

Cabinet Newsletter

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Dear Reader,

on January 1st, Denmark takes over the Presidency of the European Council for the next six coming months. Vice President Antonio Tajani, along with the College of Commissioners, visited Denmark on the 11-12 of January to meet with the Danish Government.



Antonio Preto
Head of Cabinet

Denmark is part of the "Trio Presidency" along with Cyprus and Poland (the next and the former Council Presidency) which was created to establish a coherent and consistent work program for the Council.

While Europe is negotiating new rules to strengthen its fiscal coordination, the Danish Presidency will continue the efforts undertaken to tackle the economic and financial crisis. In fact the Danish Presidency has organized clusters around the question on how to generate renewed growth in Europe. Vice President Antonio Tajani, along with the other EC Vice President, illustrated how growth can be restored through economic reforms and consolidation but especially through the revitalization of internal market. The discussion focused on the need to find a balance between fiscal consolidation and measures aimed at generating growth and employment, a policy that the Danish Minister for Economy called "smart austerity". Vice President Antonio Tajani stressed the importance of the "real economy" and illustrated the actions undertaken to support small and medium enterprises.

The Danish agenda is built upon four pillars: a **responsible**, a **dynamic**, a **green** and a **safe** Europe. Many issues are at stake: the strengthening of financial regulation and supervision but also the moving forward of the negotiations on the EU multiannual Financial Framework 2014-2020.

The Danish agenda is in line with the priorities recalled by Vice President Antonio Tajani. It is then of utmost importance to **sustain growth**, to foster EU **competitiveness and innovation**. However, rules alone do not create jobs. Industries are the main drivers for job creation. Therefore, when talking of a **responsible Europe**, the Danish Presidency will not have to limit its efforts in promoting new fiscal rules, new economic governance or the revised discipline for the excessive deficit procedures. It will have to sustain the Commission proposals, going even further ahead, in safeguarding European enterprises' competitiveness. This has to be done through an easier access to finance, through, a more efficient environment and finally a through a more modern functioning of public administration.

With regard the access to finance, Vice President Antonio Tajani, jointly with Commissioner Barnier, adopted an **action plan for the access to finance** and has proposed a new regulation to promote the use of venture capital funds to promote investments.

A "**dynamic Europe**", as the Danes called it, is made of concrete actions aimed at increasing Europe's competitiveness. For example, the actions will entail a simplification of **public procurement rules**. This will help Small and Medium Enterprises (SMEs) to submit bids for public sector contracts across the EU. In order to help SMEs, Vice President Antonio Tajani promoted the **Late Payment Directive** which entry into force is expected by March 2013. However, given the concrete risk of a severe economic recession it is deemed essential to help SMEs to access credit, even public one through an anticipation of the entry into force of the directive, as recalled by Vice President Antonio Tajani.

Furthermore, the Danish program recognizes the establishment of an effective **standardization system**, as a key factor for the functioning of the Single Market. To this end the negotiations lead by Vice President Antonio Tajani to agree on standards are expected to achieve results in the upcoming months. To make Europe more dynamic he then called for actions on visa, to stimulate in particular the **tourism flow from China and Russia**

A **green Europe** has to go hand in hand with a sustainable and competitive economy. The strong **focus on the Key Enabling Technologies** has to be maintained. These innovative products will allow Europe to tackle the main societal challenges through high investment in research concretizing the idea of a knowledge-based economy. The Danes talk of the "*need to translate knowledge into business*"; Vice President Antonio expressed this view in the inspiring principle of **Horizon 2020**, where research has to be market-oriented in order to promote growth, employment and competitiveness.



Denmark will have a crucial role in the coming months as it coincides with the **European Semester**. As highlighted by the Annual Growth Survey, the evaluation of national policies in the framework of the European Semester will have to be driven not only with an eye on fiscal and budget consolidation but especially considering industry as the driver to help European economy to get back to long term growth and job creation.