

European Council appoints new EU leaders

The European Council elected today **Charles Michel** as President of the European Council. The **President of the European Council** is elected for the period from 1 December 2019 until 31 May 2022. The mandate of two and a half years of the President of the European Council is renewable once. The European Council also welcomed the decision of the Heads of State or Government of the Member States whose currency is the euro to appoint Charles Michel as President of the Euro Summit, for the same term of office.

The European Council adopted the decision proposing **Ursula von der Leyen** to the European Parliament as candidate for **President of the European Commission**. The proposed candidate will need to be elected

by the European Parliament by a majority of its component members.

The European Council also considered **Josep Borrell Fontelles** to be the appropriate candidate for **High Representative of the Union for Foreign Affairs and Security Policy**. The formal appointment of the High Representative by the European Council requires the agreement of the President-elect of the Commission.

The President of the Commission, the High Representative and the other members of the Commission will be subject as a body to a vote of consent by the European Parliament, before the formal appointment by the European Council. Their term of office will last 5 years from the end of the current Commission until 31 October 2024.

The European Council also considered **Christine Lagarde** to be the appropriate candidate for **President of the European Central Bank**. The European Council will take a formal decision on the appointment on the basis of a Council recommendation, after having consulted the European Parliament and the ECB's Governing Council. The mandate for the President of the European Central Bank is for 8 years non-renewable.

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European Commission - Speech

[Check Against Delivery]

Opening Statement in the European Parliament Plenary Session by Ursula von der Leyen, Candidate for President of the European Commission

Strasbourg, 16 July 2019

Mr President,

Honourable Members,

Exactly 40 years ago, Simone Veil was elected as the first female President of the European Parliament and set out her vision for a fairer and more united Europe.

It is thanks to her, and to all the other European icons, that I am presenting my vision of Europe to you today.

And 40 years later, I can say with great pride that **we finally have a female candidate for European Commission President.**

I am that candidate thanks to all the men and women who have broken down barriers and defied convention. I am that candidate thanks to all the men and women who built a Europe of peace, a united Europe, a Europe of values.

It is this belief in Europe that has guided me throughout my life and my career — as a mother, as a doctor and as a politician.

It is the courage and daring of pioneers such as Simone Veil that are at the heart of my vision for Europe.

And it is my intention to lead the European Commission in that same spirit.

Mr President,
Honourable Members,

The founding fathers and mothers of Europe created something powerful out of the rubble and ashes of the world wars. Peace.

A strong common market, borderless trade, travel, research and jobs. Today, 500 million Europeans live in freedom and prosperity, from Riga to Limassol and from Athens to Lisbon.

My children's generation cannot conceive of a life without this sense of Europe as their home. When this fortunate generation was born, we, the older generation, thought that it would always be so.

Yet it is now clear to each and every one of us that we must once again take a stand and fight for our Europe. The whole world is being challenged by disruptive developments that have not passed Europe by.

Demographic change, globalisation of the world economy, rapid digitalisation of our working environment and, of course, climate change. None of these meta-developments is new: science predicted them a long way back. What is new is that we, as citizens of Europe — irrespective of the country in which we live — are feeling and experiencing their effects first hand.

Whether it is Finnish wheat farmers facing drought or the French facing a deadly heatwave: we are all feeling quite clearly the effects of climate change. Whether it is Irish pensioners that have to get to grips with online banking or Polish workers with 20 years' experience having to undergo further training in order to avoid being laid off: we are all feeling the concrete effects of digitalisation. Whether it is regions in Europe in which schools, hospitals or companies are having to close down: we are all feeling the concrete effects of demographic change.

All of this has left people with a feeling of losing control. Of looser ties within our communities. None of these challenges will go away. But there have been different ways to react to these trends. Some are turning towards authoritarian regimes, some are buying their global influence and creating dependencies by investing in ports and roads. And others are turning towards protectionism.

None of these options are for us. **We want multilateralism, we want fair trade, we defend the rules-based order** because we know it is better for all of us. **We have to do it the European way.** But if we are to go down the European path, we must first rediscover our unity. **If we are united on the inside, nobody will divide us from the outside.**

If we close the gaps between us, we can turn today's challenges into tomorrow's opportunities.

A European Union that strives for more

Our most pressing challenge is keeping our planet healthy. This is the greatest responsibility and opportunity of our times. **I want Europe to become the first climate-neutral continent in the world by 2050.** To make this happen, we must take bold steps together. Our current goal of reducing our emissions by 40% by 2030 is not enough.

We must go further. We must strive for more. A two-step approach is needed to **reduce CO₂ emissions by 2030 by 50, if not 55%.** The EU will lead international negotiations to increase the level of ambition of other major economies by 2021. Because to achieve real impact, we do not only have to be ambitious at home – we have to do that, yes – but the world has to move together.

To make this happen, I will put forward a **Green Deal for Europe** in my first 100 days in office. I will put forward the first ever **European Climate Law** which will set the 2050 target into law.

This increase of ambition will need investment on a major scale. Public money will not be enough. I will propose a **Sustainable Europe Investment Plan** and turn parts of the European Investment Bank into a **Climate Bank**. This will unlock €1 trillion of investment over the next decade.

It means change. All of us and every sector will have to contribute, from aviation to maritime transport to the way each and everyone of us travels and lives. **Emissions must have a price that changes our behaviour.** To complement this work, and to ensure our companies can compete on a level-playing field, I will introduce a **Carbon Border Tax** to avoid carbon leakage.

But what is good for our planet must also be good for our people and our regions. Of course I know about the importance of cohesion funds. But we need more. We need a just transition for all. Not all of our regions have the same starting point - but we all share the same destination. This is why I will propose a **Just Transition Fund** to support those most affected.

This is the European way: we are ambitious. We leave nobody behind.

And we offer perspectives. If we want to succeed with this ambitious plan we need a strong economy. Because what we want to spend we need to earn first.

For that we need to strengthen the backbone of our economies: the **small and medium-sized enterprises.** They are innovative, they are entrepreneurial, they are flexible and agile, they create jobs, they provide vocational training to our youth. But they can only do all this if they have access to capital everywhere in this huge Single market. Let's get rid of all the barriers. Let's open the door. Let's finally complete the **Capital Markets Union.** Our SMEs deserve it.

And we need to work within the **Stability and Growth Pact**. Where investment and reforms are needed, we should make sure they can be done. We should make use of all the flexibility allowed in the rules. We are proud of our economy. We want to make it stronger.

But there is also a clear and simple logic. It's not people that serve the economy. It's the economy that serves our people. In our Social Market Economy we must reconcile the market with the social. Therefore I will **refocus our European Semester to make sure we stay on track with our Sustainable Development Goals**.

And **I will stand for fair taxes** – whether for brick and mortar industries or digital businesses. When the tech giants are making huge profits in Europe, this is fine because we are an open market and we like competition. But if they are making these profits by benefiting from our education system, our skilled workers, our infrastructure and our social security, if this is so, it is not acceptable that they make profits, but they are barely paying any taxes because they play our tax system. If they want to benefit, they have to share the burden.

Making the most of Europe's potential

Honourable Members,

The European way is also about using all of our potential: our people, our talent, our diversity. It is about creating a fairer and more equal Union. This will drive me forward every single day I am in office – as it has throughout my career.

We have come a long way since I was a minister for family affairs and had to fight to introduce parental pay or access to childcare for families. But the fight for fairness never stops. It is still too difficult for hard working families to make ends meet in Europe. I want to ensure that

work pays. In a Social Market Economy, every person that is working full time should earn a **minimum wage** that pays for a decent living.

Therefore we will develop a framework, of course in respect of the different labour markets. But I think the optimal option is to have collective bargaining by employers' unions and trade unions because they tailor the minimum wage to the sector or to the region necessary. Of course I am aware there are different models, but we have to create the framework. And I want better protection for those who lose their jobs when our economy takes a severe hit. A **European Unemployment**

Benefit Reinsurance Scheme will support our economies and our people in times of external shocks. Of course there are national unemployment insurances but a reinsurance scheme for these heavy external shocks is needed in Europe.

I also want more equality and fairness for our young people. Youth unemployment is at 14.2% in Europe, but ranges from 5% to 40% in some countries. We cannot accept this. Young people have aspirations, they want to work, they want to have a future – and it is our job to let them achieve this. This is why I will make sure the **Youth Guarantee**, which I started when I was a minister for labour affairs in our Council, is working as well as it can in every Member State. And I will support the European Parliament's idea to triple the Erasmus+ budget as part of the next long-term budget.

We have to care for the most vulnerable: our children. We have to fight poverty. I know as a mother of seven that it makes a difference for their entire life if children have access to education, sports, music, healthy food and to a loving environment. We need a **Child Guarantee** to help ensure that every child in Europe at risk of poverty and social exclusion

has access to the most basic of rights like healthcare and education. It will empower them and it pays tremendously if we back them when they are young. This is part of my action plan to bring our **Pillar of Social Rights** to life.

And I will start at home by example: I will ensure **full gender equality in my College of Commissioners**. If Member States do not propose enough female Commissioners, I will not hesitate to ask for new names. Since 1958 there have been 183 Commissioners. Only 35 were women. That is less than 20%. We represent half of our population. **We want our fair share**. We also need to talk openly about violence against women. If 1 in 5 women have already suffered physical or sexual violence in the European Union and 55% of women have been sexually harassed, this is clearly not a women's issue. I will propose to **add violence against women on the list of EU crimes defined in the Treaty**. And the European Union should join the Istanbul Convention.

I am convinced: if we close the gaps between us, we will emerge stronger as a Union.

Defending Europe's values

Honourable Members,

The cradle of our European civilisation is Greek philosophy and Roman Law. And our European continent went through its darkest period when we were ruled by dictators and Rule of Law was banished. For centuries, Europeans fought so hard for their liberty and independence.

The Rule of Law is our best tool to defend these freedoms and to protect the most vulnerable in our Union. **This is why there can be no compromise when it comes to respecting the Rule of Law.** There never will be. I will ensure that we use our full and comprehensive toolbox at European level. In addition, I fully support an **EU-wide Rule of Law Mechanism**. To be clear: the new instrument is not an alternative to the existing instruments, but an additional one.

The Commission will always be an independent guardian of the Treaties. Lady Justice is blind – she will defend the Rule of Law wherever it is attacked.

Honourable Members,

The Rule of Law is universal. It applies to all. In the last five years, more than 17,000 people have drowned in the Mediterranean, which has become one of the deadliest borders in the world. At sea there is the duty to save lives and in our Treaties and conventions there is the legal and moral duty to respect the dignity of every human being.

The European Union can and must defend these values. **The European Union needs humane borders. We must save, but saving alone is not enough.** We must reduce irregular migration, we must fight smugglers and traffickers – it is organised crime – , we must preserve the right to asylum and improve the situation of refugees, for example through

humanitarian corridors in close cooperation with the UNHCR. We need empathy and decisive action.

I am aware of how difficult and divisive discussions on this issue are. We need to address the legitimate concerns of many and look at how we can overcome our differences. I will propose a **New Pact on Migration and Asylum**, including the **relaunch of the Dublin reform**.

This will allow us to return to a **fully functioning Schengen Area** of free movement, the key driver of our prosperity, security and freedoms. A centrepiece in this ambition is a **reinforced European Border and Coast Guard Agency**. We need to reach a standing corps of 10,000 Frontex border guards not by 2027, but way earlier, at least by 2024.

We have to modernise our asylum system. A Common European Asylum System must be exactly that – common. We can only have stable external borders if we give enough help to Member States facing the most pressure because of where they are on the map.

We need solidarity. We all need to help each other and contribute. We need a new way of burden-sharing. And we must make fair cooperation offers to countries of origin and transit which are in the interests of both sides. Diplomacy, economic development, investment, stability and security are needed so that people have a perspective.

I would like to tell you a story about perspective. Four years ago, I was lucky enough to welcome a 19-year old refugee from Syria into my home and my family. He spoke no German and was deeply scarred by his experience of civil war and flight. Today, 4 years later, he is fluent in

German, English and Arabic. He is a community leader by day, in vocational training and a student for his high school degree by night. He is an inspiration for us all. One day, he wants to go home.

A responsible leader in the world

Honourable Members,

As a Defence Minister, I have been many times in this war-torn neighbourhood. I will never forget the words of former President of Iraq Masoum, who said: *We want to see more Europe here.* **The world is calling for more Europe.** The world needs more Europe.

I believe Europe should have a stronger and more united voice in the world – and it needs to act fast. That is why **we must have the courage to take foreign policy decisions by qualified majority.** And to stand united behind them.

The cornerstone of our collective defence will always be NATO. **We will stay transatlantic and we have to become more European.** This is why we created the **European Defence Union.** Our work for our European Union of security and defence is embedded in comprehensive security. Stabilisation always comes with diplomacy, reconciliation and reconstruction.

Our servicemen and servicewomen work side by side with police officers, diplomats and development aid workers. These men and women deserve our utmost respect and recognition for their tireless service for Europe.

I cannot talk about Europe without talking about our friends from the **United Kingdom**. For the very first time in 2016 a Member State decided to leave the European Union. This is a serious decision. We regret it, but we respect it. Since then, together with the current government of the United Kingdom, the European Union has worked hard to organise the orderly departure of the United Kingdom.

The Withdrawal Agreement concluded with the government of the United Kingdom provides certainty where Brexit created uncertainty: in preserving the rights of citizens and in preserving peace and stability on the island of Ireland. These two priorities are mine, too.

However, I stand ready for a **further extension of the withdrawal date**, should more time be required for a good reason. In any case, the United Kingdom will remain our ally, our partner and our friend.

A new push for European democracy

Honourable Members,

When I came to Strasbourg 13 days ago, I promised I'd come to listen. I have heard your concerns, your hopes and your expectations. The Political Guidelines which I will send you today reflect our discussions. From what I have heard, I have drawn my conclusions and I have made my decisions.

First, **I want European citizens to play a leading and active part in building the future of our Union.** I want them to have their say at a **Conference on the Future of Europe**, to start in 2020 and run for two years.

Second, **I want us to work together to improve the Spitzenkandidaten system.** We need to make it more visible to the wider electorate and we need to address the issue of transnational lists at the European elections as a complementary tool of European democracy.

And third - yes, **I support a right of initiative for the European Parliament.** When this House, acting by majority of its Members, adopts Resolutions requesting the Commission to submit legislative proposals, I commit to responding with a legislative act in full respect of the proportionality, subsidiarity, and better law-making principles. I am convinced that our stronger partnership will further help to make people's voices heard.

Europe's promise

Mr President,

My father was 15 years old when the horrific war that, through the actions of my country, wrought death, destruction, displacement and devastation on our continent, came to an end.

He often talked about it to his children: to me and my six brothers and sisters.

Above all he stressed how important it was to him that other countries reached out to us again and welcomed us back into the fold of democratic nations. He started out at the European Coal and Steel Community and what he said to us at the beginning was,

'We are trading with one other again and when countries trade they build up friendships, and friends do not shoot one another'.

He was head of cabinet to von der Groeben in the Hallstein Commission and, later, Director-General for Competition. **That is why I was born in**

Brussels as a European, finding out only later that I am German with roots in Lower Saxony. And that is why there is only one option for me: to unite and strengthen Europe.

Anyone that is with me in wanting to see Europe grow stronger and to flourish and blossom can count on me as a fervent supporter. However, anyone that wants to weaken or divide Europe or rob it of its values will find in me a bitter opponent.

When my father was old and reaching the end of his life, his narrative on Europe changed. He no longer spoke as much about the war. He said,

'Europe is like a long marriage. The love does not increase after the first day, but it deepens'. Because we know that we can count on one another

both in good times and bad. Because we know that we may argue but we can make up again. Because we never forget why we entered into the union in the first place.

All of us in this room live in a Europe that has grown, matured and become strong with its 500 million inhabitants. More than 200 million people went to the polls. This Europe has influence. It wants to take on responsibility for itself and the world.

That is not always easy — I know that — it is painful and exhausting, but it is our most noble duty! People want to see that we can deliver and move forward. Our young people are crying out for that. My children say to me, quite rightly, *‘Do not play for time — use the time to get things done’*.

That is my mission. And in that I need your help and support. I am calling on all Europeans to get involved. It is the most precious thing we have: **es**

lebe Europa, vive l'Europe, long live Europe!

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http://europa.eu/rapid/press-release_SPEECH-19-4230_en.htm

PUBLIÉ LE 23 JUILLET 2019

Déclaration conjointe d' Emmanuel
Macron et Ursula von der LEYEN,
Présidente élue de la Commission
européenne.

"Une ambition climatique forte, une Europe du progrès social, une Europe qui protège : la France se retrouve pleinement dans votre projet Ursula von der LEYEN . Nous serons à vos côtés et commençons dès maintenant à œuvrer ensemble."

Emmanuel Macron, le 23 juillet 2019 (Twitter)

DÉCLARATION CONJOINTE D' EMMANUEL MACRON ET URSULA VON DER LEYEN

23 JUILLET 2019 - SEUL LE PRONONCÉ FAIT FOI

Emmanuel MACRON

Bien, bonjour à toutes et tous. Je suis très heureux d'accueillir aujourd'hui Madame Ursula VON DER LEYEN, Madame la Présidente, quelques jours après le vote au Parlement européen. Je vous remercie d'avoir fait ici cette parenthèse non bruxelloise après le dernier conseil des ministres à Berlin et pour cette première visite dans un pays de l'Union. J'y suis extrêmement sensible, sensible et heureux, parce que je pense que le choix qui a été fait par le Conseil européen il y a quelques semaines, confirmé par le vote au Parlement européen, permet d'ouvrir une nouvelle page de notre histoire que vous allez porter et que vous incarnez. Cette nouvelle page, c'est celle d'une ambition que nos concitoyens ont aussi voulu en s'exprimant en mai dernier, et que vous avez portée avec force dans le discours que vous avez fait devant le Parlement européen et qui sera l'armature de votre projet,

dans lequel, je dois le dire, je me retrouve pleinement et la France se retrouve pleinement. D'abord, une ambition climatique forte, vous l'avez dit, avec ce pacte vert, ce pacte environnemental, cette banque pour le climat, la neutralité carbone en 2050, la fixation d'un prix minimum du CO₂, une taxation aux frontières et donc une vraie ambition climatique qui se décline avec un agenda environnemental très fort et nouveau de notre Europe. Ensuite, une Europe du progrès social, c'est-à-dire à nouveau de la convergence. Nous avons, on le sait, 28 modèles différents, 27 demain, et une nécessité, malgré tout, de reconjuguer tout cela et d'avoir la même exigence, d'aller vers l'articulation de salaires minimaux, fixés chacun selon ses règles mais qui permettent d'avoir une vraie convergence sociale, de retrouver le progrès pour nos classes moyennes après la crise que nous avons vécue il y a 10 ans. Ensuite, une Europe qui protège et qui sait régler le sujet des migrations, un défi important, qui sait protéger ses frontières, qui sait se protéger aussi par une vraie ambition de la défense, que vous avez contribué ô combien à porter dans vos fonctions antérieures. Je crois que, là aussi, l'agenda qui est le nôtre, dont nous avons discuté avec les dirigeants qui font partie de l'initiative européenne d'intervention il y a

quelques jours, lors du 14 juillet, est extrêmement importante, et vous l'avez redit avec force lors de votre discours devant le Parlement européen. C'est aussi une Europe des valeurs, une Europe qui défend l'État de droit, la liberté de la presse, et l'ensemble des valeurs qui sont notre socle au sein du Conseil de l'Europe comme de l'Union européenne, et qui étaient parfois un sujet de tension, mais un sujet sur lequel nous devons être extrêmement vigilants et garder nos ambitions, nos principes avec force, et vous l'avez rappelé et je crois que c'est extrêmement important. C'est aussi une Europe qui sait répondre aux défis du futur, comme le numérique, l'intelligence artificielle, qui va devoir investir, trouver des nouvelles règles, réussir à faire un vrai marché à 28, demain 27, et donc faire face aussi à ce défi et embrasser son ambition et son avenir. Sur tous ces sujets que vous avez évoqué dans votre discours, je dois dire que la France se retrouve pleinement, une Europe plus unie, une Europe plus souveraine, une Europe plus démocratique et qui porte cette ambition de l'avenir, qui aura aussi à penser, dans le cadre de la convention citoyenne et démocratique, les évolutions qui sont absolument indispensables pour les échéances à venir. Et puis vous incarnez cette nouvelle Europe, et à mes yeux, 40 ans après la

première femme présidente du Parlement européen, qui était Simone VEIL, avoir la première femme présidente de la Commission européenne et que ce soit vous, et je crois aussi, pas simplement un symbole mais l'incarnation d'un nouveau visage, d' une nouvelle ambition, d' une Europe qui veut aussi se régénérer. Et donc pour toutes ces raisons nous serons à vos côtés derrière cet agenda et dans le cadre de cette nouvelle phase, et je vous remercie infiniment d' être là ce midi. Maintenant nous allons travailler et commencer ensemble à œuvrer.

Ursula VON DER LEYDEN

Merci beaucoup Monsieur le président. Bien sûr j' ai été après la vôtre dans le Parlement européen, j' ai été à Berlin mais mon premier déplacement est ici en France à Paris et après ça je vais aller en Pologne et en Croatie. Je veux bien vous remercier, je veux vous remercier pour cet accueil chaleureux et je voudrais bien vous remercier pour le soutien que vous m' avez donné les derniers jours et semaines parce que nous avons eu l' expérience que nous avons un chemin commun qui est pour l' Europe. Nous voulons tous deux, nous sommes d' accord tous deux que nous

travaillons pour une Europe qui est forte, qui est unie, une Europe ambitieuse en ce qui concerne le climat, en ce qui concerne le numérique bien sûr, bien sûr l' économie, la croissance mais également la sécurité et la défense. Et je crois qu' il est important que cette Europe prenne sa place dans ce monde, une Europe qui a des relations fortes avec son voisin l' Afrique, qui va établir des relations stables transatlantiques, une Europe qui a une vraie stratégie en ce qui concerne la Chine ou vis-à-vis de la Russie. Pour tout ça il nous faut une Europe unie, une Europe forte et je vous sais à mon côté en ce qui concerne ça. Alors merci beaucoup encore une fois de m' avoir accueilli ici aujourd' hui et maintenant nous allons travailler.

Emmanuel MACRON

Merci beaucoup.

Ursula VON DER LEYDEN

Merci.

Emmanuel MACRON

Merci à vous.

Intervenante non identifiée

(inaudible), une réaction à la nomination de Boris JOHNSON au poste de premier ministre, est-ce une bonne ou une mauvaise nouvelle pour l' Union européenne ?

Ursula VON DER LEYDEN

réponse en anglais

Emmanuel MACRON

Je voudrais simplement avoir un mot pour remercier Theresa MAY du bon travail que nous avons fait ensemble toutes ces dernières années. Elle avait pris ses fonctions dans un contexte difficile suite au référendum et elle a avec beaucoup de courage et de dignité, pendant toutes ces années, travaillé avec nous, elle n' a jamais bloqué le fonctionnement de l' Union européenne et elle a essayé de servir les intérêts britanniques au mieux et

de manière extrêmement loyale avec ce que le peuple britannique avait exprimé et je veux ici lui rendre hommage. La démocratie britannique fonctionne et en particulier la vie du Parti conservateur et donc je félicite Boris JOHNSON pour ce résultat. Je l'appellerai dès qu' il sera officiellement premier ministre, puisqu' il y a la procédure ensuite qui va maintenant s' enclencher, et je suis très désireux de pouvoir travailler au plus vite avec lui non seulement sur les sujets européens qui sont les nôtres, et la poursuite des négociations liées évidemment au Brexit, mais aussi les sujets internationaux qui font notre quotidien et sur lesquels nous sommes étroitement coordonnés en particulier avec les Britanniques et les Allemands, qu' il s' agisse de la situation en Iran, des sujets de sécurité internationale. Et donc je félicite chaleureusement Boris JOHNSON et je souhaite qu' au plus vite nous puissions travailler ensemble. Merci à vous.

<https://www.elysee.fr/emmanuel-macron/2019/07/23/declaration-conjointe-demmanuel-macron-et-ursula-von-der-leyen-presidente-elue-de-la-commission-europeenne>

12 July 2019

Tax on digital services: an efficacious fiscal justice measure

Minister Le Maire has applauded Parliament's definitive adoption of a tax on the digital giants on 11 July 2019, following a final vote by the Senate. This is a text of major importance, bearing on revision of corporation tax as well as on taxation of digital services.

A REDUCTION IN CORPORATION TAX AS FROM 2020

The first part of the text bears on reduction of corporation tax. The President of the Republic's commitment to arriving at a 25% corporation tax rate for all companies by 2022 will be fulfilled: all French companies, without exception, will see their **corporation tax rate fall from 33.3 to 25% by 2022.**

Reducing the tax will provide more room for manoeuvre with

regard to investment, innovation, and success in the 21st century's technological battle. It is also a key factor in the country's attractiveness. If **France has become Europe's most attractive country for foreign investors**, it is because commitments on taxation have been made in order to make French territory more attractive and develop investments and jobs across our soil.

The reduction will come into force for all companies in 2020, even though it is reasonable to ask the biggest companies to make a little more effort while keeping to the plan to reduce corporation tax and the goal of 25% in 2022.

TAXATION OF DIGITAL GIANTS

This newly introduced taxation is first and foremost based on a simple diagnosis: data creates value, yet taxation of the data that creates such value is not the same as it is for other goods.

The current situation - which has been clearly detailed by the European Commission - **is unfair: taxation of data is 14 points lower than that of other economic activities.** This is both unfair and inefficacious.

The new tax re-establishes fiscal justice by obliging this new economic model to obey the same rules as those applying to all other economic activities. It is also a question of efficacy, as it should enable funding of public goods, environmental investments, primary and secondary schools, crèches and hospitals by taxing the activities that create the

most value.

The tax is 3% and is levied on turnover. It only concerns companies whose turnover from provision of digital services exceeds **750 million euros at international level and 25 million euros at national level**. Once the OECD has adopted a credible solution for taxation of digital activities, France will revoke its national tax.

The tax's legal certainty has been confirmed. At national level by the Council of State and at European level by the European Commission, as the scheme had been put forward by the Commission itself.

EUROPE SHOULD SWITCH TO QUALIFIED MAJORITY VOTING FOR DECISIONS ON CERTAIN FISCAL PROVISIONS

It was good policy to have planned for **a report on the evaluation and evolution of international negotiations.**

Conclusions must also be drawn at European level: the **need to switch from unanimity to qualified majority voting on decisions bearing on certain fiscal provisions, as a minority should not be able to block the majority in Europe.** It cannot be seen as normal that 2 countries supported the tax when it was first proposed, then 5 as from October 2017 (Spain, Italy, Great Britain, Germany and France), 19 at end October 2018 and 24 States at the final stage of voting, but that in the end **4 European States were able to block**

the agreement reached with the 23 others (Sweden, Finland, Denmark and Ireland).

AN INTERNATIONAL SOLUTION BY THE OECD

The American administration has stated that it is going to initiate proceedings under Section 301 following the adoption of the tax on digital giants. Bruno Le Maire points out that this is the first time in the history of the relations between France and the United States that the American administration has decided to initiate such proceedings, and believes “deeply that, between allies, we can and must settle our differences by using methods other than threats. France is a sovereign State; as such it decides on its fiscal provisions independently and will continue to decide on its fiscal decisions independently” .

This national tax should act as an incentive to further speeding up work at the OECD on finding an international solution. **The upcoming G7 Finance Ministers' meeting set to be held in Chantilly should lead to acceleration of work at international level**, to find a common solution at OECD level, reached by way of agreements rather than by threats.

More generally speaking, everyone is well aware of the emergence of **economic giants that verge on being monopolies**. They want maximum control over data and, with no decisions being made, seek to escape taxation. They introduce instruments of exchange that could soon take the form of sovereign currencies. Bruno Le Maire therefore believes that **it is the responsibility of elected representatives and the public authorities to prevent the emergence of companies that are looking to become private States**,

with all the privileges that States enjoy but without any of the constraints and controls that go with them.

France is therefore unwavering in its determination to **implement a fair system for taxing digital services, as justice and efficacy alike require it.** Its determination, along with all its European partners, to implement **a regulatory framework on data that protects private life** is equally unwavering, as is its determination to ensure that the cryptocurrency (Libra) under development by Facebook does not become a sovereign currency that could compete with States' currencies.

<https://www.gouvernement.fr/en/tax-on-digital-services-an-efficacious-fiscal-justice-measure>

Pope receives Russian president in audience

Thursday's audience is President Putin's sixth visit to the Vatican, his third with Pope Francis

By Vatican News

Pope Francis on Thursday received **Vladimir Putin** in an audience at the Vatican. It's the Russian president's sixth visit to the Vatican, and his third audience with Pope Francis.

Following the meeting which lasted about one hour, a communiqué released by the Holy See Press Office said the Pope received the President of the Russian Federation in the Apostolic Palace, and that President Putin subsequently met with the Vatican Secretary of State, Cardinal Pietro

Parolin, and with the Secretary for Relations with States, Archbishop Paul Richard Gallagher.

Issues discussed

The communiqué continued saying that “During the cordial discussions, both Parties expressed their satisfaction at the development of bilateral relations, further strengthened by the protocol of understanding signed today regarding the collaboration between the “Bambino Gesù” Paediatric Hospital and the paediatric hospitals of the Russian Federation” .

Other issues discussed included questions of relevance to the life of the Catholic Church in Russia.

Pope Francis and President Putin also went on to consider the ecological question and various themes relating to current international affairs, with particular reference to Syria, Ukraine and Venezuela.

Previous meetings

The two men met for the first time in 2013, shortly after Pope Francis' election to the papacy; and then in 2015. The urgent need to pursue peace in the Middle East, and especially in Syria, likewise featured prominently in earlier conversations. The conflict in Ukraine was also a focus of the meeting in 2015.

President Putin has also met with Pope Francis' predecessors in the See of Peter. His first audience with a Pope came in the Jubilee Year 2000, when he met with Pope Saint John Paul II. At the time, President Putin noted the importance of the mission of the Holy See in the process of integration between East and West.

Three years later, the two leaders met again to discuss a number of issues, including the situation of Catholics in Russia, and the ecumenical dialogue between the Holy See and the Orthodox Patriarchate of Moscow. New initiatives for peace in the Holy Land and in Iraq were also part of the discussion.

Benedict XVI received President Putin in 2007, the only meeting between the two. Their conversation revolved around themes of common interest to the Church and the Russian Federation, with particular attention to the problems of extremism and intolerance.

Relations between Russia and the Holy See saw a turning point in December 1989, toward the end of the Soviet era, when Mikhail Gorbachev met with St John Paul II. It was the first meeting of a Pope with a Soviet leader. Diplomatic relations between the Vatican and the Soviet Union were established following the encounter.

<https://www.vaticannews.va/en/pope/news/2019-07/pope-receives-russian-president-in-audience.html>

Ambassador Zhang Ming Published a Signed Article Titled the Rule of Law Must be Upheld for Hong Kong's Prosperity and Stability at Euractiv

2019/07/26

On 25th July 2019, Ambassador Zhang Ming, Head of Chinese Mission to the EU, published a signed article titled the rule of law must be upheld for Hong Kong's prosperity and stability at Euractiv, the full text is as follows:

The recent demonstrations in China's Hong Kong Special Administrative Region (HKSAR) have been closely watched by many. Some European friends care about Hong Kong's future, and hope that its long-term prosperity and stability could be well maintained. Enduring prosperity and stability in Hong Kong is indeed in the interest of Europe, and is also what the Chinese Central Government and the HKSAR Government have been striving for all along. However, some voices in Europe, in disregard of abundant facts, have failed to tell the difference between right and wrong. Such voices constitute an infringement on China's sovereignty, interference in China's domestic affairs, and departure from the basic principle of the rule of law. To that, we must categorically say NO.

Since the return of Hong Kong, the policy of "one country, two systems" has been implemented in good faith. Hong Kong residents enjoy democratic rights and freedom in accordance with law as never before. However, the serious offences committed during the demonstrations, such as the assaults on the police and the ransacking into the Legislative Council building, went far beyond peaceful expression of views. In any civilized society, violence is always to be condemned and shall not be tolerated. Some in Europe have chosen to turn a blind eye to those offences, and have gone even so far as to call on the HKSAR Government to drop all charges against the offenders and to investigate into the police's exercise of duties. This is a typical act of confounding white with black and inciting violence.

We have seen continued escalation of violence in Hong Kong, including such egregious behaviors as attacking the Liaison Office of the Central People's Government in Hong Kong and hoarding extremely powerful explosives for ill purposes. One could hardly say that such developments have nothing to do with the connivance and support of external forces.

Earlier this year, the European Parliament passed a resolution on the right to protest, considering what was happening in some parts of Europe around that time. The resolution did not single out any European country by name, and underlined duties of the police and law enforcement authorities. It argued that the right to protest and freedom of expression are not without boundaries, It cited the European Convention on Human Rights as stating that the freedom of assembly "shall not prevent the imposition of lawful restrictions on the exercise of these rights by members of the armed forces, of the police or of the administration of the state", and that these rights could be subject to legitimate, proportionate and necessary police measures.

Since I arrived in Brussels about two years ago, I have seen various protests and demonstrations in Europe, as well as the way in which those violent protestors are dealt with by European police. We do not interfere in other countries' internal affairs. We respect other countries' sovereignty and the judicial independence. Still I keep wondering what European police would do if the violence in Hong Kong took place in Europe. I also wonder if the European Parliament came under attack, would those who have made wanton remarks on Hong Kong applaud violence.

The European Parliament's resolution on the situation in Hong Kong selectively turned a deaf ear to the public call for peace, law and order in Hong Kong, and even denounced the HKSAR Government for its law-based administration. Some European politicians, though having repeatedly voiced their support for "one country, two systems", encouraged the European Parliament to write into a resolution such wordings as the EU's commitment to democracy in Hong Kong and "strongly condemning" the constant and increasing interference by China in Hong Kong's internal affairs. That is apparently "double standard", and we cannot help but ask what they are really up to. In the urgency debate on the resolution, some MEPs said that the European Parliament is not the United Nations and that Europe should better teach itself before it teaches others. Such objective voices could provide some food for thought for the European Parliament.

The days have long gone when Hong Kong was a concession or colony. The policy of "one country, two systems" aims to uphold democracy, and more importantly, the rule of law. Maintaining prosperity and stability in Hong Kong calls for a mind of peace and reason. Keeping China-EU relations on track calls for the observance of international law and the basic norms governing international relations, and genuine respect for China's sovereignty. This is a principle that we value and keep.

China has unwavering resolve to safeguard its sovereignty, security and development interests, and to maintain prosperity and stability in Hong Kong. This is also in the interest of European countries. The very few European politicians with ulterior motives are doomed to fail in their attempt to instigate confrontation within Hong Kong's society. I hope that the vast majority of people in Europe will continue to work with China to safeguard Hong Kong's prosperity and stability and to promote the sound and steady growth of China-EU relations.

<http://www.chinamission.be/eng/mh/t1683497.htm>