

The priorities of the Polish Presidency of the EU Council

May 31, 2011

The Council of Ministers adopted the "6-month Programme of the Polish Presidency of the EU Council in the second half of 2011", presented by the government's plenipotentiary for the preparation of government administration and Poland's Presidency of the EU Council. The main task of the Polish Presidency is to lead the European Union on a path to faster economic growth and an enhanced political community. In order to achieve these targets, the Polish Presidency will concentrate on three basic priorities: "European integration as the source of growth", a "Secure Europe" and a "Europe benefiting from openness".

European integration as the source of growth

The Polish Presidency will work to foster economic growth through further development of the internal market (including the electronic market) and using the EU's budget for building a competitive Europe.

Following the economic crisis, the EU has concluded that new rules on economic governance are required, including new tools preventing return waves of the crisis, such as the European Stabilization Mechanism. The Polish government takes a view that the European Union has to move to the next stage: it is the time to introduce a new model of economic growth, one that would allow the Union to secure appropriate level of economic development for the coming decades and guarantee the well-being of EU citizens. If Europe is to be competitive on the global scale, it must not concentrate solely on public finance and limiting budget deficits. Additional action is required.

The view of the Polish Government is that one of the tools for securing sustainable economic growth on a European scale should be the new, multiannual EU

budget (beyond 2013). Formal discussions on the Multiannual Financial Framework will begin during the Polish Presidency. **The Polish Presidency takes a view that the new EU's budget should be an investment tool serving the implementation of the "Europe 2020" strategy.** The Polish Presidency would like the new budget to corroborate that enhanced cooperation within EU is the most appropriate answer to the economic crisis and that the Cohesion Policy should remain a key policy of the Union. This policy benefits and will benefit all EU member states. A reform of the Common Agricultural Policy, guaranteeing the modernization of European agriculture and its enhanced competitiveness, will be another important issue.

Another objective of the Polish Presidency will be to **complete the single market**, with a view to releasing its full potential.

Special emphasis will be put on the development of electronic services. This will mean taking action to abolish the barriers which block cross-border online transactions, as well as continuing works on reducing roaming charges. It is estimated that 60 percent of online transactions fail to be completed in Europe due to legal barriers. This is the reason why, during the Presidency, works will be initiated on the creation of the 28th legal system to facilitate finalising sales agreements within the internal market, including simplifying potential internet transactions for 500 million citizens. This new system would function alongside the 27 current legal systems.

As part of internal market reform, the Polish Presidency wants to work on improving the conditions for small and medium enterprises, with special focus on their access to capital. Small and medium enterprises (SMEs) are the key to European economic growth, as they are responsible for approximately 60 per cent of GDP and they generate almost 70 per cent of all jobs. The Polish Presidency will support the Commission's initiative to facilitate access to capital markets and high risk funds, as well as support SMEs in third countries. The Presidency will pursue the completion of works on the creation of a patent system which is cheap and easily available for

European enterprises. The absence of such a European patent is too costly for our economies. This is why it is important to quickly resolve this issue.

Poland will support a reform package to the EU's economic directives "Single Market Act", prepared by the European Commission. Our country will also organize an important event supporting internal market development: the **'Single Market Forum – SIMFO'**.

Secure Europe – food, energy, defence

A "Secure Europe" requires improving security in a number of different areas. Firstly, Europe must improve its macroeconomic security. **The improvement of economic governance in the European Union** will be the primary task of the Polish Presidency in the area of economy and finance. The Presidency will support actions and proposals serving the improvement of the regulation and supervision of financial markets, as well as drafting the principles of crisis management (aiming to protect financial markets from negative consequences of crisis, and maintaining financial stability).

According to the Polish Government, another step forward towards "Secure Europe" is the creation of a basis for an **external energy policy of the European Union**. Poland takes a view that it is essential to work out solutions strengthening such policy. The Polish Government is confident that the position of the EU in relation to major producers, consumers and transit states of energy resources can be made considerably stronger if actions are undertaken to allow a better functioning of the EU within the international energy environment, resulting in savings and better conditions for economic growth.

The Government takes a view that yet another aspect of increasing the security of Europe is a reform of **the Common Agricultural Policy, such that European funds are utilised more effectively**. Enhanced CAP should remain market-oriented and consider public common goods, including agricultural security and the

multifunctional development of agriculture and rural areas. An important element of the Common Agricultural Policy reform will include in particular the resolution of the issue of direct payments and support towards rural areas.

“Secure Europe” relates also to its border security. During our Presidency we will **pursue the conclusion of works on changes to the regulation on Frontex** (the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union). The works aim to make Frontex more effectively support member states in crisis situations, such as those taking place in North Africa and Middle East.

An important element of the Polish Presidency of the EU Council will be the strengthening of military and civil EU capabilities. The Presidency will support actions towards the consolidation of direct EU-NATO dialogue.

Europe benefiting from openness

During its Presidency, Poland will support the EU’s foreign and security policy, which aims to strengthen the EU’s position on the international arena.

Our country will act towards expanding the area of European values and regulations, including further EU enlargement and the development of cooperation with neighbouring countries. Through the creation of free trade areas with states of the Eastern Partnership, the Presidency will contribute to expanding the zone embraced by Union’s rules and regulations. Furthermore, continuing the enlargement process will result in expanding the internal market by millions of new consumers.

Taking into consideration the recent events in Tunisia, Egypt, Libya and other states of the Southern Neighbourhood, the Polish Presidency will endeavour to enhance **cooperation based on partnership, concentrating on supporting democratic transformation and the creation of modern state structures** (based on constitutional reforms), as well as strengthening the judiciary and the fight against

corruption. EU support for the protection of fundamental rights, as well as enhancing mechanism for the prevention of the persecution of minorities (including Christians), will be important in fostering civil society. Simultaneously, support will be provided to **stimulate economic growth, development and the creation of new jobs**, as well as **intensifying trade relations and facilitating the movement of people** from certain social groups.

The role of the Polish Presidency will also be to ensure that Europe does not lose sight of its eastern neighbours. As a part of **Eastern Partnership, Poland wants** the process of signing association agreements and free trade areas (among others finalising or moving forward negotiations with Ukraine and Moldova) to continue. The Polish Presidency will pursue moving forward the negotiations on visa liberalization. We hope that the key political decisions to this end will be made in September as part of the **Eastern Partnership Summit**, with the participation of all heads of state and of the governments of member and partner states. With regard to Belarus, the aim of the Union is to encourage this country to work with the West, provided it respects the fundamental rules of democracy and human rights.

As part of its Presidency, Poland wants to achieve a major step forward in the concept of enlargement. An important objective of Poland's Presidency in the UE Council will be to **finalise accession negotiations with Croatia** and sign a Treaty of Accession with it. We will also use all circumstances supporting the **continuation of accession negotiations with Turkey**. We will ensure significant progress in the accession negotiations with **Iceland**, and we will support the European aspirations of the **Western Balkans**.

The government hopes that during the Polish Presidency, a **new framework of cooperation between the EU and Russia** can be established. This relates to actions towards the signing of a new agreement with Russia and the development of an EU-Russia Partnership for Modernisation.

In terms of common trade policy, the most important issue of our Presidency will be to continue the current round of multilateral trade negotiations of World Trade Organization (**so called Doha Round**). In addition to further steps towards the liberalisation of trade (elimination of customs barriers), such issues as agriculture subsidies, patent law, anti-dumping regulations and intellectual property protection will be discussed.

The document adopted by the Council of Ministers is the final version of the Polish Presidency programme. However, further changes are still possible: these will be introduced conditional on the situation of the EU, the achievements of the Hungarian Presidency and conclusions of the European Council in June.