Medlemmerne af Folketingets Europaudvalg og deres stedfortrædere

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Til underretning for Folketingets Europaudvalg vedlægges dansk positionspapir vedr. Lissabon-processen til Det Europæiske Råds møde i Bruxelles den 21. marts 2003 vedr. "One Europe: Reform, Implementation, Growth".

11. marts 2003

One Europe: Reform, Implementation, Growth Position of

the Government of Denmark on he Lisbon Process in view of the Spring European Council 2003

Enlargement presents a unique opportunity for prosperity and long-term sustainable development in Europe. At the Spring Council of 2003, the European Union must seize this opportunity and set a clear agenda for utilizing the potential in the enlarged European Union.

Urgent action is needed if the Lisbon process is to remain viable. Delayed and insufficient reforms have contributed to the widening of the productivity gap between the EU and the US. Therefore, the Spring Council must focus on effectively strengthening the reform process. Momentum from recent decisions on energy liberalization and Single European Sky must be maintained.

We must promote the comprehensive reforms that are absolutely necessary to close the delivery gap and meet existing objectives. We must complete the internal market, promote entrepreneurship, simplify and reduce the administrative burden, strengthen innovation and improve access to financing. Focus must be on implementation of reforms and existing objectives and on promoting framework conditions. Member States must implement directives relevant to Lisbon targets. For the acceding countries in particular, the Lisbon process will be instrumental in drawing full advantages from enlargement.

Implementation of structural reforms and sound public finances support each other, in generating growth and high employment.

At the Spring Council, the European Union must heed the call of Choosing to Grow by taking action in the following priority areas: *Seizing the opportunity of an enlarged EU to promote Lisbon objectives*

Several acceding countries already have high economic growth rates and perform well in areas such as conditions for start-ups or telecommunications. A European Area of Research and Innovation spanning 25 countries entails vast possibilities for knowledge-based growth. Full participation in the single market by acceding countries is dependent on the elimination of both legal and non-legal barriers. Maxi-

The Lisbon process is a framework well suited for exchanging experience and best practices in the field of structural economic reform. Specific initiatives should be encouraged, including:

- Extending the knowledge and information society to the benefit of all in the EU of 25. Research and development activities in acceding countries must be integrated as part of the Sixth Framework Programme.
- Undertaking a targeted effort towards increasing productivity and raising the technological as well as Human Capital level in the private sector.
- Promoting cooperation in order to facilitate the smooth functioning of cross-border labour markets, including through sectoral programs for exchange and professional training.
- Utilizing the growth potential in the service sector in particular Business-to-Business by strengthening the framework conditions.
- Addressing bottlenecks and interoperability problems between national energy systems and national transport systems, thus removing barriers to the smooth functioning of the internal market.
- Promoting cross-border cooperation in the field of environmental protection and renewable energy.

Promoting labour market reform and creating inclusive labour markets

The EU is challenged by a major delivery gap with respect to labour market policies. Both announced and actual policies are far from agreed targets. Early retirement is among the most pressing problems. The European Council must meet the challenge of increasing labour supply and employment and making work pay by:

- Promoting comprehensive changes in transfer systems taking into account interaction with tax systems.
- Job protection rules should strike a proper balance between flexibility and security. More flexible job protection rules should be considered.

4

- Promoting increases in the effective age of retirement towards the Barcelona target, inter alia by improving opportunities for elder workers to remain active.
- Promoting an inclusive labour market through an effective active labour market policy targeted at real
 jobs for the unemployed and inactive, avoiding social
 exclusion.

- Promoting integration of all groups in the labour markets as part of effective integration policies.
- Stopping the trend towards shorter working hours in high employment member states.
- Promoting cost-effective measures in labour market reform with a view to the sustainability of public finances.

Improving framework conditions for enterprises including SME's: A motor for growth in the EU of 25

- Maintaining the target of 98,5 per cent and 100 per cent implementation of directives for next spring summit.
- Formulating EU's operative business policy that focuses on competitiveness and framework conditions for enterprises, the completion of the single market as well as the integration of SME's from acceding countries.
- Ensuring an improved international allocation of economic resources through a successful Doha-round enhancing international trade thereby achieving improved competitiveness and economic growth.
- Creating better and simpler regulation: Implement
 The Action Plan effectively, including the rolling
 programme for simplification. Adopt the IIA as soon
 as possible.
- Adopting the action plan on company law and corporate governance by the end of 2004.
- Reducing state aid levels, in particular the most distorting measures for specific firms or sectors. Committing to a reduction of 10 per cent of overall state aid levels from 2003 to 2004.
- Maintaining momentum in the creation of an internal market for financial services through agreement on the application of the Lamfalussy procedure on banking, insurance and financial conglomerates and final

5

- adoption of the directives on prospectuses and pension funds before July 2003 and final adoption of the investment services directive before March 2004. Implement The Risk Capital Action plan by 2003.
- Inviting the Commission to present a framework directive on the removal and monitoring of both legal and non-legal barriers to the internal market for services with a view to adoption during 2004.

The right framework conditions and effective use of funds available are particularly important with respect to the promotion of innovation and private sector research in order to ensure maximum return on investment.

- Promoting public private interaction.
- Establishing innovative environments linking knowledge and capital. Facilitation of Risk Capital.
- Orienting research programmes towards sectors of high potential growth and increase the commercialisation of research results.
- Education and training programs must continue to foster transparency, recognition of qualifications and quality assurance and build upon the Detailed Work Programme on the Objectives, the Copenhagen Declaration on vocational education and training and the Bologna process in higher education.
- Giving special attention to the development of new content and services in the areas of the four main pillars of eEurope2005; eGovernment, eLearning, eHealth and eBusiness. Promote participation by acceding countries with a view to creating an inclusive information society.
- Biotechnology for the future: speedily implementing the Commission Action Plan on Biotechnology according to the road map adopted by the Competitiveness Council in November 2002.
- Utilizing the growth potential in Clean Technologies, including environmental technologies, not least with a view to capturing and sequestering CO2.

6

Leading The Sustainable Development Agenda Beyond Doha, Monterrey and Johannesburg

- Maintaining global leadership for sustainable development by ensuring coherence between internal and external policies and commitments. This includes agriculture and fisheries policies and the Cardiff Process on the integration of environmental objectives in other sectors.
- Promoting sustainable production and consumption, including encouraging that developed countries should take the lead in decoupling economic growth from unsustainable natural resource use and environmental degradation. This objective should be achieved in the most cost effective way.
- Supporting the alleviation of global poverty by in-

- creasing development assistance in line with the internationally agreed goal of 0.7% of GDP, including, as a first step, the timely delivery of the increase of development assistance to an EU average of ODA/GNI 0.39 % by 2006.
- Ensuring a joint follow-up to Johannesburg including further development and implementation of the EU water and energy initiatives.