# ITALIAN PRESIDENCY OF THE COUNCIL OF THE EUROPEAN UNION







### GENERAL INFORMATION

Italy is one of the six founding members of the European Union, being part of the Schengen area since 1990 and member of the Eurozone since 1999. Due to its strategic location in the Mediterranean and proximity to North Africa, Italy plays a key role in important European policies, such as migration and border control, neighborhood policy and energy. 60 million people live in Italy. Italy's bicameral parliament is elected every five years. The President of the Republic is elected by the parliament for a single seven-year mandate. Giorgio Napolitano, in office since 2006, is the only President who has been reelected. Matteo Renzi was elected Prime Minister last February. During Italy's EU Presidency in 2003, the Intergovernmental Conference which resulted in the Constitution of Europe was convened.

#### ECONOMY

Despite the current economic crisis, Italy is the 8th largest economy in the world and the 3rd largest in the Eurozone. Italy's diversified industrial economy concentrates in the north of the country, dominated by private companies, while the main economic activity in the south is the agriculture, highly subsidised with European funds. The main industrial sectors are tourism, fashion, engineering, chemicals, motor vehicles and food.

Italy was hit hard by the global financial crisis of 2008. By mid-2012 Italy had the second-highest level of public debt (123% of GDP) in the euro zone. In 2013 economy growth decreased by 1.8%, while unemployment rose to 12.3%, topping 12.8% in May 2014. Italian current GDP is 8% below its 2007 level. Italy almost lost access to financial markets in 2011 when vield on Italian bonds was close to a 7% level. Hence, in December 2011 Mario Monti's government passed a package of austerity measures, which included an increase in the retirement age

by two years up to 66, the reintroduction of the property tax and the reduction of local services owned by the government, among others. The European Central Bank (ECB) intervened directly by purchasing Italian bonds worth €102,8 billion and issued by means of the LTRO programme €268 billion for Italian banks. Despite several changes in government, none of Berlusconi's successors was able to tackle efficiently the underlying pro-blems Italy suffers from, namely poor economic growth, long term tax collection problems, but also a lack of competitiveness. Prime Minister Renzi started his term by pushing forward reforms, such as a tax reduction for workers in order to stimulate their purchasing power, the reduction of the trade tax for companies by 10% as well as cost-cuts in the civil service. However, the Italian government still faces many challenges, such as the high youth unemployment rate which reached the 46% mark in June 2014.

## ITALIAN COUNCIL PRESIDENCY PRIORITIES

#### EMPLOYMENT AND ECONOMIC GROWTH

A key focus of the Italian Presidency will be a Europe of employment and economic growth. In order to foster these sectors, the Presidency endeavours to define an economic framework encouraging structural reforms and will target growth initiatives on SMEs as well as energy and climate policies. Further measures will be the strengthening of the European Economic and Monetary Union and investment in future markets, such as environmental protection, infrastructures and digital services. Therefore, the Presidency aims at revitalising the Europe 2020 Strategy and facilitating smart and inclusive growth. Sustainable development will play a special role via the synergy with the 2015 Milano Expo which takes place under the theme "Feeding the planet, Energy for life".

#### BRINGING EUROPE CLOSER TO ITS CITIZENS

A second focus of the Presidency will be bringing Europe closer to its citizens by fostering accountability, digitalisation, transparency, and reducing red tape. Thereby, the good functioning of, and the cooperation between institutions shall be ensured and obstacles to active citizenship removed. In order to do so, the Presidency will focus on areas in which the European Union can add value, such as fundamental rights or migration and asylum policies. So as to develop an area of freedom, security and justice, the Presidency will further support the strengthening of the Schengen acquis and encourage the process of the EU's accession to the European Convention for the Protection of Human Rights as well as promote the principle of non-discrimination.

#### STRENGTHENING EUROPEAN UNION FOREIGN POLICY

A third focus of the Italian Presidency will be giving new impetus to the EU's foreign policy and facilitating the EU's role as a major actor on the international stage. The Presidency will address regional and global challenges with a particular focus on the Mediterranean and promote negotiations between the parties in the Middle East Peace Process. The Presidency will also support the strengthening of the regional dimension of the EU neighbourhood policy. As regards to enlargement the Presidency wants to work on further advancing the EU accession process of the Western Balkans and the ongoing negotiation process with Turkey. A particular focus will be the external dimension of energy policy and the revitalisation of the dialogue with Russia.



### **WHO** IS WHO

#### # FOR MORE INFORMATION, CLICK ON THE PICTURES:



GIORGIO NAPOLITANO President



MATTEO **RENZI** Prime Minister



PIER CARLO PADOAN Economy and Finance



FEDERICA GUIDI Economic Development



MAURIZIO LUPI Infrastructures and Transports



DARIO FRANCESCHINI Heritage and Cultural Activities and Tourism



BEATRICE LORENZIN Health



MARIA ELENA BOSCHI Constitutional Reforms and Parliamentary Relations



MARIA CARMELA LANZETTA Regional Affairs



ANGELINO ALFANO Home Affairs



FREDERICA MOGHERINI Foreign Affairs



ROBERTA **PINOTTI** Defence



ANDREA ORLANDO Justice



MAURIZIO MARTINA Agriculture, Food and Forestry



STEFANIA GIANNINI Education, Universities and Research



GIANLUCA GALLETTI Environment, Protection of Land and Sea



GIULIANO **POLETTI** Labour and Social Policy



MARIANNA MADIA Simplification of Public Administration



SANDRO GOZI State Secretary for European Affairs

REPRESENTATIVE



STEFANO SANNINO Perm. Rep. EU



## **POLICY** FIELDS

#### AGRICULTURE AND FOOD SAFETY

With regards to agriculture the Italian Presidency will place special emphasis on organic farming and new perspectives for young people in this sector. Further, the Presidency aims at concluding the formalities on the proposal for a regulation on information provision and at promoting agricultural products on the internal market. A widening of the debate on the future of the dairy sector following the end of quotas is also envisioned. In the field of food safety, the Presidency will actively engage in the review of the regulations on protection against harmful organisms for plants, the production and marketing of plant propagation material, and official controls. Further, an agreement with the European Parliament on the Novel Food file is targeted.

#### COMPETITIVENESS AND ECONOMIC POLICY

In the field of competitiveness, the Presidency will implement measures within the framework of the single market, industrial competitiveness, research and innovation and space policy. Other priorities will be speeding up the work on intellectual property and strengthening customs policy as well as increasing the efficiency of public administrations. As regards to economic policy, the Presidency will focus on structural reforms and put forward a new European economic policy agenda based on investment in growth and jobs and review the legislative package on economic governance. Further, the Presidency will aim for the mid-term review of the Europe 2020 Strategy and work towards strengthening the regulation of financial markets.

#### ENERGY AND ENVIRONMENT

In the field of energy policy, the Italian Presidency will focus on four major pillars: the 2030 energy and climate framework, EU energy security, the completion of the Internal Energy Market, and external energy policy. Further important points will be energy efficiency and coherence between the 2030 framework and the energy security strategy as well as the proposed system of governance. With regards to interconnections, the Presidency will promote a debate on realisation of new interconnection capacities and the swift adoption of projects of common interest. With regards to environment, the Presidency will pay great attention to the Clean Air Package, seek an agreement on plastic bags and focus on green growth and green jobs.

#### INFRASTRUCTURE AND TRANSPORT

The Italian Presidency will promote the creation of a single European transport area. The Presidency will prioritise the rational and harmonised implementation of the TEN-T Corridors and will launch a debate on how to attract private capital and guarantee Member States more flexibility to use public budget for cross-border projects. The Presidency will also try to reinforce intermodal transport with the aim of reducing energy consumption and CO<sub>2</sub> emissions. Concerning air transport, the Presidency will focus on giving impulse to the negotiations on the proposed Single European Sky 2+ rules in order to accelerate the reform of the European air traffic control. It will also foster the adoption of the air passenger rights package and the promotion of maritime ports as terminal of logistic nodes.

#### HEALTH

The Italian Presidency will conduct measures in the sector of health and prevention by means of the third Health EU Programme, in close coordination with the tertiary sector. Focus will be set on the fight against HIV/AIDS, vaccination and antimicrobial resistance. Further, measures shall be taken in order to improve the quality of services and patient safety in the healthcare sector. Also, the Directive on the transparency of measures regulating the prices of medicinal products will be evaluated. The Italian Presidency highlights the importance of health research, which lies ground for patients' future benefits. Reflections on a closer cooperation on health among the southern States are envisaged.

#### TELECOMMUNICATIONS

In the field of telecommunications, the Italian Presidency will focus on three legislative proposals: the Connected Continent package, the directive related to the high common level of network and information security across the Union (NIS) and the directive related to the accessibility and usability of web. Moreover, the Presidency will also look into the diffusion of ultra-broad band networks via the adoption of pan-European common initiatives supporting private and public demand, the role of Europe on internet governance, open data, cloud and big data and the importance of the technologies for connectivity. On 9 July, Italy will host, along with the European Commission, a summit on digital economy in Venice.

#### MIGRATION AND BORDER CONTROL

The Italian Presidency will focus on the implementation and further development of the Mediterranean Task Force, the EU action on migratory pressures as well as on a closer coordination of actions taken by the Member States and EU agencies, as it expects the EU to profit from synergy effects. It highlights the importance of dialogue with third countries regarding border control, Mobility Partnerships, legal channels of entry and a sustainable return policy. Here, it highlights its commitment to the EU Charter of Fundamental Rights whilst ensuring the security of EU citizens. Labour mobility and brain circulation shall be fostered and national contact points, which enable the Commission to closely monitor the situation, established.

#### TRADE POLICY

The Italian Presidency aims at enhancing a common European trade policy, whilst focusing on the negotiations on Trade Agreements with EU's most important trading partners. This implies efforts to achieve concrete results regarding the EU-US TTIP-Agreement as well as on EU-Canadian negotiations on CETA but also the resumption of negotiations with China, Japan, Mercosur and the Gulf Cooperation Council. The Presidency will also focus on the development of a multilateral trading system, especially within the WTO and the Doha Development Agenda. It encourages the modernization of Trade Defence Instruments, while supporting the foundation of a voluntary self-certification system of importers of metals from conflict regions and a common regime for the control of dual-use items.

#### SINGLE DIGITAL MARKET AND DATA PROTECTION

The Italian Presidency highlights the importance of the ICT sector for Europe's future growth and will develop, in cooperation with affected stakeholders, guidelines to foster the digitalization of EU's economy. It aims at the finalisation of the Digital Single Market by removing barriers to e-commerce but also the promotion of cross-border Diqital Public Services, e-procurement and an EU Cloud Partnership. The Italian Presidency will also prepare a coherent approach on data protection, while paying particular attention to the exchange of personal data with third countries in order to enhance digital trust, which is considered an essential pre-condition for the completion of the single market.



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