

Anglo-Dutch Cooperation continues to be important, especially in unlocking the full potential of the EU's single market

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The UK has been close to the Netherlands for centuries, and the EU has made the two countries even closer. The UK's Minister for Europe, [David Lidington](#), shares his thoughts on the strong relationship between the UK and the Netherlands as well as the challenges facing the Eurozone.



The UK and the Netherlands have always been close, not least since the Revolution of 1688 when William III, Prince of Orange, and his wife Mary were invited to ascend the English throne as King William III and Queen Mary. The links continue to this day – with the Netherlands being one of the UK's key trading partners.

The great commercial rivalry that existed between our countries in the past has been replaced by a strong partnership – which is continuing to thrive. Bilateral trade is worth approx £47 billion and has played a large role in the development of both countries. Indeed, the Dutch are the second largest investors into the UK and we trade more with the Netherlands than we do with Brazil, Russia, India, China and Turkey combined. The co-operation goes further than this.

Both countries share a similar outlook on how best to meet today's many challenges. Quite simply, we think alike. This was highlighted at a recent panel discussion on Anglo Dutch Cooperation in which I took part in, with my Dutch counterpart, Ben Knapen. This discussion was a reminder that in the current economic climate both Governments are arguing for a Europe focussed on growth, whilst pushing for a lean EU Budget. Both countries support a business-friendly climate, a strong Single Market and increased trade with other countries and regions.

Just like the Netherlands, the UK believes we can do an enormous amount to help our economies grow if we can fully unlock the potential of the Single Market. This means making sure that the Single Market rules we have already agreed are being properly implemented and enforced everywhere. We should also make sure we are reducing the burden which EU regulations place on business. And we must seize the opportunities that digital commerce offers for growth.

The Single Market is 20 years old, it was designed in pre-internet days and we should bring it up to date so that businesses and people can trade across border. Prime Ministers Rutte and Cameron [have stressed](#) the need for Europe to step up and meet these challenges. Access to a genuine Single Market is vital to the prosperity of both our countries, boosting economic growth for the UK, the Netherlands and the rest of Europe.

Whilst we continue to work with the Netherlands in pursuit of open markets, it's also important that, together, we ensure the integrity of the Single Market is not adversely affected by developments in the Eurozone. The Eurozone is now at a cross-roads. Either Europe has a committed, stable and successful euro area with an effective firewall, well capitalised and regulated banks, closer fiscal integration, and supportive monetary policy; or we are in uncharted territory which carries huge risks for everybody.

A satisfactory outcome to the Eurozone crisis may mean an evolution towards a tightly-integrated Eurozone within the EU's current structures. Although the UK will not be a part of Eurozone integration, we will not stand in the way of further integration among the Eurozone countries that any successful solution will require. It is critical for Europe as a whole that Eurozone integration does not work against non-Eurozone EU Member States.

This is why we are supportive of the principle of a Eurozone Banking Union - mutualisation of fiscal risk and common supervision makes sense for members of a single currency. We also agree that the single market requires robust regulation of the financial sector through an EU rule book. But we're also clear that a Banking Union is not required for the entire single market. So while we support it, the UK will not be part of it. In terms of financial regulation, the truth is that the UK has some of the toughest rules in Europe. The size of our financial sector means that its stability is critical, not just to the UK but to wider EU prosperity and we do not want to jeopardise that.

While the UK and the Netherlands continue to work together to maximise the potential of the Single Market as an engine for growth, we also want to ensure that we maximise our bilateral trade. Working together through the Strategic Business Dialogue (SBD), launched in 2010 by Nick Clegg (also a fluent Dutch speaker) and his counterpart Maxime Verhagen, the UK-Netherlands business ties are even stronger. Dutch and British businesses work together delivering results through strategically aligned trade and investment support, cooperation in Europe and examining the opportunities for joint Anglo-Dutch activities on the global stage.

It is crucial for Europe's future that we are seen as a vital, forward-looking, responsible members of the international community. An effective European Union must also be a region of opportunity. That's why, with our Dutch counterparts, we focus on growth, dynamism and prosperity; enabling businesses to thrive and our economies to prosper for the benefit of all our citizens.

Opportunities do not necessarily lie in the EU alone: we both benefit from being part of a dynamic EU that is on the move and active on the international stage.

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Note: This article gives the views of the author, and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics.

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David Lidington has been the MP for Aylesbury since 1992. He served as shadow Northern Ireland secretary before taking on the foreign affairs portfolio before the 2010 general election. He was appointed Europe Minister in the Foreign Office after the formation of the coalition. Previously, he worked for BP and for RTZ before spending three years as Special Advisor to Douglas Hurd in the Home Office and Foreign Office.



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