

EHPA BRIEFING: Perspectives for the EU's strategic priorities in 2019 – a new design for sustainable growth

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Purpose of the document: the document is intended as a basis for the new strategic priorities of the European Union and for the work programme to be agreed for the next European Commission (to be appointed in November 2019).

Vision of the Finnish presidency: The EU needs renew its policy approach to growth and jobs for the next five years. The new growth agenda should be geared towards enhancing the EU's competitiveness in the global context, creating an economically, environmentally and socially strong Europe and taking a modern, forward-looking policy approach to the digital era.

Main focus: Finland expects to pursue two key priorities during its upcoming EU Presidency:

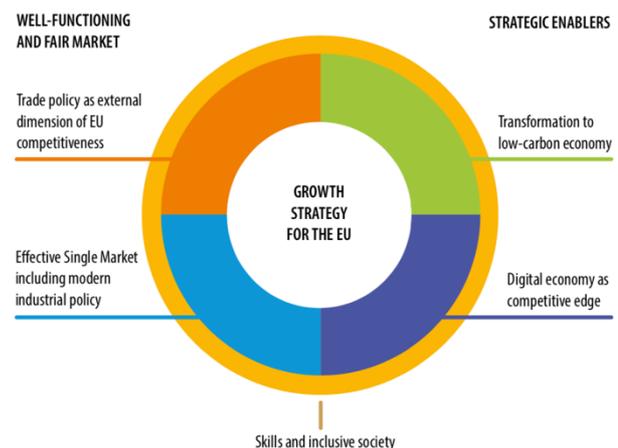
- ⇒ promote European growth and competitiveness;
- ⇒ further improve European security.

These two areas complement each-other and they have significant interlinkages.

Priorities for the policy agenda (timespan on 5-10 years depending on the policy area) to create sustainable growth:

1. Forward-looking **single market policy** in the digital era (Europe becoming a global leader in the **digital economy**),
2. Ambitious **external trade policy**;
3. **Transformation to a low-carbon economy** by harnessing new technologies in Europe;
4. **Reskilling and upskilling** to make Europe and Europeans fit to respond to the major economic and societal challenges.

Illustration: Creating sustainable growth in the EU



Financial perspective:

MFF for 2021-2027 = EU funding should enhance Europe's capacity for innovation as well as economic and industrial renewal. Two strategic programmes to be looked at under the MFF: *Digital Europe & Horizon Europe*.

Cohesion policy should also be strengthened.

Key considerations within each policy priority:

1) Single market interlinked with dynamic digital economy

- EU policy approaches to the single market should be improved in order to:
 - promote European companies' access to global value chains,
 - allow the development of new business models and industrial competitiveness,
 - tackle the gap between high-productivity and low-productivity firms;
- No further relaxation of the State aid rules under Important Projects of Common European Interest (IPCEI) should be considered;
- A comprehensive roadmap for the regulatory landscape on data as well as the fair and innovative use of data (including privacy rules, access, interoperability, connectivity, sharing and ownership as well as ethics and integrity) should be developed;
- Make sure that all sectors are steered towards digital-by-default and future-proof regulation based on general data regulation principles as well as overarching principles.

2) External dimension of the EU's competitiveness

- The EU should take an ambitious approach in multilateral fora (WTO) and in trade relations with China and USA
- State subsidies and other trade-restricting measures should be addressed by using available trade policy tools in international negotiations, dispute settlement proceedings and, where appropriate, with instruments such as countervailing measures;
- Reform of the WTO is to be pursued;
- The EU should remain open to commercially driven FDIs.

3) New skills for digital Europe

- Flexible, work-related solutions to reskill and upskill the European workforce to meet the requirements of the digital era – concerns all the sectors and all levels
- Investing in people through EU funding

4) Transition to a low-carbon economy

- EU needs a vision that can lead to net-zero GHG emissions by 2050;
- EU should strive for a cost-effective transformation to a low-carbon economy;
- Transition towards a climate-neutral economy should be carried out based on well-functioning emission and energy markets => putting more emphasis on the ETS;
- Investments in research and innovation are important, both on a national and EU-level. Especially in the fields of smart-energy systems and resource efficiency.
- Ambitious deployment of the bio and circular economy is important to reach growth and climate policy targets;
- Facilitate the development of all low-carbon technologies;
- Important to enable a fair and just transition.

⇒ **Tackling climate change is a must but also an economic opportunity:** *“Transition towards a carbon-neutral Europe will mean an increase in market size and thus huge business opportunity for European businesses providing low-carbon solutions”.*