



**COUNCIL OF
THE EUROPEAN UNION**



11574/06 (Presse 218)

PRESS RELEASE

2743rd Council Meeting

General Affairs and External Relations

General Affairs

Brussels, 17 July 2006

President **Mr Erkki TUOMIOJA**
Minister for Foreign Affairs of Finland

* The 2744th meeting on External Relations is the subject of a separate press release (11575/06 Presse 219).

P R E S S

Rue de la Loi 175 B – 1048 BRUSSELS Tel.: +32 (0)2 281 6083 / 6319 Fax: +32 (0)2 281 8026
press.office@consilium.europa.eu <http://www.consilium.europa.eu/Newsroom>

11574/06 (Presse 218)

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Main Results of the Council

*The Council adopted conclusions highlighting the need to ensure coherence in EU policies as regards **migration** issues and welcoming the results of an EU-African ministerial conference on migration held in Rabat on 10 and 11 July.*

*It approved an agreement between the member states on the financing of Community aid, under the 10th European development fund, for development cooperation with the **African, Caribbean and Pacific** group of states and the EU's overseas countries and territories. The agreement provides for funding amounting to EUR 22 682 million for the 2008-13 period.*

*The Council adopted a regulation establishing an instrument for the financing of assistance to **EU candidate countries** and potential candidate countries, providing for a total of EUR 11 468 million for the 2007-13 period.*

*It also adopted a decision allowing for increased scrutiny by the European Parliament of the **implementation of certain types of EU legal acts** under committee procedures involving Parliament, Council and Commission.*

CONTENTS¹

PARTICIPANTS.....	5
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ITEMS DEBATED

PRESIDENCY PRIORITIES	7
-----------------------------	---

MIGRATION	8
-----------------	---

OTHER ITEMS APPROVED*EXTERNAL RELATIONS*

– UN General Assembly – EU priorities	9
– United Nations high-level dialogue on migration and development.....	9
– Morocco - Euro-Mediterranean agreement - Promotion of democratic principles	9
– EU - China summit.....	9
– EU - Republic of Korea summit.....	10
– Sixth Asia-Europe meeting	10
– EU strategy for the Pacific - <i>Council conclusions</i>	10
– Russia - TACIS programme - Court of Auditors report - <i>Council conclusions</i>	14
– Partnership with Greenland.....	16

ENLARGEMENT

– Instrument for pre-accession assistance *	17
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DEVELOPMENT COOPERATION

– ACP-EU partnership agreement - Overseas countries and territories - Financial aid *	18
---	----

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- Where declarations, conclusions or resolutions have been formally adopted by the Council, this is indicated in the heading for the item concerned and the text is placed between quotation marks.
- The documents whose references are given in the text are available on the Council's Internet site <http://www.consilium.europa.eu>.
- Acts adopted with statements for the Council minutes which may be released to the public are indicated by an asterisk; these statements are available on the abovementioned Council Internet site or may be obtained from the Press Office.

GENERAL AFFAIRS

- Procedures for the exercise of implementing powers conferred on the Commission*..... 19
- Proceedings in the Council's different configurations20

ECONOMIC AND FINANCIAL AFFAIRS

- Draft EU budget for 2007 *20

TRANSPORT

- Agreements on air services - Maldives and Uruguay20

PARTICIPANTS

The Governments of the Member States and the European Commission were represented as follows:

Belgium:

Mr Karel DE GUCHT
Mr Didier DONFUT

Minister for Foreign Affairs
State Secretary for European Affairs, attached to the
Ministry of Foreign Affairs

Czech Republic:

Mr Cyril SVOBODA

Minister for Foreign Affairs

Denmark:

Mr Claus GRUBE

Permanent Representative

Germany:

Mr Frank-Walter STEINMEIER

Federal Minister for Foreign Affairs

Estonia:

Mr Urmas PAET

Minister for Foreign Affairs

Greece:

Ms Theodora BAKOYANNIS
Mr Yannis VALINAKIS

Minister for Foreign Affairs
State Secretary for Foreign Affairs

Spain:

Mr Miguel Ángel MORATINOS CUYAUBÉ

Minister for Foreign Affairs and Cooperation

France:

Mr Philippe DOUSTE-BLAZY
Ms Catherine COLONNA

Minister for Foreign Affairs
Minister with responsibility for European Affairs

Ireland:

Mr Dermot AHERN

Minister for Foreign Affairs

Italy:

Mr Famiano CRUCIANELLI

State Secretary for Foreign Affairs

Cyprus:

Mr Yiorgos LILLIKAS

Minister for Foreign Affairs

Latvia:

Mr Normans PENKE

State Secretary, Ministry of Foreign Affairs

Lithuania:

Mr Oskaras JUSYS

Under-Secretary at the Ministry of Foreign Affairs

Luxembourg:

Mr Jean ASSELBORN

Deputy Prime Minister, Minister for Foreign Affairs and
Immigration

Mr Nicolas SCHMIT

Minister with responsibility for Foreign Affairs and
Immigration

Hungary:

Ms Kinga GÖNCZ

Minister for Foreign Affairs

Malta:

Mr Michael FRENDU

Minister for Foreign Affairs

Netherlands:

Mr Bernard BOT

Minister for Foreign Affairs

Austria:

Ms Ursula PLASSNIK

Federal Minister for Foreign Affairs

Poland:

Ms Anna Elżbieta FOTYGA

Minister for Foreign Affairs

Portugal:

Mr Manuel LOBO ANTUNES

Deputy State Secretary for European Affairs

Slovenia:

Mr Dimitrij RUPEL

Minister for Foreign Affairs

Slovakia:

Mr Ján KUBIŠ

Minister for Foreign Affairs

Finland:

Mr Erkki TUOMIOJA

Minister for Foreign Affairs

Ms Paula LEHTOMÄKI

Minister for Foreign Trade and Development

Sweden:

Mr Jan ELIASSON

Minister for Foreign Affairs

United Kingdom:

Ms Margaret BECKETT

Secretary of State for Foreign and Commonwealth Affairs

.....

Commission:

Ms Benita FERRERO-WALDNER

Member

.....

The Governments of the Acceding States were represented as follows:

Bulgaria:

Mr Ivailo KALFIN

Deputy Prime Minister and Minister for Foreign Affairs

Ms Meglena KUNEVA

Minister for European Affairs

Romania:

Mr Mihai-Răzvan UNGUREANU

Minister for Foreign Affairs

ITEMS DEBATED

PRESIDENCY PRIORITIES

The Council took note of priorities presented for the duration of the Finnish presidency, which runs until the end of the year, and held an exchange of views.

MIGRATION

The Council adopted the following conclusions:

"The Council recognises the growing importance of migration related issues as an integral part of the external relations of the EU in the framework of a balanced and comprehensive approach to migration. The Council reaffirms the need to ensure coherence of EU policies in that regard, especially concerning migration and development. Developing the Global Approach to Migration, priority actions focusing on Africa and the Mediterranean, agreed in December 2005, is a fundamental priority for the Union. The Council equally recognises the importance of other migratory routes, in particular the eastern and south eastern regions neighbouring the Union.

The Council welcomes the outcome of the Euro-African Ministerial Conference on Migration and Development held in Rabat on 10-11 July 2006, and reaffirms the Council's commitment to a close partnership between Europe and Africa and an effective follow-up. The Council also notes the existence of migratory routes and the interrelationship between them, and invites further work, including on Eastern Africa migratory routes.

The Council expresses its concern regarding the increasing illegal migratory flows in the Mediterranean and the Atlantic and underlines the need to address all aspects affecting this serious situation, particularly on the sea borders, through short-, medium-, and long-term concrete measures, including maritime operational cooperation with a view to developing adequate surveillance capacities at the sea borders.

The Council also stresses the importance of effective preparations for the EU-Africa Ministerial Conference on Migration and Development, which Libya has offered to host in Tripoli, as a contribution towards a Joint Strategy and to the second EU/Africa Summit in Lisbon as soon as possible.

The Council reiterates the need for a balanced and comprehensive approach on migration and development in its relations with third countries. It welcomes the organisation by the United Nations of the High Level Dialogue on International Migration and Development. The Council welcomes the Commission Communication which provides a useful contribution to the EU position to the High Level dialogue. The EU will participate actively in the High Level dialogue and will present to the UNSG the EU position as a contribution to its preparation."

OTHER ITEMS APPROVED**EXTERNAL RELATIONS****UN General Assembly – EU priorities**

The Council approved EU priorities for the 61st General Assembly of the United Nations that will meet in New York from 12 September 2006 (*11380/06*).

The EU will give the highest priority to engaging with its UN partners with a view to reaching consensus on implementation of the outcome of the 2005 world summit.

United Nations high-level dialogue on migration and development

The Council approved the position to be adopted by the EU at a United Nations high-level dialogue on international migration and development, which will take place in New York on 14-15 September 2006 (*see also p. 8*).

Morocco - Euro-Mediterranean agreement - Promotion of democratic principles

The Council adopted a decision approving a draft decision of the EU-Morocco association council on the establishment of a subcommittee on human rights, democratisation and governance under the EU-Morocco association agreement (*9473/06*).

The EU-Morocco association council has already established six bilateral subcommittees for implementing and enhancing cooperation between the parties.

EU - China summit

The Council took note of the state of preparations for the ninth EU - China summit, which will take place in Helsinki on 9 September 2006.

EU - Republic of Korea summit

The Council took note of the state of preparations for the third EU - Republic of Korea summit, which will take place in Helsinki on 9 September 2006.

Sixth Asia-Europe meeting

The Council took note of the state of preparations for the sixth Asia-Europe meeting (ASEM), which will take place in Helsinki on 10-11 September 2006 and will mark the tenth anniversary of the ASEM process.

The ASEM dialogue addresses political, economic and cultural issues, with the objective of strengthening the relationship between the two regions, in a spirit of mutual respect and equal partnership.

The ASEM process includes the EU's 25 member states, the European Commission, the 10 countries of the Association of Southeast Asian Nations (ASEAN), as well as China, Japan and the Republic of Korea.

EU strategy for the Pacific - *Council conclusions*

The Council adopted the following conclusions:

- "1. The European Union recalls its long-standing cooperation with the Pacific ACP countries in the framework of the ACP/EU Partnership Agreement and reaffirms its ambition of strengthening the partnership between the European Union and the Pacific region.
2. The Council moreover recalls the existing EU agreements with the Pacific and draws attention to the close links with some Member States through the overseas territories of France (French Polynesia, New Caledonia, Wallis and Futuna) and of the United Kingdom (Pitcairn).

3. The Council reaffirms its commitment to working with the Pacific region to support the eradication of poverty and the achievement of the Millennium Development Goals (MDGs) by addressing issues such as governance, stability, regional and economic integration, and environmental vulnerability. In this context the Council also recognises the many other challenges the countries face, such as human resource development and unemployment, health care issues, in particular sexual reproductive health and rights as set out in the Cairo Agenda of the International Conference on Population and Development, the fight against HIV/Aids, as well as transportation.
4. The Council welcomes the Commission Communication on "EU Relations with the Pacific - a Strategy for a Strengthened Partnership" and agrees to focus its attention on the areas set out below:
 - Strengthening the political relationship between the EU and the Pacific ACP countries, for example through an enhanced dialogue with the Pacific Islands Forum (PIF);
 - Addressing the socio-economic and environmental challenges through more efficient, better coordinated and more focused development cooperation, giving priority to sustainable development and sustainable use of natural resources.
5. The Council confirms that all efforts should be in line with the European Consensus on Development, which defines the objectives and principles of Community development cooperation and highlights the importance of policy coherence for development, taking into account the countries' own needs, strategies, priorities and assets.

A strengthened political relationship

6. The Council emphasises its wish to enhance political dialogue on matters of common interest with the Pacific states and region, including democracy, good governance and human rights, peace and security and regional and economic integration.
7. Recognising that democracy and good governance are based on credible, efficient institutions, the EU will lend particular support to good governance and the fight against corruption. The positive roles of parliaments and civil society, especially NGOs, are seen as important in this respect.

8. Promoting and protecting human rights, especially women's and children's rights, and fundamental freedoms, respecting the rule of law and encouraging the growth of pluralistic participatory democracy in the Pacific region are recognised goals and will be advanced as prerequisites for stability and growth.
9. Political cooperation will also include specific assistance for fragile states and for post-conflict reconstruction, in line with the United Nations, and encouragement for further initiatives, such as electoral monitoring and special missions to help resolve political issues.

Regional cooperation and integration

10. Regional cooperation is especially important in the Pacific in order to deal with its development challenges. In this context, the Council underlines the unique identity and vulnerability of Small Island States and the importance of respecting the special needs of the smaller nations in the region, and highlights the outstanding cultural diversity of the Pacific region.
11. Therefore, regional cooperation shall be further intensified by encouraging the existing regional organisations, in particular the Pacific Islands Forum (PIF), to implement the Pacific Plan, and key CROPs (Council of Regional Organisations in the Pacific), such as the Secretariat of the Pacific Community, and also by building on synergies and cooperation with the OCTs in the region.
12. The Council furthermore reiterates the potential of regional economic integration and trade, including cooperation with the OCTs, which is seen as beneficial for all parties. The Economic Partnership Agreement (EPA) as an instrument for development will be the privileged area of cooperation, fostering smooth and gradual integration of the region into the global economy and promoting sustainable economic development. In this regard, the Council reaffirms its commitment to the timely conclusion of the EPA negotiation to allow it to enter into force by 1 January 2008. The Council underlines the importance of compatibility of the EPA with similar arrangements between the countries of the Pacific and like-minded partners in the region.

13. The Council notes the importance of trade links with and between the countries of the Pacific for prosperity and security in the region to enhance growth and employment. In this context, the Council acknowledges the important contribution to private sector development made by the European Investment Bank and the Asian Development Bank and encourages these organisations to increase their efforts in the region within the existing mandates. Furthermore, the Council also recognises the value of technical assistance aimed at enhancing trade.

More efficient and focused development cooperation

14. The Council highlights the need for the EU to enhance its profile in the region, including through strengthening EU representation and contacts between the EU and the Pacific. Given the limited presence of Member States in the Pacific, the Commission's proposal for joint EU action shall be elaborated further, for example the "Europe House" concept.
15. The Council sees the necessity of supporting the Region to achieve the MDGs as an overall objective, especially the fight against poverty. In this respect special attention should be given to Papua New Guinea, the Solomon Islands and Timor Leste, being the three countries with the lowest GDP/capita in the Pacific, and the most disadvantaged and poorest groups of society of the countries in the region.
16. The Council notes the particular challenges of sound sustainable development in the Pacific and the vulnerability to natural disasters. Willing to support sustainable development in the Pacific, the EU will help countries protect their biodiversity, including dealing with climate change and rising sea levels and addressing diminishing fish-stock and coral bleaching.
17. The Council furthermore emphasises its readiness to support Pacific countries in land use, land and natural resources management, the fight against land degradation, illegal logging and deforestation, and making ecological and sustainable use of renewable energy resources and the immense ocean and coastal resources, including enhanced pollution and waste management.

18. Moreover, the Council stresses the need to strengthen Disaster Risk Reduction including through the Pacific Tsunami Early Warning System and France, Australia and New Zealand (FRANZ) agreement.
19. The Council underlines the importance of ensuring that policies fully support the MDGs and the principles outlined in the Paris Declaration on Aid Effectiveness of March 2005. The Council recognises the importance of working closely with all other donors active in the region, as well as with multilateral institutions, such as UN organisations, the Asian Development Bank and the World Bank, in an effort to improve donor coordination and harmonisation and alignment to recipient country systems. In this context, the existing relations with Australia and New Zealand should be further strengthened.

Follow-up

20. The Council invites all parties to ensure the effective follow-up of these conclusions. The Council will build on existing mechanisms to monitor and review progress on the implementation, in consultation with Pacific Partners. The Commission is asked to report on progress within the scope of Community competence. Contributions from EU Heads of Missions in the area are welcomed."

Russia - TACIS programme - Court of Auditors report - *Council conclusions*

The Council adopted the following conclusions on special report No 2/2006 of the Court of Auditors concerning the performance of projects financed under the TACIS programme in the Russian Federation:

"The Council,

1. Welcomes Special Report No 2/2006 concerning the performance of projects financed under TACIS in the Russian Federation. It commends the Court of Auditors for a timely and thorough audit.
2. Recalls that the European Union has allocated over EUR 7 000 million to TACIS between 1991 and 2006 and that the Russian Federation has been the largest beneficiary country, receiving around EUR 200 million annually.

3. Notes with concern the main conclusion of the audit that the efficiency of the use of TACIS funds in the Russian Federation has been low. It regrets that the objectives were not met in a number of the audited projects and that projects were deemed sustainable in only a few cases. It also regrets the lack of a real dialogue between the Commission and the Russian authorities and the consequent lack of a sense of ownership on the Russian side. Given the size and duration of the programme, the audit results can only be seen as disappointing.
4. Approves the recommendations of the Court to the Commission that it should:
 - Base planning of its external action programmes in the Russian Federation on a real dialogue with the relevant Russian authorities;
 - Finance only such projects which have clear and mutually shared objectives;
 - Realistically appraise the potential for sustainability during the planning phase of projects;
 - Ensure the ex-post assessment, or evaluation, of the completed projects;
 - Provide information to the public on the projects and their results;
 - Further promote the use and implementation of Institution-Building Partnership Programmes.
5. Welcomes the Commission's recognition of the weaknesses identified by the Court and its intention to draw the lessons from the implementation of the TACIS programme in using the future European Neighbourhood and Partnership Instrument in support of the implementation of the road maps of the Common Spaces agreed between the European Union and the Russian Federation.
6. Welcomes the improvements following the reform of EC External Assistance, notably the devolution of project management to the Commission delegation in Moscow. It also welcomes the recent agreement on co-financing of the European Studies Institute in Moscow with the Russian Federation; it encourages the Commission to further develop co-financing as a tool for the future assistance to the Russian Federation.

7. Underlines that targeted Community assistance can still play an important facilitating role for the development of EU-Russia cooperation. It recalls in this context that the implementation of the road maps for the four Common Spaces is a key priority for the European Union. It welcomes the Commission's intention in the new programming period to engage in enhanced dialogue with the Russian Federation to determine how financial cooperation can be used to drive forward this joint EU-Russia policy agenda, thus ensuring the full ownership of the Russian side of projects funded under ENPI.
8. Invites the Commission to:
 - Continue efforts to establish a productive dialogue with the authorities of the Russian Federation;
 - Pursue work to improve the definition, assessment, notably of sustainability, and ex-post evaluation of projects;
 - Raise public awareness in the Russian Federation of its activities under the TACIS and future ENPI programmes.
9. Welcomes the cooperation established by the Court with the Accounts Chamber of the Russian Federation. It looks forward to the joint communiqué on TACIS performance in the Russian Federation."

Partnership with Greenland

The Council adopted a decision approving a new partnership with Greenland and Denmark for the period 2007-2013 (9802/06).

The partnership is aimed at broadening and strengthening relations with Greenland and contributing to its sustainable development, in particular in the following areas: education and training, mineral resources, energy, tourism and culture, research and food safety.

A joint declaration establishing the partnership between the EU and Greenland was signed on 27 June 2006 (see press release 10928/06).

ENLARGEMENT**Instrument for pre-accession assistance ***

The Council adopted a regulation establishing an instrument for pre-accession assistance (IPA) for the period 2007-2013, aimed at assisting candidate and potential candidate countries in their approximation to the EU, with membership as a potential final goal (9894/1/06, 10245/06).

The financial envelope allocated to the instrument amounts to EUR 11 468 million.

The regulation replaces current pre-accession financial instruments, in particular PHARE¹, SAPARD², ISPA³, the Turkey pre-accession instrument and CARDS⁴. It will be supported by implementing rules defining more closely the areas of activity.

Beneficiary countries are divided into two categories, depending on their status as either candidate countries (Croatia, Turkey and the former Yugoslav Republic of Macedonia) or potential candidate countries (Albania, Bosnia and Herzegovina, Montenegro and Serbia, including Kosovo).

The assistance provided will be used in the following areas:

- strengthening of democratic institutions, as well as the rule of law, including its enforcement;
- the promotion and the protection of human rights and fundamental freedoms and enhanced respect for minority rights, the promotion of gender equality and non-discrimination;

¹ The PHARE programme applies to the acceding and candidate countries, and principally involves institution building measures as well as measures designed to promote economic and social cohesion and cross-border cooperation.

² The SAPARD (Special Accession Programme for Agriculture and Rural Development) programme deals with the problems of the structural adjustment in agricultural sectors and rural areas of the applicant countries of Central and Eastern Europe for the period 2000-2006. (Council Regulation 1268/1999 of 21 June 1999).

³ ISPA (Instrument for Structural Policies for Pre-Accession) is aimed at addressing environmental and transport infrastructure priorities identified in accession partnerships with the candidate countries. (Council Regulation No. 1267/1999 of 21 June 1999).

⁴ The CARDS (Community Assistance for Reconstruction, Development and Stabilisation) programme is aimed at supporting the participation of the countries of the Western Balkans in the Stabilisation and Association Process (Council Regulation (EC) No 2666/2000 of 5 December 2000).

- public administration reform, including the establishment of a system enabling decentralisation of assistance management to the beneficiary country in accordance with the rules laid down in regulation 1605/2002;
- economic reform;
- the development of civil society;
- social inclusion;
- reconciliation, confidence-building measures and reconstruction;
- regional and cross-border cooperation.

DEVELOPMENT COOPERATION

ACP-EU partnership agreement - Overseas countries and territories - Financial aid *

The Council approved an internal agreement on:

- the financing of Community aid under the multi-annual financial framework for the period 2008-2013 in accordance with the ACP-EU partnership agreement (Cotonou agreement);
- the allocation of financial assistance for the EU overseas countries and territories (OCTs) (*8944/06 and 10648/2/06*).

The agreement was signed by representatives of the EU member states, in the margins of the Council.

The agreement establishes the 10th European development fund (EDF), with an amount of up to EUR 22 682 million contributed by the member states, of which 21 966 million will be allocated to the ACP group of states, mainly to finance national and regional indicative programmes, 286 million to the OCTs and 430 million to the European Commission for expenditure linked to programming and implementation of the EDF.

The agreement will enter into force after ratification by all 25 EU member states.

The representatives of the member states, meeting within the Council, also adopted a decision that allows certain provisions of the internal agreement to be applied provisionally, pending its entry into force, in order to ensure a timely implementation of the 10th EDF as soon as the resources are available (10847/06).

(See also press release 10270/06).

GENERAL AFFAIRS

Procedures for the exercise of implementing powers conferred on the Commission*

The Council adopted a decision amending the procedures for the exercise of implementing powers conferred on the Commission in order to introduce a new type of procedure, the regulatory procedure with scrutiny. This procedure allows the legislator to oppose the adoption of "quasi-legislative" measures implementing a codecision-based instrument when it considers that the draft exceeds the implementing powers provided for in the basic instrument, or that the draft is incompatible with the aim or the content of that instrument or fails to respect the principles of subsidiarity or proportionality (11287/06 and 11472/06).

The decision provides for a balanced solution to the European Parliament's request for improving scrutiny of implementation of legal acts adopted under the co-decision procedure. It will also ensure that the Parliament receives better information on the work of committees.

The decision amends decision 1999/468/EC laying down the procedures for the exercise of implementing powers conferred on the Commission, which provided for a limited number of procedures for the exercise of such powers.

The Council also adopted a statement by the three institutions containing a list of 25 legal instruments already in force to be adjusted without delay in accordance with the new regulatory procedure with scrutiny (10871/06).

Proceedings in the Council's different configurations

The Council took note of a presidency report on proceedings in the Council's different configurations (11401/06).

ECONOMIC AND FINANCIAL AFFAIRS**Draft EU budget for 2007 ***

The Council approved at first reading the EU's draft general budget for 2007, following agreement by qualified majority on 14 July on the basis of 11277/06 FIN 315 + ADD 1 and 11278/06 FIN 316 + ADD 1 + ADD 2, accompanied by the Council statements as set out in 11673/06.

TRANSPORT**Agreements on air services - Maldives and Uruguay**

The Council adopted decisions approving the signing and provisional application of agreements on air services between the EU and Maldives and between the EU and Uruguay.

The agreements are the result of negotiation under a mandate by which the Commission can negotiate with any third country with a view to bringing member states' bilateral aviation agreements into line with Community law.
