

THE PRIORITIES OF THE ESTONIAN PRESIDENCY

In the beginning of July, Estonia assumed the role of the Presidency in the EU Council first time in history. No need to assure anybody that not in the easiest time for the Union. In 2012 when we started our preparations, EU was struggling with the eurozone crisis that shook the fundamentals of our common currency. Three years later, the migration crisis - far from over today – started to pose new challenges for our unity and collective operation. A year ago, after the Brexit vote, people started to ask existential questions about the future of our union. Increasing terrorism threat both in real and cyber world also contributes to the turbulence and instability for the world Union lives in.

The overarching aim of the Estonian Presidency is to ensure that - despite all the global and local challenges - the EU remains **united and decisive**. We must keep looking for issues, initiatives, ways that unite us, and not for those that pose a risk of dividing Member States. We should look for initiatives that balance things, build bridges.

One of the major challenges for us in this regard is **Brexit**. The main responsibility in the negotiations lies on the Commission and Mr Barnier as chief EU negotiator. But Estonia as a President of the Council has to be at the service of EU27 and work closely with all involved EU-institutions in order to ensure as smooth and constructive Brexit process as possible. But we would like to avoid our Presidency agenda overshadowed by Brexit. Despite difficulties posed by the negotiations, the Union has to preserve its unity and move forward with business as usual.

Despite - and even more due to - these challenges, EU has to **look forward**. There are the White Paper and reflection papers by the Commission, and several reports by the European Parliament that all give us good basis for discussion about the future of the EU. But we must not forget that this time round, it is not the institutional setup that is the most important but that our citizens must be at the centre of our attention. Delivering concrete things for our citizens – that's what the Estonian Presidency will strive for.

Our **Presidency Priorities** build on the Strategic Agenda of the European Council and support the EU's legislative priorities for 2017 set out in the Joint

Declaration signed by Presidents of 3 EU institutions. The equally important objectives for the Estonian Presidency are: open and innovative European economy, a safe and secure Europe, a digital Europe and free movement of data, as well as an inclusive and sustainable Europe.

Open and innovative European economy

An open Europe means creating better opportunities for its citizens and businesses. A strong **Single Market** is a key driver of economic welfare but it's not yet complete. Giving a new boost to jobs, growth and competitiveness, we need to unleash the full potential of the Single Market; create simple and predictable business environment and banking sector; advance trade negotiations and ensure the functioning of trade partnerships; and take a step towards cleaner energy, which is both reliable and affordable.

These objectives could be achieved by protecting and promoting **EU's four freedoms** and facilitating the freedom of establishment and cross-border mobility of companies. The European Economic and Monetary Union has been strengthened in recent years, but much is still ongoing. It is necessary to complete the second stage of the creation of the European Banking Union. And to implement the measures of the Capital Markets Union.

Guided by the principles of European Energy Union, the Estonian Presidency focuses on the new electricity market design, which provides an essential basis for the **Single European Energy Market**.

In the era of slowdown of globalization, **trade** is no longer an EU policy that enjoys unconditional support but Estonia believes in free trade and stands in defence of it. We hope to finalise the agreement with Japan, make progress with Mexico, Mercosur and other partners.

Safe and secure Europe

Security situation in Europe and in its neighbourhood remains complex. Terrorism, organised crime and protection of EU's external border remain a high priority. The migration crisis proves that Europe cannot ignore the events unfolding outside its borders.

We intend to put greater emphasis on **defence cooperation** in order to enhance European military capabilities, including the level of defence spending and the EU-NATO cooperation for tackling hybrid and cyber threats inter alia. We hope for European Parliament's support in setting up the European Defence Fund.

We believe internal and external security is indivisible. Estonia supports the High Representative in implementing the **Global Strategy**. We are ready to contribute to the strengthening of trans-Atlantic ties, supporting the implementation of the objectives of European Neighbourhood Policy and ensuring that EU's political focus remains on the **Eastern Partnership**, which is one of the cross cutting priorities for our Presidency.

We will continue dealing with the root causes of **migration**, implementing the migration compacts and the Valletta action plan. Emphasis needs to be put on return policy and legal migration. One of the main Estonian priorities is the reform of the European Common Asylum System.

We must continue creating databases and modern **IT-solutions** that allow for rapid exchange of information when needed. To improve the exchange and use of information, we will continue the work towards interoperability of different IT systems and databases.

Digital Europe and the free flow of data

It will come as a no surprise that one of our priorities is a digital Europe. We see technological innovation not as an objective itself but as a tool to make the lives of people, companies, and governments more effective. We believe that making good use of technology will be the key to success for Europe.

Our presidency will focus on the establishment of a **Digital Single Market**, increased use of e-solutions and data as well as on the development of cross-border e-services and cyber defense. We have planned around 45 events and meetings directly or indirectly related to digital topics; about half of the informal councils and four minister's meetings have a digital dimension. The most

important event will be the Digital Summit at the level of Heads of States and Governments on 29th of September in Tallinn.

We also aim at introducing new **smart IT solutions** to make the EU function more efficiently and easier to understand. In the same way, the **free movement of data** is something that concerns all European policies. Data is the raw material of the information society that makes the flow of capital, people, goods and services easier, faster and more affordable. Today, this potential is not fully exploited within the Single Market. Free flow of data as the fifth freedom of the EU besides the existing four freedoms is a future-looking debate that Estonia wishes to initiate. Better cross-use of data is needed for better decision-making, efficiency and, indeed, for fighting common threats of terrorism and cyber crimes.

Doing that, one cannot overlook fundamental freedoms of our citizens. We need to find ways to ensure that the data is used in a secure way for our individual and collective benefit. This involves data protection and privacy, new technologies, cutting-edge infrastructure and all other enablers and restrictions on the movement of data.

More concretely, we want to focus on:

- The removal of unjustified data localization requirements. In order to end unjustified geo-blocking in the EU, we intend to reach agreement on the geo-blocking regulation. We seek to move forward with the reform of copyright legislation and the Audio-visual Media Services reform.
- Promoting once only principle for e-Government services. Estonia intends to launch a discussion on long-term European plans for e-Government.
- Creating clear rules on data access and portability

Inclusive and sustainable Europe

We believe that the economic achievements alone do not bring happiness and prosperity for European people but we have to seek balance between economic, social and environmental goals. Europe needs to continue to strive for equal opportunities for everyone. We need to adjust to the changes in the labour market and working life, find ways to listen to and engage with young people,

use smart – possibly digital – solutions to reach and support people with specific needs and fight prejudice.

When moving across borders, equal opportunities also mean fair mobility – the way people use their right to go abroad to study, work or stay without being discriminated. To promote the free movement of persons, workers and services and supporting social guarantees, Estonia will continue the work on social security coordination regulation. We are committed to finding a solution on posting of workers directive.

A sustainable Europe cares about and contributes to cleaner environment and more balanced economic model. The EU will stay committed to the Paris Agreement and the commitment of reducing 40% of greenhouse gas emissions by 2030. We aim to make progress with all climate policy files and we look forward to a productive collaboration with the Parliament in advancing those files.