
**LUXEMBOURG
PRESIDENCY
OF THE COUNCIL
OF THE
EUROPEAN
UNION**





GENERAL INFORMATION

A founding member of the European Union, the Grand Duchy of Luxembourg is a landlocked country, situated between Belgium, France and Germany. With an area of 2,586 km², Luxembourg is the second smallest country in Europe, hosting a population of 562,958 inhabitants. 45.9 per cent of the population are foreigners. Despite its small dimensions, Luxembourg has the highest GDP (nominal) per capita in the world, i.e. \$111,716. The three official languages are Luxembourgish, French and German. Since the end of World War II, Luxembourg is ruled as a parliamentary constitutional monarchy with the legislative power resting in a unicameral legislature, the Chamber of Deputies, composed of 60 members directly elected for a five-year term. A second body composed of 21 citizens appointed by the Grand Duke advises the Chamber of Deputies. The Head of State is the Grand Duke Henri von Nassau-Weilburg, while Xavier Bettel holds the post of Prime Minister.

ECONOMY

Financial and insurance services constitute the most important sector of Luxembourg's economy with a value added share of 27 per cent. The sector alone drives the current account surplus of around 5 per cent of the GDP. Other important economic sectors are wholesale and retail trade, transport, accommodation and food services (17.4 per cent).

The global financial crisis of 2008 and 2009 had a tremendous impact on Luxembourg and its GDP decreased by 3.6 per cent in 2009. Since 2014, Luxembourg's GDP has rebounded and the economy prospers again.

However, the OECD recently advised to further diversify both the financial sector's product portfolios and the economy as a whole, in order to bolster its status and free itself of potential vulnerabilities. Nevertheless, Luxembourg remains in the top flight of EU Member States, when it comes to economic growth. Even though it decreased over the course of 2013, the average remains significantly higher compared to the eurozone average.

Further, unemployment rates remain below the EU average – despite having increased from 4 per cent in the 2000s to 7.1 per cent in 2014. Youth unemployment rates exceed today 15 per cent. Labour productivity levels remain among the highest in the eurozone although they are slowly decreasing due to increases in nominal wages. Indeed, Luxembourg has recently lost some of its economic advantage due to the end of banking secrecy in 2015, which has depressed financial activities, as well as a consequence of recent changes in the way VAT is collected from electronic services, resulting in lower tax revenues.

In November 2014, Luxembourg became the focus of attention due to the so-called "Lux Leaks" scandal. The investigation, conducted by the "International Consortium of Investigative Journalists", revealed the existence of tax minimisation strategies to attract multinationals to locate their tax base in Luxembourg since the 1990s.



PRIORITIES^{*)}

*) Based on priority areas already announced by Prime Minister Xavier Bettel.
Official programme to be published during the first week of July.

INVESTMENT IN GROWTH AND JOBS

The first priority of the Luxembourg Presidency will be to foster growth and create jobs in Europe, along with the strengthening of the social dimension of European policies. Measures and actions will be focused on the Investment Plan for Europe. An agreement on the European Fund for Strategic Investments (EFSI) will be reached during the summer, so that the Fund can become operational as of September. Priority areas for the Presidency will be the promotion of long-term investments in research and development and unlocking liquidity for small and medium enterprises. Furthermore, the Presidency understands that social and economic policies should complement each other. Therefore, it will promote inclusion strategies and social investments in health and education as fields to be included in the Investment Plan for Europe.

IMPROVING COMPETITIVENESS IN EUROPE

Secondly, the Presidency will seek to take forward initiatives to reinforce the coherence and coordination of the economic and monetary policies and to improve current shortcomings in the functioning of the single market. The report on the reform of the eurozone governance to be discussed in the European Council in June will serve as a starting point for the work of the Presidency on the Economic and Monetary Union (EMU). A common thread for the second half of 2015 will also be the development of the Digital Single Market and the negotiations on the Data Protection Regulation. In order to improve the competitiveness of European businesses, the Presidency will also work on the set-up of a fairer corporate tax system as part of its work programme.

EU PRESENCE IN THE WORLD

As a third priority, the Presidency will work towards the strengthening of the EU's position in key global issues such as trade, migration and sustainable development. Trade negotiations with the United States (TTIP) and with Canada (CETA) will feature prominently on Luxembourg's agenda, as well as the implementation of the European Agenda for Migration. During Luxembourg's Presidency a special EU-Africa summit will take place in Malta in November to tackle the cause of illegal immigration and to combat the trafficking of human beings. The Presidency also intends to couple development policy with trade and sustainable development. It will prepare and coordinate the EU position at the UN Summit on the Post-2015 Development Agenda in New York and at the climate change conference in Paris (COP21).



WHO IS WHO

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INFORMATION,
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PICTURES:



HENRI
VON NASSAU

*Grand Duke
of Luxembourg*



XAVIER
BETTEL

*Prime
Minister*



ÉTIENNE
SCHNEIDER

*Minister of Economic
Affairs, Internal Security
and Defence*



JEAN
ASSELBORN

*Minister for Foreign and
European Affairs and for
Immigration and Asylum*



FÉLIX
BRAZ

Minister of Justice



NICOLAS
SCHMIT

*Minister of Labour,
Employment and the
Social Economy*



ROMAIN
SCHNEIDER

*Minister for Social Security,
Development Cooperation
and Sport*



FRANÇOIS
BAUSCH

*Minister for Sustainable
Development and
Infrastructure*



FERNAND
ETGEN

*Minister for Agriculture,
Viticulture and Consumer
Protection and for
Relations with Parliament*



>> WHO IS WHO



**MAGGY
NAGEL**
*Minister for Culture
and for Housing*



**PIERRE
GRAMEGNA**
*Minister
of Finance*



**LYDIA
MUTSCH**
*Minister of Health
and for Equal
Opportunities*



**DAN
KERSCH**
*Minister for Home Affairs
and for the Civil Service and
Administrative Reform*



**CLAUDE
MEISCH**
*Minister for Education,
Children and Youth and
Research*

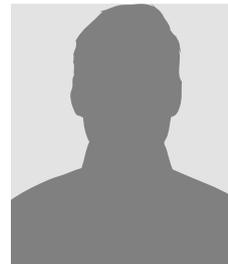


**CORINNE
CAHEN**
*Minister for Family Affairs and
Integration and for the Greater
Region*



**CAROLE
DIESCHBOURG**
*Minister for the
Environment*

REPRESENTATIVE



**CHRISTIAN
BRAUN**
*Permanent Representative
to the European Union*



POLICY FIELDS

DIGITAL AND TELECOMMUNICATIONS

Digital issues will be a horizontal priority of the Presidency. The Luxembourg Presidency will focus on the web accessibility and ISA2 proposals and follow-up to the digital single market strategy. Further, it will support a rapid adoption of the proposal for a Regulation on the European single market for electronic communications. The Presidency will also foster the timely adoption of the directive concerning measures to ensure a high common level of network and information security across the Union (NIS). Furthermore, it intends to finalise a new EU cybersecurity strategy before the end of the year and will organise various events on the subject of eSkills.

EDUCATION AND CULTURE

The agenda of the Luxembourgish Council Presidency in the educational field will include the development of linguistic diversity, both at formal and non-formal level, and the improvement of early childhood facilities, that is, nurseries, preschools and primary schools. The Presidency will also promote a more inclusive education and a better access to post-secondary

education. In the field of culture, the Presidency of the Council will focus on cross-sectoral cooperation issues and on advancing the cultural side of international relations, in particular, concerning development cooperation. In the field of research and innovation, it will seek to boost initiatives that will contribute to the development of the European Research Area.

EMPLOYMENT AND SOCIAL POLICIES

The promotion of growth and jobs in Europe is a priority for the Luxembourgish Presidency of the Council. With a minimum wage of € 1,923, Luxembourg is one of the best performing countries in the social policy field. Minister Nicolas Schmit, considered a strong advocate for ambitious social priorities in the EU, has confirmed that the Luxembourg Presidency is committed to influencing the debate on social welfare in Europe and to setting a more social tone through concrete actions and clearly defined objectives. On the social agenda, the Presidency will encourage other Member States to adopt policy measures aiming at boosting inclusive growth in Europe and to establish appropriate legal frameworks for investments in health, education and social services.

ENERGY

The Presidency will give priority to the implementation of a governance system for the Energy Union based on a dialogue between Commission and Member States with special emphasis on the regional dimension. The Presidency aims at adopting conclusions on the Energy Union at the November Transport, Telecommunications and Energy Council. The European Council in December will then give guidance on the implementation of the Framework Strategy. Another key issue will be financing in the context of the Juncker investment fund and a better coordination of existing financial instruments. Finally, the first Energy Infrastructure Forum under the Energy Union Strategy will take place during the Luxembourg Presidency.

ENVIRONMENT

The priorities of the Luxembourg Presidency in the environmental field will focus on the fight against climate change, the sustainable development goals, the Air Quality Directive and the European strategy on biodiversity. The Presidency will be responsible for coordinating a common EU position during the UN COP21 climate change conference



>> POLICY FIELDS

in December 2015. A central piece will be the EU's Intended Nationally Determined Contribution, i.e. the emission reduction pledge of 40% compared to 1990 levels by 2030. The greening of the European semester, that is, how to ensure that macroeconomic policies are also sustainable, will also be high on the agenda of the Presidency.

INTERNATIONAL TRADE

The next six months will be crucial for the on-going transatlantic trade negotiations (TTIP), where the Presidency expects to make significant progress on sensitive issues such as consumer protection and investor-state dispute settlement. Luxembourg's programme will try to engage all relevant stakeholders and include discussions with social partners, namely trade unions and employers' organisations, on the conditions for a trade agreement with the United States. The trade agreement with Canada (CETA) could also be ratified in 2016. Furthermore, the Presidency aims at concluding negotiations with Vietnam and Japan and will prioritise the links between trade and development.

JUSTICE AND HOME AFFAIRS

The Luxembourg Presidency aims at concluding the negotiations on the data protection reform before the end of the year. Furthermore, it will accelerate the works on the data protection directive in the law enforcement area, in order to find a general approach in October. Other priorities of the Presidency will be the set-up of the European Public Prosecutor's Office, the directive on the protection of the financial interests of the EU and the reform of Eurojust. The directives on procedural safeguards in criminal matters, the judicial cooperation in family law and the free movement of public documents will also be important matters in the second half of 2015.

TRANSPORT

The work programme of the Luxembourg Presidency in the field of transport will focus on advancing the market pillar of the fourth railway package and the technical requirements for inland waterway vessels. In its transport agenda, Luxembourg will also highlight the importance of soft forms of transport such as walking and cycling. Other priority areas are air passenger rights, inland

navigation and the Member States' contributions to the mid-term review of the Commission's 2011 White Paper on Transport scheduled for 2016. The upcoming revision of vehicle safety legislation will also be on the agenda.

YOUTH AND SPORT

Concerning youth policies, the Presidency will work towards the adoption of a recommendation on the participation of young people in politics. It will also work on the adoption and publication of the 2015 Joint Report, which the Commission is currently drafting, based on the national reports of the EU Member States. The Joint Report needs to be ultimately adopted by the Council. It will evaluate the overall progress towards the objectives of the EU Youth Strategy and will serve as a basis for establishing priorities for the next work cycle. The publication of the new Youth Work Plan will be high on Luxembourg's youth agenda for the second half of 2015 as well.





**European
Movement
Germany**

For a detailed overview of all relevant meetings during the Presidency you can check out the [European Movement Germany Calendar](#) of the Luxembourg Presidency of the Council of the European Union.

FURTHER INFORMATION

EURACTIV

[EU probes Luxembourg on McDonald's tax avoidance deal](#)

L'ESSENTIEL

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[Luxembourg well-prepared for EU presidency](#)

POLITICO

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IRISH TIMES

[Luxembourg key to EU debate on multinational tax system](#)

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SOCIAL PLATFORM

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