

The Swedish Government's overall EU priorities for 2018

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Regeringen

After many years of economic crisis and growing populist forces, the EU is meeting a new year with renewed self-confidence. The economy has turned upwards and now there is economic growth in all Member States. A necessary and useful forward-looking debate is under way on the development of the Union and there is growing understanding of the importance of a more social Europe in which citizens are at the centre of the Union's work. The Government is working for greater openness, transparency and participation in EU-related issues, and during the last year civil society and other social actors have been invited to dialogues about various issues in “EU thematic consultation forums”, where they have been able to present views and comments about new legislative proposals. This work will be developed in 2018.

Sweden and Europe need a well-functioning EU to respond to the great challenges that we jointly need to handle. At the same time the threat from climate change is more serious than ever. Showing global leadership in climate issues and creating hope for the future is becoming one of the EU's most important tasks. Together we need to promote trade, abolish barriers in the Single Market, better handle migration flows and keep a high degree of environmental protection.

But this cooperation must centre on people. The work done in the EU must lead to improvements in people's everyday lives. The Government has pressed successfully to move ‘social Europe’, with its focus on people's living and working conditions, higher up on the EU's agenda. This work will continue in 2018.

Cooperation in the EU builds on common fundamental values of freedom, democracy, equality, the rule of law and human rights. These are values that are not negotiable and that make up the foundation for functioning cooperation and for mutual trust between Member States and towards the world. In the past year these values have been questioned in parts in the EU. The Government will continue to support the efforts of the Commission to assert these common values, and will work, in 2018, for the development of further and more effective tools to prevent breaches of them and to defend the rule of law throughout the EU.

During the year the negotiations on the UK's exit from the EU and on the new relationship will continue. The Government prioritises cohesion in the EU27 and the development and improvement of cooperation in the EU. The Government is working to ensure continued good relations and close

cooperation between the EU and the UK, especially through the establishment of a strong and extensive trading relationship after the UK has left the EU.

By highlighting the most important issues in EU work for the fourth time in this electoral term, the Government is focusing its efforts where they are best needed, which enhances Sweden's ability to influence developments. In 2018 the Government will give particular priority to questions concerning a social Europe for jobs and inclusive growth; an ambitious climate, energy and environment policy; a common asylum system and expanded cooperation on migration; and a secure EU in a secure world.

A social Europe for jobs and inclusive growth

Even though the economic situation in the EU has improved, we see high long-term unemployment, growing gaps and unacceptably high youth unemployment in many parts of Europe. Well managed public finances at both national and EU level lays the foundation for greater confidence in the policy being pursued and stable economic growth shared by everyone.

A modern long-term budget

In spring 2018 the Commission will propose a new long-term budget for the period after 2020. The Government will work intensively to influence that proposal as much as possible, mainly along with other like-minded Member States. Negotiations on the new proposal are expected to start in mid-2018.

When the UK leaves the EU, a large contribution to the EU budget will disappear, as will an important ally for Sweden in the budget negotiations.

The Government will work to ensure that:

- The total expenditure in the EU's multiannual financial framework does not exceed 1 per cent of the EU's GNI, that the Swedish contribution is kept down and that the use of EU funds is controlled more effectively.
- The EU has a modern budget with refocused priorities benefitting security, migration, competitiveness, research and actions against climate change. This means less funding for agricultural support and structural funds. At the same time the Government will protect the relative return of funds to Sweden.
- All Member States stand up for our common values and decisions made. EU membership brings both rights and obligations. There must be a cost for not taking responsibility.

Inclusive growth through open trade and a competitive Single Market

More than 70 per cent of Swedish exports go to the Single Market and our export industry employs more than 1.4 million people in Sweden. In the past twenty years over 80 per cent of all the new jobs have been created in the services sector. Disproportionate barriers to trade must be removed to facilitate the development of the services sector. Market surveillance of goods on the Single Market also needs to be modernised to enable consumers to feel secure that products are safe and environmentally sustainable and to enable companies to compete on equal terms.

The EU needs to increase its ability to generate and attract highly qualified activities in global value chains. The innovative capacity of European industry needs to be enhanced.

The Government will work to ensure that:

- Disproportionate barriers to the movement of goods and services disappear, especially through the implementation of the Single Market Strategy for goods and services;
- An ambitious free trade agenda with more free trade agreements between the EU and other parties;
- Action in the EU's coming framework programme for research and innovation makes more of a contribution to increased competitiveness and more jobs.

A digitalised Europe

Digitalisation is driving the development of society, promoting competitiveness and creating new jobs. If the EU is to be able to retain a leading position in the digital economy, investment is needed in infrastructure, education and skills development.

One important step on that path is to complete the Digital Single Market strategy. Since most businesses depend on free, cross-border flows of data in their activities, the development of the Digital Single Market must support the free movement of data across national borders both within and beyond the EU.

The Government will work to ensure that:

- The proposals in the EU's Digital Single Market strategy are implemented in 2018.
- The proposal concerning free flows of data is adopted speedily and the flows of data to and from third countries are facilitated, for example by international agreements.

Fair jobs and working conditions

Conditions in the European labour market must be fair and decent. To protect workers' conditions, companies' competitiveness and the legitimacy of free movement, cross-border work must be combined with the principle of equal pay for equal work and conducted in line with good working conditions and a good work environment. The Government's starting point continues to be that the competence of Member States; national labour

market models and the autonomy of social partners; and the standing of collective agreements must be respected.

The Government will work to ensure that:

- The revision of the Posting of Workers Directive is completed so as to confirm the principle of equal pay for equal work in posting situations.
- The coordination of social security systems is developed and promotes the dialogue between Member States and mobility for persons in the EU, especially workers.
- Clear rules and fair competition for a well-functioning Single Market steer legislation in the area of transport and lead to better working conditions in the whole of the EU as well as that the protection of social rights is strengthened.

Stronger gender equality and flexibility

A Europe for jobs and inclusive growth builds on a synergy between growth, competitiveness and social progress. The implementation of the European Pillar of Social Rights will make a positive contribution to women's and men's quality of life at the same time as the division of competence between the EU and its Member States is retained.

Stronger gender equality is both a rights issue and needed to increase Europe's growth and global competitiveness. When women are outside the labour market, potential for growth goes to waste.

Access to life-long education contributes to a flexible labour market. The need for further education throughout life is increasing, especially as a result of the digitisation and robotisation of society. People's skills need to develop in pace with the technological development and to be matched to new types of jobs.

The Government will work to ensure that:

- The principles of the European Pillar of Social Rights are monitored in a structured way within the European Semester;
- The Directive on Work-Life Balance is designed in a way that contributes to a more gender equal working life and enables high labour force participation among both women and men irrespective of their family situation.

An ambitious climate, energy and environmental policy

The EU must continue to be a leader in climate action. Emissions of greenhouse gases must decrease and the share of renewable energy sources increase. The Paris Agreement of 2015 was a historic step, but now the EU and the rest of the world must implement the Agreement and show that the fight against climate change goes beyond words. Higher ambitions are needed to reach the Paris Agreement's goal of keeping the global temperature rise well below 2 degrees Celsius and efforts need to be made to limit it to 1.5 degrees.

A climate and energy policy that lives up to the Paris Agreement

Sweden is a leading actor in the design of a new regulatory framework for tougher requirements in the area of climate and energy. Since 2014 several legislative acts have been negotiated in order to accelerate this transition. An energy union with binding targets for emission reductions and energy efficiency efforts is starting to be put in place, and in 2018 concluding negotiations will be held on the final legislative acts.

The Government will work to ensure that:

- The EU designs an ambitious, long-term climate strategy in line with the long-term objectives of the Paris Agreement and enables the use of effective economic instruments to reduce emissions;
- EU legislation ensures that the targets for renewable energy and energy efficiency efforts are achieved;
- An ambitious outcome is achieved on negotiations about emission reductions in the transport sector;
- A new regulatory framework creates good conditions for sustainable bioenergy, especially in the transport and heating sectors.

A clean environment adapted to material cycles

To achieve a sustainable society, we need to change our view of how we consume and value our resources. Consumers and businesses must benefit from making the transition to new patterns of production and consumption. Greater resource efficiency, smarter recycling and a non-toxic environment are key factors for the development of a circular and bio-based economy with a lower environmental and climate impact. This not only secures the needs of coming generations but also benefits both business sector development and new jobs.

The Government will work to ensure that:

- The initiatives in the Commission's action plan for a circular economy lead to more efficient waste management and that products are more sustainable and have a longer life;
- The use of plastics is more sustainable and that the environmental impact of plastics will be reduced by improved and stronger legislation.

A common asylum system and expanded cooperation on migration

In 2016–2017 the EU took several important measures to handle the acute refugee situation and strengthen the present asylum system. Its common borders have been strengthened, work on return and resettlement has been intensified and the EU is continuing to combat ruthless human trafficking, as well as the root causes forcing people to flee. Refugee flows have decreased but many people are still risking their lives to come to Europe. Work for a sustainable, humane and functioning common migration and asylum policy therefore needs to continue.

Sweden is one of the Member States that have contributed most in the area of migration. Sweden is also one of the largest donors of humanitarian support to conflict-affected countries and their neighbouring countries, where most of the world's refugees are to be found. Sweden defends the right to apply for asylum in the EU but more Member States must take greater responsibility than they have done so far.

A common asylum system and expanded cooperation on migration with countries outside the EU

There is still a great deal of disagreement among the Member States over the design of a new asylum system. The common asylum and migration policy must work. Moreover, the global division of responsibility must be widened for people in need of protection so that large migration and refugee flows can be handled better.

The Government will work to ensure that:

- A new common asylum system is introduced in the EU in which applications for asylum are examined with legal certainty, humanely and individually and all Member States share responsibility;
- More legal routes to the EU are achieved;
- A well-functioning, legally certain and humane return is available for the people who do not have the right to stay;
- The EU supports countries in its neighbourhood that assume great responsibility for the refugee situation;
- A policy is put in place that develops the partnership with countries outside the EU concerning returns, and combats the root causes of involuntary migration.

A secure EU in a secure world

The EU's external security

As part of the EU's global strategy for foreign and security policy its common policy is being developed to contribute to security both in and outside the EU. The European security order is still being challenged by Russia's aggression against Ukraine. Important progress has been made to lay the foundation for inclusive and ambitiously structured defence cooperation (PESCO), and work is continuing to highlight this broad view of security.

An active neighbourhood policy is the best guarantee for democracy, welfare and stability in our neighbouring region. Within the framework of the EU's new development policy the overall objective of EU development cooperation is still poverty reduction, but the policy also points the way to how EU development cooperation will contribute to the sustainability goals of the 2030 Agenda.

The Government will work to ensure that:

- Both the civilian and the military priorities of the EU's global strategy are implemented, including the permanent structured cooperation, PESCO, and the further development of civilian crisis management;
- The EU's dialogue with Russia is clear and principled, and that support for Ukraine and the other countries in the Eastern Partnership is strong; The EU's sanctions against Russia are upheld for as long as the reasons for their introduction remain;
- The EU contributes to conflict prevention, crisis management and conflict resolution in Europe, the Middle East and Africa, in close cooperation with the UN and regional actors;
- The EU integration processes for the Western Balkans are maintained based on the qualification of each country.

The EU's internal security

Responding to the threats from terrorism, IT crime and other cross-border criminal activity requires preventive action based on close and effective cooperation. We see how, in addition to its many advantages and possibilities, an ever more digitised world also leads to vulnerabilities and security challenges. The threats to the EU's internal security are often linked to conditions beyond the borders of the EU and the most effective measures

for the EU's internal security may therefore be operations outside the EU, for example the EU's civilian and military crisis management operations.

The Government will work to ensure that:

- The control of the EU's external borders is strengthened, thereby improving the possibilities of detecting and preventing crime and the import of illegal goods. This is essential for a secure and well-functioning Schengen area.
- Law enforcement agencies' access to information and possibilities of exchanging information match up to what is essential for effective and legally certain cooperation to combat threats including those from terrorism;
- EU cooperation in the area of cybersecurity is promoted, particularly within the framework of the Information Security Directive and the Framework for a Joint EU Diplomatic Response to Malicious Cyber Activities.