

OTHER TOOLS FOR GROWTH AND JOBS OF EUROPE 2020 STRATEGY

MIHAELA SIMONA DOGAN

TIBISCUS UNIVERSITY FROM TIMIȘOARA, FACULTY OF ECONOMIC SCIENCES, DALIEI
STR., NO. 1A, mihaela.dogan@yahoo.com

Abstract:

Europe 2020 represents the EU strategy for economic growth for the next ten years. In a permanently changing world, the EU desires to become an economy that is intelligent, durable and in favor of inclusion. These three priorities mutually support each other and are qualified to aid the EU and the member states obtain a high level of labor force occupation, productivity and social cohesion. The health of the citizens is one of the main priorities of the EU. The European health policy provides that everyone has the right to have access to high-quality medical services. Through the policy it promotes the EU proposes:

- *To prevent illness*
- *To promote a healthier lifestyle.*
- *To protect its citizens from threats to their health, such as pandemics.*

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Whilst organizing and performing medical assistance services is the responsibility of member states, the EU has a contribution to common efforts, to deal with such challenges as the aging of the population and all the problems associated with this phenomenon.

The full range of EU policies and instruments must be used more effectively to achieve the Europe 2020 goals. This includes cross-cutting policies and tools such as:

- the **single market**
- the **EU budget (including regional development, social and cohesion funds)**
- **external policy tools.**

Deepening the single market

Growth and job creation depend on healthy, well connected markets, where competition and consumer access stimulate business and innovation.

Several **obstacles** have still to be addressed:

- bottlenecks to cross-border activity
- insufficiently interconnected networks
- uneven enforcement of single market rules
- legal complexity from having up to 27 different sets of rules for some transactions

Work is also needed to improve access to the single market for small **businesses** and to develop **entrepreneurship** by:

- simplifying company law (bankruptcy procedures, private company statute, etc.)
- allowing entrepreneurs to restart after failed businesses.

Individual consumers should be able to buy goods and services from other EU countries with greater ease and confidence, in particular on-line.

Investing in growth

The financial crisis has had a major impact on the capacity of European businesses and governments to finance investment and innovation projects. To achieve its objectives for Europe 2020, the EU needs:

- a **regulatory environment** that ensures effective, secure financial markets
- innovative instruments to finance the necessary investment - including public-private partnerships.

These long-term growth priorities have been taken up in the Commission's proposals for the next multi-annual financial framework (2014-2020) of the EU.

At present, the European Regional Development Fund, European Social Fund and Cohesion Fund together account for more than one third of the EU's overall budget.

These tools help to ensure that money is invested effectively in order to support smart, sustainable and inclusive growth.

EU funding is helping to support:

- More and better jobs
- The development of new technologies
- Cutting edge research
- High-speed internet access
- Smart transport and energy infrastructure
- Energy efficiency and renewable energies
- Business development
- Skills and training

External policy instruments

To foster growth, the EU must encourage trading in open, fair markets worldwide, within a rule-based international framework. It will promote:

- external aspects of various internal policies (e.g. energy, transport, agriculture, R&D)
- trade and international macroeconomic policy coordination
- assertive and effective participation in international forum such as the G20, to shape the future global economic order.

The EU also wants to build strategic relationships with emerging economies, to discuss issues of common concern, promote cooperation on regulation and other matters, and resolve bilateral issues. In this context, the Commission presented a new trade strategy in November 2010.

The EU is already developing a real partnership with developing countries to help eradicate poverty, promote growth and fulfill the Millennium Development Goals.

A common international trade policy for the EU

The EU manages trade relations with countries outside the bloc through the EU's trade policy.

Trade policy is an exclusive power of the EU – so *only the EU*, and not individual member states, can legislate on trade matters and conclude international trade agreements.

The scope of EU's exclusive powers *covers not just trade in goods*, but also:

- *services*
- commercial aspects of *intellectual property*
- *foreign direct investment*.

The EU has exclusive powers in some other areas which may also be relevant for trade policy, such as transport, capital movements, etc.

Implemented of EU trade policy

Sometimes the legislation setting out trade rules need to be updated or adjusted or on other occasions the legislation asks the Commission to implement certain aspects.

The Lisbon Treaty introduces clearer categories of legal acts. Besides the framework legislation adopted through co-decision, the explicit categories of 'delegated' and 'implementing' acts are instituted.

The Commission obtains from the legislator the power to adopt non-legislative acts of general application, in order to supplement or amend certain non-essential elements of the legislative act. The objective of the delegation, along with the content, the scope and its duration must be explicitly provided in the delegating act. The delegation can be subject to specific conditions, including that it can be revoked or that its exercise in specific circumstances can be objected to by the Parliament or Council. The possibility to adopt such delegated acts is to be included in the relevant framework legislation.

The Commission, or the Council in duly specified cases, acquires the necessary implementing powers, in instances where uniform conditions for implementing legally binding Union acts are needed. The Commission's exercise of implementing powers is controlled by the Member States. The rules are set out in Regulation 182/2011 on the control by the Member States of the Commission's exercise of implementing powers.

The Commission negotiates with the trading partner on behalf of the EU. It does this, working closely with the Member States in the Council and keeping the European Parliament fully informed.

The Commission must request an authorization to negotiate a trade agreement with a trading partner from the Council, which sets out the general objectives to be achieved. While the negotiations are going on, the Commission reports regularly to Council and the European Parliament.

Once the Commission has completed the negotiations, it presents the deal to the Council and the European Parliament. They are the ones to formally agree the outcome and prepare the way for signature and ratification of the deal with the trading partner.

The trade agreement enters into force once it is fully ratified, but certain elements as that sometimes mean getting the approval of the European Parliament and parliaments in 27 Member States, parts of the agreement can be provisionally applied if the Member States agree to do so.

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