



FOCUS EUROPE LITHUANIAN PRESIDENCY OF THE COUNCIL OF EUROPEAN UNION

Lithuania has already established itself as the reliable international partner. Lithuania is one of the leading EU countries in implementing EU laws.

Lithuania is one of the most successful European countries to overcome the economic and financial crisis and to return to sustained recovery and growth. According to the European Commission forecast for 2013, **Lithuania will experience a steady growth ahead**. In 2012 Lithuania had another year of robust economic growth. Real GDP expanded by estimated 3.6%, driven by private consumption and net exports. Consequently, Lithuania's real GDP is forecast to grow by 3.1% in 2013 and by 3.6% in 2014 with broadly balanced risks. EC forecasts growing private and public investments this year. According to figures by FDImarkets.com, Lithuania is among TOP5 countries with fastest growing FDI in the world and a leader among Baltic States. During the first 10 months of 2012, the FDI grew by 21 percent, the amount of €297 mln.

The Lithuanian Presidency of the Council of the EU will seek to steer the decision making process as **an honest broker**. Lithuania will take this responsibility on the 1st July 2013. We will seek that during our Presidency, decisions are taken for the benefit of entire EU. Lithuania has adopted the general model of the **Brussels-based Presidency**. This means that majority decisions concerning EU legislative process will be made in Brussels not Vilnius.

Despite signs of recovery, economic situation is still fragile. The EU has already demonstrated its ability to respond to challenges, agreeing on reforms that will enhance its economic performance, strengthen its banks and ensure sound fiscal policies. In the run-up to the next EU political cycle, it is vital to maintain the momentum and implement political agreements that reflect the interests of all member states and EU citizens.

Lithuania will hold the Presidency less than one year before the **new elections to the European Parliament**, and this will also be **the end of the period of five years for which the European Commission plans its tasks**. This means that agenda will be more intensive than usually. Apart from the inherited agenda, once in 7 years the Presidency of the EU Council has **more legislative workload than other Presidencies because of the new financial perspective**. Lithuania will have to finalize legal framework related to the EU Budget 2014-2020.

As the European Union moves towards recovery, closer cooperation between member states and European institutions – the European Parliament, the Commission, the President of European Council and the High Representative is needed more than ever. In close cooperation with these institutions **the Lithuanian Presidency will focus on the three goals of a credible, growing and open Europe**.

The EU should demonstrate that it pursues **credible** financial and economic policies, is committed to **growth** and jobs through joint initiatives that increase competitiveness and aims at security for its citizens and **openness** to its partners.

Priorities for Credible Europe. Implementing the newly established economic governance framework

Implementation of the recently agreed package of reforms (two-pack, six-pack, Treaty on stability, coordination and governance) is the key to restore credibility in surveillance of Member States budgetary and economic policies. Further alignment of the EU support infrastructure amongst euro and non-euro area Member States is also an important element towards fully effective economic governance framework. The Lithuanian Presidency **will seek to ensure** that the new provisions of budgetary surveillance agreed in the two-pack, e.g. **ex-ante evaluation of euro area Member States**

budgets, will be carried out efficiently; We will also **ensure that the Council takes the necessary steps to implement the provisions of the Stability and Growth Pact**, macroeconomic imbalances procedure, including through monitoring of implementation of the Treaty on stability, coordination, and governance. We will undertake to update the Balance of Payments instrument for non-euro area Member States for it to better reflect the range of financial support options available for euro area Member States. Such options would come with the enhanced surveillance elements for Member States facing potential financial difficulties as is currently foreseen for euro area countries under the two-pack.

Deepen the Economic and Monetary Union (EMU) with special focus on the Banking Union framework

Effective functioning of **Economic and Monetary Union** is the key for the credibility, competitiveness, and sustainability of the European economy.

After consultation with Member States, which is on-going, and based on June 2013 European Council conclusions, Lithuania will make every effort under its Presidency to further proceed with discussions on deepening of EMU aiming at concrete results that can further enhance the effective functioning of the euro area while preserving the integrity of the single market. **Lithuania indicates further work regarding the framework of the Banking Union as one of the main priorities of the presidency.** Following March 2013 European Council conclusions, the Lithuanian Presidency will put its efforts to ensure prompt and efficient negotiations on **Single Resolution Mechanism** with a view to reach as much progress as possible. The aim remains to adopt it during the current parliamentary cycle. Lithuanian Presidency will seek to finalize Deposit Guarantee Schemes Directive and Recovery and Resolution Directive if these legal acts are not adopted by June 2013.

Protection of financial interests of EU and Member States

Agenda in the financial services sector is intense (many important files possibly being in trialogue stages).

Lithuania will focus capital markets regulation issues (MiFID-MiFIR; CSDR) and Anti-money laundering (AML) files with a view to reaching as considerable progress as possible.

The fight against tax fraud and tax evasion will be important issue for Lithuanian Presidency. We will devote extra attention to the implementation of May 2013 European Council decisions.

The Lithuanian Presidency also will start discussions in the Council on the **establishment of a European Public Prosecutor's office** in order to protect financial interests of the EU. Special attention will be dedicated to the fight against fraud to the Union's financial interests by means of criminal law.

Credible Europe for Citizens

As 2013 will be the **European Year of Citizens**, the Lithuanian Presidency will encourage and facilitate citizens' wider involvement in the EU, focus attention on raising public awareness (especially of the young generation) about common EU values as well as citizens' rights arising from their EU citizenship. The Lithuanian Presidency will put its efforts discussing initiatives in the **field of justice** for citizens (European sales law, data protection package, legalization of documents and others) in the Council and seeking progress on some of them in the negotiations with the European Parliament.

Growing Europe is continuous motto of Lithuanian Presidency.

The Presidency will build on the Europe 2020 agenda and the European Semester, reinforced by stronger Single Market policy, as well as the effective implementation of the Compact for Growth and Jobs. To enhance confidence in the EU economy and to stimulate growth potential, our efforts will be directed to **further integration and well-functioning of the EU internal market** with special focus on service markets, digital single market, internal energy market, industry and SME/business-friendly

regulatory environment, based on better regulation principles, and efforts to modernize public administration.

EU budget for growth

The main aim of the Lithuanian Presidency will be to ensure **timely adoption of the next MFF related legislative proposals**. In order to avoid the legal vacuum, 56 MFF-related legal acts should be agreed by the Council and the EP by the end of 2013. Smooth start of the EU multi-annual programmes is essential element for EU growth. In this regard, **timely adoption of EU 2014 annual budget** will important as well.

EU Internal Market for growth

The Digital Agenda. Overall the Lithuanian Presidency aims at establishing a clear link between the Digital agenda (e-files), more integration in the services markets and SME-friendly regulatory environment. Reducing the costs of broadband infrastructure deployment and e-identification could immensely facilitate operation of businesses and of the Points of Single Contact under the Services Directive. This in turn would help lower the cost and ease cross-border access to markets for SMEs. Therefore, the Presidency will focus on e-identification, TEN-tele, e-procurement and e-invoicing proposals.

Deepen the Single Market. The Presidency will devote due attention to the **completion of Single Market Act I (SMA I) files and progress on Single Market Act II (SMA II) initiatives**. In this respect, depending on the progress by Irish colleagues, the Presidency will strive to get an agreement on TEN-Telecom, e-identification, posting of workers directive as well as product safety and market surveillance package. Work will be completed if necessary on Connecting Europe Facility, TEN-Transport, professional qualifications directive and public procurement package. Due attention will be given to high-speed broadband deployment, e-invoicing for public procurement and the fourth railway package.

Research, industry and innovation framework. The Presidency will give its due attention to implementation of initiatives aiming at a **genuine single market for knowledge, research and innovation**, especially to the aspects of career prospects of researchers and the international dimension of science, technology and innovation. The Lithuanian Presidency will pursue discussion on **linking innovation with the industrial policy** to promote a more active participation of young innovative companies and innovation-based growth. Putting in place right conditions, creating favorable environment which promotes competition and safeguards firms' access to markets, finance and skills; promotion of demand-side policies (standards, public procurement) to boost private investment for innovation remains crucial to reduce the deficit of the EU relative to its major trading partners.

Better regulation and governance, SME's services. We need efforts on reduction of regulatory burden for companies, especially SME's, development and further integration of existing **smart regulation** tool (such as competitiveness proofing, ex-post evaluation, SME test, fitness checks, etc.). Improvement of framework conditions for SMEs is to be advanced by agreeing on substantive reinforcement of **application of the mutual recognition principle** in the Single Market and the 10 **Small Business Act** principles. In this context, the Competitiveness Council conclusions are foreseen during our Presidency. Due consideration would be given to prevention of additional burden arising from transposition of directives (goldplating).

Boost employment

Due attention will be given to initiatives to enhance necessary conditions for **employment opportunities, increasing youth unemployment** by invoking Youth Guarantees.

Focusing on better protection of workers. In addition to above-mentioned posting of workers directive, Presidency will strive for agreement with the European Parliament on the portability of supplementary pension rights, decision on undeclared work platform as well as enforcement of rights of EU migrant workers and their families in line with the fundamental principle of free movement of

workers and with the aim to eliminate discrimination on the grounds of nationality. Depending on progress achieved by IE Presidency, Lithuanian Presidency will strive to finalize work on the European Globalization Adjustment Fund (2014-2020).

Complete EU internal energy market

It is important to monitor properly the implementation of already agreed actions and existing legal framework, especially the **3rd Energy Package, market design, integration of renewables** with a view to overcome the possible obstacles and, if needed, to initiate further follow-ups (progress monitoring and evaluation). The first progress report should be endorsed by the TTE Council **by the end of 2013**.

An extensive effort and a strong European commitment are needed to agree on a first **European wide list of projects of common interest** and to benefit from the **Connecting Europe Facility** in order to secure its timely implementation.

A functioning EU internal energy market is a necessary prerequisite for a **solid external dimension of the EU energy policy**. Enhancing of Member States' cooperation in support of this dimension is important. Based on the forthcoming Commission's report (on follow-up of 2011 Council's conclusions) and in line with the discussions envisaged in the Council, the Presidency's report will be presented for the endorsement of the ministers in the December TTE Council.

Move forward EU macro-regional strategies for growth

Based on European Commission's communication on the value added of EU macro-regional strategies, Lithuanian Presidency will review the progress made when implementing EU strategies for the Baltic Sea and Danube regions and will aim to adopt Council conclusions. The Fourth EU Strategy for the Baltic Sea Region Annual stakeholder forum will take place in Vilnius on November 2013.

The Lithuanian Presidency will take steps to strengthen the EU as a global model of openness and security.

The Presidency will focus on the closer integration between the EU and its Eastern Partners, by hosting the Eastern Partnership Summit in November 2013. It will seek to advance further the enlargement process, pursue smarter control of the EU's external borders and increase the impact of the EU Development Policy. The Presidency will promote free trade with strategic partners such as the USA, Japan and others. It will also seek to make the Common Security and Defence Policy more effective, by, notably, reinforcing defence cooperation with partners and developing joint responses to the emerging security challenges

Strengthen Eastern Partnership

The Lithuanian Presidency will be working closely with the President of the European Council, the High Representative and the European Commission with the aim to strengthen European Neighbourhood policy, focusing on cooperation and support to the political, economic and social reforms in the EU neighbouring countries. The main event during our Presidency will be the **3rd Eastern Partnership Summit in Vilnius** (November 28–29, 2013), accompanied by a **Civil Society Conference** and Eastern Partnership Business Forum. Lithuania hopes that Vilnius Summit will serve as an opportunity to mark substantial progress in achieving the mutual aim of political association and economic integration: **signature of the Association Agreement, including its DCFTA part, with Ukraine, finalization of such agreements with Moldova, Georgia, Armenia, and initialing of respective agreements.**

The Lithuanian Presidency will seek **progress in visa facilitation and liberalization processes**, based on the implementation by partner countries of concrete measures.

Continue enlargement

The start of Lithuanian Presidency will be marked by **Croatia joining EU as 28th member** of EU on 1 July 2013. Current EU accession negotiations with Iceland (pending on their decision), Montenegro and Turkey will be further advanced as well as the European perspective of other Western Balkan countries. Based on the Council decisions to be taken in June 2013, accession negotiations with FYROM and Serbia, as well as Stabilization and Association Agreement negotiations with Kosovo, might be opened this year. Depending on the progress achieved, candidate status for Albania might be granted as well. Further efforts will be needed to move the EU agenda of Bosnia and Herzegovina forward.

Promote free trade worldwide and with strategic partners

The Lithuanian Presidency will promote free trade relations based on DCFTAs not only with **Eastern Partnership countries**, but also with **Mediterranean neighbors** (negotiations with Morocco, possible launch of negotiations with Tunisia and/or Jordan). Due attention will be given to the **negotiations on free trade agreements (FTAs) with the United States and Japan** as well as with some **ASEAN countries**. Continued efforts will be made with regard to developing trade and investment relations with **Russia and China**, focusing on the enforcement of WTO commitments. Further development of the EU's bilateral investment relations (with ASEAN countries, possibly China) will require appropriate efforts. **The 9th WTO Ministerial conference** will take place during the Lithuanian Presidency.

Effective control of the EU external borders

Presidency will put its efforts examining "**Smart borders**" package, encompassing the establishment of Entry/Exit system, Registered traveller programme, with the view to reach as much progress as possible. Based on the European Commission's review of Action Plan to fight against smuggling of cigarettes and alcohol along the EU borders, Lithuanian Presidency would seek to adopt Council conclusions.

Strengthening Common Security and Defence Policy

In the run up to the European Council in December, Lithuania will support the strengthening of dialogue and practical cooperation with partners, first and foremost **Eastern Partnership countries**, in the field of security and defence. The Lithuanian Presidency will promote **practical EU-NATO cooperation** in all relevant areas.

Increase impact of EU Development policy

The Lithuanian Presidency will pursue a strategic EU approach in the processes leading to the **formulation of an overarching post-2015 framework**. A particular focus will be placed on the United Nations General Assembly Special Event in New York in September 2013. Preparing Council conclusions on the financing for development, common EU positions for the Ministerial meeting of the Global Partnership for Effective Development Co-operation as well as **promoting better use of the EU Member States transition experience in EU development cooperation** would be also among the Presidency priorities. Lithuania will closely monitor on-going and emerging humanitarian crises and **will seek to improve the effectiveness of the EU and international community's response**. Work will continue on the legislative proposal related to the establishment of the European Voluntary Humanitarian Aid Corps.

The preparation process started early. In 2011 political parties agreed on the principles and priority areas of the Presidency. The new Lithuanian government is actively engaged in Presidency preparations. The Presidency team was formed in 2012; the calendar of events was published in the end of 2012. The majority of embassies will be engaged in presenting culture, business of Lithuania.

The budget of Lithuania's Presidency of the Council of the EU is €62 million. This figure includes the funding allocated for all Lithuanian official authorities involved in the process. The budget has been prepared in the form of the Inter-institutional Action Plan for the Lithuanian Presidency of the Council of the EU (IAP). This 2012–2014 plan was approved in the Cabinet session in July 2011. The revised 2013–2014 plan was approved by the Government's decree of October 2012.

The budget has been prepared on a year-by-year basis, with €9.96 million allocated in 2012, €49.5 million, the majority, in 2013, and €2.6 million for completion of the Presidency measures in 2014.

The **largest share of the budget**, €32.4 million, covers expenses related to preparation for the Presidency and to represent the Council of the EU. The financed activities include consultations and meetings with partners for preparing the national and the Trio programme, maintenance of 102 presidency-related posts temporarily created in the Permanent Representation of Lithuania to the EU, strengthening other diplomatic representations, and secondments to Belgium and other countries to benefit from the presidency experience of other countries.

A total of €20 million is allocated for organising the Presidency meetings in Lithuania. This funding covers the purchase of IT and communication devices, the development and implementation of the accreditation system, the costs of ensuring the security of guests visiting Lithuania and providing catering, accommodation and transportation services to them, and preparing venues for meetings, etc.

A total of €5 million from the Presidency budget goes to activities related information and communication, including presidency gifts and souvenirs, projects that present Lithuania abroad, creation of the presidency logo, etc. The remaining sum, €4.3 million, is spent on ensuring the involvement of the president, the speaker, and the prime minister in the Presidency process.

Lithuania's Presidency budget is among the smallest if we compare with other EU member states and their Presidency practices. The Luxembourg's Presidency (2005) cost €100 mln., Finland's Presidency (2006) – €75 mln., Portugal's Presidency (2007) – €67 mln., Poland's Presidency – €111 mln. The cost of Ireland's Presidency is currently estimated at €60 million.

There are around **1500 persons in the Lithuanian Presidency team**. Among them, there are approximately 240 chairpersons, 270 deputy chairpersons, 1000 experts. 120 are employed only for the Presidency period. Other persons of the Presidency team work in Lithuanian civil service.

As Lithuania has chosen the "Brussels-based" Presidency model, the Permanent Representation to the EU was enlarged significantly from 86 to 188 officials. Some diplomatic representations to the international organizations were also strengthened.

Intensive training of officers and diplomats is financed from EU structural funds. More than 1500 persons have participated already.

During Lithuania's Presidency of the Council of the European Union, **the country will host more than 200 events**. These will include 15 informal meetings of ministers, some 60 conferences and seminars, more than 130 meetings of highest-ranking officials and experts, and 11 parliamentary events organized by the Seimas (Parliament).

The European Commission has declared 2013 the European Year of Citizens, and we therefore seek to involve EU citizens and our society in the Presidency events, making them interested in the EU issues. Lithuanian and foreign non-governmental organizations, associated structures, and scientific institutions have also been invited to organize official Presidency events. During the six-month Presidency period, our social partners promised to organize more than 70 meetings. The total amount of events could reach up to 300 if these events are included.

The **Opening Ceremony** will take place in the Grand Courtyard of Vilnius University, one of the oldest establishments of the higher education in East and Central Europe. All College is coming. Traditional festival "Night of Culture" with more than 200 performances in the center of Vilnius will take place in the same evening.

The **3rd Eastern Partnership summit** will take place in Vilnius on 28-29th of November, it will be the largest multilateral event of the Presidency. Vilnius will be expecting heads of 28 EU Member States, political leaders from six Eastern Partnership countries, and representatives from the EU's and international financial institutions. Among the highest officials European Council president H. Van

Rompuy, European Commission president Jose Manuel Barroso are invited. One of the main priorities of Lithuanian Presidency is further strengthening of political association and economic integration of the European Union and the Eastern Partnership countries - Armenia, Azerbaijan, Belarus, Georgia, Moldova and the Ukraine.

The conference **ICT2013** will be the biggest event during the Presidency. 3000-4000 guests are anticipated, among them well-known leaders in IT, digital services. It is expected that ICT2013 will be opened by the President of Lithuania, Dalia Grybauskaitė, who will welcome to Vilnius young people from all over Europe looking to a career in ICT, and open the Lithuanian pavilion, show casing the best of Lithuanian inventors & inventions. The ICT 2013 event will be the first opportunity to learn the details of research funding for ICT-related projects under Horizon 2020, the EU's new research program for 2014-2020. The European Commission proposed an €80 billion package for research & innovation funding, as part of the drive to create sustainable growth and new jobs in Europe.

High Level Conference on Energy will be dedicated to the EU energy issues.

The **Baltic Sea Strategy Forum** is annually held event. The main topics for the forum in Vilnius: environment, growth and job creation.

The **closing event of the European Year of Citizens** will take place in Vilnius. It is expected that around 300 participants from the European NGOs will participate. There is a plan to organize one day international conference which could be held in the Lithuanian Parliament. We plan to invite Vice President of the European Commission Viviane Reding who could open this event.

The main venues – the biggest exhibition and congress center in the Baltics LITEXPO, the National Gallery of Art, the Palace of the Grand Dukes of Lithuania – will not merely serve as a hub for journalists and officials but will also represent the lasting feeling of modernity and creativity and the great spirit of Lithuanian history. These unconventional spaces of the highest level meetings will create a warm and welcome atmosphere for all the European officials visiting Lithuania.

Accreditation will be online at <http://delegation.eu2013.lt>. Each delegation will receive its username and password in the invitation which will be sent 8 weeks prior to the meeting. The accreditation for each informal meeting is closed 2 weeks prior the meeting.

Liaison Officers will be allocated to each delegation for the whole period of the Presidency (2 persons per delegation). They will assist the Head of the Delegation during the meeting from arrival to departure. The Presidency will cover the accommodation of the HoD and 1 delegation member, they are requested to book their accommodation through the Presidency's accreditation system.

HoD and the delegates travelling with their HoD will be transferred through VIP lounge. The delegations are requested to use special suitcase tags attached to the practical information notes to facilitate the luggage tracking procedure process. Transport will be provided for the HoD and the delegation arriving with HoD. The transportation will be provided only for the transfers indicated in the official meeting programme as well as for arrivals and departures. Collective transfers by bus will be used whenever possible.

The circle making up the logo of the Lithuanian Presidency of the Council of the European Union is the symbol of unity representing that Lithuania will be an honest broker seeking to harmonise different positions. The logo refers to **the united European Union** whose countries want and can work together, **foster values shared by Europeans**, and are able to overcome all the arising challenges. The colours of the logo remind of **Lithuania's relations to the Baltic region and the Northern Europe region** while the blue bow of the EU flag represents **universally shared values** and activities. **The plait of the Lithuanian national flag colours** – yellow, green and red – **complete the logo circle**. This link symbolises the responsibility for the Presidency of the Council of European Union in the second half of 2013 that is assigned to Lithuania. The logo will be used in official events as part of Lithuania's Presidency of the Council of the EU, as well as information brochures, gifts, and decorations of the Justus Lipsius building, and when presenting other information directly related to Lithuania's Presidency of the Council of the EU.

The competition for ideas for the logo was announced by the Ministry of Foreign Affairs together with the biggest Lithuanian news portal DELFI in autumn 2011. More than 600 logo ideas for Lithuania's Presidency of the Council of the EU created by schoolchildren, diplomats and professional graphic designers received more than 34,000 votes in total. Galleries of logo ideas for Lithuania's Presidency were viewed more than 130,000 times. The youngest participant was only 12.

In the second half of 2013 Lithuanian culture, art and economic achievements will be presented in 57 Lithuanian diplomatic missions across five continents. Various events such as exhibitions, cinema programmes, concerts, and other project representing Lithuanian business, art, education, cultural achievements will take place from July 1st to the end of December. Lithuanian culture and art will be presented in various venues in Brussels, notably BOZAR and Flagey. In the centre of fine arts BOZAR *the concert with Violeta Urmana* and Lithuanian symphony orchestra will take place on the 12th of September. The Lithuanian visual and musical art will be presented in the art programme “*Focus on Lithuania*”.

The project of “*Poetic documents*” will be presented in Germany, United Kingdom, Austria, Poland.

The exhibition “*Fragment of larger. Lithuanian contemporary art*” is going to be presented in Belarus, Denmark, France, United Kingdom, Czech, USA.

“*Lithuania in a mail parcel*” is going to be presented in Brussels (various venues, including Rep. to NATO, European Parliament, EESC), The Netherlands, France, Czech, Portugal, USA.

“*Lithuania in Europe. Europe in Lithuania*” is going to be presented in various venues in International organizations (Brussels, Hague, Luxembourg, Strasbourg, Vienna) and to Moscow.

“*Documents of cinema*”: 7 documentaries are restored and digitalized, thus preserving them for future generations and technically enabling cinema theatres to demonstrate them abroad. Program includes films by Arūnas Matelis, Robertas Verba, Almantas Grikevičius, Henrikas Šablevicius, Audrius Stonys. A catalogue with a DVD will be also created - a perfect extra gift choice for the Ambassadors.

Main communication tool - **official website** – www.eu2013.lt (latest news, information about Presidency, meetings calendar, accreditation system, information for the press, information about Lithuania)

Presidency **Facebook** accounts in Lithuanian (ES pirmininkavimas) as well as **Twitter** accounts in English (@EU2013LTpress, @EU2013LT) are already online.