ 1 billion financing. Negotiation of a term sheet is ongoing. In addition, preliminary discussions have commenced with leading financial institutions around the financing of the black economic empowerment partners' contribution to the development capital.

'The issuance of the definitive feasibility study is a critical step in arranging the project debt financing. The results of the study confirm our belief that the Platreef Project will deliver high operating margins and significant cash flow, even at lower commodity prices,' Mr. Johansson said.

Based on long-term prices, Platreef's life-of-mine average basket price is US$ 1,051 per ounce of 3PE+Au ***produced***. Given the project's total cash cost after credits of US$ 326 per ounce of 3PE+Au, Platreef's operating margin is 69% per ounce of 3PE+Au, net of nickel and copper by-products.

Platreef's return on capital invested(1) is 15.0% over the life of the mine. The return to Ivanhoe Mines is expected to exceed this figure given the intention to arrange US$ 1 billion of project financing for the development of the project.

Continuing ***strategic*** discussions concerning Ivanhoe Mines and its projects are intensifying with several significant mining companies and investors across Asia, Europe, Africa and elsewhere. Several investors that have expressed interest have no material limit on the provision of capital.

Ivanhoe Mines will provide further comment only if a specific transaction or process is concluded, or if further disclosure is required or deemed appropriate. There can be no assurance that the company will pursue any transaction or that a transaction, if pursued, will be completed.

1. As measured by life-of-mine operating margin divided by capital invested in the project. Capital invested in the project is the historic expenditure up to December 31, 2016, of US$ 334 million, plus the estimated pre-production and sustaining capital cost of US$ 1.962 billion.

Major investment in skills training for mining and other jobs

The ***planned*** Platreef Mine is projected to require a full-time workforce of approximately 2,200 within four years of the start of production.

Work is progressing well on the implementation of Ivanhoe's Social and Labour ***Plan*** (SLP), to which the company has pledged a total of R160 million ($ 12 million) during the first five years, culminating in November 2019. The approved ***plan*** includes R67 million ($ 5 million) for the development of job skills among local residents and R88 million ($ 7 million) for local economic development projects.

Ivanhoe Mines also has committed to building a community development centre adjacent to the mine as part of the company's objective of helping to establish a base of qualified, local candidates for jobs at the mine and its associated minerals processing plant.

Other goals include equipping people with portable skills to help enable them to become self-employed or to be productively employed in sectors other than mining, such as construction or ***agriculture***.

In addition, Ivanhoe ***plans*** to launch five local economic development projects under the SLP that will result in the creation of approximately 800 jobs.

Sample preparation, analyses and security

During Ivanhoe's work ***programs***, sample preparation and analyses were performed by accredited, independent laboratories. Sample preparation was accomplished by Set Point laboratories in Mokopane, South Africa. Sample analyses were accomplished by Set Point Laboratories, Johannesburg; Lakefield Laboratory (now part of the SGS Group), Johannesburg; Ultra Trace Laboratory, Perth; Genalysis Laboratories, Perth and Johannesburg; SGS Metallurgical Services, South Africa; Acme, Vancouver and ALS Chemex, Vancouver. Bureau Veritas Minerals Pty Ltd assumed control of Ultra Trace during June 2007 and is responsible for assay results after that date.

Sample preparation and analytical procedures for samples that support Mineral Resource estimation have followed similar protocols since 2001. The preparation and analytical procedures are in line with industry-standard methods for platinum, palladium, gold, nickel and copper deposits. Drill ***programs*** included insertion of blank, duplicate, standard reference material and certified reference material samples. The quality-assurance and quality-control (QA/QC) ***program*** results do not indicate any problems with the analytical protocols that would preclude use of the data in Mineral Resource estimation.

Sample security has been demonstrated by the fact that the samples always were attended or locked in the on-site core facility in Mokopane.

Information on sample preparation, analyses and security is contained in the Platreef Project NI 43-101 Technical Report dated April 22, 2016, filed on SEDAR at   [*www.sedar.com*](http://www.sedar.com) and on the Ivanhoe Mines website at   [*www.ivanhoemines.com*](http://www.ivanhoemines.com).

Data verification

Amec Foster Wheeler E&C Services Inc. (Amec Foster Wheeler) reviewed the sample chain of custody, quality-assurance and quality-control QA/QC procedures and qualifications of analytical laboratories. In addition, Amec Foster Wheeler audited the assay database, core logging and geological interpretations. Based on these reviews, Amec Foster Wheeler considers that the data are acceptable to support Mineral Resource estimation.

Details of the data verification supporting the Mineral Resource estimate are set out in the Platreef Project NI 43-101 Technical Report dated effective April 22, 2016, and filed on June 24, 2016, available on Ivanhoe Mines' SEDAR profile at   [*www.sedar.com*](http://www.sedar.com) and   [*www.ivanhoemines.com*](http://www.ivanhoemines.com).

About Ivanhoe Mines

Ivanhoe Mines is advancing its three principal projects in Southern Africa: 1) Mine development at the Platreef platinum-palladium-gold-nickel-copper discovery on the Northern Limb of South Africa's Bushveld Complex; 2) mine development and exploration at the tier one Kamoa-Kakula copper discovery on the Central African Copperbelt in the Democratic Republic of Congo (DRC) and 3) upgrading at the historic, high-grade Kipushi zinc-copper-silver-germanium mine, also on the DRC's Copperbelt. For details, visit   [*www.ivanhoemines.com*](http://www.ivanhoemines.com).

Contact:

Bill Trenaman

Tel: +1.604.331.9834

Web:   [*www.ivanhoemines.com*](http://www.ivanhoemines.com)

FORWARD-LOOKING STATEMENTS

Certain statements in this news release constitute 'forward-looking statements' or 'forward-looking information' within the meaning of applicable securities laws. Such statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements of the company, the Project, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as 'may', 'would', 'could', 'will', 'intend', 'expect', 'believe', '***plan***', 'anticipate', 'estimate', 'scheduled', 'forecast', 'predict' and other similar terminology, or state that certain actions, events or results 'may', 'could', 'would', 'might' or 'will' be taken, occur or be achieved. These statements reflect the company's current expectations regarding future events, performance and results, and speak only as of the date of this news release.

The forward-looking statements and forward-looking information in this news release include without limitation, (i) statements regarding early-works construction is expected to take approximately 12 months; (ii) statements regarding Shaft 2 is to be sunk to a ***planned***, final depth of 1,104 metres below surface; (iii) statements regarding Shaft 1 is expected to reach its projected, final depth of 980 metres below surface in 2018; (iv) statements regarding the ***planned*** mining of the Flatreef Deposit will incorporate highly productive mechanized mining methods, including long-hole stoping and drift-and-fill mining; (v) statements regarding the first phase estimated annual production of 476,000 ounces of platinum-group metals and gold and (vi) statements regarding Ivanhoe's ***plans*** to develop the Platreef Mine in three phases: an initial annual rate of four Mtpa to establish an operating platform to support future expansions; followed by a doubling of production to eight Mtpa and then a third expansion phase to a steady-state 12 Mtpa.

In addition, all of the results of the Platreef DFS constitute forward-looking statements and forward-looking information. The forward-looking statements includes metal price assumptions, cash flow forecasts, projected capital and operating costs, metal recoveries, mine life and production rates, and the financial results of the Platreef DFS. These include statements regarding the Platreef Project IRR of 14.2% after tax, the Project's NPV of US$ 916 million at an 8% discount rate after tax (as well as all other before and after taxation NPV calculations), estimated all-in cash costs (including the life-of-mine average estimate of US$ 351 per ounce of 3PE+Au net by-product credits), capital cost estimates (including pre-production capital of US$ 1,544 million), proposed mining ***plans*** and methods, a mine life estimate of 32 years, a project payback period of 5.3 years; the expected number of people to be employed at the Project and the availability and development of water and electricity for the Platreef Project.

Readers are cautioned that actual results may vary from those presented.

All such forward-looking information and statements are based on certain assumptions and analyses made by Ivanhoe Mines' management in light of their experience and perception of historical trends, current conditions and expected future developments, as well as other factors management believe are appropriate in the circumstances. These statements, however, are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information or statements including, but not limited to, unexpected changes in laws, rules or regulations, or their enforcement by applicable authorities; the failure of parties to contracts to perform as agreed; social or labour unrest; changes in commodity prices; unexpected failure or inadequacy of infrastructure, industrial accidents or machinery failure (including of shaft sinking equipment), or delays in the development of infrastructure, and the failure of exploration ***programs*** or other studies to deliver anticipated results or results that would justify and support continued studies, development or operations. Other important factors that could cause actual results to differ from these forward-looking statements also include those described under the heading 'Risk Factors' in the company's most recently filed MD&A as well as in the most recent Annual Information Form filed by Ivanhoe Mines. Readers are cautioned not to place undue reliance on forward-looking information or statements. Certain of the factors and assumptions used to develop the forward-looking information and statements, and certain of the risks that could cause the actual results to differ materially are presented in the 'Platreef 2016 Resource Technical Report' dated effective April 22, 2016 and filed on June 24, 2016, available on SEDAR at   [*www.sedar.com*](http://www.sedar.com) and on the Ivanhoe Mines website at   [*www.ivanhoemines.com*](http://www.ivanhoemines.com).

This news release also contains references to estimates of Mineral Resources and Mineral Reserves. The estimation of Mineral Resources and Mineral Reserves is inherently uncertain and involves subjective judgments about many relevant factors. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. The accuracy of any such estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. Mineral Resource or Mineral Reserve estimates may have to be re-estimated based on, among other things: (i) fluctuations in platinum, palladium, gold, rhodium, copper, nickel or other mineral prices; (ii) results of drilling; (iii) results of metallurgical testing and other studies; (iv) changes to proposed mining operations, including dilution; (v) the evaluation of mine ***plans*** subsequent to the date of any estimates and (vi) the possible failure to receive required permits, approvals and licences.

Although the forward-looking statements contained in this news release are based upon what management of the company believes are reasonable assumptions, the company cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release and are expressly qualified in their entirety by this cautionary statement. Subject to applicable securities laws, the company does not assume any obligation to update or revise the forward-looking statements contained herein to reflect events or circumstances occurring after the date of this news release.

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** August 1, 2017

**End of Document**



[***GCC member states strengthen global trade ties***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5WS6-C4X1-DXYV-740V-00000-00&context=1516831)

Oxford Business Group: Articles

January 2018

Copyright 2018 Oxford Business Group All Rights Reserved



**Length:** 1553 words

**Body**

For the nations of the GCC, the drop in oil prices highlighted something many already knew: there is a pressing need for economic diversification and to further engage with global partners across different markets. To this end, countries in the region have made efforts to expand their international role and reach in recent years, with trade deals and investments being pursued in the US, China and India. Going forward, relationship building is likely to receive even greater focus, with GCC member states seeking opportunities and forging partnerships with other economies as well.

**Looking West**

One of the closest watched international developments in 2016 was the US presidential election. Despite Donald Trump's "America First" rhetoric, his election had a largely positive impact on US-GCC relations in 2017, which had frayed somewhat under Barack Obama, who led the US from 2008 to 2016.

President Trump's first official foreign trip in May 2017 began in Saudi Arabia. There he met with 50 Arab and Muslim leaders, including those from the six GCC nations. It was announced shortly before the visit that the US had signed deals worth close to $400bn with the Kingdom, including $110bn related to weapons and arms contracts. The following month the US Department of State approved an initial sale of military training ***programmes*** and equipment worth over $1.4bn to the Kingdom, with the contract including a radar system and education for the Royal Saudi Air Force.

Trade relations beyond defence have been enhanced recently as well, with Saudi Arabia's Public Investment Fund announcing ***plans*** to contribute $20bn to private investment firm Blackstone Group, with the funds to be used as financing for infrastructure projects in the US.

It is the UAE, however, that has historically been the US's largest export market in the Middle East, with sales worth more than $22bn in 2016. According to Sultan bin Saeed Al Mansouri, the minister of economy of the UAE, non-oil trade between the US and the UAE rose from $27.8bn in 2015 to $30.3bn in 2016. Alongside the military deals with Saudi Arabia, the US authorised the sale of $2bn worth of missiles to the UAE.

**To The East**

China's engagement with the Middle East has also grown significantly in recent years, with a number of ***strategic*** agreements and projects in place. This trend has been aided by China's One Belt One Road (OBOR) initiative, which was unveiled in 2013. The aim of the scheme is for China to extend its global reach, and it has found a receptive audience in the GCC. Saudi Arabia and China signed 15 memoranda of understanding (MoUs) during the G20 summit in September 2016, spanning areas such as science and technology, oil storage, water and cultural cooperation. Underpinning these bilateral agreements is a five-year ***programme*** of mutual investments, with a timeframe of one year to be set aside to finalise the deals.

At a global exhibition in the UAE in February 2017, another MoU - related to China's defence sector - was executed between the two countries. The agreement ***plans*** to establish a production line in Saudi Arabia for China's new generation Rainbow 4 aerial drone, among other projects. In March 2017, during a month-long tour of Asia to increase economic cooperation with the region, King Salman bin Abdulaziz Al Saud oversaw the signing of additional deals worth upwards of $65bn with Beijing. The agreements included an MoU between oil giant Saudi Aramco and China North Industries Group to look into establishing refining and chemicals plants in China, as well as a deal between Saudi Basic Industries Corporation (SABIC) and China's Sinopec to develop petrochemicals projects in both countries. Sinopec and SABIC already operate a joint chemicals complex in the Chinese city of Tianjin.

China is currently Saudi Arabia's largest trading partner, with bilateral exchanges amounting to $42.4bn in 2016. During a visit to the Kingdom in August 2017 Zhang Gaoli, vice-premier of China, said his country "supports Saudi Arabia in making its 2030 vision a reality, and would like to be a partner as the country diversifies its economy". Some 60 agreements and MoUs, worth nearly $70bn, were signed during his visit.

**Regional Partners**

Gaoli also visited Kuwait during his time in the region, becoming the highest-level Chinese official to visit the nation in almost a decade as the countries look to deepen trade relations. Kuwait was the first Gulf state to establish full diplomatic ties with China in 1971 and was also one of the initial Arab countries to sign a cooperation agreement with it under the OBOR initiative. Bilateral trade between China and Kuwait reached $9.37bn in 2016 and rose 28.6% year-on-year (y-o-y) to $5.47bn in the first half of 2017.

Elsewhere, the UAE is expected to play a key role in OBOR due to its importance as a regional and global trade hub. The country is the gateway for roughly 60% of China's exports to the region, worth about $70bn annually, according Abu Dhabi Ports. He Song, commercial counsellor at the Chinese embassy in Abu Dhabi, stated that Chinese non-financial foreign direct investment in the UAE rose 352% y-o-y in the first nine months of 2016 to reach $390m. That year China's COSCO Shipping Ports won a 35-year concession to build and operate a new container terminal at Khalifa Port in Abu Dhabi, with ***plans*** to invest over $700m.

Earlier, in December 2015, Abu Dhabi-based Mubadala Investment Company launched a joint investment fund with China Development Bank Capital and China's State Administration of Foreign Exchange, with each government investing $5bn to be used for projects in both countries. Since 2011, four of China's state-owned banks have set up operations in the UAE.

**India & Pakistan**

Emerging markets in South Asia are also key to outward growth. India is the GCC's largest trade partner, and with the OECD expecting the country's economic growth to remain above 6.7% through 2019, there are numerous opportunities on offer. Trade between India and the GCC totalled $137.7bn in 2014-15, up from $6.2bn in 2001-02, according to the International Trade Centre. Ali Ebrahim, deputy director-general of Dubai Economy, said in August 2017 that GCC exports to India had increased by 49% annually over the previous decade - the highest growth rate among the region's major trading partners - with imports from India growing by 39%. According to India's Ministry of External Affairs, the GCC currently supplies 60% of India's total energy imports. Furthermore, with millions of Indians working in the GCC, remittances from the region make up over $35bn per year, representing half of India's annual total remittances.

While relations between Pakistan and the GCC are not as well established as those with India, a third round of negotiations over a free trade agreement (FTA) between GCC member states and the South Asian country was expected by the end of 2017, with the text of the initial framework in place as of early August 2017. The hope is that an FTA will help to further develop multilateral trade, with Pakistan's ***agricultural*** potential and energy needs seen as areas of opportunity.

**Russia**

With Russia a major hydrocarbons ***producer*** in its own right, trade between the GCC region and the northern giant has never been as critical as with the US, China and India. Still, there have been strong efforts to boost bilateral trade and cooperation. The Russian Direct Investment Fund (RDIF) and Mumtalakat, Bahrain's sovereign wealth fund, signed a mutual investment agreement in 2014, and in February 2016 it was reported that Mumtalakat had made a $250m investment in the RDIF. In June 2017 Mahmood Hashim Al Kooheji, CEO of Mumtalakat, told Reuters that they had an "impressive" pipeline of investment deals in Russia, with $135m worth of projects already approved.

Bahrain's moves followed the November 2015 announcement that Kuwait's sovereign wealth fund, the Kuwait Investment Authority, had agreed to allocate $500m to projects in Russia in partnership with the RDIF. According to Kirill Dmitriev, head of the RDIF, Gulf sovereign wealth funds had earmarked more than $20bn for investment in Russia as of May 2017.

In June 2017 Rosneft - Russia's largest oil ***producer*** - and Saudi Aramco announced they were looking into joint investments in Saudi Arabia. At the same time, the Kingdom said it would consider joining Russia's arctic liquefied natural gas project. In May 2017 Saudi Arabia's PIF also entered in a partnership with RDIF to invest up to $10bn in Russia-Saudi projects, with $1bn already invested in infrastructure, manufacturing, logistics and retail, according to the PIF ***Programme*** 2018-2020.

In Oman, Sultan Qaboos bin Said welcomed a Russian special envoy in February 2017 to review bilateral relations, reinforce a climate of supportive cooperation and activate existing joint agreements between the two nations. Trade between Oman and Russia has risen sharply since 2010, with Russian companies currently engaged in Oman's energy sector.

If oil prices continue to recover, it is likely that the GCC will enter additional agreements with countries around the world. These deals, whether related to developments in the region or investments elsewhere, will become increasingly important for economic growth and revenue generation for all GCC member states.

**Load-Date:** March 12, 2020

**End of Document**



[***An overview of Indonesia's tax environment***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5WS6-C4X1-DXYV-73NH-00000-00&context=1516831)

Oxford Business Group: Articles

December 2017

Copyright 2017 Oxford Business Group All Rights Reserved



**Length:** 2209 words

**Body**

Indonesia has posted positive economic growth in the last few years, even in the face of the recent global economic slowdown. The country recorded a GDP growth rate of 5% in 2016, on par with the previous two years. Tax income is a key component to this growth, allowing the state to invest in various sectors of the economy and contribute to the continued building of infrastructure.

CURRENT STATE: The government has set the tax revenue target for 2017 at Rp1472.7trn ($111bn), and the country managed to collect 46.8% of that figure in the first seven months of the year. The government is targeting tax revenue of Rp1609.4trn ($121.3bn) in its annual budget ***plan*** for 2018, which would represent 86% of the entire state revenue.

The government has set an ambitious target of a tax-to-GDP ratio of 16% by 2019, up from the current ratio of 10.3%. Policy and administrative reforms will be necessary to close the gap; tax laws will be amended accordingly to support this target and to accommodate the rapidly changing business environment. Amendments to the three primary tax laws - the General Tax Provisions and Procedures Law (Ketentuan Umum dan Tata Cara Perpajakan), the Income Tax Law, and the Value-Added Tax (VAT) and Luxury Sales Tax (LST) Law - will be discussed by Parliament over the next five years.

Indonesia has also completed its first tax amnesty ***programme***, which aimed to enable fairer tax reforms through an expanded tax base, provide a comprehensive and integrated tax database and increase voluntary compliance. As part of the ***programme***, taxpayers disclosed a large number of previously unreported assets amounting to Rp4881trn ($367.9bn). The ***programme*** yielded redemption money of Rp114trn ($8.6bn) for the government and other tax revenue of Rp21trn ($1.6bn). This achievement has been recognised as one of the most successful tax amnesty ***programmes*** in the world.

EFFORTS TO INCREASE TAX COMPLIANCE: Indonesia has updated its Certificate of Domicile (CoD) provisions for foreign and domestic tax residents. In the CoD disclosure form for foreign taxpayers, a requirement that the earned income be subject to tax in the domicile country is removed from the beneficial ownership test. The new form does, however, add a set of general residency tests that should be fulfilled by non-individual taxpayers for them to be able to enjoy tax-treaty benefits.

In the past year the Directorate General of Tax (DGT) has continued to develop its numerous electronic systems to facilitate the ease of tax compliance. In addition to making the electronic VAT system mandatory nationwide in July 2016, the DGT has introduced a full electronic Article 23/26 withholding tax system, which will be introduced gradually beginning in September 2017.

Indonesia is largely a self-assessment tax environment, therefore enforcement remains a priority for tax authorities. Through the enhanced tax audit procedures, the DGT continues to step up its efforts to monitor compliance. Targets of tax audits are transfer pricing, taxpayers operating in certain industries and taxpayers that did not take advantage of the tax amnesty ***programme***. The DGT is enhancing its capabilities to trace property of taxpayers in order to identify any undisclosed income or assets INFORMATION OPENNESS: The August 2017 enactment of the Law on Financial Information Access for Tax Purposes introduces more information openness in Indonesia, provides the DGT access to detailed data from financial institutions and enables the DGT to fulfil Indonesia's Automatic Exchange of Financial Account Information (AEOI) reporting obligations. Financial accounts in the name of individuals with balances exceeding Rp1bn ($75,400) as of December 31 of each reporting year are subject to this provision. The data collected will be processed by a specialised Centre for Tax Analysis, which will have access to all data from the DGT.

CONTROLLED FOREIGN COMPANY RULES: Indonesia has also updated the Controlled Foreign Company (CFC) rules that adopt some of the recommendations from the OECD/G20 Base Erosion and Profit Sharing (BEPS) project. The rules expand the definition of a CFC to include indirectly owned CFCs, and introduces the concept of transparent entities. Once an actual dividend is paid by the CFC, this amount can be offset (therefore non-taxable) against deemed dividends reported in the past five years. If the actual dividends are higher than the deemed dividends reported in that period, the difference should be reported as taxable income on the Indonesian taxpayer's corporate income tax return.

TRANSFER PRICING DOCUMENTATION: Indonesia launched a new standard for transfer pricing documentation in FY 2016, affecting the Master File, Local File and Country-by-Country (CbC) Report, a move broadly in line with the OECD/G20 BEPS project. This new provision was followed by the signing of the Multilateral Competent Authority Agreement on the Exchange of CbC Reports on January 26, 2017, where Indonesia agreed to increase international tax transparency through the automatic exchange of annual CbC Reports among tax jurisdictions in which multinational operating groups conduct activity.

INTERNATIONAL TAX DEVELOPMENTS: On June 7, 2017 Indonesia, together with 67 other jurisdictions, made a notable international tax commitment by signing the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS (the Multilateral Instrument, MLI). By signing the MLI, Indonesia agrees to include results from the OECD/ G20 BEPS project into its tax treaties to ensure consistency in the implementation of the BEPS project, while also providing flexibility to accommodate specific tax-treaty policies.

By July 2017 Indonesia had signed bilateral agreements with Hong Kong and Switzerland to implement the AEOI starting in 2018, with the first data transmission taking place in 2019. Singapore has also included Indonesia as one of the partner jurisdictions for AEOI purposes.

The new protocol to the 2002 tax treaty between Indonesia and the Netherlands entered into force on August 1, 2017 and shall be effective for amounts paid or credited beginning on October 1, 2017 for both countries. This protocol provides attractive features, such as the 5% withholding tax rate for dividends and interest. Indonesia has also ratified the second protocol to the 1991 tax treaty with Malaysia, which updates articles in the tax treaty regarding the AEOI to be in line with current international tax standards.

BUSINESS TRANSACTIONS: The transfer of assets as part of a business merger, consolidation, expansion or acquisition should be reported for tax purposes at fair market value. However, the transfer of assets at book value may be permissible for certain qualifying business transactions.

The scope of a business merger and consolidation has been expanded to include an inbound cross-border merger and consolidation, i.e., a merger or consolidation that results in the domestic corporate taxpayer being the surviving entity and the offshore entity that is merged or consolidated with the domestic corporate taxpayer must be dissolved. While included in the overall definition, cross-border merger or consolidation activity is not yet supported by a legal regulatory framework.

The definition of a business acquisition now specifically includes the merger of a permanent establishment (PE) of a foreign bank with a domestic corporate taxpayer by way of transferring all of the PE's assets and liabilities to the domestic corporate taxpayer and dissolving the PE.

Criteria such as the business purpose test must be met and a specific approval must be obtained from the DGT. If the merging companies are VAT-eligible entrepreneurs (i.e., taxpayers subject to VAT), the transfer of goods between the merging firms is VAT-exempt. Furthermore, a sharia business unit has been added to fulfil a business spin-off obligation as required by law. No initial public offering is required for this type of sharia spin-off transaction.

VAT FOR ESSENTIAL PRODUCTS: VAT is generally in place on the consumption of goods and services in Indonesia. There are certain types of goods that are exempt from VAT due to their nature, such as basic-necessity goods that are in high demand. To restrict what is defined as "basic-necessity goods that are highly required by the public", the government has issued an updated list of goods that would fall under this category.

If VAT is incurred on the purchase of goods or services in the process of ***producing*** these basic-necessity goods, then this input VAT on the acquired goods or services cannot be credited and will become an additional production cost.

CORPORATE INCOME TAX: The government may provide an avenue for the reduction of 10-100% of corporate income tax due for five to 15 years from the start of commercial production. For example, a maximum reduction of 50% may be granted to firms in the telecommunications and information industries with new capital investment ***plans*** valued between Rp500bn ($37.7m) and Rp1trn ($75.4m). The period can be extended to up to 20 years if the state deems it necessary for the national interest.

This facility is provided to firms in pioneer industries that have a wide range of connections, provide additional value and high externalities, introduce new technologies and offer ***strategic*** value to the national economy. Currently, this facility is available for the following business sectors:

· Upstream metal;

· Oil refinery industry or infrastructure, including those activities under the public-private partnership (PPP) scheme;

· Base organic chemicals sourced from oil and gas;

· Machinery;

· Telecommunications and information;

· Sea transportation;

· Industrial processing of ***agriculture***, forestry and fishery products; and

· Economic infrastructure other than those under the PPP scheme. An application to receive a reduction in corporate income tax must be submitted to the Investment Coordinating Board (BKPM). A proposal for approval from the Ministry of Finance (MoF) will be made by the BKPM chairman after carrying out research on the applicant and the investment ***plan***. A proposal can be submitted to the MoF until August 15, 2018.

INBOUND INVESTMENT INCENTIVES: In addition, the MoF may provide the following tax concessions to investors in certain designated areas or regions:

· A reduction in tax on net income of up to 30% of the amount invested, prorated at 5% for six years of commercial production, provided that the assets invested are not transferred out of the country within six years;

· Accelerated depreciation and/or amortisation deductions;

· Extension of tax losses carried forward from five years to up to 10 years; and

· A reduction of the withholding tax rate on dividends paid to non-residents to 10% (or lower if treaty relief is available). The applicant must meet one of the following criteria to be eligible for the above tax facilities:

· High investment value or investment for export purposes;

· High absorption of manpower; or

· High local content. Recommendation from the BKPM chairman, together with the application for investment approval, must be obtained before MoF approval for the tax facilities can be sought.

ZONE-BASED CONCESSIONS: Indonesia has a number of zone-based incentive schemes on offer, which are outlined below. Industrial Zone (KI): The determination and licensing of a KI is granted by the government. The applicable tax facilities depend on the classification of the Industrial Development Area (WPI) of the KI, namely:

· Advanced (WPIM);

· Developing (WPIB);

· Potential I (WPIP I); and

· Potential II (WPIP II). The chart to the right shows the available tax facilities for each type of WPI. Special Economic Zone (KEK): A corporate income tax reduction facility may be granted to new taxpayers with capital invested in the production chain of the main activities of a KEK, as outlined in the chart on the preceding page. Taxpayers rejected for the corporate income tax reduction facility and taxpayers conducting other activities in a KEK may apply for similar inbound investment incentives under the income tax concessions. In addition to the chart's income tax facilities, taxpayers in a KEK are also entitled to the following:

· Non-collection of VAT and LST on the import of certain goods;

· Non-collection of Article 22 income tax on the import of certain goods;

· Postponement of import duty on capital goods and equipment, and goods and materials for processing;

· Exemption of excise tax on the import of goods to be used to ***produce*** non-excisable goods; and

· Non-collection of VAT and LST on the domestic purchases of certain goods. Bonded Logistic Centre (PLB): A PLB is intended to store both imported goods from outside the Indonesia Customs Area and goods from other places within the Indonesia Customs Area that can be processed with one or more simple activities within three years. The tax facilities in these areas are as follows:

· Non-collection of VAT and LST on the import of certain goods;

· Non-collection of Article 22 income tax on the import of certain goods;

· Postponement of import duty on certain goods;

· Exemption of excise tax on the import of certain goods; and

· Non-collection of VAT and LST on the domestic purchase of certain goods.

**Load-Date:** March 12, 2020

**End of Document**



[***Management control systems and corporate social responsibility: perspectives from a Japanese small company***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5YJX-P231-DY4C-F08K-00000-00&context=1516831)

Corporate Governance

February 5, 2018

Copyright 2018 Emerald Publishing Limited All Rights Reserved



**Section:** Pg. 68-80; Vol. 18; No. 1; ISSN: 1472-0701

**Length:** 6392 words

**Byline:** Masahiro Hosoda.

**Body**

**ABSTRACT**

Purpose

Corporate social responsibility (CSR) has become part of daily business for small- and medium-sized enterprises (SMEs) in Japan. The purpose of this study is to explore how management control systems (MCSs) can support the translation of activities into CSR actions using a case study of a SME in Japan.

Design/methodology/approach

The case is based on an interview with a CEO of a SME in Japan. The paper contributes to the discussion on CSR and MCSs and investigates the integration of CSR activities in SMEs in Japan through MCSs.

Findings

The case company’s formal control systems incorporate environmental and social aspects that are reflected in its top-down, stakeholder-centered approach into CSR through a formal CSR policy. An informal control system is evident and reflected in the CEO’s emphasis on creating shared value by implementing CSR. An interactive control system, a type of formal control system, is useful in the interactions between CEOs and employees and in translating the opinions of stakeholders into CSR actions. Formal control systems can be supported by informal control systems in the implementation of CSR activities.

Originality/value

This research contributes to the management accounting literature by showing that formal and informal control systems can support the motivation of employees and the integration of stakeholders’ opinions on the implementation of SMEs CSR activities in Japan. The MCS approach also contributes to SMEs in Japan that seek to address the demographic and economic challenges.

**1. Introduction**

Increasingly, corporations are expected to be socially and environmentally responsible within their communities (Eweje, 2006). An increase in awareness and sensitivity toward social and environmental issues is exacerbating the situation, and demands from various stakeholders are pressuring corporations to do more for the society (Eweje and Sakaki, 2015; Dobele *et al.*, 2014). Corporate social responsibility (CSR) is “a concept whereby companies integrate social and environmental concerns in their business operations and their interaction with stakeholders on a voluntary basis” (Commission of the European Communities, 2001, p. 6). This study views CSR as an essential element of an organization’s core business and not just as a strategy to gain legitimacy or manage reputation (Arjaliès and Mundy, 2013). This approach advocates that CSR embeds socially and environmentally responsible actions throughout the organization to enhance long-term value (Arjaliès and Mundy, 2013; Moon, 2007). CSR is an increasingly essential concept for large-sized enterprises and small- and medium-sized enterprises (SMEs) (Tantalo *et al.*, 2012; Arevalo and Aravind, 2011; Sweeney, 2007; Abreu *et al.*, 2005; Longo *et al.*, 2005).

Attention to CSR has intensified since 2003 in Japan (Fukukawa and Teramoto, 2009). Many large Japanese corporations face CSR issues in their day-to-day work and have designated managers as heads of CSR units responsible for the development and implementation of CSR initiatives and practices (Eweje and Sakaki, 2015). SMEs[[[1]](#footnote-2)1] in Japan have also integrated CSR as a core component of business. Haron *et al.* (2015) indicate that SMEs value integrity, ethics and social responsibility highly. Successful SMEs continue to uphold the ethical principle of always prioritizing the needs of the customer. SMEs in Japan also emphasize the preservation of traditional culture, contribution to society and value expert advice on ways to improve business (Haron *et al.*, 2015).

The purpose of this study is to explore how management control systems (MCSs) can support the translation of CSR into CSR actions using a case study of a SME in Japan. The case is based on an interview with a CEO of a Japanese *Sake* brewery. This paper contributes to the discussion on CSR and MCSs in Japan and how CSR activities are integrated into SMEs through MCSs. CSR has become part of daily business in Japanese SMEs; however, the role of MCSs in the implementation of CSR activities in SMEs in Japan has not been clarified. Thus, this study is timely.

MCSs have been conceptualized in various ways (Chenhall, 2003; Simons, 1995). MCSs have been presented as an operational package. Organizations may have numerous controls, and they all may be used to some extent to align individual activities with organizational goals (Malmi and Brown, 2008). Thus, MCSs represent the evolution of formal and informal mechanisms, processes, systems and networks used by organizations to convey key objectives and goals elicited by the management to assist the ***strategic*** process and ongoing management through analysis, ***planning***, measurement, control and rewards and by broadly managing performance to support and facilitate organizational learning and change (Ferreira and Otley, 2009).

Although organizations have embraced CSR as a core component of business, little is known about the processes whereby MCSs contribute to the deeper integration of CSR within organizational activities (Arjaliès and Mundy, 2013). Thus, research on MCSs that consider sustainability or CSR is required (Gond *et al.*, 2012; Berry *et al.*, 2009; Otley, 2003). Prior case study research has assumed different perspectives:

* the use of formal and informal control systems in Japanese listed companies (Hosoda and Suzuki, 2015);

1. the effects of formal and informal control systems in motivating socially responsive decision-making (Norris and O’Dwyer, 2004);
2. sustainable leadership through formal control systems and organizational culture (Morsing and Oswald, 2009); and
3. implementing sustainability strategies through formal and informal mechanisms (Riccaboni and Leone, 2010).

Crutzen *et al.* (2017) argue that SMEs may have different control patterns for the use of both formal and informal control systems in the management of sustainability issues. Research is, therefore, required to understand the role of MCSs in facilitating the management of CSR activities that, in turn, support the attainment of organizational objectives for SMEs in Japan. The MCS approach will provide new insight into CSR implementation in SMEs that address the demographic and economic challenges because this study shows how MCSs enhance regional revitalization as one aspect of CSR by integrating stakeholders’ opinions.

The structure of this paper is as follows. Section 2 reviews the extant literature. Section 3 describes the research methodology. Sections 4 presents the findings. Section 5 discusses the findings and then concludes and suggests directions for future studies.

**2. Literature review**

This section describes the role and uses of MCSs for CSR activities. This section first outlines the theoretical framework of MCSs. Next, the relevance and application of MCSs to CSR activities are clarified. Finally, case studies are highlighted to investigate the use of MCSs in the implementation of CSR activities.

**2.1 Theoretical framework of MCSs**

The formal and informal aspects of MCSs are evolving with strategy implementation (Berry *et al.*, 2009; Ferreira and Otley, 2009; Sandelin, 2008; Chenhall, 2003). The primary components of formal control systems are ﬁnancial controls such as budgetary control systems (Anthony and Govindarajan, 2007). In addition, non-ﬁnancial controls that consider non-ﬁnancial measures are also used (Anthony and Govindarajan, 2007; Bhimani and Langfield-Smith, 2007; Chenhall, 2003). These control systems include ***planning***, performance measurement, evaluation, feedback and corrective action (Anthony and Govindarajan, 2007).

Information gained from formal control systems forms a basis for new strategies (Anthony and Govindarajan, 2007). Interactive control systems are “formal information systems managers use to involve themselves regularly and personally in the decision-making activities of subordinates” (Simons, 1995, p. 95). Interactive control systems seek to change or renew strategies through intra-organizational discussion (e.g. between superiors and subordinates, top management and business unit managers) by identifying potential threats and opportunities (Simons, 1995). Organizational learning is stimulated, new ideas are encouraged and strategies emerge as organization-wide responses to perceived opportunities and threats through the use of interactive control systems (Bisbe and Otley, 2004).

MCSs are also characterized by informal control systems that embody common values, beliefs and traditions that direct employee behavior (Falkenberg and Herremans, 1995). Informal control systems motivate employee ethical behavior and are enhanced by clan control (Norris and O’Dwyer, 2004), which “attains cooperation by selecting and socializing in a way that individual objectives substantially overlap with the organization’s objectives” (Ouchi, 1979, p. 846). Informal control systems are congruent with formal control systems when they prompt behaviors aligned with organizational values, beliefs and traditions. This congruence of formal and informal control systems motivates members to implement strategy (Falkenberg and Herremans, 1995).

Otley (1999) argues that there is no universally applicable system of management control and that the choice of appropriate control systems depends upon circumstances surrounding an organization. Chenhall (2003) discusses size mostly measured by the number of employees as a contextual variable that affects the design of MCSs. Large size is associated with an emphasis on and participation in budgets and sophisticated controls. Informal control typically characterizes small firms (Sandelin, 2008; Collier, 2005; Chenhall, 2003). The case study of a small and developing company by Sandelin (2008) shows that informal deployment of cultural criteria in personnel selection and share-based incentives granted to employees homogenize the environment within the firm. Informal daily communication among managers and employees also supports decision-making (Sandelin, 2008). Thus, informal control systems can be a key element of MCSs in SMEs.

**2.2 CSR and MCSs**

CSR has been integrated as a core component of companies’ business. Most companies issue CSR reports to highlight their contribution to stakeholders financially, environmentally and socially. In this context, researchers have noted that economic, environmental and social aspects should be incorporated into the formal aspect of MCSs (Gond *et al.*, 2012; Albelda, 2011; Perrini and Tencati, 2006). For example, Epstein and Roy’s (2001) framework includes the details of the systems, structures and measures that are necessary to change organizational culture and processes to improve both social and financial performance based on the concept of the Balanced Scorecard (BSC). This BSC approach shows that environmental and social aspects could be drivers of both financial and social performance. Thus, environmental and social aspects should be integrated into a formal control process that includes ***planning***, performance measurement, evaluation, feedback and corrective action. This integration of environmental and social aspects into formal control systems could translate CSR activities into day-to-day action.

Research has also recognized that the informality of a control system is an important factor in creating an organizational climate that motivates organization members to implement CSR activities (Crutzen *et al.*, 2017; Riccaboni and Leone, 2010; Durden, 2008; Norris and O’Dwyer, 2004). Comprehensive formal control systems could be supported by informal control mechanisms to implement CSR (Crutzen *et al.*, 2017; Norris and O’Dwyer, 2004), and, in turn, formal controls could fortify the establishment of informal control mechanisms (Crutzen *et al.*, 2017).

**2.3 Case studies investigating MCSs in the implementation of CSR activities**

Case studies have been adopted to reveal MCSs’ functions in CSR implementation. For example, a case involving a UK company (Norris and O’Dwyer, 2004) shows that no environmental and social aspect was incorporated into formal control systems. Only informal control systems existed to implement CSR. If environmental and social aspects are not embedded in formal control systems, managers’ decisions on financial goals alone will be prioritized during periods of heightened economic challenges, such as fierce competition with rival companies (Norris and O’Dwyer, 2004). In addition, in the case of a New Zealand company (Durden, 2008), neither formal nor informal control systems existed for CSR, and managers and employees were not motivated to implement CSR. Durden (2008) suggested that both formal measurement and informal control are key aspects in developing MCSs that incorporate social responsibility considerations. These case studies show useful function of formal and informal control systems for the implementation of CSR.

Case studies that show the function of formal and informal control systems for CSR implementation have been conducted. The case of Procter & Gamble (P&G) in Italy (Riccaboni and Leone, 2010) shows that both formal and informal controls systems translate sustainability strategies into action and modify them when a ***strategic*** change in a sustainable direction occurs. The case of Novo Nordisk A/S (Morsing and Oswald, 2009) shows that formal control systems such as BSC support the measurement and evaluation of sustainability practice. Organizational culture as an informal control system is necessary for managing sustainability practices through the leadership of the top management (Morsing and Oswald, 2009). In Japanese companies, *Hoshin Kanri[*[[2]](#footnote-3)2*]* of formal control systems typically serves environmental and social objectives and supports the successful implementation of CSR under the organizational climate dictated by informal control systems (Hosoda and Suzuki, 2015). These case studies show that mutual functions of formal and informal control systems can motivate members of organizations and enhance CSR activity implementation.

Recent case studies also find that the formal control systems are useful for integrating the opinions of stakeholders into control process and reporting. Arjaliès and Mundy (2013) and Kerr *et al.* (2015) identify how interactive control systems incorporate the opinions of stakeholders such as investors, NGOs and communities so that managers can identify strategies overlooked internally and attract feedback on CSR strategy (Kerr *et al.*, 2015; Arjaliès and Mundy, 2013). Kerr *et al.* (2015) explain that the emphasis on stakeholder interaction is consistent with Simons’(1995) suggestion that managers are likely to have interactive control systems because of the importance of public and political opinion. Thus, the role of interactive control systems is useful in the interaction between managers and employees to renew their strategies and to incorporate opinions of stakeholders into CSR or sustainability actions.

Various control systems are used to motivate organizational members to implement CSR activities and to incorporate the requests of stakeholders into control processes. Little is known, however, about the processes whereby MCSs contribute to a deeper integration of CSR into organizational activities of SMEs in Japan. Crutzen *et al.* (2017) also argue that SMEs may have different control patterns for managing sustainability issues. The research question addressed in this study is therefore: *RQ.* How do organizations use their MCSs to support the motivation of employees and the integration of stakeholders’ opinions when implementing CSR activities in SMEs?

**3. Methodology**

**3.1 Research method**

This study uses a case study to explore how MCSs can support the translation of CSR into CSR activities in a Japanese SME. The case study presents the concepts through a real-world context. Case studies allow researchers to cope with technically distinctive situations with many variables of interest (Yin, 2014). The choice of this method is based on the observation that case studies are used to investigate how and why particular practices are adopted in accounting. Case studies also provide convincing explanations that facilitate theory development (Smith, 2011; Scapens, 2002). Additionally, with specific reference to CSR and MCSs, many scholars (Kerr *et al.*, 2015; Arjaliès and Mundy, 2013; Mersereau and Mottis, 2012; Riccaboni and Leone, 2010; Morsing and Oswald, 2009; Norris and O’Dwyer, 2004) use case studies.

**3.2 The case company**

Company A is a SME located in Tochigi Prefecture in Japan, approximately 100 km from Tokyo. The area where Company A is located is renowned for sites of historical and archeological interest, is a world-famous circuit facility and is known for its strawberry production. Visitors to the area can experience the fire festival, rice planting, a *Sake* production tour, strawberry picking and a *Soba* festival.

In 1829, an ancestor of the CEO of Company A built a brewery in Tochigi Prefecture. The company is located in Mashiko Town, which is one of the most famous places in Tochigi Prefecture. Employing 36 people, and with US$10m in 2014 sales, Company A refers to SMEs in Japan. Company A brews *Sake* and *Shochu*, sells wholesale and retail liquor and beverages, ***produces*** cosmetics and deals in real estate. Company A is reputed for its contributions to the Tochigi Prefecture. Along with many other Japanese cities, the area is suffering from a degrading local economy because the age of the working population has declined and the Japanese industry is underperforming. Additionally, consumption of Japanese *Sake* in Japan has been decreasing owing to lifestyle changes. Accordingly, Company A is attempting to contribute to the local economy and enhance its brand by collaborating with other companies in CSR activities.

**3.3 Data collection and analysis**

Multiple sources of evidence were collected at the research site following what is generally described as data triangulation (Yin, 2014; Scapens, 2002). Primary data were collected during note-taking and interview transcription. Secondary data such as in-house documents were provided by the CEO, the company website and company brochures; publications on Company A were also used as data.

The interviews were conducted at Company A. The interview lasted 3 h on 3 July, 2015, 30 min on 13 July, 2015 and 1.5 h on 30 March, 2017. The total interview time is 5 h. The interviews focused on CSR activities, the use of MCSs and the integration of CSR and MCSs. The interviews are recorded and transcribed. The CEO of the company also visited the author’s institution for about 2 h on 19 February, 2016, and shared opinions about Company A’s business strategy. A notebook was used to collect data.

In addition, site visits were conducted on 31 July 2015, on 4 August 2015 and on 17 December 2016 to investigate how the company operates in the production and selling of its products to foreign and Japanese tourists and how the company cooperates with other local companies in CSR activities. Each site visits takes about 2 h and the total time is about 6 h. A notebook was used to collect data.

For the case analysis, a pattern matching (Yin, 2014) was adopted. The process was undertaken by comparing a pattern based on findings from the case study with a predicted pattern made before data collection. The comparison is provided considering formal and informal control of MCSs, linkages between the MCSs and motivation of employees, as well as the integration of stakeholders’ opinions on the implementation of SMEs’ CSR activities.

**4. Findings**

**4.1 CSR at Company A**

Company A had a formal environmental and a social policy at the time of this study. Table I indicates that CSR activities assumed a top-down approach centered on stakeholder groups. The CEO mostly valued employee relationships in the implementation of CSR. The CEO valued the education of employees and relationships with employees to encourage understanding and motivation among employees of the need to contribute to society, Company A and their own well-being. Additionally, the CEO was attempting to improve the quality of *Sake* and ***produce*** other liquor, beverages and products (e.g. cosmetics) to satisfy existing customers and customers who cannot consume alcohol. The CEO also focused on collaborating with local businesses to contribute to the local economy and the *Sake* industry.

As discussed in a previous research on CSR in SMEs, CSR is an essential concept in SMEs such as Company A in Japan (Haron *et al.*, 2015). CSR is incorporated into Company A’s corporate policy. This reflects that Company A implements CSR activities by using non-financial controls with a formal CSR policy (Hosoda and Suzuki, 2015).

For Japanese companies, environmental conservation activities are an important CSR item. However, the Company A CEO explained that environmental conservation is not an important CSR goal because the production of *Sake* does not ***produce*** a heavy environmental burden:

*Sake* production is an ***agricultural*** processing industry. ***Producing*** with Japanese rice is not likely to be an environmental burden. We return rice that has been milled to the field, milled rice that is further milled will be a raw material for *Shoucyu*. *Sake* lees called *Sake Kasu* in Japanese can also be sold. For bottles, we use a recyclable bottle. (CEO, 3 July 2015)

However, there are necessary future considerations such as the reduction of electricity consumption and the introduction of hybrid cars. Thus, the CEO is considering investment in environmental protection by acquiring government subsidies[[[3]](#footnote-4)3]:

Whether we are saving energy and generating electricity, we are not making sunlight, making LED lighting, or saving electricity without using electricity. After that, I wonder if there is a problem that we do not make a hybrid car […] With government subsidies, we are working on environmental measures and support measures for new business; various things are involved in Abenomics[[[4]](#footnote-5)4]. (CEO, 3 July 2015)

The CEO encourages employees to understand the meaning of their work and contribution to provide motivation. A sense of shared values is central to CSR activities. CSR is part of the corporate philosophy. The CEO noted shared values among employees of Company A:

We are grateful for all we have, to create great impressions and joys in a cordial manner, to realize happiness physically and mentally for ourselves and others. (CEO, 3 July 2015)

The CEO and employees appreciate all they have, create great impressions and act cordially to pursue physical and mental well-being for themselves and other stakeholders. The CEO and employees consider and promote satisfaction among customers, family, colleagues, business partners and communities. The CEO and employees value good relationships, economic security and personal growth. They challenge the status quo and are uncomplaining. To enhance these shared values, employees chant Company A’s management principles and read from a magazine that narrates principles governing business practices, human relationships and ethical behavior at a meeting each morning. A new year ceremony is also held to enhance communication among employees and motivate employees in their work. The CEO explained the shared values of Company A:

We live in nature’s providence and the world’s order and principles. Each of us is just an individual in the world. We owe what we are to someone else. We would like to express our sincere gratitude to all. We think and act in the interests of customer satisfaction, experience joy in our work, wish our family, colleagues, business partners, customers, local people, and ourselves a healthy and happy life, good relationships with our families, economic wealth and human growth, and to maintain a challenging attitude to break the status quo and obtain happiness without complaining. (CEO, 3 July 2015)

To create an organizational climate in which the CEO and employees can act in accordance with the organization’s values, beliefs and traditions, Company A holds a ceremony once a year. It is an event for individuals, but it also aims to encourage teamwork beyond divisional boundaries and a positive attitude toward work among employees. This type of activity is used as clan control (Ouchi, 1979) that enhances cooperation by encouraging socialization so that individual objectives substantially overlap with the organization’s objectives. The CEO of Company A explained:

In the company, a ceremony is held annually. Many companies talk about management ***plans***, but I give commendations for people who worked hard for one year; employees who received recognition speak for three minutes and present their own initiatives. Then, I express the determination of each division and explain that I want to make a new *Sake* or find a new business partner to inspire the feelings of our employees. Through these events, I attempt to raise awareness, teamwork, and unity in my company. (CEO, 3 July 2015)

The results show that the informal control system discussed by Hosoda and Suzuki (2015), Riccaboni and Leone (2010), Durden (2008), Norris and O’Dwyer (2004) is evident and reflected in the CEO’s emphasis on creating shared value to implement CSR. The informal control system involves the creation of an organizational climate, in which managers and employees can act in accordance with the organization’s values, beliefs and traditions (Falkenberg and Herremans, 1995). The informal control system seeks to foster employee commitment to an organizational climate aligned with the company’s values when engaging in CSR. This MCS design of Company A can be affected by company size (Anthony and Govindarajan, 2007; Chenhall, 2003). This is because large size is associated with an emphasis on and participation in budgets and sophisticated controls. In contrast, informal controls can be a key element of MCSs in small companies (Sandelin, 2008; Collier, 2005; Chenhall, 2003) such as Company A.

**4.2 Interaction with employees and other local companies**

As Japan’s population declines, industries hollow out and prefectural economies suffer, community and prefectural revitalization are prominent on CSR agendas nationwide. Japanese companies are undertaking this revitalization by collaborating with local businesses and public organizations through the implementation of *Chihou Sousei*, a current policy of the Japanese Government (Official Web Site of Prime Minister of Japan and His Cabinet, 2015).

Tochigi is also suffering from a degrading local economy because the age of the working population has declined, and the Japanese industry has hollowed out. Additionally, consumption of Japanese *Sake* in Japan has been decreasing because Japanese lifestyles are changing. In defense of these threats, Company A is attempting to contribute to the local economy and enhance the company brand by collaborating with other companies in CSR activities. The CEO noted the following:

It seems that problems of population decline and hollowing out of industry are emerging. So, what we do is use regional resources. This is one ***strategic*** advantage; being able to use local resources that only local companies have access to. So, we use them to attract tourists, brand local products, promote the region, and attract customers. By doing so, I think companies can sustain business. As a result, I think that these activities are fulfilling CSR. (CEO, 3 July 2015)

To develop the Company A brand, the CEO sought to elevate the quality of Company A’s *Sake* and to ***produce*** other liquors, beverages and products (e.g. cosmetics) during daily interactions with other distillers and customers. Company A incorporates ideas from customers and communities concerning new brands of *Sake* and new products and improving product taste and quality. Approximately six times each summer, Company A sponsors a *Sake* festival at which the CEO and employees meet customers and community residents to gain feedback on their *Sake* and *Shochu*. Company A hosts an annual Thanksgiving festival for people in the local community at which the CEO and employees have a chance to interact with people in the community. After each festival, the CEO and employees exchange ideas and opinions with the community.

Company A also incorporates ideas for regional development from local businesses. As chairman of the town’s associations for tourism and commerce, the CEO meets with local businesses to discuss the promotion of Tochigi Prefecture and Mashiko Town. The group also discusses how to revitalize local businesses and the community. The CEO meets with other breweries to enhance regional revitalization by promoting and branding Tochigi *Sake*. He reviews such discussions during the morning employee meeting and monthly meeting. Additionally, an interview is held daily between the CEO and employees, in addition to the monthly department head meeting, and ideas for launching new products and developing new local revitalization ***programs*** are shared with a mailing list using social networking sites.

These approaches show that the company uses interactive control systems to incorporate opinions from stakeholders as noted by Kerr *et al.* (2015) and Arjaliès and Mundy (2013). Interactive control systems generate new products and regional development projects by identifying potential threats and opportunities based on customers’ and local businesses’ opinions. Interactive control systems, a type of formal control system, can also fortify the establishment of informal control mechanisms (Crutzen *et al.*, 2017). In Company A, daily communication between the CEO and employees through the use of interactive control systems enhances the creation of shared value to implement CSR.

**4.3 Outputs of interaction with other local companies**

In utilizing local resources, it is crucial that Company A cooperate with the local Mashiko pottery distributor association and its member distributors, hot spring hotels, farmers, tourism volunteer associations and travel agencies, and this cooperation is expected to contribute to the spin-effect of collaboration with other companies through local revitalization projects and the resulting expanded employment. These projects are designed to help local companies and communities and to expand employment by stimulating consumption of locally ***produced*** food and products. Through such collaboration, Company A engages in the promotion of two tourism activities: the *All of Mashiko Tour* and *Sakagura Tourism*. The CEO of Company A explained:

In the summer, we will host more than one *Sake* event, we have Thanksgiving once every five years. In addition, we develop travel ***programs*** by collaborating with the big retailers such as Mashiko pottery, hot spring hotels, strawberry farmers and so on [· · ·] We also work with the *Sake* breweries in the prefecture on a collaborative travel ***program*** called Sakagura Tourism. (CEO, 3 July 2015)

Promoters have acted amid a crisis as the age of Japan’s working population declined, the Japanese industry hollowed out and the economies of Tochigi Prefecture and Mashiko Town were threatened. The *All of Mashiko Tour* introduces tourists to Mashiko’s traditional industry, history, culture, nature, ***agriculture*** and lifestyle. Yearlong, tourists can make Mashiko pottery, visit inns, hot springs and Company A. They pick strawberries in winter, plant rice in the spring and enjoy a fireworks festival in the summer. Company A’s CEO also developed the *Sakagura Tourism* project, collaborating with local breweries and businesses to attract Japanese and foreign tourists to Tochigi. Tourists can visit four *Sake* breweries and other tourist spots. Tourists receive privileges at each *Sake* brewery. Because of these projects and other events, 100,000 tourists now visit Company A and Mashiko annually.

Interactive control systems, a type of formal control system, are useful for interaction between the CEO and employees to renew strategies and incorporate opinions of stakeholders into CSR or sustainability actions. The successful case of Company A demonstrates an interactive control system in the form of tour ***programs*** with local businesses and shows that the interactive use of MCSs is likely to increase the visibility of new opportunities that can be used to combat threats surrounding companies (Kerr *et al.*, 2015; Arjaliès and Mundy, 2013) such as Company A.

**5. Conclusions, implications and research issues**

**5.1 Conclusions**

Little is known about the processes whereby formal and informal control systems contribute to a deeper integration of CSR within organizational activities of SMEs in Japan. The research question addressed in this study is therefore “How do organizations use their MCSs to support the motivation of employees and the integration of stakeholders’ opinions when implementing CSR activities in SMEs?”

The case shows that such systems can support the motivation of employees and the integration of stakeholders’ opinions when implementing CSR activities.

Company A’s formal control systems are reminiscent of the work of Hosoda and Suzuki (2015), Riccaboni and Leone (2010) and Morsing and Oswald (2009) who argue that environmental and social aspects of formal control systems are incorporated in a top-down, stakeholder-centered approach to CSR with a formal CSR policy. CEOs communicate the CSR policy to employees to implement each activity. In addition to formal CSR policy, informal control systems discussed by Hosoda and Suzuki (2015), Riccaboni and Leone (2010), Durden (2008) and Norris and O’Dwyer (2004) are evident in the case study and reflect the CEO’s emphasis on creating shared value to implement CSR. Such informal deployment of cultural criteria through share-based incentives for employees homogenizes the atmosphere within the firm. Formal control systems could be supported by informal control systems in the implementation of CSR activities (Crutzen *et al.*, 2017; Norris and O’Dwyer, 2004).

The emphasis on stakeholder interaction is consistent with Simons’(1995) suggestion that a CEO is likely to have interactive control systems because of the importance of stakeholders’ opinions (Kerr *et al.*, 2015; Arjaliès and Mundy, 2013). Interactive control systems, a type of formal control system, are useful for interaction between CEOs and employees to renew strategies and for the incorporation of stakeholders’ opinions into CSR or sustainability actions to combat threats surrounding a company. Communication through interactive control systems can also fortify the creation of shared value to implement CSR activities (Crutzen *et al.*, 2017).

**5.2 Implications**

From a theoretical perspective, the aim of this research was to advance knowledge regarding the use of MCSs in SME CSR implementation in Japan. This research contributes to management accounting research by demonstrating that using formal and informal control systems can support employee motivation and integrate stakeholder’s opinions concerning the implementation of CSR activities in SMEs in Japan.

The MCS approach also contributes to knowledge on business practices in the Japanese SMEs context. This study is particularly relevant for SMEs in Japan that seek to address the demographic and economic challenges Japan currently faces because it shows how MCSs enhance regional revitalization as one aspect of CSR by integrating stakeholders’ opinions.

**5.3 Research issues**

Finally, it is important to note certain research issues that must be addressed in the future. First, only one SME in Japan was sampled; surveys using questionnaires and interviews with more SMEs in Japan are needed to expand and confirm the results of this study. Second, additional case studies are also required to explain the relationship between formal and informal control systems in detail over time. For example, there could be a substitute or a complementary relationship between formal and informal control systems (Crutzen *et al.*, 2017). Thus, it is necessary to examine the further development of MCS patterns in corporate practice over time. Third, this case is explorative and focuses on small firms in Japan. Large multinational companies may have different control patterns for CSR implementation. Thus, a case study on a large firm is required to demonstrate how large companies use formal and informal control systems.

**Table I**  Constituencies of CSR ***programs*** at Company A

| **Stakeholders** | ***Programs*** |
| --- | --- |
| Employees | Dispatch to the workshop, support of qualification (e.g., *Sake* brewing)President and employee communication obtained through individual interviews |
| Customers | Improving the quality of *Sake*, ***producing*** other liquor, beverages and products (e.g. cosmetics) |
| Business partners | Supporting business partners at events |
| Local community | Implementation of cooperation projects with the prefecture breweries |
|  | Participation in the chamber of commerce association and tourism association |

**Load-Date:** April 2, 2020

**End of Document**



[***Council of the European Union: JOINT STAFF WORKING DOCUMENT Report on EU-LEBANON relations in the framewo ST 10658 2017 INIT***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5P6G-K7B1-JDG9-Y0S7-00000-00&context=1516831)

Impact News Service

August 4, 2017 Friday

Copyright 2017 Impact Media Limited All Rights Reserved



**Length:** 8002 words

**Body**

Brussels: Council of the European Union has issued the following document:

10658/17 DM/ss DG C 2B EN Council of the European Union Brussels, 23 June 2017 (OR. en) 10658/17 MAMA 118 MED 50 CFSP/PESC 586 RL 4 COVER NOTE From: Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director date of receipt: 23 June 2017 To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union No. Cion doc.: SWD(2017) 251 final Subject: JOINT STAFF WORKING DOCUMENT Report on EU-LEBANON relations in the framework of the revised ENP Delegations will find attached document SWD(2017) 251 final. Encl.: SWD(2017) 251 final EN EN EUROPEAN COMMISSION HIGH REPRESENTATIVE OF THE UNION FOR FOREIGN AFFAIRS AND SECURITY POLICY Brussels, 23.6.2017 SWD(2017) 251 final JOINT STAFF WORKING DOCUMENT Report on EU-LEBANON relations in the framework of the revised ENP 2 COUNTRY REPORT (March 2015 – April 2017) EU-LEBANON Partnership 1. Summary The EU and Lebanon are key partners that face common challenges linked to protracted crises and instability in the neighbourhood. The EU-Lebanon partnership is strong and across many sectors as defined by the Association Agreement which is in force since 2006. Lebanon is facing difficult economic, social and security challenges. Adding to pre-existing weaknesses, the conflict in Syria intensified pressure on Lebanon’s institutions, infrastructure and environment and affected its socio-economic stability.

Lebanon hosts more than one million registered Syrian refugees in addition to some 6,000 Iraqi refugees, 32,000 Palestine refugees from Syria and the approximately 300,000 Palestinian refugees that were already in the country. Despite a volatile security situation stability and security have been maintained. The 29-month institutional gridlock ended with the election of a President in October 2016 and the formation of a new government in December 2016. Parliament's mandate, which was already extended twice, expires on 20 June 2017. During the reporting period, the EU-Lebanon partnership became closer, more ***strategic*** and more focused. On 11 November 2016, the EU and Lebanon adopted Partnership Priorities for the years 2016-2020 setting an ambitious ***strategic*** agenda for deepening ties and achieving the stabilisation of the country and the wider region as outlined by the revised European Neighbourhood Policy and the Global Strategy for the European Union's Foreign and Security Policy. The priorities identified are: security and countering terrorism, governance and the rule of law, fostering growth and job opportunities, and migration and mobility. The EU and Lebanon also agreed on a Compact containing mutual commitments and priority actions in line with the Statement of Intent made at last year's London Conference (February 2016) The renewed commitments taken on the occasion of Brussels Conference (April 2017) on supporting the future of Syria and the region reinforced these shared responsibilities. The Compact addresses the impact of the Syrian crisis and seeks to improve the living conditions of Lebanese citizens and refugees temporarily staying in Lebanon. The High Representative for Foreign Affairs and Security Policy/Vice-President of the European Commission (HRVP), Federica Mogherini, visited Lebanon in March 2016 and in January 2017. Commissioner Hahn visited Beirut three times in June 2015, January 2016 and March 2017. These regular high-level visits served to highlight the EU's commitment to sustained support for Lebanon and for expanding mutual cooperation. The Country Report for Lebanon outlines the state of play of implementation of the Association Agreement between March 2015 and April 2017 in line with the structure of the Partnership Priorities. It focuses on key developments and reform efforts in Lebanon during the reporting period and should provide the basis for a political exchange of views at the next EU-Lebanon Association Council scheduled to take place on 18 July 2017. 3 1. Security and Countering Terrorism The security situation remained fragile during the reporting period. Lebanese security agencies arrested several terrorist suspects and dismantled sleeper cells affiliated with jihadist groups such as Da'esh or Jabhat Fateh el Sham (Jabhat Al Nusra). Operations against Islamist fighters continued at the borders with Syria. The capacity of Palestinian and Lebanese authorities to maintain stability in the Palestine Refugee Camps, especially in Ain al Helweh, remains challenging with recurring incidents, assassinations and violence flare-ups. In addition, there is growing concern regarding Da'esh and other extremist armed groups' operatives in the camps. The border between Lebanon and Israel remained in a state of fragile stability with a number of incidents reported but contained. Lebanon did not advance on the implementation of United Nations Security Council (UNSC) Resolution 1701 on the disarmament of all armed groups and full control of arms distribution and ownership by the authorities. Armed incidents continued to take place throughout the country and the possession of light weapons is widespread among the various communities. Intense political dialogue between the EU and Lebanon on security issues took place during the reporting period. Strengthening the effectiveness and legitimacy of the Lebanese Security Sector remains a priority for the EU. The EU has developed long-standing cooperation with the Internal Security Forces (ISF) since 2006 reinforcing in particular the capacities of the judiciary and scientific police, setting up Research and ***Intervention*** Brigades (Brigades de Recherche et d'***Intervention***- BRI) and supporting the ISF Academy. Around EUR 7 million worth of equipment (IT, forensic, training) were supplied between 2006 and 2016. The EU remained committed to supporting the civilian capability of the Lebanese Armed Forces (LAF) as the sole security provider for the country. It has been providing the LAF with pioneering support in various areas including institutional capacity building and Civilian-Military dialogue and interaction as well as mine action. Lebanon is the first country in the Middle East and North Africa (MENA) region to benefit from a comprehensive Integrated Border Management (IBM) ***programme*** which entered its second phase in 2016 with an additional envelope of EUR 9 million. Following the Counter Terrorism Dialogue of 26 January 2016, the EU and Lebanon agreed on a roadmap for cooperation in countering terrorist groups as designated by the United Nations Security Council. Several activities within this framework have taken place such as a study visit to Europol (December 2016) of representatives from all security agencies and a ''High Level'' experts' meeting (March 2017) to develop a national counter terrorism strategy, in line also with the new Government Declaration. A Eurojust contact point was also nominated by the Lebanese authorities at the request of Eurojust to facilitate cooperation with the EU agency in case of operational need. In April 2016, the EU organised a specific workshop on aviation security while a workshop on fighting the illicit traffic of fire-arms was organised in October 2015. The EU is also engaged in countering violent extremism with four ongoing projects. In November 2015, the Parliament enacted four anti-money laundering laws aimed at countering terrorism financing. In March 2016, the Subcommittee on Justice and Security matters was held in Beirut where the EU and Lebanon agreed on the need for coordination among security agencies and 4 cooperation with the judiciary in the fight against terrorism and to follow up on various fronts such as terrorism financing and countering violent extremism. The visit of the European Union Agency for Law Enforcement Training (CEPOL) to Beirut and its cooperation with the Lebanese Police Academy as well as steps taken to establish a network of focal points within the relevant agencies for purposes of defining an inter-ministerial Counter-Terrorism strategy were welcomed and more work followed up during the March 2017 high-level meeting mentioned above. Furthermore, updates on progress in the adoption of new legislation such as on money laundering and terrorism financing, in implementation of all UNSC resolutions and Financial Action Task Force (FATF) recommendations, were provided. Concerning the fight against drugs, Lebanon reported on efforts to replace the criminalisation of drug use and on treatment policy put in place for drug users. The EU also assisted Lebanon in the revision of national legislation on export control systems of dual-use items so as to combat the proliferation of weapons of mass destruction and related materials, equipment and technologies. Specialised training on Improvised Explosive Devices (IEDs), chemical precursors, dual-use goods, and open source intelligence was delivered to security agencies. 2. Governance and the Rule of Law The election of President Michel Aoun on 31 October 2016 and the formation of a new government led by Saad Hariri on 18 December 2016, ended a phase of political deadlock lasting two and a half years. The new Government's Declaration highlighted the importance of working closely with international partners and specifically the partnership with the European Union, of designating the members of the National Commission of Human Rights as well as of strengthening the role of women in the political, economic and cultural spheres. It also emphasised the need to address corruption to improve the efficiency of the state and restore the trust of its citizens. Municipal elections were held in May 2016 and were in line with recommendations made after the 2009 parliamentary elections by the EU electoral observers, including the use of pre-printed ballots, measures to ensure election silence, voter and candidate registration systems, and women participation and representation. At national level, parliamentary elections are still to be held after parliament extended its mandate twice in 2009 and 2013, with the latest extension expiring on 20 June 2017. During the reporting period, efforts continued to find a consensus on a new electoral law between all political parties. The EU called for a continued constructive approach to reach an agreement. In May 2016, the EU and Lebanon discussed progress on human rights in the framework of the Subcommittee on Democracy, Governance and Human Rights. Operational conclusions and follow up actions were agreed such as: the need to address discriminatory provisions against women, freedom of expression, protection of refugees, justice sector reform, rehabilitation of prisoners, victims of torture and victims of human trafficking as well as rights of children and minorities. They also included the necessity to adopt the laws implementing the UN Convention against Torture and its Optional Protocol. EU engagement with international and Lebanese civil society in the area of human rights continued in both Beirut and Brussels and not only in the context of the preparation and follow-up to the above mentioned subcommittee. 5 Institutional progress in human rights included the adoption of a law establishing a National Commission on Human Rights (NCHR) and a National Preventive Mechanism (NPM) in October 2016 to monitor and investigate allegations of torture and ill-treatment in line with the Optional Protocol to the Convention against Torture. Moreover, at the end of 2016, Lebanon established State Ministries for Human Rights and Women's Affairs within the new government. Women are still largely under-represented in the country's main political bodies. In the new government made up of 30 ministers, only one of them is a woman. In the Global Gender Gap Report, Lebanon is ranked 135 out of 144 countries. The EU continued to support measures to improve women's representation and to advocate for introducing a women quota system in the electoral law. Minors and juvenile prisoners remain a particularly vulnerable group especially due to lack of segregation from adult inmates or classification by age group, type of offence or procedural phase of the judicial file. An EU ***programme*** for juvenile justice has been designed and adopted to strengthen juvenile justice and a protective environment for children in line with international standards and to enhance the capacity of law enforcement services to address terrorist-related cases with a rights-based approach. In relation to allegations about the mistreatment of prisoners, Lebanon's prisons remain overcrowded and detention conditions generally difficult. Pre-trial detainees are not always separated from convicted prisoners and alternative measures to imprisonment are seldom utilised due to lack of resources. The EU supports a comprehensive portfolio of projects with a focus on the fight against torture and ill-treatment in prisons. Reports of alleged abuse at the hands of the police and the army prompted the Minister of Justice (MoJ) to call for an investigation in 2015. The Lebanese Armed Forces' Office of International Humanitarian Law and Human Rights created a committee to receive complaints from detainees and to provide advice on complaints related to allegations of torture. In December 2016, a Code of Conduct was adopted by the General Security. The creation of a State Ministry for Anti-corruption under the new government and the adoption of an access to information law by Parliament in January 2017 are steps towards addressing corruption. The Government's Declaration mentions corruption specifically as a priority objective. In 2016 Lebanon’s ranking in Transparency International’s Corruption Perception Index stands at 136 out of 176 as opposed to 123 in 2015. The EU remained the major donor to justice reform in Lebanon and implemented projects amounting to EUR 30 million since 2008. Despite these efforts, comprehensive legal and policy reforms to establish a truly independent, impartial, efficient and accountable judiciary are yet to be introduced. In the absence of a state budgetary allocation, the provision of legal aid services (counselling and court representation) continued to rely on the Bar Associations, civil society organisations and external donors. There are three main Courts of Exception in Lebanon which affect the right to an impartial judge. The military courts have extensive competences that go beyond the usual role of military courts, including jurisdiction over civilians, an anomaly that the new State Minister for Human Rights committed recently to address. 6 In March 2016, in the Subcommittee on Justice and Security held in Beirut, the EU and Lebanon agreed on the importance of strengthening the independence and efficient functioning of the judiciary, including the protection of the fundamental right to a fair hearing by an impartial and independent court, bettering detention conditions in Lebanon and the need for coordination among security agencies and cooperation with the judiciary. Both sides expressed their readiness to continue cooperation in this field. 3. Fostering Growth and Job Opportunities Due largely but not only to the impact of the Syrian crisis, Lebanon’s economy continued to experience low annual growth rates during the reporting period estimated at between 1%1 and 1.8%2 (compared to 9% in 2010). Overall exports dropped by 16.5% in 2016, affected by the closure of the land route through Syria to the Gulf countries - Lebanon’s main export market. Moreover, the economic crisis in Egypt had had a negative impact on some ***agriculture*** sub-sectors. The real estate and tourism sectors, which together with the banking system are the mainstay of Lebanon’s economy, improved in 2016 compared to 20153. The decline in the costs of transportation and of water, electricity, gas and other fuels helped sustain overall economic activity. Economic activity has also been sustained by the yearly incentive packages provided by the Central Bank to the commercial banks. In the absence of current data, the World Bank estimates current unemployment rates at a higher percentage than in 2010: 11% unemployment with a higher impact on women (18%) and youth (34%). With the support of the EU, a household survey by Lebanon's Central Administration for Statistics has been underway that should provide insight into employment and living conditions in Lebanon as well as help identify priority areas for further development support. Public debt rose by 6.5% in 2016. In terms of nominal GDP, it reached 153% of GDP at the end of the year4. In 2016, debt service increased by 6.2% and absorbed 53.5% of budget revenues. Low growth, coupled with high fiscal deficits (7.9% in 2016) put the country on a path of increased debt to GDP levels and challenge debt sustainability. Beyond the economic challenges represented by low growth and high debt, on the monetary front the Central Bank has effectively maintained the stability of the currency and the financial system. The seventh EU-Lebanon Sub-Committee on Economic and Financial Matters took place in Beirut on 27 October 2015. It addressed the vulnerability of Lebanon’s macroeconomic situation including the impact of the conflict in Syria and the political deadlock as well as the structural reform challenges in the energy sector, the tax system and public finance management. 1 IMF, Article IV Report, January 2017. 2 Ministry of Finance (using the macroeconomic forecast instruments developed during the twinning funded by the EU (2014-2016)) and World Bank (Global Economic Prospects, June 2016). 3 Cement delivery grew by 4% in 2016, the value of official real estate transactions by almost 6%, their number by 1.3%, average occupancy ratio of the main hotels has increased from 56% in 2015 to 59%. 4 There are considerable differences between the values of debt/nominal GDP ratio adopted by, on one hand, the Ministry of Finance and, on the other hand, the IMF. This is due mainly to important differences in the values adopted for the GDP deflator, which impacts on the value of nominal GDP. The values for nominal GDP that are adopted here are, for 2013, the value given by the National Accounts, which is also adopted by the Ministry of Finance, and, for the following years, the values resulting from real GDP growth values and from the GDP deflator values adopted by the Ministry of Finance. These values result from the use of macroeconomic forecast models developed by experts of the twinning funded by the EU. 7 In December 2015, the European Bank for Reconstruction and Development (EBRD) approved a request by Lebanon to become a shareholder of the Bank with a view to becoming a recipient of EBRD investments at a later stage. The process for Lebanon becoming a member and recipient country is however not yet complete. Lebanon has also reactivated its World Trade Organisation (WTO) accession process after the WTO Chairman's visit to Beirut in March 2016. At the Brussels Conference on 5 April 2017, Prime Minister Hariri presented the macro-economic impact of the Syrian crisis on Lebanon and requested increased financial support to Lebanon by the international community5. The government estimates USD 10 - 12 billion for 2018–2025 are needed to offset the economic impact of the Syria crisis. It proposes to achieve this through massive infrastructure investment projects, expanding education opportunities and boosting the private sector while carrying out essential reforms. The EU is ready to support these reform efforts and is encouraging the Lebanese government to benefit from the current opportunities for concessional finance to create jobs for all and to improve the business environment. Municipalities The law to support the decentralisation process has not yet been adopted. Significant differences in socio-economic conditions between regions of Lebanon remain and in some cases have become more pronounced as a result of the Syria crisis. The uneven capacities of municipalities to provide basic services have been further weakened. In many places this has in turn affected social cohesion and relations between refugees and host communities. A number of EU assistance ***programmes*** are in place, aiming to improve local socio-economic development and the local job market with a focus on young people. Some of these ***programmes*** are focused on specific geographic areas of Lebanon. For instance a new ***programme*** to support the development of vulnerable local urban zones in the area of Tripoli is underway. Other ***programmes*** focus on municipal finance reform which is a crucial issue for sustainable governance at the local level. Private Investment Private sector development, and especially small and medium sized enterprises (SMEs), are at the core of economic development in Lebanon as evidenced also by the emphasis placed on it in the new Government's Declaration for kick-starting the economy. The government recognises the need to undertake the necessary reforms to improve the environment for doing business in Lebanon and promote the role of industry, ***agriculture*** and tourism as well as the digital economy given the country's human capital in the creative and innovation industries. Lebanon ranks low (126 out of 190 countries) in the ease of doing business index, according to the 2017 World Bank annual ratings. During the Sub-committee on Trade and Investment held in October 2016, EU and Lebanon agreed to closely follow progress regarding the 5 In a document tabled at the Conference by Lebanon entitled 'A Vision for Stabilisation and Development in Lebanon – The Government of Lebanon's approach to mitigating the impact of the Syrian crisis with support from the international community' 8 adoption by parliament of a significant number of draft laws (e.g on bankruptcy, insolvency, reform of Commercial Code, preferred shares etc.) that are expected to contribute to the improvement of the business environment in Lebanon in the long-term. The EU furthermore reached out to the private sector and held two very fruitful workshops in October 2016 and March 2017 respectively: the first discussed general difficulties encountered in exporting towards the EU, while the second one specifically addressed compliance with EU food safety standards. A new EUR 15 million ***programme*** was launched in May 2016 and aims at increasing the competitiveness of value chains in the wood and ***agriculture*** sectors in three regions of Lebanon (the North, Beka'a and Akaar). This builds on a previous long-term private sector development ***programme*** that came to an end in 2015. Infrastructure (a) Water and Waste Water Water shortages are increasing. The country is already using two-thirds of its available water resources. Surface water resources are being largely exploited and ground-water is experiencing significant depletion due to a high number of private and unregulated wells, including those for irrigation. Additionally, the wastewater network coverage reaches only 60% while treatment reaches only 8%. This has environmental costs and knock-on effects on health. Problems related to reliability of power supply affect the efficiency and sustainability of local water infrastructure. During the reporting period, EU projects have supported Lebanon to upgrade water supply facilities for communities in Lebanon affected by the consequences of the conflict in Syria and to enhance basic infrastructure on water supply and waste water provision. (b) Energy Lebanon imports over 98% of its primary energy and relies on fossil fuels for most of its power generation. On the 4th of January 2017, the Lebanese Council of Ministers approved two decrees: one relating to the delimitation of the Lebanese Exclusive Economic Zone and the other defining the conditions and criteria for participation in oil and gas exploration bids as well as the model Exploration and Production Agreement (EPA) that will be signed between the State and the winning consortium. During the reporting period, an EU technical assistance project with the Lebanese Petroleum Authority (LPA) carried out an in-depth analysis of applicable laws, sector policies, regulations and model contracts and prepared new proposals for a General Energy Policy and Oil and Gas Policy papers. The guarantee mechanism to small enterprises that intend to implement energy savings measures has not yet reached its objectives and only a limited number of guarantee schemes were issued. However, the use of renewable energy as a cheaper and reliable alternative to fossil fuels has been increasing steadily. Momentum was created mainly by the launch of the National Energy Efficiency Action ***Plan*** (NEEAP) 2011-2015, a National Energy Efficiency and Renewable Energy Action (NEEREA) by the Central Bank of Lebanon as well as by donor-funded projects including those of the EU. Solar water heating and photovoltaic (PV) systems for electricity generation are the technologies being used more in the residential and commercial sectors. With the help of EU 9 funding, other innovative technologies such as biomass and geothermal energy have also demonstrated potential. The EU has been supporting the development of renewable energy and energy efficiency measures in various ways. It provided EUR 2 million in grants to about 120 small and medium sized enterprises (SMEs) or non-governmental organisations (NGOs) receiving concessional loans from commercial banks to implement their energy-saving measures, in the framework of the NEEREA; it also provided EUR 3 million in grants to finance innovative projects with geothermal, biomass and solar technologies. In addition, a regional EU-funded project has contributed to mainstream the Sustainable Energy Action ***Plans*** (SEAP) concept at municipal level all over the country. A feasibility study on waste to energy solutions has been undertaken in order to inform the policy dialogue on energy. (c) Solid Waste When the garbage crisis erupted in July 2015, it quickly became a major political issue. A growing number of municipalities had been developing individual treatment systems but in several areas the population refused to accept the ***planned*** disposal sites. In other municipal areas, no agreement on operators for the local treatment plants could be reached. At national level, the National Solid Waste ***Plan*** adopted on 12 January 2015 by the Council of Ministers encountered difficulties in implementation. Subsequently, a Solid Waste Commission prepared an 18-month emergency ***plan*** which the Council of Ministers adopted on 9 September 2015. Over the last decade, the EU has been supporting a decentralised approach to solid waste management with municipalities and unions of municipalities playing a key role. The EU has been supporting public-private partnerships (PPP) for operation and management of the facilities to compensate for the lack of specialised management capacities of the infrastructures at municipal level. In the framework of two ongoing ***programme*** aimed at supporting municipal finance (in municipality of Bar Elias in the Beka'a valley) and upgrading solid waste management capacities in various regions of Lebanon (projects SWAM I & II), eight sanitary landfills and eight solid-waste treatment plants will be constructed and disposal and collection equipment (bins, trucks and compactors) will be provided. These ***programmes*** have been conceived to mitigate the impact of the Syrian crisis on Lebanese host communities and alleviate tensions related to health and environmental hazards by upgrading the provision of basic services regarding solid waste management. 2.9 million people (including refugees from Syria) in 430 municipalities are expected to benefit from the ***programmes*** upon their completion in 2020. d) Transport The EU provided technical support to Lebanon through regional EuroMed projects and stimulated cooperation with EU Transport agencies to implement the Regional Transport Action ***Plan*** for the Mediterranean Region (RTAP) 2014-2020 as adopted in the Union for the Mediterranean framework. Lebanon was also involved in the development of the regional transport network (the Trans-Mediterranean transport Network). Trade / ***Agriculture*** / Industry 10 Lebanon’s imports and exports of goods from and to the EU remained stable in value. The imports from the EU represented 42.5% of Lebanon's total imports in 2016, down from 43.1% in 2015. The trade dialogue between the EU and Lebanon continued with a Sub-committee on Trade and Investment held in October 2016. During this meeting and in line with the Partnership Priorities and Compact, a Joint Working Group was established, aiming at facilitating market access of Lebanese products to the EU and at finding pragmatic solutions to further facilitate trade. The Joint Working Group agreed on priority topics and will meet on a regular basis focusing on addressing non-tariff trade obstacles which prevent Lebanon from taking full advantage of preferential trade arrangements under the Association Agreement and on improving and modernising the administration and facilitating the country's accession to the WTO. The JWG is looking at ***producing*** actionable trade-related recommendations to the attention of policy makers and the private sector. It held its first meeting in March 2017 focusing on the issue of ensuring better compliance with EU sanitary and phyto-sanitary standards (SPS). Moreover, Lebanon ratified the Regional Convention on pan-Euro-Mediterranean preferential rules of origin in February 2017. Energy security, climate action and conservation of natural resources The EU is supporting Lebanon's efforts to invest in renewable sources of energy and infrastructures which have already been mentioned above. These efforts also represent Lebanon's activities to fulfil its commitments at the COP-15 Conference on Climate Change in 2009, to ***produce*** 12% of its electricity from renewable sources by 2020. In September 2015, ahead of the Paris Climate Change Conference (COP21), Lebanon submitted its Intended Nationally Determined Contribution, committing to reducing its greenhouse gas emissions by 15% by 2030 as an unconditional target and by 30% conditional on the availability of international support. Lebanon signed the Paris Agreement in April 2016 and is in the process of ratifying it. As regards conservation of natural resources, the EU is supporting Lebanon through a ***programme*** for the protection and sustainable development of maritime resources. Eligible actions include investments such as sorting at source, mechanical sorting and recycling, composting, energy generation and uncontrolled dump rehabilitation; capacity building activities to improve the inspection and enforcement skills of relevant actors in charge) and awareness raising actions. Furthermore, Lebanon is also involved in the Union for the Mediterranean process related to the development of the Blue Economy in the Mediterranean. 4. Migration and Mobility Lebanon hosts the highest number of refugees both per capita and per square kilometre worldwide. Since January 2015, Syrians who seek to enter Lebanon have to state the purpose of their visit and to present supporting evidence. Entry by Syrians is now strictly controlled though they may be admitted on exceptional humanitarian grounds. At the request of the Government of Lebanon, the United Nations High Commissioner for Refugees (UNHCR) stopped registering refugees in May 2015. Residency permits to Syrians were issued or renewed against a six-monthly fee of USD 200 per person, which most 11 refugees were unable to comply with. At the London Conference on Supporting Syria and the Region in February 2016, Lebanon committed to waive the requirement that refugees sign a 'pledge not to work'. Lebanon also committed to waive the renewal of residency fees and to ease access of Syrians to the job market in certain sectors where they are not in direct competition with Lebanese, such as ***agriculture***, construction and other labour-intensive sectors. In early June 2016, Lebanon announced it would replace the pledge not to work with a pledge to abide by Lebanese law. In March 2017, in the run-up to the Brussels Conference on Supporting the Future of Syria and the Region of 5 April 2017, the General Security within the Ministry of Interior issued a circular waiving the residency fee for segments of the Syrian refugee population registered with the UNHCR provided that they had registered with the UNHCR before 1 J

anuary 2015 or had obtained residency through their UNHCR certificate at least once in 2015 or 2016. The waiver does not apply to Syrians not registered with the UNHCR and Palestinian refugees from Syria. Palestinian refugees still face limitations to their right to employment, property and social services. The arrival of additional Palestinian refugees from Syria (estimated at around 32,000) in the already overcrowded Palestinian camps impacted further on the living conditions of Palestinian refugees in addition to limited freedom of movement. Regarding legal migration, the sponsorship system known as 'kafala' in relation to migrant domestic workers is still in place. Draft legislation on the ratification of Convention No 189 (Domestic Workers Convention) of the International Labour Organisation (ILO) has not yet been adopted by Parliament. In December 2016, the Ministry of Labour cancelled the licences of several recruitment agencies for migrant domestic workers due to human rights violations. Discussions on a mobility partnership started in 2015 and have not been concluded yet. Progress in relation to the discussions was assessed during the Subcommittee on Migration, Health and Social Affairs held in Beirut in April 2016 to address outstanding issues. However, the discussions have stalled and attempts to resume discussions are ongoing. During the Subcommittee meeting, the EU and Lebanon also discussed the management of the migration situation in Lebanon in general. They recognised that the presence of refugees from Syria has had a long-term impact on Lebanon's strained infrastructure and services and agreed to continue to work together to ensure positive and durable outcomes as had been agreed at the London Conference some months earlier. While recognising that some benefits could accrue to Lebanon from the employment of Syrians in traditional sectors they agreed to work together so that adjustments in the regulatory and legal frameworks do not adversely impact the Lebanese working population. 5. Education, Research and Innovation, Culture Primary/Secondary Education Dialogue on education between the EU and Lebanon continued with a focus on prevention of student underachievement and early school leaving, improvement of school information management system, and quality assurance for Lebanon's higher education and its alignment with the Bologna standards. The EU also supported education of Palestinian refugees living in Lebanon (schools, vocational and career guidance; university scholarship fund). 12 The protracted Syrian crisis has been a challenge for Lebanon's public education system, mainly in terms of access to, and quality of, education services. In 2016, the Lebanese Ministry of Education and Higher Education (MEHE) adopted the second phase of the RACE (Reaching All Children with Education) Strategy for the period 2017-2020, with an annual cost of USD 350 million. Under RACE 2, MEHE gives priority to: i) equitable access to educational opportunities in the formal public education system, as well as through non-formal education activities; ii) the quality and inclusiveness of the teaching and learning environment, and iii) strengthening the national education system, policies, and ***planning*** and monitoring capacity. The support of the EU and other international donors to the public education sector in Lebanon in the framework of RACE has also increased the number of Lebanese children enrolled in public schools from 193,000 during the school year 2011/2012 to more than 204,000 for the school year 2016/2017. In March 2017, there were 488,832 refugee children in the school age 3-18 among the Syrian refugees registered by the UNHCR in Lebanon. The number of Syrian children aged 3-18 enrolled in public education increased from 18,780 in the 2011-2012 school year to around 194,000 students for the year 2016-2017. 58% of Syrian children in that age group are out of formal schooling. For Syrians, the main barriers to access to formal education are non-financial, such as lack of legal status for Syrian refugees, child labour and child marriage as negative coping mechanisms for Syrian households with limited livelihood opportunities or as a result of exploitation, quality of education services as well as language barriers (French being one of the main languages of education in Lebanon), cost of school transportation, and discrimination and violence within schools. Drop-out from schools remains a problem especially for Syrians. Their numbers decrease dramatically in 7th, 8th and 9th grade and the transition to secondary education is very low with only around 4,000 Syrian students in secondary education. The EU has been supporting MEHE prior to the crisis, and has been the first donor to respond to the Syrian crisis since 2012. More specifically, the EU has already allocated almost EUR 163 million to the education sector. For the school year 2016-2017, EU's contribution was the earliest to be committed and disbursed to UNICEF, equal to EUR 42.5 million under the different RACE components (Pillar 1 - Access to Formal and Non-Formal Education; Pillar 2 - Education Quality; Pillar 3 - Strengthening system). EUR 35 million are allocated to guaranteeing access to education (pillar 1) while the remaining EUR 7.2 million are allocated to the other two pillars. In 2015 and 2016, the EU has also supported access to formal and non-formal education for Syrian and Palestinian refugees from Syria, for a total amount of around EUR 100 million. In doing so, the EU has ensured policy dialogue with MEHE and partnership with other donors and UN agencies, as well as with civil society organisations specialised in education and child protection, while seeking to address the above-mentioned barriers and ensure improved pathways from formal to non-formal education. Vocational Training and Higher Education 13 Consultations with Lebanese stakeholders in 2016 on the Torino process, and the report published on 18 January 2017, revealed the need for improved coordination among public and non-public VET operators, as well as with private sector and social partners; the need to invest in setting up a labour market information system and to improve networking and linkages with the private sector and social partners. A new ***programme*** of EUR 4.24 million was signed in December 2016 to support implementation of a more practice-oriented VET. It included amongst other activities the expansion of the network of career guidance and counselling/professional orientation bureaus in VET schools. Within the framework of the EU Regional Trust Fund in Response to the Syrian Crisis, three projects with TVET components are to be implemented in Lebanon. At the beginning of 2017, the ILO and the UN Children's Fund (UNICEF) launched a Vocational Education and Training mapping and roadmap process with technical support from the EU. In the field of Higher Education, EU support continued mainly through the Erasmus+ ***programme***. 11 projects under the Tempus ***programme*** were ongoing during the reporting period while 9 new capacity-building projects were selected involving 15 Lebanese higher education institutions. Such projects support national efforts in modernizing the Lebanese higher education system such as in the fields of governance, curricular development and reform, professional degrees, work placement, quality and open source technology. During the reporting period, 113 credit mobility projects linking Lebanese and European universities were selected which ***plan*** to organize the mobility of around 1000 students and staff. In addition, 19 Lebanese master students could benefit from Erasmus Mundus full degree scholarships. In the non-formal education field, the Erasmus+ youth strand supported the mobility of 363 young people, volunteers and youth workers to Europe while around 92 participants were hosted in Lebanon. Research and Innovation Research and innovation cooperation between Lebanon and the EU has been strengthened further through the participation of Lebanese entities within the EU's Horizon 2020 ***programme***. In April 2017 Lebanon reaffirmed its commitment to join the forthcoming Partnership for Research and Innovation in the Mediterranean Area (PRIMA), a major EU initiative with a total budget of almost EUR 500 million which aims to foster regional cooperation in research and innovation on food systems and water resources. Exploratory talks between Lebanon and the EU have been ongoing since early 2017 in preparation for an envisaged international agreement which will enable Lebanon to join PRIMA on an equal footing with other Participating States (including relevant EU MS and third countries associated to Horizon 2020). Lebanon has been an important player in fostering the Euro-Mediterranean research and innovation policy dialogue. The National Council for Scientific Research initiated a project with four universities in February 2017 to support hundreds of research projects in the fields of scientific, technical, environment, public health and social sciences. Culture 14 In the field of culture Lebanon has benefited from two EU regional ***programmes*** that supported Lebanon's cultural policy reform, promoted investment and the development of cultural operators' business capabilities as well as the development of cluster initiatives in cultural and creative industries. 6. Health Lebanon's public health system still faces major challenges and the influx of Syrian refugees added further strain on Lebanon's capacity to provide access to public health care facilities to vulnerable segments of the Lebanese population. Health services in Lebanon are largely privatised and based on user fees. Approximately 28% of Lebanese need financial support to access minimum levels of care. At least 70% of Syrian refugees need to utilise some level of humanitarian assistance for healthcare. In 2016, 16% of Syrian displaced households who required primary health services were not able to access them, mainly for reasons of costs and fees. During the Subcommittee on Migration, Health and Social Affairs held in Beirut in April 2016, the EU and Lebanon exchanged views on the state of the public health sector, especially the country implementation of International Health Regulations. In Lebanon, priority is now given to response capacities, human resources and laboratory studies with two national committees focusing on policy and technical issues. Challenges mentioned included insufficient monitoring capacity and the lack of qualified staff and contingency ***plans*** particularly at the local level. The health sector is new in EU-Lebanon cooperation but with important assistance already delivered through primary health centres. At the end of 2016, the EU approved a health package of EUR 62 million under the EU Regional Trust Fund in response to the Syrian crisis thereby becoming the biggest donor in the health sector in Lebanon. This allocation complemented both earlier and ongoing support to the health sector under other EU instruments. 6. Financial Assistance The financial allocation for EU-Lebanon cooperation for 2014-2016 under the European Neighbourhood Instrument (ENI) bilateral assistance (Single Support Framework) amounted to EUR 147 million and focused on: justice and security system reform; social cohesion, sustainable economic development and vulnerable groups; and sustainable and transparent management of energy and natural resources. Two cross-cutting areas were identified: complementary support for capacity building and for civil society. In addition to the above, the European Commission has allocated EUR 970.9 million to assist Lebanon since the beginning of the Syrian crisis. This can be broken down as follows: • EUR 439 million in humanitarian assistance to refugees and vulnerable Lebanese (basic assistance, shelter, health, water, sanitation and hygiene, protection and education in emergencies). • EUR 249.5 million from the European Neighbourhood Instrument (ENI) mainly to enhance the capacities of Lebanese institutions at central and local levels, and to support them in the provision of basic services (protection, health, education, and water, sanitation and hygiene) to Lebanese vulnerable communities, Syrian refugees and Palestinian refugees from Syria. 15 • EUR 224.2 million from the EU Regional Trust Fund in Response to the Syria Crisis to address needs of Syrian refugees and to support Lebanese communities and national administration with a focus on education and training, as well as livelihoods, health, and water, sanitation and hygiene. • EUR 57 million from the Instrument contributing to Stability and Peace (IcSP) to improve security and strengthen the rule of law, promote political stabilisation and reconciliation, and to address resilience needs of affected civilians, both Lebanese and refugees. • EUR 1.2 million from the European Instrument for Democracy and Human Rights (EIDHR) for projects promoting democracy and human rights for refugees and Lebanese host communities. The EU is in the process of defining its bilateral assistance for 2017-2020 (Single Support Framework), in line with the EU-Lebanon Partnership Priorities and the EU Compact. It is expected to be adopted by October 2017. Consistent with the principle of designing 'bigger' but 'fewer' projects, indirect management (i.e delegating management to European development agencies, International non-governmental organisations (INGOs) or UN Agencies, as appropriate) will become the principal modality for delivering assistance. Blending (loans supported by grants) is envisioned by the EU in the areas of energy, water and wastewater treatment, as well as SME support. Blending grant types can be investment grants, interest rate subsidies, technical assistance grants, risk capital, or guarantees. The ratification of EBRD membership by the Lebanese Parliament on 15 March 2017 will increase the opportunities for concessional financing for the private sector. 7. Concluding remarks The partnership between the EU and Lebanon is based on common values and interests. It promotes political dialogue, socio and economic development as well as human rights dialogue. The European Neighbourhood Policy (ENP) was reviewed in 2015 setting out stabilisation as its main political priority. In line with this, the main goal of the partnership is Lebanon's development as a secure, democratic, politically open and economically strong neighbour of the EU. Hosting more than 1.1 million registered refugees remains a political, economic, and social challenge for Lebanon that affects all levels of the state and society. The EU remains committed to supporting Lebanon in addressing its most pressing needs and to promote the longer term economic development of the country. The Partnership Priorities and the EU Compact provide the framework for the ***strategic*** development of EU-Lebanon cooperation in the coming years. Through policy dialogue, financial assistance, and concrete projects, including in collaboration with international partners, the EU will continue to support measures aiming at improved governance, fostering rule of law, economic development, security, and well-regulated migration to contribute to a stable, democratic and prosperous Lebanon. Progress in achieving the identified objectives in the above mentioned frameworks will be monitored through focused thematic subcommittee meetings.

**Load-Date:** August 8, 2017

**End of Document**



[***-Obtala Limited - Q4 2017 Quarterly Business Update***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RCJ-YNG1-F0K1-N4S2-00000-00&context=1516831)

ENP Newswire

January 10, 2018 Wednesday

Copyright 2018 Normans Media Limited All Rights Reserved



**Length:** 1983 words

**Body**

In Q4 2017 all business lines generated revenues and achieved a number of key operational milestones on the back of the ***planned*** capital expenditure and organisation building that took place in the first half of the year.

The forestry and ***agriculture*** boards have consolidated their strategy for 2018, and through the budgeting process, the Obtala Board has determined the optimal capital allocation for the Group. The WoodBois acquisition and integration has confirmed our view that the lack of capital available to African enterprises creates compelling opportunities to acquire and invest in strong management teams and we are delighted to have found in WoodBois an excellent platform to develop our business in West Africa.

Forestry Production

The significant investments made in harvesting capacity have led to high levels of production despite the rainy season in Gabon (October-January) and Mozambique (from December). A total of 11,000m3 of logs were harvested and 3,500m3 of sawn timber ***produced*** in Q4 2017.

Month to month increases in harvesting production in Gabon were tempered by the impact of the rainy season which started three weeks early. However, total production in H2 2017 was still up 63% on H1 2017. Focus remains on doubling harvesting capacity in time for the dry season, in order to increase utilization of the sawmill and new veneer factory which will be operational. We are in the process of evaluating options for additional equipment and expanding our team of mechanics and bulldozer operators. The veneer factory is expected to commence production in Q1 2018. A team of engineers from Morocco has been on site commissioning the machinery since November 2017, and will remain on site after the factory opens. The market for logs remains strong in Gabon as ***producers*** struggle to find sufficient raw material for their veneer and plywood factories. Although we continue to harvest only a fraction of our available sustainable cut, our preference is to use all additional logs harvested to increase production at our sawmill and veneer factory to maximize margins. We intend to increase the production capacity of our veneer factory through the potential purchase of an additional dryer and a plywood production line. These investments will only be made in the second half of 2018 after the veneer factory meets performance targets.

In Mozambique, we were operational in 4 concessions in Q4 2017 with continued focus on increasing harvesting capacity under the direction of Ivan Muir. As of January 2018, Ivan has been appointed COO of Argento Mozambique and will be responsible for all aspects of the daily running of the business. Patrick Greene will remain as Company Administrator but will operate in a new role of managing senior external relationships. Armando Antonio has also been hired as Export Manager, based in Nacala, to handle increasing export volumes.

Under the direction of Argento board member Tom Holroyd, the construction of the new sawmill in Mozambique is almost complete and remains on budget. The sawmill is set to be fully operational within Q1 2018 and will be one of the largest in Sub Saharan Africa. The scale of our project and quality of construction has attracted a great deal of interest and we are exploring several opportunities to leverage our new base of operations as a centre for value added timber processing in Northern Mozambique.

Timber Trading

The priorities for the timber trading division in Q4 2017 were to secure additional trade finance and lay the groundwork with key suppliers to facilitate profitable growth in 2018.

After talking to various potential partners, we moved forward with a trade finance institution that offered us the required flexibility to make best use of additional funds to grow the trading business. We will also be able to make use of the facility to manage increases in working capital expected from the forestry production division, especially as the new veneer factory comes online in Gabon. On January 2, 2018 we announced that an initial $ 1m in loan capital has been secured to complement external trade finance. The preparation for securing and managing an external trade finance facility has involved a review of the risks throughout our timber supply chain and the implementation of new insurance policies and associated training. Our forestry subsidiary Argento Ltd has received the Category 1 Global Business License, ahead of transferring the trading division's operations to Mauritius.

We have been negotiating with key suppliers to offtake increased levels of production on the back of strong demand for African hardwood and higher levels of trading capital. This will set the business up for further profitable growth in 2018, with decisions based on maximizing the return on trading capital. On the demand side, the outlook for 2018 in China will become clear as buyers return after Chinese New Year. The strongest growth in demand for African hardwoods, including Okoume (the primary species ***produced*** in Gabon) has been from North America and we expect this trend to continue in 2018. Demand in the Middle East has been flat while sales to Pakistan have been growing on a monthly basis with strong demand for red hardwood species. We have continued to explore JV discussions with our ***strategic*** partners in Pakistan as we formalize our strategy for WoodBois Asia in H1 2018.

***Agriculture*** Update

In Q4 2017, we further broadened our product set to include Whitehaven sweet melons, aubergines, sweet peppers, round tomatoes and pumpkin. In addition to these new products, we have also harvested and sold Caribbean King sweet melons, yellow honeydew sweet melons, watermelon and butternut.

Since the completion of our upgraded refrigerated pack house, we have successfully delivered seven, 40-foot, refrigerated containers of sweet melons to Dubai by sea. The eighth and final container of the season is en route to Dubai, due for arrival mid-January.

Cold chain integrity is fundamental to the success of the business and we are very pleased to report that our upgraded pack house is performing at the world class level anticipated. We have not suffered any cold chain issues throughout the entire season. This creates a fantastic platform for expansion of our ***program*** into 2018 as we can now confidently step up the capacity utilization of the facility.

We did, however, initially have some quality issues in the field due to the prolonged rains at the beginning of the planting season. As a result, we encountered lower pack out rates and higher spoilage rates of our sweet melon harvest. As the season unfolded we steadily returned to the levels we would expect under normal 'growing conditions.'

The expansion of our growth ***plan*** to include the market garden has proved successful too and through our local Mama Jo's sales team we have delivered and distributed thirteen refrigerated trucks of ***produce*** to different markets in Dar es Salaam, including a variety of retail and wholesale outlets. In addition to this, we have also sent four refrigerated trucks of ***produce*** to Nairobi via our exclusive Kenyan distributor.

As part of our future expansion ***plans*** into mango orchards we have successfully sold fresh mangos into Dar es Salaam through our own local sales team as well as into Zanzibar, via an exclusive agent. In addition, for the first time ever, we delivered a 3.8t aircraft container of fresh mango, to Dubai via airfreight where the fruit was sold via our exclusive wholesaler.

We continued to build strong foundations for the future of the ***agriculture*** business in Q4 2017, developing a clear edge through consistent cold chains, reliable logistics partners and controllable export routes as well as building track record and trust with customers. In 2018 we will leverage these capabilities to increase volumes and explore new global market demand potential for our ***produce***, whether fresh, dried or crushed, to ensure we achieve the highest margins possible.

Jessica Camus, who joined the Board in Q1 2017, has made significant progress in leading our social impact initiatives, the highlight of which was the signing of an MOU with the Uape Community Association to jointly manage a community forest concession in Mozambique. Obtala has committed to supporting the local community with knowledge transfer of sustainable timber extraction, protection of forests and access to its processing facilities. The MOU signing took place took place in the presence of and with the support of representatives from the local government and the World Bank. A reforestation project is underway at Obtala's concession in Uape to plant a range of indigenous species, including Chanfuta, Umbila and Pau Ferro. 10,000 tree-seeds will be planted by the end of 2018. Jessica's team are also working with the timber trading division in the Ivory Coast with a view to expanding the reporting metrics within our responsible wood procurement ***program***. In addition to these key projects, activities have been taking place on a daily basis across all of our businesses, deepening our relationships with the communities we operate in. These include electrification projects and infrastructure upgrades for local schools, sponsorship of sports teams and food donations to hospitals and orphanages.

Finance and M&A Strategy

In H1 2018, management will focus on quickly deploying additional trading capital according to parameters set internally and externally. We aim to demonstrate the organizational capability (the Obtala Board has over 90 years of trading experience) to support further expansion in both internal and external trade finance and further capitalize on WoodBois' impressive 14-year track record. Opportunities to pre-finance, sign exclusive offtake agreements or acquire timber suppliers will be evaluated on a case by case basis. To assist with this strategy, we have hired a new strategy manager, formerly of the private equity team at CDC Group, with experience investing in timber and ***agriculture*** businesses. We have also hired a manager of strategy execution with experience raising trade finance funds and trading commodities. Both have spent their careers to date focused on Africa and have deep experience of our core markets.

We remain in dialogue with various funding bodies regarding specific projects to scale our ***agriculture*** businesses in East Africa, where our business goals of increasing food production, job creation, and removing supply chain roadblocks by building infrastructure are strongly aligned with the priorities of national governments.

Management is still considering a dual-listing in Asia as we continue to see strong interest from Asian-based investors interested in gaining exposure to timber and ***agriculture*** resources in Africa through a public vehicle. Three new research reports, including one initiation piece, were published in Q4 2017 and are available for download on the Obtala website.

Quote from Miles Pelham, Chairman of Obtala, comments: 'Obtala is not the same company I joined as Chairman in 2016. The dormant assets held by the Company in East Africa are now ***producing***, and we have grown into a vertically integrated forestry and ***agriculture*** business with significant operations in West Africa. This was not always an easy path, but many lessons have been learned and important relationships forged. Significant time and capital was invested in H1 2017 installing a new operating team in each business, rationalizing corporate structure and building the infrastructure required to operate at scale. While the result will be a record year of revenue for the Group, this merely represents the initial phase of growth for the Company. I am excited for what 2018 will bring and fully expect it to be another year of exponential growth for the Group.'

Contact:

Tel: +44 (0)20 7099 1940

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** January 10, 2018

**End of Document**



[***A case study of the co-production approach to the implementation of education for sustainable development in Thailand***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BNK-7DJ1-DY41-72YN-00000-00&context=1516831)

Policy Futures in Education

April 2018

Copyright 2018 Sage Publications, Inc. All Rights Reserved



**Section:** Pg. 327-345; Vol.16; No.3; ISSN: 1478-2103

**Length:** 7722 words

**Byline:** Suwida Nuamcharoen

Nopraenue S Dhirathiti

**Body**

**ABSTRACT**

Thailand is a good example of a developing country which is struggling with globally common problems in trying to find solutions for sustainable education development. Education is one of the important methods to build the mindset of Thai people toward sustainable development (SD). The co-production approach is a way of improving public services, including education for sustainable development (ESD). The study employs qualitative research techniques which aim at studying the implementation and co-production of ESD. Moreover, it is to explore and synthesize the implementation characteristics of co-***producing*** ESD in Thailand. The research found 12 correlated indicators from the literature that link SD, ESD and co-production practices. They were categorized into input, process and output of the cycle of implementing and co-***producing*** ESD. The indicators were examined within the context of the case study of Bansankong School. The researchers conducted in-depth interviews with stakeholders that included representatives from the school administration, families and communities, local authorities, other relevant institutions and volunteers. The results showed that factors in the process portion of the cycle of implementing and co-***producing*** ESD tended to be more significant; these were community engagement, information technology and media usage, and the contingency approach. The factors in the input portion of the process, namely, self-reliance and self-efficiency of population and leadership, and the factor of mutual benefits in the output portion proved to be significant. The other seven factors, cultural adaptation, democratic participation, equitability, goal of sustainable future, interdependence, interdisciplinary approaches and collaborative approach and partnership, appeared to be non-significant.

**FULL TEXT**

**Introduction**

Education for sustainable development (ESD) is considered a part of sustainable development (SD). This is due to the fact that the limits of continued economic growth have been a major concern for the international community since the 1970s. The “World Commission on Environment and Development” (WCED) has been attempting to put the concepts of SD and sustainability into the international agenda since the mid-1980s (WCED, 1987). Later on, the term ESD arose and was defined as a “dynamic concept that encompasses a new vision of education that seeks to empower people of all ages to assume responsibility for creating and enjoying a sustainable future” (UNESCO, 2002: 1). The overall objective of ESD is to allow citizens to act for positive environmental and social change. It implies a participatory and action-oriented approach. As a result, it is a challenge for Thai education authorities to commit themselves to meeting these challenges and to discover ways of empowering Thai citizens to acknowledge to themselves their responsibility to society and nature. This is the main point of discussion in this paper.

The research is based on the conviction that the means of accomplishing a sustainable future for all is to mobilize the actions of all parties to commit to the tasks responsibly in order to sustain the resources of the nation. While the nature of Thai education provision is based on public service, civic participation is not usually common in the Thai state schools. According to the Office of Non-Formal and Informal Education (ONIE, n.d.), the problems and obstacles faced by Thai education are the lack of opportunity for some target groups, economic disparity, distribution of people’s income and the expansion of educational opportunities. Moreover, as a result of national unification policies, the diffusion of public education is an issue. In every area of Thailand’s education service, the standard Thai curriculum is taught by Thai teachers. Although Thai education is indispensable for earning a living in Thailand, it ignores the local and traditional customs and has thus created a gap between generations of people (Zaha, 2009). The case-study school, Bansankong School, challenged problems such as low literacy rates and poverty in the community. This was done by educating the students to have both academic skills and life skills. However, due to budget constraints, the school could not complete these targets on its own in order to achieve better and more sustainable education for students.

The co-production theory is taken into account as a part of ESD implementation in order to accomplish these goals. The concept of co-production is a challenge to policymakers in terms of reforming public service by encouraging users or public service users to design and deliver service in equal partnership with professionals or professional service providers. Somphone (2007: 40) posits that ESD should begin at an early age. Therefore, this research focuses on the Basic Education Unit in Thailand, where education is accessible to all people. With the hope that the best way that Thailand should reform its education system is to have it co-***produced*** by relevant stakeholders, such as families, communities and other public/private organizations, the research investigates this possibility as well as relevant significant factors.

**Objectives**

The research aims to: 1) examine the current state of the implementation and co-production of ESD in Bansankong School; and 2) examine the indicators (factors in the cycle of implementing and co-***producing*** ESD, namely, the input, process and output) of ESD and co-production of ESD.

**Research question**

The research is designed to investigate the implementation of ESD policy in Thailand, with an emphasis on the implementing models of co-production of ESD policy in the basic education sector. In other words, this research aims to examine the important factors contributing to the co-production of ESD policy in Thailand.

**Literature review**

**Sustainable development (SD)**

**Background of “sustainability” and “SD”: concepts and definitions**

SD was first introduced in the World Conservation Strategy in 1980 and is widely used by the Brundtland Report (WCED, 1987). In the report, a statement regarding development states that human needs are fundamental and essential to economic growth. It also states that equitable access to shared resources by the poor is necessary. Both these initiatives need to be sustained and are encouraged through effective citizen participation. Sustainability is repeatedly mentioned in the eight Millennium Development Goals (MDGs). Based on United Nations (UN) policy, sustainability means “the ability to make development sustainable to secure the needs of the present without compromising the capacities of future generations to respond to their needs” (WCED, 1987, cited in Robert et al., 2005). “Sustainability”, therefore, is a broad concept. SD, sustainable products, sustainable economic activity, sustainable consumption and sustainable policies are also melded into the concept. Sustainability is not a modern phenomenon; however, sustainability as a characteristic of modern societies is a new thing (Stockmann, 2012).

Education is a tool for SD (Nnabuo and Asodike, 2014). Maclean (2008, cited in Nnabuo and Asodike, 2014) asserted that, although there were many keys to development, education was regarded as being the master key to social and economic development. High-quality, relevant education and schooling were shown to open the doors to poverty alleviation, SD, equity, justice and the mainstreaming of marginalized and vulnerable groups in society. These were examples of the global goals mentioned in the sustainable development goals of the UN which need to be completed by 2030. These goals were the common goals that every country, including Thailand, had committed to achieve to support SD.

All in all, sustainability policies are what people need to be concerned with to achieve the goal of having a sustainable future for all. There are several theories of sustainability; however, this paper used the concept of sustainability as laid out by the UN. Furthermore, it introduced some significant thoughts toward sustainability, especially in relation to Thai norms, traditions, beliefs and religious values. For example, the philosophy of Sufficiency Economy adopted by the Thai King, Bhumibol Adulyadej, which aims to lead to the nation’s sustainability, is interwoven with the emergence of ESD in Thailand. In the case study, the concepts of enoughness and self-reliance, which are central to the philosophy, in both an individual and a larger group as a community, are key to helping tackle the community’s problems. Embedding some particular skills and attitudes in the students, such as critical thinking and problem-solving, caring about environment and life skills, helps sustainability in all economic, social and environmental aspects. In reality, the school successfully adopted the ideas and integrated both into the school practices.

**Education for sustainable development (ESD)**

ESD is a broad idea with the objectives to build social transformation and to create more sustainable societies. ESD is part of every aspect of education including ***planning***, policy development, ***program*** implementation, curricula, finance, teaching, learning, assessment and administration. ESD gears to create a coherent interaction between education, public awareness and training. Finally, its vision and mission are to create a more sustainable future.

ESD has some essential characteristics. In addition, people perform ESD in many culturally appropriate forms. ESD, firstly, is based on the principles and values that highlight SD. It involves all three spheres of sustainability: environment, society and economy, together with an underlying aspect of culture. Additionally, ESD applies a vast range of pedagogical techniques that encourage participatory learning and higher-order thinking skills. Primarily, it promotes life-long learning. ESD becomes locally relevant and culturally appropriate. ESD depend on local needs, perceptions and conditions. In this situation, it acknowledges that fulfilling local needs often has international effects and consequences. ESD engages formal, non-formal and informal education. Finally, ESD accommodates the evolving nature of the concept of SD and focuses on the ideals and principles that underlie sustainability (UNESCO, 2006). The Rio Declaration – a product of the Earth Summit in 1992 – consists of 27 principles of sustainability (UNEP, n.d.). For instance, one of the major principles is that people have the right to have good health and live productively in harmony with nature. Another principle mentions that development must fulfil equitable life quality and the developmental and environmental needs of present and future generations. Another outlines the idea of eradicating poverty and reducing disparities in living standards. These all are important concepts to SD. Furthermore, ESD contains values and codes of conduct as a basis for SD (see [*http://www.accu.or.jp/esd/about\_esd/index.html*](http://www.accu.or.jp/esd/about_esd/index.html)).

**ESD in Thailand**

The concept of ESD came to Thailand in 2006 when it intersected with the Tenth National Economic and Development ***Plan*** (2007–2011), which directs the national development framework with His Majesty the King Rama IV’s Sufficiency Economy. The Tenth National Economic and Development ***Plan*** is supported by the philosophy that encourages middle paths to achieve SD with equilibrium between economics, society and the environment. With this, the educational revolution and educational reformation was a crucial strategy that was highlighted in the National Education Act of B.E. 2542 (1999) and the National Education ***Plan*** B.E. 2545–2559 (2002–2016). These were ***strategic*** ***plans*** based on the philosophy of Sufficiency Economy. The reformation, in particular, was concerned with education management and curriculums. The scheme has the objective of integrating all aspects of the quality of life that include social, economic and environmental aspects. It is also harmonized with other visions, policies, measures and legislations relating to the development of society during this period of reform (UNESCO, n.d.).

Under the Asia/Pacific Cultural Centre for UNESCO (ACCU)–UNESCO Asia/Pacific ESD ***Program***, ESD was first introduced to Thailand in 2006 as an alternative to UNESCO. ACCU is a non-profit organization that works in line with the principles of UNESCO for promoting mutual understanding and cultural cooperation among people in the Asia/Pacific Region. To transform the broad concept of ESD into concrete activities, they organized a seminar called the “ACCU–UNESCO Joint Regional Seminar for the Promotion of Education for Sustainable Development in Asia and the Pacific” in Japan from February 23 to February 26, 2006, with a focus on the six realms of ESD – gender issues, poverty reduction, natural disaster preparedness, community development, cultural diversity and environmental education. The ACCU mentions the “ESD-oriented” activities that refer to those with more than a single issue by taking an approach that envisions a sustainable society in which human beings can coexist with nature. This is not something new but something that already exists (ACCU, 2007: 10). The ACCU has promoted ESD and its practices in many countries in the Asia/Pacific region, including Thailand. In collaboration with the Office of the Basic Education Commission (OBEC), they invited Thai schools interested in the ***program*** that already had SD-based best practice, to join the ***program***. Then, they organized training ***programs*** and offered financial support to complete the ESD ***program*** at the schools. The ESD training was based on the whole-school approach and the involvement of the community.

The government has been trying to mobilize ideas through the popular participation of people in all sectors, groups and regions across the country in every step of the ***planning*** process. In terms of education service, it may need something more than participation; that is, co-production. For example, besides calling upon representatives from the communities, local authorities and families to be members of the school Executive Board, the school requires the presence of parents in classroom activities within their own capacities; some help giving lectures and some help the teachers to prepare the lectures. Co-production in education is a somewhat challenging idea to investigate in considering whether it is the solution to solving the current educational problems and whether it enhances ESD.

**Co-production**

The public become, not the passive recipients of state services, but the active agents of their own life. They are trusted to make the right choices for themselves and their families. They become doers, not the done-for. (Cameron, 2007)The concept of co-production was a challenge to policymakers in reforming public service by encouraging users to design and deliver service in equal partnership with professionals. One phenomenon in the UK mentioned that there are some barriers in public service due to the New Public Management (NPM) (Boyle and Harris, 2009). NPM centralized targets, deliverables, standards and customer relationship management. All of these narrowed the focus of many services and often undermined the relationship between professionals and patients or service users. The mechanism of bureaucracy in NPM could not solve the problems in public administration that were more complex, especially at the local level, and ignored the relationship between service providers and users. In terms of the education sector, the obstacle was that a single central policy or education provisions could not meet the needs of diverse communities. Therefore, challenging ideas for solving problems in the qualities of public service arose; examples include the Welfare State, the New Conservatism and the Third Way (which includes co-production) (Boyle and Harris, 2009).

**The definition of co-production**

Boyle and Harris (2009) define co-production as delivering public services in an equal and reciprocal relationship between professionals, public service users, their families and their neighbors. Both services and neighborhoods become far more active agents of change. Moreover, Ostrom (1996: 1073) provides a widely accepted definition of co-production as “the process through which inputs from individuals who are not ‘in’ the same organization are transformed into goods and services”. Table 1 explains who can co-***produce*** the services and provides some examples of co-production in public service.

**Table 1.**

User and professional roles in the design and delivery of services.

|  |  | **Responsibility for design of services** |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Professionals as sole service planner** | **Professionals and service users/community as co-planners** | **No professional input service *planning*** |
| Responsibility for delivery of services | Professionals as sole service deliverers | Traditional professional service provision | Professional service provision but users/communities in ***planning*** and design | Professionals as sole service deliverers |
| Professional and users/communities as co-deliverers | User co-delivery of professionally designed services | Full co-production | User/community delivery of services with little formal/professional |  |
| Users/communities as sole deliverers | User/community delivery of professionally ***planned*** services | User/community delivery of co-***planned*** or co-designed services | Self-organized community provision |  |

Source: In "The Challenge of Co-Production" by Boyle and Harris (2009).

**Linkage among SD, ESD and co-production**

To simplify the similarities and differences among these three theories, an integral synthesis may be utilized. The keywords are from books, past research and relevant journal articles. The studied texts and research articles emerge as the result of searches on Google Scholar and Mahidol University E-database. In the study, 40 past pieces of research are studied in order to find the keywords and some links among SD, ESD and co-production. Figure 1 presents the process of finding the relationship between the keywords and these three concepts.

**Figure 1.**

Process of finding the linkages between SD, ESD and co-production.

In the literature reviewed, 12 correlated indicators, which link the important themes of SD, ESD and co-production, were found on the basis that only the keywords being present in all three concepts were counted into the correlated group of indicators. These were self-reliance and self-efficiency of population, democratic participation, cultural adaptation, interdependence, equitability, goal of sustainable future, interdisciplinary approaches, community engagement, mutual benefits, collaborative approach and partnership, technology and media usage, and leadership and contingency approach.

However, the authors assert that while these correlated indicators share common attributes, they are different. Some can be put into the input of the implementation cycle; however, some should be considered as part of the process portion of the implementation cycle, and others for the output of the implementation cycle. Therefore, the key characteristics listed in the literature are presented in Table 2.

**Table 2.**

Process of co-***producing*** ESD with indicators.

| **Characteristics of co-*producing* ESD** | **Keywords/indicators** | **Remarks** |
| --- | --- | --- |
| Input | Self-reliance and self-efficiency of populationDemocratic participationEquitabilityLeadership and contingency approachInterdependence | Leadership may be considered to exist in “Input” |
| Process | Cultural adaptationInterdisciplinary approachesCommunity engagementcollaborative approach and partnershipTechnology and media usageLeadership and contingency approach | Contingency approach may be considered to exist in “Process” |
| Output | Goal of sustainable futureMutual benefits |  |

With the synthesis of the literature about SD, ESD and co-production, the synthesized keys of the concepts are adopted in developing a conceptual framework and research tools in the subsequent steps. The 12 indicators are used as materials/data to build a checklist in case selection and a set of semi-structured interview questions. Some key informants acknowledged the questions beforehand, but some were briefed the set of questions before the interviews started. To be more specific, the methodology section describes the research process more thoroughly.

**Methodology**

The research employs a qualitative research approach which aims to explore the implementation and co-production of ESD policy in Thailand. It focuses on the Basic Education Unit in Thai education systems since that is the foundation from where childhood education starts. School curricula generally do not meet the needs of the students and those of their families and communities, and ignore the indigenous knowledge that should be integrated in the local curriculum (Somphone, 2007: 40). The researchers conducted a preliminary survey with the checklist based on the availability of the 12 indicators when carrying out case selection. As a result, Bansankong School, situated in Chiang Rai province, Thailand, was selected as the appropriate case study for this research as it is the site of the pilot model of ESD policy implementation in Thailand, where the learning system is based on seven steps and community-based learning. Furthermore, it exhibits most of the key features found in the synthesis of the literature. Data were collected through document research and in-depth interviews with stakeholders in co-***producing*** ESD in the school. Data were analyzed utilizing the NVIVO 11 software that allows the qualitative data to be organized and calculated based on keyword frequencies. This organization and calculation form the basis of data for data analysis.

A total of 10 in-depth interviews were conducted. Both purposive sampling and snowball sampling were used to recruit informants. The key informants were familiar with ESD practices as they were the co-***producers*** of ESD who co-delivered the lessons and helped provide ESD material supplies to the case-study school. The respondents were stakeholders in co-***producing*** ESD at Bansankong School: two people were from the school administration, two from families and communities, one from the local authorities and the other five were from other institutions and volunteer organizations. These respondents acted as representatives from different sectors, as the research aimed to study the current state of co-production of ESD from other stakeholders rather than from the school itself. All of the respondents were coded (see Table 3).

**Table 3.**

Respondents’ codes.

| **Interviewees** | **Code** |
| --- | --- |
| School 1 | ST1SC |
| School 2 | ST2SC |
| Families and communities 1 | ST3FC |
| Families and communities 2 | ST4FC |
| Local authorities | ST5LA |
| Other (association) | ST6O |
| Other (volunteer 1) | ST7O |
| Other (volunteer 2) | ST8O |
| Other (volunteer 3) | ST9O |
| Other (volunteer 4) | ST10O |

Each interview lasted 30–60 minutes and was conducted at the school and the respondents’ homes. The interviews were semi-structured in nature, allowing a structure to be followed but also flexibility for probing and follow-up questions to be asked when necessary. During the interviews, the authors recorded the conversations and then the records were transcribed into Microsoft Word and processed by NVIVO 11 software.

**Results and discussion**

The research aims to investigate keywords by cross-checking with the case study of the school implementing the ESD policy. Bansankong School is situated in Chiang Rai province, in the North of Thailand. It is one of the pilot schools of ESD policy implementation in Thailand. In this school, the learning system is based on seven steps and community-based learning. Based on the background, Bansankong School is located in the zone where there have been various problems; for instance, poverty, the spread of drugs and HIV/AIDS and a great diversity of hill-tribe populations. It is a public school with free tuition, and is a middle-sized school with 500 students and 25 school administers and teachers. Almost 80% of the students are from the hill-tribe communities of the area, mainly Akha, and the rest are from poor families of the area. Moreover, this district exists along the border of Myanmar and the school sometimes has to receive children who migrate from Myanmar to Thailand. The school is obliged to receive all students due to the 15-year free state education policy for all. Meanwhile, the annual government subsidy granted per student is never enough to undergo all school activities. At the same time, some social capital and economic situations in the community have been rather weak due to low literacy rates and the struggle of understanding diverse ethnicities and customs (Zaha, 2009: 68–69). The case-study school needs help in solving the problems and found that the co-production of ESD may be the right path.

The way of thinking regarding the policies, including education policy, has been changed: there was a shift of gravity in politics and policy such as neo-liberalism and Third Way politics and policies. With globalization, there has been a continuous operation of the tertiary sector and a move to service-oriented industries. At the same time, there have been doors opening for non-traditional providers with new forms of schooling and education that are based on customized responses to individual needs in the international sphere (Tesar, 2016 ). In the same way, the case-study school shows the new form of service provision utilizing the co-production approach. Co-production from the Bansankong School neighborhood stands out at one level; that is, from a group of people in the community who are the representatives of families, parents, local authorities and local citizens.

At the case-study school, an ESD learning process that involves examining and creating society was adopted and implemented with initial funding and training from the ACCU and the OBEC. The ESD practice is called “CSA”, short for “Case Study Approach”. Its purpose is that children are able to engage themselves with their environment and to gain the capacity to resolve their own problems. The process is that the students are divided into study groups and work through the following seven steps: 1) discover issues in their communities; 2) narrow down priorities that are possible to address; 3) make a presentation to the school or the community; 4) search for alternative solutions; 5) create an action ***plan***; 6) implement the ***plan***; and 7) measure and evaluate the outcome (Zaha, 2009: 71).

The key informants were ones who are co-***producers*** of the ESD with the school. No student was selected because the research aimed to check the second level of education stakeholders at the school where service quality could be improved (Galli et al., 2014). To check the 12 indicators, the researcher conducted an in-depth interview with the representatives of people co-***producing*** ESD policy with the school. The data analyzed utilizing the NVIVO 11 software are shown in Figure 2.

**Figure 2.**

Frequency of indicators.

Figure 2 shows that there are five more significant concepts. These are: mutual benefits, technology and media usage, self-reliance and self-efficiency of population, leadership and contingency approach and community engagement. When these key indicators were put into diagram form, Figure 3 presents the result that was obtained.

**Figure 3.**

Cycle of implementing and co-***producing*** ESD with the most significant factors.

**Input: indicators in the input portion of the implementation and co-production of ESD**

According to Parrado et al. (2013), individual attitudes, values and motivations are prone to explain variation in co-production behaviors. Self-efficacy is a significantly stronger determinant of performance outcomes than one’s task-related skills. In the input process, the “self-reliance and self-efficiency of population” aspect showed that the population of the Mae Rai district is self-supporting. A large portion of the population in this study is from the Akha tribe whose profession is ***agriculture***. The following excerpt confirms that, They are self-reliant. Although they do not process any land, they earn their living as employees. They are diligent. Even a 200–300 baht hire is enough for them because they live a simple life. One cup of chili paste can be used for a meal. People here are self-reliant. Natural resources here are not scarce. Most people earn their living properly through ***agriculture***. There’s a small part of the population who do not do the right thing, but they are the minority. The majority does ***agriculture***…. People in the plain cannot do like they do. They do not even leave one square meter of land unutilized. (ST7O, June 14th, 2016)Furthermore, the Akha tribe show willingness to express their democratic rights as citizens. At the municipality level, as citizens of Thailand, they are involved in meetings to acknowledge and share their opinion with the management of service provision from the central government and their local government. However, according to the headmaster of Bansankong School, educational service provision from the school is one of the services from the government on which they scarcely give a strong opinion in terms of management – this is because parents from Akha families do not know much about education provision.

An example of the help from other units is the Doi Tung Development project. The land allotment for ***agriculture*** for their profession took place in the plain by the royal initiatives. The hill-tribe population has to adapt themselves by means of education, which is equally provided to everybody. By learning the Thai language and sending their children to school, they integrated with other Thai citizens or people in the plain.

The second factor in the input portion is leadership. Leadership is an important factor in driving the implementation and co-production of policies (Shuttenberg and Guth, 2015; Suwanich, 2008 ). For the schools that manage and provide education service to the pupils, leadership is essential at each level: from top to bottom or from the management team to policy implementation. The lesson learned from the Bansankong School case study is that the vision of the leader is essential in embracing SD practices in education management. Due to the fact that the achievement of sustainability is abstract, long-term and contested, the leaders have to believe in ESD as the best avenue for pupils. Before we improve the school, we need to look at the efficiency of teachers first. The administrator must be smart. Then, the school administrator and the teachers must collaborate to be role models. They have to be a good example, do good things for the students to follow. After that, the students will tell their parents about what they’ve seen. The parents may consider joining in further collaborative efforts. (ST4FC, June 15th, 2016)When they finish their schooling, students should have the right mindset toward the environment and a positive attitude toward their lives and careers. The school has been conducting SD exercises with students for a long time, since the headmaster was promoted to the position. Once the students joined the ESD ***program*** from ACCU, the activities became more outstanding than the pure academic-based lessons. Due to some disagreement among teachers who did not understand ESD and preferred that the school be geared towards the direction of academic achievement, the school integrated both and continued the method. Here, people love the school leader. Because he always helps them a lot. That’s why when he asks for something, people do not hesitate to give back. He’s straightforward. He’s stayed here for 22 years. There’s been no question about money. They’ve never asked what the money is used for. If they donate 100,000 baht, when they see what the school is doing, it’s more than that amount (ST7O, June 14th, 2016).Many schools abandon ESD practices not so long after they have started implementing them. Bansankong School avoided this by encouraging the community to co-***produce*** the policy on ESD implementation and this led to its success. In summary, the result showed that two indicators, the self-reliance and self-efficiency of population and leadership, are significant factors in the input portion of the implementation cycle that can help drive other factors in the process portion to succeed in the implementation and co-production of ESD.

**Process: indicators in the process portion of the implementation and co-production of ESD**

“The sustainability that you mentioned will not happen unless we do it with the community, then develop it” (ST3FC, June 14th, 2016), mentioned one key informant. When considering the factors that reveal the significance in the process of implementing and co-***producing*** ESD, community engagement, information technology (IT) and media usage, and a contingency approach are highlighted. In the Bansankong School case study, the school emphasizes the importance of integrating local folklore and culture in the curriculum. The school meets the UN goals in improving the situation of illiteracy while trying hard to achieve other goals. By embedding good attitudes towards the environment, society and economy, the children have strong and caring mindsets for the community. Furthermore, community engagement is valid for ESD and co-production to achieve sustainability. The ESD implemented in the school is mainly aimed to study and solve the problems of the community. The solution for effective and efficient services is the effective adoption and implementation of a collaborative approach between the government and community-based groups, particularly at the local level (Popoola, 2011). At Bansankong School, ESD was introduced through a seven-steps method. When someone tries to point out the problems which occur in a community and tries to mobilize and encourage people who share common problems, everybody should engage in solving the problems because they are their problems as well. In this case, the communities are aware of the issue. Finally, they are directly and indirectly involved in the process. Directly, some join the campaign as a promoter; indirectly, others commit to the requirements and instructions of the campaign.

This is a community-based form of education management and, as previously mentioned, it has seven steps. We train the children to question and direct questions to the community where they live to study the community problems. The first step is that they have to study their community and its problems by investigating and asking the people questions. They collect data on the economy, politics, laws and community rules, professions, religions and social contexts (ST1SC, June 14th, 2016).

Moreover, Bansankong School has been trying to partner with the community. In fact, a school in the education system is considered as a corporation which has to manage the internal activities on its own. The school partners with the communities and the neighborhood companies in trading and being a marketplace for the community products. The school regularly buys organic vegetables from the farms, which use a pesticide-free farming method for school lunches. In addition, it opens a community souvenir shop in front of the school to be a marketplace for the school and the community commodities. This is one example of how the idea of ESD and sustainability is rooted in the students and the community by using a collaborative method and partnership.

The school has been trying to invite the community to collaborate with them, even if they do not 100 percent succeed. As a member of the School Board, I appreciate the policy – it’s a good policy. The school attempts to involve the community in school activities, and this also provides new knowledge for the community. Before this initiative happened, people thought that the school could do things on their own; this is not true. Since the people began to participate, the community also improved, together with the school (ST5LA, June 14th, 2016).

In terms of technology and media usage, citizens may need some specific production skills or knowledge to provide positive co-production (Alfors, 2002 and Levine, 1984, as cited in Jakobsen, 2012). Furthermore, citizens’ co-production often increases if they have certain tools or facilities (Jakobsen, 2012; Tsai, 2013; Watanabe, 2015 ). The benefits of technology and media usage, such as the television broadcasting of lessons, can be seen in Bansankong School. The usage of other media, such as social media and websites, is present but not so outstanding. Technology is an investment. If someone invests in technology, they use a large amount of money. A middle-sized school like Bansankong School receives an annual subsidy from the government; however, it does not provide funding for investment in computer technology. It is the privatized company, CAT, that has co-***produced*** the technology application for the school by giving a donation to build a library and a computer room. They co-invest in the facilities of the school, which thus contributes to other lessons. In fact, the facilities should come with the knowledge of how to maximize the application of these technologies. The one, who supplies the technologies, should provide the information on the usage.

There are only 10% of students in the school who are good at IT; the remaining students are better at life skills. However, if they understand the context, then we accompany and advise them to do what needs to be done – we call it magic. Students can finish the assignments in the wink of an eye (ST3FC, June 14th, 2016).

Nonetheless, the school still lacks the technological expertise to improve application. The school headmaster said that with the help of foreign volunteer teachers, the school learned how to use this kind of channel to improve and promote the school activities. “There is no need for advanced technology, basic technology is enough”, he continued.

Finally, the contingency approach is also underlined here. An example of the contingency approach can be seen in one ESD project on solving a waste-management problem. People ***produce*** a lot of refuse, but in the Mae Rai sub-district, there is not enough space to dump and destroy the garbage. The municipality helped solve the problem by finding a place where the garbage could be managed; however, it was not a sustainable way of solving the problem, and people still ***produce*** a lot of household waste. For this reason, the school began a project for managing waste by prohibiting the use of plastic bags and preventing students from consuming snacks that came in packaging that was not environmentally friendly. This was a far better method to reduce the amount of garbage and protect the environment.

These three factors focus on the SD-oriented good practices as the processes in achieving SD goals. The Figure 2 provides the researchers with the most cited keyword and the study continues to investigate the output in the cycle.

**Output: indicators in the output portion of the implementation and co-production of ESD**

The co-production of ESD policy in Bansankong School occurs with mutual benefits among the stakeholders. At the intrinsic reward level, some may feel that they are givers; at the same time, they are the receivers. The givers receive rewards rather than money – this is in an intrinsic form. For example, many foreigners come to Bansankong School to give foreign language lessons to the pupils. As a public school, the school cannot afford to pay for their wages; however, they reimburse them with the right to legally stay in Thailand by providing them with a legal work permit.

We have hired only one foreign teacher and the rest of the foreign teachers are volunteers; they stay here for a long time, we help them with work permit documentation and although we don’t pay them, we provide some small provisions like rice and eggs for their meals – most of them are okay with the situation and some invite other friends from aboard to come and work (ST1SC, June 14th, 2016).

Meanwhile, there are real mutual benefits happening among the stakeholders. For instance, any donations to the school can be used as tax deductions at the end of the fiscal year by every contributing corporation. Besides the tax deduction, co-production can bring a good reputation to the contributing corporations. This is known as “Corporate Social Responsibility” (CSR).

We arrange many things for communities. First of all, we open a shop for selling community products and we have it registered as a public commercial shop. Secondly, there is CSR. In Thailand, CSR is more than a tax deduction. When people donate some amount of money to the school, it gives them a two-fold return because the school uses the money to hire people in the community to work, and the school also benefits (ST3FC, June 14th, 2016).

However, the basic practice of co-***producing*** ESD can result in reciprocal benefits among co-***producers***, service providers and service users. In the education service, when the families co-***produce*** education, it means that their children can receive better education or the type of education which the families wish for their children.

**Discussion**

When analyzing Figures 2 and 3, the researchers see that the most significant indicators are in the process of implementing and co-***producing*** ESD in the cycle. The researchers can assume that co-***producing*** ESD needs to focus on the process. The case study proves that the processes are strong enough to bring ESD practices into the output, which most of the stakeholders highlight as results of mutual benefits. When the community and families understand what benefits they will receive, they engage in the ESD activities of the school. The process of the implementation and co-production of ESD should go along with the vision of leaders who attempt to solve the problems of the community; at the same time, it should root the right attitude into the children’s mindsets toward the environment and social concerns. The help of technology and media usage will enhance ESD practices in the social context of the case study. Those that co-***produce*** the ESD in the case study are more involved in the processes and practices than in the ***planning*** or co-***planning*** of the services. This is due to the fact that the parents from Akha families do not know much about education provision. This reflects the notion that the better the performance in service provision from local or state governments is, the less willing they are to co-***produce*** the services (Parrado et al., 2013).

If full co-production views “professional and users/communities as co-planners and co-deliverers” (Boviard, 2006, cited in Boyle and Harris, 2009), the case study may not prove to exhibit the full co-production of ESD; it may, however, apply to the user co-delivery of professionally designed services (Table 1). Therefore, the ones who professionally design services are prone to be more important; that is, the school administration. The leadership and contingency approach is one of the most repeated keys in the interviews with the 10 respondents. It is the leader who has the right to facilitate the co-production of ESD, and it is the management team who allows co-production to happen in their jobs. If the team does not allow this and lacks the vision for what the benefits of the education service might be, things will never happen because people tend to not co-***produce*** any services. For another reason, ESD is an alternative and not a compulsory policy in Thailand. Meanwhile, the attributes of the co-deliverers are also important. The self-reliance and self-efficiency of a population are also strongly cited. This means that the qualities of the co-***producers*** are the things to be highly concerned with in co-production. Additionally, community engagement and technology and media usage should be the most essential processes in facilitating the co-production of ESD. Finally, the achievement of mutual benefits is not only the primary but also the vital goal of the sample in the case study. Without the understanding of what people will receive when they co-***produce*** the education service, they might not be convinced to make education sustainable to accomplish the goal of sustainability. As the result, people have to know what they give and what they gain. Then, they are willing to co-***produce*** the services.

**Conclusion**

The results show that the case-study school continued with the implementation and co-production of ESD with the presence of the 12 correlated indicators. However, the research may not be able to answer whether the school has achieved the ultimate goals of SD. The 12 indicators contribute to ESD implementation in schools, and even in other smaller or bigger institutions, such as life-long learning centers or universities. Although all indicators are present in the case study, there are some that are more significant than others, these being, mutual benefits, technology and media usage, self-reliance and self-efficiency of population, leadership and contingency approach and community engagement. The factors in the process of the implementation and co-production of ESD tend to be more significant. We can conclude that ESD is an action-oriented policy that requires a sound implementation process to co-***produce*** it. As ESD is an alternative and not a compulsory policy in Thailand, the management of a school should facilitate the co-production of the policy with other stakeholders. The additional suggestion is that the top management in education, the Thai Ministry of Education, or the OBEC who has their duties in the Basic Education policy, should consider integrating ESD as a part of the Basic Education core curriculum in the future and should encourage co-production as a norm in the provision of Thai education. This is because the best education cannot take place through the efforts of a single institution, but through the collaboration of many. Furthermore, ESD is not only suitable for schools with difficulties and complications, it can be applied to every school. Regards the study’s limitations, the research aims to check the indicators within the context of a case study; however, it does not go any deeper into the achievement of each indicator. This research indicates that future research possibilities lie in the refinement of each indicator to create better models of ESD implementation.

**Bibliography**

**REFERENCES**

Asia/Pacific Cultural Centre for UNESCO (ACCU) (2007) Tales of Hope: Grassroots Activities of Education for Sustainable Development (ESD) in Asia and the Pacific. Tokyo: ACCU.

Boyle D, andHarris M, (2009) The challenge of co-production. Available at: [*www.nesta.org.uk/publications/challenge-co-production*](http://www.nesta.org.uk/publications/challenge-co-production) (accessed 26 October 2017).

Cameron D, (2007) Speech. 29 January. Available at: [*http://conservative-speeches.sayit.mysociety.org/speech/599906*](http://conservative-speeches.sayit.mysociety.org/speech/599906) (accessed 26 October 2017).

Galli F, Brunori G, Di Iacovo F, et al. (2014) Co-***producing*** sustainability: Involving parents and civil society in the governance of school meal services. A case study from Pisa, Italy. Sustainability 6(4): 1643–1666.

Jakobsen M, (2012) Can government initiatives increase citizen co-production? Results of a randomized field experiment. Journal of Public Administration Research and Theory 23(1): 27–53.

Nnabuo POM, andAsodike JD, (2014) Exploring education as a tool for sustainable development in Nigeria. European Scientific Journal 8(10): 1–11.

Office of Non-Formal and Informal Education (ONIE) (n.d.) The development and state of the art of adult learning and education (ALE). Available at: [*http://www.unesco.org/fileadmin/MULTIMEDIA/INSTITUTES/UIL/confintea/pdf/National\_Reports/Asia%20-%20Pacific/Thailand.pdf*](http://www.unesco.org/fileadmin/MULTIMEDIA/INSTITUTES/UIL/confintea/pdf/National_Reports/Asia%20-%20Pacific/Thailand.pdf) (accessed 5 January 2017).

Ostrom E, (1996) Crossing the great divide: Coproduction, synergy, and development. World Development 24(6): 1073–1087.

Parrado S, Ryzin GGV, Bovaird T, et al. (2013) Correlates of co-production: Evidence from a five-nation survey of citizens. International Public Management Journal 16(1): 85–112.

Popoola F, (2011) Governance crisis in Nigeria: An empirical analysis of co-production as panacea for service delivery. International Journal of Business and Social Science 2(16): 211–218.

Robert K, Parris T, andLeiserowitz A, (2005) What is sustainable development? Goals, indicators, values, and practice. Environment: Science and Policy for Sustainable Development 47(3): 8–21.

Schuttenberg HZ and Guth HK (2015) Seeking our shared wisdom: a framework for understanding knowledge coproduction and coproductive capacities. Ecology and Society 20(1): 15. DOI:10.5751/ES-07038-200115

Somphone S, (2007) Developing youth in leadership for sustainable living. In: ACCU (ed) Tales of Hope: Grassroots activities of Education for Sustainable Development (ESD) in Asia and the Pacific. Tokyo: ACCU, p.40.

Stockmann R, (2012) Understanding sustainability evaluation and its contributions to policy-making. In: Raggamby AV, andRubik F, (eds) Sustainable Development, Evaluation and Policy-Making Theory, Practice and Quality Assurance. Cheltenham and Northampton, MA: Edward Elgar, pp. 3-20.

Suwanich P, (2008) Development process of community-based environmental public policy in people sector. Doctoral Thesis, Mahidol University, Thailand.

Tesar M, (2016) The future of policy futures in education. Policy Futures in Education 14(2): 141–146.

Tsai J, (2013) Strategies for implementing education for sustainable development in business schools. The Journal of Human Resource and Adult Learning l9(2): 172–183.

United Nations Educational, Scientific and Cultural Organization (UNESCO) (n.d.) Synopsis of the National Scheme of Education of B.E. 2545. Available at: [*http://planipolis.iiep.unesco.org/en/2003/synopsis-national-scheme-education-be-2545-2559-2002-2016-6085*](http://planipolis.iiep.unesco.org/en/2003/synopsis-national-scheme-education-be-2545-2559-2002-2016-6085) (accessed 26 October 2017).

United Nations Educational, Scientific and Cultural Organization (UNESCO) (2002) Education for Sustainable Development Information Brief. Available at:[*http://www.unesco.org/education/tlsf/extras/img/DESDbriefWhatisESD.pdf*](http://www.unesco.org/education/tlsf/extras/img/DESDbriefWhatisESD.pdf) (accessed 26 October 2017).

United Nations Educational, Scientific and Cultural Organization (UNESCO) (2006) Framework for the UNDESD International Implementation Scheme. Available at: [*http://unesdoc.unesco.org/images/0014/001486/148650E.pdf*](http://unesdoc.unesco.org/images/0014/001486/148650E.pdf) (accessed 26 October 2017).

United Nations Environment ***Programme*** (UNEP) (n.d.) Rio Declaration – United Nations Environment ***Programme***. Available at: [*http://staging.unep.org/Documents.Multilingual/Default.asp?documentid=78&articleid=1163*](http://staging.unep.org/Documents.Multilingual/Default.asp?documentid=78&articleid=1163) (accessed 26 October 2017).

Watanabe R, (2015) Implementation of Education for Sustainable Development (ESD) in Japan. Master’s thesis, Stockholm University, Sweden.

World Commission on Environment and Development (WCED) (1987) Our Common Future: The World Commission on Environment and Development. New York: Oxford University Press.

Zaha T, (2009) Change is possible – Promoting autonomous participation under difficult conditions. In: Yoshiyuki N, (ed) A Tale of Hope II: Innovative Grassroots Approaches to Education for Sustainable Development (ESD) in Asia and the Pacific. Tokyo: ACCU, pp.67–82.

**Load-Date:** March 29, 2024

**End of Document**



[***BRIEF NEWS BULLETIN NO. 10439***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5SDB-5J11-F12K-R2W6-00000-00&context=1516831)

HINA Digest

25 May 2018

Copyright 2018 Croatian News Agency - Hina All Rights Reserved



**Length:** 9001 words

**Body**

Zagreb, 25 May 2018 (Hina) - PM: It's important to implement national reform ***programme*** to strengthen economic potentialZAGREB, May 24(Hina) - Prime Minister Andrej Plenkovic on Thursday commented on the European Commission'srecommendationsto Croatia, saying that it was a good thing that the EC recognised efforts the government had made in the fiscal consolidation sector, adding that it was important to implement the national reform ***programme*** in order to strengthen Croatia's economic growth potential.At the start of the government session on Thursday, the prime minister commented on the recommendations the European Commission gave to Croatia, saying that it was good that there this year there were fewer recommendations than the year before."It is good that this year we have fewerrecommendations that the year before.This is a sign that we did a good job on the national reform ***programme***. This time, everything that the European Commission recommended has already been included in our ***plan***, which means that we recognised the trends well," Plenkovic said.He underscored that it was exceptionally important that the European Commission had recognised the efforts the government had made in the fiscal consolidation sector, adding that the results were better than expected. He said that headway had been made in the process of managing the public debt, which was shrinking faster than in other EU member states. Plenkovic also recalled that last year Croatia left the excessive deficit procedure."I believe it is no surprise that in 2017 financial institutions and agencies raised our credit rating for the first time since 2004," Plenkovic said, adding that the government would continue its work on fiscal consolidation and further reform.The PM underscored it was important to achieve three priority objectives from the national reform ***programme***, together with other measures, and in that way strengthen Croatia's economic growth potential.The government in April sent to the European Commission a 130-page National Reform ***Programme***, containing 59 concrete measures in 11 reform areas.

The three key objectives of the document are strengthening Croatia's economy competitiveness, connecting the education system with the labourmarket and achieving the sustainability of public finances.The European Commission on Wednesday gave Croatia four recommendations which Zagreb is expected to carry out this and next year and which are mostly the same as those given in 2017.In the first recommendation, Croatia is required to strengthen its fiscal framework and introduce real estate taxes, based on the value of the real estate.In the second recommendation, Croatia is expected to discourage early retirement, accelerate the transition to the higher statutory retirement age, and align pension provisions for specific categories with the rules of the general scheme.In the third recommendation, Croatia is expected to reduce the fragmentation and improve the functional distribution of competencies in public administration.In consultation with social partners, it is expected to harmonise the wage-setting frameworks across the public administration and public services.In the fourth recommendation, Croatia is expected to improve corporate governance in the state-owned enterprise sector and speed up the divestment of state-owned enterprises and inactive state assets.Croatia is also expected to significantly reduce the burden on businesses stemming from costs of regulation and from administrative burdens; to remove regulatory restrictions hampering access to and the practice of regulated professions and professional and business services; and to improve the quality and efficiency of the justice system, in particular by reducing the duration of civil and commercial cases.The recommendations are part of the spring package of the European Semester which the Commission publishes each year in May.FinMin says tax revenues up 5% in 2017, expenditure lower than plannedZAGREB, May 24(Hina) - Finance Minister Zdravko Maric said at a government session on Thursday that last year's budget revenues totalled HRK 122.7 billion, 5% more than the year before, which was owing to positive economic trends and the tax reform, while budget expenditures were lowerthan ***planned***.The growth of budget revenues was owing to an increase in GDP of 2.8%, prompted by yet another record tourist season, the growth of household consumption, exports and investments, notably private ones, which grew by more than 7% on the year, Maric said while presenting a report on the budget execution and a report on the application of fiscal rules in 2017.The minister stressed that the goodfiscal and economic indicators were owing to the tax reform and some other steps taken to improve the investment and business climate.The growth of budget revenues in 2017 was mostly owing to an increase intax revenues, which totalled HRK 75.2 billion.Income tax revenues totalled HRK 2 billion, 9.7% less than in the year before, a change that was owing to lower income taxes.Profit tax revenues were 15% higher, totalling HRK 8.2 billion.VAT revenues amounted to HRK 47.6 billion, 5.3% more than in 2016.Revenues from special levies and excise taxes grew 2.6% to HRK 15.1 billion.Revenues from contributions were 23.2 billion kuna, 4.6% more thanthe year before.Revenues from aid, with revenues from EU funds accounting for most of it, reached HRK 8.5 billion, an annual increase as well.Spending under controlBudget expenditures last year totalled HRK 125 billion, an increase of 4% but less than originally ***planned***."This is owing to strong fiscal discipline and responsible spending of budget money," said Maric.He said that results were good despite several occasions when extra outlays in the amount of more than HRK 1.5 billion, for transfers to the health system, were approved.Maric stressed that last year debt interest was cut by one billion kuna."Over the past two years Croatia has managed to reduce interest expenditures by two billion kuna, and one should continue working on that," he said, explaining that this was owing to the financial restructuring of the road sector's debt.Household benefits, the most important category of expenditures, totalled HRK 45.8 billion, of which 37.7 billion went for pension allowances.Maric stressed that the expenditure growth rate was lower than the potential GDP growth, in line with the Fiscal Accountability Act.He said that ***planned*** budget expenditures had not been exceeded for the second consecutive year despite challenging situations.The resultis by about 2.1 billion kuna better, and better results were also achieved by extra-budgetary users and local government units, said Maric.The consolidated general government surplus in 2017 was 2.7 billion kuna, which is the first time a surplus was recorded since record-keeping about those statistics started, while the projection was a HRK 2.2 billion deficit, said Maric."The result is thus better by about five billion kuna," said Maric.Owing to this, 2017 saw a continuation of a decrease in the share of public debt in GDP, and at the end of 2017 it totalled 78%, which is almost 6 percentage points down from the previous year."Regardless of the fact that public debt is still above the 60% of GDP set by the Maasticht criteria, the share of public debt in GDP has been going down almost at twice the rate prescribed by those criteria," said Maric.60% of profit of ***strategic*** companies to be paid into state budgetThe government on Thursday also adopted a proposal on the amount, payment terms and payment deadlines regarding profits of companies of ***strategic*** and special interest to Croatia for 2017, to be paid into the state budget in 2018.Minister Maric said that there were several companies that were exempt from this decision -Hrvatske Ceste, Hrvatske Autoceste, Hrvatska Kontrola Zracne Plovidbe, HZInfrastruktura, Hrvatska Postanska Banka, Jadrolinija, Zracna Luka Dubrovnik, Croatia Airlines, Odasiljaci i Veze, Zracna Luka Split and Drzavne Nekretnine."This decision envisages the payment of 60% of the profit after taxation for 2017 by state-owned companies into the state budget in 2018," Maric said.The only exception from this decision is the Agencija ***Plan*** company, which is to pay 100% of its post-tax profit into the state budget.Government approves financial ***plans*** of road and motorway operatorsZAGREB, May 24(Hina) - Hrvatske ceste (HC) road operator will invest HRK 2.95 billion in the construction and maintenance of state roads in 2018, while Hrvatske Autoceste motorway operator (HAC) will invest HRK 638.8 million, according to construction and investment ***plans*** of the two companies which the government approved at its session on Thursday.The construction and maintenance ***plan*** for state roads in 2018 foresees total investments in the amount of HRK 2.95 billion, of which HRK 2.17 billion will be invested in the construction and maintenance of state roads, Maritime, Transport and Infrastructure Minister Oleg Burkovic said, adding that construction investments would amount to HRK 1.2 billion.Other investments amount to HRK 776.9 million, he added.A total of HRK 638.8 million is available to the Croatian motorway operator HAC this year for construction and maintenance.Gov't adjusts energy laws to EU guidelinesZAGREB, May 24 (Hina) - The government on Thursday discussed draft amendments to the Act on the Regulation of Energy Activities and the Electricity Market Act, adjusting the two laws to EU guidelines.The amendments to the Act on the Regulation of Energy Activities will regulate the independence of Croatia's Energy Regulatory Agency (HERA) and enable it to objectively and transparentlydo its job in accordance with EU guidelines, Energy Minister Tomislav Coric said at the government session.The agency must be able to make autonomous decisions so that the energy market could function properly and be entirely independent of any other public or private bodies, including the government, the minister said.Gov't to buy HRK 450mn of bank claims against PetrokemijaZAGREB, May 24 (Hina) - The government on Thursday adopted a decisionto buy bank claims against the Kutina-based Petrokemija mineral fertiliser company in the amount of HRK 450 million, with Prime Minister Andrej Plenkovic underscoring that the decision was important for the company's coming recapitalisation and its long-term, quality business operation.A State Secretary atthe Ministry of Economy, Entrepreneurship and Crafts, Natasa Mikus Zigman, reported that Petrokemija was looking fora ***strategic*** partner that would invest HRK 450 million in cash in the company."However, considering the losses in the preceding periods and estimated losses in 2018, significant investments that need to be made in the company's plants and the lack of operating capital, and in order to secure its long-term sustainability, it is necessary to additionally reduce the company's debt, that is,increase its equity. The government's decision today recommends that the minister ofeconomybuy on its behalf banks' claims from Petrokemija in the amount of HRK 450 million," Mikus Zigman said.She explained that Petrokemija hada significant debt that as of 31 December 2017 amounted to more than HRK 800 million and that it hada negative equity in the amount of HRK 196 million."After the state takes on the claims against Petrokemija, they will be transformed into capital at the company's next assembly and consequently a portion ofthe claims transformed into equity will be used to cover losses incurred in 2017 and partially losses incurred in 2018," she added.Mikus Zigman recalled that in the past the government had adopted decisions under whichthe state guaranteed that the banks' claims would be paid, either with a direct state guarantee or by providing state-ownedshares as collateral.She underscored that once the financial restructuring was completed and the debt decreased and equity increased through recapitalisation, conditions would be created to implement the company's operational restructuring and ensure its long-term sustainability.Petrokemija is the largest mineral fertiliser manufacturer in Croatia and the state has an ownership share of 79.85%.The company generates a turnover of HRK 2 billion a year. Apart from accountingfor one-third of Croatia's consumption of natural gas, Petrokemija hasa dominant impact on the operation of Croatian ports, HZ Cargo, Plinacro, HEP and about a hundredof small suppliers oftransport services, equipment maintenance, trade and services, Mikus Zigman said.EC to help Croatia in absorbing EU fundsZAGREB, May 24 (Hina) -The European Commission has selected five national or regional authorities responsible for cohesionpolicy, including Croatia's Ministry of Regional Development and EU Funds, to participate in a new pilot project on better absorption of EU funds in the budget period beyond 2020.This refers to the Competitiveness and Cohesion ***programme***.To improve the management of EU funded ***programmes*** in the post-2020 period, experts from the Commission and the Organisation for Economic Cooperation Development (OECD)will provide tailored support. They will focus on building the right organisational structures and developing the right skills for staff. The experts will also help the authorities coordinate more smoothly with the other players involved in the roll-out of Cohesion Policy ***programmes***, such as business and social partners, development agencies and civil society organisations.Commissioner for Regional Policy Corina Cretu said: "To fully unlock the potential of public investment in terms of growth and jobs, solid institutions and well-functioning administration are as important as the money itself. In the next long term EU budget, lessons drawn from this pilot action will help boost the effectiveness and performance of EU and public national funds alike in the future," the EC reported on its website.The first phase of the pilot, summer 2018 - March 2019, will be dedicated to establishing a roadmap for administrative capacity-building. With the support of the experts, the authorities will draw up a series of improvements to be made in four areas:organisational set-up and transparency; human resources; internal procedures, tools and ICT systems; and good governance, including interaction with external stakeholders.The ***programme*** authorities will implement the roadmap during the second phase of the pilot, as of 2019. The Commission will actively support them, with further expert advice and tools such as the competency framework and the networking instrument PEER 2 PEER.EUR 900,000 has been set aside from the European Regional Development Fund (ERDF) for the development of the first phase of the roadmaps in the five countries. The budget of the second phase will be decided at a later stage.The Commission will evaluate the results of the pilot by the end of 2019. The conclusions drawn will feed into the development of guidance on administrative capacity-building for the authorities in charge of handling EU funds ***programmes*** in the next long term funding period, the EC said.Gov't adopts bill to facilitate subsidised housingZAGREB, May 24 (Hina) - The government on Thursday adopted and forwarded to the parliament a final bill on subsidised housing (POS), which, among other things, adjusts the highest price of construction of POS housing to the real situation in the construction sector and facilitates the launchof a new subsidised housing ***programme***.The government-sponsored POS bill was aligned with the Construction Act and defines the reference price of construction as well as all the costs involved in construction - ***planning***, construction, supervision and so on, as well as water utility fees and Value Added Tax. It does not definecosts related to the land, utility infrastructure and connections to the utility infrastructure.Construction and Physical ***Planning*** Minister Predrag Stromar (HNS) said that so far the price of POS flats, land, utility infrastructure and connections had significantly differed from the average price in the real sector.According to the State Bureau of Statistics, the average sales price of new apartments which were sold in the second half of 2016 and were not part of the POS schemeamounted to HRK 11,027 per square metre, which is about 41.3% higher than the averagesales price of POS apartments, whichamountsto HRK 7,806 per square metre.Under the bill, the highest price of land and utility infrastructure would be increased from 20% to 25% of the reference price of construction while the highest sales price of an apartment would be increased from 140% to 150% of the reference price of construction.Stromar said that the bill would enablepublic service employees, too, to apply for POS housing in addition to state administration employees as part of special POS ***programmes*** for housing to be offered for lease."This bill attempts to resolve the issue of housing for professions in short supply, researches, professors, teachers, doctors and all professions necessary in a city, municipality or county... we know how difficult it is to keep people in small communities. Rent would be paid by local councils, cities, counties and institutions owned by the state," Stromar added.Agreements valued at HRK 470mn signed for 102 rural development projectsZAGREB, May 24 (Hina) - Local government representatives and the Payment Agency in ***Agriculture***, Fisheries and Rural Development on Thursday signed agreements valued at HRK 470 million for 102 local government projects from Measure 7 - Basic services and village renewal in rural areas - of the EU Rural Development ***Programme***.The funds will be used to build 57 new kindergartens, 18 community centres, 12 fire stations, and two tourist information centres as well as to finance 13 projects for landscaping public spaces in rural areas. The aidbeing provided accounts for 80% to 100% of total eligiblecosts or between 15,000 and 1 million euros.Agency directorMatilda Copicrecalled thatthe projects were made available to communities of up to 5,000 residents and were advertised in April-May 2017.Shesaid that the total value of the projects was HRK 528 million.Copic announced that a new call for project applications would be advertised early in June providing HRK 500 million in aid- HRK 350 million of which will be earmarked for the construction, reconstruction and equipping of kindergartens in rural areas.According to ***Agriculture*** Minister Tomislav Tolusic, the new round of projects should result in the construction or reconstruction of 95 to 100 kindergartens.Prime Minister Andrej Plenkovic underscored that the signing of theagreements very clearly showed the benefit of Croatia's membership of the EU."We are sending a message of balanced regional development in Croatia, particularly of our smaller communities where any investment in the infrastructure, whether it be for kindergartens, fire stations or community centres or other infrastructure projects, means job creation... and enablespeople who have homes and familiesthere to stay there," Plenkovic said.He stressed that the policy of balanced regional development had been part of his government's strong activities over the past year and a half."We are dedicating special attention to Slavonia, but that doesn't mean that other counties aren't just as important. We will endeavour to make sure that these measures also help in the demographic revival of the country," the prime minister said.Tolusic expects many of the projects for which agreements were signed todayto be completed by spring next year.He said that he considered the situation in rural areas to be better now than a few years ago.Tolusic added that in October 2016, rural development projects signed amounted to HRK 328 million whereas today they amount to HRK 5.15 billion.EduMin: Decision on hiring of school principals in line with Veterans ActZAGREB, May 24 (Hina) -Croatian Science and Education Minister Blazenka Divjak has told Hina that the instruction to schools to give advantage to unemployed veterans when hiring new school principals and dorm heads is not her decision, but rather explains a procedure defined by the Veterans Act.The VeteransAct, which has been in force for six months, defines relevant rules for all public services or institutions."Since the Constitutional Court is being mentioned as the body that should determineif the Veterans Act is in line with the constitution, if thatcourt decides that the law is unconstitutional, we will change our instruction to schools," Divjak, who is on a visit to Paris for a ministerial conference on the Bologna Process, told Hina.She went on to say that with regard to the hiring of education workers, her ministry's bill on education, whichwas currently being discussed by the parliament, would make order in the system of employment by introducing selection procedures that would make the hiring process more transparent also in cases when war veterans were concerned.According to media reports, Divjak on May 16 issued an instruction to primary and secondary schools as well as student dorms to give an advantage to unemployed veterans when hiring new principals. Apart from veterans, other categories to be given advantage in the hiring process are children of Croatian soldiers killed or gone missing in the 1991-95 war, disabled war veterans, war volunteers, and members of the immediate or extended family of soldierskilled or gone missing in the war.Veterans minister: Divjak's decision in line with War Veterans ActCommenting on Divjak's decision for reporters ahead of today's government session, War Veterans Minister Tomislav Medved said that there was nothing disputable about it and that Divjak had only cited in the decisionprovisions of the War Veterans Act that had been put to public consultation and received two parliamentary readings."What has changed in relation to the previous law is that now (veterans) have an advantage also when applying for a management position," Medved said, stressing that the decision was about employment under equal terms and would also coveremployees in the education system whose qualifications were not in line with their position.As for possible lawsuits that are being announced by some associations, Medved said that everyone was entitled to file a lawsuit, stressing that consultations were held on every article of the law and that it should be seen as an integral legal document.The Association of Secondary School Principals is worried about Divjak's instruction which saysthat unemployed veterans with eight years of service in the school system should have the exclusive advantage in the hiring process for school principals."The problem with this is that they are bypassing the selection procedure which makes the employment terms unequal for other candidates. Only unemployed veterans are entitled to that privilege. All the other veterans, including teachers and school principals, do not enjoy that privilege," said Suzana Hitrec of the Association of High School Principals.Opposition says veterans have become caste with greater rights than othersZAGREB, May 24(Hina) - Adecision on the hiring of school principals which gives an advantage to war veterans in the selection and hiring process and which was signed by Science and Education Minister Blazenka Divjak on Thursday elicited much criticism among opposition parties in the parliament, which said that a special, war-veteran caste had been established.Unlike the Opposition, ruling HDZ party member of parliament Josip Djakic, who also heads the HVIDRAassociation of disabled war veterans, believes that the criticism is coming from "those who have enjoyed management positions so far.""There has been no veteran population so far or legal preconditions to enable children of Croatian defenders killed in the war or defenders who have studied until now to apply and enjoy that benefit. The law is clear and I think that the ministeris one of the few to warn all those in decision-making placesthat veterans and children of soldiers killed or gone missing in the warhave an advantage, which is commendable," said Djakic.He believes that there would not be too many candidates interested in the positions concerned or meeting the necessary qualifications, but that a certain number will nonetheless apply."There is no need for fear, competence comes first, but the status of a child of a soldierkilled in the war must be respected, too," said Djakic.Social Democrat MP and former veterans' minister Predrag Matic said that "a regulation giving veterans an advantage in the employment process, except for managerial positions, wasin force earlier, too, meaning that veterans have always had an advantage (in the employment process)but could not be appointed to head the HRT public broadcaster or INA just because they are veterans.""That was one of the protesting veterans' demands, incorporated in the new law adopted last November, and now the country is in big trouble. The (science) minister has given her approval for that law and is now wondering, even though she participated in its drafting," said Matic."School principals are rightfullyworried because there are around 20,000 unemployed veterans, they could take over all positions... The status of a veteran cannot give someone an advantage when a managerial position is concerned, the Partisans themselves did not function that way from the 1940s to the 1990s. We are very good at copying laws from them, we have outdone them in many regards. The latest move doesveterans no credit, and most of them are not responsible for this," said Matic.Croatian Peasant Party (HSS) leader Kreso Beljak said that the law was "disgraceful", adding,"We live in a country where a caste has been formed that believes they have more rights than others.""I think that in 1991 nobody fought for privileges but to defend ourselves from the Great Serbian aggression, and all those who seek to have more rights than other citizens are simply war profiteers," said Beljak, himself a veteran.He went on to say that a vast majority of veterans were not members of any veteran association and did not want to use any privileges and detested the thought of being members of groups claiming to represent veterans.Anka Mrak Taritas of the GLASparty said that the legal provision was "unacceptable because one group of citizens cannot be put above others.""Maybe the veterans should be given an advantage also when ministers are appointed? This is not good for the veterans. We implored the ruling coalition to come totheir senses during the debate on the Veterans Act because now we do not see the end of this, maybe the prime minister, too, should be a veteran?I have veterans in my immediate family but I do not see among them the aggression and the need to stress their status that I see in associations claimingto represent the veterans," said Mrak Taritas, adding that the ruling coalition passed the veterans law to ensure a stable electorate.Opposition parties lash out against LNG terminal billZAGREB, May 24 (Hina) - Opposition parties in the Croatian parliament led by the Social Democratic Party (SDP) on Thursday lashed out against the Liquefied Natural Gas Terminal Bill which should pave the way for the construction of an LNG terminal on the northern Adriatic island of Krk, describing it as "a rape of the constitution and democracy", a waste of taxpayers' money and "a second stage of the sale of Croatia."Presenting the bill to parliament, the State Secretary at the Ministry of Environmental Protection, Ivo Milatic, said that the bill aimed to define the infrastructure of the LNG terminal, which he said was of ***strategic*** interest to Croatia, as well as to maintain the security of natural gas supply and regulate the award of concessions for the use of the maritime domain. He added that concession fees for the use of the maritime domain would be paid to local government.The annual concession fee for the first 25 years would be 1.5 million kuna (200,000 euros) and the central government would waivea third of revenues from concession fees, as a result of which two-thirds, or one million kuna, would be paid to Omisalj Municipality and one third, or 500,000 kuna, to Primorje-Gorski Kotar County."Who are you working for? Why would I have to pay for more expensive gas so that your government could curry favour with the United States and buy their friendship? You pay it out of your own pocket," Branimir Bunjac of the opposition Human Shield party said.SDP leader Davor Bernardic said that his party was with the citizens of Omisalj Municipality and the entire Primorje-Gorski Kotar County and that it supported the construction of an on-shore LNG terminal because if was development based andenvironmentally acceptable and would create jobs.Darko Horvat of the ruling Croatian Democratic Union (HDZ) noted that the LNG terminal project had been included among the ***strategic*** projects by the SDP government headed by Zoran Milanovic.Stjepan Curaj of the Croatian People's Party (HNS), a junior partner in the ruling coalition, said he was confident that the bill would put Croatia on Europe's energy map.SDP MP Zeljko Jovanovic called the bill "a rape of democracy, the constitution and law", whilehis party colleague Arsen Bauk announced a number of amendments to obstruct the passage of the bill, which is being discussed under fast-track procedure.The SDP's Alen Prelec asked how many phases the project hadand why the government insisted that a floating terminal was cheaper than an on-shore one if a study from 2016 showed the opposite."An on-shore terminal is twice as expensive as a floating one, and there will be two phases: first there will be a floating terminal and then an on-shore one," Milatic replied.Romana Jerkovic (SDP) asked in whose interest this was. "Is it in our ***strategic*** interest to invest in floating terminal infrastructure with taxpayers' money while someone else, namely foreigners, will make a profit? Should it not be in our ***strategic*** interest to invest in our own gas fields?" she asked. "This seems to be a second phase of the sale of Croatia," she added.Milatic said that the terminal would be built by the LNG Croatia company, which is owned by the energy companies Plinacro and HEP. "As far as I know, these are Croatian public companies and we are not selling off anything here. This kind of project has to be put up for concession because it concerns the maritime domain and there is an established procedure for that," he responded.Human Shield MP Ivan Pernar warned that LNG terminal lease rates were record low throughout Europe, only 23 percent, and that the state would have to pay the difference in the cost of terminal maintenance, which he claimed would have an impact ongas prices for buyers."Another problem is that Croatia will have to invest at least 275 million euros in the terminal. Insteadof investing in a terminal which we do not need and which is is unprofitable, we should invest this money in renewable energy sources," Pernar said.Milatic rejected the predictions that the terminal would be insufficiently leased. "We estimate that it will operate at full capacity and that there will be no such problems. As for the investment, total investment is currently estimated at 250 million euros, of which 102 million has been secured from the EU. This means that we should ensure 150 million euros for this investment," he explained.The opposition also criticised the ruling coalition for ignoring the local government of Omisalj, but the state secretary dismissed their criticisms saying that the local government was fully included in this process.Meanwhile, local government leaders from Omisalj and Krk, along with SDP MP Zeljko Jovanovic and Istrian Democratic Party (IDS) MP Tulio Demetlika, reiterated their opposition to the LNG Terminal Bill, saying the construction of a floating LNG terminal on Krk island would not benefit the local community and Croatiabut other countries, especially Hungary.Speaking at a press conference in the parliament building, Mirela Ahmetovic from Omisalj said that if the bill was passed, her municipality would ask the Constitutional Court to assess whether it was in line with the constitution. "We will take all the necessary measures to halt this harmful project," she said.Activists from the environmental group Green Action staged a protest outside the parliament building, saying that the bill was in the fast-track procedure to bypass the will of the local and regional community, shorten the procedure for the award of concessions and reduce the time for parliamentary and public debate on the issue. They said that this was unacceptable.They called on the lawmakers to take into account the opinion of the local population and vote against the bill, claiming that it would no doubt have a significant impact on the environment. They said that the bill was not in public interest and that it was environmentally unacceptable and unprofitable.Two SDP MPs report PM to Conflict of Interest CommissionZAGREB, May 24(Hina) - Social Democratic Party (SDP) Presidency member Sinisa Hajdas Doncic told reporters in the parliament on Thursday that he and party vice-president Pedja Grbin had reported Prime Minister Andrej Plenkovic to the parliamentary Conflict of Interest Commission over allegations of conflict of interest in the drafting of the law on emergency administration in systemic companies, dubbed Lex Agrokor."Grbin and I have analysed the materialconcerning Plenkovic's role in the drafting of Lex Agrokor and we reported him today to the Conflict of interest Commission, thus helping it to launch proceedings against him," said Hajdas Doncic, adding that they did it on their own behalf, as members of parliament, and not on behalf of their party.Commenting on Plenkovic's role in the affair, Hajdas Doncic said that it concerned "the hiring of some partners to write Lex Agrokor, as evident from the emails and media reports".Asked where he saw elements of conflict of interest, Hajdas Doncic said that "the law is very clear - ministries, whenever they draft a law, must form an expert task force for that purpose and if they need expert advice, they pay external consultants for it.""The situation in this case is very clear and simple - they avoided forming a task force and instead hired people who later sought remuneration exclusively from Agrokor. As will be seen in the coming months, Lex Agrokor will have major financial repercussions for the state budget, and those repercussions are already visible because pension funds have incurred losses just as thestate-owned banks HBOR and HPB have lost a portion of their claims. So this is definitely an instance of conflict of interest on the part of the Prime Minister and a case of undemocratic and non-transparent drafting of a law," Hajdas Doncic said.Dismissing the government's claims that it had worked under tight deadlines, Hajdas Doncic said that "they (government) could have sought and paid for advice from the Law Faculty or any other expert, and no one cantell me thata law with fewer than 30 articles can cost more than HRK 200,000." He added that Plenkovic's actions were to the benefit ofthe Borg group and to the detriment of public interest.Earlier in the day, SDP whip Arsen Bauk said that the SDP would not report Plenkovic to the Conflict of Interest Commission yet as they "can do it at any time.""The public is now preoccupied with the emails and his (Plenkovic's) relatively unsuccessful attempts to distance himself from the whole affair," Bauk said, adding that the SDP was waiting for more information so it could submit a well-substantiated report.Bauk believes that the Conflict of Interest Commission can also launch proceedings against the PM on its own, but its chair Natasa Novakovic told Nova TV on Wednesday that it would not launch any proceedings until it collected all relevant information.PM: Savoric was invited by government and came in good faithZAGREB, May 24 (Hina) - Prime Minister Andrej Plenkovic told the press after a meeting of the main committee of his HDZ party on Thursday evening that lawyer Boris Savoric had been invited by the government in 2017 and had accepted the invitation in good faith to help in the Agrokor case.Savoric was involved in the drafting of the law concerning the indebted Agrokor food and retail conglomerate and served for a while as an adviser to the former government-appointed emergency administrator of Agrokor.Plenkovic said he had not invited the lawyer personally.The PM was asked whether he could confirm the claim by the leader of the opposition Bridge party, Bozo Petrov, that lawyer Boris Savoric had come to the government as a person enjoying the prime minister's confidence.Petrov has told the Vecernji List newspaper that Savoric had been brought to the government by Prime Minister Andrej Plenkovic."The key question is who is saying this. Bozo Petrov is obviously speaking creatively," Plenkovic told reporters.Plenkovic recalled that it was a time of a looming crisis at Agrokor and that lawyers were engaged along with economic and financial experts."The drafting of the law was not discussed. I think Mr Savoric came in good faith to help in the process. I didn't call him personally, he was called by the government," Plenkovic said.The HDZ's main committee unanimously adopted a draft of the party's new statue ahead of its convention on Saturday.Plenkovic said that the convention would bring together about 2,000 delegates, adding that he did not expect any "dissonant tones" because the HDZ had behind it two years of victories and successes at parliamentary and local elections.He commented on the move by two Social Democratic Party (SDP) lawmakers to report him to the Conflict of Interest Commission over the Agrokor affair."It's their right and it's part of the political match we have been watching lately," Plenkovic said, adding that now it was up to the Commission to decide whether or not it would take action.US Attorney General: We have closest relations with CroatiaZAGREB, May 24 (Hina) - U.S. Attorney General Jeff Sessions on Thursday participated in a regional workshop on trans-national organised crime held at the Police Academy in Zagreb, after which he saidat a joint press conference with Croatia's Interior Minister Davor Bozinovic that the US has the closest relations with Croatia and that it wishes to expand theseachievements to other countries in the region.State prosecutors from Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro and Serbia took part in the regional workshop.These countries have partnerships with the US that have lasted for decades and can be upgraded in the fight against terrorism, drug and human trafficking, and corruption, Sessions said.The US is investing in those partnerships with its expertise and has deployed several prosecutors and police consultants in its embassies in the countries in the region.That cooperation is already ***producing*** results in the fight against organised crime, Sessions said and added that in the past three years118 people had been arrested and drugs and weapons confiscated. In March alone, in cooperation with Croatian police and the DEA, for example, 100 kilosof cocaine was confiscated.Minister Bozinovic said that this is once again confirmation that Croatia is a key ally to the US in this part of Europe and added that he and Sessions discussed deepening this ***strategic*** partnership.Bozinovic added that since his visit to the US in January, whenthe foundations for stronger institutional cooperation were laid, significant progress and results are already visible. Operation Nana,carried out together with DEA, showed that Croatia was capable of coordinating the police from other countries, for example, Columbia, Panama, Germany and Italy.He recalled that Croatia and the US cooperated in the area of the rule of law bilaterally and through Interpol and Europol. Sessions added that the PNR (Passenger Name Record) Directive would soon enter into force in Croatia regarding information exchange on suspiciouspersons in international air transport. Information exchange is an important area of police work and an important element when it comes to America'svisa waiver ***program***, considering the fact that Croatia is one of five EU member states that is still waiting to enter that ***programme***, Bozinovic said.The two officials discussed migrations and in particular focused on the latest migrant route across Bosnia and Herzegovina.Bozinovic added that he was glad that the US supports Croatia's efforts to enter the Schengen Area.Grabar-Kitarovic and Sessions discuss strengthening Croatia-US tiesZAGREB, May 24 (Hina) - Croatian President Kolinda Grabar-Kitarovic met with US Attorney General Jeff Sessions in Zagreb on Thursday, the President's Office said in a press release.They discussed possibilities of further strengthening the good relationship between the two allies. Concluding an agreement on avoidance of double taxation and including Croatia in the US visa waiver programmecould contribute to that, the press release said.Sessions confirmed that the US shared an interest in Southeast Europe and agreed with Grabar-Kitarovic on the importance of permanent US support for the European and Euro-Atlantic future of this region.Sessions spoke of his participation in a workshop on transnational organised crime earlier in the day, and the two officials exchanged views on the political and security situation in Southeast Europe, sharing the views on a number of threats and on the importance of continuous open dialogue and cooperation between relevant institutions and services in Southeast Europe and with those in the EU and the US.Grabar-Kitarovic informed her guest about the ***strategic*** importance of a future LNG terminal on Krk island, which should contribute to energy diversification of Central Europe and strengthening the European cohesion and energy security, the press release said.State secretary Milas visits Ireland to discuss Irish experience with migration after economic crisisZAGREB, May 24(Hina) - The Croatian expatriate community in Ireland, as a bridge connecting the two countries, and Ireland's experience withmigrationfollowing the economic crisis in 2008 were the topics of talks Croatia's delegation, led by State Secretary Zvonko Milas, held with a member of the Irish Parliament and chairman of the Irish-Croatian parliamentary friendship group, John Brassil.The talks, held in the Irish parliament, also focused on the importance of infrastructure projects in encouraging the return of emigrants and the use of EU funds, according to a press release issued by the central office for Croats living abroad.Milas and the delegation of the central office for Croats living abroad also held talks with the Ceann Comhairle of Dáil Éireannis (the chairperson of the lower house of the Oireachtas (parliament) of Ireland),Sean O' Famearghail. At the talks it was agreed that Ireland would take part in a project called Roots, implemented by the central office for Croats living abroad. The project connects students from Croatia, Bosnia and Herzegovina and the United States.During his visit to Ireland, Milas was a guest of honor at a session of Seanad Éireann (upper house of Ireland's legislature) and Dáil Éireann (lower house).Croatian defence minister visits Minnesota National GuardZAGREB, May 24(Hina) - Croatian Defence Minister Damir Krsticevic is on a visit to theMinnesota National Guard which arranged for him a test flight in F-16 aircraft which Croatia has decided to buy."I am honored to have the opportunity to fly in the US F-16 aircraft, which is a truly powerful plane. This flight has confirmed that Croatia made the best decision when it decided to buy the multi-purpose F-16 aircraft, which will be the guarantor of its stability and security forever," Krsticevic said.The Minnesota National Guard commander, Major General Jon Jensen, said that with this flight the Americans wanted to show Krsticevic and Croatia the capabilities of the F-16 aircraft. 20% of workers in Croatia have temporary contract, 14.3% in EUZAGREB, May 25 (Hina) - Last year, over 20% of workers in Croatia had a temporary employment contract while 14.33% of all employees in the EU had a temporary contract, according to figures provided by Eurostat, the statistical office of the EU.This means that 27 million employees aged 15 to 64 in the European Union (EU) had a temporary contract in 2017, Eurostat said.In 2017, this proportion was slightly higher for women (14.8%) than for men (13.8%). It was also higher in the euro area (16.0%) than in the EU.Significant discrepancies can be observed in the use of temporary work contracts across the EU Member States and between age groups.Highest share of employees with a temporary contract in Spain and Poland; lowest in Romania and LithuaniaOver one in four employees in Spain (26.8%) and Poland (26.1%), and more than one in five in Portugal (22.0%), the Netherlands (21.5%) and Croatia (20.6%) had a temporary contract in 2017.In Croatia 20.6% if workers had a temporary contract in 2017.At the opposite end of the scale, temporary employees accounted for less than 2% of all employees in both Romania (1.2%) and Lithuania (1.7%). Low shares were also recorded in Latvia (3.0%), Estonia (3.1%), Bulgaria (4.4%), Malta and the United Kingdom (both 5.6%).Young employees clearly the most affectedYoung people held by far the highest share of temporary contracts. Last year in the EU, nearly 8 million young people, or almost half (43.9%) of employees aged 15 to 24, were employed under a temporary contract.Across the EU Member States, more than seven in ten young employees had a temporary contract in Spain (73.3%) and Slovenia (71.6%). Around two-thirds of them had such contracts in Poland (68.2%) and Portugal (65.9%), while about six in ten were affected in Italy (61.9%), Croatia (60.8%) and France (58.0%).In contrast, the share of young people working under a temporary contract was less than 10% in Romania (4.1%), Latvia (6.7%) and Lithuania (6.8%).It was below 20% in Estonia (10.6%), Bulgaria (12.7%), Malta (13.0%), the United Kingdom (14.5%) and Hungary (17.6%).Venice Commission ends consultations on BH election changes with no resultsZAGREB, May 24(Hina) - Legal experts of the Council of Europe's Venice Commission on Thursday wrapped up consultations with representatives of political parties in Bosnia and Herzegovina about possible amendments to the election law without any concrete results but with a tentative agreement to continue talks at the start of June, at the level of party presidents.Legal experts of the Venice Commission, an expert body of the Council of Europe, arrived in Bosnia at the start of this week to help break an impasse in the negotiation of amendments to the election legislation, which is necessary to be able to implement the results of the election, scheduled for 7 October and form the legislative and executive government."The problem is that we in Bosnia interpret Constitutional Court decisions differently," Lidija Brdana of the Croatian Democratic Union of Bosnia and Herzegovina (HDZ BiH) said after the consultations, adding that talks needed to continue, as it was the only way to a solution to this problem.Sefik Dzaferovic of the Party of Democratic Action (SDA) said his party also wanted to resume the talks.In other news:ZSE indices down slightlyZAGREB, May 24 (Hina) - The main Zagreb Stock Exchange (ZSE) indices fell slightly on Thursday amid a modest turnover.The Crobex dropped by 0.14% to 1,848.73 points and the Crobex10 by 0.06% to 1,073.45 points.Turnover at the close of regular trading was a mere HRK 2.65 million, about 6.3 million lower than on Wednesday.None of the stocks crossed the one million kuna mark. The stock that generated the highest turnover was that of the Jadran hotel company, turning over HRK 393,000. Its price increased by 0.34% to HRK 5.94 per share.(EUR 1 = HRK 7.379415)THIS BULLETIN INCLUDES ITEMS RELEASED BY 0830 HOURS FRIDAY. (Hina) vm Masthead Brief News Bulletin is published by the Croatian News Agency HINA Marulicev trg 1610 000 ZagrebCroatia web:[*www.hina.hr*](http://www.hina.hr) mail: [*hina@hina.hr*](mailto:hina@hina.hr) phone: (+385 1) 48 08 660; fax (+385 1) 48 08 822 Publisher: Branka Gabriela Valentic, DirectorEditor in Chief: Serdo Obratov Bulletin Editor: Marija Sestan

ZAGREB, May 24(Hina) - Prime Minister Andrej Plenkovic on Thursday commented on the European Commission'srecommendationsto Croatia, saying that it was a good thing that the EC recognised efforts the government had made in the fiscal consolidation sector, adding that it was important to implement the national reform ***programme*** in order to strengthen Croatia's economic growth potential.

ZAGREB, May 24(Hina) - Finance Minister Zdravko Maric said at a government session on Thursday that last year's budget revenues totalled HRK 122.7 billion, 5% more than the year before, which was owing to positive economic trends and the tax reform, while budget expenditures were lowerthan ***planned***.

ZAGREB, May 24(Hina) - Hrvatske ceste (HC) road operator will invest HRK 2.95 billion in the construction and maintenance of state roads in 2018, while Hrvatske Autoceste motorway operator (HAC) will invest HRK 638.8 million, according to construction and investment ***plans*** of the two companies which the government approved at its session on Thursday.

ZAGREB, May 24 (Hina) - The government on Thursday discussed draft amendments to the Act on the Regulation of Energy Activities and the Electricity Market Act, adjusting the two laws to EU guidelines.

ZAGREB, May 24 (Hina) - The government on Thursday adopted a decisionto buy bank claims against the Kutina-based Petrokemija mineral fertiliser company in the amount of HRK 450 million, with Prime Minister Andrej Plenkovic underscoring that the decision was important for the company's coming recapitalisation and its long-term, quality business operation.

ZAGREB, May 24 (Hina) -The European Commission has selected five national or regional authorities responsible for cohesionpolicy, including Croatia's Ministry of Regional Development and EU Funds, to participate in a new pilot project on better absorption of EU funds in the budget period beyond 2020.

ZAGREB, May 24 (Hina) - The government on Thursday adopted and forwarded to the parliament a final bill on subsidised housing (POS), which, among other things, adjusts the highest price of construction of POS housing to the real situation in the construction sector and facilitates the launchof a new subsidised housing ***programme***.

ZAGREB, May 24 (Hina) -Croatian Science and Education Minister Blazenka Divjak has told Hina that the instruction to schools to give advantage to unemployed veterans when hiring new school principals and dorm heads is not her decision, but rather explains a procedure defined by the Veterans Act.

ZAGREB, May 24(Hina) - Adecision on the hiring of school principals which gives an advantage to war veterans in the selection and hiring process and which was signed by Science and Education Minister Blazenka Divjak on Thursday elicited much criticism among opposition parties in the parliament, which said that a special, war-veteran caste had been established.

ZAGREB, May 24 (Hina) - Opposition parties in the Croatian parliament led by the Social Democratic Party (SDP) on Thursday lashed out against the Liquefied Natural Gas Terminal Bill which should pave the way for the construction of an LNG terminal on the northern Adriatic island of Krk, describing it as "a rape of the constitution and democracy", a waste of taxpayers' money and "a second stage of the sale of Croatia."

ZAGREB, May 24(Hina) - Social Democratic Party (SDP) Presidency member Sinisa Hajdas Doncic told reporters in the parliament on Thursday that he and party vice-president Pedja Grbin had reported Prime Minister Andrej Plenkovic to the parliamentary Conflict of Interest Commission over allegations of conflict of interest in the drafting of the law on emergency administration in systemic companies, dubbed Lex Agrokor.

ZAGREB, May 24 (Hina) - U.S. Attorney General Jeff Sessions on Thursday participated in a regional workshop on trans-national organised crime held at the Police Academy in Zagreb, after which he saidat a joint press conference with Croatia's Interior Minister Davor Bozinovic that the US has the closest relations with Croatia and that it wishes to expand theseachievements to other countries in the region.

ZAGREB, May 24 (Hina) - Croatian President Kolinda Grabar-Kitarovic met with US Attorney General Jeff Sessions in Zagreb on Thursday, the President's Office said in a press release.

ZAGREB, May 24(Hina) - The Croatian expatriate community in Ireland, as a bridge connecting the two countries, and Ireland's experience withmigrationfollowing the economic crisis in 2008 were the topics of talks Croatia's delegation, led by State Secretary Zvonko Milas, held with a member of the Irish Parliament and chairman of the Irish-Croatian parliamentary friendship group, John Brassil.

ZAGREB, May 24(Hina) - Croatian Defence Minister Damir Krsticevic is on a visit to theMinnesota National Guard which arranged for him a test flight in F-16 aircraft which Croatia has decided to buy.

ZAGREB, May 24(Hina) - Legal experts of the Council of Europe's Venice Commission on Thursday wrapped up consultations with representatives of political parties in Bosnia and Herzegovina about possible amendments to the election law without any concrete results but with a tentative agreement to continue talks at the start of June, at the level of party presidents.

ZAGREB, May 24 (Hina) - The main Zagreb Stock Exchange (ZSE) indices fell slightly on Thursday amid a modest turnover.

THIS BULLETIN INCLUDES ITEMS RELEASED BY 0830 HOURS FRIDAY.

**Load-Date:** May 25, 2018

**End of Document**



[***Developing infrastructure and reducing transport costs top priorities for Colombia***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5WS6-C4X1-DXYV-731X-00000-00&context=1516831)

Oxford Business Group: Articles

June 2017

Copyright 2017 Oxford Business Group All Rights Reserved



**Length:** 4485 words

**Body**

Colombia's economy experienced a boom over the last decade, with per-capita GDP more than doubling and foreign direct investment growing tenfold. Infrastructure and transport development, however, has been struggling to keep pace with the country's rapidly expanding economy.

Public investment in infrastructure currently makes up just 1.3% of GDP, below that of Colombia's Latin American peers. The low public investment in the sector coupled with the country's difficult geography has resulted in time-consuming journeys, and high transport and logistical costs. Moving a tonne of cargo from China to the country's northern port of Cartagena, for example, can cost as much as from Cartagena to the capital city of Bogotá. However, in recent years a series of policies aimed at increasing investment in the development and expansion of roads, airports and seaports have been announced. Enhancing transport operations is expected to have a positive trickle-down effect throughout the economy by boosting competitiveness and creating more jobs. The transport sector's contribution to GDP increased from 8.9% in 2001 to 11.3% as of 2014, according to figures published by the National Administrative Department of Statistics. Additionally, the transport sector is the third-largest sector as a source of new employment and currently accounts for 8.5% of the workforce.

**Improving Conditions**

Multi-modal transport is an area where structural improvements and better integration could help push costs downwards. Logistical costs represent an average of 15% of sales for Colombian companies, negatively impacting firms' The transport sector is the third-largest sector as a source of new employment and employs 8.5% of the workforce ability to compete internationally and extend their reach across foreign markets.

According to the World Bank's "Doing Business 2017" report, which compares operational costs for firms across economies, Colombia was ranked 121st out of 190 countries for ease of trade across borders, three spots lower than its 2016 ranking and well below its nearest regional competitors. By contrast, neighbouring Ecuador ranked 97th, Peru 86th, Mexico 61st and Panama 53rd in ease of trade across borders.

**Challenging Terrain**

The country's mountainous terrain and large distances between the main cities in the hinterland and the ports on the northern and western coasts have hindered the development of Colombia's transport and logistical infrastructure. As a result, the domestic transport cost to export a container through the Port of Cartagena can be as high as $1525 and take a total of 44 hours, according to the World Bank. By comparison, in Panama exporting a container through the Port of Manzanillo will cost $390 in domestic transport costs and take approximately one hour. Similarly, Ecuadorian exporters can reach the Port of Guayaquil by paying an average of $675 for a journey that lasts around eight hours.

Although the distance between its major cities and its ports will remain a challenge in the short and medium terms, building better road links would lessen these costs. "Colombia has a last-mile dilemma," Nelson López, country director at Epypsa Colombia, told OBG. "The country is working to ease the movement of people and goods from transport hubs to a final destination."

Strengthened multi-modal transport could balance the current system, which relies largely on road transportation. According to a study by Colombia's National Department of ***Planning*** (Departamento Nacional de Planeación, DNP) released in late 2016, roads accounted for 86% of all freight. By comparison, railroads moved 13% of goods in Colombia and around 1% of total cargo was moved through the country's rivers. A better balance of these modes of transport, in hand with increased investments in the country's waterways and railroad network, are expected to start bringing transport costs down in the short to medium term.

**Road Transport**

Trucking is critical for the movement of goods across the country. Lorries transported 139m tonnes of goods in 2016, according to figures from the Colombian Federation of Road Cargo Transporters (Federación Colombiana de Transportadores de Carga por Carretera, Colfecar).

The sector was nonetheless affected by Colombia's economic slowdown (see Economy chapter). Falling global commodity prices in recent years led to a decrease in exports, impacting trucking companies' sales and the volume of moved cargo. The steep depreciation of the Colombian peso, which made fuel and spare parts more expensive, further eroded operating margins. Furthermore, worsening economic and social conditions in neighbouring Venezuela, which has historically been one of Colombia's most prominent trading partners, affected the trucking business after the border was closed and the purchasing power of Venezuelans decreased.

Despite these challenges, Colombia remains dependent on trucking for cargo transport, as was made evident when a 45-day strike by truckers between June and July 2016 resulted in a sharp increase in food prices, clogged ports and reduced exports of the country's high-quality Arabica coffee. The strike also helped push the 12-month inflation rate to a 16-year high of 9% in July of that year, well above the central bank's target range of 2-4%.

**Performance Issues**

Structurally, Colombia's road transport sector is weighed down by an excess capacity, with over300,000 cargo vehicles on the roads. Juan Carlos Rodríguez, executive president at Colfecar, believes that is around 20,000 vehicles too many, driving down sector revenues. Colombia's geography and the distance between the country's ports and its production centres do not lead to an effective use of freight capacity, with trucks delivering to the main cities often having difficulty finding return cargo. "Sometimes it's not so much the number of vehicles but also the way they are used," Rodríguez told OBG. To address the utilisation gap, a series of private cargo management platforms have appeared in the Colombian market. The Ministry of Transport (MoT) is also setting up its own freight management platform to improve the use of available capacity in the sector.

Another limitation for transport operators is the increasing congestion in bigger cities. This has led municipal authorities in places like Bogotá, Medellín and Cali to enforce stricter rules for the transit of cargo trucks in urban areas. As a result, companies are forced to use larger fleets of smaller vehicles, which cuts into operational efficiencies. "Of the existing 300,424 transport vehicles operating in Colombia, only about 65,965 are the articulated larger trucks," Rodríguez explained. "The rest are the rigid, smaller vehicles, which are increasingly needed to transport goods across cities."

**Renovation Project**

More stringent regulations on equipment and human resources are set to improve the sector in the medium term. Transport authorities have prioritised fleet renovation, as 24.28% of the existing 300,424 cargo vehicles are over 20 years old. ***Plans*** to renovate fleets, however, have not moved as fast as initially expected. A substitution ***programme*** was implemented by the MoT in 2005 but only absorbed about 23,500 vehicles, according to figures by Colfecar. "There have been some delays because the Ministry of Finance has to pay for the substitution," Rodríguez told OBG.

Transport authorities are also looking to formalise the sector. According to the MoT, although there are over 3000 companies with the necessary license to operate in the sector, only around 1800 trucking companies were reporting their activity to the government. Developing better regulations is key to formalisation and is expected to improve conditions for transporters and equipment over the long term. For example, the 2010-14 National Development ***Plan*** contained measures such as the establishment of minimum capital requirements for road transport companies.

**Road Expansion**

Operators expect that better infrastructure will have a positive trickle-down effect on the transport and logistics sectors overall. Much of the large-scale investments in transport infrastructure have been concentrated on the country's road networks. Efforts are paying off; a total of 18.6% of roads in Colombia were paved in 2015, up from 12.5% in 2005, according to the National Association of Financial Institutions, a Colombian economic policy advisory group.

Private and public investment in road development has been channelled through a series of investment packages since the 1990s. Currently under implementation is the fourth generation (4G) road ***programme***, which will expand the country's road network by 45 new highways, adding 5800 km of newly paved roads. According to initial estimates, the ***programme*** will bring in $24bn in new investments, not only for new road links but also the renovation of existing stretches of road and the construction of tunnels.

Domestic and international banks, as well as international finance organisations, are providing financing for the endeavour. According to the National Agency of Infrastructure (Agencia Nacional de Infraestructura, ANI), several Colombian and foreign institutions have invested in the project, including $50m in direct financing from the International Finance Corporation (IFC) and a $70m IFC equity investment in the Fondo de Desarrollo Nacional, Colombia's infrastructure development bank. The ANI also approved investments of COP2.36trn ($708m) from US investment bank Goldman Sachs, COP2.38trn ($714m) from local bank Davivienda, COP2.36trn from Bancolombia, COP2.34trn ($702m) from Japanese Sumitomo Mitusi and COP2.25trn ($675m) from Banco de Bogotá. "Due to the size of the investments that will be necessary, we need the participation of the international banking institutions for financing for some of the projects," César Augusto Peñaloza Pabón, director for infrastructure and sustainable energy at the DNP, told OBG.

Authorities envisioned projects in the 4G ***programme*** would largely be carried out as public-private partnerships (PPPs), but due to financing difficulties related to the country's overall economic situation authorities are looking to incentivise exclusively private initiative projects (see analysis). Despite some complications related to financing, several road projects are advancing.

In November 2015 construction began on the 185-km Girardot-to-Puerto Salgar Corridor, a project set to cost $757m. It will be split into two phases: the first will include work on the Bolombolo-La Pintada highway, and the second on the La Pintada-La Primavera highway. Late 2015 also saw work start on the Conexión Pacifico 3, which will extend for 146 km and require a total investment of up to $967m. In May 2016 work started on the Girardot-Ibagué-Cajamarca road project, a 35-km road link that is estimated to cost $425m.

**Future Ambitions**

With the 4G ***programme*** in its initial stages of financial closure and construction, authorities have underscored the need to make further investments in the transport sector. Much of this will be done through the government's Master ***Plan*** for Intermodal Transport (***Plan*** Maestro de Transporte Intermodal, PMTI), which aims to upgrade and build road and rail links and expand airport and port capacity.

The ***plan*** allocates an extra COP$208trn ($62.4bn) on top of funds earmarked for the 4G ***programme*** towards transport infrastructure over a 20-year period between 2015 and 2035. This will include COP$182trn ($54.6bn) for up to 20,000 km of roads and highways, COP$16trn ($4.8bn) towards 31 airports and COP$10trn ($3bn) to rehabilitate railway networks in the country. Additionally, as much as COP$8.8trn ($2.6bn) will be used to expand river infrastructure to move freight and passengers.

The ongoing implementation of the peace agreement between the Colombian government and FARC will also serve to galvanise transport projects. Authorities are currently looking to improve social and public services infrastructure in the previously ungoverned areas of the country.

Regional transport links alone will require up to COP40trn ($12bn) in investment, according to figures released by the DNP. "This level of investment is comparable to that of the whole 4G road ***programme***, so it is a big commitment," Peñaloza Pabón told OBG. "Most of it will come from the national budget, but part of the initiative will also be financed by international contributions."

**Railroads**

Unlike road transport, rail cargo remains limited in both scope and volume. According to 2016 figures by the DNP, railroad transport carried 13% of the country's freight in terms of tonnage, but 99.5% of that is coal shipments. This situation has been partly caused by underinvestment. Railway infrastructure received a mere 1.3% of all public investment into the transport sector, compared to 82.2% in roads and 10% in air transport. Out of a network of 3530 km of railways only 1680 km were operational in 2015, according to the MoT. Colombian railways moved 47.7m tonnes in 2015, down from 76.7m tonnes in 2012.

Reduced rail movement volume reflects the fact much of what the railways transport is coal, with coal output declining by 3.5%, from 88.5m tonnes in 2014 to 85.5m tonnes in 2015 due to the border closure with Venezuela and court-ordered transport restrictions. The PMTI will add 1800 km of railway lines for a total investment of COP$10trn ($3bn) through to 2035 in order to develop the sector.

**Urban Rail Transport**

Much of the large-scale investment into railroads will be focused on the development of mass transit systems. After years of delays and uncertainty over costs and execution, authorities have committed to building the capital's first metro line, with construction starting in 2018. In late 2016 President Juan Manuel Santos said the central government would support the municipality of Bogotá in the development of its mass transit network, as had previously been done with a project to build a metro in Medellín, Colombia's second-largest city. According to Santos, the central government will finance 70% of the cost of the project, with municipal authorities responsible for coming up with the remaining 30%.

**Metro Project**

The first metro line will span 25.3 km and be built in three stages. The first two stages will connect Portal Americas to Avenida Caracas, and the third stage will connect to Autopista Norte. Authorities estimate the metro will save 310,000 hours of transit time in the city per workday.

The initial design and engineering contract for the project was awarded to a consortium composed of French engineering company Systra and Colombia's Ingetec. According to the DNP, Bogotá's first metro line will have a total of 24 stations, 15 of which will be part of the first phase of construction. The metro will be constructed on an elevated platform after initial studies by Systra found it would be $61m cheaper to build the line above ground, and operational costs of an elevated metro would be 28% lower than underground. The new metro line will be tendered as a public works project and the stations will be built under PPP agreements. "This is a new way to build a metro line," Ana Carolina Ramírez Pineda, director for economic affairs at the Colombian Chamber for Infrastructure, told OBG. "But it frees the district of Bogotá from the high maintenance costs of the metro stations," she added. The full cost and execution, however, remain unclear. The central government made COP$9trn ($2.7bn) available for the new mass transit system, but construction of an elevated line across the capital will be far from easy. "Bogotá has some subterranean issues which make it a complex project," Ramírez Pineda told OBG. "The biggest risk is the need to move water, electricity and gas connections, which are not clearly marked in some cases."

**Ease Of Movement**

Other urban transport options will improve conditions for Bogotá's daily commuters, with authorities aiming to connect 80% of Bogotá's residents to a mass transit line closer than 1 km from their home by 2030. Federal and regional authorities announced a ***plan*** in November 2016 for the centre of the capital to be connected with the surrounding areas of Facatativá, Madrid, Mosquera and Funza through a 41-km light railway line, with a connection to the city's metro. The project is the result of a PPP initiative proposal and is expected to cost COP$1.6trn ($480m). Municipal authorities expressed their support for the line, as long as it does not require financial support from the city's budget. The project would also connect central Bogotá with the El Dorado International Airport, as well as the future El Dorado II airport, set to be built in the coming years. Authorities expect that in the first year of operation, the light rail will carry 211,000 passengers a day.

**On The River**

Authorities and private operators have long wanted to leverage the potential of Colombia's waterways - once a key transport medium - as a means to lower costs. A study by the DNP published in late 2016 found that using river transportation instead of roads to move a tonne of containerised cargo for most of the way between the Port of Barranquilla and Bogotá would reduce logistical costs by about 70%, from $2600 to $830 for the 1000-km distance.

**River Freight**

Despite the potential of river transport, the volume of freight moved through Colombian waterways grew only slightly in recent years, reaching 3.5m tonnes in 2015, up from 2.9m tonnes in 2014. The government's River Transport Master ***Plan*** (***Plan*** Maestro Fluvial, PMF), will allocate COP$8.8trn ($2.6bn) of private and public investment to increase navigability of the country's waterways over the next two decades. Most of it will go towards dredging work in several waterways and expanding docking infrastructure at ***strategic*** points to improve connectivity with other transport modes. By 2035 the five main basins are set to transport 19m tonnes yearly. The ***plan*** also foresees the number of transported passengers to double, reaching 5m passengers compared to 2.4m in 2015.

Most of the focus on river transport in recent years has gone into improving navigability of the Magdalena River, which extends for 1500 km, linking the Páramo de las Papas in the south of Colombia to the city of Barranquilla, on the northern Caribbean coast. In 2014 Navelena, a joint venture between Colombian firm Valores y Contratos and Brazil's Odebrecht, won a PPP tender to dredge the waterway and increase navigability. The dredging of Magdalena River would increase cargo capacity fivefold on the 256-km project section to 10m tonnes by 2029, reduce freight costs and help commodities ***producers*** and ***agricultural*** companies increase exports.

The project hit a snag in April 2017, when authorities scrapped the $861m contract after US authorities charged the Brazilian company with paying $788m in bribes in 12 countries, including Colombia. Luis Fernando Andrade, acting president of Cormagdalena, the government agency in charge of the river, told local press the decision would cause a two-year delay, with a new contract to be tendered in 2018 and work to be completed by 2022.

Despite the delays, authorities recognise the importance of the project. "The Magdalena River project will improve competitiveness for both imports and exports, as well as promote multi-modal transport by easing the link between the Caribbean ports and the hinterland," Alberto Jiménez Rojas, president at COMPAS, a port operator, told OBG.

**Port**

In the coasts, privatisation of key infrastructure concentrated capital and management skills in the country's port operations, with as much as of $2.2bn going into Colombian ports between 2010 and 2015, according to the ANI. Total cargo volumes moved through Colombian ports have matched the country's increasing commitments towards international trade agreements, moving from 143.7m tonnes in 2010 to 197.1m tonnes in 2015, according to figures by the MoT. Of the 181.3m tonnes of international commerce freight that passed through Colombia in 2015, approximately 138.4m moved through its ports.

In recent years, revamping of infrastructure on the Caribbean and Pacific coasts allowed Colombia's ports to adapt to the expansion of the Panama Canal. Port of Buenaventura, the country's main port on the Pacific, is central to these efforts. Annual cargo movements in Buenaventura have been rising rapidly, from 15m tonnes in 2012 to 17.3m tonnes in 2015, and authorities expect the Panama Canal expansion to further increase shipments.

The Sociedad Portuaria Regional de Buenaventura, the company in charge of providing the port with logistics and port services, aims to position Buenaventura as a major trans-shipment centre in the Pacific, and announced in November 2016 that it will invest $80m in new equipment, infrastructure improvements, maintenance and dredging between 2017 and 2019. In March 2017 authorities inaugurated the new $650 Puerto de Aguadulce in Buenaventura, the fifth terminal in the facility, with a focus on coal and industrial exports. The port's container terminal previously underwent a $136m expansion in 2016, raising annual capacity from 300,000 to 600,000 containers.

On the Caribbean coast, cargo volumes in Cartagena reached 34.5m tonnes in 2015, up from 31.7m the previous year. Authorities at the Port of Cartagena, which has received up to $950m in investment for capacity expansion work over the past decade, are looking to further enhance cargo servicing. The port began servicing post-Panamax ships in June 2016, with port authorities expecting a weekly transit of almost 20 post-Panamax ships starting in 2017. Post-Panamax ships, sometimes called "single-ocean" ships, are longer than the original ships designed to fit within the canals locks, such as super tankers and larger container and passenger ships.

On the Atlantic coast, a new $600m multipurpose port is ***planned*** for the Gulf of Urabá in Antioquia in northern Colombia. Construction is expected to begin in 2017 and be completed by 2019, with the port's container capacity set to be 1.2m twenty-foot equivalent units (TEUs) annually. The new port will service refrigerated container ships, dry bulk cargo, fruit shipments and general cargo.

**Over The Sky**

With a mountainous geography that has traditionally made it difficult to reach more isolated communities, Colombia developed a network of 202 airports. Twenty of the country's airports are located in the main urban centres and make up about 90% of air traffic, according to a report by Fedesarrollo, a think tank. Rising incomes and lowering of ticket prices have made Colombians regular customers of air transport. Airlines adapted to growing demand, increasing the number of seats available and updating fleets. The average age of aircraft operating in the Colombian market fell from 15 years in 2005 to close to five years in 2015, according to information by the Colombian Air Transport Association (Asociación del Transporte Areo en Colombia, ATAC). The concession of airport infrastructure channelled public and private financial resources into infrastructure improvements, with airports under concession now accounting for 80% of all air traffic in Colombia.

**Rising Competition**

Additionally, competition between airlines pushed ticket prices downwards, leading to an 18% reduction in fare prices over the last three years. "Colombia is the second country in the region, behind Brazil, with the lowest tariffs per kilometre per passenger," Gilberto Salcedo Ribero, executive director at ATAC, told OBG.

Recently, a less favourable economic environment halved growth rates. According to ATAC, passenger volumes in Colombian airports grew by about 5.5% in 2016 to reach 36m, compared to the 10.5% increase registered in 2015. In addition, airlines operating in Colombia have had to deal with high operational costs and taxes. Sector operators also fear that a recent tax reform will price a segment of the population out of air transport.

**Air Infrastructure**

Work on expanding airport capacity has supported traffic growth across the country, with the government investing heavily to ensure the sector can grow. "Over recent years authorities channelled up to COP3trn ($900m) to air transport facilities. It is mostly for improvements, due to the pressure that a larger number of airlines and the volume of passengers have on the infrastructure," Salcedo Ribero told OBG.

A $551m expansion project was completed in February 2017 at Bogotá's El Dorado International Airport, which accounts for 40% of domestic and 75% of international flights. Work focused on extending terminal capacity and runway length, as well as improvements to other buildings. The total area of the airport increased from 52,000 cu metres to 174,000 cu metres, according to media reports. The revamp of the country's main airport has been imperative to sustain growth in air traffic volumes for the coming years. "El Dorado airport is already nearing full capacity," Alberto Cladera, general manager at Air Europa Colombia, told OBG. "Sector operators were not expecting the rate of incoming passengers to increase so quickly." According to ATAC, by late 2017 El Dorado is expected to handle 90 flights and hour as opposed to 54 per hour. "That will put us at closer to the levels of an airport like London Heathrow, which has about 100 movements an hour, with the same two runways," Salcedo Ribero explained. Work will also enable to more than double cargo handling capacity at the airport, from 500,000 tonnes per year to 1.2m tonnes.

Current estimates by Colombia's Civil Aviation Authority anticipate that the number of passengers at the facility will reach approximately 40m by 2021, at which point a new airport will be necessary to service the capital. To that end, ***plans*** for a new international airport, called El Dorado II, are undergoing initial studies. Construction of the new facility, which will be located in western Bogotá and be separate from the current airport, is expected to get under way in 2018 and cost up to COP1.4trn ($420m). The new airport will be built to match the passenger capacity of the first airport.

**Outlook**

The transport sector plays a key role in Colombia's economy. The sector is poised to continue to grow over the coming years, which makes the issue of infrastructure expansion critical. High logistical costs make Colombian businesses less competitive internationally, but infrastructure investment ***programmes***, such as the 4G ***programme*** and the PMTI, are likely to reduce operational costs with benefits trickling down to consumers and through the economy overall. Furthermore, the establishment of a long-term perspective for the advancement of multi-modal transport ensures the of growth the sector's infrastructure will remain a priority for the country's development agenda.

Bogotá's El Dorado International Airport accounts for 40% of domestic and 75% of international flights

**Load-Date:** March 12, 2020

**End of Document**



[***Securitization, racial cleansing, and disaster capitalism: Neoliberal disaster governance in the US Gulf Coast and Haiti***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BGX-BK31-DY41-74BS-00000-00&context=1516831)

Critical Social Policy

November 2017

Copyright 2017 Sage Publications, Inc. All Rights Reserved



**Section:** Pg. 582-603; Vol.37; No.4; ISSN: 0261-0183, 1461-703X

**Length:** 8498 words

**Byline:** Loretta Pyles

Juliana Svistova

Suran Ahn

**Body**

**ABSTRACT**

Through a critical discourse analysis of news media after the US Gulf Coast hurricane Katrina and the Haiti earthquake disasters, we draw from Soss et al.’s (2011) ideas about US poverty governance – neoliberal paternalism – to identify how a similar phenomenon of ‘neoliberal disaster governance’ (NDG) operates in these contexts. NDG is a set of discourses, policies, and practices, we argue, which endeavors to control disaster survivors in order to further the ends of neoliberal capitalism. Specifically, we find several key story lines that legitimate and perpetuate NDG, namely disaster capitalism, securitization and militarization of disaster settings, discourses of racial cleansing, and displacement.

**FULL TEXT**

**Introduction**

Disasters are sites where people who are marginalized in society, especially poor people of color, may be secured, controlled, displaced and capitalized on (Hannigan, 2012; Saraçoğlu and Demirtaş-Milz, 2014; Timms, 2011). Through post-disaster relief and recovery policies, practices, and discourses, their bodies and movements are monitored and disciplined, as their freedoms and destinies are governed. This discipline and governance transpire through the media, government, military, business, and even civil society itself. The restraining mechanisms include securitization of ‘lawless’ disaster survivors, disaster opportunism and profiteering, post-disaster racial cleansing, and displacement of survivors. We argue that these discourses and actions are reflective of a larger set of practices by policy-makers, developers, street-level bureaucrats, and other practitioners that has been referred to as neoliberal paternalism (Soss et al., 2011). This policy agenda has been exerted by means of monitoring and disciplining poor people through contemporary neoliberal poverty governance, supplemented by police violence against, and penalization of, people of color who are poor (Wacquant, 2010). These practices are particularly prevalent in the USA, though it is arguably spreading globally in a kind of ‘neoliberal policy convergence’ (Savelsberg, 2011). We introduce the term ‘neoliberal disaster governance’ (NDG) as a way to identify this phenomenon in disaster settings.

Through a critical discourse analysis of news media after both Hurricane Katrina and the Haiti earthquake, we argue that disaster sites are extensions of everyday life in that the forces of economic neoliberalism require, in the words of Foucault, a ‘disciplinary society’ (cited in Wacquant, 2010). Towards this end, we introduce the two contexts under investigation – the US Gulf Coast and Haiti. We then discuss the ways that the themes of securitization, racial cleansing, and disaster capitalism have played out in other disasters. After a brief discussion of the methods utilized to conduct this research, we present the three key themes of the study, namely securitization and militarization of disasters; displacement, deconcentration of poverty, and racial cleansing; and disaster capitalism. We conclude with further discussion on this emerging neoliberal framework of disaster management, governance, and humanitarian practice.

**Background**

Hurricane Katrina made landfall on the Gulf Coast of the USA on 29 August 2005, devastating both urban and rural communities in Louisiana and Mississippi. There were approximately 1,300 deaths and $135 billion damage caused in part by the Category 3 hurricane itself, but mostly by breeches in the US Army Corps of Engineers surge protection and levee systems in the New Orleans area (Plyer, 2015). These levees failed, partially, because of the very high storm surge, but also due to design and construction shortcomings in the levees, caused in part by insufficient federal funding for flood protection, and in part by pressure to develop in lands at risk of flooding (Seed et al., 2006). The disaster displaced hundreds of thousands of people, damaging more than a million housing units (Plyer, 2015). Prior to the hurricane, the racial disparities and marginalization of poor people in the Gulf Coast, particularly New Orleans, were heavily documented (Brunsma et al., 2007). However, for many witnessing the events on television there was complete shock over the ways in which poor Black people were abandoned in the relief efforts (Macomber et al., 2006).

About 1,300 miles to the south, a 7.0 magnitude earthquake hit Port-au-Prince, Haiti and its environs on 12 January 2010, killing an estimated 200,000 people, and leaving 1.5 million people homeless (OxfamAmerica, 2010; DesRoches et al., 2011). The earthquake caused catastrophic damage to buildings and infrastructure, including the destruction of many government buildings and schools (Cavallo et al., 2010). The death toll among workers, members of the UN mission, and the devastation to public buildings had significant negative impacts on an already fragile public infrastructure and its ability to administer an effective relief and recovery process (Green and Miles, 2011). With a human development index ranking of 163 out of 187 countries ranked, the entrenched poverty in Haiti was well known, though the causes of such low development remain largely hidden from popular discourse and public knowledge (United Nations Development ***Programme***, 2015). These two very distinct disaster contexts representing developing and developed nations reveal profound similarities in disaster management and governance mechanisms as reported by the *New York Times.*

**Securitization and militarization of humanitarian efforts**

Chandler (2001) has proposed that a shift in the humanitarian agenda from a needs-based to a rights-based approach resulted in the ‘politicization of humanitarian aid’. This politicization of humanitarianism, he argues, led to ‘even greater leverage over non-Western societies as NGOs and international institutions increasingly assume the right to make judgements about what is right and just, about whose capacities are built, and which local groups are favored’ (2001: 700). In the past decade scholars have observed that the newly emerging humanitarian framework increasingly embraces and employs securitization/military ***interventions*** at the same time that it becomes detached from core ethical humanitarian principles (Chandler, 2001; Hannigan, 2012).

According to Hannigan, a partial explanation of this securitization/militarization tendency lies in the nexus of ‘***strategic*** interest, ideologically motivated economics, and muscular humanitarianism’ (2012: 109). Specifically, some scholars have argued that actors of militarization and securitization operate as marionettes of self-interested nation states and, beyond security concerns, serve as a ‘political-economic weapon’ for cultivating and implanting disaster capitalism/neoliberalism in devastated and vulnerable post-disaster or post-conflict settings (Bello, 2006; Hannigan, 2012). One example of this argument is the extensive role of the US military after the 2004 Indian Ocean tsunami that coincided with the revocation of restrictions on US arms sales and US-led military training that the Indonesian army was subjected to (Bello, 2006). We observe the reporting of similar dynamics in post-Katrina Gulf Coast and Haiti.

**Displacement, deconcentration of poverty, and racial cleansing**

It is well-known that natural and human-caused disasters tend to create extensive population displacement, whether it is internally displaced persons seeking temporary shelter after a disaster or refugees seeking asylum in times of war and conflict (Chamlee-Wright and Storr, 2009; Saraçoğlu, and Demirtaş-Milz, 2014; Timms, 2011). Adams and colleagues (2009), through their study of 180 New Orleans residents displaced by Katrina, identified four dimensions of displacement that essentially cluster along the lines of homeownership, class, and race: (1) evacuation and literal displacement; (2) ‘ongoing sense of displacement from the community’; (3) ‘displacement’ from normal life in the sense that some people were able to return to their ‘place of residence’ but their lives never returned back to their pre-Katrina state; and (4) permanent displacement and ‘deliberate and permanent eviction of the poor from New Orleans’ (2009: 616). Understood this way, displacement can be ‘simultaneously recognized as a cause, symptom, and, ultimately, false cure for disasters’ (Adams et al., 2009: 616). The ‘cure’ aspect of displacement is noteworthy for our purposes.

Disaster sites, their surroundings, and survivors are most often mediated through ‘polluted images’ that set in motion ‘purifying discourses’ and practices (Grano and Zagacki, 2011: 201). In other words, to remedy the chaos, filth, and negativity of the disaster scene, ‘cleaning up’ ***interventions*** are necessary in both literal and metaphoric terms. In New Orleans, for example, the agenda of purification, and essentially racialized purging, began through mandated evacuations and was strengthened by tearing down publicly subsidized housing units, developing mixed-income residences, and evicting poor residents of New Orleans (Adams et al., 2009). Indeed, the rapid disappearance of profitless public housing units reinforced the logic that people who are poor somehow occupy and pollute places (Grano and Zagacki, 2011). Adams and colleagues (2009) aptly note that, ‘the poor, it seems, were to be evicted from New Orleans as a way to “cleanup” the city and help it recover once and for all’ (p. 626).

Displacement as a remedy for social ills has been prescribed in a variety of contexts but seems to be particularly prominent when poverty is the obstacle to overcome. For example, eradication of concentrated poverty has been dealt with through ‘slum clearance’ projects, the HOPE VI ***program*** in the USA, poverty deconcentration, and national decentralization – all efforts requiring dislocation or dispersion of large numbers of poor people (e.g. Navez-Bouchanine, 2008).

Race appears to play a particularly important role in displacement as a remedial and ‘cleaning up’ tool. According to Grano and Zagacki (2011), Black poverty has infiltrated public consciousness as a ‘place of terror’ that is to be feared and that needs to be purged. Disasters expose these, usually invisible or distanced, realities of structural inequality and racism, and open urgent opportunities to clean and purge the ‘places of terror’ and ‘Blackness en masse’ (Grano and Zagacki, 2011). Both disasters – Hurricane Katrina in the Gulf Coast and the 2010 earthquake in Haiti – presented such unprecedented opportunities ‘to clean up the mess’ that concentrated Black poverty, according to some perspectives, ***produced*** in these two locales (Adams et al., 2009; Klein, 2007).

The promise of resolving and fixing poverty through displacement and racial cleansing actually just disperses and makes poor people of color even more invisible, arguably, so that the clean, blank slate can be capitalized on. Then, the act of displacement itself and the internalized sense of perpetual displacement – of home, community, and a ‘normal’ life – jointly serve as a form of destabilization or ‘shock therapy’ (Klein, 2007), a necessary pre-condition for disaster capitalism.

**Disaster capitalism**

Disaster capitalism denotes the use of disasters as opportunities to capitalize on vulnerability and to push for policies and practices that would unlikely be approved of in times of social and moral order (Klein, 2007). We, and others, have argued that disaster capitalism is a logical extension of capitalism itself, but especially neoliberalism (Klein, 2007; Schuller and Morales, 2012). While scholars have debated about what globalization and neoliberalism are and what they are not (e.g. Lechner and Boli, 2015), we draw from David Harvey’s (2007) definition, which states that neoliberalism is: a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets, and free trade. (2007: 2)

Thus, we argue that in times of disaster these neoliberal forces are unleashed through media discourse, and transnational policy-making and social practices in collaboration with both the for-profit and not-for-profit private sectors.

The execution of disaster capitalism and the fulfillment of economic gains and political agendas tend to operate in very subtle ways. Agendas, sometimes only remotely related to disaster recovery, are framed as providing direct gains to the disaster-stricken nation and its public (Klein, 2007; Schuller and Morales, 2012). Through the lens of disaster capitalism, catastrophic events function to create opportunities for profiteering and privatization that benefit business, corporations, and other elite interests while retrenching government ***intervention*** (Klein, 2007; Perez and Cannella, 2011). This neoliberal agenda is further bolstered by recovery policies and efforts that emphasize the values of individual responsibility, self-sufficiency, and efficiency (Adams, 2012; Tierney, 2015).

Numerous prior cases of disaster capitalism in action have been documented in both developing and developed countries. Some examples include privatization of public goods and social ***programs***, strong presence of foreign investors to boost economies and develop industries, use of public spaces for commercial purposes, and importing supplies and labor from other nation states (Adams et al., 2009; Klein, 2007; Schuller and Morales, 2012; Timms, 2011). Another disconcerting component of disaster capitalism has been noted by Schuller and Morales (2012). They use the term ‘non-profiteering’ to denote how non-governmental organizations (NGOs) are also complicit in disaster capitalism as they tend to gain profit or interest from disasters through the procurement of large public and private grants and extensive transnational fundraising efforts; some of them have been charged with misusing raised funds. We have detected this outgrowth of disaster capitalism in the *New York Times* reporting from both the Gulf Coast and Haiti.

**Study methods**

This research is part of a larger study funded by the US-based National Science Foundation that is concerned with comparing the social production of disaster and recovery of Hurricane Katrina (2005) and the Haiti earthquake (2010). The larger study analyzed media, policy, and NGO discourse, along with surveys and focus groups of disaster survivors. In this article, we analyzed media discourse from the *New York Times*, a mainstream US publication with a substantial global reach and impact. It is an often-studied media outlet in the identification of discourse frames as it is considered a ‘gatekeeper’ (Kiousis, 2004: 77) of news coverage and a national ‘paper of record’ (Benoit et al., 2005: 360). The analysis of media after disasters has proven to be an important method for further understanding the forces at play in disaster relief and recovery efforts (Pantti, et al., 2012).

To obtain the newspaper articles from the *New York Times*, we conducted a search in the Lexis Nexis database using the words ‘Haiti earthquake’ for the dates 12 January 2010 through 12 January 2012, and ‘Hurricane Katrina’ and ‘relief’ or ‘recovery’ for the dates 29 August 2005 through 29 August 2007. Initially, this search yielded 375 articles and 1,305 articles respectively. We reviewed these articles for eligibility and excluded articles that had only passing references to the disaster, and included articles that offered substantial coverage of the topic. From the Katrina sample, due to the large amount of coverage, we further de-limited the sample to every third article, so that we could have a sample size that was equitable to the Haiti data for comparative purposes. This selection process yielded 233 articles about the Haiti earthquake and 224 articles about Hurricane Katrina.

**Data analysis**

Critical discourse analysis (CDA) (Fairclough, 2003), an interpretive approach that allows a researcher to reveal socially constructed meanings that lie behind everyday realities, guided our analysis. CDA allows a researcher to decode generally agreed upon meanings that may be veiled by taken for granted everyday language and reality (Fairclough, 2003). CDA permits the researchers to unearth beliefs, assumptions, perceptions, and meanings conveyed by cultural and local discourses. Fairclough (1995) regards discourse through a three-dimensional conception, that is text, discursive practice (production, distribution, consumption), and social practice. Analysis of discourse seeks to uncover textual meaning, as well as practices of production, dissemination, and consumption to understand text in its social context and in relation to other texts and discourses (Fairclough, 1995; Herrera and Braumoeller, 2004). Thus, when we came across a phrase like ‘build back better’, rather than taking the phrase at face value, CDA allowed us to explore what hidden truths lie behind it, particularly as it relates to power and the maintenance of existing social relations, compelling an inquiry into whose perception of ‘better’ is tendered. Thus, we were able to trace the dominant discourses that dictate social relations and structures and the recovery process in general.

We used NVivo 9 software to organize the news stories and identify basic themes. The second author coded the articles for themes, some of which were deductive (e.g. disaster capitalism) and others inductive (e.g. securitization/militarization). In the tradition of qualitative research (Charmaz, 2011), throughout the coding process, the coder wrote extensive memos. These efforts led to the development of a preliminary set of codes, including securitization/militarization, disaster capitalism, and displacement. Secondary analysis by the third author focused on the interpretive categories of neoliberal paternalism and disaster governance, ideas that emerged from critical social welfare policy scholarship. Throughout both the primary and secondary analytic processes, the authors met regularly to discuss the codes, the coding process, and interpretations that were emerging from the data in relation to the theoretical frameworks and empirical literature on disasters and humanitarianism.

**Findings**

NDG is manifested through three key discourse frames in the media documents we analyzed for the Gulf Coast and Haiti disasters. The first and most central frame of interest and noticeability is securitization of disaster survivors and militarization of disaster settings. The second frame is displacement, deconcentration of poverty, and racial cleansing. We view these two dimensions as key tools or mechanisms for the third dimension to manifest, namely disaster capitalism.

**Securitization/militarization**

Securitization and militarization necessitate a narrative that the disaster setting is a dangerous place, whether it is danger posed by some material aspect of the disaster itself, e.g. unsafe housing conditions or loss of safety nets, or danger posed by predators and ‘lawless’ masses (usually survivors themselves). This text about post-earthquake Haiti from the *New York Times* (*NYT*) epitomizes the latter dimension of this theme: Post-quake Haiti is a dangerous place, as a new report from the International Crisis Group makes clear. Hundreds of thousands of displaced people still live in poorly policed camps where they fall prey to rapes, robberies and other violent crimes. Prison escapees have regrouped in urban slums; drug traffickers and armed gangs are back in business.

This ‘danger’ narrative is closely linked with the ‘chaos’ narrative, which, in the case of the Gulf Coast, reads like this: Americans were shocked by images of families huddled on rooftops and stranded on highway overpasses. The flooding ***produced*** a toxic swill of sewage, chemicals, rats, snakes and bloated corpses. Fires raged because there was no water available in a drowning city. Looters stripped stores of CDs and Nikes as well as bread and diapers.

These narratives thus legitimize military and police action that brings order to chaos and security to those in danger. For example, the *NYT* reports on prisoners who were massacred by Haitian police and United Nations forces in the aftermath of a riot triggered by unsettling post-earthquake conditions, wounding 40 prisoners, and killing a dozen others who were buried in a mass grave.

The militarization of relief and recovery and policing of survivors cannot be disconnected from the economic and political context in which they transpire. Securitization and militarization are arguably the handmaiden to, and perhaps a manifestation of, disaster capitalism, as ‘lawlessness’ and other unsafe conditions are viewed as deterrents for re-development, business interests, and economic growth opportunities. Retrenchment of public services is another tool in the logic of neoliberalism and disaster capitalism and it is important to keep in mind that Hurricane Katrina occurred just shortly after the Federal Emergency Management Agency (FEMA) had been down regulated from its own freestanding agency to one under the umbrella of the Department of Homeland Security. The *NYT* reports: ‘Mr. Bush said in his address to the nation from New Orleans on Thursday night that the military would play a new role in federal disaster relief.’

In both Haiti and the Gulf Coast, the use of outside military and police ***interventions*** played a central role within the fabric of the relief and recovery efforts. In Haiti, United Nations military personnel, whose peacekeeping mission in Haiti prior to the earthquake was known as MINUSTAH, had a strong presence from the initial impact of the earthquake. MINUSTAH had been previously viewed by some Haitians, as, according to the *NYT*, ‘heavy-handed outsiders’. Nonetheless, both UN police and peacekeeping troops were mobilized, according to the *NYT*, to ‘maintain public order and to guard [aid] deliveries’ and to handle ‘unrest’. The *NYT* reports: ‘So far, violence has been scattered in Port-au-Prince. But senior United Nations officials said it might boil over at any moment as the difficulties of living without water, food and shelter mounted.’ During the presidential election in Haiti, which occurred at a tense time in a Haiti that was in the midst of recovery efforts, extra UN troops were brought in to respond to ‘violent protests’ and ‘unrest’, in order to ‘maintain order’ and to ‘end demonstrations and potential riots’.

The US military took immediate control of coordinating flights at the airport after the earthquake in Port-au-Prince. However, their efforts were heavily criticized in part because in the early days of the earthquake relief, they prioritized bringing US troops in and rescuing and evacuating US citizens and other foreigners, at the expense of bringing in aid. While technically the ‘Americans remain focused on delivering aid, while the United Nations handled peacekeeping’, the powerful presence of US military has both a historicized (e.g., US marines occupied Haiti from 1915 to 1934) and a current geo-political meaning. Importantly, a memorandum that was signed between the UN and the US did not put US military troops under UN command; they remained autonomous, a reflection of American exceptionalist values. While the *NYT* described how American troops ‘rolled through the capital’s battered streets’, they downplayed the historical significance and message that armed soldiers might have played to vulnerable Haitian citizens: Haiti’s long history of foreign ***intervention***, including an American occupation, normally makes the influx of foreigners a delicate issue…But with the government of President Rene Preval largely out of public view and the needs so huge, many Haitians are shunting aside their concerns about sovereignty and welcoming anybody willing to help – in camouflage or not.

To be sure, this is a problematic, if not unverifiable, statement. And, it is echoed by other discourse by a UN official who emphasized that their missions are focused on ‘humanitarian aid, not security’. And yet, elsewhere, the *NYT* reports on a group of young Haitian men who shouted at UN Secretary-General Ban-Ki Moon during his visit to Haiti. ‘We don’t need military aid’, said one. ‘What we need is food and shelter.’ To be sure, the relationship that Haitian disaster survivors may have had with the UN, US and other military troops there was complex at best (Dupuy, 2014). To further complicate matters, the UN and MINUSTAH came under severe public scrutiny after they were implicated in setting off a cholera outbreak that continues to afflict Haiti to this day.

Military ***intervention*** played a significant role in the aftermath of Hurricane Katrina as well, in what would be the ‘the largest and longest domestic relief mission ever undertaken by the military’, according to the Pentagon, as reported by the *NYT*. The military engaged in relief, such as distributing food, water, and medical supplies, as well as search and rescue missions. Alongside these missions, their charge was to securitize the environment and evacuate residents. Because many National Guard troops from Louisiana were deployed in Iraq at the time, troops from other states were brought in ‘to help combat looting and help restore order’. Military deployment means not just troops, but also material technology and supplies, such as ‘high-wheeled, five-ton trucks that can traverse floodwaters’, ‘hand-held radios’, tanks, meals-ready-to-eat (known as MREs), water, medical supplies, and, of course, weapons. Thus, the disaster setting becomes akin to a military zone, in this case coordinated by a three-star Army general, Russel Honore, who had a ‘special command set up at Camp Shelby, Miss[issippi]’.

In the early days of the Katrina disaster, when most of the city was evacuated (some had also stayed, too), securitization would become a dominant objective of authorities. An official with the New Orleans police department ‘described the central business district as being “locked down.” Soldiers and police officers have taken up positions on street corners, he said, and police cars and military vehicles are cruising the streets.’ Like in Haiti, the discourse of authorities was to ‘stabilize’ and ‘secure’ the city. The *NYT* reports on an interview with then Governor of Louisiana, Kathleen Blanco: ‘some 300 National Guard members from Arkansas were flying into New Orleans with the express task of reclaiming the city. “They have M-16’s and they are locked and loaded,” she said.’ The final sentence of this quote by Governor Blanco, not reported in the *NYT*, was: ‘These troops know how to shoot and kill and I expect they will’ (Incite, n.d.:49).

Struggling with a hobbled police force, the New Orleans Police Department was largely ‘in the hands of National Guard troops and active-duty soldiers’, even though many of the troops and resources were in Iraq ‘to support the homeland security mission’. Months into the recovery after Katrina, the *NYT* describes New Orleans: ‘Garbage is piled up, the crime rate has soared, and as of Tuesday the National Guard and the state police were back in the city, patrolling streets that the Police Department has admitted it cannot handle on its own.’ Here we see an example of how these narratives of securitization of lawless people, and filth (‘garbage has piled up’), appear side by side. This theme around filth will be further developed in the next section on racial cleansing. For now, we can point out how, in New Orleans, troops were needed to secure people from ‘toxic’ and ‘hazardous’ materials.

Highlighting the criminality of disaster survivors serves to further the need for policing the disaster context, with the articulated goal of ‘restoring order’. In Haiti, these criminals included detained illegal immigrants in Florida, counterfeiters faking food ration tickets, rapists, marauding escaped prisoners, kidnappers, and the ubiquitous meme of ‘looters’. In New Orleans, it was the ‘roving gangs’ and rapists in the Superdome and Convention Center in a ‘city being run by thugs’, identity thieves who tried to get free aid, online swindlers, scammers, the ‘lawless’, and again, ‘looters.’ An additional thread of discourse highlights the criminality of internally displaced persons after Katrina, discussing the rise in crime rates in Houston, for example, a city to where thousands of New Orleanians had evacuated. And these discourses exist alongside stories of verified police and military violence in both the Gulf Coast and Haiti, as the *NYT* reported on several cases of ‘looters’, prisoners, and other survivors being shot and/or killed by police. One infamous case in New Orleans was the Danzinger bridge incident where New Orleans police killed two and wounded four unarmed Black civilians.

An interesting difference between Haiti and the Gulf Coast in terms of identifying looters concerns the complex role that race and class play. The *NYT* refers to survivors who are salvaging or procuring goods from businesses as ‘looters’ in both settings; it is not always clear what the race of the individuals in question are from the articles, though certainly it is self-evident that they are Black in Haiti (the country is 95% Black) and, in our minds, an implied connotation that they are Black in New Orleans, where the pre-Katrina population was two-thirds Black. Interestingly, in the case of Haiti, a *NYT* reporter writes: ‘Its stores have been cracked open like piñatas, leading owners, scavengers and thieves – it is often hard to tell which – to scurry in and out at all hours, grabbing what they can.’ This confusion of identity is likely the case because Haiti’s population is mostly Black and thus the economic location of the person is not as clear as it might be in New Orleans where White implies a higher economic status and Black necessarily implies poor.

Our objective in highlighting these themes around criminality is most certainly not to diminish or downgrade the experiences of crime victims in the aftermath of these disasters. Indeed, it is not uncommon that sexual assault prevalence rates increase in disaster settings (Enarson and Morrow, 1997) and there was indeed evidence of sexual assault incidents on the rise, for example, in the internally displaced persons (IDP) camps in Port-au-Prince (Schuller, 2010). However, we argue that the racialized criminalization of disaster survivors, most of whom are innocent, justifies policies and practices that not only clearly violate their rights as citizens and ignore their real material and psychosocial needs, but furthers the NDG agenda.

The security measures around the delivery of food aid is another dimension of this securitization discourse as the *NYT* reported on ‘scuffles’ over the distribution of food and water. This theme dominates the Haiti data more so than the Gulf Coast, though stories about the delivery of water for people waiting to get into the Superdome reinforced this theme on the Gulf Coast. The UN World Food ***Programme*** spokesperson reported that the agency ‘wanted “a formal system in place”’ in Haiti to ensure security arrangements for the distribution of food.’ While lack of infrastructure was one impediment to distribution of aid in Haiti, officials remarked that lack of security was also a reason for scaling back some of the aid.

Securitization in the camps in Haiti and FEMA trailer parks on the Gulf Coast was also a salient issue identified in our analysis. One *NYT* article describes the trailer parks in Gulf Coast communities: ‘In these FEMA towns, with so many highly stressed people living on top of each other, officials worry about tension and crime.’ In Haiti, this emphasis was on the IDP camps where there was theft, poor lighting, unlockable latrines, and violence against women and girls. While few UN, public, and NGO resources were devoted to these camps and the dire needs and poor conditions of the camps were well-documented (e.g. Schuller, 2010), several officials focused their efforts instead on strengthening police presence to address the issue.

Coerced and forced evacuation as the disaster was transpiring was a dominant theme on the Gulf Coast. Though there is no evidence of forced evacuations in Haiti in our data, there were stories of coercive tactics used to get people to abandon the IDP camps. For some time in the immediate aftermath of Hurricane Katrina, official discourse from authorities was that, even though the state had the authority to do so, they would not utilize forced evacuations. Instead, by continuing to reinforce how ‘unlivable’ the city was – nails in the street that would poke tires, packs of roaming dogs, lack of drinking water and electricity – the authorities sought to deter people from returning and to encourage the last remaining holdouts to finally leave. According to one *NYT* article: It was not clear how widespread the forced evacuations were. But earlier in the day the city’s police superintendent said that while his department would concentrate first on removing those who wanted to leave, the hazards posed by fires, waterborne diseases and natural-gas leaks had left the city with no choice but to use force on those who resisted.

To be sure, in the weeks following a disaster’s impact, risks continue to abound, but our contention is that there was an undue fixation on these risks. And though not necessarily intentional, we believe this fixation is part and parcel to the internalized apparatus of NDG.

**Racial cleansing and displacement**

One of the mechanisms for controlling people in a disaster is the construction of an image of the environment as dirty, unsafe, or unhealthy. This discourse offers a rationale for the actions of policy-makers, humanitarian aid workers, and business interests that often result in displacement of vulnerable people from their geographic location, culture, and social networks. While this theme was peripherally addressed in the previous section on securitization, here we go deeper into the data and analysis with this idea as we make connections to issues of racism, displacement, and cultural imperialism.

In both Haiti and the Gulf Coast, racial cleansing plays out through the descriptions of the horrors of Port-au-Prince, coupled with proposals for decentralization of the country away from Port-au-Prince, and in the case of the Gulf Coast, descriptions of filth, alongside justifications for policies that prohibited largely Black New Orleanians from returning to their homes, including policies based on the deconcentration of poverty thesis. We also discuss the humanitarian parole ***program*** that expedited adoptions of Haitian children.

To narrate the story in the aftermath of the earthquake, the *NYT* uses dramatic language, as post-earthquake Haiti is described as a horrific ‘war’ scene, a place with disaster victims who are ‘jaw-droppingly poor’, ‘homeless and maimed’, and ‘languishing’. The unbearable stench of dead corpses and bodies being thrown into the mass graves complete the snapshot of the disaster scene. Such sensationalized images of disasters are not uncommon for media to employ after a disaster, and it tends to especially be the case when reporting on the developing world (Franks, 2006). The descriptions clearly conjure the frame of Black people associated with horror and filth.

Similarly, New Orleans was described as a ‘fetid’, ‘filthy’, and ‘toxic’ ‘wasteland’, where mold, reeking corpses, swamp waters, and sludge reigned. These kinds of descriptions were coupled with a wide range of justifications and policy proposals for why poor Black residents should not be allowed to move back to their communities. These ideas were also wedged amidst the discourse of the de-concentration of poverty, proffering the highly contested theory that concentration of poverty ‘is harmful to cities’. According to an economist interviewed by the *NYT*, ‘Where there are high concentrations of poverty, people can’t see a way out … Maybe the diaspora is a blessing.’ In this same vein, a now infamous quote from the *Wall Street Journal* reported the words of a Louisiana Senator: ‘We finally cleaned up public housing in New Orleans. We couldn’t do it, but God did’ (Babington, 2005).

There were temporary bans on redevelopment of properties for those hardest hit by the disaster, along with a proposal that the ‘lowest lying areas would have to be elevated.’ The largely African American Lower Ninth Ward, in particular, is described as ‘an utter wasteland where virtually no cleanup effort had begun. City officials, citing safety concerns, had barred residents from visiting their homes.’ The mold in houses was said to be dangerous for African Americans, in particular, because of their high rates of asthma.

These discourses of ‘dirty’ and ‘unsafe’, coupled with policies that prohibit rebuilding in hard hit African American communities reinforced racial cleansing, arguably in service to the practices of disaster capitalism. Notably, several stories reported in the *NYT* reveal that imposed, coerced, or economically driven displacement was prevalent among African American evacuees, and lack of resources stymied their return. By contrast, interviews with White evacuees reveal voluntary displacement and intentional decisions to not return, rebuild, and keep themselves safely away from the changed New Orleans.

Decentralization of Haiti has long been a rallying cry of many observers of Haiti, policy-makers, and citizens, even prior to the earthquake (Oxfam America, 2010). After the earthquake, this proposal was renewed, as the disaster gave the situation a sense of urgency and opened a window of opportunity to do so. According to a *NYT* editorial, ‘Haitians need to get out of disaster-prone areas, and well-placed development could enable them to lead sustainable lives in rural areas and new small towns instead of as the huddled, jobless urban poor.’ Thus, the chaotic, cramped, devastating conditions could be transformed and cleansed in favor of a bucolic life in the countryside. While this sentiment and policy thrust is not divorced from real needs, research on previous disasters reveals that post-disaster displacement can occur in the name of environmental sustainability, as happened when residents were relocated from Celaque National Park in Honduras after Hurricane Mitch at the detriment of residents. At the end of the day, this policy worked against the ‘proclaimed goals of nature preservation through exclusionary national park policies’ (Timms, 2011:11).

The evacuations of children in Haiti who were perceived to be ‘orphans’ were carried out, according to a spokesperson for the US Department of Homeland Security, as reported by the *NYT*, in the ‘best interests of children who faced “an uncertain and likely dangerous situation that could worsen by the day, if not by the hour”’. In an apologist’s tone, a *NYT* editorial explains: There is no evidence to suggest that the evacuations were driven by anything other than the best of intentions. And with untold numbers of unaccompanied children in Haiti, the hemisphere’s poorest country, left fending for themselves or languishing in institutions, it is not hard to make the case that those who were evacuated are better off than they would have been in the hemisphere’s poorest country.

This attitude of paternalism, i.e. children will be saved and ‘better off’ in the developed USA, is reinforced by a discourse of Haiti as ‘the hemisphere’s poorest country’. Evangelical churches, both international and local, which play key roles in adoptions worldwide, were major actors in this evacuation of children from Haiti. The story is layered in moral righteousness and religious humanitarianism that reeks of the earliest days of cultural imperialism (Pyles, 2016). It echoes discourse in New Orleans about how IDPs were likely ‘better off’ in other cities that had better schools and resources. These narratives also replicate paternalistic contemporary US policies and practices about what is best for Black welfare recipients, such as job readiness ***programs*** and low-wage work (Soss et al., 2011). Indeed, it continues the legacy of control of Black bodies for the benefit of White people.

The *NYT* aptly offers counter-discourse to these justifications of transnational adoptions, noting that some of the adoptions were ‘expedited whether or not children were in peril and without the screening required to make sure they had not been improperly separated from their relatives or placed in homes that could not adequately care for them’. The *NYT* interviewed child protection specialists and advocates who noted that taking children out of their familiar environments in a crisis can worsen their trauma and leave them at risk of trafficking. The individual and collective trauma of displacement has significant historical precedent whether it is the African slave trade or when child protective services remove low-income Black children from their homes.

**Disaster capitalism and neoliberal disaster governance**

In both Haiti and the Gulf Coast, the stories of many actors profiteering after these disasters are abundant. In coverage of Hurricane Katrina, a prime example is large out-of-state corporations that won no-bid contracts with FEMA to carry out cleanup and reconstruction work. The *NYT* reports that because of the need for a speedy response to the disaster, several giant engineering companies, were poised to make a considerable amount from hurricane-related work. For some local developers, the disaster is described as an ‘unparalleled opportunity’ and ‘the chance of a lifetime’ to make a lot of money. For instance, local hotel operators captured the opportunity by providing temporary shelters post-Katrina. To describe them, the *NYT* invokes the images of ‘scallywag’ and ‘carpetbagger’, derived from the legacy of the Civil War and Reconstruction eras in the US South. The latter is an outsider and the former is someone local, both taking advantage of a bad situation. A critical point here is that such recovery assistance funneled by the private sector replaces core functions of government and thus arguably reinforces neoliberal paternalistic governance (Klein, 2007).

In coverage of Haiti, the *NYT* repeatedly labels Haiti as a place that offers ‘considerable economic advantages’ and encourages US or foreign investments in industries like construction, garment-making, and tourism in the name of macro-economic development for a ‘new Haiti’. Such discourses were made evident through stories about US companies exploiting the disaster to revive their construction industry that was mired in a recession. Another notable finding is the fact that not only for-profit organizations, but non-profit organizations also benefit from disasters through ‘non-profiteering’ (Schuller and Morales, 2012). For example, the earthquake in Haiti is described as an ‘aha moment for non-profits, demonstrating within hours the vast potential to raise money by text messaging’, which can also be an effective tool for building long-term relationships with donors. Innovations in fund-raising efforts are certainly commendable and encouraged, yet the reporting of how the raised money was spent – projects unrelated to the disaster, luxurious lodging and transportation for humanitarian staff, imported humanitarian supplies– are red flags of disaster capitalism in action.

Highlighting an investment value in Haiti does not guarantee that local people will benefit from it. The *NYT* routinely refers to Haiti as ‘the poorest country in the Western hemisphere’ and underscores that the ‘moral obligation to address extreme poverty is not charity in the old-fashioned sense of handouts, but rather helping people find their own ways to support their families’. The creation of local jobs through foreign investment is believed to be an effective way to achieve Haiti’s integration into the global economy. One *NYT* article states that ‘Haitians need something more fundamental than relief from the present situation; they need jobs that they can count on for years ahead. For this, the private business sector is essential.’ However, from the view of disaster victims, the question still remains as to who is creating the recovery ***plan*** and for whose benefit is it. A criticism from former Haitian President Jean-Bertrand Aristide, as cited in the *NYT*, exemplifies this concern: An exogenous ***plan*** of reconstruction for the ‘new Haiti’ – one that is profit-driven, exclusionary, conceived of and implemented by non-Haitians – cannot reconstruct Haiti. It is the solemn obligation of all Haitians to join in the reconstruction and to have a voice in the direction of the nation.

The idea of promoting Haitian integration into the global economy is certainly not altruistic, given that many outside businesses have, in the neoliberal era, been making enormous profits by harnessing cheap Haitian labor (Dupuy, 2014).

Another discourse frame is disaster survivors as social entrepreneurs, with an understanding that the market can meet social needs in lieu of public assistance. This echoes the logic of US neoliberal poverty governance, claiming that individuals have a moral and political obligation to act as disciplined entrepreneurs, ***planning*** to meet their own needs and accepting personal responsibility for their problems (Soss et al., 2011). The Road Home ***Program***, which was the privatized Louisiana state grant ***program*** for homeowners to rebuild, operated by the consulting firm ICF International, is a clear example showing how victims of a disaster should behave if they wish to receive benefits. The *NYT* reports on stories about homeowners who had to prove their qualification for assistance through extensive documentation, and fingerprinting to prevent fraud, but ultimately failed to receive or gave up on the grant. The *NYT* points out that: The ***program***’s low-speed beginning reflects an urgent need to avoid the kind of waste and fraud that plagued federal ***programs*** after the hurricane. The government is demanding that applicants ***produce*** details of insurance policies and payouts, proof of title to a house, and, if possible, official assessments of a home’s pre-storm value. Many New Orleans residents lost such paperwork in the flood, or never had it in the first place.

This narrative reveals that the assistance is not offered to dependent people looking for a handout. Rather, disaster survivors are required to be disciplined customers in order to receive the assistance they need to get on with their lives.

**Discussion**

Foucault wrote that ‘surveillance … becomes a decisive economic operator both as an internal part of the production machinery and as a specific mechanism in the disciplinary power’ (1977: 174). In these two disaster contexts we find that this surveillance and discipline are carried out by militarized securitization, imposed displacement and paternalistic and inaccessible disaster recovery ***programs***, all in service of larger neoliberal economic agendas.

Neoliberal disaster governance supported by increased military-led relief operations has arguably come to overpower or replace a traditional humanitarian framework that would otherwise prioritize basic human needs and community capacity-building to prevent, prepare for, and respond to natural disasters. We see this as problematic because the immediate humanitarian rights of marginalized victims, who were largely poor, were suspended in the name of securitization and stabilization. The media justifies the militarization of aid by highlighting the racialized criminalization of disaster survivors, converges with a historically constructed negative racial stereotype of poor black criminality. We find that NDG in these two disaster settings intensifies pre-existing societal and economic inequality based on racial and socioeconomic privilege, perpetuates colonialist structures of power that marginalize people of color, and robs people and their governments of democratic decision-making authority. These issues are especially salient in light of the fact that racism and xenophobia are at the forefront of social policy issues globally.

Given how NDG appears to operate, we must question who indeed the real predators and looters in these two disaster contexts are. Klinenberg and Frank (2005) note that the abundance of post-Katrina private contracting and the replacement of public sector with private sector services epitomize a looting of government infrastructure or what they call ‘looting Homeland Security’ (cited in Adams et al., 2009). In the Haitian context, similar charges have been made against corporations, multinational organizations, and international NGOs for looting the Haitian people and government by means of derailed funds, empty promises, and hidden agendas (e.g. Dupuy, 2010; Schuller and Morales, 2012). In this sense, NDG is not just a mechanism of social control that is exerted by disciplinary power. It transforms the state as a site for the application of market principles that center on costs and benefits, investment and returns, and legitimates the benefits that privileged groups receive from the neoliberal economy (Perez and Cannella, 2011; Soss et al., 2011). An antidote, which one might call a people’s or democratic disaster governance, must address the negative consequences of widespread privatization of relief, including mismanagement, corruption and profiteering, and a loss of transparency and accountability, especially for the most vulnerable.

**Conclusion**

Through critical discourse analysis of media narratives after two significant disasters in relation to other recent disaster and policy literature, we have offered an interpretive explanation of the ways in which NDG takes shape in disaster settings. We have proposed that militarization and displacement are mechanisms of NDG that create conditions for and give rise to disaster capitalism as a manifestation of the neoliberal economic system. We have also shown how the most vulnerable survivors of both disasters, particularly people of color who are poor, were paternalistically governed through securitization, pacification, de-politicization, retrenchment of government support, and imposed displacement. It stands to reason that when people are traumatized and displaced from their roots, neoliberal paternalism and disaster capitalism may prevail to further disadvantage and marginalize them. One cannot expect or request the victims of disasters to stay alert and resistant to the exploitative, opportunistic forces in the time of such distress; and so it becomes the duty of advocates, humanitarians, policy-makers, and scholars to be alert in detecting such forces and acting to disrupt them in the name of the most vulnerable. We envision that through joint, interdisciplinary and grassroots action, a people’s or democratic disaster governance can prevail.

**Notes**

FundingThis research was funded by the U.S. National Science Foundation, Disaster Resilience in Rural Communities ***Program***.

**Bibliography**

**REFERENCES**

Adams V, (2012) The other road to serfdom: Recovery by the market and the affect economy in New Orleans. Public Culture 24(1\_66): 185–216.

Adams V, Van Hattum T, English D, (2009) Chronic disaster syndrome: Displacement, disaster capitalism, and the eviction of the poor from New Orleans. American Ethnologist (4): 615–636.

Babington C, (2005) Some GOP legislators hit jarring notes in addressing Katrina. Washington Post, 10 September. Available at: www.washingtonpost.com/wp-dyn/content/article/2005/09/09/AR2005090901930.html (accessed 6 July 2016).

Bello W, (2006) The rise of the relief-and-reconstruction complex. Journal of International Affairs 59(2): 281–296.

Benoit WL, Stein KA, Hansen GJ, (2005) New York Times coverage of presidential campaigns. Journalism & Mass Communication Quarterly 82(2): 356–76.

Brunsma DL, Overfelt D, Picou JS, (2007) The Sociology of Katrina: Perspectives on a Modern Catastrophe. Lanham, MD: Rowman & Littlefield.

Cavallo EA, Powell A, Becerra O., 2010. Estimating the Direct Economic Damage of the Earthquake in Haiti. IDB Working Paper Series #IDB- WP-163. Washington, DC: Inter-American Development Bank.

Chamlee-Wright E, Storr VH, (2009) ‘There’s no place like New Orleans’: Sense of place and community recovery in the ninth ward after hurricane Katrina. Journal of Urban Affairs 31(5): 615–634.

Chandler D, (2001) The road to military humanitarianism: How the human rights NGOs shaped a new humanitarian agenda. Human Rights Quarterly 23(3): 678–705.

Charmaz K, (2011) Constructing Grounded Theory: A Practical Guide through Qualitative Analysis. London: Sage.

DesRoches R, Comerio M, Eberhard M, Mooney W, Rix GJ, (2011) Overview of the 2010 Haiti earthquake. Earthquake Spectra 27: S1–S21.

Dupuy A, (2010) Disaster capitalism to the rescue: The international community and Haiti after the earthquake. NACLA Report on the Americas 43(4): 14–19.

Dupuy A, (2014) Haiti: From Revolutionary Slaves to Powerless Citizens. Abingdon: Routledge.

Enarson E, Morrow B, (1997) A gendered perspective: The voices of women. In: Peacock WG, Morrow BH, Gladwin H, (eds) Hurricane Andrew: Ethnicity, Gender, and the Sociology of Disasters. New York: Routledge, 116–140.

Fairclough N, (1995) Critical Discourse Analysis: The Critical Study of Language. New York, NY: Longman Group Limited.

Fairclough N, (2003) Analysing Discourse: Textual Analysis for Social Research. London: Routledge.

Foucault M, (1977) Discipline and Punish: The Birth of the Prison. Harmondsworth: Penguin.

Franks S, (2006) The CARMA Report: Western media coverage of humanitarian disasters. Political Quarterly 77(2): 281–284.

Grano DA, Zagacki KS, (2011) Cleansing the superdome: The paradox of purity and post-Katrina guilt. The Quarterly Journal of Speech 97(2): 201–223.

Green R, Miles S, (2011) Social impacts of the 12 January 2010 Haiti earthquake. Earthquake Spectra 27: S447–S462.

Hannigan JA, (2012) Disasters without Borders: The International Politics of Natural Disasters. Cambridge: Polity Press.

Harvey D, (2007) A Brief History of Neoliberalism Oxford: Oxford University Press.

Herrera YM, Braumoeller BF, (2004) Symposium: Discourse and content analysis. Qualitative Methods 2(1): 14–38.

Incite! (n.d.) Law enforcement violence and disaster: Police brutality in the wake of Hurricane Katrina. Available at: www.incite-national.org/page/stop-law-enforcement-violence-toolkit (accessed 6 July 2016).

Kiousis S, (2004) Explicating media salience: A factor analysis of New York Times issue coverage during the 2000 U.S. presidential election. Journal of Communication 54(1): 71–87.

Klein N, (2007) Disaster capitalism: The new economy of catastrophe. Harper’s Magazine 315: 47–58.

Lechner FJ, Boli J, (2015) The Globalization Reader, 5th ed. Chichester, UK: Wiley Blackwell.

Macomber K, Rusche SE, Wright D, (2006) After the levees broke: Reactions of college students to the aftermath of Hurricane Katrina, In: Brunsma DL, Overfelt D, Picou JS, (eds) The Sociology of Katrina: Perspectives on a Modern Catastrophe. Lanham, MD: Rowman & Littlefield, 123–140.

Navez-Bouchanine F, (2008) Evolution of urban policy and slum clearance in Morocco: Successes and transformations of ‘social contracting’. International Social Science Journal 59(193–194): 359–380.

Oxfam America (2010) Planting now ***Agricultural*** challenges and opportunities for Haiti’s reconstruction. Available at: www.oxfam.org/en/research/planting-now (accessed 23 September 2015).

Pantti M, Wahl-Jorgensen K, Cottle S, (2012) Disasters and the Media. New York: Peter Lang.

Perez MS, Cannella GS, (2011) Disaster capitalism as neoliberal instrument for the construction of early childhood education/care policy: Charter schools in post-Katrina New Orleans. International Critical Childhood Policy Studies Journal 4(1): 47–68.

Plyer A, (2015) Facts for features: Katrina impact. Available at: http://www.loyno.edu/jsri/news/facts-features-katrina-impact (accessed 29 March 2016).

Pyles L, (2016) Decolonising disaster social work: Environmental justice and community participation. British Journal of Social Work (epub ahead of print 3 May 2016). DOI: 10.1093/bjsw/bcw028.

Saraçoğlu C, Demirtaş-Milz N, (2014) Disasters as an ideological strategy for governing neoliberal urban transformation in Turkey: Insights from Izmir/Kadifekale. Disasters 38(1): 178–201.

Savelsberg H, (2011) Sanctioning policies – Australian, American and British cross-national reflections and comparisons. Journal of Sociology & Social Welfare 38(3): 151–174.

Schuller M, (2010) Unstable Foundations: Impact of NGOs on Human Rights for Port-au-Prince Internally Displaced People. Jamaica, NY: York College, CUNY.

Schuller M, Morales P, (2012) Tectonic Shifts: Haiti since the Earthquake. Sterling, VA: Kumarian Press.

Seed RB., Bea RG., Abdelmalak RI, Athanasopoulos AG, Boutwell GP, Bray JD, Briaud J-L, Cheung C, Cobos-Roa D, Cohen-Waeber J, (2006) Investigation of the Performance of the New Orleans Flood Protection System in Hurricane Katrina on August 29, 2005. Berkeley, CA: Independent Levee Investigation Team, University of California, Berkeley.

Soss J, Fording RC, Schram S, (2011) Disciplining the Poor: Neoliberal Paternalism and the Persistent Power of Race. Chicago: University of Chicago Press.

Tierney K, (2015) Resilience and the neoliberal project: Discourses, critiques, practices – And Katrina. American Behavioral Scientist 59(10): 1327–1342.

Timms B, (2011) The (mis)use of disaster opportunity: Coerced relocation from Celaque National Park, Honduras. Antipode 43(4): 1357–1379.

United Nations Development ***Programme*** (2015) UN Human Development Report: 2015. New York, NY: UNDP. Available at: http://hdr.undp.org/en/2015-report/download (accessed 13 December 2016).

Wacquant L, (2010) Crafting the neoliberal state: Workfare, prisonfare, and social insecurity. Sociological Forum 25:197–220.

**Graphic**

Link to PDF

**Load-Date:** March 22, 2024

**End of Document**



[***New products in the dairy aisle: May***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5SFK-S8P1-DYNP-M36Y-00000-00&context=1516831)

DairyReporter.com

May 31, 2018 Thursday 8:10 AM GMT+1

Copyright 2018 William Reed Business Media Ltd. All Rights Reserved

**Length:** 2635 words

**Byline:** Jim Cornall, , [*Jim.Cornall@wrbm.com*](mailto:Jim.Cornall@wrbm.com)

**Body**

It's time for our monthly round-up of new products from around the world hitting the shelves in the dairy aisles.

It has certainly been a bumper month for launches, with yogurts, cheeses, flavored milk, butter and ice creams from around the world. As always, if you have a new product to share, or have seen one you think we need to include, please [*send us the details*](mailto:Jim.Cornall@wrbm.com)  , along with an image of the product.

Breakfast on the go from Arla

In the UK, Arla Foods launches into the breakfast food-to-go market with the introduction of its new Milk & Oats range of ready to drink beverages.

Milk & Oats is a blend of skimmed milk, wholegrain oats and natural flavor that will launch in two variants Maple and Vanilla.

Arla said the product combines the convenience that on the go shoppers with a product high in fiber and protein, low in fat and a source of calcium.

Milk & Oats is available in 250ml bottles from Nisa, Co-Op and Sainsbury s.

Twenty new products from Unilever

In the US, Unilever Ice Cream has added 20 new frozen treats across five of its packaged ice cream and frozen novelty brands: Breyers, Good Humor, Klondike, MAGNUM Ice Cream and Popsicle.

Available nationwide, the new products include first-of-its-kind ice cream experience MAGNUM Tubs, new sizes like snackable Klondike Minis, and more from Breyers, Popsicle and Good Humor.

Magnum Ice Cream debuts tubs

In the US, Magnum Tubs have reimagined Magnum's ice cream bar as a scoopable treat that is fully encased in a chocolate cracking shell and topped with a Magnum chocolate stamp.

Magnum Milk Chocolate Vanilla features vanilla ice cream and thick chocolate shards, all surrounded by a cracking Magnum chocolate shell and topped with the Magnum chocolate stamp. Made with Belgian chocolate.

Magnum Dark Chocolate Raspberry includes raspberry ice cream and dark chocolate shards, surrounded by a cracking Magnum dark chocolate shell and topped with the Magnum chocolate stamp. Made with 65% cacao.

Magnum Milk Chocolate Hazelnut combines hazelnut ice cream with caramelized hazelnuts and thick chocolate shards, surrounded by a cracking Magnum chocolate shell and topped with caramelized hazelnuts. Made with Belgian chocolate.

Magnum White Chocolate Vanilla uses vanilla ice cream and thick white chocolate shards, surrounded by a cracking white chocolate shell and topped with the Magnum chocolate stamp. Made with Belgian chocolate.

In addition to Magnum Tubs, the brand is bringing two new varieties to its Doubles ice cream bar line. The new bars are twice-dipped for a double decadent experience:

Magnum Double Cherry Truffle features cherry ice cream swirled with chocolate ganache and dipped in a chocolatey coating, with a cherry sauce and milk chocolate. Made with Belgian chocolate.

Magnum Mini Double Raspberry pairs raspberry ice cream dipped in a chocolatey coating, with a raspberry sauce and milk chocolate. Made with Belgian chocolate.

Breyers 2in1s

Breyers is introducing four new 2in1s combinations.

Breyers 2in1 Oreo Chips Ahoy! swirls Breyers Vanilla and Caramel with Oreo cookie pieces and Chips Ahoy! cookie pieces.

Breyers 2in1 Reese's Pieces blends Breyers Peanut Butter and Chocolate with Reese's peanut butter cup pieces and Reese's Pieces mini candies.

Breyers 2in1 Snickers M&M's brings together Breyers Caramel and Chocolate light ice cream with pieces of Snickers bar and M&M's Minis milk chocolate candies.

Breyers 2in1 Heath Waffle Cone mixes Breyers Vanilla and Chocolate with Heath toffee pieces and fudge-covered waffle cone pieces.

Breyers delights Minis in new 4-ounce size

Breyers delights launched in summer 2017 with 260-330 calories per pint. This spring, Breyers delights is introducing new Minis. At 70-80 calories and five grams of protein per 4-ounce cup, Breyers delights Minis come in two flavors:

Breyers delights Mini Vanilla Cupcake is made with low-fat vanilla ice cream, cupcake batter and loaded with sprinkles at 80 calories per cup.

Breyers delights Mini Creamy Chocolate is made with low-fat chocolate ice cream and cocoa at 70 calories per cup.

Popsicle Expands lineup

This year, the brand is releasing Popsicle Fruit Pops in four flavors. Made with five ingredients: water, fruit, cane sugar, vitamin C and natural flavors, each ice pop contains fewer than 45 calories and 11 grams of sugar.

Popsicle Strawberry Fruit Pops

Popsicle Mango Fruit Pops

Popsicle Orange Fruit Pops

Popsicle Raspberry Fruit Pops

Klondike new Minis

Klondike is introducing its first-ever line of Minis.

Klondike Minis Original offers the brand's vanilla ice cream coated in a chocolatey shell.

Klondike Minis Reese's features Reese's flavored ice cream in a chocolatey shell.

Good Humor adds peanut butter twist

This year, Good Humor has collaborated with Reese's to bring a new variety to market:

Good Humor Reese's Dessert Bar is a dessert bar blended with Reese's peanut butter sauce and covered in Good Humor cake coating.

Farming Together helps dairy co-op launch flavored milks

In Australia, New South Wales (NSW) consumers now have a wider choice of flavored milks with farmer-owned Berry Rural Co-op expanding its product range, backed by Farming Together.

The co-op received A$131,000 (US$98,750) from Farming Together, to help develop a ***strategic*** ***plan***, a business ***plan*** and a governance ***program*** as well as a succession ***plan*** and marketing ***plan***.

The Farm Co-operative and Collaboration ***Program*** (Farming Together) is a two-year, A$13.8m (US$10.4m) initiative from the Australian Government designed to help ***agricultural*** groups value-add, secure premium pricing, scale-up production, attract capital investment, earn new markets or secure lower input costs.

The co-op decided to expand into flavored milks after a study undertaken with help from the ***program***.

The six dairy farm-co-op launched the range of full-cream, full-flavored milks in chocolate, strawberry and iced coffee flavors.

The milks, branded South Coast Dairy, come in 300ml, 500ml and two-liter packaging.

Arla s Lurpak launches new Softest

In the UK, Lurpak is to expand its spreadable product portfolio with the launch of Lurpak Softest, a new soft blend butter that is spreadable straight from the fridge.

To make Lurpak Softest, Arla blended Lurpak butter, buttermilk retained from churning and rapeseed oil.

Lucy Hurrell-Morgan, brand manager for Lurpak, said,  Research shows that 92% of consumers spread butter straight from the fridge so we really wanted to address the issue of spreadability which we know is a barrier to purchase. With the new recipe we have created for Lurpak Softest, we can tap in to the increasing consumer demand for convenience, but with the taste and naturalness of butter.

New cottage cheese from Dean Foods

In the US, Dean Foods is working to help cottage cheese gain back some market share, with the launch of DairyPure Mix-ins, a new line of cottage cheese that taps into the importance of portability with its single-serve containers.

Mix-ins, the newest extension for the DairyPure brand, is a range of four fruit and nut toppings.

Dean recognized key market trends that showed snacks are replacing meals and the importance of convenience, high protein and real ingredients in consumers food, all of which sparked the idea for Mix-ins.

Each 5.3 oz. cup of DairyPure Mix-ins contains more than 15 grams of protein -- twice the amount in an equal serving of regular yogurt. The blueberry, peach & pecan, pineapple and strawberry & almond Mix-ins are made with real fruit and nuts and no artificial flavors or sweeteners.

The products are regionally available across the country and will be available in Walmart in the fall.

Nature One Dairy launches organic infant formula

Australia s Nature One Dairy has launched its range of organic infant formula in China; it will be launched in Singapore in early July.

Targeted at infants and toddlers from newborn to three years old, the organic infant formula is Australian Certified Organic (ACO), Australia s largest certifier for organic and biodynamic ***produce***.

Nick Dimopoulos, CEO of Nature One Dairy, said, The demand for pure and clean organic products has been rising and this has extended to infant formula category. Nature One Dairy has carried out product development on the organic range for the past year and we are pleased to finally launch the range.

Dimopoulos added Nature One Dairy will be launching an Organic Cereal range and a fruit and vegetable pouch range suitable for babies aged 4 months over the next three months.

Arla adds to Fibre range

Following the launch of Arla Fibre in the UK earlier this year, Arla Foods is to expand the range with the addition of a new plain variant.

With no added sugar, and 5.3g of fibre per 150g, Arla Fibre s new plain format is a low fat source of the nutrient but without the taste or texture of fibre.

Arla Fibre in plain is available from Tesco stores nationwide in 450g pots.

New organic format for Yeo Valley

In the UK, Yeo Valley is extending its Organic Milk range by launching a new 1.5 liter format in whole, semi-skimmed and skimmed, in Tesco stores nationwide.

Yeo Valley buys its milk from the Organic Milk Suppliers Cooperative (OMSCo). Its partnership with OMSCo has lasted for more than 20 years.

A newly designed label celebrates Yeo Valley s British and organic credentials and communicates the fact that Yeo Valley is a family farm.

Yeo Valley s Organic Milk 1.5 Liter is available from Tesco stores for MRRSP £1.29.

Hiland Dairy launches new ice cream packaging and three new flavors

US company Hiland Dairy is introducing three new ice cream flavors:

Hiland Time Traveler Inspired by the new Time Traveler roller coaster at Silver Dollar City, billed as the world's fastest, steepest and tallest spinning coaster. The new ice cream flavor features French silk ice cream spun with marshmallow bonbons, chocolate flakes and thick fudge sauce.

Caramel Waffle Cone Caramel ice cream with milk chocolate swirls and fudge covered waffle cone pieces.

Cherry Chocolate Chunk Cherry-flavored ice cream with pieces of real cherries and chocolate chunks.

All three new premium flavors are available in 48-ounce and 16-ounce containers and are available at retail locations where Hiland Dairy products are sold.

In addition to the new flavors, Hiland Dairy is introducing new packages in response to consumer and grocer requests for more food label transparency and less packaging waste.

"The new packages align with our improved transparency in food labeling, which we began implementing earlier this year with double labels on our milk products," said Rick Beaman, vice president, Hiland Dairy.

"We also wanted our ice cream packaging to create less consumer waste in landfills, and that's part of our commitment to sustainability and preserving the planet for future generations," Beaman said.

What the French?! ice cream

In June 2018, ice cream What the French?! lands on the shelves in France.

Launched by French by Nature, a four-person start up in Lyon, What the French?! is a range of ice creams, sorbets, yogurts and alcoholic ice creams.

There are nine flavors in the 450ml tub range, which is available in June in supermarkets for 5.20 ($6.04).

The flavors are:

* Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel

1. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
2. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
3. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
4. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
5. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
6. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
7. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
8. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel

Arla BIO in Germany

Launched in new packaging this month is Arla BIO pasture milk with 3.8% fat. The packaging of the durable Arla BIO milk is also notable in that it has the lowest CO<sub>2</sub> footprint in the German market compared to all other UHT milk.

According to the IFEU Institute, the CO2 savings are 72% compared to conventional UHT-milk packaging. The packaging will initially be used exclusively by supermarket Rewe and from July throughout Germany.

The Arla BIO range includes the following products:

Fresh organic pasture milk with 1.5% fat (RRP 1.29/$1.49)

Fresh organic pasture milk with 3.8% fat (RRP 1.39/$1.61)

UHT organic pasture milk with 1.5% fat (RRP 1.29/$1.49)

UHT organic pasture milk with 3.8% fat (RRP 1.39/$1.61)

Müller enters UK spreadable market

In the UK, Müller has launched Müller Spreadable, its first ever branded spreadable in the UK.

Müller Spreadable is made with 73% real churned butter.

Launched exclusively in Tesco on May 21, 2018, consumers will be able to purchase six SKUs. The new Müller Spreadable will be available in slightly salted and unsalted in 400g (RRP £3.00/$4) and 250g (RRP £2.00/$2.65).

In addition, consumers in Tesco will also be able to purchase salted and unsalted Müller Butter (block) in 250g (RRP £2.00). All SKUs will be available throughout the trade later in 2018.

New from TINE

Norwegian company TINE launched a variety of products to the market on April 30.

The dairy company launched two 170g Greek yogurt products with granola, in vanilla and passionfruit flavors. Also launched was an 850g mango and passionfruit yogurt.

In the cheese category, there is a new Jarlsberg Original Staver, six 20g-sticks of Jarlsberg cheese for snacking or packed lunches. In addition, there is a Norvegia version of the snacks, as well as a 16% less fat Norvegia variant.

There are also three 250g shredded cheese package variants: TINE Revet Lettost with 17% fat, a mix of grated Jarlsberg Light, Norvegia Light and Norwegian mozzarella; Norvegia; and a four-cheese version, TINE Revet Ost 4 oster, which includes Jarlsberg, Norvegia, Østavind and Norwegian mozzarella.

Two 190g  Go'morgen UTEN (Good morning, without ) yogurt products have been launched, a passionfruit/coconut and granola variant, and a dragonfruit, raspberry and granola variant.  Both have no added sugar and are sweetened with aspartame and acesulfame K.

For children, there are two 220g Litago Shake milkshake products launched, one in strawberry/banana flavor, and the other in chocolate/caramel.

TINE has also launched two 330ml YT Proteinvann protein water products sweetened with sucralose and containing 13g of whey protein. The two flavors are lemon & lime and strawberry & pomegranate.

Marble Slab Creamery and MaggieMoo's introduce new cereal milk ice cream

For a limited time in the US, Marble Slab Creamery and MaggieMoo's Ice Cream and Treatery are serving up a new Cereal Milk Ice Cream flavor and Cereal Milk Shake.

To complement the new flavor, Birthday Confetti Waffle Cones are also being introduced. Cereal Milk treats will be available in stores nationwide through September 2, 2018.

Cereal Milk Ice Cream is a combination of yellow cake batter and marshmallow flavors. It pairs with Froot Loops and mini marshmallow mix-ins and marshmallow topping.

Blended with Cereal Milk Ice Cream and Froot Loops, the shake features a swirl of marshmallow cream and is topped with whipped cream and a garnish of more Froot Loops.

New shake line

In the US, Atkins Nutritionals Inc. unveiled its new shake line, Atkins Plus Protein & Fiber Shakes.

The shakes come in Creamy Milk Chocolate and Creamy Vanilla and have 30g of dairy protein, 7g of fiber and 20 vitamins and minerals, and boast a low glycemic impact with 1g of sugar.

**Load-Date:** May 31, 2018

**End of Document**



[***Increased diversification makes agriculture sector in Côte d'Ivoire more resilient***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5WS6-C4X1-DXYV-74KN-00000-00&context=1516831)

Oxford Business Group: Articles

March 2018

Copyright 2018 Oxford Business Group All Rights Reserved



**Length:** 4054 words

**Body**

In recent years the government has implemented new measures to advance the sector, including increased public investment and a long-term national development ***plan*** aimed at growing export capabilities - efforts that are beginning to bear fruit. Raising the level of local processing for domestically grown goods will be fundamental in adding value to the sector and lower the sector's exposure to international price volatility. As two major cash earners that have potential for further growth, cocoa and cashew production have been targeted by recent government initiatives, such as the Enclave de la Banque Internationale de Reconstruction et de Développement, or the Enclave of the International Bank for Reconstruction and Development ***programme*** financed by With a wide variety of crops and a high number of cultivation regions, ***agriculture*** has long been a valuable economic sector for Côte d'Ivoire. The nation's fertile land, sought-after cash crops and favourable climate have all contributed to the sector becoming a crucial source of revenue. Besides being the number-one cocoa ***producer*** in the world for many years, Côte d'Ivoire has also become one of the largest cashew nut exporters.

Additionally, crops such as palm oil, rubber, cotton and tropical fruits - notably bananas, pineapples and coconuts - have also represented important ***agricultural*** exports, providing a varied output that has helped to make the sector more resilient against changing global markets and erratic weather patterns.

The government is seeking to raise the amount of domestic processing and in-country value addition, which would provide the ***agriculture*** sector with a competitive advantage when difficult global market conditions arise the World Bank. However, falling global cocoa prices will continue to pose challenges, inevitably affecting growers and exporters alike.

**In Figures**

In 1960 ***agriculture*** accounted for as much as 48% of GDP, however, the growth of the industry and services sectors over the years has diluted its prominence in the Ivorian economy. Nevertheless, ***agriculture*** represented 22% of GDP in 2016, and accounted for approximately 60% of the nation's total exports. Although Côte d'Ivoire's diverse mixture of exportable crops serves as an advantage for the most part, it does leave economic performance exposed to progressively unpredictable weather patterns. While the country has experienced a period of consistent growth, the lower levels of ***agricultural*** exports in 2016 and 2017 did translate to subdued growth prospects overall, according to the African Development Bank's "African Economic Outlook 2017", underlining the importance of ***agricultural*** policy for the country's economic performance as a whole.

In addition, the practice of selling the majority of the country's crops to international markets exposes the national economy to global price variations. This is evident in the impact that falling cocoa prices - which began in late 2016 and further deteriorated in 2017 - had on domestic industries.

**Sector Policy**

For these reasons, the government has prioritised ***agriculture*** and subsequent value-added industries for development, making the sector an essential pillar of the long-term National Development ***Plan***, which has a view to transform Côte d'Ivoire into an emerging economy by 2020. Raising output and improving efficiency in everything from production yields to the supply chains that connect ***producers*** to domestic and international markets will be key. The Ministry of ***Agriculture*** and Rural Development oversees the sector and manages its long-term development strategy. Like most other sectors, ***agricultural*** development in Côte d'Ivoire was deeply disrupted by the decade-long conflict, leading to a contraction of investment. In an effort to revert the situation, authorities launched the first National ***Agricultural*** Investment ***Programme*** ( ***Programme*** National d'Investissement Agricole, PNIA), which earmarked CFA2trn ((EURO)3bn) to be invested in ***agriculture*** over the 2012-16 period. The ***plan*** was aimed at improving productivity and employment creation, as well as strengthening food security.

However, a lack of coordination between the government and supportive ***programmes*** run by multilateral institutions has hindered progress. "It was difficult to synchronise efforts and share statistics that would have helped measure the impact of the actions being implemented," Joachim Lezou, operations manager of ***agriculture*** at the French Development Agency (Agence Française de Dé veloppement, AFD) in Abidjan, told OBG. However, in certain segments, such as the cashew industries, for example, headway has been much more visible. "Thanks to good policy and investment there was an improvement of the cashew varieties, which now are better adapted to our local conditions. These efforts have made the cashew segment grow sufficiently to rival cotton," Lezou told OBG. To continue sector development, the government launched the second phase of PNIA to cover 2016-20, allocating an additional CFA2trn ((EURO)3bn) to ***agriculture***. Authorities expect that 60% of the ***plan***'s global investment will be covered by the private sector, with the remaining 40% secured by the government. During an international ***agriculture*** meeting held in Abidjan in September 2017, the government announced that as much as 80% of the necessary funds to implement the 2016-20 PNIA had been made available.

**Cocoa**

With Côte d'Ivoire ***producing*** around 40% of the world's cocoa, the crop has become a lucrative export for the country. The segment supports over 800,000 local farmers, the majority of which are smallholder players. A 2012 reform set a minimum price threshold, which has substantially improved the quality of life for farmers and their families.

However, the cocoa segment has had a difficult couple of seasons, with excess production across a number of cocoa-growing countries forcing global prices down by more than 30% for the 2016/17 season. Ivorian cocoa production was expected to reach 2m tonnes, while other ***producing*** countries in the West Africa region - which collectively accounts for 70% of the world's cocoa crop - reported substantially higher volumes as well. The excess in global cocoa offer, in hand with overambitious commitments taken on by Ivorian exporters, led to significant reductions in cocoa prices. In response, the government lowered its guaranteed price for cocoa farmers in March 2017, reducing it from CFA1100 ((EURO)1.65) to CFA700 ((EURO)1.05) per kg.

Cocoa crops are also showing increasing vulnerability to the unpredictable weather patterns being caused by climate change. The potential for variations that can affect production outcomes from year to year make it difficult for the sector to attract long-term investment commitments. Despite its position as the world's top ***producer***, yields remain lacklustre, with a nationwide average of 435 kg per ha. However, some agro-industrial development projects should improve yield-per-ha rates and make cocoa trees more resilient, hopefully serving as a way forward for the sector (see analysis).

**Palm Oil**

Côte d'Ivoire is West Africa's second-largest palm oil ***producer*** after Nigeria and eighth-largest globally. After annual production fell from 415,900 tonnes in 2010 to 360,000 in 2012, the country successfully increased its yearly output to around 480,000 tonnes per year in 2017, up from 400,000 a year earlier in 2016, with the aim to reach 600,000 tonnes by 2020. Around 60% of Côte d'Ivoire's palm oil comes from small village plantations. Ranging in size from 3-5 ha, these plantations are a strong source of sustainable employment for Ivorians and are estimated to account for upward of 2m jobs. The remaining 40% of production is handled by large-scale industrial groups, which are able to ***produce*** over double the tonnage per ha than small ***producers***. Such industrial groups include domestic firm Dekeloil and the SIFCA Group. In addition to guaranteeing a relatively steady income for ***producers*** while taking up minimal land area, palm oil is also a household staple in Côte d'Ivoire and across the world, where it is used by numerous major food manufacturers. According to Jean-Louis Kodo, president of the Inter-professional Association of Palm Oil, the average consumer in Côte d'Ivoire consumed the equivalent of 8 kg of palm oil per year, while Senegal and some European countries consume 10kg and 12-14kg, respectively. In the downstream sector, the raw palm oil processing industry is dominated by Sania - a subsidiary of the SIFCA Group - with a 60% of market share. The firm is followed by Aya Oil, which has quickly positioned itself since its entry in 2014 and accounts for 15-20% of the market. A number of smaller firms make up the remainder of the sector.

**Fertiliser**

The make-up of Côte d'Ivoire's cocoa segment also contributes to the low average yields: it is predominately based on smallholder farmers, who seldom have the required knowledge or capital to put best practices in place. "Low productivity among smallholder farmers continues to constrain the sector. This is caused by a combination of a lack of access to customised inputs, inadequate use of fertilisers and poor ***agricultural*** practices," Mohammed Benzekri, vice-president for West Africa at OCP Africa, a Morocco-based firm that ***produces*** and sells fertiliser, told OBG. This is evident in how much fertiliser the sector utilises. Consumption remains relatively low but reached some 298,000 tonnes in 2016, up from 288,000 tonnes in 2015 - representing an increase of 4% - according to the 2016 International Fertiliser Development Centre Report. The cocoa segment is the biggest consumer of fertilisers, with consumption at 96,000 tonnes, followed by cotton with 86,000 tonnes. "With a high cocoa price in 2016, fertiliser sales were fairly strong. Still, it should be noted that an estimated 12-15% of cocoa farmers use fertilisers. With the challenges the segment is now facing, other interesting growth opportunities could come from cash crops such as cashew or hevea," Ellen Cathrine Rasmussen, Côte d'Ivoire's director-general for Yara West Africa, told OBG.

**Cashew**

With international demand driving prices upward, the cashew nut is fast becoming one of Côte d'Ivoire's most dynamic exportable crops. In 2016 production rose by 24% to reach 702,500 tonnes, making Côte d'Ivoire the world's largest cashew ***producer*** for the first time. The Association of Cashew Exporters of Côte d'Ivoire (L'Association des Exportateurs de Cajou de Côte d'Ivoire, AEC-CI) predicted a 7-9% increase in the country's crop size for the 2017 season, which would translate to a production increase ranging 30,000-40,000 tonnes higher than the previous season. Looking ahead, Côte d'Ivoire's strong position as a global leader in cashew production appears set to continue. Equally important have been the improvements in ***produce*** quality, which were driven to a great extent by ideal climatic conditions over the 2017 season. This was expected to lead to a 10-15% increase in the country's exportable crop, according to the AEC-CI.

Rising global demand, and consequently rising cashew prices, have encouraged many new farmers to choose cashews over other crops. Consumption has increased in key markets such as Europe and the US, where annual imports of cashew grew by 8-10%, according to figures by the AEC-CI. This growing demand has brought an increase in liquidity into the market. Most of the cashew crop coming out of Côte d'Ivoire is exported raw and processed elsewhere.

"India is faced with a slightly reducing crop, while Cambodia and Vietnam have seen theirs stabilise as well; however, their processing capacities continue to go up, so they need to sustain that capacity. This creates a strong demand for West African crops," Suraj Rao, second vice-president of the AEC-CI, told OBG. Vietnam's processing capacity, for example, has increased significantly: imports by cashew processors in Vietnam have risen from some 700,000 tonnes in 2015 to approximately 1.1m tonnes in 2016, with early estimates outlining 1.3m tonnes of imported raw cashew in 2017. This provides Côte d'Ivoire with a strong export market.

Following a ruling made by ministry authorities in February 2017, minimum guaranteed prices per kg paid to cashew growers was increased to CFA440 ((EURO)0.66) for the 2017 season, up from CFA350 ((EURO)0.53) in 2016. Similar to the approach taken for the cocoa segment, the government has used minimum price guarantees to secure sufficient returns for growers. Local cashew farmers earned a total of CFA325bn ((EURO)487.5m) over the 2016 season. "At the moment I don't see any reason why the prices should go down, unless there is a huge increase in production, or supply and demand dynamics change drastically, but as of now, supply and demand looks to be in balance," Rao told OBG.

Currently, only 60,000 tonnes of the country's total 700,000-tonne cashew crop is processed locally. Authorities are aiming to raise local cashew processing to 50% by 2020, with several incentives already put in place to encourage domestic players. "Cashew offers great opportunities in terms of the creation of a local value chain," Kinapara Coulibaly, CEO of the National Office for Technical and Development Studies, told OBG. "We need to choose crops that will allow us to create a competitive and sustainable ***agricultural*** processing industry."

**Cotton**

Cotton growers have expanded their reach in recent years, with production areas increasing from 185,000 ha in the 2009/10 season to over 402,000 ha by 2015/16, according to data from Intercotton, Côte d'Ivoire's main professional cotton organisation. However, total production still alternates from year to year, due to the soil-depleting nature of the crop, with output reaching 450,000 tonnes of cotton seeds in the 2014/15 season, only to decrease to 310,000 tonnes in 2015/16.

The government has set the goal to ***produce*** 600,000 tonnes of cotton per year by 2020, and has been implementing a zoning policy for cotton production and processing to help increase the efficiency of the segment. As with other targeted ***produce***, authorities have established minimum prices for cotton growers, awarding CFA265 ((EURO)0.40) per kg for the 2016/17 season.

**Rice**

As in many other countries, rice has become a ***strategic*** staple for Côte d'Ivoire. Rice production rose from 1270 tonnes in 2012 to 1400 tonnes in 2015, but declined slightly to 1340 tonnes in 2016, according to the National Office for Rice Development (Office National du Développement du Riz, ONDR). Raising the domestic output of rice has been a government priority since the first PNIA, and is a key component of broader efforts to improve national food security. One critical step was the establishment of the ONDR in 2012, which is charged with improving conditions for rice farmers, as well as overseeing and monitoring the segment.

Although rural areas are self-sufficient, with the rice consumed and grown in these areas being relatively equal, when you take the urban areas of the country into account, the overall domestic production is still below national consumption levels. Rice is therefore imported to meet this deficiency, with a sizeable volume of rice imports also being re-exported on to Côte d'Ivoire's landlocked neighbours. New consumer demand for higher-end rice varieties has fuelled new imports as well. According to statistics from the ONDR, total consumption needs in 2016 reached 1.7m tonnes, while domestic production of rice reached 1.3m tonnes. More than 1.3m tonnes of rice was imported into Côte d' Ivoire, but roughly 166,000 tonnes of this number was then re-exported. Looking ahead, authorities are implementing ***plans*** that will focus on increasing production yields and processing capacity, as well as facilitating market access for farmers.

The government has estimated the country will reach self-sufficiency for rice by 2019. "Achieving this will mean that there is enough locally harvested rice to feed the country's needs," Yves Joël Dirabou, director of ***planning*** and evaluation at the ONDR, told OBG. "The consumer will still be able to choose to buy imported rice, but there will be enough local supply to cover our needs." It is expected that domestic production will surpass 2m tonnes per year by 2020, after which point the country aims to become a regional rice exporter.

**Coffee**

While the country has traditionally ranked third in the continent for coffee production - coming after Ethiopia and Uganda - Côte d'Ivoire's coffee output has lost ground from its peak production levels of 380,000 tonnes in 2000, falling to an average of 100,000 tonnes per year, according to a 2017 report from the Cocoa-Coffee Council.

The government aims to push production volumes back up to 200,000 tonnes by 2020, and has focused on renovating coffee areas with stronger coffee varieties. Under this ***plan***, authorities commissioned more than 30,000 ha to be replanted with coffee trees by mid-2017. However, climate conditions over the 2016/17 coffee season negatively impacted production. At the end of June 2017, which is typically the midpoint of the coffee production season, roughly 28,000 tonnes had been ***produced***, a substantial reduction from the 104,000 tonnes ***produced*** over the same period the previous year.

As part of efforts to encourage more coffee growers to enter the market, authorities have steadily raised the minimum guaranteed price paid to ***producers***, boosting it from CFA620 ((EURO)0.93) per kg in 2012/13 to CFA750 ((EURO)1.13) per kg in 2016/17. As of early 2018, only 19% of the country's coffee production is transformed locally, but the government's goal is to increase this rate to 35% by 2020. The sector's future will depend on support ***programmes*** to counter the lower production levels resulting from coffee areas undergoing restoration.

**Hevea**

The government has already seen positive results from its focused efforts to bolster the country's hevea segment, with output volumes growing from around 402,000 tonnes in 2015 to reach 468,000 tonnes in 2016, according to the Professional Association of Natural Rubber of Côte d' Ivoire (Association des Professionnels du Caoutchouc Naturel de Côte d'Ivoire, APROMAC).

Côte d'Ivoire is the largest ***producer*** of hevea in Africa, accounting for 60% of the continent's total output. The government has targeted production volumes of 600,000 tonnes per year by 2020. Yielding monthly incomes for growers, hevea plantations are a relatively low-risk crop for farmers looking to diversify their income, and the price of hevea has risen significantly in recent years, making it an increasingly popular crop. In addition to new hevea farmers joining the market, it is also starting to replace other subsistence crops, such as manioc and banana. Despite the overall upsurge, however, hevea prices have fallen from their 2011 peak of CFA766 ((EURO)1.15) per kg to CFA228 ((EURO)0.34) per kg in February 2016. However, prices began to rebound in September 2016, registering a CFA150 ((EURO)0.23) increase over the first five months of 2017.

**Hevea Prices**

The acute reliance of the hevea industry on export markets has left it vulnerable to global price fluctuations. As a result, hevea output variations from Thailand - which is the world's biggest hevea ***producer*** - have a notable impact on international prices for the commodity. Despite this, the segment still serves an important economic earner, bringing in CFA362bn ((EURO)543m) to the Ivorian economy in 2016 and providing employment for 160,000 farmers, according to APROMAC.

Hevea has traditionally been harvested in the southern regions of the country, though plantation areas have been moving further north in recent years. Hevea trees typically start ***producing*** after six years and have an average lifespan of 30 years. As of September 2017, there were 562,000 ha of hevea plantations in the country, of which some 512,000 ha was made up of smallholder farms, while the remaining 50,000 ha was managed directly by large-scale ***producers***. The vast majority of hevea ***producers*** have been adequately incorporated within the supply chain of natural rubber ***producers***. Generally, the income from hevea is paid to farmers via multinational companies that buy raw hevea ***produce*** and transform it. For the most part, farmers need to be included in the supply chain of a multinational, otherwise they face being forced to turn to the illegal market to sell their ***produce***.

A regulatory body to simultaneously oversee the hevea and palm oil industries is currently in the process of being set up. Following governing bodies that have been set up for the cocoa, coffee, cotton and cashew segments, this new authority will group industry professionals, growers and government representatives. The new draft law providing for the creation of the dual-segment regulatory body was adopted in late 2016, but the details for its implementation were not released as of early 2018.

The hevea segment is also expected to benefit from increased processing capabilities, with 12 processing units expected to be operational by the end of 2017. Furthermore, a joint ***programme*** between the AFD and the World Bank is scheduled to allocate up to CFA6bn ((EURO)9m) to developing value chains in the hevea segment over the 2016-20 period.

**Fruits**

Côte d'Ivoire's natural conditions make it ideal for fruit production, with pineapple and banana traditionally representing most of the country's fruit exports. Pineapple, once a major export for Côte d'Ivoire, has since seen production levels severely undercut by the civil conflict. Annual production of pineapple has fallen from 230,000 tonnes in 2002 to approximately 30,000 tonnes in 2017, according to figures by the country's Central Organisation for Banana and Pineapple ***Producers*** and Exporters (Organisation Centrale des Producteurs Exportateurs d'Ananas Banane, OCAB).

The sector remains organised around small cooperatives, but the market share of exports, which are primarily sent to European countries, was badly affected by stronger competition from Latin America. In the 1990s Costa Rica accelerated exports of its own pineapple variety, which is less acidic than the Smooth Cayenne pineapples that are ***produced*** in Côte d'Ivoire. In addition, Côte d'Ivoire exports 300,000 tonnes of banana annually, mostly to European countries, such as Germany, the UK, France and Belgium. For the most part, fruit has generally been exported to international markets further abroad, but improving economic conditions in the region may, over time, create closer potential markets. "Export is not always the way to go. You have a growing middle class that requires quality ***agricultural*** ***produce***, both in Côte d'Ivoire as well as in the rest of the sub-region. There is local demand for quality products," Paul Jeangille, executive secretary at OCAB, told OBG.

**Outlook**

Supported by public financing and multilateral organisations, a host of long-term development strategies are improving production techniques across the board, even though there have been some coordination issues in implementation. Given the sector's strong foundations, it is likely to continue attracting investment inflows, though this will be dependent on the overarching political stability. Infrastructure improvements will also be necessary to enhance the storage capacity for higher levels of ***agricultural*** output. According to the African Development Bank's "African Economic Outlook 2017", the existing lack of inadequate conditioning and storage facilities is causing losses in several ***produce*** segments that are key to food security. It is estimated that 10% of manioc production, 30% of yams, and as much as 40% of all domestically ***produced*** plantain is currently lost due to insufficient infrastructure.

In addition, the current lack of roadway connections hinders ***agricultural*** ***produce*** from reaching the domestic market, especially in more isolated areas in the north of the country, where a part of the ***agricultural*** output ends up being sold to neighbouring countries - often informally - because they are more accessible. Despite these persisting challenges, a combination of private and public investment, coupled with improved techniques and a continued effort to diversify ***agricultural*** production, will strengthen growth over the medium term.

**Load-Date:** March 12, 2020

**End of Document**



[***-New winners of Bayer Early Excellence in Science Award: EUR 30,000 for international research scientists***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S06-HC01-F0K1-N0F8-00000-00&context=1516831)

ENP Newswire

March 29, 2018 Thursday

Copyright 2018 Normans Media Limited All Rights Reserved



**Length:** 1505 words

**Body**

Leverkusen - The new winners of the Bayer Early Excellence in Science Award have been announced.

The prizes, each worth EUR 10,000, have been awarded by an independent scientific committee of the Bayer Science & Education Foundation. The Bayer foundation presents for the sevens time the international Bayer Early Excellence in Science Award to excellent young scientists and physicians in the early stages of their academic and clinical research careers. The prizes will be awarded on June, 25th at the Bayer Foundation Day in Berlin.

'Research and science excellence play a central role for the life science company Bayer. I am delighted that these prizes give us the opportunity to support and motivate outstanding talents in Life Sciences and medicine,' said Kemal Malik, member of the Board of Management of Bayer AG responsible for Innovation, and member of the Board of Directors of the foundation. 'Bayer's innovation strategy has a long-standing history for exchange and partnership with academia. The promotion of up-coming leaders in research is an important element in our ***program***. This early dialogue opens ***strategic*** partnership opportunities and thus is a key to future success of applied innovation,' continued Malik.

This international talent award was first presented in 2009. It is awarded in the three categories biology, chemistry and medical science. The selection is made on the basis of the originality and quality of candidates' research and the significance of this work for the respective award category.

Molecular mechanisms of ribosomal RNA synthesis revealed by structural studies Ribosomes are the molecular factories that synthesize proteins in all living organisms. Assembling these factories requires a multitude of players, first and foremost the ribosomal RNAs. Synthesis of these RNAs is tightly regulated and a main determinant of cellular growth. For this purpose, a dedicated 'polymerase' machinery, the RNA polymerase (Pol) I has evolved.

Using cutting-edge structural biology methods, Dr. Christoph Engel significantly contributed to understanding the molecular basis of ribosomal RNA transcription. He obtained his PhD working at the Gene Center of the Ludwig-Maximilians-University in Munich with Prof. Patrick Cramer. During this period, he solved the first 3D structure of the complete RNA polymerase I at atomic resolution using X-ray crystallography. Engel then continued to study the molecular basis of initiation and regulation of the Pol I transcription machinery at the Max-Planck-Institute for Biophysical Chemistry in Gottingen. By employing recent advances in cryo-electron microscopy, he and his team were able to elucidate the structure of intermediate complexes and contributed to constructing the first comprehensive model of a complete Pol I transcription cycle. In addition, these studies may prove important for pharmaceutical research addressing cellular growth and differentiation depend on Pol I activity. Some of these studies will be pursued in Engel's newly established research group at the University of Regensburg.

Molecular complexity through catalysis: selective functionalization of alkenes and alkynes A catalyst can significantly accelerate the rate of a chemical reaction. The added value of catalysis in the chemical industry is of great importance, since more than 80 percent of all chemical products are ***produced*** by catalytic processes. By optimizing them, the energy and resource requirements can be decisively reduced.

Dr. Keary M. Engle graduated Phi Beta Kappa and summa cum laude from the University of Michigan in 2007, where he carried out research with Prof. Adam J. Matzger. A Fulbright Scholar, he spent the follow year studying under the tutelage of Prof. Manfred T. Reetz at the Max-Planck-Institut fur Kohlenforschung in Germany. As an NSF and NDSEG predoctoral fellow, Keary completed his graduate work jointly at The Scripps Research Institute with Prof. Jin-Quan Yu and the University of Oxford with Profs. Veronique Gouverneur and John M. Brown, earning a PhD in Chemistry and a DPhil in Biochemistry in 2013.

His graduate research focused on enhancing the rate of Pd(II)-catalyzed C-H activation. From 2013 to 2015, Keary was an NIH Postdoctoral Fellow with Prof. Robert H. Grubbs at Caltech, where his research elucidated an empirical model for rationalizing and predicting initiation rates of a commonly used class of olefin metathesis catalysts. Keary joined the faculty at The Scripps Research Institute as an Assistant Professor of Chemistry in the summer of 2015. His independent lab seeks to invent a variety of selective catalytic reactions to functionalization carbon-carbon bonds to prepare valuable target motifs.

Understanding the neurobiology of recovery post-stroke

Stroke is the second most common cause of death worldwide, responsible for almost seven million deaths each year. Of those who survive a stroke, five million are left disabled every year. Stroke may result in severely restricted movement, paralysis, loss of speech or vision, which may be permanent.

Dr. Hayward is a clinician-neuroscientist who completed her Bachelor of Physiotherapy at James Cook University Townsville Australia, PhD in Rehabilitation Sciences at the University of Queensland Brisbane Australia, and the first phase of her National Health and Medical Research Council (NHMRC) of Australia Early Career Fellowship at the University of British Columbia Vancouver Canada. She is currently undertaking the second phase of her Early Career Fellowship at the Florey Institute of Neuroscience and Mental Health Melbourne Australia.

Hayward's research to date has focused on upper limb rehabilitation as a model to understand the neurobiology of recovery post-stroke. Her work has demonstrated that current approaches to upper limb rehabilitation help patients recover a little bit of function, but do not enable patients to achieve large, clinically meaningful gains. Current approaches are likely limited because they are one-size-fits-all; offering too little rehabilitation too late in the recovery timeline. Hayward's current work aims to leverage within human stroke trials the knowledge about neurobiology defined in preclinical models of stroke. Her clinical trials are designed to support development of new approaches that are focused on 'right patient, time, ***intervention*** and dose'. Dr. Hayward's work is aligned with the international vision of the Stroke Rehabilitation and Recovery Roundtable taskforce, of which she is a member.

The prize is awarded by the Bayer Science & Education Foundation. The primary objectives of the foundation are the recognition of outstanding research achievements, the promotion of talented scientists and support for important school science projects. In terms of content, the support and partnership activities focus on life sciences and medicine with impact on humanity's grand health challenges and the nutrition crisis. The foundation honors outstanding research achievements every two years with the Otto Bayer Award and in alternate years with the Hansen Family Award, each of which carries a cash award of EUR 75,000. The ***program*** is rounded off by two prizes for up-and-coming researchers: The international Bayer Early Excellence in Science Award is presented annually in the categories biology, chemistry and medical science, each with prize money of EUR 10,000, while the Bayer Thrombosis Research Award, which supports scientists in the German-speaking region whose work focuses on basic and clinical research into thrombosis, is presented every two years and has prize money of EUR 30,000.

About Bayer

Bayer is a global enterprise with core competencies in the Life Science fields of health care and ***agriculture***. Its products and services are designed to benefit people and improve their quality of life. At the same time, the Group aims to create value through innovation, growth and high earning power. Bayer is committed to the principles of sustainable development and to its social and ethical responsibilities as a corporate citizen. In fiscal 2017, the Group employed around 99,800 people and had sales of EUR 35.0 billion. Capital expenditures amounted to EUR 2.4 billion, R&D expenses to EUR 4.5 billion. For more information, go to[*www.bayer.com*](http://www.bayer.com).

Forward-Looking Statements

This release may contain forward-looking statements based on current assumptions and forecasts made by Bayer management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at   [*www.bayer.com*](http://www.bayer.com). The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

Contact:

Tel: +49 214 30-1

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** March 29, 2018

**End of Document**



[***-New winners of Bayer Early Excellence in Science Award - EUR 30,000 for international research scientists***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5S06-HC01-F0K1-N0M4-00000-00&context=1516831)

ENP Newswire

March 29, 2018 Thursday

Copyright 2018 Normans Media Limited All Rights Reserved



**Length:** 1512 words

**Body**

Leverkusen - The new winners of the Bayer Early Excellence in Science Award have been announced.

The prizes, each worth EUR 10,000, have been awarded by an independent scientific committee of the Bayer Science & Education Foundation. The Bayer foundation presents for the sevens time the international Bayer Early Excellence in Science Award to excellent young scientists and physicians in the early stages of their academic and clinical research careers. The prizes will be awarded on June, 25th at the Bayer Foundation Day in Berlin.

'Research and science excellence play a central role for the life science company Bayer. I am delighted that these prizes give us the opportunity to support and motivate outstanding talents in Life Sciences and medicine,' said Kemal Malik, member of the Board of Management of Bayer AG responsible for Innovation, and member of the Board of Directors of the foundation. 'Bayer's innovation strategy has a long-standing history for exchange and partnership with academia. The promotion of up-coming leaders in research is an important element in our ***program***. This early dialogue opens ***strategic*** partnership opportunities and thus is a key to future success of applied innovation,' continued Malik.

This international talent award was first presented in 2009. It is awarded in the three categories biology, chemistry and medical science. The selection is made on the basis of the originality and quality of candidates' research and the significance of this work for the respective award category.

Molecular mechanisms of ribosomal RNA synthesis revealed by structural studies

Ribosomes are the molecular factories that synthesize proteins in all living organisms. Assembling these factories requires a multitude of players, first and foremost the ribosomal RNAs. Synthesis of these RNAs is tightly regulated and a main determinant of cellular growth. For this purpose, a dedicated 'polymerase' machinery, the RNA polymerase (Pol) I has evolved.

Using cutting-edge structural biology methods, Dr. Christoph Engel significantly contributed to understanding the molecular basis of ribosomal RNA transcription. He obtained his PhD working at the Gene Center of the Ludwig-Maximilians-University in Munich with Prof. Patrick Cramer. During this period, he solved the first 3D structure of the complete RNA polymerase I at atomic resolution using X-ray crystallography. Engel then continued to study the molecular basis of initiation and regulation of the Pol I transcription machinery at the Max-Planck-Institute for Biophysical Chemistry in Gottingen. By employing recent advances in cryo-electron microscopy, he and his team were able to elucidate the structure of intermediate complexes and contributed to constructing the first comprehensive model of a complete Pol I transcription cycle. In addition, these studies may prove important for pharmaceutical research addressing cellular growth and differentiation depend on Pol I activity. Some of these studies will be pursued in Engel's newly established research group at the University of Regensburg.

Molecular complexity through catalysis: selective functionalization of alkenes and alkynes

A catalyst can significantly accelerate the rate of a chemical reaction. The added value of catalysis in the chemical industry is of great importance, since more than 80 percent of all chemical products are ***produced*** by catalytic processes. By optimizing them, the energy and resource requirements can be decisively reduced.

Dr. Keary M. Engle graduated Phi Beta Kappa and summa cum laude from the University of Michigan in 2007, where he carried out research with Prof. Adam J. Matzger. A Fulbright Scholar, he spent the follow year studying under the tutelage of Prof. Manfred T. Reetz at the Max-Planck-Institut fur Kohlenforschung in Germany. As an NSF and NDSEG predoctoral fellow, Keary completed his graduate work jointly at The Scripps Research Institute with Prof. Jin-Quan Yu and the University of Oxford with Profs. Veronique Gouverneur and John M. Brown, earning a PhD in Chemistry and a DPhil in Biochemistry in 2013.

His graduate research focused on enhancing the rate of Pd(II)-catalyzed C-H activation. From 2013 to 2015, Keary was an NIH Postdoctoral Fellow with Prof. Robert H. Grubbs at Caltech, where his research elucidated an empirical model for rationalizing and predicting initiation rates of a commonly used class of olefin metathesis catalysts. Keary joined the faculty at The Scripps Research Institute as an Assistant Professor of Chemistry in the summer of 2015. His independent lab seeks to invent a variety of selective catalytic reactions to functionalization carbon-carbon -bonds to prepare valuable target motifs.

Understanding the neurobiology of recovery post-stroke

Stroke is the second most common cause of death worldwide, responsible for almost seven million deaths each year. Of those who survive a stroke, five million are left disabled every year. Stroke may result in severely restricted movement, paralysis, loss of speech or vision, which may be permanent.

Dr. Hayward is a clinician-neuroscientist who completed her Bachelor of Physiotherapy at James Cook University Townsville Australia, PhD in Rehabilitation Sciences at the University of Queensland Brisbane Australia, and the first phase of her National Health and Medical Research Council (NHMRC) of Australia Early Career Fellowship at the University of British Columbia Vancouver Canada. She is currently undertaking the second phase of her Early Career Fellowship at the Florey Institute of Neuroscience and Mental Health Melbourne Australia.

Hayward's research to date has focused on upper limb rehabilitation as a model to understand the neurobiology of recovery post-stroke. Her work has demonstrated that current approaches to upper limb rehabilitation help patients recover a little bit of function, but do not enable patients to achieve large, clinically meaningful gains. Current approaches are likely limited because they are one-size-fits-all; offering too little rehabilitation too late in the recovery timeline. Hayward's current work aims to leverage within human stroke trials the knowledge about neurobiology defined in preclinical models of stroke. Her clinical trials are designed to support development of new approaches that are focused on 'right patient, time, ***intervention*** and dose'. Dr. Hayward's work is aligned with the international vision of the Stroke Rehabilitation and Recovery Roundtable taskforce, of which she is a member.

The prize is awarded by the Bayer Science & Education Foundation. The primary objectives of the foundation are the recognition of outstanding research achievements, the promotion of talented scientists and support for important school science projects. In terms of content, the support and partnership activities focus on life sciences and medicine with impact on humanity's grand health challenges and the nutrition crisis. The foundation honors outstanding research achievements every two years with the Otto Bayer Award and in alternate years with the Hansen Family Award, each of which carries a cash award of EUR 75,000. The ***program*** is rounded off by two prizes for up-and-coming researchers: The international Bayer Early Excellence in Science Award is presented annually in the categories biology, chemistry and medical science, each with prize money of EUR 10,000, while the Bayer Thrombosis Research Award, which supports scientists in the German-speaking region whose work focuses on basic and clinical research into thrombosis, is presented every two years and has prize money of EUR 30,000.

About Bayer

Bayer is a global enterprise with core competencies in the Life Science fields of health care and ***agriculture***. Its products and services are designed to benefit people and improve their quality of life. At the same time, the Group aims to create value through innovation, growth and high earning power. Bayer is committed to the principles of sustainable development and to its social and ethical responsibilities as a corporate citizen. In fiscal 2017, the Group employed around 99,800 people and had sales of EUR 35.0 billion. Capital expenditures amounted to EUR 2.4 billion, R&D expenses to EUR 4.5 billion.

Forward-Looking Statements

This release may contain forward-looking statements based on current assumptions and forecasts made by Bayer management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at [*www.bayer.com*](http://www.bayer.com). The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

Media Contact:

Dr. Katharina Jansen

Tel: +49 214 30-33243

Fax: +49 214 30-58923

Email: [*katharina.jansen@bayer.com*](mailto:katharina.jansen@bayer.com)

[Editorial queries for this story should be sent to [*newswire@enpublishing.co.uk*](mailto:newswire@enpublishing.co.uk) ]

**Load-Date:** March 29, 2018

**End of Document**



[***New products in the dairy aisle: May***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5SFS-8381-DYNP-M0JH-00000-00&context=1516831)

DairyReporter.com

May 31, 2018 Thursday 8:10 AM GMT+1

Copyright 2018 William Reed Business Media Ltd. All Rights Reserved

**Length:** 2628 words

**Byline:** Jim Cornall, , [*Jim.Cornall@wrbm.com*](mailto:Jim.Cornall@wrbm.com)

**Body**

It's time for our monthly round-up of new products from around the world hitting the shelves in the dairy aisles.

It has certainly been a bumper month for launches, with yogurts, cheeses, flavored milk, butter and ice creams from around the world. As always, if you have a new product to share, or have seen one you think we need to include, please [*send us the details*](mailto:Jim.Cornall@wrbm.com)  , along with an image of the product.

Breakfast on the go from Arla

In the UK, Arla Foods launches into the breakfast food-to-go market with the introduction of its new Milk & Oats range of ready to drink beverages.

Milk & Oats is a blend of skimmed milk, wholegrain oats and natural flavor that will launch in two variants Maple and Vanilla.

Arla said the product combines the convenience that on the go shoppers with a product high in fiber and protein, low in fat and a source of calcium.

Milk & Oats is available in 250ml bottles from Nisa, Co-Op and Sainsbury s.

Twenty new products from Unilever

In the US, Unilever Ice Cream has added 20 new frozen treats across five of its packaged ice cream and frozen novelty brands: Breyers, Good Humor, Klondike, MAGNUM Ice Cream and Popsicle.

Available nationwide, the new products include first-of-its-kind ice cream experience MAGNUM Tubs, new sizes like snackable Klondike Minis, and more from Breyers, Popsicle and Good Humor.

Magnum Ice Cream debuts tubs

In the US, Magnum Tubs have reimagined Magnum's ice cream bar as a scoopable treat that is fully encased in a chocolate cracking shell and topped with a Magnum chocolate stamp.

Magnum Milk Chocolate Vanilla features vanilla ice cream and thick chocolate shards, all surrounded by a cracking Magnum chocolate shell and topped with the Magnum chocolate stamp. Made with Belgian chocolate.

Magnum Dark Chocolate Raspberry includes raspberry ice cream and dark chocolate shards, surrounded by a cracking Magnum dark chocolate shell and topped with the Magnum chocolate stamp. Made with 65% cacao.

Magnum Milk Chocolate Hazelnut combines hazelnut ice cream with caramelized hazelnuts and thick chocolate shards, surrounded by a cracking Magnum chocolate shell and topped with caramelized hazelnuts. Made with Belgian chocolate.

Magnum White Chocolate Vanilla uses vanilla ice cream and thick white chocolate shards, surrounded by a cracking white chocolate shell and topped with the Magnum chocolate stamp. Made with Belgian chocolate.

In addition to Magnum Tubs, the brand is bringing two new varieties to its Doubles ice cream bar line. The new bars are twice-dipped for a double decadent experience:

Magnum Double Cherry Truffle features cherry ice cream swirled with chocolate ganache and dipped in a chocolatey coating, with a cherry sauce and milk chocolate. Made with Belgian chocolate.

Magnum Mini Double Raspberry pairs raspberry ice cream dipped in a chocolatey coating, with a raspberry sauce and milk chocolate. Made with Belgian chocolate.

Breyers 2in1s

Breyers is introducing four new 2in1s combinations.

Breyers 2in1 Oreo Chips Ahoy! swirls Breyers Vanilla and Caramel with Oreo cookie pieces and Chips Ahoy! cookie pieces.

Breyers 2in1 Reese's Pieces blends Breyers Peanut Butter and Chocolate with Reese's peanut butter cup pieces and Reese's Pieces mini candies.

Breyers 2in1 Snickers M&M's brings together Breyers Caramel and Chocolate light ice cream with pieces of Snickers bar and M&M's Minis milk chocolate candies.

Breyers 2in1 Heath Waffle Cone mixes Breyers Vanilla and Chocolate with Heath toffee pieces and fudge-covered waffle cone pieces.

Breyers delights Minis in new 4-ounce size

Breyers delights launched in summer 2017 with 260-330 calories per pint. This spring, Breyers delights is introducing new Minis. At 70-80 calories and five grams of protein per 4-ounce cup, Breyers delights Minis come in two flavors:

Breyers delights Mini Vanilla Cupcake is made with low-fat vanilla ice cream, cupcake batter and loaded with sprinkles at 80 calories per cup.

Breyers delights Mini Creamy Chocolate is made with low-fat chocolate ice cream and cocoa at 70 calories per cup.

Popsicle Expands lineup

This year, the brand is releasing Popsicle Fruit Pops in four flavors. Made with five ingredients: water, fruit, cane sugar, vitamin C and natural flavors, each ice pop contains fewer than 45 calories and 11 grams of sugar.

Popsicle Strawberry Fruit Pops

Popsicle Mango Fruit Pops

Popsicle Orange Fruit Pops

Popsicle Raspberry Fruit Pops

Klondike new Minis

Klondike is introducing its first-ever line of Minis.

Klondike Minis Original offers the brand's vanilla ice cream coated in a chocolatey shell.

Klondike Minis Reese's features Reese's flavored ice cream in a chocolatey shell.

Good Humor adds peanut butter twist

This year, Good Humor has collaborated with Reese's to bring a new variety to market:

Good Humor Reese's Dessert Bar is a dessert bar blended with Reese's peanut butter sauce and covered in Good Humor cake coating.

Farming Together helps dairy co-op launch flavored milks

In Australia, New South Wales (NSW) consumers now have a wider choice of flavored milks with farmer-owned Berry Rural Co-op expanding its product range, backed by Farming Together.

The co-op received A$131,000 (US$98,750) from Farming Together, to help develop a ***strategic*** ***plan***, a business ***plan*** and a governance ***program*** as well as a succession ***plan*** and marketing ***plan***.

The Farm Co-operative and Collaboration ***Program*** (Farming Together) is a two-year, A$13.8m (US$10.4m) initiative from the Australian Government designed to help ***agricultural*** groups value-add, secure premium pricing, scale-up production, attract capital investment, earn new markets or secure lower input costs.

The co-op decided to expand into flavored milks after a study undertaken with help from the ***program***.

The six dairy farm-co-op launched the range of full-cream, full-flavored milks in chocolate, strawberry and iced coffee flavors.

The milks, branded South Coast Dairy, come in 300ml, 500ml and two-liter packaging.

Arla s Lurpak launches new Softest

In the UK, Lurpak is to expand its spreadable product portfolio with the launch of Lurpak Softest, a new soft blend butter that is spreadable straight from the fridge.

To make Lurpak Softest, Arla blended Lurpak butter, buttermilk retained from churning and rapeseed oil.

Lucy Hurrell-Morgan, brand manager for Lurpak, said,  Research shows that 92% of consumers spread butter straight from the fridge so we really wanted to address the issue of spreadability which we know is a barrier to purchase. With the new recipe we have created for Lurpak Softest, we can tap in to the increasing consumer demand for convenience, but with the taste and naturalness of butter.

New cottage cheese from Dean Foods

In the US, Dean Foods is working to help cottage cheese gain back some market share, with the launch of DairyPure Mix-ins, a new line of cottage cheese that taps into the importance of portability with its single-serve containers.

Mix-ins, the newest extension for the DairyPure brand, is a range of four fruit and nut toppings.

Dean recognized key market trends that showed snacks are replacing meals and the importance of convenience, high protein and real ingredients in consumers food, all of which sparked the idea for Mix-ins.

Each 5.3 oz. cup of DairyPure Mix-ins contains more than 15 grams of protein -- twice the amount in an equal serving of regular yogurt. The blueberry, peach & pecan, pineapple and strawberry & almond Mix-ins are made with real fruit and nuts and no artificial flavors or sweeteners.

The products are regionally available across the country.

Nature One Dairy launches organic infant formula

Australia s Nature One Dairy has launched its range of organic infant formula in China; it will be launched in Singapore in early July.

Targeted at infants and toddlers from newborn to three years old, the organic infant formula is Australian Certified Organic (ACO), Australia s largest certifier for organic and biodynamic ***produce***.

Nick Dimopoulos, CEO of Nature One Dairy, said, The demand for pure and clean organic products has been rising and this has extended to infant formula category. Nature One Dairy has carried out product development on the organic range for the past year and we are pleased to finally launch the range.

Dimopoulos added Nature One Dairy will be launching an Organic Cereal range and a fruit and vegetable pouch range suitable for babies aged 4 months over the next three months.

Arla adds to Fibre range

Following the launch of Arla Fibre in the UK earlier this year, Arla Foods is to expand the range with the addition of a new plain variant.

With no added sugar, and 5.3g of fibre per 150g, Arla Fibre s new plain format is a low fat source of the nutrient but without the taste or texture of fibre.

Arla Fibre in plain is available from Tesco stores nationwide in 450g pots.

New organic format for Yeo Valley

In the UK, Yeo Valley is extending its Organic Milk range by launching a new 1.5 liter format in whole, semi-skimmed and skimmed, in Tesco stores nationwide.

Yeo Valley buys its milk from the Organic Milk Suppliers Cooperative (OMSCo). Its partnership with OMSCo has lasted for more than 20 years.

A newly designed label celebrates Yeo Valley s British and organic credentials and communicates the fact that Yeo Valley is a family farm.

Yeo Valley s Organic Milk 1.5 Liter is available from Tesco stores for MRRSP £1.29.

Hiland Dairy launches new ice cream packaging and three new flavors

US company Hiland Dairy is introducing three new ice cream flavors:

Hiland Time Traveler Inspired by the new Time Traveler roller coaster at Silver Dollar City, billed as the world's fastest, steepest and tallest spinning coaster. The new ice cream flavor features French silk ice cream spun with marshmallow bonbons, chocolate flakes and thick fudge sauce.

Caramel Waffle Cone Caramel ice cream with milk chocolate swirls and fudge covered waffle cone pieces.

Cherry Chocolate Chunk Cherry-flavored ice cream with pieces of real cherries and chocolate chunks.

All three new premium flavors are available in 48-ounce and 16-ounce containers and are available at retail locations where Hiland Dairy products are sold.

In addition to the new flavors, Hiland Dairy is introducing new packages in response to consumer and grocer requests for more food label transparency and less packaging waste.

"The new packages align with our improved transparency in food labeling, which we began implementing earlier this year with double labels on our milk products," said Rick Beaman, vice president, Hiland Dairy.

"We also wanted our ice cream packaging to create less consumer waste in landfills, and that's part of our commitment to sustainability and preserving the planet for future generations," Beaman said.

What the French?! ice cream

In June 2018, ice cream What the French?! lands on the shelves in France.

Launched by French by Nature, a four-person start up in Lyon, What the French?! is a range of ice creams, sorbets, yogurts and alcoholic ice creams.

There are nine flavors in the 450ml tub range, which is available in June in supermarkets for 5.20 ($6.04).

The flavors are:

* Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel

1. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
2. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
3. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
4. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
5. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
6. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
7. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
8. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel

Arla BIO in Germany

Launched in new packaging this month is Arla BIO pasture milk with 3.8% fat. The packaging of the durable Arla BIO milk is also notable in that it has the lowest CO<sub>2</sub> footprint in the German market compared to all other UHT milk.

According to the IFEU Institute, the CO2 savings are 72% compared to conventional UHT-milk packaging. The packaging will initially be used exclusively by supermarket Rewe and from July throughout Germany.

The Arla BIO range includes the following products:

Fresh organic pasture milk with 1.5% fat (RRP 1.29/$1.49)

Fresh organic pasture milk with 3.8% fat (RRP 1.39/$1.61)

UHT organic pasture milk with 1.5% fat (RRP 1.29/$1.49)

UHT organic pasture milk with 3.8% fat (RRP 1.39/$1.61)

Müller enters UK spreadable market

In the UK, Müller has launched Müller Spreadable, its first ever branded spreadable in the UK.

Müller Spreadable is made with 73% real churned butter.

Launched exclusively in Tesco on May 21, 2018, consumers will be able to purchase six SKUs. The new Müller Spreadable will be available in slightly salted and unsalted in 400g (RRP £3.00/$4) and 250g (RRP £2.00/$2.65).

In addition, consumers in Tesco will also be able to purchase salted and unsalted Müller Butter (block) in 250g (RRP £2.00). All SKUs will be available throughout the trade later in 2018.

New from TINE

Norwegian company TINE launched a variety of products to the market on April 30.

The dairy company launched two 170g Greek yogurt products with granola, in vanilla and passionfruit flavors. Also launched was an 850g mango and passionfruit yogurt.

In the cheese category, there is a new Jarlsberg Original Staver, six 20g-sticks of Jarlsberg cheese for snacking or packed lunches. In addition, there is a Norvegia version of the snacks, as well as a 16% less fat Norvegia variant.

There are also three 250g shredded cheese package variants: TINE Revet Lettost with 17% fat, a mix of grated Jarlsberg Light, Norvegia Light and Norwegian mozzarella; Norvegia; and a four-cheese version, TINE Revet Ost 4 oster, which includes Jarlsberg, Norvegia, Østavind and Norwegian mozzarella.

Two 190g  Go'morgen UTEN (Good morning, without ) yogurt products have been launched, a passionfruit/coconut and granola variant, and a dragonfruit, raspberry and granola variant.  Both have no added sugar and are sweetened with aspartame and acesulfame K.

For children, there are two 220g Litago Shake milkshake products launched, one in strawberry/banana flavor, and the other in chocolate/caramel.

TINE has also launched two 330ml YT Proteinvann protein water products sweetened with sucralose and containing 13g of whey protein. The two flavors are lemon & lime and strawberry & pomegranate.

Marble Slab Creamery and MaggieMoo's introduce new cereal milk ice cream

For a limited time in the US, Marble Slab Creamery and MaggieMoo's Ice Cream and Treatery are serving up a new Cereal Milk Ice Cream flavor and Cereal Milk Shake.

To complement the new flavor, Birthday Confetti Waffle Cones are also being introduced. Cereal Milk treats will be available in stores nationwide through September 2, 2018.

Cereal Milk Ice Cream is a combination of yellow cake batter and marshmallow flavors. It pairs with Froot Loops and mini marshmallow mix-ins and marshmallow topping.

Blended with Cereal Milk Ice Cream and Froot Loops, the shake features a swirl of marshmallow cream and is topped with whipped cream and a garnish of more Froot Loops.

New shake line

In the US, Atkins Nutritionals Inc. unveiled its new shake line, Atkins Plus Protein & Fiber Shakes.

The shakes come in Creamy Milk Chocolate and Creamy Vanilla and have 30g of dairy protein, 7g of fiber and 20 vitamins and minerals, and boast a low glycemic impact with 1g of sugar.

**Load-Date:** May 31, 2018

**End of Document**



[***FEDERAL REGISTER: Semiannual Regulatory Agenda Pages 1949 - 1961 [FR DOC # 2017-28242]***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RD5-RYN1-JDG9-Y2N0-00000-00&context=1516831)

Impact News Service

January 12, 2018 Friday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 13122 words

**Body**

Washington: Office of the Federal Register has issued the following notice:

Department of Defense ----------------------------------------------------------------------- General Services Administration ----------------------------------------------------------------------- National Aeronautics and Space Administration ----------------------------------------------------------------------- Semiannual Regulatory Agenda Federal Register / Vol. 83 , No. 9 / Friday, January 12, 2018 / Unified Agenda [[Page 1950]] ----------------------------------------------------------------------- DEPARTMENT OF DEFENSE GENERAL SERVICES ADMINISTRATION NATIONAL AERONAUTICS AND SPACE ADMINISTRATION 48 CFR Ch.

1 Semiannual Regulatory Agenda AGENCY: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA). ACTION: Semiannual regulatory agenda. ----------------------------------------------------------------------- SUMMARY: This agenda provides summary descriptions of regulations being developed by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council pursuant to Executive Order 12866 ``Regulatory ***Planning*** and Review,'' 58 FR 51735 (1993), with particular adherence to EO 13771, ``Reducing Regulation and Controlling Costs,'' 82 FR 9339 (2017), EO 13777, ``Enforcing the Regulatory Reform Agenda,'' 82 FR 12285, and the Regulatory Flexibility Act, 5 U.S.C 601 to 612. The purpose of publishing this agenda is to give notice of regulatory activity being undertaken by FAR Council in order to provide the public an opportunity to participate in the rulemaking process. FOR FURTHER INFORMATION CONTACT: Lois Mandell, Division Director, Regulatory Secretariat Division, 1800 F Street NW, 2nd Floor, Washington, DC 20405-0001, 202-501-2735. SUPPLEMENTARY INFORMATION: DoD, GSA, and NASA, under the Office of Federal Procurement Policy (OFPP) Act (41 U.S.C 1303) and the agencies' several statutory authorities, jointly issue and maintain the FAR through periodic issuance of changes published in the Federal Register and ***produced*** electronically as Federal Acquisition Circulars (FACs). The electronic version of the FAR, including changes, can be accessed on the FAR website at [*http://www.acquisition.gov/far*](http://www.acquisition.gov/far). The information provided in the Unified Agenda (Agenda) previews the rulemaking activities that we expect to undertake in the immediate future. The Agenda focuses primarily on those actions expected to result in publication of Advanced Notices of Proposed Rulemaking, Notices of Proposed Rulemaking, or Final Rules within the next 12 months. A fully searchable e-Agenda is available for viewing in its entirety at   [*www.reginfo.gov*](http://www.reginfo.gov) Agenda information is also available at   [*www.regulations.gov*](http://www.regulations.gov), the government-wide website for submission of comments on proposed regulations. Our fall 2017 agenda follows. Dated: November 29, 2017. William F. Clark, Director, Office of Government-wide, Acquisition Policy, Office of Acquisition Policy, Office of Government-wide Policy. DOD/GSA/NASA (FAR)--Prerule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 348....................... Federal Acquisition 9000-AN43 Regulation (FAR); FAR Case 2017-014, Use of Acquisition 360 to Encourage Vendor Feedback. ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Proposed Rule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 349....................... Federal Acquisition 9000-AM94 Regulation (FAR); FAR Case 2015-021; Determination of Fair and Reasonable Prices on Orders Under Multiple Award Contracts. 350....................... Federal Acquisition 9000-AN03 Regulation (FAR); FAR Case 2015-014; Prohibition on Providing Funds to the Enemy. 351....................... FAR Acquisition Regulation 9000-AN31 (FAR); FAR Case 2015-038, Reverse Auction Guidance. 352....................... Federal Acquisition 9000-AN32 Regulation (FAR); FAR Case 2017-005, Whistleblower Protection for Contractor Employees. 353....................... Federal Acquisition 9000-AN34 Regulation; FAR Case 2016- 002, Applicability of Small Business Regulations Outside the United States. 354....................... Federal Acquisition 9000-AN38 Regulation (FAR); FAR Case 2016-013, Tax on Certain Foreign Procurement. 355....................... Federal Acquisition 9000-AN39 Regulation (FAR); FAR Case 2017-003; Individual Sureties. 356....................... Federal Acquisition 9000-AN40 Regulations (FAR); FAR Case 2015-002, Requirements for DD Form 254, Contract Security Classification Specification. 357....................... Federal Acquisition 9000-AN44 Regulation (FAR); FAR Case 2017-013, Breaches of Personally Identifiable Information. 358....................... Federal Acquisition 9000-AN46 Regulation (FAR); FAR Case 2017-011, Section 508-Based Standards in Information and Communication Technology. 359....................... Federal Acquisition 9000-AN47 Regulation (FAR); FAR Case 2016-012, Incremental Funding of Fixed-Price Contracting Actions. 360....................... Federal Acquisition 9000-AN48 Regulation (FAR); FAR Case 2015-037, Definition of ``Information Technology''. 361....................... Federal Acquisition 9000-AN49 Regulation (FAR); FAR Case 2015-028, Performance-Based Payments. 362....................... Federal Acquisition 9000-AN51 Regulation (FAR); Far Case 2015-004, Provisions and Clauses for Acquisitions of Commercial Items and Acquisitions That do not Exceed the Simplified Acquisition Threshold. 363....................... Federal Acquisition 9000-AN53 Regulation (FAR); FAR Case 2017-006, Exception From Certified Cost or Pricing Data Requirements- Adequate Price Competition. 364....................... Federal Acquisition 9000-AN54 Regulation (FAR); FAR Case 2017-010, Evaluation Factors for Multiple- Award Contracts. 365....................... Federal Acquisition 9000-AN56 Regulation (FAR); FAR Case 2017-016, Controlled Unclassified Information (CUI). 366....................... Federal Acquisition 9000-AN57 Regulation (FAR); FAR Case 2017-018, Violation of Arms Control Treaties or Agreements with the United States. 367....................... Federal Acquisition 9000-AN58 Regulation (FAR); FAR 2017-020, Ombudsman for Indefinite-Delivery Contracts. 368....................... Federal Regulation 9000-AN59 Acquisition (FAR); FAR Case 2017-019, Policy on Joint Ventures. [[Page 1951]] 369....................... Federal Acquisition 9000-AN61 Regulation (FAR); FAR Case 2018-003, Credit for Lower-Tier Small Business Subcontracting. 370....................... Federal Acquisition 9000-AN62 Regulation (FAR); FAR Case 2018-002, Protecting Life in Global Health Assistance (Reg ***Plan*** Seq No. 136). ------------------------------------------------------------------------ References in boldface appear in The Regulatory ***Plan*** in part II of this issue of the Federal Register. DOD/GSA/NASA (FAR)--Final Rule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 371....................... Federal Acquisition 9000-AM58 Regulation (FAR); FAR Case 2013-002; Reporting of Nonconforming Items to the Government-Industry Data Exchange ***Program***. 372....................... Federal Acquisition 9000-AM89 Regulation (FAR); FAR Case 2015-015; ***Strategic*** Sourcing Documentation. 373....................... Federal Acquisition 9000-AM90 Regulation (FAR); FAR Case 2013-018; Clarification of Requirement for Justifications for 8(a) Sole Source Contracts. 374....................... Federal Acquisition 9000-AM93 Regulation (FAR); FAR Case 2014-002; Set-Asides Under Multiple Award Contracts. 375....................... Federal Acquisition 9000-AN02 Regulation (FAR); FAR Case 2015-017; Combating Trafficking in Persons-- Definition of ``Recruitment Fees''. 376....................... Federal Acquisition 9000-AN10 Regulation (FAR); FAR Case 2016-007, Non- Retaliation for Disclosure of Compensation Information. 377....................... Federal Acquisition 9000-AN19 Regulation (FAR); FAR Case 2015-005, System for Award Management Registration. 378....................... Federal Acquisition 9000-AN26 Regulation (FAR); FAR Case 2015-039, Audit of Settlement Proposals. 379....................... Federal Acquisition 9000-AN27 Regulation (FAR); FAR Case 2017-001, Paid Sick Leave for Federal Contractors. 380....................... Federal Acquisition 9000-AN28 Regulation (FAR); FAR Case 2015-033, Sustainable Acquisition. 381....................... Federal Acquisition 9000-AN29 Regulation: FAR Case 2016- 005; Effective Communication Between Government and Industry. 382....................... Federal Acquisition 9000-AN35 Regulation (FAR); FAR Case 2016-011, (S) Revision of Limitations on Subcontracting. 383....................... Federal Acquisition 9000-AN37 Regulation (FAR); FAR Case 2017-004, Rate Adjustment of Liquidated Damages. 384....................... Federal Acquisition 9000-AN41 Regulation (FAR); FAR Case 2017-007, Task- and Delivery-Order Protests. 385....................... Federal Acquisition 9000-AN45 Regulation (FAR); FAR Case 2017-009, Special Emergency Procurement Authority. 386....................... Federal Acquisition 9000-AN50 Regulation (FAR); FAR Case 2017-012, Increased Micro-Purchase Threshold for Certain Procurement Activities. ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Completed Actions ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 387....................... Federal Acquisition 9000-AN33 Regulation (FAR); FAR Case 2015-031, Policy on 8(a) Joint Ventures. 388....................... Federal Acquisition 9000-AN52 Regulation (FAR); FAR Case 2017-015, Removal of Fair Pay and Safe Workplaces Rule. ------------------------------------------------------------------------ DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR) Prerule Stage 348. Federal Acquisition Regulation (FAR); FAR Case 2017-014, Use of Acquisition 360 To Encourage Vendor Feedback E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to address the solicitation of contractor feedback on both contract formation and contract administration activities. Agencies would consider this feedback, as appropriate, to improve the efficiency and effectiveness of their acquisition activities. The rule would create FAR policy to encourage regular feedback in accordance with agency practice (both on contract formation and administration activities) and a standard FAR solicitation provision to support a sustainable model for broadened use of Acquisition 360 survey to elicit feedback on the pre-award and debriefing processes in a consistent and standardized manner. Agencies would be able to use the solicitation provision to notify interested sources that a procurement is part of the Acquisition 360 survey and encourage stakeholders to voluntarily provide feedback on their experiences on the pre-award process. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ ANPRM............................... 04/00/18 ANPRM Comment Period End............ 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AN43 [[Page 1952]] DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR) Proposed Rule Stage 349. Federal Acquisition Regulation (FAR); FAR Case 2015-021; Determination of Fair and Reasonable Prices on Orders Under Multiple Award Contracts E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to direct ordering activity contracting officers to make a determination of fair and reasonable pricing when placing an order against using GSA's Federal Supply Schedules (FSS). The Federal Acquisition Streamlining Act (FASA) of 1994 established a preference for the types of information used to assess price reasonableness. This rule establishes a practice that will ensure that prices are fair and reasonable at the time the order is placed under the GSA's Federal Supply Schedules. This government-wide FAR rule will ensure uniform implementation of this FAR change across FAR-based contracts and avoid the proliferation of agency-wide rules and actions (e.g revisions to FAR supplements or issuance of policy guidance) implementing this requirement. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 05/00/18 NPRM Comment Period End............. 07/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AM94 350. Federal Acquisition Regulation (FAR); FAR Case 2015-014; Prohibition on Providing Funds to the Enemy E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement subtitle E of title VIII of the Carl Levin and Howard P. ``Buck'' McKeon National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2015, which prohibits the Government from providing funds to the enemy. The Act requires the Secretary of Defense to notify executive agencies of persons or entities providing funds under certain contracts to persons or entities that are actively opposing the United States or coalition forces where the Armed Forces are actively engaged in a contingency operation; or has failed to exercise due diligence to ensure that none of the funds under certain contracts are provided to those persons or entities. After receiving such notification, the executive agency's Head of the Contracting Activity (HCA) may rescind, void the contract or terminate for default. The HCA's decision is entered into the Federal Awardee Performance and Integrity Information System (FAPIIS), or other formal system of records. Since, review of FAPIIS is required before making certain award decision, this rule helps to prevent the flow of funds to such persons or entities. The statute does not apply to contracts that are equal to or less than $50,000, and contracts performed inside the United States or its outlying areas, or contracts subject to a national security exception. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov) RIN: 9000-AN03 351. FAR Acquisition Regulation (FAR); FAR Case 2015-038, Reverse Auction Guidance E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement policies addressing the effective use of reverse auctions. Reverse auctions involve offerors lowering their pricing over rounds of bidding in order to win federal contracts. This change incorporates guidance from the Office of Federal Procurement Policy (OFPP) memorandum, ``Effective Use of Reverse Auctions,'' which was issued in response to recommendations from the GAO report, Reverse Auctions: Guidance is Needed to Maximize Competition and Achieve Cost Savings (GAO-14-108). Reverse auctions are one tool used by federal agencies to increase competition and reduce the cost of certain items. Reverse auctions differ from traditional auctions in that sellers compete against one another to provide the lowest price or highest-value offer to a buyer. This change to the FAR will include guidance that will standardize agencies' use of reverse auctions help agencies maximize competition and savings when using reverse auctions. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AN31 352. Federal Acquisition Regulation (FAR); FAR Case 2017-005, Whistleblower Protection for Contractor Employees E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement 41 U.S.C 4712, Enhancement of contractor protection from reprisal for disclosure of certain information and makes the pilot ***program*** permanent. The pilot was enacted on January 2, 2013, by section 828 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013. The rule makes clear that contractors and subcontractors are prohibited from discharging, demoting, or otherwise discriminating against an employee as a reprisal for disclosing, to any of the entities such as agency Inspector Generals and Congress, information the employee reasonably believes is evidence of gross mismanagement of a Federal contract; a gross waste of Federal funds; an abuse of authority relating to a Federal contract; a substantial and specific danger to public health or safety; or violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract. This rule enhances [[Page 1953]] whistleblower protections for contractor employees, by making permanent the protection for disclosure of the aforementioned information, and ensuring that the prohibition on reimbursement for legal fees accrued in defense against reprisal claims applies to subcontractors, as well as contractors. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 03/00/18 NPRM Comment Period End............. 05/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov) RIN: 9000-AN32 353. Federal Acquisition Regulation; FAR Case 2016-002, Applicability of Small Business Regulations Outside the United States E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) consistent with SBA's regulation at 13 CFR 125.2 as finalized in their rule Acquisition Process: Task and Delivery Order Contracts, Bundling, Consolidation'' issued on October 2, 2013, to clarify that overseas contracting is not excluded from agency responsibilities to foster small business participation (78 FR 61113). In its final rule, SBA has clarified that, as a general matter, its small business contracting regulations apply regardless of the place of performance. In light of these changes, there is a need to amend the FAR both to bring its coverage into alignment with SBA's regulation and to give agencies the tools they need especially the ability to use set- asides to maximize opportunities for small businesses overseas. SBA intends to include contracts performed outside of the United States in agencies' prime contracting goals beginning in FY 2016. Although inclusion for goaling purposes is not dependent on FAR changes, amending FAR part 19 will allow agencies to take advantage of the tools authorized for providing small business opportunities for contracts awarded outside of the United States. This rule will allow agencies to take advantage of the tools authorized for providing small business opportunities for contracts awarded outside of the United States. This will make it easier for small businesses to receive additional opportunities for contracts performed outside of the United States. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov) RIN: 9000-AN34 354. Federal Acquisition Regulation (FAR); FAR Case 2016-013, Tax on Certain Foreign Procurement E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 37; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement a final rule issued by the Department of the Treasury (published at 81 FR 55133) that implements section 301 of the James Zadroga 9/11 Health and Compensation Act of 2010, Public Law 111347. This section imposes on any foreign person that receives a specified Federal procurement payment a tax equal to two percent of the amount such payment. This rule applies to Federal Government contracts for goods or services that are awarded to foreign persons. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405. Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov) RIN: 9000-AN38 355. Federal Acquisition Regulation (FAR); FAR Case 2017-003; Individual Sureties E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C 137; 51 U.S.C 20113 Abstract: DoD,GSA, and NASA are is proposing to amend the Federal Acquisition Regulation (FAR) to change the kinds of assets that individual sureties must use as security for their individual surety bonds. This change will implement section 874 of the NDAA for FY 2016 (Pub. L. 114-92), codified at 31 U.S.C 9310, Individual Sureties. Individual sureties will no longer be able to pledge real property, corporate stocks, corporate bonds, or irrevocable letters of credit. The requirements of 31 U.S.C 9310 are intended to strengthen the assets pledged by individual sureties, thereby mitigating risk to the Government. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov) RIN: 9000-AN39 356. Federal Acquisition Regulations (FAR); FAR Case 2015-002, Requirements for DD FORM 254, Contract Security Classification Specification E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to require the use of Department of Defense (DoD) Wide Area Workflow (WAWF) for the electronic submission of the DD Form 254, Contract Security Classification Specification. This form is used to convey security requirements regarding classified information to contractors and subcontractors and must be submitted to the Defense Security Services (DSS) when contractors or subcontractors require access to classified information under contracts awarded by agencies covered by the National Industrial Security ***Program*** (NISP). By changing the submittal process of the form from a manual process to an automated one, the government will reduce the cost of maintaining the forms, while also providing a centralized repository for classified contract security requirements and supporting data. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 03/00/18 NPRM Comment Period End............. 05/00/18 ------------------------------------------------------------------------ [[Page 1954]] Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AN40 357. Federal Acquisition Regulation (FAR); FAR Case 2017-013, Breaches of Personally Identifiable Information E.O 13771 Designation: Regulatory. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to create and implement appropriate contract clauses and regulatory coverage to address contractor requirements for breach response consistent with the requirements. This FAR change will implement the requirements outlined in Office of Management and Budget (OMB) Memorandum, M-17-12 ``Preparing for and Responding to a Breach of Personally Identifiable Information'' section V part B. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 03/00/18 NPRM Comment Period End............. 05/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN44 358. Federal Acquisition Regulation (FAR); FAR Case 2017-011, Section 508-Based Standards in Information and Communication Technology E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to incorporate revisions and updates to standards in section 508 of the Rehabilitation Act of 1973, developed by the Architectural and Transportation Barriers Compliance Board (also referred to as the ``Access Board''). This FAR change incorporates the U.S Access Board's final rule, Information and Communication Technology (ICT) Standards and Guidelines, published on January 18, 2017 , which implemented revisions and updates to the section 508-based standards and section 255-based guidelines. This rule is expected to impose additional costs on federal agencies. The purpose is to increase productivity for federal employees with disabilities, time savings due to improved accessibility of federal websites for members of the public with disabilities, and reduced call volumes to federal agencies. Additionally, this rule harmonizes standards with national and international consensus standards which would assist American ICT companies by helping to achieve economies of scale created by wider use of these technical standards. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN46 359. Federal Acquisition Regulation (FAR); FAR Case 2016-012, Incremental Funding of Fixed-Price Contracting Actions E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to allow for incrementally funding of certain fixed-price contracting action to help minimize disruptions to agency operations, and provide Federal acquisition professionals with new funding flexibility for fixed-price contracting actions. The FAR addresses incremental funding on cost reimbursement contracts, however, does not provide coverage on fixed price contracts. Because the FAR is silent on the incremental funding of fixed-price contracts, contracting professionals endorse the full funding of fixed-price contracts as a best practice, however, in many cases full funding is not possible. Implementing this policy will provide the flexibility sought by several agencies. Although individual agencies have implemented policy changes for themselves, making this change to the FAR will provide consistency across Government agencies, from both policy and procedural perspectives. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN47 360. Federal Acquisition Regulation (FAR); FAR Case 2015-037, Definition of ``Information Technology'' E.O 13771 Designation: Regulatory. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to update the definition of ``information technology,'' as directed in the Office of Management and Budget Memo, M-15-14, entitled Management Oversight of Federal Information Technology.'' Specifically, the rule broadens the definition of information technology to include services such as cloud computing and to remove an exemption for information technology embedded in other systems. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ----------------------------------

-------------------------------------- NPRM................................ 06/00/18 NPRM Comment Period End............. 08/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN48 361. Federal Acquisition Regulation (FAR); FAR Case 2015-028, Performance-Based Payments E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA and NASA are proposing to amend the FAR Clause 52.232-32, Performance-Based Payments, to include the text for subcontract flowdown addressed at FAR 32.504(f), but not currently specified in the clause itself. No new requirements are added. This rule takes guidance to prime contractors on the terms and conditions for flowdown of performance-based payments currently in the FAR text and places it in the [[Page 1955]] applicable contract clause so that the contractor can readily see what language is to be used in subcontracts authoring performance-based payments. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov) RIN: 9000-AN49 362. Federal Acquisition Regulation (FAR); FAR Case 2015-004, Provisions and Clauses for Acquisitions of Commercial Items and Acquisitions That Do Not Exceed the Simplified Acquisition Threshold E.O 13771 Designation: Other. Legal Authority: Not Yet Determined Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) with an internal administrative change to support the use of automated contract writing systems and reduce FAR maintenance when clauses are updated. Currently, the FAR provides a single, consolidated list of all provisions and clauses applicable to the acquisition of commercial items. When new clauses applicable to commercial items are added the FAR, a manual process of cross checking and renumbering of the list is employed to conform the FAR, The process is cumbersome and inefficient, and challenging to maintain, especially for contract writing systems. The proposed rule would propose a change to each clause prescription and each clause flowdown for commercial items to specify required information within the prescription/clause itself, without having to cross-check another clause, list or other parts of the FAR. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov) RIN: 9000-AN51 363. Federal Acquisition Regulation (FAR); FAR Case 2017-006, Exception From Certified Cost or Pricing Data Requirements--Adequate Price Competition E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: The proposed rule implements section 822 of the NDAA for FY 2017 (Pub. L . 114-328) to modify the Federal Acquisition Regulation (FAR) for DoD, NASA, and the Coast Guard to amend the FAR to implement exceptions from certified cost or pricing data requirements when price is based on adequate price competition at FAR 15.403(c)(1). This rule also limits the exception for price based on adequate price competition to circumstances in which there is adequate competition that results in at least two or more responsive and viable competing bids. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov) RIN: 9000-AN53 364. Federal Acquisition Regulation (FAR); FAR Case 2017-010, Evaluation Factors for Multiple-Award Contracts E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement section 825 of the NDAA for FY 17 (Pub. L. 114-328). Section 825 amends 10 U.S.C 2305(a)(3) to change the requirement regarding the consideration of cost or price to the Government as a factor in the evaluation of proposals for certain multiple-award task order contracts awarded by DoD, NASA, or the Coast Guard. At the Government's discretion, solicitations for multiple-award contracts, which intend to award the same or similar services to each qualifying offeror, do not require price or cost as an evaluation factor for the base contract award. This will streamline the award of contracts for DoD, NASA, and Coast Guard because they won't have to consider cost or price in the evaluation of the award decision. Relieving the requirement to account for cost or price when evaluating proposals for these types of contracts, which feature competitive orders, will enable procurement officials to focus their energy on establishing and evaluating the non-price factors that will result in more meaningful distinctions among offerors. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov) RIN: 9000-AN54 365. Federal Acquisition Regulation (FAR); FAR Case 2017-016, Controlled Unclassified Information (CUI) E.O 13771 Designation: Regulatory. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement the National Archives and Records Administration (NARA) Controlled Unclassified Information (CUI) ***program*** of Executive Order 13556 of Nov 4, 2010. As the executive agent designated to oversee the Governmentwide CUI ***program***, NARA issued implementing regulations in late 2016 designed to address agency policies for designating, safeguarding, disseminating, marking, decontrolling and disposing of CUI. The NARA rule affects contractors that handle, possess, use, share or receive CUI. The NARA regulation is codified at 32 CFR 2002. This FAR rule is necessary to ensure uniform implementation of the requirements of the CUI ***program*** in contracts across the government, thereby avoiding potentially inconsistent agency-level action. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, [[Page 1956]] DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN56 366.  Federal Acquisition Regulation (FAR); FAR Case 2017-018, Violation of Arms Control Treaties or Agreements With the United States

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement section 1290(c)(3) of the NDAA for FY 2017, which requires the offeror to certify or any of its subsidiaries to certify that it does not engage in any activity that contributed to or is a significant factor in the determination that a country is not in full compliance with its obligations undertaken in all arms control, nonproliferation, and disarmament agreements or commitments to which the United States is a participating state.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   03/00/18 NPRM Comment Period End.............   05/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN57

367.  Federal Acquisition Regulation (FAR); FAR 2017-020, Ombudsman for Indefinite-Delivery Contracts

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) by providing a new clause with contact information for the agency task and delivery order ombudsman as required by FAR.). Specifically, FAR 16.504(a)(4)(v) requires that the name, address, telephone number, facsimile number, and email address of the agency task and delivery order ombudsman be included in solicitations and contracts for an indefinite quantity requirement, if multiple awards may be made for uniformity and consistency.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   02/00/18 NPRM Comment Period End.............   04/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN58

368.  Federal Regulation Acquisition (FAR); FAR Case 2017-019, Policy on Joint Ventures

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement regulatory changes made by the Small Business Administration (SBA), Small Business Mentor Prot[é]g[é] ***Programs***, published on July 25, 2016 (81 FR 48557), regarding joint ventures and to clarify policy on 8(a) joint ventures. The regulatory changes provide industry with a new way to compete for small business or socioeconomic set-asides using a joint venture made up of a mentor and a prot[é]g[é]. The 8(a) joint venture clarification prevents confusion on an 8(a) joint venture's eligibility to compete for an 8(a) competitive procurement.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/00/18 NPRM Comment Period End.............   08/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Janet Fry, ***Program*** Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-3167, Email: [*janet.fry@gsa.gov*](mailto:janet.fry@gsa.gov)     RIN: 9000-AN59

369.  Federal Acquisition Regulation (FAR); FAR Case 2018-003, Credit for Lower-Tier Small Business Subcontracting

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation to implement section 1614 of the National Defense Authorization Act of Fiscal Year 2014, as implemented in the Small Business Administration's final rule issued on December 23, 2016. Section 1614 allows other than small prime contractors to receive small business subcontracting credit for subcontracts their subcontractors award to small businesses.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   04/00/18 NPRM Comment Period End.............   06/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Janet Fry, ***Program*** Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-3167, Email: [*janet.fry@gsa.gov*](mailto:janet.fry@gsa.gov)     RIN: 9000-AN61

370.  Federal Acquisition Regulation (FAR); FAR Case 2018-002, Protecting Life in Global Health Assistance

    Regulatory ***Plan***: This entry is Seq. No. 136 in part II of this issue of the Federal Register.     RIN: 9000-AN62

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Final Rule Stage

371. Federal Acquisition Regulation (FAR); FAR Case 2013-002; Reporting of Nonconforming Items to the Government-Industry Data Exchange ***Program***

    E.O 13771 Designation: Regulatory.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to expand Government and contractor requirements for reporting of nonconforming items. This rule partially implements section 818 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2012 and implement requirements of the Office of Federal Procurement Policy (OFPP) Policy Letter 91-3, entitled Reporting Nonconforming Products,'' dated April 9, 1991. This change will help mitigate the growing threat that counterfeit items pose when used in systems vital to an agency's mission. The primary benefit of this rule is to reduce the risk of counterfeit items entering the supply chain by ensuring that contractors report suspect items to a widely available database. This will allow the

[[Page 1957]]

contracting officer to provide disposition instructions for counterfeit or suspect counterfeit items in accordance with agency policy. In some cases, agency policy may require the contracting officer to direct the contractor to retain such items for investigative or evidentiary purposes.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/10/14  79 FR 33164 NPRM Comment Period End.............   08/11/14 Final Rule..........................   06/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AM58

372. Federal Acquisition Regulation (FAR); FAR Case 2015-015; ***Strategic*** Sourcing Documentation

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement a section of the Carl Levin and Howard P. ``Buck'' McKeon National Defense Authorization Act for Fiscal Year 2015. This section requires the contract file shall contain certain documentation if the Federal Government makes a purchase of supplies and services offered under the Federal ***Strategic*** Sourcing Initiative (FSSI), but the FSSI is not used. The contract file for the purchase shall include a brief analysis of the comparative value, including price and non-price factors, between the supplies and services offered under the FSSI and those offered under the source(s) to be used for the purchase.     The rule will raise the visibility of these ***strategic*** sourcing solutions, the analysis used when not using an FSSI contract vehicle, promote their use, and help to better leverage the Government's buying power when using FSSI vehicles. ***Strategic*** Sourcing drives both dollar savings and process improvements. The Federal Government, suppliers and ultimately the U.S taxpayers benefit when government can better articulate its requirements and provide committed purchase volumes, and in return, industry suppliers can provide better pricing and more valuable solutions.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/20/16  81 FR 39883 NPRM Comment Period End.............   08/19/16 Final Rule..........................   04/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AM89

373. Federal Acquisition Regulation (FAR); FAR Case 2013-018; Clarification of Requirement for Justifications for 8(a) Sole Source Contracts

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to clarify the guidance for sole source 8(a) contract awards exceeding $22 million. This rule implements guidance from a Government Accountability Office (GAO) report entitled Federal Contracting: Slow Start to Implementation of Justifications for 8(a) Sole-Source Contracts'' (GA0-13-118, December 2012). Sole-source contracting regulations are statutory and are found in section 811 of the National Defense Authorization Act for Fiscal Year 2010 (Pub. L. 11184) (see 77 FR 23369). These clarifications improve the contracting officer's ability to comply with the sole source contracts statutory requirements by providing guidance, including when justification is necessary, how contracting officers should comply, and when a separate sole-source justification is necessary for out-of-scope modifications to 8(a) sole-source contracts. The GAO report indicates that the FAR needed additional clarification of the justification requirement to help ensure that agencies are applying the requirement consistently.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/15/16  81 FR 80012 NPRM Comment Period End.............   01/17/17 Final Rule..........................   03/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM90

374. Federal Acquisition Regulation (FAR); FAR Case 2014-002; Set- Asides Under Multiple Award Contracts

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement regulatory changes regarding procedures for the use of small business partial set-asides, reserves, and orders placed under multiple-award contracts. This rule incorporates statutory requirements discussed at section 1331 of the Small Business Jobs Act of 2010 (15 U.S.C 644(r)) and the Small Business Administration's final rule at 78 FR 61114, dated October 2, 2013.     Multiple-award contracts, due to their inherent flexibility, competitive nature, and administrative efficiency, are commonly used in Federal procurement. They have proven to be an effective means of contracting for large quantities of supplies and services for which the quantity and delivery requirements cannot be definitively determined at contract award. However, prior to 2011, the FAR was largely silent on the use of acquisition strategies to promote small business participation in conjunction with multiple-award contracts. This rule increases small business participation in Federal prime contracts by ensuring that small businesses have greater access to multiple award contracts and clarifying the procedures for partially setting aside and reserving multiple-award contracts for small business, and setting aside orders placed under multiple-award contracts for small business, thereby ensuring that small businesses have greater access to these commonly used vehicles.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/06/16  81 FR 88072 NPRM Comment Period End.............   02/06/17 Final Rule..........................   03/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM93

[[Page 1958]]

375. Federal Acquisition Regulation (FAR); FAR Case 2015-017; Combating Trafficking in Persons--Definition of ``Recruitment Fees''

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to implement Executive Order (E.O ) 13627, Strengthening Protections Against Trafficking in Persons in Federal Contracts, and title XVII of the National Defense Authorization Act for Fiscal Year 2013. The rule adds a definition of ``recruitment fees'' to FAR subpart 22.17, Combating Trafficking in Persons, and the associated clauses in order to clarify how the Government uses recruitment fees in the treatment of this prohibited practice that has been associated with labor trafficking under contracts and subcontracts. The purpose of the rule is to provide a standardized definition that clarifies prohibited recruitment to help fight against human trafficking.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   05/11/16  81 FR 29244 NPRM Comment Period End.............   07/11/16 Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN02

376. Federal Acquisition Regulation (FAR); FAR Case 2016-007, Non- Retaliation for Disclosure of Compensation Information

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement Executive Order (E.O ) 13665, entitled ``Non-Retaliation for Disclosure of Compensation Information,'' (79 FR 20749) and the final rule issued by the Office of Federal Contract Compliance ***Programs*** (OFCCP) of the Department of Labor (DOL) at 80 FR 54934, entitled ``Government Contractors, Prohibitions Against Pay Secrecy Policies and Actions.''     This rule provides for a uniform policy for the Federal Government to prohibit Federal contractors from discriminating against employees and job applicants who inquire about, discuss, or disclose their own compensation or the compensation of other employees or applicants.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   09/30/16  81 FR 67732 Interim Final Rule Comment Period      11/29/16  End. Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN10

377. Federal Acquisition Regulation (FAR); FAR Case 2015-005, System for Award Management Registration

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to update the instructions for System for Award Management (SAM) registration requirements and to correct an inconsistency with offeror representation and certification requirements. The language in the FAR was not consistent in terms of whether offerors need to register in SAM prior to submitting an offer or prior to award of a contract. This rule clarifies and makes the language consistent by requiring offerors' registration in SAM prior to submitting an offer. The rule does not place any new requirements on businesses and is considered administrative because the only change is when the requirement for registering in SAM must occur. Registering in SAM eliminates the need for potential offerors to complete representations and certifications multiple times a year when responding to solicitations, which reduces the burden on both the contractor and the government.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   05/20/16  81 FR 31895 NPRM Comment Period End.............   07/19/16 Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN19

378. Federal Acquisition Regulation (FAR); FAR Case 2015-039, Audit of Settlement Proposals

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amends the Federal Acquisition Regulation (FAR) to raise the dollar threshold requirement for the audit of prime contract settlement proposals and subcontract settlements from $100,000 to the Truth In Negotiation Act (TINA) threshold of $750,000 to help alleviate the backlog of contract close-outs and to enable contracting officers to more quickly deobligate excess funds from terminated contracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   09/14/16  81 FR 63158 NPRM Comment Period End.............   11/14/16 Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN26

379. Federal Acquisition Regulation (FAR); FAR Case 2017-001, Paid Sick Leave for Federal Contractors

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) requiring Federal Government contractors to ensure that employees on those contracts can earn up to seven days or more of paid sick leave annually, including paid sick leave for family care. This rule implements the objective of Executive Order 13706, Establishing Paid Sick Leave for Federal Contractors and Department of Labor's final rule (81 FR 91627).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   12/16/16  81 FR 91627 Interim Final Rule Effective........   01/01/17 Interim Final Rule Comment Period      02/14/17  End.

[[Page 1959]]

  Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN27

380. Federal Acquisition Regulation (FAR); FAR Case 2015-033, Sustainable Acquisition

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to add a new definition for sustainable products and services and update several existing definitions germane to sustainable acquisition. This rule will also provide two new websites to help contractors understand the sustainable acquisition requirements and gain access to a listing of sustainable products and services as determined by the Federal Government. The rule implements Executive Order 13693, ***Planning*** for Federal Sustainability in the Next Decade (supersedes Executive Orders 13423 and 13514), and the biobased product acquisition provisions of the ***Agricultural*** Act of 2014 (also known as the 2014 Farm Bill).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   01/18/17  82 FR 5490 NPRM Comment Period End.............   03/20/17 Final Rule..........................   04/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 795-6328, Email: [*chuck.gray@gsa.gov*](mailto:chuck.gray@gsa.gov)     RIN: 9000-AN28

381. Federal Acquisition Regulation: FAR Case 2016-005; Effective Communication Between Government and Industry

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement section 887 of the NDAA for FY 2016 (Pub. L. 114-92). This law provides that agency acquisition personnel are permitted and encouraged to engage in responsible and constructive exchanges with industry. This change will permit and encourage government acquisition personnel to engage in responsible and constructive exchanges with industry as part of market research as long as those exchanges are consistent with existing laws, regulations, and promote a fair competitive environment.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/29/16  81 FR 85914 NPRM Comment Period End.............   03/02/17 Final Rule..........................   04/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN29

382. Federal Acquisition Regulation (FAR); FAR Case 2016-011, (S) Revision of Limitations on Subcontracting

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to revise and standardize the limitations on subcontracting (LOS), including the nonmanufacturer rule (NMR), which apply to small business concerns under FAR part 19 procurements. This FAR change incorporates SBA's final rule at 81 FR 34243, which implemented the statutory requirements of section 1651 of the National Defense Authorization Act for Fiscal Year 2013. This action is necessary to meet the Congressional intent of clarifying the limitations on subcontracting with which small businesses must comply, as well as the ways in which they can comply. The rule will benefits small businesses and agencies. Prompt implementation of this rule will allow small businesses to take advantage of subcontracts with similarly situated entities. As a result, these small businesses will be able to compete for larger contracts, which would positively affect their potential for growth as well as that of their potential subcontractors.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   01/00/18 Interim Final Rule Comment Period      03/00/18  End. ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN35

383. Federal Acquisition Regulation (FAR); FAR Case 2017-004, Rate Adjustment of Liquidated Damages

    E.O 13771 Designation: Fully or Partially Exempt.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to adjust the civil monetary penalties for inflation pursuant to the Inflation Adjustment Act Improvements Act. This Act requires agencies to adjust the levels of civil monetary penalties with an initial catch-up adjustment, followed by the annual adjustment for inflation.     This rule implements the Department of Labor (DOL) interim final rule published in the Federal Register at 81 FR 43430 on July 1, 2016, finalized at 82 FR 5373 on January 18, 2017. The DOL rule adjusted the civil monetary penalties for inflation pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Sec. 701 of Pub. L. 114-74).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   01/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN37

384. Federal Acquisition Regulation (FAR); FAR Case 2017-007, Task- and Delivery-Order Protests

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to raise the threshold for task- and delivery-order protests from $10 million

[[Page 1960]]

to $25 million for DoD and make permanent the General Accountability Office's authority to hear protests on civilian task or delivery contracts valued in excess of $10 million. The rule implements sections 835 of the National Defense Authorization Act for FY 2017 (Pub. L. 114- 328) and Public Law 114-260 835(a).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 795-6328, Email: [*chuck.gray@gsa.gov*](mailto:chuck.gray@gsa.gov)     RIN: 9000-AN41

385. Federal Acquisition Regulation (FAR); FAR Case 2017-009, Special Emergency Procurement Authority

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to implement sections 816 and 1641 of the National Defense Authorization Act for Fiscal Year 2017 (Pub. L. 114-328). Section 816 adds international disaster assistance under the Foreign Assistance Act of 1961 and emergency or disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Section 1641 adds special emergency procurement authority to facilitate defense against or recovery from a cyber-attack. Adding these authorities enables a more effective and immediate response to emergency or major disasters, cyber attacks, and international disasters. For example, certain authorities would be available to the contracting officer based on agency procedures, the micropurchase threshold may be increased to $20,000 for any contract to be awarded and performed, or purchase to be made in support of the designated areas; and the simplified acquisition threshold (SAT) may be increased to $750,000, or $13,000,000 for commercial items, for any contract to be awarded and performed, or purchased in support of the designated areas.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN45

386. Federal Acquisition Regulation (FAR); FAR Case 2017-012, Increased Micro-Purchase Threshold for Certain Procurement Activities

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to update the definition of micro- purchase threshold'' in FAR 2.101 to implement the higher micro- purchase threshold provided by section 217(b) of the NDAA for FY 2017 (Pub. L. 114-328). Specifically, section 217(b) amends 41 U.S.C 1902 to increase the micro-purchase threshold for acquisitions from institutions of higher education or related or affiliated nonprofit entities, or from nonprofit research organizations or independent research institutes, to $10,000, or a higher amount as determined appropriate by the head of the relevant executive agency and consistent with clean audit findings under 31 U.S.C chapter 75, an internal institutional risk assessment, or state law. As a result of this rule, affected contractors will no longer receive a written request for quote (RFQ) and/or a Government purchase order for requirements valued between $3,501 and $10,000. Instead, the order can be placed online, by phone, in person, or by fax via the Government purchase card (GPC). Therefore, the contractor will no longer be required to read the RFQ and/or purchase order for various Government-provided information.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   03/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN50

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Completed Actions

387. Federal Acquisition Regulation (FAR); FAR Case 2015-031, Policy on 8(A) Joint Ventures

    E.O 13771 Designation:     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: This case has been merged into FAR Case 2017-019.     DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to be consistent with the guidance in SBA regulations at 13 CFR 124 8(A) Business Development/Small Disadvantaged Business Status Determinations (77 FR 28237). These clarifications are expected to relieve burden on both industry and government by reducing the number of protests related to inappropriate elimination from competition of offers from 8(a) joint ventures and inappropriate awards to ineligible 8(a) joint ventures. This will reduce the risk for fraud by clarifying the role of SBA as the authority for making eligibility determination. The rule is also expected to facilitate competition by clarifying the circumstances under which a joint venture is eligible for award under the 8(a) ***program***.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Merged With Policy on Joint Ventures   09/12/17  (2017-019). ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN33

388. Federal Acquisition Regulation (FAR); FAR Case 2017-015, Removal of Fair Pay and Safe Workplaces Rule

    E.O 13771 Designation: Deregulatory.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA ***plan*** to issue a final rule to repeal the implementation of Executive Order 13673 on Fair Pay and Safe Workplaces since Executive Order 13673 was officially nullified on March 27, 2017 (see Pub. L. 115-11). Additionally, Executive Order 13782 of March 30, 2017, revoked Executive Order 13673, section 3 of Executive Order 13683 of

[[Page 1961]]

December 11, 2014, and Executive Order 13738 of August 23, 2016. This action was made to have no force or effect by an enacted joint resolution of disapproval under the Congressional Review Act, H.J Res.37 (Pub. L. 115-11).     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule, CRA Revocation..........   11/06/17  82 FR 51773 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)/.     RIN: 9000-AN52

[FR Doc. 2017-28242 Filed 1-11-18; 8:45 am] BILLING CODE 6820-EP-P

**Load-Date:** January 13, 2018

**End of Document**



[***FEDERAL REGISTER: Semiannual Regulatory Agenda Pages 1950 - 1961 [FR DOC # 2017-28242]***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RD5-RYN1-JDG9-Y2K9-00000-00&context=1516831)

Impact News Service

January 12, 2018 Friday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 13122 words

**Body**

Washington: Office of the Federal Register has issued the following notice:

Department of Defense ----------------------------------------------------------------------- General Services Administration ----------------------------------------------------------------------- National Aeronautics and Space Administration ----------------------------------------------------------------------- Semiannual Regulatory Agenda Federal Register / Vol. 83 , No. 9 / Friday, January 12, 2018 / Unified Agenda [[Page 1950]] ----------------------------------------------------------------------- DEPARTMENT OF DEFENSE GENERAL SERVICES ADMINISTRATION NATIONAL AERONAUTICS AND SPACE ADMINISTRATION 48 CFR Ch.

1 Semiannual Regulatory Agenda AGENCY: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA). ACTION: Semiannual regulatory agenda. ----------------------------------------------------------------------- SUMMARY: This agenda provides summary descriptions of regulations being developed by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council pursuant to Executive Order 12866 ``Regulatory ***Planning*** and Review,'' 58 FR 51735 (1993), with particular adherence to EO 13771, ``Reducing Regulation and Controlling Costs,'' 82 FR 9339 (2017), EO 13777, ``Enforcing the Regulatory Reform Agenda,'' 82 FR 12285, and the Regulatory Flexibility Act, 5 U.S.C 601 to 612. The purpose of publishing this agenda is to give notice of regulatory activity being undertaken by FAR Council in order to provide the public an opportunity to participate in the rulemaking process. FOR FURTHER INFORMATION CONTACT: Lois Mandell, Division Director, Regulatory Secretariat Division, 1800 F Street NW, 2nd Floor, Washington, DC 20405-0001, 202-501-2735. SUPPLEMENTARY INFORMATION: DoD, GSA, and NASA, under the Office of Federal Procurement Policy (OFPP) Act (41 U.S.C 1303) and the agencies' several statutory authorities, jointly issue and maintain the FAR through periodic issuance of changes published in the Federal Register and ***produced*** electronically as Federal Acquisition Circulars (FACs). The electronic version of the FAR, including changes, can be accessed on the FAR website at [*http://www.acquisition.gov/far*](http://www.acquisition.gov/far). The information provided in the Unified Agenda (Agenda) previews the rulemaking activities that we expect to undertake in the immediate future. The Agenda focuses primarily on those actions expected to result in publication of Advanced Notices of Proposed Rulemaking, Notices of Proposed Rulemaking, or Final Rules within the next 12 months. A fully searchable e-Agenda is available for viewing in its entirety at   [*www.reginfo.gov*](http://www.reginfo.gov) Agenda information is also available at   [*www.regulations.gov*](http://www.regulations.gov), the government-wide website for submission of comments on proposed regulations. Our fall 2017 agenda follows. Dated: November 29, 2017. William F. Clark, Director, Office of Government-wide, Acquisition Policy, Office of Acquisition Policy, Office of Government-wide Policy. DOD/GSA/NASA (FAR)--Prerule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 348....................... Federal Acquisition 9000-AN43 Regulation (FAR); FAR Case 2017-014, Use of Acquisition 360 to Encourage Vendor Feedback. ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Proposed Rule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 349....................... Federal Acquisition 9000-AM94 Regulation (FAR); FAR Case 2015-021; Determination of Fair and Reasonable Prices on Orders Under Multiple Award Contracts. 350....................... Federal Acquisition 9000-AN03 Regulation (FAR); FAR Case 2015-014; Prohibition on Providing Funds to the Enemy. 351....................... FAR Acquisition Regulation 9000-AN31 (FAR); FAR Case 2015-038, Reverse Auction Guidance. 352....................... Federal Acquisition 9000-AN32 Regulation (FAR); FAR Case 2017-005, Whistleblower Protection for Contractor Employees. 353....................... Federal Acquisition 9000-AN34 Regulation; FAR Case 2016- 002, Applicability of Small Business Regulations Outside the United States. 354....................... Federal Acquisition 9000-AN38 Regulation (FAR); FAR Case 2016-013, Tax on Certain Foreign Procurement. 355....................... Federal Acquisition 9000-AN39 Regulation (FAR); FAR Case 2017-003; Individual Sureties. 356....................... Federal Acquisition 9000-AN40 Regulations (FAR); FAR Case 2015-002, Requirements for DD Form 254, Contract Security Classification Specification. 357....................... Federal Acquisition 9000-AN44 Regulation (FAR); FAR Case 2017-013, Breaches of Personally Identifiable Information. 358....................... Federal Acquisition 9000-AN46 Regulation (FAR); FAR Case 2017-011, Section 508-Based Standards in Information and Communication Technology. 359....................... Federal Acquisition 9000-AN47 Regulation (FAR); FAR Case 2016-012, Incremental Funding of Fixed-Price Contracting Actions. 360....................... Federal Acquisition 9000-AN48 Regulation (FAR); FAR Case 2015-037, Definition of ``Information Technology''. 361....................... Federal Acquisition 9000-AN49 Regulation (FAR); FAR Case 2015-028, Performance-Based Payments. 362....................... Federal Acquisition 9000-AN51 Regulation (FAR); Far Case 2015-004, Provisions and Clauses for Acquisitions of Commercial Items and Acquisitions That do not Exceed the Simplified Acquisition Threshold. 363....................... Federal Acquisition 9000-AN53 Regulation (FAR); FAR Case 2017-006, Exception From Certified Cost or Pricing Data Requirements- Adequate Price Competition. 364....................... Federal Acquisition 9000-AN54 Regulation (FAR); FAR Case 2017-010, Evaluation Factors for Multiple- Award Contracts. 365....................... Federal Acquisition 9000-AN56 Regulation (FAR); FAR Case 2017-016, Controlled Unclassified Information (CUI). 366....................... Federal Acquisition 9000-AN57 Regulation (FAR); FAR Case 2017-018, Violation of Arms Control Treaties or Agreements with the United States. 367....................... Federal Acquisition 9000-AN58 Regulation (FAR); FAR 2017-020, Ombudsman for Indefinite-Delivery Contracts. 368....................... Federal Regulation 9000-AN59 Acquisition (FAR); FAR Case 2017-019, Policy on Joint Ventures. [[Page 1951]] 369....................... Federal Acquisition 9000-AN61 Regulation (FAR); FAR Case 2018-003, Credit for Lower-Tier Small Business Subcontracting. 370....................... Federal Acquisition 9000-AN62 Regulation (FAR); FAR Case 2018-002, Protecting Life in Global Health Assistance (Reg ***Plan*** Seq No. 136). ------------------------------------------------------------------------ References in boldface appear in The Regulatory ***Plan*** in part II of this issue of the Federal Register. DOD/GSA/NASA (FAR)--Final Rule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 371....................... Federal Acquisition 9000-AM58 Regulation (FAR); FAR Case 2013-002; Reporting of Nonconforming Items to the Government-Industry Data Exchange ***Program***. 372....................... Federal Acquisition 9000-AM89 Regulation (FAR); FAR Case 2015-015; ***Strategic*** Sourcing Documentation. 373....................... Federal Acquisition 9000-AM90 Regulation (FAR); FAR Case 2013-018; Clarification of Requirement for Justifications for 8(a) Sole Source Contracts. 374....................... Federal Acquisition 9000-AM93 Regulation (FAR); FAR Case 2014-002; Set-Asides Under Multiple Award Contracts. 375....................... Federal Acquisition 9000-AN02 Regulation (FAR); FAR Case 2015-017; Combating Trafficking in Persons-- Definition of ``Recruitment Fees''. 376....................... Federal Acquisition 9000-AN10 Regulation (FAR); FAR Case 2016-007, Non- Retaliation for Disclosure of Compensation Information. 377....................... Federal Acquisition 9000-AN19 Regulation (FAR); FAR Case 2015-005, System for Award Management Registration. 378....................... Federal Acquisition 9000-AN26 Regulation (FAR); FAR Case 2015-039, Audit of Settlement Proposals. 379....................... Federal Acquisition 9000-AN27 Regulation (FAR); FAR Case 2017-001, Paid Sick Leave for Federal Contractors. 380....................... Federal Acquisition 9000-AN28 Regulation (FAR); FAR Case 2015-033, Sustainable Acquisition. 381....................... Federal Acquisition 9000-AN29 Regulation: FAR Case 2016- 005; Effective Communication Between Government and Industry. 382....................... Federal Acquisition 9000-AN35 Regulation (FAR); FAR Case 2016-011, (S) Revision of Limitations on Subcontracting. 383....................... Federal Acquisition 9000-AN37 Regulation (FAR); FAR Case 2017-004, Rate Adjustment of Liquidated Damages. 384....................... Federal Acquisition 9000-AN41 Regulation (FAR); FAR Case 2017-007, Task- and Delivery-Order Protests. 385....................... Federal Acquisition 9000-AN45 Regulation (FAR); FAR Case 2017-009, Special Emergency Procurement Authority. 386....................... Federal Acquisition 9000-AN50 Regulation (FAR); FAR Case 2017-012, Increased Micro-Purchase Threshold for Certain Procurement Activities. ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Completed Actions ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 387....................... Federal Acquisition 9000-AN33 Regulation (FAR); FAR Case 2015-031, Policy on 8(a) Joint Ventures. 388....................... Federal Acquisition 9000-AN52 Regulation (FAR); FAR Case 2017-015, Removal of Fair Pay and Safe Workplaces Rule. ------------------------------------------------------------------------ DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR) Prerule Stage 348. Federal Acquisition Regulation (FAR); FAR Case 2017-014, Use of Acquisition 360 To Encourage Vendor Feedback E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to address the solicitation of contractor feedback on both contract formation and contract administration activities. Agencies would consider this feedback, as appropriate, to improve the efficiency and effectiveness of their acquisition activities. The rule would create FAR policy to encourage regular feedback in accordance with agency practice (both on contract formation and administration activities) and a standard FAR solicitation provision to support a sustainable model for broadened use of Acquisition 360 survey to elicit feedback on the pre-award and debriefing processes in a consistent and standardized manner. Agencies would be able to use the solicitation provision to notify interested sources that a procurement is part of the Acquisition 360 survey and encourage stakeholders to voluntarily provide feedback on their experiences on the pre-award process. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ ANPRM............................... 04/00/18 ANPRM Comment Period End............ 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AN43 [[Page 1952]] DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR) Proposed Rule Stage 349. Federal Acquisition Regulation (FAR); FAR Case 2015-021; Determination of Fair and Reasonable Prices on Orders Under Multiple Award Contracts E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to direct ordering activity contracting officers to make a determination of fair and reasonable pricing when placing an order against using GSA's Federal Supply Schedules (FSS). The Federal Acquisition Streamlining Act (FASA) of 1994 established a preference for the types of information used to assess price reasonableness. This rule establishes a practice that will ensure that prices are fair and reasonable at the time the order is placed under the GSA's Federal Supply Schedules. This government-wide FAR rule will ensure uniform implementation of this FAR change across FAR-based contracts and avoid the proliferation of agency-wide rules and actions (e.g revisions to FAR supplements or issuance of policy guidance) implementing this requirement. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 05/00/18 NPRM Comment Period End............. 07/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AM94 350. Federal Acquisition Regulation (FAR); FAR Case 2015-014; Prohibition on Providing Funds to the Enemy E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement subtitle E of title VIII of the Carl Levin and Howard P. ``Buck'' McKeon National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2015, which prohibits the Government from providing funds to the enemy. The Act requires the Secretary of Defense to notify executive agencies of persons or entities providing funds under certain contracts to persons or entities that are actively opposing the United States or coalition forces where the Armed Forces are actively engaged in a contingency operation; or has failed to exercise due diligence to ensure that none of the funds under certain contracts are provided to those persons or entities. After receiving such notification, the executive agency's Head of the Contracting Activity (HCA) may rescind, void the contract or terminate for default. The HCA's decision is entered into the Federal Awardee Performance and Integrity Information System (FAPIIS), or other formal system of records. Since, review of FAPIIS is required before making certain award decision, this rule helps to prevent the flow of funds to such persons or entities. The statute does not apply to contracts that are equal to or less than $50,000, and contracts performed inside the United States or its outlying areas, or contracts subject to a national security exception. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov) RIN: 9000-AN03 351. FAR Acquisition Regulation (FAR); FAR Case 2015-038, Reverse Auction Guidance E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement policies addressing the effective use of reverse auctions. Reverse auctions involve offerors lowering their pricing over rounds of bidding in order to win federal contracts. This change incorporates guidance from the Office of Federal Procurement Policy (OFPP) memorandum, ``Effective Use of Reverse Auctions,'' which was issued in response to recommendations from the GAO report, Reverse Auctions: Guidance is Needed to Maximize Competition and Achieve Cost Savings (GAO-14-108). Reverse auctions are one tool used by federal agencies to increase competition and reduce the cost of certain items. Reverse auctions differ from traditional auctions in that sellers compete against one another to provide the lowest price or highest-value offer to a buyer. This change to the FAR will include guidance that will standardize agencies' use of reverse auctions help agencies maximize competition and savings when using reverse auctions. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AN31 352. Federal Acquisition Regulation (FAR); FAR Case 2017-005, Whistleblower Protection for Contractor Employees E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement 41 U.S.C 4712, Enhancement of contractor protection from reprisal for disclosure of certain information and makes the pilot ***program*** permanent. The pilot was enacted on January 2, 2013, by section 828 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013. The rule makes clear that contractors and subcontractors are prohibited from discharging, demoting, or otherwise discriminating against an employee as a reprisal for disclosing, to any of the entities such as agency Inspector Generals and Congress, information the employee reasonably believes is evidence of gross mismanagement of a Federal contract; a gross waste of Federal funds; an abuse of authority relating to a Federal contract; a substantial and specific danger to public health or safety; or violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract. This rule enhances [[Page 1953]] whistleblower protections for contractor employees, by making permanent the protection for disclosure of the aforementioned information, and ensuring that the prohibition on reimbursement for legal fees accrued in defense against reprisal claims applies to subcontractors, as well as contractors. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 03/00/18 NPRM Comment Period End............. 05/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov) RIN: 9000-AN32 353. Federal Acquisition Regulation; FAR Case 2016-002, Applicability of Small Business Regulations Outside the United States E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) consistent with SBA's regulation at 13 CFR 125.2 as finalized in their rule Acquisition Process: Task and Delivery Order Contracts, Bundling, Consolidation'' issued on October 2, 2013, to clarify that overseas contracting is not excluded from agency responsibilities to foster small business participation (78 FR 61113). In its final rule, SBA has clarified that, as a general matter, its small business contracting regulations apply regardless of the place of performance. In light of these changes, there is a need to amend the FAR both to bring its coverage into alignment with SBA's regulation and to give agencies the tools they need especially the ability to use set- asides to maximize opportunities for small businesses overseas. SBA intends to include contracts performed outside of the United States in agencies' prime contracting goals beginning in FY 2016. Although inclusion for goaling purposes is not dependent on FAR changes, amending FAR part 19 will allow agencies to take advantage of the tools authorized for providing small business opportunities for contracts awarded outside of the United States. This rule will allow agencies to take advantage of the tools authorized for providing small business opportunities for contracts awarded outside of the United States. This will make it easier for small businesses to receive additional opportunities for contracts performed outside of the United States. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov) RIN: 9000-AN34 354. Federal Acquisition Regulation (FAR); FAR Case 2016-013, Tax on Certain Foreign Procurement E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 37; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement a final rule issued by the Department of the Treasury (published at 81 FR 55133) that implements section 301 of the James Zadroga 9/11 Health and Compensation Act of 2010, Public Law 111347. This section imposes on any foreign person that receives a specified Federal procurement payment a tax equal to two percent of the amount such payment. This rule applies to Federal Government contracts for goods or services that are awarded to foreign persons. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405. Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov) RIN: 9000-AN38 355. Federal Acquisition Regulation (FAR); FAR Case 2017-003; Individual Sureties E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C 137; 51 U.S.C 20113 Abstract: DoD,GSA, and NASA are is proposing to amend the Federal Acquisition Regulation (FAR) to change the kinds of assets that individual sureties must use as security for their individual surety bonds. This change will implement section 874 of the NDAA for FY 2016 (Pub. L. 114-92), codified at 31 U.S.C 9310, Individual Sureties. Individual sureties will no longer be able to pledge real property, corporate stocks, corporate bonds, or irrevocable letters of credit. The requirements of 31 U.S.C 9310 are intended to strengthen the assets pledged by individual sureties, thereby mitigating risk to the Government. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov) RIN: 9000-AN39 356. Federal Acquisition Regulations (FAR); FAR Case 2015-002, Requirements for DD FORM 254, Contract Security Classification Specification E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to require the use of Department of Defense (DoD) Wide Area Workflow (WAWF) for the electronic submission of the DD Form 254, Contract Security Classification Specification. This form is used to convey security requirements regarding classified information to contractors and subcontractors and must be submitted to the Defense Security Services (DSS) when contractors or subcontractors require access to classified information under contracts awarded by agencies covered by the National Industrial Security ***Program*** (NISP). By changing the submittal process of the form from a manual process to an automated one, the government will reduce the cost of maintaining the forms, while also providing a centralized repository for classified contract security requirements and supporting data. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 03/00/18 NPRM Comment Period End............. 05/00/18 ------------------------------------------------------------------------ [[Page 1954]] Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AN40 357. Federal Acquisition Regulation (FAR); FAR Case 2017-013, Breaches of Personally Identifiable Information E.O 13771 Designation: Regulatory. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to create and implement appropriate contract clauses and regulatory coverage to address contractor requirements for breach response consistent with the requirements. This FAR change will implement the requirements outlined in Office of Management and Budget (OMB) Memorandum, M-17-12 ``Preparing for and Responding to a Breach of Personally Identifiable Information'' section V part B. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 03/00/18 NPRM Comment Period End............. 05/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN44 358. Federal Acquisition Regulation (FAR); FAR Case 2017-011, Section 508-Based Standards in Information and Communication Technology E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to incorporate revisions and updates to standards in section 508 of the Rehabilitation Act of 1973, developed by the Architectural and Transportation Barriers Compliance Board (also referred to as the ``Access Board''). This FAR change incorporates the U.S Access Board's final rule, Information and Communication Technology (ICT) Standards and Guidelines, published on January 18, 2017 , which implemented revisions and updates to the section 508-based standards and section 255-based guidelines. This rule is expected to impose additional costs on federal agencies. The purpose is to increase productivity for federal employees with disabilities, time savings due to improved accessibility of federal websites for members of the public with disabilities, and reduced call volumes to federal agencies. Additionally, this rule harmonizes standards with national and international consensus standards which would assist American ICT companies by helping to achieve economies of scale created by wider use of these technical standards. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN46 359. Federal Acquisition Regulation (FAR); FAR Case 2016-012, Incremental Funding of Fixed-Price Contracting Actions E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to allow for incrementally funding of certain fixed-price contracting action to help minimize disruptions to agency operations, and provide Federal acquisition professionals with new funding flexibility for fixed-price contracting actions. The FAR addresses incremental funding on cost reimbursement contracts, however, does not provide coverage on fixed price contracts. Because the FAR is silent on the incremental funding of fixed-price contracts, contracting professionals endorse the full funding of fixed-price contracts as a best practice, however, in many cases full funding is not possible. Implementing this policy will provide the flexibility sought by several agencies. Although individual agencies have implemented policy changes for themselves, making this change to the FAR will provide consistency across Government agencies, from both policy and procedural perspectives. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN47 360. Federal Acquisition Regulation (FAR); FAR Case 2015-037, Definition of ``Information Technology'' E.O 13771 Designation: Regulatory. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to update the definition of ``information technology,'' as directed in the Office of Management and Budget Memo, M-15-14, entitled Management Oversight of Federal Information Technology.'' Specifically, the rule broadens the definition of information technology to include services such as cloud computing and to remove an exemption for information technology embedded in other systems. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ----------------------------------

-------------------------------------- NPRM................................ 06/00/18 NPRM Comment Period End............. 08/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN48 361. Federal Acquisition Regulation (FAR); FAR Case 2015-028, Performance-Based Payments E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA and NASA are proposing to amend the FAR Clause 52.232-32, Performance-Based Payments, to include the text for subcontract flowdown addressed at FAR 32.504(f), but not currently specified in the clause itself. No new requirements are added. This rule takes guidance to prime contractors on the terms and conditions for flowdown of performance-based payments currently in the FAR text and places it in the [[Page 1955]] applicable contract clause so that the contractor can readily see what language is to be used in subcontracts authoring performance-based payments. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov) RIN: 9000-AN49 362. Federal Acquisition Regulation (FAR); FAR Case 2015-004, Provisions and Clauses for Acquisitions of Commercial Items and Acquisitions That Do Not Exceed the Simplified Acquisition Threshold E.O 13771 Designation: Other. Legal Authority: Not Yet Determined Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) with an internal administrative change to support the use of automated contract writing systems and reduce FAR maintenance when clauses are updated. Currently, the FAR provides a single, consolidated list of all provisions and clauses applicable to the acquisition of commercial items. When new clauses applicable to commercial items are added the FAR, a manual process of cross checking and renumbering of the list is employed to conform the FAR, The process is cumbersome and inefficient, and challenging to maintain, especially for contract writing systems. The proposed rule would propose a change to each clause prescription and each clause flowdown for commercial items to specify required information within the prescription/clause itself, without having to cross-check another clause, list or other parts of the FAR. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov) RIN: 9000-AN51 363. Federal Acquisition Regulation (FAR); FAR Case 2017-006, Exception From Certified Cost or Pricing Data Requirements--Adequate Price Competition E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: The proposed rule implements section 822 of the NDAA for FY 2017 (Pub. L . 114-328) to modify the Federal Acquisition Regulation (FAR) for DoD, NASA, and the Coast Guard to amend the FAR to implement exceptions from certified cost or pricing data requirements when price is based on adequate price competition at FAR 15.403(c)(1). This rule also limits the exception for price based on adequate price competition to circumstances in which there is adequate competition that results in at least two or more responsive and viable competing bids. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov) RIN: 9000-AN53 364. Federal Acquisition Regulation (FAR); FAR Case 2017-010, Evaluation Factors for Multiple-Award Contracts E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement section 825 of the NDAA for FY 17 (Pub. L. 114-328). Section 825 amends 10 U.S.C 2305(a)(3) to change the requirement regarding the consideration of cost or price to the Government as a factor in the evaluation of proposals for certain multiple-award task order contracts awarded by DoD, NASA, or the Coast Guard. At the Government's discretion, solicitations for multiple-award contracts, which intend to award the same or similar services to each qualifying offeror, do not require price or cost as an evaluation factor for the base contract award. This will streamline the award of contracts for DoD, NASA, and Coast Guard because they won't have to consider cost or price in the evaluation of the award decision. Relieving the requirement to account for cost or price when evaluating proposals for these types of contracts, which feature competitive orders, will enable procurement officials to focus their energy on establishing and evaluating the non-price factors that will result in more meaningful distinctions among offerors. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov) RIN: 9000-AN54 365. Federal Acquisition Regulation (FAR); FAR Case 2017-016, Controlled Unclassified Information (CUI) E.O 13771 Designation: Regulatory. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement the National Archives and Records Administration (NARA) Controlled Unclassified Information (CUI) ***program*** of Executive Order 13556 of Nov 4, 2010. As the executive agent designated to oversee the Governmentwide CUI ***program***, NARA issued implementing regulations in late 2016 designed to address agency policies for designating, safeguarding, disseminating, marking, decontrolling and disposing of CUI. The NARA rule affects contractors that handle, possess, use, share or receive CUI. The NARA regulation is codified at 32 CFR 2002. This FAR rule is necessary to ensure uniform implementation of the requirements of the CUI ***program*** in contracts across the government, thereby avoiding potentially inconsistent agency-level action. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, [[Page 1956]] DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN56 366.  Federal Acquisition Regulation (FAR); FAR Case 2017-018, Violation of Arms Control Treaties or Agreements With the United States

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement section 1290(c)(3) of the NDAA for FY 2017, which requires the offeror to certify or any of its subsidiaries to certify that it does not engage in any activity that contributed to or is a significant factor in the determination that a country is not in full compliance with its obligations undertaken in all arms control, nonproliferation, and disarmament agreements or commitments to which the United States is a participating state.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   03/00/18 NPRM Comment Period End.............   05/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN57

367.  Federal Acquisition Regulation (FAR); FAR 2017-020, Ombudsman for Indefinite-Delivery Contracts

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) by providing a new clause with contact information for the agency task and delivery order ombudsman as required by FAR.). Specifically, FAR 16.504(a)(4)(v) requires that the name, address, telephone number, facsimile number, and email address of the agency task and delivery order ombudsman be included in solicitations and contracts for an indefinite quantity requirement, if multiple awards may be made for uniformity and consistency.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   02/00/18 NPRM Comment Period End.............   04/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN58

368.  Federal Regulation Acquisition (FAR); FAR Case 2017-019, Policy on Joint Ventures

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement regulatory changes made by the Small Business Administration (SBA), Small Business Mentor Prot[é]g[é] ***Programs***, published on July 25, 2016 (81 FR 48557), regarding joint ventures and to clarify policy on 8(a) joint ventures. The regulatory changes provide industry with a new way to compete for small business or socioeconomic set-asides using a joint venture made up of a mentor and a prot[é]g[é]. The 8(a) joint venture clarification prevents confusion on an 8(a) joint venture's eligibility to compete for an 8(a) competitive procurement.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/00/18 NPRM Comment Period End.............   08/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Janet Fry, ***Program*** Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-3167, Email: [*janet.fry@gsa.gov*](mailto:janet.fry@gsa.gov)     RIN: 9000-AN59

369.  Federal Acquisition Regulation (FAR); FAR Case 2018-003, Credit for Lower-Tier Small Business Subcontracting

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation to implement section 1614 of the National Defense Authorization Act of Fiscal Year 2014, as implemented in the Small Business Administration's final rule issued on December 23, 2016. Section 1614 allows other than small prime contractors to receive small business subcontracting credit for subcontracts their subcontractors award to small businesses.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   04/00/18 NPRM Comment Period End.............   06/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Janet Fry, ***Program*** Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-3167, Email: [*janet.fry@gsa.gov*](mailto:janet.fry@gsa.gov)     RIN: 9000-AN61

370.  Federal Acquisition Regulation (FAR); FAR Case 2018-002, Protecting Life in Global Health Assistance

    Regulatory ***Plan***: This entry is Seq. No. 136 in part II of this issue of the Federal Register.     RIN: 9000-AN62

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Final Rule Stage

371. Federal Acquisition Regulation (FAR); FAR Case 2013-002; Reporting of Nonconforming Items to the Government-Industry Data Exchange ***Program***

    E.O 13771 Designation: Regulatory.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to expand Government and contractor requirements for reporting of nonconforming items. This rule partially implements section 818 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2012 and implement requirements of the Office of Federal Procurement Policy (OFPP) Policy Letter 91-3, entitled Reporting Nonconforming Products,'' dated April 9, 1991. This change will help mitigate the growing threat that counterfeit items pose when used in systems vital to an agency's mission. The primary benefit of this rule is to reduce the risk of counterfeit items entering the supply chain by ensuring that contractors report suspect items to a widely available database. This will allow the

[[Page 1957]]

contracting officer to provide disposition instructions for counterfeit or suspect counterfeit items in accordance with agency policy. In some cases, agency policy may require the contracting officer to direct the contractor to retain such items for investigative or evidentiary purposes.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/10/14  79 FR 33164 NPRM Comment Period End.............   08/11/14 Final Rule..........................   06/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AM58

372. Federal Acquisition Regulation (FAR); FAR Case 2015-015; ***Strategic*** Sourcing Documentation

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement a section of the Carl Levin and Howard P. ``Buck'' McKeon National Defense Authorization Act for Fiscal Year 2015. This section requires the contract file shall contain certain documentation if the Federal Government makes a purchase of supplies and services offered under the Federal ***Strategic*** Sourcing Initiative (FSSI), but the FSSI is not used. The contract file for the purchase shall include a brief analysis of the comparative value, including price and non-price factors, between the supplies and services offered under the FSSI and those offered under the source(s) to be used for the purchase.     The rule will raise the visibility of these ***strategic*** sourcing solutions, the analysis used when not using an FSSI contract vehicle, promote their use, and help to better leverage the Government's buying power when using FSSI vehicles. ***Strategic*** Sourcing drives both dollar savings and process improvements. The Federal Government, suppliers and ultimately the U.S taxpayers benefit when government can better articulate its requirements and provide committed purchase volumes, and in return, industry suppliers can provide better pricing and more valuable solutions.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/20/16  81 FR 39883 NPRM Comment Period End.............   08/19/16 Final Rule..........................   04/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AM89

373. Federal Acquisition Regulation (FAR); FAR Case 2013-018; Clarification of Requirement for Justifications for 8(a) Sole Source Contracts

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to clarify the guidance for sole source 8(a) contract awards exceeding $22 million. This rule implements guidance from a Government Accountability Office (GAO) report entitled Federal Contracting: Slow Start to Implementation of Justifications for 8(a) Sole-Source Contracts'' (GA0-13-118, December 2012). Sole-source contracting regulations are statutory and are found in section 811 of the National Defense Authorization Act for Fiscal Year 2010 (Pub. L. 11184) (see 77 FR 23369). These clarifications improve the contracting officer's ability to comply with the sole source contracts statutory requirements by providing guidance, including when justification is necessary, how contracting officers should comply, and when a separate sole-source justification is necessary for out-of-scope modifications to 8(a) sole-source contracts. The GAO report indicates that the FAR needed additional clarification of the justification requirement to help ensure that agencies are applying the requirement consistently.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/15/16  81 FR 80012 NPRM Comment Period End.............   01/17/17 Final Rule..........................   03/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM90

374. Federal Acquisition Regulation (FAR); FAR Case 2014-002; Set- Asides Under Multiple Award Contracts

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement regulatory changes regarding procedures for the use of small business partial set-asides, reserves, and orders placed under multiple-award contracts. This rule incorporates statutory requirements discussed at section 1331 of the Small Business Jobs Act of 2010 (15 U.S.C 644(r)) and the Small Business Administration's final rule at 78 FR 61114, dated October 2, 2013.     Multiple-award contracts, due to their inherent flexibility, competitive nature, and administrative efficiency, are commonly used in Federal procurement. They have proven to be an effective means of contracting for large quantities of supplies and services for which the quantity and delivery requirements cannot be definitively determined at contract award. However, prior to 2011, the FAR was largely silent on the use of acquisition strategies to promote small business participation in conjunction with multiple-award contracts. This rule increases small business participation in Federal prime contracts by ensuring that small businesses have greater access to multiple award contracts and clarifying the procedures for partially setting aside and reserving multiple-award contracts for small business, and setting aside orders placed under multiple-award contracts for small business, thereby ensuring that small businesses have greater access to these commonly used vehicles.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/06/16  81 FR 88072 NPRM Comment Period End.............   02/06/17 Final Rule..........................   03/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM93

[[Page 1958]]

375. Federal Acquisition Regulation (FAR); FAR Case 2015-017; Combating Trafficking in Persons--Definition of ``Recruitment Fees''

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to implement Executive Order (E.O ) 13627, Strengthening Protections Against Trafficking in Persons in Federal Contracts, and title XVII of the National Defense Authorization Act for Fiscal Year 2013. The rule adds a definition of ``recruitment fees'' to FAR subpart 22.17, Combating Trafficking in Persons, and the associated clauses in order to clarify how the Government uses recruitment fees in the treatment of this prohibited practice that has been associated with labor trafficking under contracts and subcontracts. The purpose of the rule is to provide a standardized definition that clarifies prohibited recruitment to help fight against human trafficking.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   05/11/16  81 FR 29244 NPRM Comment Period End.............   07/11/16 Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN02

376. Federal Acquisition Regulation (FAR); FAR Case 2016-007, Non- Retaliation for Disclosure of Compensation Information

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement Executive Order (E.O ) 13665, entitled ``Non-Retaliation for Disclosure of Compensation Information,'' (79 FR 20749) and the final rule issued by the Office of Federal Contract Compliance ***Programs*** (OFCCP) of the Department of Labor (DOL) at 80 FR 54934, entitled ``Government Contractors, Prohibitions Against Pay Secrecy Policies and Actions.''     This rule provides for a uniform policy for the Federal Government to prohibit Federal contractors from discriminating against employees and job applicants who inquire about, discuss, or disclose their own compensation or the compensation of other employees or applicants.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   09/30/16  81 FR 67732 Interim Final Rule Comment Period      11/29/16  End. Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN10

377. Federal Acquisition Regulation (FAR); FAR Case 2015-005, System for Award Management Registration

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to update the instructions for System for Award Management (SAM) registration requirements and to correct an inconsistency with offeror representation and certification requirements. The language in the FAR was not consistent in terms of whether offerors need to register in SAM prior to submitting an offer or prior to award of a contract. This rule clarifies and makes the language consistent by requiring offerors' registration in SAM prior to submitting an offer. The rule does not place any new requirements on businesses and is considered administrative because the only change is when the requirement for registering in SAM must occur. Registering in SAM eliminates the need for potential offerors to complete representations and certifications multiple times a year when responding to solicitations, which reduces the burden on both the contractor and the government.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   05/20/16  81 FR 31895 NPRM Comment Period End.............   07/19/16 Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN19

378. Federal Acquisition Regulation (FAR); FAR Case 2015-039, Audit of Settlement Proposals

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amends the Federal Acquisition Regulation (FAR) to raise the dollar threshold requirement for the audit of prime contract settlement proposals and subcontract settlements from $100,000 to the Truth In Negotiation Act (TINA) threshold of $750,000 to help alleviate the backlog of contract close-outs and to enable contracting officers to more quickly deobligate excess funds from terminated contracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   09/14/16  81 FR 63158 NPRM Comment Period End.............   11/14/16 Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN26

379. Federal Acquisition Regulation (FAR); FAR Case 2017-001, Paid Sick Leave for Federal Contractors

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) requiring Federal Government contractors to ensure that employees on those contracts can earn up to seven days or more of paid sick leave annually, including paid sick leave for family care. This rule implements the objective of Executive Order 13706, Establishing Paid Sick Leave for Federal Contractors and Department of Labor's final rule (81 FR 91627).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   12/16/16  81 FR 91627 Interim Final Rule Effective........   01/01/17 Interim Final Rule Comment Period      02/14/17  End.

[[Page 1959]]

  Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN27

380. Federal Acquisition Regulation (FAR); FAR Case 2015-033, Sustainable Acquisition

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to add a new definition for sustainable products and services and update several existing definitions germane to sustainable acquisition. This rule will also provide two new websites to help contractors understand the sustainable acquisition requirements and gain access to a listing of sustainable products and services as determined by the Federal Government. The rule implements Executive Order 13693, ***Planning*** for Federal Sustainability in the Next Decade (supersedes Executive Orders 13423 and 13514), and the biobased product acquisition provisions of the ***Agricultural*** Act of 2014 (also known as the 2014 Farm Bill).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   01/18/17  82 FR 5490 NPRM Comment Period End.............   03/20/17 Final Rule..........................   04/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 795-6328, Email: [*chuck.gray@gsa.gov*](mailto:chuck.gray@gsa.gov)     RIN: 9000-AN28

381. Federal Acquisition Regulation: FAR Case 2016-005; Effective Communication Between Government and Industry

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement section 887 of the NDAA for FY 2016 (Pub. L. 114-92). This law provides that agency acquisition personnel are permitted and encouraged to engage in responsible and constructive exchanges with industry. This change will permit and encourage government acquisition personnel to engage in responsible and constructive exchanges with industry as part of market research as long as those exchanges are consistent with existing laws, regulations, and promote a fair competitive environment.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/29/16  81 FR 85914 NPRM Comment Period End.............   03/02/17 Final Rule..........................   04/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN29

382. Federal Acquisition Regulation (FAR); FAR Case 2016-011, (S) Revision of Limitations on Subcontracting

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to revise and standardize the limitations on subcontracting (LOS), including the nonmanufacturer rule (NMR), which apply to small business concerns under FAR part 19 procurements. This FAR change incorporates SBA's final rule at 81 FR 34243, which implemented the statutory requirements of section 1651 of the National Defense Authorization Act for Fiscal Year 2013. This action is necessary to meet the Congressional intent of clarifying the limitations on subcontracting with which small businesses must comply, as well as the ways in which they can comply. The rule will benefits small businesses and agencies. Prompt implementation of this rule will allow small businesses to take advantage of subcontracts with similarly situated entities. As a result, these small businesses will be able to compete for larger contracts, which would positively affect their potential for growth as well as that of their potential subcontractors.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   01/00/18 Interim Final Rule Comment Period      03/00/18  End. ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN35

383. Federal Acquisition Regulation (FAR); FAR Case 2017-004, Rate Adjustment of Liquidated Damages

    E.O 13771 Designation: Fully or Partially Exempt.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to adjust the civil monetary penalties for inflation pursuant to the Inflation Adjustment Act Improvements Act. This Act requires agencies to adjust the levels of civil monetary penalties with an initial catch-up adjustment, followed by the annual adjustment for inflation.     This rule implements the Department of Labor (DOL) interim final rule published in the Federal Register at 81 FR 43430 on July 1, 2016, finalized at 82 FR 5373 on January 18, 2017. The DOL rule adjusted the civil monetary penalties for inflation pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Sec. 701 of Pub. L. 114-74).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   01/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN37

384. Federal Acquisition Regulation (FAR); FAR Case 2017-007, Task- and Delivery-Order Protests

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to raise the threshold for task- and delivery-order protests from $10 million

[[Page 1960]]

to $25 million for DoD and make permanent the General Accountability Office's authority to hear protests on civilian task or delivery contracts valued in excess of $10 million. The rule implements sections 835 of the National Defense Authorization Act for FY 2017 (Pub. L. 114- 328) and Public Law 114-260 835(a).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 795-6328, Email: [*chuck.gray@gsa.gov*](mailto:chuck.gray@gsa.gov)     RIN: 9000-AN41

385. Federal Acquisition Regulation (FAR); FAR Case 2017-009, Special Emergency Procurement Authority

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to implement sections 816 and 1641 of the National Defense Authorization Act for Fiscal Year 2017 (Pub. L. 114-328). Section 816 adds international disaster assistance under the Foreign Assistance Act of 1961 and emergency or disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Section 1641 adds special emergency procurement authority to facilitate defense against or recovery from a cyber-attack. Adding these authorities enables a more effective and immediate response to emergency or major disasters, cyber attacks, and international disasters. For example, certain authorities would be available to the contracting officer based on agency procedures, the micropurchase threshold may be increased to $20,000 for any contract to be awarded and performed, or purchase to be made in support of the designated areas; and the simplified acquisition threshold (SAT) may be increased to $750,000, or $13,000,000 for commercial items, for any contract to be awarded and performed, or purchased in support of the designated areas.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN45

386. Federal Acquisition Regulation (FAR); FAR Case 2017-012, Increased Micro-Purchase Threshold for Certain Procurement Activities

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to update the definition of micro- purchase threshold'' in FAR 2.101 to implement the higher micro- purchase threshold provided by section 217(b) of the NDAA for FY 2017 (Pub. L. 114-328). Specifically, section 217(b) amends 41 U.S.C 1902 to increase the micro-purchase threshold for acquisitions from institutions of higher education or related or affiliated nonprofit entities, or from nonprofit research organizations or independent research institutes, to $10,000, or a higher amount as determined appropriate by the head of the relevant executive agency and consistent with clean audit findings under 31 U.S.C chapter 75, an internal institutional risk assessment, or state law. As a result of this rule, affected contractors will no longer receive a written request for quote (RFQ) and/or a Government purchase order for requirements valued between $3,501 and $10,000. Instead, the order can be placed online, by phone, in person, or by fax via the Government purchase card (GPC). Therefore, the contractor will no longer be required to read the RFQ and/or purchase order for various Government-provided information.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   03/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN50

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Completed Actions

387. Federal Acquisition Regulation (FAR); FAR Case 2015-031, Policy on 8(A) Joint Ventures

    E.O 13771 Designation:     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: This case has been merged into FAR Case 2017-019.     DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to be consistent with the guidance in SBA regulations at 13 CFR 124 8(A) Business Development/Small Disadvantaged Business Status Determinations (77 FR 28237). These clarifications are expected to relieve burden on both industry and government by reducing the number of protests related to inappropriate elimination from competition of offers from 8(a) joint ventures and inappropriate awards to ineligible 8(a) joint ventures. This will reduce the risk for fraud by clarifying the role of SBA as the authority for making eligibility determination. The rule is also expected to facilitate competition by clarifying the circumstances under which a joint venture is eligible for award under the 8(a) ***program***.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Merged With Policy on Joint Ventures   09/12/17  (2017-019). ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN33

388. Federal Acquisition Regulation (FAR); FAR Case 2017-015, Removal of Fair Pay and Safe Workplaces Rule

    E.O 13771 Designation: Deregulatory.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA ***plan*** to issue a final rule to repeal the implementation of Executive Order 13673 on Fair Pay and Safe Workplaces since Executive Order 13673 was officially nullified on March 27, 2017 (see Pub. L. 115-11). Additionally, Executive Order 13782 of March 30, 2017, revoked Executive Order 13673, section 3 of Executive Order 13683 of

[[Page 1961]]

December 11, 2014, and Executive Order 13738 of August 23, 2016. This action was made to have no force or effect by an enacted joint resolution of disapproval under the Congressional Review Act, H.J Res.37 (Pub. L. 115-11).     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule, CRA Revocation..........   11/06/17  82 FR 51773 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)/.     RIN: 9000-AN52

[FR Doc. 2017-28242 Filed 1-11-18; 8:45 am] BILLING CODE 6820-EP-P

**Load-Date:** January 13, 2018

**End of Document**



[***New products in the dairy aisle: May***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5SFM-82W1-DYNP-M3TV-00000-00&context=1516831)

DairyReporter.com

May 31, 2018 Thursday 8:10 AM GMT+1

Copyright 2018 William Reed Business Media Ltd. All Rights Reserved

**Length:** 2635 words

**Byline:** Jim Cornall, , [*Jim.Cornall@wrbm.com*](mailto:Jim.Cornall@wrbm.com)

**Body**

It's time for our monthly round-up of new products from around the world hitting the shelves in the dairy aisles.

It has certainly been a bumper month for launches, with yogurts, cheeses, flavored milk, butter and ice creams from around the world. As always, if you have a new product to share, or have seen one you think we need to include, please [*send us the details​*](mailto:Jim.Cornall@wrbm.com)​, along with an image of the product.

Breakfast on the go from Arla

In the UK, Arla Foods launches into the breakfast food-to-go market with the introduction of its new Milk & Oats range of ready to drink beverages.

Milk & Oats is a blend of skimmed milk, wholegrain oats and natural flavor that will launch in two variants – Maple and Vanilla.

Arla said the product combines the convenience that on the go shoppers with a product high in fiber and protein, low in fat and a source of calcium.

Milk & Oats is available in 250ml bottles from Nisa, Co-Op and Sainsbury’s.

Twenty new products from Unilever

In the US, Unilever Ice Cream has added 20 new frozen treats across five of its packaged ice cream and frozen novelty brands: Breyers, Good Humor, Klondike, MAGNUM Ice Cream and Popsicle.

Available nationwide, the new products include first-of-its-kind ice cream experience MAGNUM Tubs, new sizes like snackable Klondike Minis, and more from Breyers, Popsicle and Good Humor.

Magnum Ice Cream debuts tubs​

In the US, Magnum Tubs have reimagined Magnum's ice cream bar as a scoopable treat that is fully encased in a chocolate cracking shell and topped with a Magnum chocolate stamp.

• Magnum Milk Chocolate Vanilla features vanilla ice cream and thick chocolate shards, all surrounded by a cracking Magnum chocolate shell and topped with the Magnum chocolate stamp. Made with Belgian chocolate.

• Magnum Dark Chocolate Raspberry includes raspberry ice cream and dark chocolate shards, surrounded by a cracking Magnum dark chocolate shell and topped with the Magnum chocolate stamp. Made with 65% cacao.

• Magnum Milk Chocolate Hazelnut combines hazelnut ice cream with caramelized hazelnuts and thick chocolate shards, surrounded by a cracking Magnum chocolate shell and topped with caramelized hazelnuts. Made with Belgian chocolate.

• Magnum White Chocolate Vanilla uses vanilla ice cream and thick white chocolate shards, surrounded by a cracking white chocolate shell and topped with the Magnum chocolate stamp. Made with Belgian chocolate.

In addition to Magnum Tubs, the brand is bringing two new varieties to its Doubles ice cream bar line. The new bars are twice-dipped for a double decadent experience:

• Magnum Double Cherry Truffle features cherry ice cream swirled with chocolate ganache and dipped in a chocolatey coating, with a cherry sauce and milk chocolate. Made with Belgian chocolate.

• Magnum Mini Double Raspberry pairs raspberry ice cream dipped in a chocolatey coating, with a raspberry sauce and milk chocolate. Made with Belgian chocolate.

Breyers 2in1s​

Breyers is introducing four new 2in1s combinations.

• Breyers 2in1 Oreo Chips Ahoy! swirls Breyers Vanilla and Caramel with Oreo cookie pieces and Chips Ahoy! cookie pieces.

• Breyers 2in1 Reese's Pieces blends Breyers Peanut Butter and Chocolate with Reese's peanut butter cup pieces and Reese's Pieces mini candies.

• Breyers 2in1 Snickers M&M's brings together Breyers Caramel and Chocolate light ice cream with pieces of Snickers bar and M&M's Minis milk chocolate candies.

• Breyers 2in1 Heath Waffle Cone mixes Breyers Vanilla and Chocolate with Heath toffee pieces and fudge-covered waffle cone pieces.

Breyers delights Minis in new 4-ounce size​

Breyers delights launched in summer 2017 with 260-330 calories per pint. This spring, Breyers delights is introducing new Minis. At 70-80 calories and five grams of protein per 4-ounce cup, Breyers delights Minis come in two flavors:

• Breyers delights Mini Vanilla Cupcake is made with low-fat vanilla ice cream, cupcake batter and loaded with sprinkles at 80 calories per cup.

• Breyers delights Mini Creamy Chocolate is made with low-fat chocolate ice cream and cocoa at 70 calories per cup.

Popsicle Expands lineup ​

This year, the brand is releasing Popsicle Fruit Pops in four flavors. Made with five ingredients: water, fruit, cane sugar, vitamin C and natural flavors, each ice pop contains fewer than 45 calories and 11 grams of sugar.

• Popsicle Strawberry Fruit Pops

• Popsicle Mango Fruit Pops

• Popsicle Orange Fruit Pops

• Popsicle Raspberry Fruit Pops

Klondike new Minis​

Klondike is introducing its first-ever line of Minis.

• Klondike Minis Original offers the brand's vanilla ice cream coated in a chocolatey shell.

• Klondike Minis Reese's features Reese's flavored ice cream in a chocolatey shell.

Good Humor adds peanut butter twist​

This year, Good Humor has collaborated with Reese's to bring a new variety to market:

• Good Humor Reese's Dessert Bar is a dessert bar blended with Reese's peanut butter sauce and covered in Good Humor cake coating.

Farming Together helps dairy co-op launch flavored milks

In Australia, New South Wales (NSW) consumers now have a wider choice of flavored milks with farmer-owned Berry Rural Co-op expanding its product range, backed by Farming Together.

The co-op received A$131,000 (US$98,750) from Farming Together, to help develop a ***strategic*** ***plan***, a business ***plan*** and a governance ***program*** as well as a succession ***plan*** and marketing ***plan***.

The Farm Co-operative and Collaboration ***Program*** (Farming Together) is a two-year, A$13.8m (US$10.4m) initiative from the Australian Government designed to help ***agricultural*** groups value-add, secure premium pricing, scale-up production, attract capital investment, earn new markets or secure lower input costs.

The co-op decided to expand into flavored milks after a study undertaken with help from the ***program***.

The six dairy farm-co-op launched the range of full-cream, full-flavored milks in chocolate, strawberry and iced coffee flavors.

The milks, branded South Coast Dairy, come in 300ml, 500ml and two-liter packaging.

Arla’s Lurpak launches new Softest

In the UK, Lurpak is to expand its spreadable product portfolio with the launch of Lurpak Softest, a new soft blend butter that is spreadable straight from the fridge.

To make Lurpak Softest, Arla blended Lurpak butter, buttermilk retained from churning and rapeseed oil.

Lucy Hurrell-Morgan, brand manager for Lurpak, said, “Research shows that 92% of consumers spread butter straight from the fridge so we really wanted to address the issue of spreadability which we know is a barrier to purchase. With the new recipe we have created for Lurpak Softest, we can tap in to the increasing consumer demand for convenience, but with the taste and naturalness of butter.”​

New cottage cheese from Dean Foods

In the US, Dean Foods is working to help cottage cheese gain back some market share, with the launch of DairyPure Mix-ins, a new line of cottage cheese that taps into the importance of portability with its single-serve containers.

Mix-ins, the newest extension for the DairyPure brand, is a range of four fruit and nut toppings.

Dean recognized key market trends that showed snacks are replacing meals and the importance of convenience, high protein and real ingredients in consumers’ food, all of which sparked the idea for Mix-ins.

Each 5.3 oz. cup of DairyPure Mix-ins contains more than 15 grams of protein -- twice the amount in an equal serving of regular yogurt. The blueberry, peach & pecan, pineapple and strawberry & almond Mix-ins are made with real fruit and nuts and no artificial flavors or sweeteners.

The products are regionally available across the country and will be available in Walmart in the fall.

Nature One Dairy launches organic infant formula

Australia’s Nature One Dairy has launched its range of organic infant formula in China; it will be launched in Singapore in early July.

Targeted at infants and toddlers from newborn to three years old, the organic infant formula is Australian Certified Organic (ACO), Australia’s largest certifier for organic and biodynamic ***produce***.

Nick Dimopoulos, CEO of Nature One Dairy, said,” The demand for pure and clean organic products has been rising and this has extended to infant formula category. Nature One Dairy has carried out product development on the organic range for the past year and we are pleased to finally launch the range.

Dimopoulos added Nature One Dairy will be launching an Organic Cereal range and a fruit and vegetable pouch range suitable for babies aged 4 months over the next three months.

Arla adds to Fibre range

Following the launch of Arla Fibre in the UK earlier this year, Arla Foods is to expand the range with the addition of a new plain variant.

With no added sugar, and 5.3g of fibre per 150g, Arla Fibre’s new plain format is a low fat source of the nutrient but without the taste or texture of fibre.

Arla Fibre in plain is available from Tesco stores nationwide in 450g pots.

New organic format for Yeo Valley

In the UK, Yeo Valley is extending its Organic Milk range by launching a new 1.5 liter format in whole, semi-skimmed and skimmed, in Tesco stores nationwide.

Yeo Valley buys its milk from the Organic Milk Suppliers Cooperative (OMSCo). Its partnership with OMSCo has lasted for more than 20 years.

A newly designed label celebrates Yeo Valley’s British and organic credentials and communicates the fact that Yeo Valley is a family farm.

Yeo Valley’s Organic Milk 1.5 Liter is available from Tesco stores for MRRSP £1.29.

Hiland Dairy launches new ice cream packaging and three new flavors

US company Hiland Dairy is introducing three new ice cream flavors:

• Hiland Time Traveler — Inspired by the new Time Traveler roller coaster at Silver Dollar City, billed as the world's fastest, steepest and tallest spinning coaster. The new ice cream flavor features French silk ice cream spun with marshmallow bonbons, chocolate flakes and thick fudge sauce.

• Caramel Waffle Cone — Caramel ice cream with milk chocolate swirls and fudge covered waffle cone pieces.

• Cherry Chocolate Chunk — Cherry-flavored ice cream with pieces of real cherries and chocolate chunks.

All three new premium flavors are available in 48-ounce and 16-ounce containers and are available at retail locations where Hiland Dairy products are sold.

In addition to the new flavors, Hiland Dairy is introducing new packages in response to consumer and grocer requests for more food label transparency and less packaging waste.

"The new packages align with our improved transparency in food labeling, which we began implementing earlier this year with double labels on our milk products,"​ said Rick Beaman, vice president, Hiland Dairy.

"We also wanted our ice cream packaging to create less consumer waste in landfills, and that's part of our commitment to sustainability and preserving the planet for future generations,"​ Beaman said.

What the French?! ice cream

In June 2018, ice cream What the French?! lands on the shelves in France.

Launched by French by Nature, a four-person start up in Lyon, What the French?! is a range of ice creams, sorbets, yogurts and alcoholic ice creams.

There are nine flavors in the 450ml tub range, which is available in June in supermarkets for €5.20 ($6.04).

The flavors are:

* Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel

1. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
2. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
3. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
4. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
5. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
6. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
7. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
8. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel

Arla BIO in Germany

Launched in new packaging this month is Arla BIO pasture milk with 3.8% fat. The packaging of the durable Arla BIO milk is also notable in that it has the lowest CO<sub>2</sub>​ footprint in the German market compared to all other UHT milk.

According to the IFEU Institute, the CO2 savings are 72% compared to conventional UHT-milk packaging. The packaging will initially be used exclusively by supermarket Rewe and from July throughout Germany.

The Arla BIO range includes the following products:

Fresh organic pasture milk with 1.5% fat (RRP €1.29/$1.49)

Fresh organic pasture milk with 3.8% fat (RRP €1.39/$1.61)

UHT organic pasture milk with 1.5% fat (RRP €1.29/$1.49)

UHT organic pasture milk with 3.8% fat (RRP €1.39/$1.61)

Müller enters UK spreadable market

In the UK, Müller has launched Müller Spreadable, its first ever branded spreadable in the UK.

Müller Spreadable is made with 73% real churned butter.

Launched exclusively in Tesco on May 21, 2018, consumers will be able to purchase six SKUs. The new Müller Spreadable will be available in slightly salted and unsalted in 400g (RRP £3.00/$4) and 250g (RRP £2.00/$2.65).

In addition, consumers in Tesco will also be able to purchase salted and unsalted Müller Butter (block) in 250g (RRP £2.00). All SKUs will be available throughout the trade later in 2018.

New from TINE

Norwegian company TINE launched a variety of products to the market on April 30.

The dairy company launched two 170g Greek yogurt products with granola, in vanilla and passionfruit flavors. Also launched was an 850g mango and passionfruit yogurt.

In the cheese category, there is a new Jarlsberg Original Staver, six 20g-sticks of Jarlsberg cheese for snacking or packed lunches. In addition, there is a Norvegia version of the snacks, as well as a 16% less fat Norvegia variant.

There are also three 250g shredded cheese package variants: TINE Revet Lettost with 17% fat, a mix of grated Jarlsberg Light, Norvegia Light and Norwegian mozzarella; Norvegia; and a four-cheese version, TINE Revet Ost 4 oster, which includes Jarlsberg, Norvegia, Østavind and Norwegian mozzarella.

Two 190g  Go'morgen UTEN (Good morning, without…) yogurt products have been launched, a passionfruit/coconut and granola variant, and a dragonfruit, raspberry and granola variant.  Both have no added sugar and are sweetened with aspartame and acesulfame K.

For children, there are two 220g Litago Shake milkshake products launched, one in strawberry/banana flavor, and the other in chocolate/caramel.

TINE has also launched two 330ml YT Proteinvann protein water products sweetened with sucralose and containing 13g of whey protein. The two flavors are lemon & lime and strawberry & pomegranate.

Marble Slab Creamery and MaggieMoo's introduce new cereal milk ice cream

For a limited time in the US, Marble Slab Creamery and MaggieMoo's Ice Cream and Treatery are serving up a new Cereal Milk Ice Cream flavor and Cereal Milk Shake.

To complement the new flavor, Birthday Confetti Waffle Cones are also being introduced. Cereal Milk treats will be available in stores nationwide through September 2, 2018.

Cereal Milk Ice Cream is a combination of yellow cake batter and marshmallow flavors. It pairs with Froot Loops and mini marshmallow mix-ins and marshmallow topping.

Blended with Cereal Milk Ice Cream and Froot Loops, the shake features a swirl of marshmallow cream and is topped with whipped cream and a garnish of more Froot Loops.

New shake line

In the US, Atkins Nutritionals Inc. unveiled its new shake line, Atkins Plus Protein & Fiber Shakes.

The shakes come in Creamy Milk Chocolate and Creamy Vanilla and have 30g of dairy protein, 7g of fiber and 20 vitamins and minerals, and boast a low glycemic impact with 1g of sugar.

**Load-Date:** May 31, 2018

**End of Document**



[***New products in the dairy aisle: May***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5SFN-30T1-DYNP-M4H3-00000-00&context=1516831)

DairyReporter.com

May 31, 2018 Thursday 8:10 AM GMT+1

Copyright 2018 William Reed Business Media Ltd. All Rights Reserved

**Length:** 2628 words

**Byline:** Jim Cornall, , [*Jim.Cornall@wrbm.com*](mailto:Jim.Cornall@wrbm.com)

**Body**

It's time for our monthly round-up of new products from around the world hitting the shelves in the dairy aisles.

It has certainly been a bumper month for launches, with yogurts, cheeses, flavored milk, butter and ice creams from around the world. As always, if you have a new product to share, or have seen one you think we need to include, please [*send us the details*](mailto:Jim.Cornall@wrbm.com)  , along with an image of the product.

Breakfast on the go from Arla

In the UK, Arla Foods launches into the breakfast food-to-go market with the introduction of its new Milk & Oats range of ready to drink beverages.

Milk & Oats is a blend of skimmed milk, wholegrain oats and natural flavor that will launch in two variants Maple and Vanilla.

Arla said the product combines the convenience that on the go shoppers with a product high in fiber and protein, low in fat and a source of calcium.

Milk & Oats is available in 250ml bottles from Nisa, Co-Op and Sainsbury s.

Twenty new products from Unilever

In the US, Unilever Ice Cream has added 20 new frozen treats across five of its packaged ice cream and frozen novelty brands: Breyers, Good Humor, Klondike, MAGNUM Ice Cream and Popsicle.

Available nationwide, the new products include first-of-its-kind ice cream experience MAGNUM Tubs, new sizes like snackable Klondike Minis, and more from Breyers, Popsicle and Good Humor.

Magnum Ice Cream debuts tubs

In the US, Magnum Tubs have reimagined Magnum's ice cream bar as a scoopable treat that is fully encased in a chocolate cracking shell and topped with a Magnum chocolate stamp.

Magnum Milk Chocolate Vanilla features vanilla ice cream and thick chocolate shards, all surrounded by a cracking Magnum chocolate shell and topped with the Magnum chocolate stamp. Made with Belgian chocolate.

Magnum Dark Chocolate Raspberry includes raspberry ice cream and dark chocolate shards, surrounded by a cracking Magnum dark chocolate shell and topped with the Magnum chocolate stamp. Made with 65% cacao.

Magnum Milk Chocolate Hazelnut combines hazelnut ice cream with caramelized hazelnuts and thick chocolate shards, surrounded by a cracking Magnum chocolate shell and topped with caramelized hazelnuts. Made with Belgian chocolate.

Magnum White Chocolate Vanilla uses vanilla ice cream and thick white chocolate shards, surrounded by a cracking white chocolate shell and topped with the Magnum chocolate stamp. Made with Belgian chocolate.

In addition to Magnum Tubs, the brand is bringing two new varieties to its Doubles ice cream bar line. The new bars are twice-dipped for a double decadent experience:

Magnum Double Cherry Truffle features cherry ice cream swirled with chocolate ganache and dipped in a chocolatey coating, with a cherry sauce and milk chocolate. Made with Belgian chocolate.

Magnum Mini Double Raspberry pairs raspberry ice cream dipped in a chocolatey coating, with a raspberry sauce and milk chocolate. Made with Belgian chocolate.

Breyers 2in1s

Breyers is introducing four new 2in1s combinations.

Breyers 2in1 Oreo Chips Ahoy! swirls Breyers Vanilla and Caramel with Oreo cookie pieces and Chips Ahoy! cookie pieces.

Breyers 2in1 Reese's Pieces blends Breyers Peanut Butter and Chocolate with Reese's peanut butter cup pieces and Reese's Pieces mini candies.

Breyers 2in1 Snickers M&M's brings together Breyers Caramel and Chocolate light ice cream with pieces of Snickers bar and M&M's Minis milk chocolate candies.

Breyers 2in1 Heath Waffle Cone mixes Breyers Vanilla and Chocolate with Heath toffee pieces and fudge-covered waffle cone pieces.

Breyers delights Minis in new 4-ounce size

Breyers delights launched in summer 2017 with 260-330 calories per pint. This spring, Breyers delights is introducing new Minis. At 70-80 calories and five grams of protein per 4-ounce cup, Breyers delights Minis come in two flavors:

Breyers delights Mini Vanilla Cupcake is made with low-fat vanilla ice cream, cupcake batter and loaded with sprinkles at 80 calories per cup.

Breyers delights Mini Creamy Chocolate is made with low-fat chocolate ice cream and cocoa at 70 calories per cup.

Popsicle Expands lineup

This year, the brand is releasing Popsicle Fruit Pops in four flavors. Made with five ingredients: water, fruit, cane sugar, vitamin C and natural flavors, each ice pop contains fewer than 45 calories and 11 grams of sugar.

Popsicle Strawberry Fruit Pops

Popsicle Mango Fruit Pops

Popsicle Orange Fruit Pops

Popsicle Raspberry Fruit Pops

Klondike new Minis

Klondike is introducing its first-ever line of Minis.

Klondike Minis Original offers the brand's vanilla ice cream coated in a chocolatey shell.

Klondike Minis Reese's features Reese's flavored ice cream in a chocolatey shell.

Good Humor adds peanut butter twist

This year, Good Humor has collaborated with Reese's to bring a new variety to market:

Good Humor Reese's Dessert Bar is a dessert bar blended with Reese's peanut butter sauce and covered in Good Humor cake coating.

Farming Together helps dairy co-op launch flavored milks

In Australia, New South Wales (NSW) consumers now have a wider choice of flavored milks with farmer-owned Berry Rural Co-op expanding its product range, backed by Farming Together.

The co-op received A$131,000 (US$98,750) from Farming Together, to help develop a ***strategic*** ***plan***, a business ***plan*** and a governance ***program*** as well as a succession ***plan*** and marketing ***plan***.

The Farm Co-operative and Collaboration ***Program*** (Farming Together) is a two-year, A$13.8m (US$10.4m) initiative from the Australian Government designed to help ***agricultural*** groups value-add, secure premium pricing, scale-up production, attract capital investment, earn new markets or secure lower input costs.

The co-op decided to expand into flavored milks after a study undertaken with help from the ***program***.

The six dairy farm-co-op launched the range of full-cream, full-flavored milks in chocolate, strawberry and iced coffee flavors.

The milks, branded South Coast Dairy, come in 300ml, 500ml and two-liter packaging.

Arla s Lurpak launches new Softest

In the UK, Lurpak is to expand its spreadable product portfolio with the launch of Lurpak Softest, a new soft blend butter that is spreadable straight from the fridge.

To make Lurpak Softest, Arla blended Lurpak butter, buttermilk retained from churning and rapeseed oil.

Lucy Hurrell-Morgan, brand manager for Lurpak, said,  Research shows that 92% of consumers spread butter straight from the fridge so we really wanted to address the issue of spreadability which we know is a barrier to purchase. With the new recipe we have created for Lurpak Softest, we can tap in to the increasing consumer demand for convenience, but with the taste and naturalness of butter.

New cottage cheese from Dean Foods

In the US, Dean Foods is working to help cottage cheese gain back some market share, with the launch of DairyPure Mix-ins, a new line of cottage cheese that taps into the importance of portability with its single-serve containers.

Mix-ins, the newest extension for the DairyPure brand, is a range of four fruit and nut toppings.

Dean recognized key market trends that showed snacks are replacing meals and the importance of convenience, high protein and real ingredients in consumers food, all of which sparked the idea for Mix-ins.

Each 5.3 oz. cup of DairyPure Mix-ins contains more than 15 grams of protein -- twice the amount in an equal serving of regular yogurt. The blueberry, peach & pecan, pineapple and strawberry & almond Mix-ins are made with real fruit and nuts and no artificial flavors or sweeteners.

The products are regionally available across the country.

Nature One Dairy launches organic infant formula

Australia s Nature One Dairy has launched its range of organic infant formula in China; it will be launched in Singapore in early July.

Targeted at infants and toddlers from newborn to three years old, the organic infant formula is Australian Certified Organic (ACO), Australia s largest certifier for organic and biodynamic ***produce***.

Nick Dimopoulos, CEO of Nature One Dairy, said, The demand for pure and clean organic products has been rising and this has extended to infant formula category. Nature One Dairy has carried out product development on the organic range for the past year and we are pleased to finally launch the range.

Dimopoulos added Nature One Dairy will be launching an Organic Cereal range and a fruit and vegetable pouch range suitable for babies aged 4 months over the next three months.

Arla adds to Fibre range

Following the launch of Arla Fibre in the UK earlier this year, Arla Foods is to expand the range with the addition of a new plain variant.

With no added sugar, and 5.3g of fibre per 150g, Arla Fibre s new plain format is a low fat source of the nutrient but without the taste or texture of fibre.

Arla Fibre in plain is available from Tesco stores nationwide in 450g pots.

New organic format for Yeo Valley

In the UK, Yeo Valley is extending its Organic Milk range by launching a new 1.5 liter format in whole, semi-skimmed and skimmed, in Tesco stores nationwide.

Yeo Valley buys its milk from the Organic Milk Suppliers Cooperative (OMSCo). Its partnership with OMSCo has lasted for more than 20 years.

A newly designed label celebrates Yeo Valley s British and organic credentials and communicates the fact that Yeo Valley is a family farm.

Yeo Valley s Organic Milk 1.5 Liter is available from Tesco stores for MRRSP £1.29.

Hiland Dairy launches new ice cream packaging and three new flavors

US company Hiland Dairy is introducing three new ice cream flavors:

Hiland Time Traveler Inspired by the new Time Traveler roller coaster at Silver Dollar City, billed as the world's fastest, steepest and tallest spinning coaster. The new ice cream flavor features French silk ice cream spun with marshmallow bonbons, chocolate flakes and thick fudge sauce.

Caramel Waffle Cone Caramel ice cream with milk chocolate swirls and fudge covered waffle cone pieces.

Cherry Chocolate Chunk Cherry-flavored ice cream with pieces of real cherries and chocolate chunks.

All three new premium flavors are available in 48-ounce and 16-ounce containers and are available at retail locations where Hiland Dairy products are sold.

In addition to the new flavors, Hiland Dairy is introducing new packages in response to consumer and grocer requests for more food label transparency and less packaging waste.

"The new packages align with our improved transparency in food labeling, which we began implementing earlier this year with double labels on our milk products," said Rick Beaman, vice president, Hiland Dairy.

"We also wanted our ice cream packaging to create less consumer waste in landfills, and that's part of our commitment to sustainability and preserving the planet for future generations," Beaman said.

What the French?! ice cream

In June 2018, ice cream What the French?! lands on the shelves in France.

Launched by French by Nature, a four-person start up in Lyon, What the French?! is a range of ice creams, sorbets, yogurts and alcoholic ice creams.

There are nine flavors in the 450ml tub range, which is available in June in supermarkets for 5.20 ($6.04).

The flavors are:

* Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel

1. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
2. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
3. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
4. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
5. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
6. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
7. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel
8. Coup du Foudre (Love at First Sight), a mix of vanilla ice cream with dark chocolate and caramel

Arla BIO in Germany

Launched in new packaging this month is Arla BIO pasture milk with 3.8% fat. The packaging of the durable Arla BIO milk is also notable in that it has the lowest CO<sub>2</sub> footprint in the German market compared to all other UHT milk.

According to the IFEU Institute, the CO2 savings are 72% compared to conventional UHT-milk packaging. The packaging will initially be used exclusively by supermarket Rewe and from July throughout Germany.

The Arla BIO range includes the following products:

Fresh organic pasture milk with 1.5% fat (RRP 1.29/$1.49)

Fresh organic pasture milk with 3.8% fat (RRP 1.39/$1.61)

UHT organic pasture milk with 1.5% fat (RRP 1.29/$1.49)

UHT organic pasture milk with 3.8% fat (RRP 1.39/$1.61)

Müller enters UK spreadable market

In the UK, Müller has launched Müller Spreadable, its first ever branded spreadable in the UK.

Müller Spreadable is made with 73% real churned butter.

Launched exclusively in Tesco on May 21, 2018, consumers will be able to purchase six SKUs. The new Müller Spreadable will be available in slightly salted and unsalted in 400g (RRP £3.00/$4) and 250g (RRP £2.00/$2.65).

In addition, consumers in Tesco will also be able to purchase salted and unsalted Müller Butter (block) in 250g (RRP £2.00). All SKUs will be available throughout the trade later in 2018.

New from TINE

Norwegian company TINE launched a variety of products to the market on April 30.

The dairy company launched two 170g Greek yogurt products with granola, in vanilla and passionfruit flavors. Also launched was an 850g mango and passionfruit yogurt.

In the cheese category, there is a new Jarlsberg Original Staver, six 20g-sticks of Jarlsberg cheese for snacking or packed lunches. In addition, there is a Norvegia version of the snacks, as well as a 16% less fat Norvegia variant.

There are also three 250g shredded cheese package variants: TINE Revet Lettost with 17% fat, a mix of grated Jarlsberg Light, Norvegia Light and Norwegian mozzarella; Norvegia; and a four-cheese version, TINE Revet Ost 4 oster, which includes Jarlsberg, Norvegia, Østavind and Norwegian mozzarella.

Two 190g  Go'morgen UTEN (Good morning, without ) yogurt products have been launched, a passionfruit/coconut and granola variant, and a dragonfruit, raspberry and granola variant.  Both have no added sugar and are sweetened with aspartame and acesulfame K.

For children, there are two 220g Litago Shake milkshake products launched, one in strawberry/banana flavor, and the other in chocolate/caramel.

TINE has also launched two 330ml YT Proteinvann protein water products sweetened with sucralose and containing 13g of whey protein. The two flavors are lemon & lime and strawberry & pomegranate.

Marble Slab Creamery and MaggieMoo's introduce new cereal milk ice cream

For a limited time in the US, Marble Slab Creamery and MaggieMoo's Ice Cream and Treatery are serving up a new Cereal Milk Ice Cream flavor and Cereal Milk Shake.

To complement the new flavor, Birthday Confetti Waffle Cones are also being introduced. Cereal Milk treats will be available in stores nationwide through September 2, 2018.

Cereal Milk Ice Cream is a combination of yellow cake batter and marshmallow flavors. It pairs with Froot Loops and mini marshmallow mix-ins and marshmallow topping.

Blended with Cereal Milk Ice Cream and Froot Loops, the shake features a swirl of marshmallow cream and is topped with whipped cream and a garnish of more Froot Loops.

New shake line

In the US, Atkins Nutritionals Inc. unveiled its new shake line, Atkins Plus Protein & Fiber Shakes.

The shakes come in Creamy Milk Chocolate and Creamy Vanilla and have 30g of dairy protein, 7g of fiber and 20 vitamins and minerals, and boast a low glycemic impact with 1g of sugar.

**Load-Date:** May 31, 2018

**End of Document**



[***FEDERAL REGISTER: Semiannual Regulatory Agenda Pages 1949 - 1961 [FR DOC # 2017-28242]***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:5RD5-RYN1-JDG9-Y2P3-00000-00&context=1516831)

Impact News Service

January 12, 2018 Friday

Copyright 2018 Impact Media Limited All Rights Reserved



**Length:** 13122 words

**Body**

Washington: Office of the Federal Register has issued the following notice:

Department of Defense ----------------------------------------------------------------------- General Services Administration ----------------------------------------------------------------------- National Aeronautics and Space Administration ----------------------------------------------------------------------- Semiannual Regulatory Agenda Federal Register / Vol. 83 , No. 9 / Friday, January 12, 2018 / Unified Agenda [[Page 1950]] ----------------------------------------------------------------------- DEPARTMENT OF DEFENSE GENERAL SERVICES ADMINISTRATION NATIONAL AERONAUTICS AND SPACE ADMINISTRATION 48 CFR Ch.

1 Semiannual Regulatory Agenda AGENCY: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA). ACTION: Semiannual regulatory agenda. ----------------------------------------------------------------------- SUMMARY: This agenda provides summary descriptions of regulations being developed by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council pursuant to Executive Order 12866 ``Regulatory ***Planning*** and Review,'' 58 FR 51735 (1993), with particular adherence to EO 13771, ``Reducing Regulation and Controlling Costs,'' 82 FR 9339 (2017), EO 13777, ``Enforcing the Regulatory Reform Agenda,'' 82 FR 12285, and the Regulatory Flexibility Act, 5 U.S.C 601 to 612. The purpose of publishing this agenda is to give notice of regulatory activity being undertaken by FAR Council in order to provide the public an opportunity to participate in the rulemaking process. FOR FURTHER INFORMATION CONTACT: Lois Mandell, Division Director, Regulatory Secretariat Division, 1800 F Street NW, 2nd Floor, Washington, DC 20405-0001, 202-501-2735. SUPPLEMENTARY INFORMATION: DoD, GSA, and NASA, under the Office of Federal Procurement Policy (OFPP) Act (41 U.S.C 1303) and the agencies' several statutory authorities, jointly issue and maintain the FAR through periodic issuance of changes published in the Federal Register and ***produced*** electronically as Federal Acquisition Circulars (FACs). The electronic version of the FAR, including changes, can be accessed on the FAR website at [*http://www.acquisition.gov/far*](http://www.acquisition.gov/far). The information provided in the Unified Agenda (Agenda) previews the rulemaking activities that we expect to undertake in the immediate future. The Agenda focuses primarily on those actions expected to result in publication of Advanced Notices of Proposed Rulemaking, Notices of Proposed Rulemaking, or Final Rules within the next 12 months. A fully searchable e-Agenda is available for viewing in its entirety at   [*www.reginfo.gov*](http://www.reginfo.gov) Agenda information is also available at   [*www.regulations.gov*](http://www.regulations.gov), the government-wide website for submission of comments on proposed regulations. Our fall 2017 agenda follows. Dated: November 29, 2017. William F. Clark, Director, Office of Government-wide, Acquisition Policy, Office of Acquisition Policy, Office of Government-wide Policy. DOD/GSA/NASA (FAR)--Prerule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 348....................... Federal Acquisition 9000-AN43 Regulation (FAR); FAR Case 2017-014, Use of Acquisition 360 to Encourage Vendor Feedback. ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Proposed Rule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 349....................... Federal Acquisition 9000-AM94 Regulation (FAR); FAR Case 2015-021; Determination of Fair and Reasonable Prices on Orders Under Multiple Award Contracts. 350....................... Federal Acquisition 9000-AN03 Regulation (FAR); FAR Case 2015-014; Prohibition on Providing Funds to the Enemy. 351....................... FAR Acquisition Regulation 9000-AN31 (FAR); FAR Case 2015-038, Reverse Auction Guidance. 352....................... Federal Acquisition 9000-AN32 Regulation (FAR); FAR Case 2017-005, Whistleblower Protection for Contractor Employees. 353....................... Federal Acquisition 9000-AN34 Regulation; FAR Case 2016- 002, Applicability of Small Business Regulations Outside the United States. 354....................... Federal Acquisition 9000-AN38 Regulation (FAR); FAR Case 2016-013, Tax on Certain Foreign Procurement. 355....................... Federal Acquisition 9000-AN39 Regulation (FAR); FAR Case 2017-003; Individual Sureties. 356....................... Federal Acquisition 9000-AN40 Regulations (FAR); FAR Case 2015-002, Requirements for DD Form 254, Contract Security Classification Specification. 357....................... Federal Acquisition 9000-AN44 Regulation (FAR); FAR Case 2017-013, Breaches of Personally Identifiable Information. 358....................... Federal Acquisition 9000-AN46 Regulation (FAR); FAR Case 2017-011, Section 508-Based Standards in Information and Communication Technology. 359....................... Federal Acquisition 9000-AN47 Regulation (FAR); FAR Case 2016-012, Incremental Funding of Fixed-Price Contracting Actions. 360....................... Federal Acquisition 9000-AN48 Regulation (FAR); FAR Case 2015-037, Definition of ``Information Technology''. 361....................... Federal Acquisition 9000-AN49 Regulation (FAR); FAR Case 2015-028, Performance-Based Payments. 362....................... Federal Acquisition 9000-AN51 Regulation (FAR); Far Case 2015-004, Provisions and Clauses for Acquisitions of Commercial Items and Acquisitions That do not Exceed the Simplified Acquisition Threshold. 363....................... Federal Acquisition 9000-AN53 Regulation (FAR); FAR Case 2017-006, Exception From Certified Cost or Pricing Data Requirements- Adequate Price Competition. 364....................... Federal Acquisition 9000-AN54 Regulation (FAR); FAR Case 2017-010, Evaluation Factors for Multiple- Award Contracts. 365....................... Federal Acquisition 9000-AN56 Regulation (FAR); FAR Case 2017-016, Controlled Unclassified Information (CUI). 366....................... Federal Acquisition 9000-AN57 Regulation (FAR); FAR Case 2017-018, Violation of Arms Control Treaties or Agreements with the United States. 367....................... Federal Acquisition 9000-AN58 Regulation (FAR); FAR 2017-020, Ombudsman for Indefinite-Delivery Contracts. 368....................... Federal Regulation 9000-AN59 Acquisition (FAR); FAR Case 2017-019, Policy on Joint Ventures. [[Page 1951]] 369....................... Federal Acquisition 9000-AN61 Regulation (FAR); FAR Case 2018-003, Credit for Lower-Tier Small Business Subcontracting. 370....................... Federal Acquisition 9000-AN62 Regulation (FAR); FAR Case 2018-002, Protecting Life in Global Health Assistance (Reg ***Plan*** Seq No. 136). ------------------------------------------------------------------------ References in boldface appear in The Regulatory ***Plan*** in part II of this issue of the Federal Register. DOD/GSA/NASA (FAR)--Final Rule Stage ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 371....................... Federal Acquisition 9000-AM58 Regulation (FAR); FAR Case 2013-002; Reporting of Nonconforming Items to the Government-Industry Data Exchange ***Program***. 372....................... Federal Acquisition 9000-AM89 Regulation (FAR); FAR Case 2015-015; ***Strategic*** Sourcing Documentation. 373....................... Federal Acquisition 9000-AM90 Regulation (FAR); FAR Case 2013-018; Clarification of Requirement for Justifications for 8(a) Sole Source Contracts. 374....................... Federal Acquisition 9000-AM93 Regulation (FAR); FAR Case 2014-002; Set-Asides Under Multiple Award Contracts. 375....................... Federal Acquisition 9000-AN02 Regulation (FAR); FAR Case 2015-017; Combating Trafficking in Persons-- Definition of ``Recruitment Fees''. 376....................... Federal Acquisition 9000-AN10 Regulation (FAR); FAR Case 2016-007, Non- Retaliation for Disclosure of Compensation Information. 377....................... Federal Acquisition 9000-AN19 Regulation (FAR); FAR Case 2015-005, System for Award Management Registration. 378....................... Federal Acquisition 9000-AN26 Regulation (FAR); FAR Case 2015-039, Audit of Settlement Proposals. 379....................... Federal Acquisition 9000-AN27 Regulation (FAR); FAR Case 2017-001, Paid Sick Leave for Federal Contractors. 380....................... Federal Acquisition 9000-AN28 Regulation (FAR); FAR Case 2015-033, Sustainable Acquisition. 381....................... Federal Acquisition 9000-AN29 Regulation: FAR Case 2016- 005; Effective Communication Between Government and Industry. 382....................... Federal Acquisition 9000-AN35 Regulation (FAR); FAR Case 2016-011, (S) Revision of Limitations on Subcontracting. 383....................... Federal Acquisition 9000-AN37 Regulation (FAR); FAR Case 2017-004, Rate Adjustment of Liquidated Damages. 384....................... Federal Acquisition 9000-AN41 Regulation (FAR); FAR Case 2017-007, Task- and Delivery-Order Protests. 385....................... Federal Acquisition 9000-AN45 Regulation (FAR); FAR Case 2017-009, Special Emergency Procurement Authority. 386....................... Federal Acquisition 9000-AN50 Regulation (FAR); FAR Case 2017-012, Increased Micro-Purchase Threshold for Certain Procurement Activities. ------------------------------------------------------------------------ DOD/GSA/NASA (FAR)--Completed Actions ------------------------------------------------------------------------ Regulation Sequence No. Title Identifier No. ------------------------------------------------------------------------ 387....................... Federal Acquisition 9000-AN33 Regulation (FAR); FAR Case 2015-031, Policy on 8(a) Joint Ventures. 388....................... Federal Acquisition 9000-AN52 Regulation (FAR); FAR Case 2017-015, Removal of Fair Pay and Safe Workplaces Rule. ------------------------------------------------------------------------ DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR) Prerule Stage 348. Federal Acquisition Regulation (FAR); FAR Case 2017-014, Use of Acquisition 360 To Encourage Vendor Feedback E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to address the solicitation of contractor feedback on both contract formation and contract administration activities. Agencies would consider this feedback, as appropriate, to improve the efficiency and effectiveness of their acquisition activities. The rule would create FAR policy to encourage regular feedback in accordance with agency practice (both on contract formation and administration activities) and a standard FAR solicitation provision to support a sustainable model for broadened use of Acquisition 360 survey to elicit feedback on the pre-award and debriefing processes in a consistent and standardized manner. Agencies would be able to use the solicitation provision to notify interested sources that a procurement is part of the Acquisition 360 survey and encourage stakeholders to voluntarily provide feedback on their experiences on the pre-award process. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ ANPRM............................... 04/00/18 ANPRM Comment Period End............ 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AN43 [[Page 1952]] DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR) Proposed Rule Stage 349. Federal Acquisition Regulation (FAR); FAR Case 2015-021; Determination of Fair and Reasonable Prices on Orders Under Multiple Award Contracts E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to direct ordering activity contracting officers to make a determination of fair and reasonable pricing when placing an order against using GSA's Federal Supply Schedules (FSS). The Federal Acquisition Streamlining Act (FASA) of 1994 established a preference for the types of information used to assess price reasonableness. This rule establishes a practice that will ensure that prices are fair and reasonable at the time the order is placed under the GSA's Federal Supply Schedules. This government-wide FAR rule will ensure uniform implementation of this FAR change across FAR-based contracts and avoid the proliferation of agency-wide rules and actions (e.g revisions to FAR supplements or issuance of policy guidance) implementing this requirement. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 05/00/18 NPRM Comment Period End............. 07/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AM94 350. Federal Acquisition Regulation (FAR); FAR Case 2015-014; Prohibition on Providing Funds to the Enemy E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement subtitle E of title VIII of the Carl Levin and Howard P. ``Buck'' McKeon National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2015, which prohibits the Government from providing funds to the enemy. The Act requires the Secretary of Defense to notify executive agencies of persons or entities providing funds under certain contracts to persons or entities that are actively opposing the United States or coalition forces where the Armed Forces are actively engaged in a contingency operation; or has failed to exercise due diligence to ensure that none of the funds under certain contracts are provided to those persons or entities. After receiving such notification, the executive agency's Head of the Contracting Activity (HCA) may rescind, void the contract or terminate for default. The HCA's decision is entered into the Federal Awardee Performance and Integrity Information System (FAPIIS), or other formal system of records. Since, review of FAPIIS is required before making certain award decision, this rule helps to prevent the flow of funds to such persons or entities. The statute does not apply to contracts that are equal to or less than $50,000, and contracts performed inside the United States or its outlying areas, or contracts subject to a national security exception. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov) RIN: 9000-AN03 351. FAR Acquisition Regulation (FAR); FAR Case 2015-038, Reverse Auction Guidance E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement policies addressing the effective use of reverse auctions. Reverse auctions involve offerors lowering their pricing over rounds of bidding in order to win federal contracts. This change incorporates guidance from the Office of Federal Procurement Policy (OFPP) memorandum, ``Effective Use of Reverse Auctions,'' which was issued in response to recommendations from the GAO report, Reverse Auctions: Guidance is Needed to Maximize Competition and Achieve Cost Savings (GAO-14-108). Reverse auctions are one tool used by federal agencies to increase competition and reduce the cost of certain items. Reverse auctions differ from traditional auctions in that sellers compete against one another to provide the lowest price or highest-value offer to a buyer. This change to the FAR will include guidance that will standardize agencies' use of reverse auctions help agencies maximize competition and savings when using reverse auctions. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AN31 352. Federal Acquisition Regulation (FAR); FAR Case 2017-005, Whistleblower Protection for Contractor Employees E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement 41 U.S.C 4712, Enhancement of contractor protection from reprisal for disclosure of certain information and makes the pilot ***program*** permanent. The pilot was enacted on January 2, 2013, by section 828 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2013. The rule makes clear that contractors and subcontractors are prohibited from discharging, demoting, or otherwise discriminating against an employee as a reprisal for disclosing, to any of the entities such as agency Inspector Generals and Congress, information the employee reasonably believes is evidence of gross mismanagement of a Federal contract; a gross waste of Federal funds; an abuse of authority relating to a Federal contract; a substantial and specific danger to public health or safety; or violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract. This rule enhances [[Page 1953]] whistleblower protections for contractor employees, by making permanent the protection for disclosure of the aforementioned information, and ensuring that the prohibition on reimbursement for legal fees accrued in defense against reprisal claims applies to subcontractors, as well as contractors. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 03/00/18 NPRM Comment Period End............. 05/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov) RIN: 9000-AN32 353. Federal Acquisition Regulation; FAR Case 2016-002, Applicability of Small Business Regulations Outside the United States E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) consistent with SBA's regulation at 13 CFR 125.2 as finalized in their rule Acquisition Process: Task and Delivery Order Contracts, Bundling, Consolidation'' issued on October 2, 2013, to clarify that overseas contracting is not excluded from agency responsibilities to foster small business participation (78 FR 61113). In its final rule, SBA has clarified that, as a general matter, its small business contracting regulations apply regardless of the place of performance. In light of these changes, there is a need to amend the FAR both to bring its coverage into alignment with SBA's regulation and to give agencies the tools they need especially the ability to use set- asides to maximize opportunities for small businesses overseas. SBA intends to include contracts performed outside of the United States in agencies' prime contracting goals beginning in FY 2016. Although inclusion for goaling purposes is not dependent on FAR changes, amending FAR part 19 will allow agencies to take advantage of the tools authorized for providing small business opportunities for contracts awarded outside of the United States. This rule will allow agencies to take advantage of the tools authorized for providing small business opportunities for contracts awarded outside of the United States. This will make it easier for small businesses to receive additional opportunities for contracts performed outside of the United States. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov) RIN: 9000-AN34 354. Federal Acquisition Regulation (FAR); FAR Case 2016-013, Tax on Certain Foreign Procurement E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 37; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement a final rule issued by the Department of the Treasury (published at 81 FR 55133) that implements section 301 of the James Zadroga 9/11 Health and Compensation Act of 2010, Public Law 111347. This section imposes on any foreign person that receives a specified Federal procurement payment a tax equal to two percent of the amount such payment. This rule applies to Federal Government contracts for goods or services that are awarded to foreign persons. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405. Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov) RIN: 9000-AN38 355. Federal Acquisition Regulation (FAR); FAR Case 2017-003; Individual Sureties E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C 137; 51 U.S.C 20113 Abstract: DoD,GSA, and NASA are is proposing to amend the Federal Acquisition Regulation (FAR) to change the kinds of assets that individual sureties must use as security for their individual surety bonds. This change will implement section 874 of the NDAA for FY 2016 (Pub. L. 114-92), codified at 31 U.S.C 9310, Individual Sureties. Individual sureties will no longer be able to pledge real property, corporate stocks, corporate bonds, or irrevocable letters of credit. The requirements of 31 U.S.C 9310 are intended to strengthen the assets pledged by individual sureties, thereby mitigating risk to the Government. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov) RIN: 9000-AN39 356. Federal Acquisition Regulations (FAR); FAR Case 2015-002, Requirements for DD FORM 254, Contract Security Classification Specification E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to require the use of Department of Defense (DoD) Wide Area Workflow (WAWF) for the electronic submission of the DD Form 254, Contract Security Classification Specification. This form is used to convey security requirements regarding classified information to contractors and subcontractors and must be submitted to the Defense Security Services (DSS) when contractors or subcontractors require access to classified information under contracts awarded by agencies covered by the National Industrial Security ***Program*** (NISP). By changing the submittal process of the form from a manual process to an automated one, the government will reduce the cost of maintaining the forms, while also providing a centralized repository for classified contract security requirements and supporting data. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 03/00/18 NPRM Comment Period End............. 05/00/18 ------------------------------------------------------------------------ [[Page 1954]] Regulatory Flexibility Analysis Required: Yes. Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov) RIN: 9000-AN40 357. Federal Acquisition Regulation (FAR); FAR Case 2017-013, Breaches of Personally Identifiable Information E.O 13771 Designation: Regulatory. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to create and implement appropriate contract clauses and regulatory coverage to address contractor requirements for breach response consistent with the requirements. This FAR change will implement the requirements outlined in Office of Management and Budget (OMB) Memorandum, M-17-12 ``Preparing for and Responding to a Breach of Personally Identifiable Information'' section V part B. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 03/00/18 NPRM Comment Period End............. 05/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN44 358. Federal Acquisition Regulation (FAR); FAR Case 2017-011, Section 508-Based Standards in Information and Communication Technology E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to incorporate revisions and updates to standards in section 508 of the Rehabilitation Act of 1973, developed by the Architectural and Transportation Barriers Compliance Board (also referred to as the ``Access Board''). This FAR change incorporates the U.S Access Board's final rule, Information and Communication Technology (ICT) Standards and Guidelines, published on January 18, 2017 , which implemented revisions and updates to the section 508-based standards and section 255-based guidelines. This rule is expected to impose additional costs on federal agencies. The purpose is to increase productivity for federal employees with disabilities, time savings due to improved accessibility of federal websites for members of the public with disabilities, and reduced call volumes to federal agencies. Additionally, this rule harmonizes standards with national and international consensus standards which would assist American ICT companies by helping to achieve economies of scale created by wider use of these technical standards. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN46 359. Federal Acquisition Regulation (FAR); FAR Case 2016-012, Incremental Funding of Fixed-Price Contracting Actions E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to allow for incrementally funding of certain fixed-price contracting action to help minimize disruptions to agency operations, and provide Federal acquisition professionals with new funding flexibility for fixed-price contracting actions. The FAR addresses incremental funding on cost reimbursement contracts, however, does not provide coverage on fixed price contracts. Because the FAR is silent on the incremental funding of fixed-price contracts, contracting professionals endorse the full funding of fixed-price contracts as a best practice, however, in many cases full funding is not possible. Implementing this policy will provide the flexibility sought by several agencies. Although individual agencies have implemented policy changes for themselves, making this change to the FAR will provide consistency across Government agencies, from both policy and procedural perspectives. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 02/00/18 NPRM Comment Period End............. 04/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN47 360. Federal Acquisition Regulation (FAR); FAR Case 2015-037, Definition of ``Information Technology'' E.O 13771 Designation: Regulatory. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to update the definition of ``information technology,'' as directed in the Office of Management and Budget Memo, M-15-14, entitled Management Oversight of Federal Information Technology.'' Specifically, the rule broadens the definition of information technology to include services such as cloud computing and to remove an exemption for information technology embedded in other systems. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ----------------------------------

-------------------------------------- NPRM................................ 06/00/18 NPRM Comment Period End............. 08/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN48 361. Federal Acquisition Regulation (FAR); FAR Case 2015-028, Performance-Based Payments E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA and NASA are proposing to amend the FAR Clause 52.232-32, Performance-Based Payments, to include the text for subcontract flowdown addressed at FAR 32.504(f), but not currently specified in the clause itself. No new requirements are added. This rule takes guidance to prime contractors on the terms and conditions for flowdown of performance-based payments currently in the FAR text and places it in the [[Page 1955]] applicable contract clause so that the contractor can readily see what language is to be used in subcontracts authoring performance-based payments. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov) RIN: 9000-AN49 362. Federal Acquisition Regulation (FAR); FAR Case 2015-004, Provisions and Clauses for Acquisitions of Commercial Items and Acquisitions That Do Not Exceed the Simplified Acquisition Threshold E.O 13771 Designation: Other. Legal Authority: Not Yet Determined Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) with an internal administrative change to support the use of automated contract writing systems and reduce FAR maintenance when clauses are updated. Currently, the FAR provides a single, consolidated list of all provisions and clauses applicable to the acquisition of commercial items. When new clauses applicable to commercial items are added the FAR, a manual process of cross checking and renumbering of the list is employed to conform the FAR, The process is cumbersome and inefficient, and challenging to maintain, especially for contract writing systems. The proposed rule would propose a change to each clause prescription and each clause flowdown for commercial items to specify required information within the prescription/clause itself, without having to cross-check another clause, list or other parts of the FAR. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov) RIN: 9000-AN51 363. Federal Acquisition Regulation (FAR); FAR Case 2017-006, Exception From Certified Cost or Pricing Data Requirements--Adequate Price Competition E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: The proposed rule implements section 822 of the NDAA for FY 2017 (Pub. L . 114-328) to modify the Federal Acquisition Regulation (FAR) for DoD, NASA, and the Coast Guard to amend the FAR to implement exceptions from certified cost or pricing data requirements when price is based on adequate price competition at FAR 15.403(c)(1). This rule also limits the exception for price based on adequate price competition to circumstances in which there is adequate competition that results in at least two or more responsive and viable competing bids. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov) RIN: 9000-AN53 364. Federal Acquisition Regulation (FAR); FAR Case 2017-010, Evaluation Factors for Multiple-Award Contracts E.O 13771 Designation: Other. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement section 825 of the NDAA for FY 17 (Pub. L. 114-328). Section 825 amends 10 U.S.C 2305(a)(3) to change the requirement regarding the consideration of cost or price to the Government as a factor in the evaluation of proposals for certain multiple-award task order contracts awarded by DoD, NASA, or the Coast Guard. At the Government's discretion, solicitations for multiple-award contracts, which intend to award the same or similar services to each qualifying offeror, do not require price or cost as an evaluation factor for the base contract award. This will streamline the award of contracts for DoD, NASA, and Coast Guard because they won't have to consider cost or price in the evaluation of the award decision. Relieving the requirement to account for cost or price when evaluating proposals for these types of contracts, which feature competitive orders, will enable procurement officials to focus their energy on establishing and evaluating the non-price factors that will result in more meaningful distinctions among offerors. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov) RIN: 9000-AN54 365. Federal Acquisition Regulation (FAR); FAR Case 2017-016, Controlled Unclassified Information (CUI) E.O 13771 Designation: Regulatory. Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113 Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement the National Archives and Records Administration (NARA) Controlled Unclassified Information (CUI) ***program*** of Executive Order 13556 of Nov 4, 2010. As the executive agent designated to oversee the Governmentwide CUI ***program***, NARA issued implementing regulations in late 2016 designed to address agency policies for designating, safeguarding, disseminating, marking, decontrolling and disposing of CUI. The NARA rule affects contractors that handle, possess, use, share or receive CUI. The NARA regulation is codified at 32 CFR 2002. This FAR rule is necessary to ensure uniform implementation of the requirements of the CUI ***program*** in contracts across the government, thereby avoiding potentially inconsistent agency-level action. Timetable: ------------------------------------------------------------------------ Action Date FR Cite ------------------------------------------------------------------------ NPRM................................ 04/00/18 NPRM Comment Period End............. 06/00/18 ------------------------------------------------------------------------ Regulatory Flexibility Analysis Required: Yes. Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, [[Page 1956]] DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov) RIN: 9000-AN56 366.  Federal Acquisition Regulation (FAR); FAR Case 2017-018, Violation of Arms Control Treaties or Agreements With the United States

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement section 1290(c)(3) of the NDAA for FY 2017, which requires the offeror to certify or any of its subsidiaries to certify that it does not engage in any activity that contributed to or is a significant factor in the determination that a country is not in full compliance with its obligations undertaken in all arms control, nonproliferation, and disarmament agreements or commitments to which the United States is a participating state.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   03/00/18 NPRM Comment Period End.............   05/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN57

367.  Federal Acquisition Regulation (FAR); FAR 2017-020, Ombudsman for Indefinite-Delivery Contracts

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) by providing a new clause with contact information for the agency task and delivery order ombudsman as required by FAR.). Specifically, FAR 16.504(a)(4)(v) requires that the name, address, telephone number, facsimile number, and email address of the agency task and delivery order ombudsman be included in solicitations and contracts for an indefinite quantity requirement, if multiple awards may be made for uniformity and consistency.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   02/00/18 NPRM Comment Period End.............   04/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN58

368.  Federal Regulation Acquisition (FAR); FAR Case 2017-019, Policy on Joint Ventures

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to implement regulatory changes made by the Small Business Administration (SBA), Small Business Mentor Prot[é]g[é] ***Programs***, published on July 25, 2016 (81 FR 48557), regarding joint ventures and to clarify policy on 8(a) joint ventures. The regulatory changes provide industry with a new way to compete for small business or socioeconomic set-asides using a joint venture made up of a mentor and a prot[é]g[é]. The 8(a) joint venture clarification prevents confusion on an 8(a) joint venture's eligibility to compete for an 8(a) competitive procurement.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/00/18 NPRM Comment Period End.............   08/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Janet Fry, ***Program*** Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-3167, Email: [*janet.fry@gsa.gov*](mailto:janet.fry@gsa.gov)     RIN: 9000-AN59

369.  Federal Acquisition Regulation (FAR); FAR Case 2018-003, Credit for Lower-Tier Small Business Subcontracting

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation to implement section 1614 of the National Defense Authorization Act of Fiscal Year 2014, as implemented in the Small Business Administration's final rule issued on December 23, 2016. Section 1614 allows other than small prime contractors to receive small business subcontracting credit for subcontracts their subcontractors award to small businesses.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   04/00/18 NPRM Comment Period End.............   06/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Janet Fry, ***Program*** Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-3167, Email: [*janet.fry@gsa.gov*](mailto:janet.fry@gsa.gov)     RIN: 9000-AN61

370.  Federal Acquisition Regulation (FAR); FAR Case 2018-002, Protecting Life in Global Health Assistance

    Regulatory ***Plan***: This entry is Seq. No. 136 in part II of this issue of the Federal Register.     RIN: 9000-AN62

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Final Rule Stage

371. Federal Acquisition Regulation (FAR); FAR Case 2013-002; Reporting of Nonconforming Items to the Government-Industry Data Exchange ***Program***

    E.O 13771 Designation: Regulatory.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to expand Government and contractor requirements for reporting of nonconforming items. This rule partially implements section 818 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2012 and implement requirements of the Office of Federal Procurement Policy (OFPP) Policy Letter 91-3, entitled Reporting Nonconforming Products,'' dated April 9, 1991. This change will help mitigate the growing threat that counterfeit items pose when used in systems vital to an agency's mission. The primary benefit of this rule is to reduce the risk of counterfeit items entering the supply chain by ensuring that contractors report suspect items to a widely available database. This will allow the

[[Page 1957]]

contracting officer to provide disposition instructions for counterfeit or suspect counterfeit items in accordance with agency policy. In some cases, agency policy may require the contracting officer to direct the contractor to retain such items for investigative or evidentiary purposes.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/10/14  79 FR 33164 NPRM Comment Period End.............   08/11/14 Final Rule..........................   06/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AM58

372. Federal Acquisition Regulation (FAR); FAR Case 2015-015; ***Strategic*** Sourcing Documentation

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement a section of the Carl Levin and Howard P. ``Buck'' McKeon National Defense Authorization Act for Fiscal Year 2015. This section requires the contract file shall contain certain documentation if the Federal Government makes a purchase of supplies and services offered under the Federal ***Strategic*** Sourcing Initiative (FSSI), but the FSSI is not used. The contract file for the purchase shall include a brief analysis of the comparative value, including price and non-price factors, between the supplies and services offered under the FSSI and those offered under the source(s) to be used for the purchase.     The rule will raise the visibility of these ***strategic*** sourcing solutions, the analysis used when not using an FSSI contract vehicle, promote their use, and help to better leverage the Government's buying power when using FSSI vehicles. ***Strategic*** Sourcing drives both dollar savings and process improvements. The Federal Government, suppliers and ultimately the U.S taxpayers benefit when government can better articulate its requirements and provide committed purchase volumes, and in return, industry suppliers can provide better pricing and more valuable solutions.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   06/20/16  81 FR 39883 NPRM Comment Period End.............   08/19/16 Final Rule..........................   04/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AM89

373. Federal Acquisition Regulation (FAR); FAR Case 2013-018; Clarification of Requirement for Justifications for 8(a) Sole Source Contracts

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to clarify the guidance for sole source 8(a) contract awards exceeding $22 million. This rule implements guidance from a Government Accountability Office (GAO) report entitled Federal Contracting: Slow Start to Implementation of Justifications for 8(a) Sole-Source Contracts'' (GA0-13-118, December 2012). Sole-source contracting regulations are statutory and are found in section 811 of the National Defense Authorization Act for Fiscal Year 2010 (Pub. L. 11184) (see 77 FR 23369). These clarifications improve the contracting officer's ability to comply with the sole source contracts statutory requirements by providing guidance, including when justification is necessary, how contracting officers should comply, and when a separate sole-source justification is necessary for out-of-scope modifications to 8(a) sole-source contracts. The GAO report indicates that the FAR needed additional clarification of the justification requirement to help ensure that agencies are applying the requirement consistently.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/15/16  81 FR 80012 NPRM Comment Period End.............   01/17/17 Final Rule..........................   03/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM90

374. Federal Acquisition Regulation (FAR); FAR Case 2014-002; Set- Asides Under Multiple Award Contracts

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement regulatory changes regarding procedures for the use of small business partial set-asides, reserves, and orders placed under multiple-award contracts. This rule incorporates statutory requirements discussed at section 1331 of the Small Business Jobs Act of 2010 (15 U.S.C 644(r)) and the Small Business Administration's final rule at 78 FR 61114, dated October 2, 2013.     Multiple-award contracts, due to their inherent flexibility, competitive nature, and administrative efficiency, are commonly used in Federal procurement. They have proven to be an effective means of contracting for large quantities of supplies and services for which the quantity and delivery requirements cannot be definitively determined at contract award. However, prior to 2011, the FAR was largely silent on the use of acquisition strategies to promote small business participation in conjunction with multiple-award contracts. This rule increases small business participation in Federal prime contracts by ensuring that small businesses have greater access to multiple award contracts and clarifying the procedures for partially setting aside and reserving multiple-award contracts for small business, and setting aside orders placed under multiple-award contracts for small business, thereby ensuring that small businesses have greater access to these commonly used vehicles.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   12/06/16  81 FR 88072 NPRM Comment Period End.............   02/06/17 Final Rule..........................   03/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AM93

[[Page 1958]]

375. Federal Acquisition Regulation (FAR); FAR Case 2015-017; Combating Trafficking in Persons--Definition of ``Recruitment Fees''

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to implement Executive Order (E.O ) 13627, Strengthening Protections Against Trafficking in Persons in Federal Contracts, and title XVII of the National Defense Authorization Act for Fiscal Year 2013. The rule adds a definition of ``recruitment fees'' to FAR subpart 22.17, Combating Trafficking in Persons, and the associated clauses in order to clarify how the Government uses recruitment fees in the treatment of this prohibited practice that has been associated with labor trafficking under contracts and subcontracts. The purpose of the rule is to provide a standardized definition that clarifies prohibited recruitment to help fight against human trafficking.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   05/11/16  81 FR 29244 NPRM Comment Period End.............   07/11/16 Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Cecelia L. Davis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 219-0202, Email: [*cecelia.davis@gsa.gov*](mailto:cecelia.davis@gsa.gov)     RIN: 9000-AN02

376. Federal Acquisition Regulation (FAR); FAR Case 2016-007, Non- Retaliation for Disclosure of Compensation Information

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement Executive Order (E.O ) 13665, entitled ``Non-Retaliation for Disclosure of Compensation Information,'' (79 FR 20749) and the final rule issued by the Office of Federal Contract Compliance ***Programs*** (OFCCP) of the Department of Labor (DOL) at 80 FR 54934, entitled ``Government Contractors, Prohibitions Against Pay Secrecy Policies and Actions.''     This rule provides for a uniform policy for the Federal Government to prohibit Federal contractors from discriminating against employees and job applicants who inquire about, discuss, or disclose their own compensation or the compensation of other employees or applicants.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   09/30/16  81 FR 67732 Interim Final Rule Comment Period      11/29/16  End. Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN10

377. Federal Acquisition Regulation (FAR); FAR Case 2015-005, System for Award Management Registration

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to update the instructions for System for Award Management (SAM) registration requirements and to correct an inconsistency with offeror representation and certification requirements. The language in the FAR was not consistent in terms of whether offerors need to register in SAM prior to submitting an offer or prior to award of a contract. This rule clarifies and makes the language consistent by requiring offerors' registration in SAM prior to submitting an offer. The rule does not place any new requirements on businesses and is considered administrative because the only change is when the requirement for registering in SAM must occur. Registering in SAM eliminates the need for potential offerors to complete representations and certifications multiple times a year when responding to solicitations, which reduces the burden on both the contractor and the government.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   05/20/16  81 FR 31895 NPRM Comment Period End.............   07/19/16 Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Curtis E. Glover Sr., Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 501- 1448, Email: [*curtis.glover@gsa.gov*](mailto:curtis.glover@gsa.gov)     RIN: 9000-AN19

378. Federal Acquisition Regulation (FAR); FAR Case 2015-039, Audit of Settlement Proposals

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amends the Federal Acquisition Regulation (FAR) to raise the dollar threshold requirement for the audit of prime contract settlement proposals and subcontract settlements from $100,000 to the Truth In Negotiation Act (TINA) threshold of $750,000 to help alleviate the backlog of contract close-outs and to enable contracting officers to more quickly deobligate excess funds from terminated contracts.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   09/14/16  81 FR 63158 NPRM Comment Period End.............   11/14/16 Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN26

379. Federal Acquisition Regulation (FAR); FAR Case 2017-001, Paid Sick Leave for Federal Contractors

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) requiring Federal Government contractors to ensure that employees on those contracts can earn up to seven days or more of paid sick leave annually, including paid sick leave for family care. This rule implements the objective of Executive Order 13706, Establishing Paid Sick Leave for Federal Contractors and Department of Labor's final rule (81 FR 91627).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   12/16/16  81 FR 91627 Interim Final Rule Effective........   01/01/17 Interim Final Rule Comment Period      02/14/17  End.

[[Page 1959]]

  Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN27

380. Federal Acquisition Regulation (FAR); FAR Case 2015-033, Sustainable Acquisition

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to add a new definition for sustainable products and services and update several existing definitions germane to sustainable acquisition. This rule will also provide two new websites to help contractors understand the sustainable acquisition requirements and gain access to a listing of sustainable products and services as determined by the Federal Government. The rule implements Executive Order 13693, ***Planning*** for Federal Sustainability in the Next Decade (supersedes Executive Orders 13423 and 13514), and the biobased product acquisition provisions of the ***Agricultural*** Act of 2014 (also known as the 2014 Farm Bill).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   01/18/17  82 FR 5490 NPRM Comment Period End.............   03/20/17 Final Rule..........................   04/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 795-6328, Email: [*chuck.gray@gsa.gov*](mailto:chuck.gray@gsa.gov)     RIN: 9000-AN28

381. Federal Acquisition Regulation: FAR Case 2016-005; Effective Communication Between Government and Industry

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to implement section 887 of the NDAA for FY 2016 (Pub. L. 114-92). This law provides that agency acquisition personnel are permitted and encouraged to engage in responsible and constructive exchanges with industry. This change will permit and encourage government acquisition personnel to engage in responsible and constructive exchanges with industry as part of market research as long as those exchanges are consistent with existing laws, regulations, and promote a fair competitive environment.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ NPRM................................   11/29/16  81 FR 85914 NPRM Comment Period End.............   03/02/17 Final Rule..........................   04/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN29

382. Federal Acquisition Regulation (FAR); FAR Case 2016-011, (S) Revision of Limitations on Subcontracting

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to revise and standardize the limitations on subcontracting (LOS), including the nonmanufacturer rule (NMR), which apply to small business concerns under FAR part 19 procurements. This FAR change incorporates SBA's final rule at 81 FR 34243, which implemented the statutory requirements of section 1651 of the National Defense Authorization Act for Fiscal Year 2013. This action is necessary to meet the Congressional intent of clarifying the limitations on subcontracting with which small businesses must comply, as well as the ways in which they can comply. The rule will benefits small businesses and agencies. Prompt implementation of this rule will allow small businesses to take advantage of subcontracts with similarly situated entities. As a result, these small businesses will be able to compete for larger contracts, which would positively affect their potential for growth as well as that of their potential subcontractors.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   01/00/18 Interim Final Rule Comment Period      03/00/18  End. ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN35

383. Federal Acquisition Regulation (FAR); FAR Case 2017-004, Rate Adjustment of Liquidated Damages

    E.O 13771 Designation: Fully or Partially Exempt.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to adjust the civil monetary penalties for inflation pursuant to the Inflation Adjustment Act Improvements Act. This Act requires agencies to adjust the levels of civil monetary penalties with an initial catch-up adjustment, followed by the annual adjustment for inflation.     This rule implements the Department of Labor (DOL) interim final rule published in the Federal Register at 81 FR 43430 on July 1, 2016, finalized at 82 FR 5373 on January 18, 2017. The DOL rule adjusted the civil monetary penalties for inflation pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (Sec. 701 of Pub. L. 114-74).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   01/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)     RIN: 9000-AN37

384. Federal Acquisition Regulation (FAR); FAR Case 2017-007, Task- and Delivery-Order Protests

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule amending the Federal Acquisition Regulation (FAR) to raise the threshold for task- and delivery-order protests from $10 million

[[Page 1960]]

to $25 million for DoD and make permanent the General Accountability Office's authority to hear protests on civilian task or delivery contracts valued in excess of $10 million. The rule implements sections 835 of the National Defense Authorization Act for FY 2017 (Pub. L. 114- 328) and Public Law 114-260 835(a).     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Final Rule..........................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Charles Gray, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 703 795-6328, Email: [*chuck.gray@gsa.gov*](mailto:chuck.gray@gsa.gov)     RIN: 9000-AN41

385. Federal Acquisition Regulation (FAR); FAR Case 2017-009, Special Emergency Procurement Authority

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to implement sections 816 and 1641 of the National Defense Authorization Act for Fiscal Year 2017 (Pub. L. 114-328). Section 816 adds international disaster assistance under the Foreign Assistance Act of 1961 and emergency or disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Section 1641 adds special emergency procurement authority to facilitate defense against or recovery from a cyber-attack. Adding these authorities enables a more effective and immediate response to emergency or major disasters, cyber attacks, and international disasters. For example, certain authorities would be available to the contracting officer based on agency procedures, the micropurchase threshold may be increased to $20,000 for any contract to be awarded and performed, or purchase to be made in support of the designated areas; and the simplified acquisition threshold (SAT) may be increased to $750,000, or $13,000,000 for commercial items, for any contract to be awarded and performed, or purchased in support of the designated areas.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   02/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Camara Francis, Procurement Analyst, DOD/GSA/NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 550-0935, Email: [*camara.francis@gsa.gov*](mailto:camara.francis@gsa.gov)     RIN: 9000-AN45

386. Federal Acquisition Regulation (FAR); FAR Case 2017-012, Increased Micro-Purchase Threshold for Certain Procurement Activities

    E.O 13771 Designation: Other.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA, and NASA are issuing a final rule to amend the Federal Acquisition Regulation (FAR) to update the definition of micro- purchase threshold'' in FAR 2.101 to implement the higher micro- purchase threshold provided by section 217(b) of the NDAA for FY 2017 (Pub. L. 114-328). Specifically, section 217(b) amends 41 U.S.C 1902 to increase the micro-purchase threshold for acquisitions from institutions of higher education or related or affiliated nonprofit entities, or from nonprofit research organizations or independent research institutes, to $10,000, or a higher amount as determined appropriate by the head of the relevant executive agency and consistent with clean audit findings under 31 U.S.C chapter 75, an internal institutional risk assessment, or state law. As a result of this rule, affected contractors will no longer receive a written request for quote (RFQ) and/or a Government purchase order for requirements valued between $3,501 and $10,000. Instead, the order can be placed online, by phone, in person, or by fax via the Government purchase card (GPC). Therefore, the contractor will no longer be required to read the RFQ and/or purchase order for various Government-provided information.     Timetable:

------------------------------------------------------------------------                Action                    Date            FR Cite ------------------------------------------------------------------------ Interim Final Rule..................   03/00/18 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Michael O. Jackson, Procurement Analyst, DOD/GSA/ NASA (FAR), 1800 F Street NW, Washington, DC 20405, Phone: 202 208- 4949, Email: [*michaelo.jackson@gsa.gov*](mailto:michaelo.jackson@gsa.gov)     RIN: 9000-AN50

DEPARTMENT OF DEFENSE/GENERAL SERVICES ADMINISTRATION/NATIONAL AERONAUTICS AND SPACE ADMINISTRATION (FAR)

Completed Actions

387. Federal Acquisition Regulation (FAR); FAR Case 2015-031, Policy on 8(A) Joint Ventures

    E.O 13771 Designation:     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch 137; 51 U.S.C 20113     Abstract: This case has been merged into FAR Case 2017-019.     DoD, GSA, and NASA are proposing to amend the Federal Acquisition Regulation (FAR) to be consistent with the guidance in SBA regulations at 13 CFR 124 8(A) Business Development/Small Disadvantaged Business Status Determinations (77 FR 28237). These clarifications are expected to relieve burden on both industry and government by reducing the number of protests related to inappropriate elimination from competition of offers from 8(a) joint ventures and inappropriate awards to ineligible 8(a) joint ventures. This will reduce the risk for fraud by clarifying the role of SBA as the authority for making eligibility determination. The rule is also expected to facilitate competition by clarifying the circumstances under which a joint venture is eligible for award under the 8(a) ***program***.     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Merged With Policy on Joint Ventures   09/12/17  (2017-019). ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Mahruba Uddowla, Phone: 703 605-2868, Email: [*mahruba.uddowla@gsa.gov*](mailto:mahruba.uddowla@gsa.gov)     RIN: 9000-AN33

388. Federal Acquisition Regulation (FAR); FAR Case 2017-015, Removal of Fair Pay and Safe Workplaces Rule

    E.O 13771 Designation: Deregulatory.     Legal Authority: 40 U.S.C 121(c); 10 U.S.C ch. 137; 51 U.S.C 20113     Abstract: DoD, GSA and NASA ***plan*** to issue a final rule to repeal the implementation of Executive Order 13673 on Fair Pay and Safe Workplaces since Executive Order 13673 was officially nullified on March 27, 2017 (see Pub. L. 115-11). Additionally, Executive Order 13782 of March 30, 2017, revoked Executive Order 13673, section 3 of Executive Order 13683 of

[[Page 1961]]

December 11, 2014, and Executive Order 13738 of August 23, 2016. This action was made to have no force or effect by an enacted joint resolution of disapproval under the Congressional Review Act, H.J Res.37 (Pub. L. 115-11).     Completed:

------------------------------------------------------------------------                Reason                    Date            FR Cite ------------------------------------------------------------------------ Final Rule, CRA Revocation..........   11/06/17  82 FR 51773 ------------------------------------------------------------------------

    Regulatory Flexibility Analysis Required: Yes.     Agency Contact: Zenaida Delgado, Phone: 202 969-7207, Email: [*zenaida.delgado@gsa.gov*](mailto:zenaida.delgado@gsa.gov)/.     RIN: 9000-AN52

[FR Doc. 2017-28242 Filed 1-11-18; 8:45 am] BILLING CODE 6820-EP-P

**Load-Date:** January 13, 2018

**End of Document**

1. 1In Japan, SMEs in the manufacturing, construction and transport sectors are defined as establishments capitalized at US$3m or less and employing less than 300 regular employees. In the wholesale sector, SMEs are defined as establishments capitalized at no more than US$1m whose regular employees do not exceed 100. SMEs in the retail sector are establishments capitalized at less than US$500,000 whose regular employees are less than 50. Finally, SMEs in the service sector are establishments capitalized at less than US$500,000 whose regular employees are less than 100 (National Association of Trade Promotion for Small and Medium Enterprises, Japan, 2016). [↑](#footnote-ref-2)
2. 2*Hosin Kaniri* are “all organizational strategies for systematically accomplishing long and mid-term goals as well as yearly business targets, which are established as the means to achieve business goals” (Akao, 2004, p. 47). *Hoshin Kanri* originated as part of total quality control during the 1960s (Akao, 2004). [↑](#footnote-ref-3)
3. 3For example, the ***program*** to promote the introduction of energy-saving measures aims to laterally expand the use of energy-saving measures by diagnosing the energy- and power-saving potential of SMEs and widely disseminating information on energy-saving case examples and technologies (National Association of Trade Promotion for Small and Medium Enterprises, Japan, 2016). [↑](#footnote-ref-4)
4. 4Prime Minister Shinzo Abe unveiled a comprehensive economic policy to sustainably revive the Japanese economy while maintaining fiscal discipline. The policy is called Abenomics (JapanGov, the Official Website of the Government of Japan, 2017). [↑](#footnote-ref-5)