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Delegations will find attached the draft 18-month programme of the Council, prepared by the future French, Czech and Swedish Presidencies.

INDEX

| | |
|---|-----------|
| INTRODUCTION..... | 5 |
| I. STRATEGIC FRAMEWORK | 6 |
| II. OPERATIONAL PROGRAMME | 11 |
| DEVELOPMENT OF THE UNION..... | 11 |
| Implementation of the new Treaty | 11 |
| Enlargement | 11 |
| Comprehensive review of EU spending and resources..... | 12 |
| Transparency..... | 13 |
| INTEGRATED ENERGY AND CLIMATE POLICY | 13 |
| Climate change | 14 |
| Energy (security, competitiveness, environmental sustainability)..... | 17 |
| GROWTH AND JOBS..... | 19 |
| The second three-year cycle of the Lisbon Strategy (2008-2010) | 20 |
| Implementation of the Community Lisbon Programme | 20 |
| Implementation of National Reform Programmes..... | 20 |
| GENERAL ECONOMIC ISSUES / POLICY COORDINATION | 21 |
| Improved economic policy coordination | 21 |
| Stability and Growth Pact | 21 |
| EMU – Euro Area | 21 |
| Quality and sustainability of public finances..... | 22 |
| Financial stability..... | 23 |
| Statistics..... | 23 |
| Annual budget procedure..... | 24 |
| COMPETITIVENESS / INTERNAL MARKET | 24 |
| Internal Market | 24 |
| External dimension of competitiveness | 25 |
| SME policy | 26 |
| Intellectual property rights..... | 27 |
| Industrial policy | 27 |
| Competition policy | 28 |
| Better regulation | 28 |
| Customs | 30 |
| Financial services..... | 31 |
| Services of general economic interest | 32 |
| Company law | 33 |
| Public procurement..... | 33 |
| Taxation..... | 34 |
| Tourism..... | 35 |

| | |
|--|-----------|
| RESEARCH, KNOWLEDGE AND INNOVATION | 35 |
| Research..... | 35 |
| Innovation..... | 36 |
| Education and Training..... | 37 |
| Telecommunications and Information Society | 38 |
| Space..... | 39 |
| EMPLOYMENT AND SOCIAL POLICY | 40 |
| Employment/flexicurity/mobility | 40 |
| Labour law | 41 |
| Social Policy | 42 |
| Youth | 42 |
| Demographic change | 43 |
| Social services of general interest..... | 44 |
| GENDER EQUALITY AND NON-DISCRIMINATION..... | 44 |
| HEALTH AND CONSUMERS..... | 45 |
| Health..... | 45 |
| Food safety..... | 47 |
| Consumers | 47 |
| Sport..... | 48 |
| CULTURE, AUDIOVISUAL AND MULTILINGUALISM..... | 48 |
| Culture | 48 |
| Audiovisual issues | 49 |
| Multilingualism..... | 50 |
| SUSTAINABLE DEVELOPMENT..... | 50 |
| Sustainable Development Strategy | 50 |
| Maritime Policy | 51 |
| Baltic Sea strategy | 52 |
| ENVIRONMENT | 53 |
| Biodiversity..... | 53 |
| Environmental technologies | 54 |
| Chemicals | 54 |
| Air | 56 |
| Other issues..... | 56 |
| International environmental governance..... | 57 |
| TRANSPORT | 57 |
| Sustainable and competitive transport | 57 |
| Safe transport modes..... | 59 |
| Intelligent transport systems | 60 |
| AGRICULTURE AND FISHERIES | 61 |
| Common Agricultural Policy (including "health check")..... | 61 |
| Veterinary and phytosanitary issues | 62 |
| Common Fisheries Policy..... | 63 |

| | |
|---|-----------|
| COHESION POLICY | 64 |
| Cohesion policy | 64 |
| Outermost regions..... | 65 |
| AREA OF FREEDOM, SECURITY AND JUSTICE | 65 |
| A new "Post-Hague" programme..... | 66 |
| Migration | 66 |
| Asylum and protection of refugees | 68 |
| Schengen Area, borders and visa policy..... | 68 |
| Integration and intercultural dialogue..... | 69 |
| Countering terrorism..... | 70 |
| Fighting trafficking in human beings..... | 70 |
| Combating drugs..... | 71 |
| Police and customs cooperation..... | 72 |
| Exchange of information | 73 |
| Judicial cooperation in criminal law matters | 73 |
| Judicial cooperation in civil law matters | 74 |
| Practical cooperation in judicial matters..... | 75 |
| External relations in JHA..... | 76 |
| Civil Protection..... | 77 |
| EXTERNAL RELATIONS | 77 |
| European Security Strategy | 77 |
| ESDP/Crisis management..... | 78 |
| Non-proliferation and disarmament..... | 79 |
| Multilateral cooperation..... | 79 |
| Human rights and rule of law | 80 |
| Trade..... | 80 |
| Development policy and policy coherence for development..... | 82 |
| Neighbourhood Policy and "Barcelona Process: Union for the Mediterranean" | 83 |
| Western Balkans | 84 |
| Transatlantic relations..... | 85 |
| Russia..... | 85 |
| Africa..... | 86 |
| Middle East..... | 87 |
| Central Asia..... | 87 |
| Asia..... | 88 |
| Latin America/Caribbean..... | 89 |
| EFTA | 89 |

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| <p style="text-align: center;">18 MONTH PROGRAMME</p> <p style="text-align: center;">OF THE FRENCH, CZECH AND SWEDISH PRESIDENCIES</p> |
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INTRODUCTION

This document sets out the combined programme of the French, Czech and Swedish Presidencies covering the period July 2008 to December 2009. It is presented in two parts. The first part contains the strategic framework for the programme, setting it in a wider context, and specifically within the perspective of more long-term objectives running into the subsequent three Presidencies. For this reason, in accordance with the Council's rules of procedure, the future Spanish, Belgian and Hungarian Presidencies have been consulted on this section. The second part constitutes the operational programme setting out the issues which are expected to be covered during the 18 month period.

The three Presidencies will work closely with each other with a view to best achieving the objectives set out in the programme. To this end they will also cooperate with the other institutions of the European Union and in particular with the Commission and the European Parliament on the basis of their respective competences.

PART I

STRATEGIC FRAMEWORK

In the coming years, following the expected entry into force of the Lisbon Treaty, the Union will be fully able to concentrate on addressing concrete challenges of direct interest to the citizens, such as shaping globalisation in the interest of citizens; improving growth and competitiveness and facilitating the creation of more and better jobs, contributing to social cohesion; enhancing the Internal Market; halting climate change; tackling energy issues and addressing environmental problems; addressing sustainable agriculture; reinforcing Europe's security for its citizens; addressing the challenges and opportunities of migration; strengthening ESDP, regional cooperation and relations with the neighbouring countries; and making progress in the enlargement process as well as pushing for a stronger global role and instruments for Europe.

The Union will make full use of the new possibilities offered by the Lisbon Treaty in order to make progress in all of these fields.

The Union's budget constitutes an important tool to achieve its common objectives. Particular priority will therefore be given to the comprehensive reassessment of EU spending and resources, as agreed in December 2005. On the basis of such a review, the European Council will be able to take decisions on all the subjects covered by the review. The review will also be taken into account in the preparatory work on the post-2013 Financial Perspective as a basis for possible decisions to be taken by the European Council.

In working to ensure that the Union is able to anticipate and meet the challenges facing it more effectively in the longer term, future Presidencies will ensure that due consideration is given to the report from the independent Reflection Group decided upon by the December 2007 European Council. This report, which will be presented to the European Council meeting in June 2010, will seek to identify the key issues and developments which the Union is likely to face and to analyse how these might be addressed.

Climate change is one of the most important challenges facing the Union and requires global solutions. The Union must therefore maintain its international leadership in the negotiations on the United Nations Framework Convention on Climate Change and its Kyoto Protocol. The objective is to secure an ambitious, global and comprehensive post-2012 agreement on climate change at Copenhagen in 2009 consistent with the Union's 2°C objective. A successful conclusion to the international negotiations requires the Union to continue demonstrating leadership. Comprehensive deliberations by the Council, working closely with the European parliament, should result in an agreement on the Climate and Energy Package before the end of 2008, consequently allowing for its adoption at the latest early in 2009, in accordance with the conclusions of the 2008 Spring European Council.

Ensuring secure, competitive and environmentally sustainable energy will continue to constitute a major priority for the Union. This priority will be reflected in the Union's Second Action Plan on Energy Policy for Europe (2010-2012), to be prepared in the light of the European Council's examination of the forthcoming Strategic Energy Review in Spring 2009. In particular, energy security will constitute a theme of ever greater importance to Europe, involving not only the diversification of sources of energy, but also the security of supply and the development of European energy infrastructures. The finalisation of the internal energy market will play a key role in boosting the Union's competitiveness. The continued implementation of the Union's external energy policy will also help enhance the security of supplies.

Implementing the Lisbon strategy remains a key requirement for creating more and better jobs and ensuring long term sustainable growth. Significant progress has been made, but much remains to be done. The Union will undoubtedly need a strong reform agenda to lock in the progress already achieved and address the challenges of the future. The Presidencies will accordingly work to lay the foundations for a renewal of the Lisbon Strategy, maintaining an EU-level commitment to structural reform, sustainable development and social cohesion and focussing on the main challenges of the 2010-2020 decade.

A specific effort will be made to promote the Union's competitiveness and its ability to make use of opportunities and face external challenges. This requires a fully integrated and well-functioning internal market; the Presidencies will accordingly actively follow up on the Single Market Review and continue work on removing remaining barriers to the four basic freedoms, including, where appropriate, through harmonisation as well as mutual recognition. They will also focus on enhancing the growth potential of SMEs. The Presidencies will pursue expeditiously the work undertaken to improve financial stability. They will also lay emphasis on consumers confidence and protection, which are critical to a well functioning internal market. Priority will also be given to carrying forward the Better Regulation agenda to improve the conditions under which businesses operate and to enable European citizens to better access EU legislation; particular attention will be paid to the conditions affecting SMEs. The Presidencies will strive to strengthen the European Research Area, including by ensuring its effective governance and by promoting joint programming as well as international cooperation in science and technology, given the key role of research and innovation in boosting competitiveness.

Sustainable development is one of the fundamental objectives of the European Union. Following the review of the Sustainable Development Strategy in December 2007, the Union will focus on the effective implementation of the Strategy at all levels, following the objectives and priorities set under the seven key challenges contained in the Strategy. The European Council will assess the progress achieved in that respect on the basis of a report to be presented by the Commission in June 2009. This report will also include a roadmap setting out the remaining actions to be implemented with highest priority. Future Presidencies are determined to increase the Union's engagement in the development of the Baltic Sea region on the basis of the Baltic Sea Strategy to be adopted in the autumn of 2009.

The common agricultural policy has always been one of the important areas of the European construction. Agriculture remains a vital activity. It is therefore necessary to decide on the CAP "Health Check" and to reflect on how the CAP could best address all relevant challenges.

The over-arching ambition in the field of Justice and Home Affairs will be the continuous development of an area of freedom, security and justice. To that end Presidencies will work to ensure the full implementation of the Hague Programme. The Presidencies will ensure that a new, ambitious and forward-looking work programme is adopted for the 2010-2014 period.

Particular attention will be paid to ensuring that a Common European Asylum System is in place by 2010 as well as to the development of a comprehensive European policy on migration. In that respect the adoption and follow-up of a European Pact on Migration and Asylum will be of pivotal importance. Priority will also be given to other issues of direct concern to citizens, such as enhancing the fight against organised crime and terrorism, procedural rights for suspects, the standing of victims of crime and promoting judicial cooperation in the field of family law, as well as strengthening EU disaster response capacity.

The enlargement process has brought significant benefits to the Union and its Member States, in particular by promoting Europe's overall stability and prosperity. The Presidencies will seek to maintain the momentum of the enlargement process in line with the renewed consensus agreed by the European Council in December 2006 and December 2007.

The Union will also seek to strengthen the European perspective of the Western Balkans region, in particular through the Stabilisation and Association Process including promotion of people to people contacts; it will continue to use all the instruments at its disposal to play a leading role in strengthening the whole region's stability, with a particular focus on Kosovo.

The security, stability and prosperity of Europe will also be promoted through the strengthening of the Union's relations with the countries on its eastern and southern borders. The European Neighbourhood Policy will accordingly be further enhanced, both as regards its Mediterranean dimension through the "Barcelona Process: Union for the Mediterranean", as well as its eastern dimension.

Taking into account the importance of relations with Africa and the determination of the two sides to move to a new level in their relationship, the Union will strive to fully implement the Joint EU-Africa Strategy as well as the Action Plan of December 2007, aimed at ensuring concrete delivery on the new political and developmental ambitions.

The Presidencies will work for an effective and coherent external policy in order to strengthen the EU as a global actor and increase its influence in the world. The Union's action on the world stage will continue to be guided by the European Security Strategy, which will be reviewed in December 2008 in order to improve its implementation and, if appropriate, complement it. The Union will more generally seek to work effectively in support of global peace and stability, based on international law. To this end, the EU will closely cooperate with the UN, NATO and other international and regional organisations, in particular in the area of conflict prevention, conflict management and peace building. It will also fight actively against terrorism and proliferation of weapons of mass destruction. The Union will reinforce the ESDP with a view to enhancing its role as a global and autonomous actor in the field of crisis response. Priority will also be given to the promotion of human rights, democracy and respect for the rule of law.

Transatlantic relations, relations with Asia and Latin America and relations with a range of other countries and regions will continue to be developed, in particular through high-level meetings with strategic partners.

The forthcoming period will be an important phase in the Union's on-going efforts to contribute to the achievement of the Millennium Development Goals by 2015, as a key element in reaching the Union's over-arching objective to eradicate poverty. EU development cooperation will be made more effective and coherent, including by taking into account development concerns across all relevant policy areas, not least as regards the climate change/development and the migration/development links.

The Union will promote free trade and openness, based on reciprocal benefits, as a means of fostering economic growth, employment and development. The Union will strive for the conclusion of a balanced, ambitious and comprehensive agreement in the WTO; the outcome of the negotiations will need to be followed by a broad discussion on the future development of the WTO. It will also work for the conclusion of free trade agreements with relevant partners.

PART II

OPERATIONAL PROGRAMME

DEVELOPMENT OF THE UNION

Implementation of the new Treaty

Subject to ratification by all Member States, the Lisbon Treaty is expected to enter into force on 1 January 2009. The Lisbon Treaty will provide the Union with a stable and lasting institutional framework. Following its entry into force, the Union will be fully able to concentrate on addressing the concrete challenges ahead.

The three Presidencies, on the basis of the work carried out during the previous Presidencies, will, in close cooperation between themselves and with the Institutions, carry forward necessary preparatory work so as to ensure a smooth and timely implementation of the Treaty and its full functioning as from entry into force. Every effort will be made to reach common ground between all the actors concerned regarding the practical functioning of the new institutional system, including the External Action Service. Beyond this exercise, the Union will have to reflect and to take initiatives in order to fully exploit the new competences and legal bases provided by the Lisbon Treaty.

Enlargement

The enlargement process has brought significant advantages to the Union and its Member States. It has contributed to peace, democracy, the rule of law and stability throughout the continent. It has enhanced European competitiveness in a globalised world, thus bringing concrete benefits in terms of increased trade, investment and economic growth.

Under the three Presidencies, the Council will pursue the process of enlargement in line with the renewed consensus as agreed by the European Council in December 2006 based on consolidation, conditionality and communication. It will actively work to implement the EU's enlargement strategy and take forward the accession negotiations with Croatia and Turkey in line with the relevant Council conclusions. These negotiations are an open-ended process, the outcome of which cannot be guaranteed beforehand. Accession negotiations with Croatia should reach a decisive stage in 2009.

Fair and rigorous conditionality will be maintained throughout the process, and chapters for which technical preparations have been completed will be opened and closed in accordance with established procedures in line with the Negotiating Frameworks.

The Council will continue to monitor closely the implementation by FYROM of the reforms required in order to open accession negotiations.

The Presidencies will work to further advance the European perspective of the Western Balkan countries in line with the enlargement strategy defined by the European Council in December 2006.

Comprehensive review of EU spending and resources

New needs and challenges have emerged due to changes within the EU, in neighbouring countries and in the rest of the world. Against this background the three Presidencies will attach a particular priority to a comprehensive reassessment of both EU spending and resources, to be carried out following a review from the Commission to be presented in 2008/2009 in line with the 2005 December European Council conclusions and covering all aspects of EU spending, including the CAP, and of resources, including the UK rebate. On the basis of such a review, the European Council can take decisions on all the subjects covered by the review. The review will also be taken into account in the preparatory work on the following Financial Perspective.

Transparency

Transparency and access to documents are fundamental principles for the work within the EU. The Presidencies will take forward the review of regulation 1049/2001 regarding public access to EU documents.

INTEGRATED ENERGY AND CLIMATE POLICY

Addressing the issue of climate change and its linkages with energy policy will be a key priority for the next 18 months. The three Presidencies will make every effort to achieve the objectives set by the European Council in March 2007, where the EU committed itself to reducing its overall emissions of greenhouse gases by at least 20% below 1990 levels by 2020 (and to scale up this reduction to 30% under a new global climate change agreement, if other developed countries make comparable efforts and economically more advanced developing countries contribute adequately), and to the share of renewables in final energy use to 20% by 2020. The Presidencies will, respecting the Member States' choice of energy mix, strive for a low-carbon economy that is consistent with both sustainability and cost efficiency and that positively contributes to broader growth objectives consistent with the Lisbon Strategy for Growth and Jobs.

The "Climate action and renewable energy package" put forward by the Commission in January 2008 aims at delivering on the EU's ambitious commitments. The Presidencies are determined to ensure, in close cooperation with the EP and the Commission, that an agreement on this package is concluded before the end of 2008 in order to allow for its adoption at the latest early in 2009.

Climate change

Climate change represents a serious global threat, which urgently requires a comprehensive global response. Therefore the overriding priority of the Presidencies will be to make progress in the multilateral negotiations with a view to reaching agreement on an ambitious, global and comprehensive international post-2012 climate regime consistent with the EU's 2°C objective in Copenhagen in December 2009. This agreement will facilitate a global transition to a low greenhouse gas emitting economy, consistent with the EU's vision of limiting climate change to 2°C, and strengthen the capacity of the weakest and most vulnerable countries to adapt to the impacts of climate change.

Intensive preparations both within the EU and in international negotiations, meetings and dialogues between parties, both bilaterally and in various multilateral fora, between the EU, developing and developed countries, are needed in the next 18 months, in order to reach an ambitious result in Copenhagen. In this context, the three Presidencies will put particular emphasis on contacts with key partners such as the United States, China, India, Russia and Brazil, but also with other relevant players and those countries that will suffer the most from climate change, in particular in Africa and small island developing states. Attention will be paid to developing countries' needs and role in the work on climate change for addressing means to encourage active participation by developing countries to an effective and balanced post-2012 framework.

EU leadership and credibility are essential for the international negotiations to be successful. To fulfil this role, it is crucial that the EU finalise its internal work well before the Copenhagen conference in December 2009. The three Presidencies will make every effort to ensure that the Union delivers on its existing commitments, and to enable it to prepare for the post-2012 commitments, by reaching timely agreement on the revision of the EU emissions trading system, the burden sharing of the reduction of greenhouse gas emissions, the promotion of the use of renewable energy and the regulatory framework for carbon capture and storage. As decided during the European Council in March 2008, comprehensive deliberations by the Council, working closely with the European Parliament, should result in an agreement on these proposals as a coherent package before the end of 2008 and consequently allow for their adoption within the current legislative term, at the latest early in 2009. In this context they stress that this work should be based on the principles of transparency, economic viability, cost-effectiveness, solidarity and a fair burden sharing. Furthermore, due attention will be paid to the risk of carbon leakage in certain sectors such as energy intensive industries particularly exposed to international competition. This issue needs to be analysed and addressed urgently so that if the international negotiations fail, appropriate measures can be taken. An international agreement remains the best way of addressing this issue.

Other sectors will actively be addressed by the Presidencies with a view to achieving the EU's climate change objectives. Transport accounts for over 20 per cent of greenhouse gas emissions in the EU. Therefore the three Presidencies consider it a priority to conclude the work on the Regulation on the reduction of CO₂ emissions from cars and to ensure the smooth inclusion of the emissions from civil aviation into the EU ETS. Due attention will also be given to energy efficiency measures in sectors that are not covered by the EU ETS such as agriculture, light industry and buildings.

The three Presidencies reiterate the need to build up a global carbon market as well as the importance of flexible mechanisms, such as the CDM, and further development of such mechanisms in the future in implementing a cost effective international climate policy, recognising developing countries' justified demand for economic development. In contributing to the formation of a carbon price these instruments facilitate investments in efficient low carbon technology, conveying essential knowledge and technological transfer. The use of flexible mechanisms will facilitate the efforts of the EU to reach its ambitious climate targets and contribute to the sustainable development of developing countries as well as the building of a global carbon market. The Presidencies will therefore promote the use of flexible mechanisms that can make a substantial contribution to the global efforts to mitigate greenhouse gases.

The three Presidencies will also work to foster trade and a well-functioning global market for climate-friendly goods, services and technologies through the removal of tariffs and non-tariff barriers. This includes seeking to ensure that climate related standards, certification and labelling schemes promote, not hinder, trade in climate-friendly goods. Action to support innovation and collaboration on the development of new low carbon technologies and to encourage the transfer and diffusion of clean technologies will also feature in the EU's priorities.

Particular efforts will also be made in the field of the adaptation measures to climate change in the European Union. A wide range of EU and national policies as well as external policies, will have to be prepared as well as implemented. On the basis of a Commission White Paper on Adaptation to Climate Change expected in the second half of 2008, the Presidencies will work towards the adoption by the Council of an ambitious action plan which will, inter alia, address the issue of providing adequate financing in this field.

At international level, developing countries are particularly exposed to the negative impacts of climate change. The three Presidencies will therefore lend special attention to elaborating a development policy and programmes that take into account the needs for adaptation to climate change in developing countries. Capacity building in developing countries will be central to helping them strengthen both resilience to climate change and their ability to follow low carbon development pathways.

Finally, the three Presidencies will ensure the follow-up of the joint report from the High Representative and the Commission on the impact of climate change on international security.

Energy (security, competitiveness, environmental sustainability)

In March 2007, the European Council defined an Energy Policy for Europe which pursues three objectives, i.e. increasing security of supply, ensuring the competitiveness of European economies and the availability of affordable energy as well as promoting environmental sustainability and combating climate change. The three Presidencies will attach high priority to the full implementation of the Energy Action Plan 2007-2009 adopted by the European Council on that occasion. On the basis of the 2nd Strategic Energy Review to be submitted by the Commission in autumn 2008 and endorsed by the 2009 Spring European Council they will prepare for the new Energy Action Plan from 2010 onwards to be adopted by the Spring 2010 European Council. The three Presidencies will concentrate their efforts in the policy areas set out hereafter.

Renewable energy and energy efficiency contribute simultaneously to sustainability, competitiveness and security of supply and are key elements for reaching the EU's climate objectives and stimulating technological innovation, export potential and job creation. The three Presidencies are committed to bring the work on the Directive on promotion of the use of energy from renewable sources to an agreement before the end of 2008 in order to allow for its adoption at the latest early in 2009, based on a fair and adequate sharing of efforts between Member States. In this context they recall the importance of paying due attention to sustainability criteria and the need for flexibility in achieving national non-ETS and renewable targets in line with the Action Plan adopted by the European Council in March 2007.

Regarding the EU's aim of improving energy efficiency by 20% by 2020, the three Presidencies will carry forward the implementation of the Energy Efficiency Action Plan which puts special emphasis on promoting energy-efficient products within the European market and through standardisation work. They will work towards a swift conclusion of the work on the recasting of the Directive on the labelling of the consumption of energy by household appliances and on the Directive on the energy performance of buildings. Special attention will also be devoted to the creation and operation of an international platform for cooperation on energy efficiency.

Achieving the EU ambitious targets on climate change will also require the development and deployment of novel technologies. To that effect the Presidencies will contribute to the swift implementation of the recently launched European Strategic Energy Technology Plan.

The three Presidencies consider the establishment of a competitive, efficient and interconnected internal energy market as beneficial both for private consumers and businesses, by creating a stable and predictable environment for necessary investments and the efficient allocation of energy resources. They will accordingly seek, in close cooperation with the European Parliament and the Commission, to reach final agreement on the 3rd internal energy market package as swiftly as possible.

The three Presidencies will promote the development of a genuine energy security policy both at internal level (interconnections, increased transparency concerning oil and gas flows and storage, more effective solidarity mechanisms) and at external level (reinforcing the dialogue and cooperation with the main supplier, transit and consumer countries in the context of bilateral summits or international fora).

The 2nd Strategic Energy Review will, among other issues, outline how the security of energy supply of the EU may be enhanced, internally and externally. The Presidencies will ensure an effective follow-up to this Review and to the examination of the proposals which will accompany it (Revision of oil stocks legislation, proposals on trans-European energy networks and gas security measures, energy efficiency). Furthermore, while the dialogues with the EU's regular partners will progress further, renewed efforts will be put in forging closer links with Central Asia and in implementing the Energy Partnership with Africa. It is also expected that energy security will be given due recognition in the revised EU Security Strategy to be submitted by the High Representative and the Commission in late 2008.

Due attention will be given to the follow-up of the Commission's recently published Illustrative Nuclear Programme (PINIC), the discussions in the European Nuclear Energy Forum and to the conclusion of the work of the High-Level Group on nuclear safety and waste management.

GROWTH AND JOBS

The European strategy for growth and jobs - the renewed Lisbon strategy - is the Union's comprehensive approach to take advantage of the opportunities emerging from globalisation and to tackle demographic change and environmental threats with the aim of promoting sustainable growth and prosperity for the citizens of Europe. Implementing the renewed Lisbon Strategy is key to strengthening the EU's global competitiveness, creating more and better jobs and ensuring growth in a sustainable manner. The three Presidencies are committed to promoting the full implementation of the strategy.

The second three-year cycle of the Lisbon Strategy (2008-2010)

In March 2008, the European Council launched the second three-year cycle of the Strategy by confirming that the previous Integrated Guidelines remain valid for the period 2008-2010 and by reconfirming the four priorities to foster sustainable growth and jobs. National ownership has also been confirmed as a central element of the Lisbon governance. The three Presidencies will promote, where appropriate, the full implementation of the Integrated Guidelines and the Country-specific Recommendations. In line with the invitation from the 2008 Spring European Council, the Presidencies will contribute to the reflection process on the future of the Lisbon Strategy beyond 2010 with a view in particular to further strengthening the Union's global competitiveness, improving the Internal Market, ensuring sustainable growth, increasing employment and social cohesion, ensuring sound public finances, increasing energy supply security and combating climate change. They will also support work by the Commission and Member States on further developing a methodology for the monitoring and evaluation of the Lisbon reforms.

Implementation of the Community Lisbon Programme

The Community Lisbon Programme for 2008-2010 complements the national reforms at the EU level. In accordance with the invitation from the European Council, the three Presidencies, within their sphere of competences, will take forward work on the ten objectives identified in the Programme and will ensure an annual assessment of progress.

Implementation of National Reform Programmes

In the second half of 2008, Member States will submit their revised National Reform Programmes for the period of 2008-2010 and Member States' first implementation reports on their revised National Reform Programmes will be presented in Autumn 2009; these reports will be key to evaluating the implementation of the Lisbon Strategy. The three Presidencies will ensure that progress in this regard is assessed and reported on to the European Council.

GENERAL ECONOMIC ISSUES / POLICY COORDINATION

Improved economic policy coordination

Economic policy coordination among Member States is essential for promoting sustainable economic growth. The three Presidencies will cooperate to coordinate economic policy efficiently and to avoid burdensome procedures. In particular, their common priority will be to further streamline the process of assessment of Stability and Convergence Programmes. The assessment of national reform programmes under the umbrella of the Integrated Guidelines and country-specific Integrated Recommendations needs further improvement.

Stability and Growth Pact

In applying the revised Stability and Growth Pact, the Presidencies will focus on enhancing consistency between medium-term fiscal policy requirements and long term sustainability challenges of Member States' public finances. In this respect, it will be crucial to agree on a common methodology for setting and assessing new MTOs (medium-term objectives) in 2009 that will include implicit liabilities stemming from an ageing population.

EMU – Euro Area

On the occasion of the 10th anniversary of the euro, the three Presidencies will work towards the enhancement of the visibility and efficiency of the Euro Area. Taking advantage of the opportunities offered by the Lisbon treaty, efforts will be made to improve the concrete functioning of the Eurozone, on the basis of the Commission's preliminary work. Smooth cooperation and flow of information between the Council and the Eurogroup will be ensured.

During the period covered by this programme, some Member States might fulfil the necessary requirements for the adoption of the euro while others might apply for membership in the European Exchange Rate Mechanism II. While ensuring an equal treatment of Member States in this regard, the three Presidencies will ensure a thorough appraisal by the Council of any such cases and in particular of any convergence reports by the Commission and the ECB.

Quality and sustainability of public finances

Globalisation and demographic developments require Member States and the EU as a whole to improve long-term economic and fiscal sustainability in order to maintain stable economic growth and welfare. The quality of public finances in both national and EU policy making is key to contributing to growth and employment in line with the Lisbon strategy. Improving quality and fiscal sustainability requires further analysis of the composition of public expenditure, of the means of allocation of public monies and of the possibilities of public action to deal with the challenge of an ageing population.

The three Presidencies will therefore thoroughly examine the annual report on quality and sustainability of public finances in the Council, aiming at ambitious conclusions on the quality of public finances.

The Presidencies will also review the three-pronged strategy for coping with an ageing population, on the basis of a report, in spring 2009, on estimates of age-dependent expenditures over the long term, as well as a second report, in autumn 2009, looking at the sustainability of Member States' public finances.

Financial stability

Work will be taken forward on the roadmap providing for key actions in response to the turmoil on financial markets (enhancing transparency and information; improving valuation standards; reinforcing the prudential framework and risk management in the financial sector; and improving market functioning, including the role of credit-rating agencies) with a view to delivering concrete results on the issues it identifies.

Developments in the financial markets will be monitored, with an emphasis on the macro-financial stability in the Union. Progress will also be sought on improving the efficiency and convergence of the system of financial supervision, strengthening the prudential framework in the banking sector, and improving the European framework of financial stability, including arrangements for the management of crises.

The Union will foster a common approach on Sovereign Wealth Funds, taking into account national prerogatives, in line with the five principles proposed by the Commission and supported by the European Council. The Council supports the objective of agreeing at international level on a voluntary code of conduct for SWFs and defining principles for recipient countries at international level.

Statistics

The three Presidencies will continue the work towards the provision of high quality, reliable and relevant official European statistics taking into account the principles of the European Statistics Code of Practice and user needs. To pursue these objectives, the Presidencies will work actively to enhance the European statistical system and support the legislative and implementation process of the legal environment. The Presidencies will also promote cooperation in the development of systems, tools and processes, in accordance with the possibilities introduced in a strengthened European statistical system. Notwithstanding the needs for new data the Presidencies will focus on priority setting, reduction of burden on respondents and cost-effectiveness.

Annual budget procedure

The three presidencies will work closely together to develop and further improve the annual budget process within the framework of the Treaty, including changes introduced by the entry into force of the Lisbon Treaty. The three presidencies will moreover closely co-operate with the institutions on measures for further improved efficiency in the EU administration. Further attention will be paid to the examination of the special reports drawn up by the Court of Auditors.

COMPETITIVENESS / INTERNAL MARKET

Internal Market

The three Presidencies attach great importance to a well-functioning Internal Market which is a prerequisite for increased competitiveness of the EU, thus bringing about higher growth and the creation of more and better jobs, and for the achievement of the Lisbon Strategy objectives.

The follow up to the Single Market Review will be a very important theme for the three Presidencies. When dealing with the legislative proposals and non-legislative initiatives listed in the Single Market Review, the Presidencies will focus on those delivering prosperity, growth and jobs, notably through removing remaining barriers to the four basic freedoms so that citizens and businesses, including SMEs, can fully reap the benefits of the Single Market. Focus will also be put on increasing the confidence of consumers, e.g. through the consumer scoreboard, and of businesses in the internal market and on communicating the benefits of the internal market. Developing the system for market monitoring, improving the cooperation between national authorities and EU Institutions regarding the implementation of EU legislation and streamlining problem-solving mechanisms in the Internal Market are important in this context.

The Presidencies will pay particular attention to the timely and correct transposition of the Services Directive. In the area of goods, attention will be paid to the application of the newly adopted goods package.

Concerning sectoral initiatives and legislation, the three Presidencies are committed to taking forward or finalising work on individual dossiers, such as the "Defence package", and the revisions of the Toy Safety Directive, the Cosmetics Regulation and the Construction Products Regulation.

External dimension of competitiveness

Globalisation offers new opportunities. In order to enable the EU to seize these opportunities, the three Presidencies are committed to contributing to developing a fully integrated external dimension of competitiveness, *inter alia* by ensuring that internal and external policies operate in a coherent and mutually supportive manner.

A successful trade policy can make a significant contribution to growth and jobs and will therefore be considered an essential element of a European policy for growth and competitiveness. The three Presidencies will support the EU's endeavours to promote free trade and openness, based on reciprocal benefits and where *inter alia* regulatory cooperation, convergence of standards, equivalence of rules and the enforcement of intellectual property rights, as well as other relevant areas, could be included, with a view to promoting increasingly open markets in a context of fair competition and to improving trade flows.

The three Presidencies will therefore continue to work on the implementation of the Commission Communication on Global Europe. They will also work to renew the EU's commitment to Global Europe by asking the Commission for an up-date as a formal and integral part of the Lisbon Strategy.

SME policy

Small and medium sized enterprises (SMEs) play a key role in ensuring sustainable growth and jobs in Europe. European SME policy should focus on the growth of SMEs. A well-functioning internal market, good framework conditions and the inclusion of the "think small first" perspective in relevant legislation and policy areas are important prerequisites for growing and well performing SMEs. The Presidencies will explore further possibilities to improve the operating conditions for SMEs. They will therefore ensure that the Commission's forthcoming initiative "Small Business Act for Europe", which will set out an integrated approach to SMEs policy, is thoroughly discussed and acted on.

In this context, the Presidencies will give due attention to further facilitating SMEs' access to markets, to public procurement and cross-border trade, as well as to introducing, where justified and following screening of the *acquis communautaire*, exceptions for SMEs from administrative requirements of EU legislation and to strengthening support for SMEs. The Presidencies will initiate the examination of the draft legislation on a European Private Company Statute once the Commission has tabled the relevant proposal. Improved access to financing and to EU-programmes and improving the legal environment for risk capital activities are also issues to which the Presidencies attach importance. The Presidencies will assess whether threshold effects that SMEs have to confront when expanding need to be smoothed in order to facilitate their growth. Lastly, the Presidencies will support, as a priority, any action aimed at making entrepreneurship more attractive, unlocking potential for people who would not otherwise become entrepreneurs.

Intellectual property rights

The Presidencies will continue the work towards increased integration in the area of intellectual property law and a more efficient enforcement of intellectual property rights both in the EU and worldwide. In particular, the Presidencies stress the necessity for the EU to find solutions for a patent litigation system and a Community patent. To this end, the Presidencies will continue to seek to make progress towards the introduction of a cost efficient, legally secure and high quality Community patent and an integrated and specialised litigation system for patents.

The Presidencies will work on further improving the protection of intellectual property rights and on reinforcing the fight against counterfeiting, in particular by better coordinating measures taken by Member States and by reinforcing cooperation with third countries. To this end the Presidencies will prepare a new action plan for the fight against counterfeiting (2009-2012). It will include all modes of distribution of counterfeited goods and all types of counterfeiting *inter alia* dangerous goods which threaten the security and health of consumers as well as the environment. Other related issues which will be addressed are the reinforcement of copyright and neighbouring rights as well as facilitating the optimal exploitation of intellectual property rights resulting from activities of public research institutes.

Industrial policy

A market-led approach to industrial policy, focussing on the advantages for European enterprises and balancing adequately the imperatives of competitiveness and sustainability, will offer new business opportunities and markets in a global economy. The three Presidencies will pay special attention to a well functioning internal market, to lead markets by carrying forward work on the Lead Market initiative, as well as to active international standard setting by the EU and the emergence of a dynamic market for eco-technologies.

More generally, they will ensure the follow-up work to the Commission Communication and Action Plan on Sustainable Consumption and Production and Sustainable Industrial Policy as well as work on implementing a number of recent communications regarding industrial policy. At the same time, work on implementation and follow-up on the Commission's communications on sectoral initiatives in industrial policy will be pursued.

Raw materials which are an indispensable basis for industrial activities will become a scarce commodity in the future. The three Presidencies look forward to the presentation of a European strategy on raw materials that will focus on the sustainable use of these resources.

Competition policy

Competition is a precondition for competitiveness. Competitive and dynamic markets benefit both companies and consumers. The three Presidencies will continue the work on the State Aid Action Plan to increase the competitive pressure, in order to benefit consumers by keeping prices down as well as providing a greater and more varied range of goods and services. More generally, the links between competition, competitiveness and innovation and how they can produce synergies will be analysed further. Finally, the Presidencies will deal with any initiatives tabled by the Commission following on from the White Paper on damages actions for breach of EC trust rules which was examined during the first half of 2008.

Better regulation

The regulatory environment in which businesses operate is a crucial element of their competitiveness and their ability to grow and create jobs. The three Presidencies are committed to making further progress on the better regulation agenda, particularly with regard to reducing administrative burdens for businesses and promoting the adoption of clear, simple and effective legislation. In taking forward this agenda, special attention will be paid to SMEs. The "Second strategic review of Better Regulation in the European Union" which the Commission submitted in 2008 offers the opportunity to assess progress made so far and to identify next steps.

Impact assessments are key tools for improving legislation. The three Presidencies will make sure that impact assessments will take into account the economic, social and environmental impacts and that they will be more systematically examined. Efforts will continue to be made to improve the quality of impact assessments and to further strengthen procedures for external stakeholder consultation.

Swift progress will be sought on the proposals submitted in the framework of the rolling simplification programme, in order to generate concrete results for businesses. In this context the three Presidencies look forward to the Commission's possible progress report on simplification which will also give an overview of forthcoming proposals for simplification. They consider it important that simplification consequences are clearly set out in all proposals concerned.

The three Presidencies will also closely monitor progress towards the target of reducing the administrative burdens arising from EU-legislation by 25 per cent by 2012. The outcome of the measurements of administrative burdens in the identified priority areas will be closely followed. In this context attention will be paid to simplification of administrative procedures, e.g. by using interoperable information and communication techniques.

The three Presidencies will promote the implementation of better regulation principles in the EU legislative process in all relevant policy areas and will foster a better access to legislative texts by citizens, consumers and businesses, e.g. via the internet. The Presidencies will continue to report regularly on progress to the Council.

Customs

A priority will be the finalisation of the work on the Modernised Customs Code, especially the agreement on the financial consequences of centralised clearance.

Emphasis will also be put on the follow-up to Decision 70/2008/EC on a paperless environment for customs and trade so as to avoid delays in the introduction of the e-customs projects. The Presidencies will trigger off a reflection on control methods with a view to ensuring equal treatment of operators and equivalent efficiency of customs authorities.

The fight against counterfeiting remains a priority issue for the three Presidencies, which will endeavour to improve the efficiency of the EU customs authorities in respect to this phenomenon.

On the occasion of the 40th anniversary of the Customs Union, the three Presidencies will pursue work on the future role of customs and on their unique contribution to international supply chain security and to facilitation of trade. Among the issues to be considered will be the need to ensure coherence between the strategic objectives and the objectives set for ongoing initiatives (e-customs, Modernised Customs Code). The three Presidencies will try to reach an ambitious agreement in order to fight against illicit trade in tobacco products and play a leading role in the international negotiations in the framework of the WHO.

Financial services

In order to further integrate EU financial markets, including retail financial services, the three Presidencies will push for making progress in implementing the EU strategy for an integrated European market in the financial services sector for 2005-2010 and will promote an up-date of the regulatory framework which is needed to meet new challenges on the financial markets.

The three Presidencies will seek to reach agreement on two strategic dossiers. First, the design of a new prudential regime for the insurance sector (Solvency II), with the aim of improving the protection of policyholders and beneficiaries and to bolster the global competitiveness of the European insurance sector. Second, the modernisation of the UCITS Directive, in order to ensure that investors receive appropriate cost and performance disclosures when selecting funds and to make it easier for the industry to achieve cost savings and specialisation benefits across an entire regime of cross-border activity throughout the Single Market. Securities law, in particular the revision of the Settlement Finality Directive and the Collateral Directive, will also be examined. The three Presidencies will also step up efforts to develop an efficient European framework for clearing and settlement. Finally they will explore the possibilities of further European integration of the markets for non harmonized investment funds.

Despite progress made in recent years, consumers are not yet able to take full advantage of the benefits of the Single Market as regards retail financial services. Consequently the three Presidencies look forward to advancing work on further harmonisation of mortgage credits, in order to increase the protection of consumers and strengthen the functioning and the stability of the home credit market in the EU. The three Presidencies will also pursue work on initiatives deriving from the Commission's Green Paper on Retail Financial Services, including issues relating to bank account mobility, distribution of substitute products and financial literacy. They will also contribute to ensuring that fast, secure and cost effective payments services will be quickly available for European consumers, notably through the market driven SEPA initiative.

Improving the efficiency and the convergence of the present systems of financial supervision, both through the monitoring of the implementation of Council conclusions on the review of the Lamfalussy framework and the strengthening of the supervision of cross-border groups, will be a priority in order to enhance the global competitiveness of the European industry and strengthen stability and confidence in periods of financial turbulence. In this context, the Presidencies will push the work on the forthcoming proposal for the amendment of the Capital Requirements Directives which will step up the prudential and supervisory framework for the banking sector. On the basis of the Council conclusions of October 2007, the Presidencies will pursue work to further improve the EU financial stability framework, including efficient crisis-management arrangements.

Subject to possible initiatives from the Commission, the three Presidencies will engage in an open discussion on possible next steps for the European financial services policy after 2010.

Services of general economic interest

The three Presidencies are aware of the important role which services of general economic interest have for safeguarding social, economic and territorial cohesion, competitiveness and economic growth. A well functioning Internal Market is compatible with the specificities and financial and functional constraints of services of general economic interest.

In the light of the Commission's communication on SGEI of November 2007, the Presidencies will ensure that developments in this area are closely followed: this includes, inter alia, any sector-specific initiatives for network industries which may be proposed, the provision of guidance on the application of EU rules to SGEI, the envisaged evaluation of the "Altmark package" on state aid and initiatives to clarify the rules applicable to institutionalised public-private partnerships, to concessions and to public procurement. Furthermore, the Presidencies will ensure the thorough examination of any proposals which the Commission might present on this subject.

Company law

The Presidencies will initiate the examination of draft legislation on a European Private Company Statute once the Commission has tabled the relevant proposal.

The three Presidencies consider company law and accounting to be among the priority areas as regards reducing administrative burdens of companies in the EU. They will put emphasis on the simplification and modernisation of the business environment for companies, taking into account the principles of better regulation.

Public procurement

Clear and unambiguous public procurement rules are necessary when aiming at a fully integrated, well functioning and competitive internal market. The Presidencies are resolved to reach agreement on the proposal for a Directive on the coordination of procedures for the award of certain public works contracts, public supply contracts and public service contracts in the fields of defence and security. Building on earlier work, the Presidencies will also follow up possible new initiatives from the Commission on concessions and public-private partnerships. The positive role public procurement could play in the fields of SME policy, innovation and the environment ("green procurement") will also be explored. Finally, the Presidencies will promote further work on the issue of public procurement by electronic means (e-procurement).

Taxation

In the area of indirect taxation the Presidencies will give priority to concluding work on the review of existing legislation on VAT reduced rates and to continuing work on the modernisation of the rules on the common system of value added tax, including the treatment of financial and insurance services. They will also take up, as a priority, any initiative on combating tax fraud, especially as regards the further discussion on conventional measures. They will moreover seek to come to agreement as soon as possible on the general arrangements for products subject to excise duties. Furthermore, attention will be given to the discussion on the revision of the Directive on tobacco taxation.

As regards environmental/energy taxation there is now a wide recognition that taxation can make a contribution to the broader policy framework on climate change and to the protection of a sustainable environment. Consequently the work on the revision of the Directive on the taxation of energy products and electricity will be actively taken forward.

As far as the direct tax area is concerned the three Presidencies will pro-actively address the issues arising out of the evaluation of the functioning of the existing mechanisms in order to strengthen administrative cooperation and mutual assistance between Member States aimed at fighting more effectively against fraud and tax avoidance in the European Union provided that the administrative and compliance costs are not increased disproportionately and without putting tax revenues at risk. In particular they will address issues that the Commission may raise in the framework of its evaluation of the functioning of the savings tax directive. They will continue to foster the work of the Code of Conduct Group on rolling back harmful tax competition and their first priority in this respect will be to reach agreement on a future work package. Finally, possible opportunities for a better coordination of national tax systems could be explored.

Tourism

Tourism is an important economic sector which contributes significantly to job creation within the European Union. The Presidencies will contribute to foster the competitiveness and growth of this sector, while keeping in mind the social, economic and environmental sustainability considerations, by following up on the Commission Communication "Agenda for a competitive and sustainable European Tourism". The 2008 European Tourism Forum will be hosted by France.

RESEARCH, KNOWLEDGE AND INNOVATION

Research

The further development of the European Research Area is close to the heart of the three Presidencies. Following up on the Commission Green Paper "The European Research Area: New Perspectives", the Presidencies will carry forward the process initiated in April 2008 and, applying the open method of coordination to the full realisation of the European Research Area, address in particular the agreed priority objectives: create an internal market for research within an environment conducive to innovation and to the free circulation of knowledge ("Fifth Freedom"); make the EU the most attractive area for researchers in the world - for European as well as for non-European researchers; develop a coherent and proactive international S&T cooperation strategy; and harness the potential from the coordination of national and European S&T programmes. The Presidencies are also committed to achieving success on the four remaining ERA policy initiatives: the partnership for a European researchers' passport; the legal framework for pan-European research infrastructure, notably by making progress on the implementation of the ESFRI roadmap; joint programming and programmes; and putting into place a policy framework for international science and technology cooperation. The Presidencies will contribute to ensuring effective governance of ERA as well as programming and monitoring of the Ljubljana process.

The Presidencies will facilitate work on the final evaluation of the Sixth Framework Programme and, on that basis, the preparation of the methodology to be used for the interim evaluation of the Seventh Framework Programme in 2010. This will consist in particular in the elaboration of a set of indicators for assessing the impact of the programmes.

Other important research issues which will be addressed by the Presidencies are the smooth start of activities of the EIT and promoting research in the fields of ICT, low-carbon technologies and maritime and marine technologies.

Based on cooperation between research, competitiveness, environment and energy policies, the Presidencies will pursue work on the implementation of the Strategic Energy Technologies (SET) Action Plan which was endorsed by the Heads of State and Government in March 2008.

Innovation

Innovation and innovative products and services and their market take-up are key elements in fostering EU competitiveness. The Presidencies will endeavour to ensure that the implementation of the EU innovation strategy agreed in 2006 will be monitored and evaluated, with a focus on issues such as financing, intellectual property rights and their protection and the promotion of lead-markets and clusters. They will also pay close attention to the timely implementation and smooth running of the EIT, JTIs and the Article 169 programmes and to setting up further Joint Technology Initiatives and Article 169 programmes where required. The Presidencies will contribute to the update of the rolling Action Plan for Standardisation. They will also work on the forthcoming Commission Communication "Towards a European approach on Clusters Policy". Finally, the Presidencies will use the 2009 European Year on Creativity and Innovation to highlight the importance of innovation for the future of Europe.

Education and Training

High quality education and training provide the foundation on which better quality jobs can be created and growth sustained. The preparations for the final report on the "Education and training 2010" programme and the future of this process beyond 2010 will receive particular attention. In this context consideration will be given to issues which have gained wide attention on the general political agenda over the last decade.

The Presidencies' priorities in this respect will derive from the three strategic objectives: quality, access and partnership. Cooperation within the Copenhagen process will be strengthened. At the same time, and in the wider context of this Copenhagen process, the three Presidencies will advance work within the EU by developing the European Credit System for Vocational Education and Training (ECVET) thus facilitating mobility, through the adoption of the corresponding recommendations in the VET area. The Presidencies will also ensure appropriate follow-up to the Council conclusions on adult learning.

Further promoting lifelong learning for all - paying particular attention to the problem of early school leavers (by establishing more focused guidance schemes) and the challenges posed by globalisation - and increased mobility will continue to be high on the agenda, in particular for students, teachers, adults and young people in vocational training (development of Erasmus, Leonardo, Comenius and Grundtvig programmes).

The modernisation of the education systems is at the heart of concern for many Member States. Issues relating to the autonomy of educational institutions (school and university) will be taken further with the aim to develop more efficient education systems and to develop further the key role of education within the knowledge triangle (education – research – innovation). In this regard the Presidencies will promote consideration of the contribution of the whole education system: i.e. the promotion of incentives to study science, mathematics and technology; the support of knowledge and innovation transfer; the opening up of educational institutions to individuals and society at large; and at the same time the promotion of partnership between educational institutions and business and employers. The importance of education for innovation and the Lisbon process will also be highlighted by the designation of 2009 as the European Year for Creativity and Innovation.

Telecommunications and Information Society

The three Presidencies will seek to bring about final agreement on the revision of the EU regulatory framework for electronic communications networks and services during the 18-month period.

The issues of the scope of the universal service and the evaluation of the functioning of the Regulation on international roaming charges will be further items on the Presidencies' agenda.

The Presidencies will continue to work on the framework for ICT related policy matters: i2010 – A European Information Society for Growth and Employment. They will also prepare for a thorough discussion of the content and goals of the next strategic framework for ICT policy matters succeeding the current i2010 action plan. In pursuing this, the Presidencies will focus on the enormous benefits ICT will have on various sectors of the economy and develop a strategic thinking for ensuring maximum benefit for all European stakeholders of ICT products and services. The promotion of next generation network (NGN), digital divide, eInclusion and eAccessibility are important issues in this context.

As regards future developments concerning the Internet, issues such as the promotion of very high speed infrastructures within the EU, the Internet of things (i.a. RFID and other sensor technologies), secured mobile services, safety issues and SPAM will be addressed by the Presidencies. Concerning the governance of the Internet, they will promote effective international cooperation and work on the enhanced cooperation process agreed by the WSIS in Tunis in 2005.

The Presidencies will also seek to quickly finalise an agreement with the European Parliament on the Community programme on protecting children using the Internet.

The Presidencies will work on the forthcoming Commission proposal on the coordinated use of the digital dividend as harmonisation is needed to create economies of scale and reap the full benefits of more efficient use of radio frequencies.

Space

Following up the Council Resolution of May 2007 adopting the orientations of the Fourth "Space Council", the European Space Policy will be developed on the following lines, continuing the close partnership between the European Union and the European Space Agency: work on the implementation and the preparation of the operational phase of the positioning system Galileo and the European Earth Observation Services project GMES will be pursued; new initiatives, such as the contribution of the space applications to combating climate change, to developing the Europe of information and knowledge as well as to the autonomy, security and economic benefit of Europe, will be launched; and the issue of developing a framework for international cooperation, in particular in the area of space exploration, will be addressed.

EMPLOYMENT AND SOCIAL POLICY

The Presidencies are looking forward with interest to the Communication on the renewed Social Agenda which the Commission is expected to present by the middle of 2008 in the light of the outcome of the recently concluded social reality stocktaking. They will ensure rapid and thorough examination of this Communication and of any proposals and initiatives flowing from it.

In view of recent developments in case law, the Presidencies note that a broad discussion on how to ensure a transparent and predictable application of relevant EU law in this area will continue.

Employment/flexicurity/mobility

High levels of employment and labour market inclusion are essential for growth and prosperity as well as the best means to ensure social protection. Despite positive economic growth and increased employment in the EU in recent years, there is still a long way to go to meet the Lisbon employment rate targets of 70 (total), 60 (women) and 50 (older worker) per cent in 2010.

Considering employment as a core concern for citizens, the three Presidencies will put the creation of more and better jobs and the reforms needed to achieve this very high on the EU agenda. The European added value in this area is generated by an effective and coherent implementation of the Lisbon Strategy, in particular the Integrated Guidelines, and the European Employment Strategy.

The Presidencies are committed to contributing to the further development of the flexicurity concept, by encouraging the implementation of the common principles of flexicurity by Member States as endorsed by the European Council in December 2007. The social partners have a crucial role to play in implementing and evaluating these principles.

The Presidencies will continue to promote geographical and professional mobility, which are key to achieving the Lisbon goals. In this context, securing rights in times of professional transitions and therefore the portability of social rights are of eminent importance. Consequently the Presidencies will seek to reach agreement on the Directive on minimum requirements for enhancing worker mobility by improving the acquisition and preservation of supplementary pension rights and to finalise work on the implementing Regulation on the coordination of social security systems. Removing the remaining barriers to the free movement of workers is also considered to be of eminent importance. The social dialogue at trans-national and European level will be promoted.

The Presidencies underline the role of the European employment strategy and the mutual learning process at EU level and other policies and measures which directly or indirectly contribute to increasing employment, such as lifelong learning, vocational training, active ageing, reconciling family and working life, financial incentives in tax and benefit systems, and combating undeclared work and the misuse of social security systems.

Labour law

The three Presidencies will continue the work on files currently before the Council. In particular they will seek to unlock the work on and to find a balanced solution to the proposed Directives on working time and on working conditions for temporary workers.

In the field of health and safety at work, the Presidencies will take forward or finalise the work on amending proposals for the Directive on electro-magnetic fields, the Directive on biological agents and the Directive concerning the health and safety of pregnant workers.

The Presidencies will seek to reach agreement on the proposal to revise the Directive on European Works Councils.

Social Policy

The overriding priority of the Presidencies in this area will be to promote the active inclusion of those furthest from the labour markets and the most disadvantaged. In this context due attention will be given to the labour market and social integration of persons with disabilities, people disadvantaged on the basis of their ethnic origin and people with a migrant background. In concrete terms, the Presidencies will work on a forthcoming Commission Recommendation on the common principles of active inclusion and will promote the open method of coordination in social protection and social inclusion.

Fighting against poverty and social exclusion is a shared objective and deserves high political visibility. To this end the preparation of the decision on the European Year for combating poverty and social exclusion will be taken forward. The ministerial meeting in 2008 and the Round Table on Poverty and Social Exclusion and the organisation of the annual meeting of people experiencing poverty will be important events in this context.

Youth

Further follow-up to the European Pact for Youth and the Commission Communication "Promoting young people's full participation in education, employment and society" will be important in developing initiatives for young people.

The Presidencies will continue to promote the integration of a youth perspective into relevant policy areas and processes, such as the Lisbon strategy, and to develop the Open Method of Coordination in the youth field. The participation of young women and men in the democratic life of Europe, their social integration, measures to reduce youth unemployment and the integration of young women and men into the labour market will be promoted and intercultural dialogue between young people will be fostered. Young people's awareness of the European idea and of the European cooperation in the Youth field, their participation in EU youth programmes and in voluntary activities as well as their active contribution to the civil society will be promoted.

On the basis of an evaluation of the cooperation so far carried out in all Member States in 2008, and taking into account consultations with young people and other relevant stakeholders and the planned European Youth Report to be presented in 2009, the Presidencies will prepare the future framework for cooperation from 2010 onwards.

Demographic change

All Member States are confronted with major demographic and hence social and economic changes. Responding positively requires initiatives and measures in many policy areas. At the EU level, the Presidencies will promote increased exchanges of information and good practice, i.a. in the context of the initiative "European Alliance for Families". In order to ensure the long-term sustainability of Member States' public finances and the quality of their welfare systems including the financial sustainability of health systems, employment rates, in particular those of older workers, need to be increased. Equally important are actions and different types of measures to reconcile work and family life.

Changing attitudes towards elderly persons in a positive direction is necessary in an ageing society. The Presidencies will support all initiatives aimed at creating a societal environment in which elderly persons are treated with respect and dignity. Elderly people should be able to live healthy, active and independent lives participating in the community and have a better quality of life. When in need of care it is necessary that they receive dignified care of high quality. Preventive health work is essential for preserving health and avoiding increased health care costs later in life.

Social services of general interest

Access to high quality social services of general interest is part of active inclusion and social cohesion. On the basis of the Commission's Communication on services of general interest, discussions will be taken forward on the question of recognising the specificity of SSGIs and on developing a voluntary EU quality framework providing guidelines on the methodology for setting, monitoring and evaluating quality standards at national level. The issues of state aid and public procurement could be further explored in the context of social services of general interest.

GENDER EQUALITY AND NON-DISCRIMINATION

Gender equality – an overarching objective of the EU – is an important component of the Lisbon Strategy and is crucial for growth and employment. The Roadmap for equality between women and men 2006-2010 and the European Pact for Gender Equality will constitute the framework for the three Presidencies' initiatives. As realising equal economic independence for women and men is paramount, special attention will be paid to measures to tackle the gender pay gap, part-time work, equal opportunities in entrepreneurship and measures to improve the reconciliation of work, family and private life for both women and men. The elimination of gender stereotypes in education and professional life will be addressed, as will the promotion of women to decision-making positions. Furthermore, the issue of violence against women will receive careful attention.

The three Presidencies will continue to assess progress and follow up the implementation of the Beijing Platform for Action. They will consider the question of women and armed conflicts as well as prepare a report to the UN on the follow up of the Beijing Platform for Action + 15.

Discrimination violates the very core values of the Union and must be combated at all levels. Existing Directives apply outside the employment sphere only for discrimination on the basis of sex and racial and ethnic origin. As a consequence, the protection against discrimination on other grounds, such as disability, is weaker. The forthcoming proposal for a new Directive implementing the principle of equal treatment outside employment will be addressed.

A possible review of the mandate of the Agency for Fundamental Rights will be undertaken by 31 December 2009.

HEALTH AND CONSUMERS

Health

The three Presidencies are committed to actively promote work in this important area, with the aim to contribute to a high level of health for all citizens. The European Health Strategy will accordingly be taken forward in line with the Council conclusions of December 2007 and June 2008.

EU action can bring added value to patients and health systems alike, especially in the context of increasing mobility. Patients' safety and the quality of health care must be the focus of a future regulatory system, irrespective of whether it is the patient, the practitioner or the service that moves across the border. The three Presidencies will therefore give highest priority to the work on the forthcoming proposal for a Directive on cross-border healthcare, with the aim of concluding the negotiations during the 18-month period.

The Presidencies will pay special attention to the availability and safety of organs for donation and transplantation purposes in order to improve the quality of health care and safety of patients in this area. The issue of e-health and the transmission and sharing of healthcare information will also be encouraged and further developed.

Health promotion and disease prevention is at the core of public health policy in Europe. In the context of the implementation of the Community strategy for reducing alcohol related harm and the continued action against smoking increased attention will be paid to alcohol consumption and use of tobacco products by children and adolescents.

The EU Strategy on nutrition, overweight and obesity related health issues will continue to be implemented.

The cross-border threat of communicable diseases and other threats to public health require enhanced coordination and cooperation at EU-level. To this end, the Presidencies wish to increase the political awareness on health threats and will work towards strengthening the EU systems in order to achieve efficient surveillance and response mechanisms linking national, EU and global institutions. In this context, the Presidencies will also keep the issue of antibiotic resistance on their agenda.

In the context of our ageing societies, the Presidencies will draw particular attention to Alzheimer's disease by focussing efforts at EU level on enhancing the coordination of research and the exchange of experiences relating to healthcare and solidarity with carers concerned. Action should also be pursued on rare diseases.

Pharmaceuticals provide a crucial contribution to improved health among citizens. The Presidencies will support the EU's overall objective in this field of improving the quality and security of pharmaceuticals, focusing on strengthening and rationalising EU pharmacovigilance, antibiotic resistance, combating counterfeiting of pharmaceuticals and information to patients. The Presidencies will also highlight the importance of the EU as a region for the development of innovative medicinal products.

Food safety

With a view to both simplifying current legislation and maintaining a high level of human health protection and consumers' interests, the Presidencies will seek to finalise work on the revision of current legislation on food and nutritional labelling and on novel foods on the basis of the Commission proposals submitted in January and February 2008 respectively.

Consumers

A high level of consumer protection is at the core of a well-functioning internal market. The focus of the Presidencies' work in this field will be on the review of the consumer acquis on the basis of a proposal for a framework Directive on consumer contractual rights which the Commission is expected to submit at the end of 2008. The overall aim of this review will be to simplify and improve the coherence of the consumer regulatory framework and thus enhance legal certainty both for consumers and businesses.

The Presidencies will also address the topics of collective consumer redress and cooperation between national authorities. As concerns individual legislative proposals, priority will be given to expeditious finalisation of the work on the revision of the toys safety Directive and the Directive on the protection of consumers in certain aspects of timeshare, long-term holiday products, resale and exchange, and the revision of the Directive on consumer information on fuel economy.

Sport

Bearing in mind the autonomy and specificity of sport organisations and sport activities, the Presidencies will focus on the follow-up of the Commission White Paper on Sport and of the "Pierre de Coubertin" Action Plan contained therein as regards its societal and economic dimensions as well as its governance. Special attention will be paid, inter alia, to the issues of sport and health, the fight against doping, including reinforcing Europe's position in the World Anti-Doping Agency, the education and training of the young sportswomen and sportsmen and support for volunteering.

CULTURE, AUDIOVISUAL AND MULTILINGUALISM

Culture

The three Presidencies will focus on implementing the European Agenda for Culture and the Work Plan for Culture 2008-2010 within the framework of the open method of coordination. Particular attention will be given to how to improve access to culture, especially for children and young people, and develop synergies between culture and education. The promotion of cultural diversity, notably in the context of implementing the UNESCO Convention on the protection and promotion of the diversity of cultural expressions and dialogue with the cultural sector will remain on the agenda. Intercultural dialogue will also be promoted notably in the context of the implementation and follow-up of the European Year of Intercultural Dialogue 2008.

The importance of the cultural and creative sectors' contribution to growth and employment and sustainable development will be further highlighted by the Presidencies. Eurostat's efforts in developing the production of cultural statistics will support work in this area. The forthcoming Commission study on the environment conducive to the development of creative and cultural industries will be duly considered. The presidencies will also address the issue of improving the internal market for cultural goods and services as well as creating better conditions for professionals within the cultural and creative sectors, and improving the mobility of artists and of art collections.

A European Cultural season in 2008 will demonstrate the wealth and diversity of artistic creation in Europe. A reflection will also start on the role of architecture in sustainable development.

The Presidencies will underline their commitment to enhancing and protecting the European cultural heritage in the framework of European concrete projects, the protection of cultural assets and fighting illicit traffic in art and archives. Digitalisation of cultural content is of significant importance to preserve cultural heritage as a source of European cultural and linguistic diversity and increase its accessibility. The Presidencies will support on-going processes within this area through initiatives such as the European digital library.

Audiovisual issues

The Presidencies will work actively to follow up the initiatives of the Commission to develop European creative content-on-line and to promote cultural creation in the digital era. In order to strengthen the creative sector in Europe and create true cultural diversity while contributing to the targets of the Lisbon strategy, this work should take full account of international principles and European legislation on intellectual property rights. The Presidencies will also contribute to the implementation of the Protocol on the system of public broadcasting in the Member States, ensuring that companies in the public audiovisual sector are able to develop their activities and services in the digital environment.

Multilingualism

On the basis of the forthcoming Commission Communication on "Promoting Multilingualism: a shared Commitment", the Presidencies will continue to promote multilingualism in the Member States, by using the open method of coordination and making better use of existing European programmes and initiatives. Key areas will be language teaching, including encouraging the study of two foreign languages early on at school, in accordance with the objective set in 2002 by the Barcelona European Council, and promoting language teaching at university and during vocational training, raising awareness of the importance of language learning for intercultural skills and European competitiveness, circulation of cultural productions and promotion of translation and of subtitled films and performances.

SUSTAINABLE DEVELOPMENT

Sustainable Development Strategy

The three Presidencies are committed to taking forward the effective implementation of the renewed European Sustainable Development Strategy in order to meet the seven main challenges identified: climate change and clean energy, sustainable transport, sustainable consumption and production, conservation and management of natural resources, public health, social inclusion, demography and migration. The Strategy also includes global challenges such as poverty and crosscutting issues like education and training, research and development, financial and economic instruments and communication, mobilising actors and multiplying success. An important timeline will be December 2009, when the European Council, for the second time and on the basis of a Commission progress report, will review progress and priorities and provide general orientations on policies, strategies and instruments for sustainable development. In this context the European Council will also take account of priorities under the Lisbon Strategy for growth and jobs. The Presidencies will make sure that all the relevant Council formations are involved in the follow-up of the strategy.

The Presidencies will work on an effective implementation of the EU Action Plan for Sustainable Consumption and Production and Sustainable Industrial Policy and on its follow-up. Efforts will notably be focused on the revision of the Eco-design directive, on the review of the Community Eco-label Scheme and of the Community Environmental Management and Audit System (EMAS). Furthermore, special attention will be given to the environmental and energy labelling of products and the need to create greater synergies between the related legislations (Ecolabel, Eco-design and Energy Labelling). The Presidencies will closely follow-up the Communication on Green Public Procurement. They will also examine how to promote fiscal incentives for green products.

At the international level, the Presidencies will ensure a thorough preparation of the meetings of the UN Commission on Sustainable Development (CSD) which will conclude its work on agriculture, rural development, land, drought, desertification and Africa, as well as cross-cutting issues, in May 2009 and they will actively engage in the work of the Marrakech process on sustainable consumption and production, notably by starting the preparations for a Ten-year Framework for programmes on sustainable consumption and production during the second half of 2009.

Maritime Policy

The work on the establishment of an integrated maritime policy will be taken forward by the three Presidencies in line with the Commission Blue Book and its Action Plan. In 2008 and 2009 the Commission will present a wide range of initiatives, inter alia in the areas of shipping and fisheries, based on a sustainable use of the sea. The Commission will report on the progress achieved to the European Council in December 2009.

The Presidencies will promote in particular governance and maritime surveillance and marine and maritime research through the network of national high level focal points and by reinforcing coordination mechanisms between Member States and between European Agencies as well as the launch of a pilot project in the Mediterranean. As concerns the marine environment, the implementation of the Marine Strategy Framework Directive and the action plan on Water will be the basis for an improved marine environment. The Presidencies will also work to restrict the use of phosphates, in order to reduce the problem of eutrophication and to improve the marine environment.

In accordance with the Marine Strategy Framework Directive, a long term strategy for water will be developed in the Mediterranean region.

Baltic Sea strategy

The European Council in December 2007 invited the Commission to present an EU strategy for the Baltic Sea Region at the latest by June 2009. Such a strategy will, through EU policies, address in particular the urgent environmental challenges related to the Baltic Sea, with the aim of making this region an EU marine environment best-practice region. It will also address other regional challenges such as enhancing growth and competitiveness, promoting deeper market integration and, for example, combating organised crime. It should also facilitate the region's cohesion as well as its stronger interconnection with other parts of the Union and create conditions for a more efficient and targeted use of existing funds. The presidencies will work to adopt the strategy in autumn 2009.

ENVIRONMENT

Biodiversity

The Presidencies are committed to advancing work on biodiversity both at the EU level and at the global level notably within the framework of the UN Convention on Biological Diversity (CBD). The midterm review in 2008 of the implementation of the EU Biodiversity Action Plan will provide an overview of progress made and highlight areas of concern in the light of the 2010 objective of the EU to halt the loss of biodiversity. A specific concern being the prevention and control of the ingress of invasive alien species which threaten biodiversity, the Presidencies will ensure due follow-up to the Commission Communication on policy options to tackle invasive alien species. Attention will also be given to the implementation of the Habitats Directive and the links between biodiversity, eco-system services and climate change.

In the context of meeting the global 2010 objective of significantly reducing the decline of biodiversity by 2010, the Presidencies will ensure a thorough preparation of the EU negotiating position for the 10th Conference of the Parties to the Convention on Biological Diversity to take place in 2010. The focus will be on a forward-looking evaluation of achievements and possible shortcomings in relation to the 2010 target, with emphasis on sectoral integration and landscape planning and scientific expertise (International Mechanism of Scientific Expertise on Biodiversity - IMoSEB). These preparations will also draw on the ongoing study on the economics of biodiversity loss. Preservation of marine biodiversity and the establishment of protected marine areas is another priority of the Presidencies.

The Presidencies will work to agree on an EU contribution that will facilitate the adoption of an international regime on genetic resources at the Conference of the Parties in 2010. The Presidencies will work for an inclusive and interdisciplinary approach, making optimal use of existing processes and bodies, and a transparent negotiation that draws on expertise among indigenous communities and stakeholders.

Environmental technologies

Environmental technologies are important tools for achieving climate and environmental goals and offer major opportunities for EU businesses to strengthen their competitiveness. To exploit the potential of environmental technologies, the issue will be considered by several Council formations. The Presidencies will promote a concerted effort to bring together various environmental technology related initiatives and to foster the development of a dynamic market for these technologies. To this end, they will give the highest priority to the full implementation of the Environmental Technology Action Plan. Focus will be placed on the forthcoming strategy on promoting environment innovation and on considering the establishment of an EU wide system enabling verification of the performance and of the impact on the environment of new technologies (Environmental Technology Verification).

Chemicals

At the Community level, the three Presidencies will seek to finalise work on the revision of major legislative acts: the revision of the existing legislation on the placing of biocides on the market, the revision of the Directives on waste electric and electronic equipment (WEEE) and on the limitation of the use of certain hazardous substances in electric and electronic equipment (RoHs), the revision of the Regulation on substances that deplete the ozone layer. They will also conclude work on adapting EU legislation on classification and labelling to the UN Globally Harmonised System for classification and labelling of substances and mixtures (GHS). Another important issue will be the further implementation of the REACH Regulation, in particular the new authorisation and restriction systems for chemical substances of high concern.

At the international level, the Presidencies will ensure good coordination of EU positions in order to enable the EU to play a leading role in international negotiations. The Presidencies will work to ensure that the EU continues to contribute significantly to the implementation and further development of the Strategic Approach to International Chemicals Management (SAICM), including at the ministerial conference that will take place in May 2009 (2nd International Conference on Chemicals Management - ICCM2). The Presidencies will support the need for information on chemical substances in products and work towards finding solutions enabling us to take forward the Global Plan of Action (GPA).

The Presidencies will ensure a leading role for the EU in the United Nations Environment Programme's work on heavy metals, in particular mercury, and will promote the launch of negotiations leading towards a legally binding instrument.

Further important global international meetings will be the Conference of the Parties to the Rotterdam Convention on Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade in October 2008 and the Conference of the Parties of the Stockholm Convention on Persistent Organic Pollutants in May 2009. The Presidencies will continue to promote enhanced cooperation and coordination between the Basel, Rotterdam and Stockholm Conventions.

Air

The Presidencies will seek to conclude work on the proposal for revision of the existing directive regulating emission levels of sulphur dioxide, nitric oxides, ammonia and volatile organic compounds (VOCs) – i.e. The National Emissions Ceilings Directive – and on the proposal for a Directive on industrial emissions (including revision of the existing Directives on Integrated Pollution Prevention and Control, Large Combustion Plants, Waste Incineration, VOC Solvents Emissions and Titanium Dioxide) on the basis of an assessment of how it has been applied this far and the problems identified in the assessment.

A proposal for a revision of the Directive on consumer information on fuel economy and CO₂ emissions for new passenger cars is expected to be presented during the period and the three Presidencies will seek to advance work on it as far as possible.

At the international level, the Presidencies will ensure effective representation of the EU in the Conferences of the Parties to the Vienna Convention for the Protection of the Ozone Layer, the Montreal Protocol on Substances that Deplete the Ozone Layer and to the Geneva Convention on Trans-Boundary Air Pollution.

Other issues

The Presidencies will carry forward work on ongoing files and issues. Among these, particular attention will be paid to the work on the soil protection framework Directive, to forthcoming initiatives from the Commission on the Shared Environment Information System, water scarcity and drought and discussions on the dismantling of ships in the context of the Basel Convention. The three Presidencies stress their interest in GMO issues and intend to address some GMO related topics. They will seek to finalise work on the revision of the SEVESO Directive. Finally, Arctic environmental issues will also be followed very closely by the Presidencies in order to tackle the problems this zone faces.

International environmental governance

The three Presidencies will seek to contribute to improving the international governance in the field of environment in the framework of the work of the General Assembly of the United Nations in line with the European Council conclusions of June 2005.

The three Presidencies will promote the further development of the UN ECE "Environment for Europe" process and they will actively participate in the reform of this process.

TRANSPORT

In the transport sector, the three Presidencies intend to focus on three overarching concepts: the sustainability and competitiveness of transport, safe transport modes and the development of intelligent transport systems. The three Presidencies will pay particular attention to the Galileo programme.

Sustainable and competitive transport

The three Presidencies are committed to the objective that transport policy should contribute fully to the fight against climate change and to the protection of the environment, while taking into account the competitiveness of the sector.

Well-functioning transport logistics are fundamental to the creation of a sustainable and competitive transport system in the EU, with innovative systems and cost effective processes contributing to reducing CO2 emissions and at the same time strengthening the global competitiveness of the European transport industries. One major issue on the agenda will be the recourse to market instruments and organization patterns, in particular through the development of co-modality and logistic chains and the internalization of external costs and infrastructure charges. In this context, the Commission report on a model for the assessment of all external costs to serve as a basis for the calculation of infrastructure charges for all transport modes will be an important basis for the work in this area. Priorities for the Presidencies will be reaching an agreement on the revision of the "Eurovignette" Directive and the implementation of the Action Plan for Logistics and the Action Plan for Urban Transport.

The EU freight transport agenda is also of major importance for the promotion of sustainable, efficient and competitive transports in Europe. The Presidencies will take forward the work on proposals for actions on freight logistics, freight rail networks, ports policy and maritime freight transports.

Land transport: The road transport package, the railway agency Regulation and the railway safety Directive will be finalized during the period (*to be checked at end of the Slovenian Presidency*). The three Presidencies aim at reaching an agreement on the revision of Directive 2002/15 on the working time of persons performing mobile road transport activities. Furthermore, they will work towards concluding the revision of the first railway package. The three Presidencies will also take up possible proposals on the implementation of the NAIADES programme.

Aviation: The Presidencies aim to reach a final agreement on airport charges (*to be checked at end of the Slovenian Presidency*) and on the revised code on computer reservation systems (*to be checked at end of the Slovenian Presidency*). Focusing on the completion of the internal market and considering the positive environmental impact the Presidencies will examine the new Single Sky initiative. The three Presidencies will also give impetus to the negotiation of air transport agreements with third countries, in particular the 2nd phase of the EU/USA air agreement, the EU-Canada air agreement and agreements with neighbouring countries. With regard to the 2nd phase of the EU/USA air agreement the three Presidencies will make every effort to finalize the negotiations.

Trans European Transport Networks: The three Presidencies are aware of the importance of this programme and will therefore pay attention to the Commission's report on the implementation of the TEN guidelines and, if needed, prepare Council conclusions on this matter.

Maritime transport: The Presidencies will take forward the Commission's legislative proposals for a revision of the Regulation establishing a European Maritime Safety Agency and on a "European Maritime Transport Space without Barriers".

Safe transport modes

Safety in transport is a major concern for the European Union. The three Presidencies will strive for substantial progress particularly in the field of maritime and road transport. In the field of maritime safety, the Presidencies' aim is to work in close cooperation with the European Parliament towards reaching a final agreement on the proposals contained in the third maritime safety package. As far as land transport is concerned, the three Presidencies will work for an agreement on the Directive on cross-border enforcement of penalties as well as on the Directive on the safety of road infrastructures (*to be checked at end of the Slovenian Presidency*). Furthermore, the Presidencies would support a new Road Safety Programme which could be launched by the Commission during the period.

Intelligent transport systems

The use of new technologies in the transport sector is an important challenge and should be applied for environmental, competitiveness, safety and capacity purposes. New technologies can also contribute to more effective logistical solutions in the transport system. The Presidencies will take forward current Community initiatives for promoting actions in the different transport modes.

Presidencies intend to provide significant input for the use of intelligent transport systems in road transport and to implement the Action Plan to be presented by the Commission in 2008. The three Presidencies will prepare, for adoption by the Council, conclusions on the follow-up of this initiative.

In the field of air transport confirmation of commitments from the industry on adequate contributions to the development phase of the SESAR project is expected by the end of 2008.

Following the decisions already taken related to the deployment phase, the three Presidencies will continue the work on Galileo in order to prepare the provisions on the exploitation phase. Issues related to the GSA, governance, the commercial contract, the applications and the technical regulations will be finalized.

AGRICULTURE AND FISHERIES

Common Agricultural Policy (including "health check")

The CAP reform of 2003 laid out the future long-term course for a sustainable and market oriented agricultural production across the entire European Union. The review of this reform, the so-called "Health Check", is the opportunity to gauge the effectiveness of that reform, and in particular to appraise its impact with respect to its objectives and to analyse its effects on the relevant markets. The main task for the Presidencies will therefore be to conclude work on the legislative proposals before the end of 2008.

The Presidencies will make every effort to fully implement the Action Plan on Simplification, for example in areas such as Single Farm Payment and IACS. Simplification of legislation will also be a main priority in the context of the "Health Check".

The three Presidencies will pay attention to rural development. Against the background of the recommendations of the European Court of Auditors, the mandate of the Council and the revised objectives of the Less Favoured Areas Scheme, the Presidencies will prioritize the review of the so-called "intermediate" Less Favoured Areas. A new delimitation will be developed to be implemented by 2010, based on a common set of delimitation criteria's to create a more coherent and transparent approach.

With a view to contributing to a sustainable management of forest resources, the Presidencies will pay due attention to the examination of the forest package, i.e. the Communication on the prevention of the placing on the market in the EU of illegally harvested timber and timber products and the Communication on measures to reduce deforestation.

As regards the promotion of agricultural products, the three Presidencies will work to improve the effectiveness of the current measures to ensure quality food products and will conduct a debate on the revision of EU quality policy.

At the international level, the three Presidencies will maintain the active role of EU in relevant international organisations, and in particular in the Food and Agriculture Organisation of the United Nations (FAO) and Codex Alimentarius.

Veterinary and phytosanitary issues

The Presidencies will attach importance to continuing to work on further harmonisation and on ensuring a high level of protection in the area of plant protection and plant health. The focus will be the EU Strategy on the Sustainable Use of Pesticides, the relevant Framework Directive and the extensive amendment of the existing legislation concerning the placing of plant protection products on the market. The latter proposal is intended to reinforce the high level of protection of human health and the environment, improve the functioning of the internal market, maintain and enhance the competitiveness of the EU chemical industry and to harmonise availability of plant protection products between farmers in different Member States.

With a view to promoting food safety, the Presidencies will work actively for the adoption of a Regulation on maximum residue levels of pharmaceutical active substances in food products for human consumption.

Particular attention will be given to a high level of animal health and welfare throughout the Community. Work on the Animal Health Strategy will be continued. The revisions of the legislation on the protection of animals at slaughter and during transport and on substances having hormonal action (Directive 96/22/EC) and, possibly, on the protection of animals used for experimental and other scientific purposes will also be important dossiers.

The hygiene package will be revisited. There is a need to continue the paradigm shift signified by the hygiene package from detailed rules to management by objectives. The three Presidencies will focus on modernising meat inspection. Other issues to be addressed in the veterinary field include the proposal for a Regulation on the placing on the market and use of feed and the proposal amending Regulation (EC) No 1774/2002 laying down health rules concerning animal by-products not intended for human consumption.

The Presidencies will promote simplification of the current legislation on seeds and propagation materials.

Common Fisheries Policy

The overarching concern of the Presidencies will be to work for a sustainable management of fisheries resources in order to achieve sustainable environmental, economic and social conditions within the fisheries sector and fisheries dependant regions. They will follow this approach when preparing the decisions on the TACs and quotas, on multi-annual recovery and management plans, such as for cod in the North Sea and salmon in the Baltic Sea, as well as on technical measures. In this connection as well as in connection with the forthcoming reform of the CFP a reflection should be initiated on whether quotas could be fixed on a longer term basis and according to simplified procedures.

An important part of sustainability is the optimal use of resources. The Presidencies will aim to finalise work on a proposal, expected late 2008, on the progressive elimination of discards in certain fisheries.

The CFP control system will be reviewed with a view to simplifying the existing rules and to ensuring better enforcement. The Presidencies will seek to finalise work on the proposal expected to be submitted at the end of 2008. Other important revisions concern the Regulation on the technical measures for fisheries in the Atlantic and North Sea and adjacent waters and the reform of the Common Market organisation for fisheries products.

The Presidencies will promote the sustainable development of Community aquaculture by ensuring a thorough follow-up of the Commission Communication expected to be presented before the end of 2008. A memorandum on this issue will be submitted as a contribution to this process.

The external aspects of the Common Fisheries Policy will be vigorously pursued by the Presidencies at all levels. To this end the Presidencies will promote an active role for the EU in international organizations such as the UN, FAO and OECD and in regional fisheries organisations, with a focus on strengthening implementation of and compliance with commitments made and on improving conservation and management measures. As far as bilateral fisheries agreements are concerned, the Presidencies will work toward achieving the goal of maintaining stable fisheries relations with third countries on a scientifically sound and sustainable basis. In this connection it is of importance to ensure the existence of a satisfactory scientific basis for all stocks fished by EU vessels.

COHESION POLICY

Cohesion policy

Cohesion policy has contributed to enhancing prosperity and solidarity across the Union. The Presidencies will see to it that the debate on the future Cohesion Policy launched by the 4th Cohesion Report will be continued in the light of the original objectives of cohesion policy as well as of new challenges. The period 2008-2009 will provide an occasion to discuss in depth the future of the Cohesion Policy within the framework of the budget review.

The Presidencies will initiate a debate on the issue of territorial cohesion in the light of the Green Paper which the Commission intends to publish in the second half of 2008.

The implementation of the Territorial Agenda and its Action Programme and the Leipzig Charter are on the way in accordance with discussions at informal ministerial meetings in Leipzig and Ponta Delgada during 2007 and will be continued.

Outermost regions

The Presidencies will continue the work on the full implementation of the Strategy for outermost regions of 2004, based on the Commission Communication on the achievements and future prospects of the Strategy. The objectives of the strategy will also be taken into account in the context of the revision of the POSEI Regulation. A further issue will be the future relations with overseas countries and territories in line with the Green Paper planned for 2008.

AREA OF FREEDOM, SECURITY AND JUSTICE

The French, Czech and Swedish Presidencies will coincide with a period of significant changes for the European Union, including the entry into force of the Treaty of Lisbon, expected on 1 January 2009, which will have an important impact in the area of freedom, security and justice.

In this transition period, the Presidencies will do their most to ensure continuity of the efforts made over the last years to implement the Hague programme and its action plan and take pending work forward.

Following the entry into force of the Treaty of Lisbon, a Standing Committee on Internal Security will be set up within the Council; the three Presidencies will ensure that the mandate, the structure and the work of this new body will contribute effectively to enhancing internal security within the EU.

A new "Post-Hague" programme

The Presidencies will focus efforts to designing a new multi-annual strategic work programme for the period 2010-2014. This new programme will need to be ambitious and forward-looking and bring a real added value. It should be based on realistic objectives and accompanied by clear timeframes.

It will build in particular on the work of the two high-level advisory groups on the future of home affairs and justice policies, the result of which will lead to a final report by mid 2008. The Presidencies expect the proposal on the multi-annual programme to be presented by the Commission in the first quarter of 2009 and to be adopted during the Trio Presidency.

Migration

Developing a comprehensive European migration policy, complementing Member States' policies, remains a fundamental priority. To this end, the EU will work to adopt and follow-up on an European Pact on Migration and Asylum. Such a Pact will emphasize a broad and comprehensive basis for an enhanced common policy on migration issues, based on, *inter alia*, a strengthened dialogue with countries of origin. Concrete actions and proposals will also be further developed in the framework of the negotiations on the post-Hague programme.

Work on the Policy Plan for Legal Migration will be taken forward. The three Presidencies will seek rapid adoption of the general directive setting out the rights of migrants as well as the specific directives governing the conditions of entry and residence of highly skilled workers, intra-corporate transferees, remunerated trainees and seasonal workers. In this line, the three Presidencies will aim at removing transitional periods applied to the free movement of workers from the new Member States.

The three Presidencies will seek the adoption of measures which can contribute to a successful fight against illegal migration, including the directive on sanctions against employers of illegal immigrants. They will continue to work towards the effective return of illegal immigrants to their countries of origin, including through a comprehensive network of readmission agreements with third countries. Priority will also be given to strengthening the cooperation of FRONTEX with EUROPOL through an adequate exchange of information. Due attention will be given to the issue of illegal migrants travelling by sea.

The positive link between migration and development is increasingly being recognised. Priority will be given to maximising the positive development potential of well managed legal migration, including labour migration, and to implementing a genuine co-development policy reflected in specific projects and supported at the European level. The Presidencies will aim at further progress in the framework of the Global Approach to Migration. They will strive to deepen the cooperation and political dialogue with all countries of origin and transit and to promote mobility partnerships, circular migration and cooperation platforms for migration and development. A full evaluation of the implementation of the Global Approach to Migration will be carried out at the end of 2008, paving the way for a new phase in this area.

Asylum and protection of refugees

The Presidencies will take work forward with a view to putting into place a Common European Asylum System by 2010, based on the full application of relevant international obligations, as foreseen in The Hague Programme. The aim is to further harmonise Member States' national practices and provisions on reception conditions, qualification criteria and asylum procedures and statuses in order to achieve higher standards. It is also necessary to maintain the long-term sustainability and effectiveness of asylum systems, and to promote solidarity within the EU. The Presidencies will work to ensure that a legally secure, fair and open system is adopted, with safeguards such as individuals' access to asylum or the individual assessment of each application. Efforts will be made to strive for the development of a common resettlement programme in order to protect the most vulnerable refugees and on the basis of the intentions laid down in the Hague Programme. Furthermore, practical cooperation between national asylum administrations, including, *inter alia*, the establishment of the European Support Office, must be enhanced.

Schengen Area, borders and visa policy

A further evaluation of the countries which aim at joining the Schengen area in the next years will be launched. The correct application of the Schengen acquis by participating countries will also be re-evaluated in line with the new multi-annual programme. The three Presidencies will carry forward the already launched discussion on enhancing the efficiency of the Schengen evaluation mechanism. In this respect, the methodology of the Schengen evaluation process will be reviewed and consideration will also be given to thematic and regional approaches.

Integrated border management is an important tool to manage migration and to fight trans-border crime. The three Presidencies will ensure that the Commission's recent proposals in that area are rapidly examined. This includes the speedy examination of the proposals for an automated entry/exit control system. Priority will also be given to strengthening the role of FRONTEX within the framework of its mandate. Efforts will also be led in the fight against the use of false travel and residence documents. The use of biometrics in Schengen visas will also be promoted through the timely development of the Visa Information System (VIS).

One of the main goals in the area of visa policy is to finalise and adopt the Community Code on Visas which will clarify current visa legislation and further unify its application by the Member States.

Finally, the external relations dimension in the field of visa policy will continue to be an important issue for the three Presidencies, in line with the Council conclusions of December 2007, including the process towards visa liberalisation with the countries of the Western Balkans.

Integration and intercultural dialogue

Efforts will continue at the EU level to contribute to a more successful integration of migrants in Member States, in line with the Council conclusions on June 2007. Member States' strategies for integration should be strengthened through cooperation and the exchange of best practices.

Intercultural dialogue has become an important instrument in fostering integration of citizens of different origin, cultural background and religion, in counteracting racism and extremism and in preventing radicalisation and recruitment in the area of terrorism. The exchange of experience between Member States on intercultural dialogue will therefore be taken forward. The possibility of widening the perspective of intercultural dialogue to include the respect for democracy and human rights will be examined.

Countering terrorism

The objective of countering terrorism in all its forms remains a top priority for the European Union and will be high on the agenda for the three Presidencies, while continuing efforts to ensure respect for human rights and international law in all international counter terrorism work. Specific attention will be paid to deepening cooperation with all partners of interest in the fight against terrorism. The three Presidencies will also continue to develop the European Union's Action Plan against radicalisation and recruitment, as there is a serious need to detect potential terrorists at an early stage. The three Presidencies will also focus on countering the misuse of the Internet for terrorist purposes, on the implementation of the Action Plan on Enhancing Security of Explosives, on the promotion of operational cooperation between all EU law enforcement actors, on the development of concrete tools for early detection of terrorist activities and on the conclusion of terrorism-related files in all EU sectors.

Fighting trafficking in human beings

The fight against trafficking in human beings will remain a priority. On the basis of the Commission evaluation of the EU Plan of Action, the Presidencies will initiate the assessment and further development of policies in this area. This will include the consideration of concrete measures, such as encouragement of more involvement of Eurojust in the coordination of investigations and prosecutions in this area. A joint analysis of the situation and trends is vital for enabling an effective EU response. Priority will be given to the development of common EU standards to collect and analyse data on trafficking. The three Presidencies will take action in the context of the external dimension of EU Justice and Home Affairs with a view to elaborating an Action Oriented Paper in accordance with the EU Strategy in the field taking into account in particular countries of origin of trafficking in human beings.

Combating drugs

Based on the evaluation of the 2005-2008 Action Plan, the three Presidencies will review the EU policy on the fight against drugs trafficking and adopt and implement a new Action Plan for 2009-2012. This exercise will serve as a framework for defining a joint European position when the anti-drugs policy of the United Nations comes under review in March 2009.

The deployment of Joint Investigation Teams focussing on the fight against drug trafficking will be promoted. Greater involvement of Eurojust in coordinating investigations and prosecutions with a view to dismantling drug trafficking networks will also be encouraged.

As far as international cooperation is concerned, while the cooperation currently being pursued on the heroin and cocaine routes will continue, increased cooperation to crack down on the traffic in precursor chemicals and drugs, especially in the Mediterranean region and in Central Asia will be promoted. The recent setting-up of a maritime police cooperation centre in Portugal covering the Atlantic will inspire the establishment of a facility for the Mediterranean. Furthermore, full attention will also be given to other increasingly challenging areas, such as West Africa. The analysis of the link between drugs trafficking and terrorism will be carried forward.

Further measures will be considered in the light of the report to be submitted by the Commission in 2009 on the implementation of the Framework Decision on illicit drug trafficking. The three Presidencies will also strive to promote a common European Drugs Profiling System (CHAIN).

Police and customs cooperation

The three Presidencies will aim to bring to a conclusion the ongoing process to provide EUROPOL with a new legal basis and a more flexible organisation. The role of EUROPOL will be enhanced, in particular in the context of the deployment of Joint Investigation Teams. As an essential tool to promote joint training, cross-border exchange of best practices and a common culture, the European Police College will be evaluated in the light of priorities identified by the Council and on the basis of requirements in order to promote enhanced operational cooperation among national and European bodies.

The three Presidencies will promote cooperation, convergence and interoperability between law enforcement authorities of Member States in particular through concrete projects and networks.

The three Presidencies will work on operational cooperation between law enforcement authorities, in particular police and customs authorities. In particular they will seek the finalisation of the progress report on implementation of the Council Recommendation of 27 April 2006 on the drawing up of agreements between police, customs and other specialized law enforcement services. The Presidencies will implement the new Customs Action Plan 2008-2009 and work towards a timely agreement on the next one in order to allow its entry into force in 2010. They will seek to further promote customs cooperation through the Naples II convention on mutual assistance and cooperation between administrations.

Based on the Commission's forthcoming evaluation of the European Crime Prevention Network, the Presidencies will work to further strengthen and professionalize the EUCPN and make its tasks more concrete.

Exchange of information

In an area without internal borders and with almost 500 million inhabitants, improved exchange of information between all law enforcement authorities is a fundamental aspect of security. The three Presidencies will give a major priority to developing a coordinated and coherent approach with regard to the exchange of information between all actors in the field of JHA and to examine concrete proposals for mid- and long-term strategies to reach this goal.

The Presidencies will also seek to pursue the establishment of the systems of information exchange by launching and implementing SIS II within the given schedule, promoting the effective implementation of the Treaty of Prüm as recently integrated into the legal system of the EU and implementing the Visa Information System (VIS). Another objective will be to make progress on the European "Passenger Name Record" (PNR). A necessary prerequisite is that the PNR should bring substantial added value in preventing and combating international terrorism and crime, while fully respecting data protection and fundamental rights of individual travellers.

Judicial cooperation in criminal law matters

The principle of mutual recognition of judicial decisions in criminal matters is the cornerstone of judicial cooperation between Member States and will continue to be implemented. In this regard, the three Presidencies will give priority to reaching agreement on the proposals relating to judgements in absentia and the European Supervision Order. The Commission is expected to bring forward, after the entry into force of the Treaty of Lisbon, proposals for an extended European Evidence Warrant. The evaluation of the European Arrest Warrant will continue with a view to a coherent implementation of the framework decision.

With a view to facilitating judicial cooperation between Member States, the three Presidencies will aim at strengthening cooperation instruments, such as Eurojust and the European Judicial Network. To this end, they will seek, as a matter of priority, to reach agreement on the proposals submitted in January 2008 aimed at better coordinating enquiries into cases involving several Member States.

The three Presidencies will also pursue the necessary approximation of legislation. They will ensure rapid adoption of the directive on the protection of environment through criminal law the Directive on ship source pollution and of the Framework Decision making incitement to terrorist acts and recruitment for terrorist purposes criminal offences. Regarding the draft Directive on protection of intellectual property rights through criminal law, the negotiation process should benefit from the entry into force of the Treaty of Lisbon.

Coercive measures should be accompanied by corresponding rules to strengthen the rights of the individual, whether a suspect, victim or witness. The possible development of the rights of victims will be examined on the basis of the Commission's assessment of the implementation of the Framework Decision on the Standing of Victims in Criminal Proceedings. After the entry into force of the Treaty of Lisbon, a proposal for a legal instrument on procedural rights in criminal proceedings will be expected from the Commission or from Member States.

Judicial cooperation in civil law matters

The three Presidencies will focus on family law, a crucial area affecting the everyday lives of people. The negotiations on amending the regulation as regards jurisdiction and applicable law in matrimonial matters and on adopting a new regulation on maintenance obligations must be finalized. The Presidencies will also seek to initiate work on succession and wills and on matrimonial property regimes.

With respect to increasing legal certainty for European citizens in the business sector, progress has been made in order to facilitate free movement of executive orders within the EU. Amending the Regulation on jurisdiction, recognition and enforcement of judgements in civil and commercial matters (Brussels I) will contribute to further improvements in this area and is a matter of priority. The three Presidencies will also follow up on the project to establish a common frame of reference in the area of European contract law.

The scheduled amendment to the decision establishing the European Judicial Network on civil and commercial matters should give the opportunity to enhance the efficiency and effectiveness of this cooperation instrument.

Practical cooperation in judicial matters

Further work will be devoted to an enhanced and more efficient exchange of information on criminal proceedings between the criminal registers of Member States, while respecting the fundamental principles of due data protection in the context of judicial cooperation. The three Presidencies will aim at adopting as soon as possible the forthcoming draft decision on a European Criminal Records Information System. In the framework of the E-Justice concept, the Presidencies will continue to work on particular projects relating to the progressive completion of the European Justice Portal, in order to provide a simple access of all citizens, when possible, to justice-related registers of Member States, to special proceedings and more generally to useful legal information throughout the EU. They will also seek to advance the E-Justice concept in a coordinated and structured way.

Training is an important asset with a view to increasing confidence between professionals of Justice. The Treaty of Lisbon provides for a legal basis which will allow the European Union to support training of judges and justice personnel. In this context, the three Presidencies will work at establishing common guidelines and initiatives for such support. Regarding judicial cooperation in civil matters with third countries, an appropriate solution needs to be found in order to allow Member States to negotiate or amend existing legal instruments in cases where the Community does not intend to exercise its competences. The three Presidencies will work towards that objective.

External relations in JHA

The Strategy on JHA external relations will be renewed in the light of the forthcoming evaluation of the Commission and the General Secretariat of the Council. On that basis, the Presidencies will consider drawing up a new strategic document, which would give orientation for the future external relations. They will also consider whether any further action oriented papers are necessary to meet the requirements of on-the-ground cooperation.

Civil Protection

The three Presidencies acknowledge the need for the European Union to improve its capacity to respond effectively to crisis and emergency situations both within the EU and outside its borders. The EU will enhance and coordinate its contributions to the prevention, preparedness and response (including recovery) activities of the Member States under an integrated all-hazards approach encompassing all relevant instruments. Due follow-up will therefore be given to the Commission communications on reinforcing the European Union's disaster response capacity and on the prevention of disasters. Attention will, in particular, be given to strengthening the Civil Protection Monitoring and Information Centre (MIC), to implementing and developing civil protection intervention modules and to developing the training of Civil Protection personnel. Moreover, the EU will support the development of early warning systems and alarm systems and contribute to the protection of critical infrastructure. In addition, the three Presidencies will strive to improve cooperation and further develop common actions to enhance security against nuclear, biological, radiological and chemical (CBRN) threats and risks. Closer relations will be established with relevant international organisations, in particular UNOCHA, and regional cooperation will be encouraged.

EXTERNAL RELATIONS

European Security Strategy

During the forthcoming 18 months the EU's external relations will continue to be guided by the European Security Strategy. In line with the conclusions of the December 2007 European Council, the implementation of the European Security Strategy will be examined with a view to proposing elements on how to improve its implementation and, as appropriate, elements to complement it, for adoption by the European Council in December 2008. Thereafter, work will be undertaken in order to implement these findings.

ESDP/Crisis management

The Union will seek to reinforce ESDP in all its components with a view to enhancing its role as a global and autonomous actor in the field of crisis response. The Union will continue conducting the military and civilian operations in which it is engaged throughout the world. At the same time, European civilian and military capabilities will be developed and strengthened, in line with the framework of the 2010 Headline Goals, with a particular focus on rapid response. In doing so, due attention will be paid to the lessons learnt from past operations and from the operational gaps identified, with a view to improving the planning and operational conduct of both military and civilian operations. Processes will be developed to allow objective evaluations of missions to be carried out based on measurable effectiveness. Efforts will be made to ensure that battle groups are fully able to respond to the need for the Union to react rapidly, in particular by strengthening their interoperability. The presidencies will look into the possibility of rationalizing the use by the Union of multinational forces in which Member States participate. Work will be pursued in order to improve civil-military coordination. Strengthening EU/NATO cooperation, including increasing transparency, will be a priority, both at the strategic and tactical levels, especially as concerns operations on going in the same theatre, as will the development of the relations with the UN, particularly as relates to the management of crises. The Athena mechanism will be reviewed and the scope of common funding of military operations will be discussed. The linkage between security, human rights, gender equality and development will be addressed. Joint European training programmes will be promoted, in particular in the framework of the European Security and Defence College.

Non-proliferation and disarmament

The Union will emphasise the continued relevance of existing international disarmament and non-proliferation regimes, including treaties and agreements, and seek to strengthen them. Efforts to raise the EU's profile will continue through active and effective implementation of the EU strategy against the proliferation of WMD. The Union will work to support the IAEA in verifying the State parties' compliance with their obligations under the NPT and in enhancing its non-proliferation strategies. Specifically on the Iranian nuclear issue, the Union will continue its action in support of the UN process and the shared objectives of the international community.

Priority will be devoted to the reactivation of the Conference on Disarmament, in particular through the opening of negotiations for a treaty banning the production of fissile material for weapons purposes. Preparations will continue for the NPT review conference in 2010 and efforts to bring the CTBT into force will be reinforced. The EU will also aim to strengthen the BTWC as well as the Ottawa Convention and the Convention on the Use of Certain Conventional Weapons. The EU Small Arms and Light Weapons Strategy will be actively implemented.

Multilateral cooperation

The Union will deploy its efforts in support of an effective multilateral system based on international law and on the United Nations Charter. It will actively participate in multilateral fora, particularly the United Nations, and will promote multilateral solutions to common problems. Relations with the OSCE and the Council of Europe will be strengthened with a view to promoting synergies.

Human rights and rule of law

The 60th anniversary of the Universal declaration of human rights will be celebrated in December 2008.

The Union will concentrate on further strengthening the coherence, consistency and transparency of its efforts to protect and promote human rights, fundamental freedoms and democratic principles. High priority will be given to effective use of existing mechanisms, to mainstreaming human rights into the Union's external policy, and to genuine cooperation with partners, notably non-governmental organizations. Particular attention will be given to effective implementation of the EU Human Rights Dialogues and Consultations as well as to the implementation of the EU guidelines in the field of Human Rights. Special emphasis will be laid on fighting violence against women. High priority will also be given to ensuring respect for freedom of expression and protection of human rights defenders. The Union will also strengthen its work on supporting the development of the rule of law. Promoting respect for human rights and international humanitarian law, including the responsibility to protect, will form an integral part of EU crisis management.

Trade

Trade policy will remain a very important tool to address the opportunities and challenges of globalization and to foster economic growth, jobs and prosperity for European citizens. Efforts will be sustained to promote an open and market-oriented and rules-based world trading system for the benefit of all.

Trade policy should also contribute to the Union's environmental and climate objectives, in particular by encouraging the expansion of trade in environmental goods and services.

The Union will remain fully committed to reaching a balanced, ambitious and comprehensive agreement in the WTO Doha Development Round. The Round should be followed by a broad discussion on the future development of the WTO. Regarding the international regulatory framework applicable to export credits, the Union will promote efforts within the OECD to extend the existing disciplines to non-OECD countries. The Union will modernize this framework in order to ensure that its coherence and legitimacy shall continue to prevail, especially in consistency with WTO rules.

As regards Free Trade Agreements, the Union will strive to conclude ongoing negotiations and open new ones with other selected partners as appropriate. It will deepen and strengthen existing trade and investment relationships, in particular through intensified cooperation or economic partnership and regulatory dialogue with major developed partners, in particular in transatlantic relations. The Union will actively seek to strengthen the capacity of developing countries to take full advantage of the international trading system, notably through an efficient implementation of the EU Aid for Trade Strategy, including a review of progress in 2009. Every effort will be made to contribute to the conclusion of comprehensive EPAs.

The three Presidencies remain fully committed to implementing the new market access strategy based on stronger partnership between Commission, Member States and business and to working closely for concrete outcomes, particularly as regards the lifting of non-tariff barriers to trade. The Union will seek to strengthen intellectual property rights provisions, including geographical indications, in future multilateral, plurilateral and bilateral agreements and the enforcement of existing commitments.

Considering the need to reflect on the changes in world trade flows and balances in the context of globalization, the reflection on how to make trade defence instruments more efficient should, if possible, be completed.

Development policy and policy coherence for development

The forthcoming period will be an important phase in the EU's on-going efforts to contribute to the achievement of the Millennium Development Goals in all partner countries and regions by 2015. This is a key element in the EU's over-arching objective to eradicate poverty in the context of sustainable development. Several policies and programmes will require monitoring, fine-tuning and/or new impetus, such as, *inter alia*, strengthening health systems in developing countries with a view to universal access to health. Through collective action to implement the "European Consensus" and through dialogue with international partners, the EU can consolidate and extend its global leadership in shaping policy for the eradication of poverty in the context of sustainable development.

As far as development aid is concerned, the Council will monitor the EU's own collective effort, as well as the international efforts, in order to ensure that aid commitments are honoured and that the burden is shared fairly by all donors. The Council will prepare for active EU participation in the international debates and conferences on this subject, in particular the Doha Conference on Finance for Development at the end of 2008. The Council will work to ensure that development aid takes into account climate change impacts, including disaster risk reduction and climate proof development.

The EU and the international community have also given important commitments to improve the effectiveness of aid during a period when aid is being scaled up. These commitments apply to donors and partner countries. The EU must concentrate its own efforts on implementing the Paris Declaration (2005) by the end of 2010. Having adopted in particular an EU Code of Conduct on complementarity and division of labour in development policy, the EU must both maintain the political will and ensure that there are the best conditions for its application in practice. The EU must take advantage of the international events scheduled in the forthcoming period (in particular, the High Level Forum in September 2008) to take stock of the situation and accelerate progress, aiming in particular at a fair cross-country complementarity, avoiding aid orphans and addressing properly situations of fragility.

As a complement to development aid, it is also necessary to ensure that all EU policies work coherently to contribute to development goals. High priority will therefore be attached to promoting policy coherence for development, ensuring that development concerns are taken into account across relevant policy areas. This includes to update and implement the PCD rolling Work Programme for the 12 EU PCD areas, with a view to report on substantial progress in the second EU biennial report on the application of PCD to be submitted by the Commission in 2009. During the period there will be on-going work and decisive events, both within the EU and internationally, where key policies will evolve. These include trade, climate change, sustainable development strategies, migration, energy, security and health - but there are others. Close attention will therefore be paid to, among others, the Doha Development Agenda, the UN Climate Change Conference, the second Euro-African conference on migration and development and the discussions on the European Security Strategy. Efforts must also be sustained on cross-cutting issues, in particular governance, human rights and gender equality. Special attention will also be paid to the role of local governance and democracy in development cooperation.

Neighbourhood Policy and "Barcelona Process: Union for the Mediterranean"

The Union's European Neighbourhood Policy (ENP) will be further enhanced in its eastern and southern dimensions as an efficient tool to sustain the political and socio-economic reforms undertaken by the countries neighbouring the European Union in order to promote security, stability and prosperity. To promote co-operation between the EU and the partners, on the basis of the ENP principle of differentiation, Action Plans should be more targeted, allowing the Country Specific Progress Reports to be used to assess the possibility of concluding a next generation of contractual relationships. The new enhanced agreement with Ukraine, including a free trade agreement, should be finalized and signed within the 18 months period. The ongoing discussions with Morocco on an "advanced status" should be concluded. The Council will make efforts to upgrade relations with Israel. Close attention should also be paid to fostering relations with the Republic of Moldova, as well as with Georgia, Azerbaijan and Armenia. If the political situation in Belarus significantly improves, full-fledged co-operation with the country should be launched in the framework of the ENP.

Relations with the southern neighbours will be revitalised through the launching of the "Barcelona Process: Union for the Mediterranean" on the basis of the decisions that should be taken at the 13 July summit in Paris. The three Presidencies will remain in close consultation on the follow-up of this process. The Union's strategic relations with its Mediterranean partners will be developed through concrete projects with a view to deepening the political and security dialogue, creating a space of shared prosperity and implementing a social, environmental, cultural and human partnership. A strengthened policy for the EU's eastern neighbours, in both bilateral and multilateral formats, will be elaborated and implemented.

Western Balkans

The European perspective of the Western Balkan countries will be further advanced, in line with the enlargement strategy defined by the European Council in December 2006. The Stabilisation and Association Process for the Western Balkans will remain the most important tool in that respect. Continued support will be provided for the efforts of the region to develop regional cooperation through the newly established Regional Cooperation Council. Work will also be taken forward on the implementation of the Thessaloniki Agenda, notably the promotion of civil society development as well as people to people contacts, including visa facilitation, visa liberalisation dialogue and readmission.

The Union will continue to play a leading role in strengthening the stability of the whole region. The Union will in particular focus its attention on Kosovo, through its civilian ESDP mission and through all relevant Community instruments. The EU should nurture the establishment of a constructive relation between Serbia and Kosovo, not least for a sustainable economic development in Kosovo. Work will continue with a view to concluding Stabilisation and Association Agreements with Bosnia-Herzegovina and with Serbia as soon as necessary steps have been fulfilled. Until the ratification of the Stabilisation and Association Agreement with Albania and Montenegro is completed by all Member States, interim agreements will be in place. Particular attention will be paid to the full implementation of these agreements by partner countries as well as fulfilment of SAP criteria.

Transatlantic relations

Transatlantic relations will be intensified across the board, on political, security and economic issues. Particular efforts will be devoted to strengthening cooperation on climate change, aiming towards a conclusion of a new global agreement in Copenhagen in 2009, as well as on energy security. Issues such as the Union's eastern neighbourhood, Western Balkans, crisis management, conflict prevention, counter-terrorism and promotion of democracy and human rights, will also be on the transatlantic agenda. As far as the US are concerned, the three Presidencies will continue to develop close relations with both the current and as from January 2009 with the new administration. Special effort should be paid to implementing the 2007 programme for economic cooperation as well as the regulatory dialogue, with a view to achieving concrete results at the EU/US summits and at the meetings of the Transatlantic Economic Council. Regarding Canada, special attention should be paid to deepening cooperation on crisis management and strengthening economic relations, *inter alia* as regards regulatory cooperation, investment and services, intellectual property rights and public procurement.

Russia

The Union will aim at further developing the strategic partnership with Russia on the basis of common interests and values. It will promote a co-operative partnership in foreign policy and security matters as well as in the field of energy. Efforts will concentrate on negotiating a new agreement to provide a comprehensive framework for EU/Russia relations, and work will continue on the implementation of the Road Maps of the four Common Spaces. Russia's accession to the WTO will open the prospect of negotiations on a free trade agreement.

Africa

The Union will focus on the implementation of the joint EU-Africa Strategy and the Action Plan, emphasising the strategic partnership and the responsibility on both sides to ensure that commitments are turned into action. A special emphasis should be put on the actions foreseen in the fields of peace and security, development, energy, climate change, trade, human rights, democracy and migration as well as addressing the issue of increased food prices and its consequences.

The Presidencies will carry forward the process of negotiating and implementing Economic Partnership Agreements with the ACP countries in Africa.

The Union will continue to promote peace and security in Africa by supporting stabilisation and reconciliation processes. It will strengthen its support to African peace and security efforts, strengthening its political dialogue with the African Union and contributing to capacity building, especially as concerns the planning and conduct by the AU of peace-keeping missions, whilst respecting the principle of African ownership. Particular attention must be paid to the ongoing conflicts in Sudan, Chad and Somalia, as well as to the situation in the Great Lakes Region and to the recovery from conflict in West Africa.

Middle East

The Union will support all efforts to reach comprehensive peace in the Middle East, in co-operation with international partners as well as partners in the region. It will continue to support the parties in the process launched at Annapolis, including the implementation of existing agreements, such as the Road Map, as well as relevant United Nations Security Council resolutions. High priority will be given to assisting the recovery of the Palestinian economy and institution building in order to lay foundations of a viable Palestinian State living side by side in peace and security with the State of Israel. As agreed at the Paris conference, the EU is prepared to increase its field presence and its assistance. The EU will pay particular attention to contributing to the rule of law in the Palestinian Territories. The EU will continue to encourage Syria to play a constructive role in the region, both in relation to Lebanon and more widely in the peace process; in light of the political developments, signing the association agreement with Syria could be considered. The Union will support the promotion of democracy and stability in Lebanon. It will maintain its support to a secure, stable, democratic, prosperous and unified Iraq where human rights are respected, for example by increasing political engagement and implementing the International Compact with Iraq. A Trade and Cooperation Agreement will be concluded. The Union will follow closely developments in Iran, and will pursue its dual-track approach in order to seek a long-term negotiated solution to the nuclear issue. The EU will continue to develop its relations with the Gulf Cooperation Council, including through the timely conclusion of a Free Trade Agreement.

Central Asia

During the 18-month period the EU will pursue the implementation of the Central Asia Strategy for a New Partnership in its seven main areas: human rights, rule of law, good governance and democratization; education; economic development, trade and investment; energy and transports; environment and water; common threats and challenges; intercultural dialogue.

Asia

The Union will place particular attention to developing and strengthening its relations with its partners in Asia. The dialogue in the ASEM format will be strengthened, in view of the upcoming ASEM summit and ministerial meetings. The Council will focus on enhancing cooperation with multilateral organisations, in particular ASEAN, through the implementation of the EU-ASEAN Joint Action Plan.

With Japan, the focus will be on reinforcing the political and security dialogue and on regional cooperation. Dialogue with China will concentrate on finalising the negotiations of a new Partnership and Co-operation Agreement and on further developing the strategic partnership, *inter alia*, on energy and climate change, on political and development issues, on economic and monetary matters, on intellectual property rights as well as on non-tariff barriers. The human rights dialogue will continue to be an important part of relations with China. Relations with India will focus on deepening economic relations through the Free Trade Agreement, on the implementation of the Joint Action Plan and on achieving further progress in negotiations for a new Framework Agreement. Relations with the Republic of Korea will centre on concluding the Free Trade Agreement and on negotiations of a new Framework Agreement. Relations with individual South East Asian countries will be strengthened through the conclusion and implementation of the bilateral Partnership and Co-operation Agreements and a Free Trade Agreement with ASEAN or possibly with individual countries. The three Presidencies will actively follow developments in Burma/Myanmar and support the EU's and UN's efforts aimed at helping the transition to democracy. The Union will follow closely the developments in South Asia. It will work on strengthening the political dialogue with Afghanistan on the basis of the EU-Afghan Joint Declaration and on implementing the Afghanistan Compact; the EU will also remain engaged in Afghanistan through the EUPOL Mission. Attention will be paid to political developments in Pakistan. Developments on the Korean Peninsula will be closely monitored and the Six-Party-Talks will be supported as the format for finding a peaceful solution of the nuclear issue.

Latin America/Caribbean

Relations with Latin America will be developed, in particular through the continued implementation of the conclusions of the Fifth EU-Latin America and Caribbean Summit held in Lima, and with a view to fully preparing the sixth Summit. Emphasis will be placed on hosting the next EU/Rio Group Ministerial meeting. Negotiations will be taken forward with a view to concluding association agreements with Mercosur, with Central America and with the Andean Community. Relations with Brazil and Mexico will be enhanced and attention will be paid to the development of the situation in Bolivia, Colombia, Cuba, Haiti, Nicaragua and Venezuela.

EFTA

Relations with EFTA countries will be taken forward through the conclusion of new agreements. The three Presidencies will seek to improve cooperation with EFTA countries. Important decisions will be taken in the context of the EEA Council. Cooperation with Switzerland will advance in a number of fields.

