



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 5 December 2003

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NOTE

From: Permanent Representatives Committee

To: Council (General Affairs and External Relations)

Subject: Multiannual strategic programme

1. The Committee has examined the draft multiannual strategic programme for the years 2004-2006 prepared by the six future presidencies in consultation with the Commission.
2. It invites the Council to approve it with a view to its adoption by the European Council.

**MULTIANNUAL
STRATEGIC
PROGRAMME

OF THE COUNCIL**

2004-2006

PREPARED BY THE SIX PRESIDENCIES

**IRELAND, NETHERLANDS, LUXEMBOURG,
UNITED KINGDOM, AUSTRIA AND FINLAND**

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INTRODUCTION

This is the Council's first three-year strategic programme. It covers the period from 2004 to 2006 and has been adopted by the European Council. It has been prepared jointly by the six presidencies which, in turn, will assume stewardship for the Council over that period¹. They are collectively vested with responsibility for seeing that the Council delivers on its agreed priorities up to 2006 efficiently and on time.

The programme will steer the Council's work by setting milestones and, where possible, a structured timeframe for implementing commonly agreed priorities without pre-empting the outcome of future negotiations. It sets out specific objectives to be achieved as part of the drive for economic competitiveness, full employment, economic and social cohesion, social inclusiveness, environmental improvement and internal and external security, which are at the forefront of people's concerns in all Member States. It does not seek to reproduce the formal positions of the European Council, which are set out in the relevant Conclusions.

This programme has been produced in close consultation with the Commission and complements the Commission's annual policy strategy. It will underpin the Council's annual programmes over the next three years. The European Parliament has also been informed about the programme's purpose and content.

The programme is presented in three main sections. The first considers the evolving constitutional, geographical and financial shape of the Union and the objectives for ensuring an effective transition over this period of change. The second sets out the priorities for policy modernisation and development in the main areas of internal Union activity. The third outlines how the Union will engage with the wider world in line with its values, responsibilities and interests.



¹ Ireland, the Netherlands, Luxembourg, the United Kingdom, Austria and Finland.

SHAPING THE FUTURE UNION

1. By the end of the period covered by this programme, the widest-ever enlargement will have become a daily reality. A new constitutional Treaty bringing major changes to the Union's institutional framework will have been approved. In addition, the Union will have laid down the financial framework for its activities into the second decade of the century.

The new constitutional framework

Concluding the process

2. Following signature of the new Constitutional Treaty as soon as possible after 1 May 2004, the priority will be for all twenty-five Member States to begin ratification procedures without delay and carry them forward as expeditiously as possible, so as to allow the new Treaty to enter into force no later than the beginning of 2006. The Union institutions will track progress toward this objective.

Preparing to apply the new Treaty

3. This new Treaty charts the Union's institutional arrangements and operating methods by bringing together under a Constitution new actors, re-organised institutions, new instruments and simplified procedures. Ensuring a seamless transition to the new arrangements will pose a major challenge. All the institutions will use the interval between signature and the beginning of 2006 to prepare intensively the forthcoming changes so that they can be implemented smoothly and effectively as soon as the Treaty enters into force. The Council will also continually strive to improve working methods, building on the recommendations agreed at Helsinki and Seville and on the Code of Conduct agreed in 2003.

The new geographical framework

Effectively integrating the new Member States

4. Making a success of enlargement remains the key priority for the years to come. It will be achieved by integrating the new Member States fully and effectively into the Union in a spirit of Community solidarity and in such a way that accession constitutes a working reality both in terms of rights and obligations. The implementation of the *acquis* in the new Member States will be monitored by the Commission using all available mechanisms.

5. The Union will continue to contribute to building up the necessary administrative capacity in the new members. At the same time, existing programmes in all policy areas will be extended to the new Member States. Steps will be taken to integrate them into the Lisbon Strategy, the Schengen *acquis*, economic policy coordination and the Stability and Growth Pact as rapidly as possible and, on a case by case basis, into the euro-zone.

6. On Cyprus, the Union will continue, in conformity with European Council conclusions, to make clear its willingness to accommodate a settlement in line with its founding principles and consistent with the relevant Security Council resolutions, and to support the UN Secretary General's good offices mission. The Union will encourage all parties to work for a comprehensive settlement on this basis, which would enable the accession of a united Cyprus on 1 May 2004.

Bulgaria and Romania

7. The Union will support the efforts of these two countries to conclude negotiations in 2004 with the objective of welcoming them as members in 2007 and will continue to provide targeted pre-accession assistance. Compliance with the criteria for Union membership will be essential; thorough monitoring will continue in 2005 and 2006, intended to ensure that the *acquis* is implemented in practice and adequately enforced.

Turkey

8. In conformity with European Council conclusions, and on the basis of a report and a recommendation from the Commission, the European Council will decide in December 2004 whether Turkey fulfils the Copenhagen political criteria; if so, accession negotiations will be opened without delay. The Union will encourage Turkey to persist with reforms to meet those criteria and will support this through pre-accession assistance.

Croatia

9. Croatia has already lodged its application for membership of the Union. The Commission's opinion on the application will be delivered in the first half of 2004 after which the European Council will define the next steps in the light of that opinion.

The new financial framework

The Financial Perspective from 2007 onwards: a multifaceted negotiation

10. The Union's present Financial Perspective will expire at the end of 2006. Negotiations on the next Financial Perspective, together with a review of relevant policies, will take place during the period covered by the present multiannual programme. The complexity of the negotiations and the need to agree the new financial framework in good time to allow the proper planning and programming of Union policies call for a tight time schedule. Following discussion of the Commission communication, the expectation is that the Commission, including the commissioners from the new Member States, will present its entire package of financial and legislative proposals at the latest in early July 2004. Work within the Council will aim at reaching possible decisions by the European Council in December 2004 on principles and guidelines with a view to achieving political agreement by the June 2005 European Council so that both the framework itself and the detailed legislation under which it will be implemented can be finally adopted by the end of that year. This will allow preparatory work on new Community programmes to be carried out during 2006 so they can be implemented as from the beginning of the new Financial Perspective period. It will also ensure that the 2007 budgetary procedure can be carried through with clarity and certainty.

SOME KEY DATES

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|----------------|---|
| June 2004 | <ul style="list-style-type: none">• European Council decision on next steps in regard to Croatia. |
| End 2004 | <ul style="list-style-type: none">? Possible conclusion of accession negotiations with Bulgaria and Romania• Decision on whether Turkey fulfils the criteria for starting accession negotiations• Possible guidelines and principles to enable further preparation of the new Financial Perspective |
| June 2005 | <ul style="list-style-type: none">• Political agreement on the new Financial Perspective package |
| End 2005 | <ul style="list-style-type: none">• Final adoption of the new Financial Perspective and the detailed legislation under which it will be implemented |
| Beginning 2006 | <ul style="list-style-type: none">• Entry into force of the new Constitutional Treaty |

PRIORITISING THE POLICY AGENDA

An area of growth and prosperity

The Lisbon Strategy: a mid-term review

11. The Union will pursue with determination this comprehensive strategy to make Europe the most competitive and dynamic knowledge-based economy in the world and to deliver sustainable growth and jobs as well as greater economic and social cohesion, paying due concern to the environment. The European Council will provide added value at its annual Spring meetings by focusing on the political message and on taking concrete decisions in key areas. The period 2004-2006 will see further efforts to improve both the functioning of the strategy and the policy content where necessary. 2005 marks the mid point of the strategy and the Spring Council that year provides a suitable opportunity for a major assessment of progress achieved.

12. An integrated strategy for competitiveness will be pursued. This will seek to ensure that policies are framed and implemented in a manner that contributes consistently to enhanced competitiveness.

13. Systematic consultation of interested parties and a comprehensive assessment of the economic, social, environmental and regulatory impact of all major proposed Union legislation, as provided for by the Interinstitutional Agreement on Better Regulation, will continue.

Achieving the goals: Pressing ahead on the major axes of the Lisbon Strategy

14. Subject to possible policy adjustments following the outcome of the review, the Union's action over the period 2004-2006 will be pursued with the aim of:

- boosting growth;
- creating a wider and more effective economic area;
- creating more and better jobs and modernising the European social welfare model;
- fostering a knowledge-based economy and society, including through education and training;
- promoting sustainable development and decoupling growth from environmental damage.

Boosting growth

15. Sound, stability-oriented macro-economic policies based on sustainable public finances will continue to provide the essential underpinning of Europe's economies, in particular in the light of demographic developments. The process of fiscal consolidation will be continued in accordance with the Stability and Growth Pact. A comprehensive set of Broad Economic Policy Guidelines was adopted in 2003 for the following three year period; the main emphasis in 2004 and 2005 will be on implementing the strategy and policies and on ensuring that the new Member States are properly integrated into the process. A new set of guidelines will be prepared and adopted in 2006.

16. Within the overall framework of the Lisbon Strategy and in line with European Council decisions, there will be full implementation and follow-up of the European Growth Initiative.

17. An essential condition for boosting employment-creating growth is to create a climate in which business and industry generally, and entrepreneurship and innovation in particular, can flourish. The relevant instruments at European level are or will shortly be in place and the priority over the next three years will be effective implementation. Efforts will continue to reduce the administrative burden on business.

A wider and more effective economic area

18. A dynamic and well-functioning internal market is vital for growth, productivity and competitiveness. The Union's work in this area in 2004-2006 will concentrate on:

- completing the internal market in line with the priorities set out in the Commission's 2003-2006 Internal Market Strategy. These include adopting and/or implementing legislation on liberalisation and supervision of the energy and telecommunications markets and on liberalisation of the rail, ports services and air sectors and in the area of procurement. The Financial Services Action Plan must be completed in time for integrated financial markets to become a reality by 2005;
- developing and putting into practice additional means of strengthening the internal market, through better enforcement, timely and effective transposition, a more pro-active competition policy and completion of reform of the state aid system;
- completing the internal market in the services sector. On the basis of the Commission's Services Strategy and the accompanying proposals, there will be a determined push to remove remaining obstacles to the cross-border provision of services, with Member States increasing their own efforts to dismantle such barriers in areas of national competence;
- interconnecting the regions of the Union – including those of the new Member States – with regard to transport links, telecommunications and supplies of energy. Work on the legislative proposals on transport TENs for an enlarged Europe will be carried forward in 2004;
- continuing efforts to tackle harmful tax measures and remove barriers to the internal market created through the fiscal system;
- taking action to increase the level of protection for consumers, including implementation of the 2002-2006 strategy for consumer protection.

Creating more and better jobs and modernising the European social model

19. The European Employment Strategy will continue to guide work on achieving the Lisbon commitments to full employment, improving the quality of work and labour market reforms. The European Employment Task Force's report to the Commission will allow the Spring European Council in 2004 to provide additional impetus to this strategy. A comprehensive set of Employment Guidelines was adopted in 2003 and the main emphasis in 2004 and 2005 will be on implementing the Strategy and ensuring that the new Member States are integrated into the process. A reviewed set of Guidelines will be prepared and adopted in 2006.

20. The Union will continue to work towards fulfilling the Social Policy Agenda in order to modernise and improve the European Social Model. Particular attention will be paid to the fight against social exclusion and poverty. The Member States will persevere with their efforts to modernise their social protection systems in order to guarantee their adequacy and long-term sustainability and will work towards further reforms of pensions and healthcare systems. The results of the current Social Policy Agenda will provide the basis for a new framework for action for 2006 onwards.

21. In order to obtain a high level of health protection for its citizens, the Union will work toward a more consistent incorporation of health issues in the definition and implementation of its policies and activities. Carrying out the 2003-2008 Health Action Programme will be a key priority in this area.

Fostering a knowledge-based economy

22. Increasing investment in research and innovation, education, training and skills will create new opportunities for growth, enterprise and new jobs as well as promoting social cohesion. The agreed policies, objectives and targets need to be translated into action during the period 2004-2006. This will involve:

Research and Innovation

- pressing ahead with the creation of the European Research and Innovation Area; making full use of the 6th Framework Programme for Research and Development and agreeing the 7th Framework Programme in good time before the end of 2006; implementing the Action Plan on ways of increasing investment in RDT so as to approach 3% of GDP by the end of the decade (of which two thirds should be from the private sector); encouraging European cooperation in fundamental and strategic research;
- achieving the 2005 eEurope Action Plan and encouraging the development of the 3G, broadband and digital television markets;

- further promoting frontier and leading-edge technologies, including through the Action Plans on biotechnology and on environmental technologies and the joint EC/ESA space strategy;
- bringing the GALILEO Satellite Navigation Programme through its development and into its deployment phase;

Education, Training and Skills

- Member States implementing the long-term strategy on the objectives of education and training systems, with an emphasis on basic skills, life-long learning, mobility, developing digital literacy and ensuring high standards and the efficient use of resources;
- strengthening cooperation on vocational training, student mobility, the cultural aspects of education, youth exchanges and voluntary activities;
- adopting the next generation of European programmes in the areas of education, culture and youth and realising the European Higher Education Area.

Promoting sustainable development

23. The Union's Strategy for Sustainable Development will be reviewed in 2004 in preparation of the mid-term review of the Lisbon Strategy with an emphasis on achieving coherence between all Union internal policies and consistency between these and the Union's external commitments.

Key sectors for enhancing sustainability include:

- transport, where the medium term policy objective is threefold: decoupling the environmental impacts of transport growth and GDP growth, rebalancing the use of the different modes of transport and increasing safety. Action will be taken on the proposals for infrastructure charging and for further developing the rail market;
- maritime safety and pollution prevention, developing the recent set of initiatives adopted by the Council through Community legislation and by taking an active role in international fora and cooperating closely with neighbouring countries;
- energy, where the Union will press ahead with effective implementation of existing measures to improve management of energy demand, energy efficiency and the use of renewable energy in the interests of reducing greenhouse gas emissions and strengthening security of supplies. Effective use of the multiannual "Intelligent Energy for Europe" Programme (2003-2006) will play a significant part;

- product policy, where an integrated approach will be developed, aimed at decoupling the use of resources and the generation of waste from economic growth and at reducing the environmental impact of products during their entire life cycle.

Environmental protection

24. Work during 2004-2006 will be largely governed by the Sixth Community Environment Action Programme (2002-2012). This will be subject of a mid-term review in 2006. The thematic strategies will be examined with a view to further developing the policy and legislative framework in key areas.

25. Combating climate change remains a major task for the Union. The Union will fulfil its commitments under the Kyoto agreement and will work towards a framework for international action post-2012. The framework for emission trading will be implemented, higher energy efficiency and increased use of renewable energy sources promoted and consideration given to how environmental technologies can be better encouraged and more widely and rapidly applied. Further steps will be taken to control the use of chemicals and pesticides, to protect surface and groundwater, to improve the quality of bathing water, to reduce and better manage waste, to improve monitoring of air quality, to reduce noise emissions and to halt the decline of biodiversity by 2010. Achieving the Göteborg objective and implementing the NATURA 2000 network remains a priority for the Union.

26. Sustainable development in Europe and in the rest of the world are highly interdependent. The Union will maintain a leading role in taking forward international processes, in particular by implementing the commitments undertaken at the Johannesburg Summit on Sustainable Development.

Modernisation of certain policies

Agriculture

27. Following the successful conclusion in June 2003 of the current round of CAP reform, work in the coming years will focus on managing the transition to the new policy framework, on rural development policy, on the reform of specific Common Market Organisations, such as sugar, cotton, olive oil and tobacco and on the smooth integration of the new Member States into the CAP. Responses to consumer concerns on, inter alia, food safety and quality, animal welfare, and the co-existence of genetically modified and conventional crops will be high on the agenda.

Fisheries

28. The Common Fisheries Policy will concentrate on implementing the new policy framework focussing on sustainable fishing, ensuring sound economic, social and environmental conditions, and on regional development with stakeholder involvement. Recovery plans will be adopted for depleted stocks and work will continue towards uniformity in control, enforcement and inspection. Other major issues will be defining a new fisheries policy for the Mediterranean, setting up a joint inspection structure and improving scientific advice for management decisions.

An area of freedom, security and justice

Implementing the Tampere agenda

29. The Union will bring to successful fruition the Tampere programme and aim to adopt, by the May 2004 deadline, those legislative measures required by the Treaty of Amsterdam.

30. A resolute policy to combat illegal immigration and trafficking in human beings will require stronger cooperation with third countries, in particular through readmission agreements.

Decisions will be taken on establishing a Return Fund. The management of external borders will receive greater priority in the fight against illegal immigration and cross-border organised crime. The concept of integrated management of the Union's external borders will be further developed. In accordance with the European Council conclusions, the Council will continue to examine the relevant needs for Community financial resources and burden-sharing mechanisms.

31. The Union will continue to elaborate a comprehensive policy on the integration of legally residing immigrants with a view to granting them rights and obligations comparable to those of EU citizens. In the first instance the remaining legislative proposals indicated in the Tampere programme will be finalised.

32. In the field of asylum the two Directives on minimum standards on the qualification as refugees and the procedures for granting/withdrawing refugee status will be rapidly finalised. Work will be carried forward on ensuring the more orderly and managed entry into the Union of persons in need of international protection and on examining ways and means to enhance the protection capacities in the regions of origin.

33. The Union will take further action to prevent and fight criminality, including implementing the Framework Decision on drug trafficking. It will also step up its fight against terrorism and take further measures against its financing.

Follow-up to Tampere

34. At the European Council in June 2004 the Union will initiate an assessment of the achievements of the Tampere programme with a view to launching a further development of its Justice and Home Affairs policies. Among the major challenges to be addressed will be:

- full implementation of the common integrated system for external border management. This will include the creation of a common European asylum system to deliver effective international protection. Further steps will be taken in order to improve the management of migration flows. The development of a visa information system will also feature prominently and the Schengen Information System II will be put in place by 2006;
- strengthening the operational dimension of law enforcement cooperation and stepping up the fight against serious crime and terrorism. Closer police, judicial and customs cooperation will include a new action plan on drugs for the period 2005-2009 and the revision in 2005 of the strategy for the fight against organised crime;
- improving access to justice for citizens of the Union, in extending the system of mutual recognition and enforcement and in developing other measures which are ancillary to mutual recognition.

35. The continued integration of the Justice and Home Affairs agenda into the Union's external policies and a deepening of that process will remain a key feature of the programme in the period from 2004.

SOME KEY DATES

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| 2004 | <ul style="list-style-type: none">• Review of the EU's Sustainable Development Strategy• Completion of Tampere programme• Assessment of Tampere programme and the launch of a further programme of JHA actions. |
| 2005 | <ul style="list-style-type: none">• Mid-term assessment of the Lisbon Strategy• Adoption of a new Social Policy Agenda• Start of new Action Plan on Drugs• Revision of the Strategy against organised crime |
| 2006 | <ul style="list-style-type: none">• Adoption of the 7th Community Framework Programme for Research and Development• Mid-term review of the 6th Community Environment Action Programme• Adoption of new 3 year Broad Economic Policy Guidelines• Mid-term review of the Employment Strategy and adoption of new 3 year Employment Guidelines |

THE UNION AS A GLOBAL PLAYER

36. The Union is a global player by virtue of its size, population and economic strength. As a community of shared values, it is well positioned to exercise a responsible role internationally. It has a particularly strong development perspective, providing more than half of public development assistance worldwide. The full range of its external relations instruments – diplomatic measures through the Common Foreign and Security Policy, capabilities for conflict prevention and civilian and military crisis management under the European Security and Defence Policy, development cooperation and assistance and external commercial policy – enable it to have an integrated approach to the problems facing the international community.

Implementing the European Security Strategy

37. The European Council is adopting a new European Security Strategy at the same time as the adoption of this Multiannual Programme. Effective implementation of this new Strategy will constitute a key priority of the Union.

38. The Security Strategy underlines the need for the Union to become more active, more coherent and more capable. Institutional arrangements in the new Treaty will further this objective. Other steps across a range of areas will also be taken over the lifetime of this programme, including the further development of conflict prevention and military and civilian crisis management capacities as part of the European Security and Defence Policy.

39. Effective multilateralism and a strong network of bilateral relationships are mutually reinforcing. The Union will work multilaterally and bilaterally to enhance its effectiveness as a global player. It will further develop its ties with regional organisations and key bilateral partners. Traditional relationships will be deepened, especially with the strategic partners identified in the Security Strategy.

40. The Security Strategy identifies three strategic goals for the Union:

- Building security in our neighbourhood
- An international order based on effective multilateralism
- Addressing the threats

Building security in our neighbourhood

41. The Union will define a range of policies towards its neighbours in the East and in the South, based on shared values and helping to address common challenges. The Northern Dimension will also be developed and a third Northern Dimension Action Plan prepared and finalised in 2006.

42. The Union will continue its strong commitment to the region of the Western Balkans. Support for reform will remain a high priority in the context of achieving the shared goal of integrating the region into European structures, on the basis of full compliance with the Copenhagen criteria and with international obligations. The Stabilisation and Association Process, which will be continuously enriched by elements inspired by the enlargement process, will constitute the overall framework for the European course of the Western Balkans countries. Efforts towards concluding Stabilisation and Association Agreements with those countries which do not yet have one will continue.

43. A new neighbourhood policy will be developed, with the Commission presenting from 2004 proposals for Action Plans for all countries concerned and introducing Neighbourhood Programmes in preparation for the proposed new proximity instrument.

- *Eastern Europe*: Relations with the "New Neighbours" in Eastern Europe – Ukraine, Moldova, Belarus – will be developed on the basis of political and economic benchmarks specific to each country.

- *Mediterranean region*: In addition to deepening the Barcelona Process, a new range of bilateral and sub regional Action Plans will be set up, focussing on reform efforts, good governance and human rights. The tenth anniversary of the Barcelona Process in 2005 will provide an opportunity for stocktaking and setting new objectives.

44. Resolution of the Arab/Israeli conflict will remain a strategic priority for Europe. This includes the implementation of the roadmap and strengthening Quartet cooperation, particularly with the crucial deadline of 2005 for the setting up of a democratic and viable Palestinian State.

45. The Union will consider appropriate follow-up to the report from the Commission and the High Representative on its relations with the Arab world.

46. The Union will continue to contribute to the political and economic reconstruction of Iraq, which is critical for the Middle East region as a whole, in line with UN Security Council resolutions.

An international order based on effective multilateralism

47. The Union is committed to make effective multilateralism a central element of its external action, with a strong UN at its heart. A core Union objective will be to continue to strengthen mechanisms to develop a united, coherent and visible policy in the UN. Support for the role of the UN in the maintenance of international peace and security will be enhanced, including cooperation with the UN in relation to conflict prevention and crisis management. The Union will seek to develop a leadership role in responding to increasingly urgent calls for reform of the United Nations.

48. The Union will enhance the coherence and consistency of its human rights policy. In its efforts to uphold and develop international law, the Union will continue to have the promotion and protection of human rights as a priority objective of its foreign and security policy, both in multilateral organs and fora and in bilateral contacts with third countries. The Union will also continue to promote the widest possible participation in the ICC Statute.

49. Cooperation with the OSCE and the Council of Europe will be actively pursued, particularly in the fields of conflict prevention and crisis management, support for democratisation, the rule of law and human rights.

50. The Union will effectively implement the agreed EU-NATO permanent arrangements, which provide the framework for the strategic partnership in crisis management.

51. The Union will continue to work actively and constructively for a successful conclusion and implementation of the "Doha Development Agenda", in the light of the conclusions to be drawn from the overall assessment of the Cancun Conference. The fundamental objectives of the Union in this process will remain the promotion of further multilateral liberalisation of trade accompanied by a strengthening of the WTO's rules-based system, the improvement of the integration and effective participation of the developing countries into the multilateral trading system and the promotion of sustainable development.

Addressing the threats

52. The Security Strategy outlines the multi-pronged approach and mixture of instruments that are required to deal with current threats. The Union has such a mixture of instruments – political, economic, trade, developmental, civilian, military – at its disposal; the challenge over the period ahead is to develop these instruments further and to use them effectively. The Member States also need to continue to improve their capabilities, both military and civilian, to ensure that the Union has the necessary means for rapid deployment in the full range of crisis management operations.

53. The Union will continue the fight against terrorism through full use of its internal and external instruments. It will take the action of third countries in this area into consideration when further developing relations with these countries.

54. The Union will elaborate and implement its Strategy and Action Plan on the non proliferation of weapons of mass destruction, with the objective of deterring, halting and where possible reversing proliferation of such weapons and their means of delivery.

Following up on development commitments

55. Achieving the Millennium Development Goals by 2015 is one of the biggest challenges facing the United Nations and the international community. The Union will work with partners towards achieving these Goals, implementing the specific commitments agreed at Monterrey and Johannesburg. A stocktaking of progress towards meeting the Millennium Development Goals and other commitments will be undertaken.

56. Efforts will be pursued to fully implement the Joint Statement on EC Development Policy of November 2000. Priority will be given to ensuring improvements in aid effectiveness, coherence, coordination and complementarity in support of the primary objective of the reduction of poverty, including the fight against diseases like HIV/AIDS, TB and malaria. This priority should be reflected in the mid-term review of country strategies to be conducted in this period. Budgetary management and resource allocation will be given particular attention. A review of the balance of EC external aid will be undertaken. The Joint Statement may be reviewed during the 2004-2006 period.

57. An assessment will be made on whether to initiate negotiations in 2004/2005 on amendments to the Cotonou Agreement, at the same time as discussions on possible budgetisation of the European Development Fund will be pursued. The Economic Partnership Agreements (EPA) negotiations will be accelerated so as to allow the EPA to be established by 2007.

SOME KEY DATES

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| 2004 | <ul style="list-style-type: none">• Action Plans for countries concerned by Wider Europe initiative• Stabilisation and Association Agreements and European Partnerships concluded with Balkan countries• Mid-term review of Country Strategies• Establishment of the agency in the field of defence capabilities development, research, acquisition and armaments |
| 2005 | <ul style="list-style-type: none">• Stocktaking of Barcelona Process• Possible review of Joint Statement on EC Development Policy |
| 2006 | <ul style="list-style-type: none">• Finalisation of 3rd Northern Dimension Action Plan• Deadline for 0,39% ODA/GNI target |