



The Austrian EU Presidency 2006

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Introduction

The EU Presidency

1. On 1 January 2006, Austria will take over the **Presidency of the Council of the European Union** for six months. The Presidency rotates among the EU Member States, following a predetermined order. No distinction is made between large and small countries. They all take part on equal terms. Austria will follow the United Kingdom, the country currently holding the Presidency, and will then be followed by Finland, Germany, Portugal, Slovenia, etc. Austria has already held the Presidency once, in 1998, and will hold it again, for the third time, in the first half of 2019.
2. Holding the EU Presidency is a **service for Europe**. During the first half of 2006, Austrians will preside over a large number of EU bodies: at a political level in the European Council and the Council of Ministers; at the level of officials in around 250 committees and working groups. In course of these six months, Austrians will chair some 2,000 EU meetings in total. They will also represent the EU abroad, speak on its behalf at summit meetings and international conferences, and generally be the face and voice of Europe across the world.
3. As Presidency, Austria will work in a spirit of trust and close cooperation with all its European partners. **Relations with the European Parliament** will play a key role in this respect. The European Parliament now ranks equally with the Council as an EU legislator, and is a valuable and indispensable partner in the successful conclusion of each Presidency's legislative and political plans.

4. The key strategic issues for Austria's Presidency are set out in the European Council's 2004-2006 multi-annual strategic programme. Austria and Finland, who both hold the Presidency in 2006, will use this as the basis for establishing the detailed annual operational programme for 2006. The annual operational programme will contain the following general **objectives**:

- create jobs and growth in Europe.
- secure and develop the specifically European social model.
- rebuild confidence in the European project among EU citizens.
- further establish Europe as a strong and reliable global partner.

This White Paper will show how the Austrian Presidency aims to achieve these four objectives in the various EU policy areas.

5. Full information on the Austrian Presidency can be found on the Austrian Presidency website at www.eu2006.at.

Part One

The Future of Europe

6. The European Union has successfully completed the greatest enlargement in its history. The ten new Member States have found their natural place within our large peace community. Nowadays, the EU has unparalleled inner **diversity**. However, it is faced with the question of how best to utilise this tremendous potential. Debates on the EU's Constitution, values and enlargement show how difficult it often is to answer this question.

The constitutional debate

7. On 29 October 2004, the Treaty establishing a **Constitution for Europe** was signed in Rome. In May 2005, both Austria's National Council and Federal Council voted by a large majority for ratification. To date, parliaments in 13 EU Member States have ratified the Constitutional Treaty. Voters in France and the Netherlands, however, rejected ratification in their referendums.
8. Against this background, the Heads of State and Government agreed in June 2005 on a **reflection phase**, to be used for intensive public debate within the EU Member States. We are endeavouring to give more space again to citizens' concerns about preserving the European social model against the backdrop of globalisation, in order to rebuild trust in the EU's political decision-makers. Under the Austrian Presidency, it will be time to take stock of the Constitution debate and to take decisions on how to proceed in future.

9. In **Austria**, the general public has been involved from a very early stage in this phase of reflection on what has been achieved and where Europe should go from here – with initiatives such as “Europe is Listening” (on the Federal Chancellery and Foreign Ministry websites) and “The Future of Europe” (at www.zukunfteuropa.at). We want to hear and listen to people’s concerns, as well as offer in-depth information. The websites give the public an opportunity to submit ideas and suggestions.

The values debate

10. The question of the future character of Europe to take is closely connected to that of its values. These include in particular fundamental rights, as well as issues such as the comprehensibility and the closeness of the EU to its citizens.
11. Bringing the Union closer to its citizens means also finding ways of legislating in Europe at the closest possible level to the people. A **subsidiarity conference** will therefore be held in Austria in the first half of 2006, building on an initiative taken by the Netherlands and the United Kingdom. One of the topics discussed at this conference will be a stronger role for national parliaments in European integration.
12. As early as the end of 2003, the European Parliament, the Council and the Commission agreed to improve the European legislative process. The aim of the **Better Regulation** initiative is to reduce red tape. The result should be more effective and clearer rules, which are important for economic growth and employment. In addition, the consequences of all future legal acts need to be examined at the drafting stage and the resulting administrative and financial burden kept to a minimum. This should leave laws that are as simple as possible and which have real European added value. Work in this area has gained renewed momentum in recent months. In September 2005,

the Commission decided to withdraw a number of new legislative proposals. “Better Regulation” is a key priority of the current United Kingdom Presidency of the EU. Austria will continue these efforts in the forthcoming year.

13. The negotiations on the mandate for the new **European Union Agency for Fundamental Rights** are to be concluded in 2006. This Agency will follow on from the former European Monitoring Centre on Racism and Xenophobia and will, similarly, have its headquarters in Vienna. The Fundamental Rights Agency is due to begin work on 1 January 2007 and will be a centre of expertise for fundamental rights issues at the EU level.
14. In January 2006, an international conference on European identity and European values entitled the “**Sound of Europe**” will be held in Salzburg on the initiative of the Federal Chancellor. Around 250 eminent persons from the political, scientific, arts and media spheres will be taking part.

The enlargement debate

15. Treaties of Accession were signed with **Romania and Bulgaria** in Luxembourg on 25 April 2005. Both countries are now preparing for their EU membership and have to fulfil a number of conditions in this respect. Their preparations for accession are being continuously and closely monitored by the European Commission. Should the Commission conclude that either of the two countries does not fulfil the conditions for EU accession on 1 January 2007, it can recommend that entry be deferred for one year. The Council of Ministers has the final say and will have to take an appropriate decision under the Austrian Presidency.
16. Accession negotiations with **Croatia and Turkey** were opened on 3 October 2005 in Luxembourg. The “screening process” began for both candidates in

October. This involves the European Commission going through the entire existing legislation of the Union (“acquis communautaire”) with the candidates to identify possible problems in all 35 negotiating chapters for the subsequent accession negotiations. The first reports on the screening process will be presented during the Austrian Presidency. The Council of Ministers will use these as the basis on which to decide, by unanimous vote, whether to open the individual negotiating chapters.

17. The fundamental decision may also be taken under the Austrian Presidency as to whether the EU should open accession negotiations with **Macedonia**. Macedonia applied for accession on 22 March 2004. The Commission delivered its opinion (“avis”) on 9 November 2005.
18. In June 2005, the European Council reaffirmed that all the **Balkan States** have a “European perspective” and thus the possibility to accede to the EU, provided they satisfy the conditions for membership. Austria has always supported this policy. We are convinced that the future of all the countries in the Western Balkans lies within the European Union.

Part Two

European Internal Policy: developing the European project

Jobs and growth for Europe

19. Promoting jobs and growth is currently the most urgent task of European policy, at national and EU level. All the surveys show that it is especially in this area that people have particular expectations of the European Union. These expectations must not be disappointed. For the Austrian Presidency, that means stepping up efforts in respect of the **European Strategy for Growth and Jobs**.
20. This strategy (“the Lisbon Strategy”) was adopted in March 2000. Its objective is to make the EU the most competitive and dynamic knowledge-based economy in the world by 2010. As it concerns an area in which the EU has only coordinating powers, implementing the “Lisbon Strategy” not only calls for decisions at EU level, it also requires a certain degree of cooperation between Member States in the numerous policy areas for which they have exclusive responsibility.
21. The Lisbon Strategy includes recommendations on such crucial topics as innovation, entrepreneurship, research, environment, education, training and expertise as well as better legislation. In all these areas, **Member States** are called upon to introduce measures to boost employment and economic growth.

22. Considerable progress has been made in recent years towards achieving the Lisbon goals. However, it has also become clear that this **progress is too slow** and that the focus of the measures adopted to date need to be adjusted.
23. In order to give fresh impetus to the efforts to achieve the objectives, the European Council decided in June 2005 on new “integrated guidelines” for economic and employment policy, with promoting growth and employment as their first priority. The Member States submitted their **national reform plans**; which include programmes to improve economic performance, by mid-October 2005. Under the Austrian Presidency, the European Commission will analyse these national programmes and report on them to the European Council. The European Council will discuss the report in March 2006 and, if necessary, adopt new measures.

The integrated guidelines, to which the Member States’ reform programmes are geared, can also be modified if need be. The “**European Youth Pact**”, which also forms part of the reform programmes, aims in particular to combat unemployment among young people and to improve the compatibility of family life and work. During the Austrian Presidency, the ministers responsible for youth will discuss these issues and the subject of the recognition of informal and non-formal education at a conference in Bad Ischl, together with young people from all Member States.

24. As part of the Lisbon Strategy, **the Austrian Presidency will seek to** further improve basic conditions for businesses, thus providing a solid foundation for more and higher-value jobs. To ensure that research and innovation maintain their central role, the Austrian Presidency will endeavour to bring about Council decisions for new knowledge, stronger growth, job creation, and increased productivity and competitiveness. At the same time, the Presidency aims to make social security systems more efficient and to coordinate them better with economic and employment processes.

Employment and social policy

25. Employment and social policy will be one of the core topics of the Spring European Council in March 2006. The Austrian Presidency will make employment its priority. A meeting with European **social partners** will be held before this Spring summit to involve them as far as possible in the relaunched Lisbon Process.
26. Under its Presidency, Austria will endeavour to conclude the negotiations on the Working Time Directive. In addition, the Commission is expected to make new proposals on safety and health at work, which will be taken forward. As 2006 is the European Year of Workers' Mobility, considerable attention will also be paid to coordinating social security systems and the cross-border portability of occupational pension rights.
27. In addition, there will be an initial review of the **transitional period for introducing freedom of movement for workers**; since the EU enlargement in 2004, this has restricted access for the majority of citizens from the new Central and Eastern European Member States to the labour market in most of the "old" EU countries. Transitional arrangements also apply to the posting of workers by companies in the new Member States to provide services in Austria and Germany. The Commission is expected to submit a report to the Council in early 2006 on experiences to date with the transitional arrangements. Those "old" Member States that have introduced transitional arrangements must declare by 1 May 2006 whether they wish to continue with their national measures to control access to the labour market for another three years; in the case of Austria and Germany, this includes the transitional arrangements for the posting of workers in the context of the free movement of services. Austria will use this opportunity to extend the transitional period in both areas.

28. Unemployment in the Member States calls for a concentrated effort in order to prevent social exclusion. The Austrian Presidency will take this challenge into account. The new EU **Social Agenda** devotes increased attention to this issue.
29. Austria will prepare the streamlining of **coordination processes in the social area** – social inclusion, modernisation of pension provisions, health and long-term care. This will also include horizontal objectives, such as gender mainstreaming (integration of equal opportunities into all draft policies and Community measures) and access to the labour market. Streamlining these processes will contribute to the modernisation of social protection systems and improve dovetailing with economic and employment policy processes. The initial common objectives for social protection should be adopted at the March 2006 summit. The social protection process should be retained as an independent process alongside the revised Lisbon Strategy in order to emphasise the importance of social issues and give them more weight. Ministers for Social Affairs will discuss this topic at their informal Council meeting in Villach during Austria's Presidency.
30. The impact of demographic change on society and the family is one of the greatest challenges of our time. Under the Austrian Presidency, the discussion process will continue at EU level with a high-level experts' conference entitled "Demographic Challenges – Family needs Partnership". The conference is designed to examine the partnership within families and relations between the family and the workplace, and encourage the exchange of know-how between Member States on this subject.

Research and the internal market

31. **Research** is unquestionably one of today's most important driving forces for growth, employment and prosperity and is consequently one of the cornerstones of the Lisbon Strategy. In order to achieve its objectives, the EU

needs a considerable increase in public and private investment in research and innovation.

The objective of the Austrian Presidency is to make 2006 a year when forward-looking decisions are taken on support for European research, focusing on the timely conclusion of the Seventh EU Framework Programme for Research and Technological Development.

One of the key innovations will be the establishment of a European organisation to promote basic research which is to apply excellence and competition among the best in Europe as its exclusive criteria.

The Austrian Presidency, together with the European Commission, will place considerable emphasis on safety research, space applications and sustainability, and propose measures to significantly increase the proportion of women in European research.

32. Austria recognises the important role of **competition policy**, which promotes fair competition in the internal market and contributes to the competitiveness of the EU as a whole. Each Presidency organises a “Competition Day”, providing representatives of competition authorities, ministries for economic affairs and industry, law courts, businesses, law-firms and scientific institutions with the opportunity to exchange ideas. Austria and Finland are considering co-organising this event.

33. The **services directive** is intended to facilitate the provision of cross-border services within Europe. It is essential for completing the internal market and reinforcing European competitiveness, and plays an important role in achieving the Lisbon goals. Services account for approximately 70 % of private per-capita income and people’s jobs in the EU. The economic impact of the Directive must therefore be carefully examined. However, at the same time, we should not lose sight of its social impact and consumer protection

interests. Austria will take particular care to ensure that the Directive does not lead to wage dumping and social dumping.

Tourism

34. The special importance of **tourism** to the Austrian economy will also be taken into account during the Presidency. Austria will look at the part tourism has to play in improving growth and employment. It will invite the ministers for tourism from the 25 EU Member States, the accession candidates and the EEA and EFTA States and the countries of the Western Balkans to discuss, in the light of the provisions on sustainable tourism in Europe, further topics of importance to the future at a conference to be held in March 2006.

Transport

35. In the area of transport, Austria sees road safety and inland waterway transport as its priorities. A conference of Ministers for Transport in Bregenz in early March will focus on **road safety** in order to foster a common policy dedicated to improving safety for all transport actors. Increased police cooperation is also planned in the area of road safety.
36. In mid-February 2006, a high-level conference on European **inland waterway transport** will be held in Vienna. Austria considers the increased use of inland waterways to be an important instrument to stem the ever growing heavy goods traffic on our roads and to protect the environment. In addition, the harmonisation of technical regulations should result in greater safety.
37. Austria will also continue to pursue a number of innovative legislative proposals that are of importance to citizens. These include the third railway package (particularly improving passengers' rights), the rights of air

passengers with reduced mobility, various measures in the area of air transport safety, external relations in the aviation sector and the implementation of the European satellite programme “Galileo”.

38. Should it not be possible to conclude the **Eurovignette Directive** on the charging of heavy goods vehicles for the use of the road infrastructure during the UK Presidency as planned, it will fall to Austria to conduct the difficult conciliation process between the Council and the European Parliament.
39. It is also anticipated that the European Commission will submit several additional proposals for legislation in the area of air and sea transport (including improved security) during 2005, which may need to be dealt with during our Presidency.

Health and consumer protection

40. The Austrian Presidency will continue to pursue the new Community strategy on **health and consumer protection** and will continue discussions with the European Parliament on the proposal for a Community action programme. Work will also continue on the new proposal on consumer credit, with the aim of providing extensive protection for consumers. Consumer protection in general is to be strengthened by means of a review of the directives concerned.
41. The Presidency will also continue working on a range of other health matters, such as the Regulation on medicinal products for paediatric use, tissue engineering, legislation on medicinal products, information on the nutritional value and health impact of food products and the addition of vitamins and minerals to food products. Other priorities are HIV/Aids and precautions against influenza. The issues of mental health, diet and physical exercise will be central to promoting healthy living and preventing illnesses. Attention will also be devoted to adult diabetes and women’s health.

Equality between men and women

42. The Austrian Presidency will continue to pursue implementation of the Beijing Declaration and Platform for Action, and will work to develop indicators for the area of **women and health** that is now to be analysed. The Platform for Action was the result of the Fourth World Conference on Women held in 1995, and is designed to integrate gender issues in a variety of areas.
43. The debate on the proposal for a Regulation establishing a European **Institute for Gender Equality** will also be continued and, as 2007 is the European Year of Equality, so will collaboration with the European Parliament to promote this as widely as possible. The aim of the Institute, to be operational by 2007, is to support the Commission and Member States in combating gender discrimination, promoting gender equality and raising the awareness of EU citizens on equality issues.
44. The fate of **women following armed conflict and in peacekeeping operations** is a priority for Austria in all international forums (UN, EU and the Organisation for Security and Cooperation in Europe). The unanimously adopted Security Council resolution 1325 (2000) on women, peace and security called for women to be involved in all phases of a peace process and for women's concerns to be taken into account in peacekeeping missions. During its EU Presidency, Austria will be strongly committed to achieving a common position of EU Member States in the different bodies to lay down these standards for international peacekeeping operations.
45. The fiftieth session of the **UN Commission on the Status of Women** will adopt a new multi-annual work programme in New York in Spring 2006 which, ten years after the World Conference on Women in Beijing and shortly after the 2005 World Summit, will determine the topics for the international debate on women's rights for the coming years. The Austrian

EU Presidency will set the following priorities in this respect: implementation of the Beijing Platform for Action, implementation of the millennium development goals with a gender perspective, stronger focus on fundamental rights, violence against women, women and armed conflict.

Sustainable use of natural resources

46. Consolidation of the recently reformed **common agricultural policy** is a priority for the Austrian Presidency. European agriculture must be given a clear signal of stability and reliability in this policy area. It has to be acknowledged that the developments of recent years have set in train a process of reflection on the challenges facing the common agricultural policy.
47. Integrating the European agricultural model into the Lisbon Strategy is a particular priority for the Austrian Presidency. The reformed common agricultural policy contributes to more jobs and higher growth, as it boosts competitiveness and market orientation. It also supports innovation, promotes environmental protection and brings stability to rural areas.
48. The European Commission report on the co-existence of **genetically modified organisms** with conventional crops will also be discussed during the Austrian Presidency, and a conference on this theme with all the stakeholders will take place in Vienna. The Austrian Presidency will particularly focus on the prevention of animal diseases and epidemics. The United Kingdom Presidency already has the reform of the common market organisation for sugar on its agenda.
49. The work on the sustainable **management of forests** will continue during the first half of 2006, with the EU forestry strategy the main topic of discussion.

50. Moreover, consultations on the creation of a new European fisheries fund and on Community finance for the implementation of the **common fisheries policy** will have to be continued under the Austrian Presidency.
51. The aim of the EU **sustainability strategy**, adopted in 2001, is to ensure that economic growth goes hand in hand with social integration and environmental protection. The strategy focuses on the six areas of climate change, public health, poverty and social exclusion, demographic changes, management of natural resources and mobility and transport. The Austrian Presidency will endeavour to involve other configurations of the Council of Ministers in addition to the Environmental Council in implementing the strategy, with a view to ensuring that sustainability principles are taken into account in as many policies as possible.
52. The **Sixth Environmental Action Programme** which lists the EU's main environmental objectives is applicable from 2002 to 2012. A mid-term review is due in 2006. In the coming months, the Commission will present seven thematic strategies in the areas of air quality, soil quality, pesticides, marine environment, waste, conservation of natural resources and urban environment to implement the Action Programme.
53. Austria will devote particular attention to the topics of air quality and the urban environment during its Presidency. The **strategy on air quality** includes an impact assessment of the measures implemented to date on health and vegetation, new targets for the improvement of air quality by 2020 and possible measures in related policy areas to reduce air pollutant emissions from energy, transport and agriculture. The urban environment strategy is based on a European Parliament initiative. Its objectives are to improve environmental efficiency and the quality of life in urban areas, to ensure a healthy living environment for urban residents in Europe and to strengthen the ecological contribution to sustainable urban development. Economic and social issues will also be considered in this context.

54. The **Kyoto Protocol**, which lays down legally binding international climate objectives, entered into force in February 2005. Preparations must begin now to ensure that the international climate efforts are continued after the Kyoto agreements expire in 2012. For this reason, climate policy has already been given high priority under the United Kingdom Presidency. Under Austria's EU Presidency, crucial meetings of the subsidiary bodies of the UN Framework Convention on Climate Change will take place in Bonn in May 2006.
55. At the beginning of 2004, the European Commission adopted an **Action Plan on Environmental Technologies** to promote technologies that boost innovation, growth and sustainable development. The informal meeting of Environment Ministers chaired by the Austrian Presidency, which will be held in Eisenstadt and Rust, will discuss among other things the question of increased dissemination of environmental technologies.
56. Austria will maintain its very critical attitude to the use of nuclear power as an energy source during its Presidency. Nuclear power involves risks and is not a sustainable energy source. Moreover, the problem of final storage has not yet been solved, but will continue to be a burden on future generations.
57. Under European Union law, the choice of energy source lies with the Member States. If a country opts to use nuclear energy, however, the highest possible level of safety must be ensured. This will be the subject of particular attention by Austria during its Presidency. Austria advocates the elaboration of EU-wide safety standards for nuclear power stations.
58. The United Kingdom Presidency is endeavouring to broker a political agreement on regulatory approach to dangerous chemicals based on the precautionary principle. The key objectives of the proposed directive, known by its acronym of **REACH** (Registration, Evaluation, Authorisation of

Chemicals), are to reallocate responsibilities in the chemicals' sector and to establish a European Chemicals Agency in Helsinki. Depending on progress at the end of the United Kingdom Presidency, it will be up to Austria to take this issue forward.

59. The 8th Conference of the Parties to the Convention on **Biological Diversity**, the most important international conference on the environment, will be held during Austria's Presidency in Brazil in March 2006. The international efforts are aimed at reducing significantly the rate of biodiversity loss worldwide by 2010. This target was set at the Sixth Conference of the Parties to the Convention on Biological Diversity in 2002. The 2010 target is the most important objective for Austria in the area of biodiversity for the years to come.
60. The EU Water Framework Directive broadly encompasses the detailed issues relating to **water**. A Commission proposal for a directive on priority substances based on the Water Framework Directive is expected at the end of 2005. Quality objectives and measures to restrict emissions of substances that are particularly harmful to water will also be developed. Austria will continue work on the issue of flood protection following a proposal from the Commission.
61. Austria will make every effort to ensure that events organised during its EU Presidency are environmentally compatible and sustainable ("**Greening the Presidency**").

Freedom, security and justice

62. In the **Hague Programme**, the European Council of 2004 set the priorities for establishing an area of freedom, security and justice for the next five years. The programme promotes cooperation in the fields of combating

terrorism, criminal and civil law, asylum and visa policy and combating corruption and organised crime. With regard to external relations it provides for the area of freedom, security and justice to be extended to countries neighbouring the EU. During its Presidency, Austria will examine the progress made in implementing the Hague Programme and the corresponding action plan and update them if necessary.

63. **Cooperation in criminal matters** will be intensified, particularly in the areas of information exchange, organised crime and data protection. Austria, together with Finland and Sweden, has tabled an initiative on repatriating convicted persons to serve their sentence in their native country, which will promote rehabilitation. Work in this area will continue under the Austrian Presidency and, if possible, be concluded. There will also be a meeting of the European Judicial Network in Graz on this subject during the Presidency.
64. The terrorist attacks in London on 7 July 2005 once again placed the **fight against terrorism** in the EU centre stage. At their extraordinary meeting in July 2005, Justice and Interior Ministers agreed a Declaration on combating terrorism, which lists more than 30 measures to be pursued and urges faster progress on actions already agreed. Austria will continue the work on these key issues during its Presidency.
65. To tackle the issue of terrorism at its source, Austria will direct its attention to the long-term **strategy and action plan against radicalisation and terrorist recruitment**. Priority will be given to the promotion of inter-religious and intercultural dialogues, which will also be the theme of an international conference in Vienna. It is also essential to prevent the financing of terrorism. For this reason, implementation of the Third Money Laundering Directive adopted in 2005 is to be a priority.
66. Corruption is a major facilitating factor in the spread of **organised crime**. Cross-border cooperation across Europe is essential in order to prevent

corruption effectively. For this reason, the Austrian Presidency is preparing legislation to establish an anti-corruption network, which will improve the cooperation that already exists between national authorities.

67. Austria has a pioneering role in the area of information exchange following the signing of the comprehensive **Police Cooperation Agreement** between Austria, Belgium, Germany, Spain, France, Luxembourg and the Netherlands on 27 May 2005 in Prüm, in the Eifel (Germany). Austria will also support increased police cooperation in 2006.
68. With regard to the implementation of the **EU Drug Action Plan 2005-2008**, Austria will focus on cooperation with the Latin American countries that are the main producers of cocaine. A high-level meeting of the Cooperation and Coordination Mechanism on Drugs will be held in Vienna in March 2006 and will be attended by the EU Member States as well as 33 Latin American and Caribbean States.
69. The removal of internal borders and the establishment of common external borders have made it necessary to arrive at a common solution for **asylum and migration issues** within the borders of the EU. Work is currently in progress to establish a common asylum system by 2010 and this will be continued under the Austrian Presidency. Particular attention will be paid to establishing a common asylum procedure with uniform legal status for those granted asylum and common asylum application sites. To combat illegal migration, Austria wants to accelerate work on the policy for repatriating illegal residents, using incentives for voluntary return or agreements with third-party countries regarding effective deportation. At the same time, the Austrian Presidency will start work on a European visa strategy, i.e. uniform criteria for issuing entry visas.
70. **Schengen** evaluations at a technical level, i.e. assessing whether new Member States fulfil the criteria for full introduction of the Schengen *acquis*,

are scheduled to begin in early January 2006. Austria has agreed, in accordance with the UK and Finnish Presidencies, to undertake a comparatively larger number of evaluations during its Presidency. In particular, it will complete a larger number of missions to evaluate police cooperation, data protection, and border control at sea, land and airport borders.

71. Cooperation in **civil matters** needs to be developed further, especially as this area directly affects so many EU citizens and businesses. Attention will continue to be focused on mutual recognition of court judgements in civil and commercial proceedings and access to justice in Europe. In addition, efforts will continue to harmonise international private law in the areas of inheritance law, probate law, divorce law, contract law and compensation. Furthermore, the aim is to create a simplified, more efficient legal procedure for EU-wide enforcement of decisions on undisputed and small claims. Austria will also continue the work on a regulation to introduce a European payment order procedure and measures to speed up small claims litigation.

72. Austria's priority for the **external dimension** of the area of freedom, security and justice will be the European neighbourhood policy and the Western Balkans. Austria has developed a partnership concept for these states, in the framework of which a number of working groups meet. They provide the basis for close cooperation in the areas of migration, trafficking of human beings, terrorism, corruption, organised crime, fundamental rights and democratisation. A Joint Declaration on these topics is to be adopted at the Ministerial Conference to be held in Vienna on 4 and 5 May 2006.

Education and culture

73. In a knowledge-based society, the quality and efficiency of education systems is a fundamental prerequisite for social cohesion, active citizenship

and the achievement of higher growth and more jobs in Europe. One of the priorities of the Lisbon Strategy is to continue promoting these strategic goals in the area of education. The Austrian Presidency will draw up the “Second Joint Interim Report 2006” on the basis of the 27 national interim reports on “Education and Training 2010”, and will endeavour to deliver a condensed version to the European Council in March 2006.

74. The Austrian Presidency intends to broker a common position in the negotiations in the Council and with the European Parliament on the new integrated European education programme “**Lifelong learning**” (which depend on agreement on the EU budget). This new programme combines a range of programmes within a common programme structure, including the Comenius programme (school education), Erasmus (higher and further education), Leonardo da Vinci (vocational training), Grundtvig (adult education), the transversal programme and the Jean Monnet programme. Moreover, national strategies for lifelong learning will also be developed further under the Austrian Presidency. Lifelong learning should not just be restricted to education and training; the EU’s “Youth in Action” programme also offers many opportunities outside the school environment for informal and non-formal (further) education. These include exchanges between young people and cross-border voluntary services. A decision is likely to be taken under the Austrian Presidency so that this can enter into force at the beginning of 2007.

The promotion of **mobility** through the European Quality Charter for Mobility and the development of the European Qualifications Framework is an important topic. This will considerably improve the transparency of Member States’ education systems and facilitate mutual recognition of qualifications. Other priorities for the Austrian Presidency include the European **Indicator of Language Competence** as well as the promotion of key skills required by all citizens for their personal development, social and

professional integration and development of entrepreneurial skills in a knowledge-based society.

75. The Austrian Presidency will also assist in opening up education and further education systems to **non-member countries**. In this respect, Austria will particularly focus on the Western Balkan countries. Another objective will be to renew the existing cooperation programmes in higher and vocational education between the European Community and the USA and Canada.
76. The Austrian Presidency aims to ensure continued and sustainable implementation and further development of the working plan on **culture** for 2005-2006. The emphasis will be on the contribution of culture to growth and coherence in the framework of the Lisbon Strategy and the mobility of art works, art collections and exhibitions.
77. The European Commission is to submit a proposal by the end of 2005 for an amendment to the “**Television without Frontiers**” directive. The codecision procedure is likely to involve a lengthy process in the Council of Ministers and the European Parliament and therefore this item will remain on the agenda at least until the end of 2006. The aim of the Austrian Presidency will be to accelerate the proposal and the debate.
78. In December 2004, a “rolling agenda” was accepted by the government members responsible for **sports** to ensure the continuity of the European sports policy, to ensure a better quality of debate and to obtain tangible results from the preparatory work for the new EU activities in sports. The aim of the Austrian Presidency is to successfully continue this preparatory process and to ensure that tangible results are reflected in the future EU activities in the field of sports. The focus for 2006 will be on sport and health and voluntary activity in the field of sports.

Economy and efficiency: the European Union's finances

79. The European Union needs adequate financial resources in order to carry out its various tasks to serve the citizens. However, it has a duty to manage European taxpayers' money efficiently, which is a matter of particular importance to Austria.

80. The **financial perspectives** provide the framework for the European Union's annual budgets and are set for a period of seven years. They are agreed between the Council of Ministers (unanimity between Member States is required in this case), the European Parliament and the European Commission.

81. The new financial perspective for the period **2007-2013** is currently being negotiated. It is possible that agreement may be reached during the UK Presidency. If so, the Austrian Presidency would be responsible for conducting negotiations with the European Parliament. However, if no political agreement has been reached by December 2005, the Austrian Presidency will have to endeavour to bring it about.

Part Three

European Foreign Policy

Foreign policy

82. The **Western Balkan countries** will be a particular foreign policy priority for the Austrian Presidency. Some of the countries in this region are facing decisions of fundamental importance to their future in the coming year.
83. The first half of 2006 is likely to be a decisive period for the future of the State Union of **Serbia and Montenegro**. In Montenegro, a referendum on independence has been announced during the first half of the year. During this period, negotiations for a Stabilisation and Association Agreement with the EU will also be continued. It is anticipated that stronger links between Serbia and Montenegro and the EU will have a positive impact on the stability of the whole of South-Eastern Europe. For this reason, Austria has a particular interest in a successful conclusion to these negotiations. The EU also expects Serbia and Montenegro to continue to cooperate fully with the International Criminal Tribunal for the former Yugoslavia.
84. In October 2005 the Norwegian Ambassador Kai Eide, as Special Envoy for the UN Secretary-General, submitted a report recommending that talks begin regarding the future status of **Kosovo**. Secretary-General Annan then appointed Martti Ahtisaari as special envoy to conduct these negotiations. It is very likely that talks will begin before the start of Austria's Presidency. As Presidency, Austria will endeavour to contribute to strengthening the role of the EU in Kosovo.

85. Following the latest progress in the reform process (police reform, reform of the armed forces), the Commission is aiming to begin negotiations on a Stabilisation and Association Agreement with **Bosnia and Herzegovina** in 2005. Austria will fully support this endeavour. It is therefore likely that negotiations on the agreement will take place during the Austrian Presidency.
86. If the negotiations on a Stabilisation and Association Agreement with **Albania** can be concluded by the end of 2005, the signing of the Agreement and the ratification process will begin under the Austrian Presidency.
87. The aim of the EU's **European Neighbourhood Policy** is to integrate the majority of Eastern European and Mediterranean countries in a common area of freedom, security and prosperity. (Since the June 2004 European Council, the European Neighbourhood Policy has included the following countries: Ukraine, Belarus, Moldova, Georgia, Armenia, Azerbaijan, Syria, Lebanon, Israel, Jordan, Egypt, Libya, Tunisia, Algeria, Morocco, as well as the Palestinian Authority.) The Austrian Presidency will work to bring these neighbouring states closer to the EU in the framework of this policy. This is to be achieved above all by implementing the action plans tailored to each country and reviewing progress so far. The preparation of a new financing instrument for the European Neighbourhood Policy, to take effect from 2007, will also be an important concern for the Austrian Presidency. In addition, the conduct of the parliamentary elections in the Ukraine in March 2006 will be subject to close scrutiny.
88. After the 2004 presidential elections in the **Ukraine**, closer links with the EU became one of that country's chief foreign policy objectives. This objective, too, is to be achieved with the aid of the new European Neighbourhood Policy action plan, which was agreed in February 2005. The Austrian Presidency will examine an initial evaluation of the implementation so far of

projects under this action plan. The EU-Ukraine Cooperation Council will meet in Brussels in spring 2006.

89. The central issue in relations with **Russia** is the implementation of the Road Maps adopted by the EU-Russian Summit in May 2005 for the “four common spaces”. (These are a Common Economic Space, a Space of Freedom, Security and Justice, a Space of Cooperation in the field of External Security and a Space of Research, Education and Culture). The six-monthly EU-Russia summit will be held in May, and is likely to discuss implementation of the road maps, closer cooperation on energy and the environment, Russia’s possible accession to the WTO and possibly free trade considerations.
90. Support will continue for managing existing crises in Central Asia and the “frozen” conflicts on the territory of the former Soviet Union that, despite intensive international efforts, remain unresolved (in particular Abkhazia, South Ossetia, Nagorno Karabakh and Transnistria).
91. **Transatlantic relations** are of central political and economic importance to the EU. The EU will continue to implement the declarations adopted at the last EU-USA Summit in June 2005, and extend and intensify the strategic dialogue with the USA.
92. The next EU summit meeting with the **USA** is scheduled to take place during the Austrian Presidency. In preparation for this summit, work will actively continue on topics such as strengthening the economic partnership, combating terrorism, multilateralism and climate change, as well as the joint efforts to resolve international conflicts and crises. An important issue in this context is the involvement of parliamentary representatives and representatives of European and American civil society.

93. The continuation of the strong partnership between the EU and **Canada**, which share many positions and goals on international issues, is important for Austria. This partnership will be further strengthened on the occasion of the summit meeting to be held in Canada during the first half of 2006. In the field of economic relations, an agreement to promote trade and investment could possibly be concluded in 2006.
94. Under the Austrian Presidency, the EU will seek to develop its strategic partnership with **Latin America** and the Caribbean. This means, firstly, that negotiations with Mercosur (Argentina, Brazil, Paraguay and Uruguay) on an Association Agreement will be expedited. Secondly, more detailed talks are also to be held with the Andean Community and Central America, which could include the start of negotiations on Association Agreements. Free trade arrangements are to be part of these agreements. Negotiations with the Caribbean States on Economic Partnership Agreements will be continued.
95. The 4th **EU summit meeting with Latin America and the Caribbean** will be chaired by the Federal Chancellor in Vienna in mid-May 2006. Sixty foreign delegations are expected to attend this summit, making it the largest event during the Austrian Presidency in 2006. There is to be open and dynamic debate among the delegates on multilateral, economic and social issues. Meetings are also scheduled to take place around the summit between the EU and the Andean Community, the Caribbean Community (Cariforum), Mercosur, Central America, Chile and Mexico. There will be several preparatory meetings of parliamentarians, business executives and representatives of civil society from both regions. A separate meeting will be devoted specifically to the Coordination and Cooperation Mechanism on Drugs between the EU and Latin America and the Caribbean. A particular priority for Austria will be the area of research. Finally, the first business forum for leading business executives from the two regions will be held in parallel with the summit.

96. The Austrian EU Presidency will place great emphasis on continuing the EU's efforts to resolve the crisis in the **Middle East**. The Middle East Quartet, comprising the EU, UN, USA and Russia, has a particularly important role in this respect. Efforts will continue to bring about the full implementation of the Road Map, aiming at a two-state solution.

Israel's withdrawal from the Gaza Strip presents concrete challenges for the EU, as this withdrawal will be a success in the long term only if the Palestinians' expectations regarding economic reconstruction can be met. For Israel, it is crucial that withdrawal should lead to the end of attacks from the Gaza Strip. A new leadership of the Palestinian Authority legitimised by fair and representative parliamentary elections in January 2006 will be judged by its success in establishing the rule of law in all areas, and particularly in the enforcement of its monopoly on the use of force and the prevention of attacks by militant groups. The EU will offer its instruments to enhance the democratic process on this occasion too (e. g. an election observation mission).

97. Austria has always been committed to a policy of dialogue with **Iran** oriented towards specific objectives. Developments in Iran will be closely monitored during the Austrian EU Presidency, especially as regards nuclear issues. In addition to nuclear issues, it is essential for the EU that Iran takes account of the EU's central concerns, e. g. fundamental rights, the fight against terrorism and Iran's position as regards the Middle East peace process.
98. The EU is seeking to further improve relations with the government and people of **Iraq**. The objective is a safer, more stable and united Iraq, where prosperity and democracy prevail and human rights are respected, and which can exercise its full sovereignty and work constructively with its neighbours and the international community.

99. The negotiations with the **Gulf Cooperation Council** on a free trade agreement are likely to be concluded by the end of the first half of 2006.
100. **Asia** is becoming increasingly important to the EU. The Austrian Presidency intends to continue the close contacts with Asia. Cooperation in multilateral fora, as well as the regular bilateral meetings, will be particularly important in this respect. The Euro-Asian partnership will be further strengthened by the ASEM summit which will take place under the Finnish Presidency in September 2006. Preparation for this summit will begin under the Austrian Presidency, starting with a meeting of senior officials in Vienna on 8 and 9 March 2006. A meeting of European and Asian Finance Ministers will take place in Vienna on 8 and 9 April 2006.
101. During its Presidency, Austria will work for a more intensive dialogue with **Japan**, based on the 2001 EU-Japan Action Plan. An EU-Japan summit meeting will be held during the Austrian Presidency.
102. **China** is now the EU's second largest trading partner. However, it is not only in the economic field that EU-China relations are becoming increasingly important. Austria will therefore endeavour to further develop the strategic partnership with China during its Presidency. The aim should be to establish a comprehensive framework agreement, which would be the contractual basis for EU-China relations. The review of the EU arms embargo against China will continue in accordance with the decision taken by the European Council in December 2004. Other key issues will be the dialogue on trade and energy policy as well as on human rights, social affairs and migration.
103. The next round of EU-China human rights dialogue is planned for May 2006. Efforts should be made to achieve progress towards the ratification of the International Covenant on Civil and Political Rights by China, and towards the abolition of the death penalty in China.

104. The EU entered into a strategic partnership with **India** in November 2004. This partnership was further consolidated at the latest summit meeting in September 2005. In particular, a comprehensive joint action plan was agreed on this occasion. The Austrian Presidency will endeavour to ensure this plan is implemented.
105. Following the general and provincial elections on 18 September 2005, the EU continues to support the reconstruction of a peaceful, democratic and stable **Afghanistan**. It will play its part in establishing a solid, stable foundation for the international engagement in Afghanistan in the future as well.
106. With regard to **Africa**, it will be the task of the Austrian Presidency to begin implementation of the EU-Africa strategy to be approved in December 2005. The EU will expand and deepen its dialogue with the African Union and regional organisations and support the further development of their institutional and personnel resources. Particular attention is to be paid in this context to conflict prevention and resolution, combating poverty, and good governance.
107. The efforts by the EU to support the African Union in managing acute crises, for example in Sudan, Côte d'Ivoire and Somalia, will be continued during the Austrian Presidency. The EU will also support the difficult political transitional processes, for instance in Ethiopia, Uganda, the Democratic Republic of the Congo and Guinea-Bissau.
108. The focus of the Austrian EU Presidency as regards the **United Nations** will be on implementing the results of the World Summit and the 60th UN General Assembly in September 2005. These include establishing new committees such as the Human Rights Council and the Peace Building Commission.

109. The **Organisation for Security and Cooperation in Europe** plays an important role within the European security structure. It has already addressed the new threats in the context of a comprehensive security concept that involves combating terrorism whilst simultaneously protecting the rule of law and human rights, combating trafficking in human beings, tackling intolerance and discrimination and improving the situation of the Roma and Sinti. Together with the EU and the Council of Europe, the OSCE can help to bring about significant progress within its sphere of influence in democratisation processes and in establishing and strengthening constitutional structures. Austria will therefore endeavour to initiate a joint statement by the EU and OSCE regarding their cooperation.

Improvement of consular protection of EU citizens abroad

110. Austria is seeking improvements in **consular cooperation** between EU States in order to offer better protection to EU citizens in non-EU countries. The tsunami disaster in Southeast Asia just has shown us how important this issue is. The Austrian Presidency will focus its efforts on establishing the necessary coordination structures and strengthening cooperation between Member States.
111. In practice this means improving the exchange of information in emergencies between national crisis centres and to coordinating more closely and thus more effectively the deployment of national crisis and support teams through the central EU coordination points. In this context, Austria will also seek to promote greater coordination by Foreign Ministries when issuing travel warnings and advice. Attention will also be given to developing technical cooperation, for example on the means of communication used and on the psychosocial training of crisis team members.

European security and defence policy

112. During the Austrian Presidency, a mechanism is to be developed for the area of **civilian crisis management** in order to permit a regular review of whether the crisis management capacities which member states make available to the Union are in accordance with the “Civilian Headline Goal”. This should make it possible to quickly identify and fill any gaps in capacity.
113. During the Austrian Presidency, work will have to be done in the area of **military crisis management** on a Force Catalogue, which lists all military capacity declared by Member States as their contribution towards achieving the EU’s military “Headline Goal 2010”. This catalogue will then be used as the basis for determining the areas in which these contributions need to be supplemented either in terms of quality or quantity.
114. Austria will continue the work within the EU on the **security sector reform** during its Presidency, and also devote particular attention to the Western Balkan States in this context. Security sector reform is intended to bring lasting stability to regions in crisis and concerns in principle all security-related aspects of state action (military, police, paramilitary groups/militia, border protection, secret services, justice, etc.) at all levels in order to promote efficiency, transparency, the rule of law and full civil and democratic control.
115. The Austrian Presidency will also endeavour to further improve **cooperation between civilian and military crisis management**. The aim is to enable the EU to respond to a broad spectrum of possible crises with the deployment of a variety of different, optimally coordinated tools. Particular attention will be paid to humanitarian aspects of crisis management and the specific challenge of terrorism.

116. During the Austrian Presidency, the conduct of ongoing **crisis management operations** and, if necessary, the preparation of new missions will be of great importance. In the first half of 2006, a review will have to be carried out of the biggest EU operation, EUFOR-Althea in Bosnia and Herzegovina. From December 2005, Austria will be in command of the operation's "Multinational Task Force North". There will have to be discussions on the continuation of the mandate of the EU Aceh Monitoring Mission, the EU mission on security sector reform in the Democratic Republic of the Congo (EUSEC Congo) and the EU rule-of-law mission to train members of the Iraqi judiciary in centres outside Iraq (EUJUST Lex), as these missions are due to expire during the Austrian Presidency.
117. The continued improvement of EU cooperation in the field of crisis management with other international organisations, especially the UN, OSCE and NATO, will be an important concern for the Austrian Presidency.

Development policy

118. The work of the Austrian EU Presidency in the area of development cooperation will be based on the results of the September 2005 World Summit and the commitments made there by the EU. These include the volume and effectiveness of development cooperation, Africa as a priority, and the consistency with development policy of all EU policies with an external dimension.
119. In the first half of 2006, there will be negotiations in multilateral fora, particularly within the UN, where Austria will have to coordinate the EU position. Topics for discussion include HIV/Aids, migration and population development, energy, industrial development, protection of the atmosphere and climate change, trade and development, work and rural development. The Austrian EU Presidency will try to emphasise those areas in which

Austria has particular experience (e. g. energy). Discussion will also continue with the new EU Member States on establishing their development cooperation structures.

120. In spring 2006, the EU-ACP Council of Ministers will meet in Papua New Guinea. This is the supreme body in the **EU's partnership with African, Caribbean and Pacific States**. An EU-ACP joint parliamentary assembly is also scheduled for the coming six months.

Trade policy

121. The ninth round of negotiations on regulating world trade, the "Doha Development Round", has been in progress since the end of 2001. It concerns liberalisation of markets in agricultural products, services, tariffs on industrial goods, special treatment of developing countries, trade concessions and intellectual property. As the participant states have been unexpectedly persistent in defending their interests, it has not been possible to adhere to the three-year timescale planned for completion of these talks. It is hoped that the Sixth Ministerial Conference of the **World Trade Organisation WTO** in Hong Kong in December 2005 will come up with decisions that will make it possible to conclude the round by the end of 2006, or at the latest by mid-2007. The outcome of this conference will determine the trade policy agenda during the Austrian Presidency.
122. Austria has particular concerns in two areas: services and agriculture. In the former, Austria wishes to protect film and radio products designed to preserve cultural identity from foreign suppliers, and is opposed to opening up the market in basic services, i.e. education, health, water supply and public transport.

123. In the area of **agriculture**, the EU has already introduced changes through its reform of the common agricultural policy in 2003, which ensure high-quality products for the end consumer as well as providing legal certainty for international trade. It is now the turn of other WTO members to follow this example and adjust their agricultural policy. In any case, appropriate protection must continue to be maintained for Europe in order to preserve the small-scale family farms. Due account must also be taken of the security of food supplies, food safety, rural development, animal welfare and environmental concerns. Austria also wishes to retain the support paid to farmers for various services, such as nature-friendly farming, care of the landscape and environmental protection.
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