

PRESIDENCY CONCLUSIONS

NICE EUROPEAN COUNCIL MEETING

7, 8 AND 9 DECEMBER 2000

1. The European Council met in Nice on 7, 8 and 9 December 2000. Proceedings began with an exchange of views with the President of the European Parliament, Ms Nicole Fontaine, on the main topics for discussion.

I. CHARTER OF FUNDAMENTAL RIGHTS

2. The European Council welcomes the joint proclamation, by the Council, the European Parliament and the Commission, of the Charter of Fundamental Rights, combining in a single text the civil, political, economic, social and societal rights hitherto laid down in a variety of international, European or national sources. The European Council would like to see the Charter disseminated as widely as possible amongst the Union's citizens. In accordance with the Cologne conclusions, the question of the Charter's force will be considered later.

Operation of the institutions

3. The European Council points to the importance of implementing the operational recommendations approved by it in Helsinki for the working of the Council and takes note of the report on the new co-decision procedure. It reiterates its commitment to supporting the Commission's administrative reform. It notes with satisfaction the measures adopted by the Council and the Commission in order to improve the effectiveness of the Union's external action.

II. ENLARGEMENT

4. The European Council reaffirms the historic significance of the European Union enlargement process and the political priority which it attaches to the success of that process. It welcomes the stepping up of accession negotiations with the candidate countries, which has brought very considerable progress, particularly in recent months.
5. The European Council believes that the time has now come to lend fresh impetus to the process. It endorses the General Affairs Council conclusions of 4 December 2000 concerning the strategy proposed by the Commission. It is pleased to see that the principle of differentiation, based on each candidate country's own merits, and allowance of scope for catching up are reaffirmed in those Council conclusions. The road map for the next 18 months will ease the way for further negotiations, bearing in mind that those countries which are the best prepared will continue to be able to progress more quickly.

6. In the European Council's view, that strategy, together with the completion of the Intergovernmental Conference on institutional reform, will place the Union, in accordance with the objective set by the European Council in Helsinki, in a position to welcome those new Member States which are ready as from the end of 2002, in the hope that they will be able to take part in the next European Parliament elections. In Göteborg, in June 2001, the European Council will assess progress in implementing that new strategy, in order to give the necessary guidance for the successful completion of the process.
7. The European Council appreciates the efforts made by the candidate countries to establish the conditions for adoption, implementation and practical application of the *acquis*. The candidate countries are requested to continue and speed up the necessary reforms to prepare themselves for accession, particularly as regards strengthening their administrative capacity, so as to be able to join the Union as soon as possible. The European Council calls upon the Commission to propose a programme for the frontier regions in order to strengthen their economic competitiveness.
8. The European Council takes note of the Council report on candidate countries' exchange-rate strategies, which identifies an exchange-rate strategy compatible with accession to the Union, followed by participation in the exchange-rate mechanism and finally adoption of the euro. It welcomes the establishment of economic and financial dialogue with the candidate countries.
9. The European Council welcomes the progress made in implementing the pre-accession strategy for Turkey and is very pleased at the agreement reached on the framework Regulation and on the Accession Partnership at the Council meeting on 4 December 2000. It highlights the importance of that document for closing relations between the Union and Turkey along the lines mapped out by the Helsinki European Council conclusions. Turkey is requested swiftly to submit its national programme for adoption of the *acquis*, basing it on the Accession Partnership.
10. The meeting of the European Conference at the level of Heads of State or Government on 7 December 2000 provided an opportunity for discussion in depth of institutional reform and the operation of the European Union in the longer term. The European Council regards the European Conference as a useful framework for dialogue between the Union's Member States and the countries in line for membership. It proposes that the countries covered by the stabilisation and association process and the EFTA countries be invited to attend as prospective members.

III. COMMON EUROPEAN SECURITY AND DEFENCE POLICY

11. The European Council approves the Presidency report, plus annexes, on the European security and defence policy
12. The European Council calls on the next Presidency, together with the Secretary-General/High Representative, to take forward work within the General Affairs Council, in accordance with the tasks assigned in the Presidency report. The objective is that the European Union should quickly be made operational in this area. A decision to that end will be taken by the European Council as soon as possible in 2001 and no later than at its meeting in Laeken. The incoming Swedish Presidency is requested to report to the European Council in Göteborg on all of these matters.

IV. A NEW IMPETUS FOR AN ECONOMIC AND SOCIAL EUROPE

A. Social Europe

European Social Agenda

13. The European Council approves the European Social Agenda (see Annex), which defines, in accordance with the Lisbon European Council conclusions and on the basis of the Commission communication, specific priorities for action for the next five years around six strategic guidelines in all social policy areas. This Agenda constitutes a major step towards the reinforcement and modernisation of the European social model, which is characterised by the indissoluble link between economic performance and social progress.
14. On the basis of reports from the Commission and the Council and a regularly updated scoreboard, the European Council will at each spring meeting look at how the Agenda is being implemented, beginning at its Stockholm meeting in March 2001. The European Council invites the social partners, especially, to play their full part in implementing and monitoring it, particularly at an annual meeting to be held before the spring European Council meeting.

European strategy for employment

15. The rate of economic growth in the European Union is now the most favourable for ten years; it should reach 3,5% this year. Unemployment has decreased for the third consecutive year since 1997 and in mid-2000 the unemployment rate was 8,7%, with a rate of less than 8% being forecast for 2001. During the same period the employment rate increased from 60,7% to 62,1%.
16. The European Council takes note of the Commission proposal on the employment guidelines for 2001, which confirms the medium-term approach begun at the Luxembourg European Council meeting. The guidelines make improvements particularly as regards increasing the quantified objectives, including qualitative aspects peculiar to the various countries. They must enable account to be taken of the quality of employment, increased development of entrepreneurship and the cross-cutting objective of lifelong learning.
17. It endorses the agreement obtained in the Council on these guidelines, on the individual recommendations addressed to the Member States and on the joint report. It welcomes the constructive participation of the European Parliament and of the social partners and the integrated approach, including economic and educational aspects, under which work on this subject was carried out.

European strategy against social exclusion and all forms of discrimination

18. The European Council approves the objectives of combating poverty and social exclusion adopted by the Council. It invites the Member States to develop their priorities in relation to these objectives, to submit by June 2001 a national action plan covering a two-year period and to define indicators and monitoring mechanisms capable of measuring progress.
19. The European Council underlines the importance of the recently adopted texts designed to combat all forms of discrimination in accordance with Article 13 of the Treaty.

Modernisation of social protection

20. The European Council takes note of the progress reports of the High-Level Working Party on Social Protection on the future evolution of social protection as regards pensions and of the Economic Policy Committee on the financial implications of an ageing population.
21. The European Council approves the Council's approach, which involves a comprehensive assessment of the sustainability and quality of retirement pension systems. The European Council invites the Member States, in cooperation with the Commission, to exchange their experience and present their national strategies in this area. The results of this preliminary overall study on the long-term viability of pensions should be available in time for the European Council meeting in Stockholm.

Worker involvement

22. The European Council welcomes the agreement reached on the social policy aspects of the European company. That agreement, which takes into account the different types of employment relations existing in the Member States, will leave Member States the option of whether to transpose into their national law the reference provisions relating to participation applicable to European companies constituted by merger. In order for a European company to be registered in a Member State which has not transposed these reference provisions, an agreement must have been concluded on the arrangements for worker involvement, including participation, or none of the companies involved must have been governed by participation rules prior to the registration of the European company. On this basis, the European Council calls on the Council to complete before the end of this year the texts enabling the Statute for the European company to be established.
23. The European Council notes the substantial progress made in the negotiations on the draft Directive on informing and consulting employees and calls on the Council to continue examining that Directive.

B. Europe based on innovation and knowledge

Mobility of students and teachers

24. The European Council approves the Resolution adopted by the Council concerning an action plan for mobility (see Annex). It calls on the Member States to step up their internal coordination in order to implement the 42 practical measures, relating to administrative, legislative, financial and social aspects, which are designed to define, increase and democratise mobility in Europe and to promote suitable types of funding. Progress will be assessed every two years.

eEurope 2002 Plan

25. The European Council takes note of the interim reports from the Commission and the Council on implementation of the eEurope 2002 Action Plan, which describe the progress achieved. At its Stockholm meeting it will examine an initial report on the contribution which this plan has made to the development of a knowledge-based society as well as the priorities for its further implementation. In the same context, the contribution which the plan has made to modernising the civil service in the Member States will also be examined in the light of the meeting of Ministers for the Civil Service held in Strasbourg.

Research and innovation

26. The European Council notes the progress achieved in the construction of a "European Area of Research and Innovation". It would like the initiatives taken to improve the transparency of research results and the attractiveness of scientific careers to be continued. It takes note of the Council conclusions on the Community financial instruments for SMEs and the first results of the EIB's "Innovation 2000" initiative.
27. The European Council calls on the Commission to submit an initial report to the European Council in Stockholm on progress made in achieving a European Area of Research and Innovation.

28. The European Council takes note of the report submitted by the Commission on the GALILEO project. For the validation phase, funding will be based on appropriations from the Community and the European Space Agency. For the implementation of the project and its subsequent management, public-private partnership will be necessary. The European Council confirms the conclusions of its Cologne meeting on the role which will have to be played by private financing. The European Council urges the Council to define the arrangements for the GALILEO project at its meeting on 20 December 2000, with a view, inter alia, to guaranteeing sound financial management and balanced participation by all the Member States.

C. Coordination of economic policies

Structural indicators

29. The European Council welcomes with satisfaction the list of structural indicators, compatible among the various Member States, drawn up on the basis of the Commission and Council proceedings. These indicators, which also show progress achieved, will be used to draw up the synthesis report. A small number of indicators will be selected by the Council before the European Council meeting in Stockholm.

Regulation of financial markets

30. The European Council broadly agrees with the initial findings in the interim report by the Committee chaired by Mr Lamfalussy on the regulation of European securities markets and the third Commission report on the action plan for financial services. It invites the Council and the Commission to report back to it on this subject at Stockholm in March 2001 on the basis of the Committee's final report.

Euro

31. The European Council welcomes the improvements made to the workings of the Eurogroup and its visibility. It also welcomes the intention to extend the range of mainly structural matters dealt with in this forum, with due regard for the conclusions of the Luxembourg European Council meeting. These improvements intended to enhance the coordination of economic policies will help to boost the growth potential of the euro area.

32. The European Council notes the progress made in preparing for the introduction of euro coins and notes. The Commission's scoreboard, presented regularly within the Eurogroup, makes it possible to chart progress in the different countries. It would like preparatory work to be speeded up and proposes some common dates to structure information on the subject in the euro area during 2001: the week of 9 May as part of the Europe days; presentation of euro coins and notes in September; making euro coins available in mid-December to individuals in those Member States choosing to do so; and introduction of euro coins and notes at midnight on 31 December. An effective system to protect the euro against counterfeiting must be adopted as soon as possible in 2001.

Tax package

33. The European Council is pleased with the agreement reached on the "tax package" in accordance with the timetable and conditions established by the European Council in Feira, particularly regarding the essential content of the Directive on the taxation of savings. It asks the Commission and the Presidency to undertake discussions with the United States and other third countries as quickly as possible in order to encourage the adoption of the equivalent measures for the taxation of savings. The Member States concerned have undertaken to make the necessary arrangements for the adoption of the same measures as those applicable in the European Union in all dependent or associated territories referred to in the Feira conclusions. Discussions on the Code of Conduct (business taxation) must be continued in parallel in order that both the Code and the Directive on the taxation of savings may be adopted together. The Presidency and the Commission will report on all the aspects of the tax package to the European Council when it meets in Göteborg.

D. Preparation for the spring European Council

34. In Stockholm on 23 and 24 March 2001, the European Council will hold its first regular spring meeting specially devoted to the examination of economic and social matters on the basis of the synthesis report prepared by the Commission and relevant reports from the Council, in the light of, inter alia, the demographic challenges which the Union will have to face. The meeting will provide an opportunity to take stock of the implementation of the overall strategy agreed in Lisbon. This first meeting is of particular importance for the future development of the process and the European Council urges all parties to continue actively with preparations, taking into account the preliminary work initiated by the current Presidency.

V. CITIZENS' EUROPE

A. Consumer health and safety

35. The European Council affirms the need to implement rapidly and fully the principles introduced by the Treaty of Amsterdam, which provides for a high level of human health protection in the definition and implementation of all Community policies and activities. In this context, the European Council notes the Council Resolution on the precautionary principle (cf. Annex).
36. The European Council notes the Commission's presentation of a proposal for a Regulation intended, on the one hand, to lay down the general principles and basic requirements of food law and, on the other, to establish a European Food Authority. Food safety policy must apply to the whole food chain, for humans and animals alike. The new European Food Authority must operate with the highest possible level of scientific excellence, independence and transparency, thus helping to prevent crises. The European Council invites the Council and Parliament to speed up work so that the future European Food Authority may become operational as from the beginning of 2002.

B. BSE

37. The European Council has noted the measures agreed by the Council to combat BSE: implementation of test programmes, suspending the use of meat and bone meal in productive livestock feed and the withdrawal of specified risk material, the list of which could, if required, be extended. All of these provisions must be implemented swiftly and rigorously in order to give consumers a lasting guarantee that beef is safe. More intense efforts in the field of human medicine and veterinary research are essential if the prevention, diagnosis and treatment of this disease are to be guaranteed.
38. The European Council has taken note of the Commission's intention to propose measures to improve the situation in the beef market, to study the situation of livestock breeders and to analyse in greater detail the supply of and demand for oil and protein-bearing plants, in strict compliance with the financial perspective.

C. Maritime safety

39. The European Council calls on the European Parliament and the Council to conclude as soon as possible the adoption of the provisions on port State control and on classification societies, in particular by stepping up inspections of vessels with the highest risk, and of the provisions on the accelerated phasing-out of single-hull oil tankers, by seeking agreement, as far as possible in the International Maritime Organisation.
40. The European Council notes the new Commission proposals intended to improve maritime safety; these proposals aim to improve the European system for reporting and supplying information on maritime traffic, to establish a European Maritime Safety Agency and to remedy the inadequacies of the current international system for liability and compensation.
41. All of these proposals provide an essential contribution to the EU maritime safety strategy requested by the European Council. The European Council invites the Member States to implement in advance the measures approved by the fifteen Member States where they do not require an international framework.

D. Environment

Climate change

42. The European Council regrets the fact that it was not possible to reach an agreement at the conference in The Hague. It stresses the need for all parties under Annex B of the Protocol to initiate without delay the measures necessary to fulfil their commitments and reaffirms the Union's pledge to work resolutely towards the ratification of the Kyoto Protocol so that it can enter into force in 2002 at the latest. Progress was made during the negotiations on all the subjects under discussion, particularly with regard to developing countries, and this progress must be capitalised upon in future negotiations involving all parties, including developing countries. The European Council supports the proposal to hold informal discussions in Oslo before the end of the year. The sixth Conference of the Parties must resume work without delay. The European Council appeals to all the Parties to make every possible effort to reach an agreement as quickly as possible.

Environment and sustainable development

43. The European Council has noted with interest the Council reports on incorporating environmental concerns into economic policies. It notes the recommendation favouring incentive-based instruments, particularly with regard to taxation. These reports provide an important contribution to the preparation of the European sustainable development strategy to be examined by the European Council in Göteborg.
44. The European Council notes with interest the work carried out on the question of international environmental governance and on possible solutions to remedy its current weaknesses in both the short and the long term, including the possible establishment of a world environment organisation. The European Council invites the Council to continue discussions on the matter and to submit detailed proposals for its meeting in Göteborg in June 2001, including those in preparation for Rio+10.

E. Services of general interest

45. The European Council has taken note of the Commission communication on services of general interest and approves the declaration adopted by the Council (cf. Annex). It invites the Council and the Commission to continue their discussions in the framework of these guidelines and the provisions of Article 16 of the Treaty. The European Council notes the Commission's intention to consider, in close cooperation with the Member States, ways of ensuring greater predictability and increased legal certainty in the application of competition rules relating to services of general interest. The Council and the Commission will report on the implementation of these guidelines for the European Council in December 2001.

F. Security of Union supplies in certain products

46. The European Council requests the Commission to carry out a detailed study, in cooperation with the General Secretariat of the Council, on the security of supplies in the Union and to identify the opportunities for developing cooperation in this area.

G. Area of freedom, security and justice

Fight against money laundering

47. The European Union should play a full part in the international fight against money laundering. Agreement has been reached on major texts such as the Directive and the Framework Decision on money laundering. It calls on the Commission and the Council to implement as soon as possible the guidelines drawn up by the Finance and Justice and Home Affairs Ministers on 17 October 2000, in particular those intended to adopt as from June 2000 counter-measures against the non-cooperating territories defined by GAFI.

Judicial and police cooperation

48. The Council is requested to take promptly the measures advocated in the programmes concerning the mutual recognition of court decisions, in order to facilitate the notification of court decisions in the Union.
49. The European Council recalls the need to promote operational cooperation between the competent authorities of the Member States in controlling the Union's external borders, and in particular its sea borders, with a view in particular to curbing illegal immigration. It has noted with interest the letters from the Spanish and Italian Prime Ministers on this matter. It asks the Council to adopt initiatives in this direction, involving the candidate countries where appropriate.

Asylum and immigration

50. The European Council takes note of progress on all aspects of the policy established at Tampere: partnership with countries of origin, integration of third-country nationals and control of migration flows. It asks that the last remaining problems concerning the texts aimed at combating the traffic in human beings and illegal immigration be settled as soon as possible in accordance with the explicit request made at Feira. The European Council also notes that the Commission has submitted two communications on immigration policy and a common asylum procedure and calls on the Council to begin discussing these matters at an early date.

H. Europe of culture

Culture and Audiovisual Matters

51. The European Council welcomes the agreement reached by the Council on the MEDIA Plus programme of aid to the audiovisual industry and the adoption of a Resolution on the systems of national aid for this sector.

Sport

52. The European Council notes the declaration adopted by the Council (see Annex) on the specific characteristics of sport. The European Council also welcomes the Council conclusions concerning the World Anti-Doping Agency and agrees to intensify European cooperation in this area. It also noted the UN Millenium Declaration on the promotion of peace and mutual comprehension by means of sport and the Olympic Truce.

I. Outermost regions

53. The European Council noted the Commission's updated work programme aimed at the full implementation of the Treaty provisions concerning the outermost regions and also the proposals submitted to help those regions. It calls on the Council to examine these proposals as soon as possible. The European Council will take stock of progress on the whole dossier at its meeting in Göteborg in June 2001.
54. The European Council notes the Commission's report on POSEIMA and the measures announced concerning the development of the economy of the Azores and Madeira archipelagos. Taking account of the economic and social importance of the milk sector for these outermost regions, the Commission has proposed removing, under certain conditions, the milk-product consumption of the Azores from the national calculation of the additional levy for a period of four years from 1999/2000.

J. Island regions

55. On the basis of Declaration No 30 annexed to the Treaty of Amsterdam, the European Council confirms the need for specific measures for the benefit of island regions, in accordance with Article 158 of the TEC, in view of their structural handicaps which impair their economic and social development, within the limits of the budget resources available.

VI. EXTERNAL RELATIONS

A. Cyprus

56. The European Council welcomed and strongly supports the efforts of the United Nations Secretary-General to achieve an overall agreement on the Cyprus problem consistent with the UN Security Council Resolutions and to arrive at a positive conclusion of the process initiated in December 1999. It appeals to all the parties concerned to contribute to the efforts made to this effect.

B. Mediterranean

57. The Fourth Euro-Mediterranean Ministerial Conference in Marseille has confirmed the relevance of the process launched in Barcelona five years ago and has adopted important guidelines for revitalising the partnership.
58. The European Council confirms the Union's commitment to deepening this partnership in all areas. The MEDA programme, which has been reformed so as to draw the lessons from the initial years, will be allocated EUR 5,35 billion for the period 2000-2006, which reflects the importance that the Union attaches to the partnership. The European Council welcomes the EIB's announcement of additional support of EUR 1 billion for countries in the area.
59. It notes the progress on negotiations on a future fisheries agreement with the Kingdom of Morocco and hopes that a solution can be reached before the end of the year. If this is not possible the European Council asks the Commission to propose, keeping within the financial perspective, a specific action programme for restructuring the Community fleet which has fished in the framework of the old agreement, and to extend the current system of aid for the inactivity of the fleet.

C. Western Balkans

60. The Zagreb Summit of 24 November, which brought together for the first time countries in the region which had returned to democracy, welcomed the historic changes which have occurred in the Western Balkans, initially in Croatia and then in the FRY. The European Union attaches the greatest importance to the development of the situation in South-Eastern Europe; it will actively continue to support the Western Balkans' efforts in their progress towards democracy, the rule of law, reconciliation and cooperation based on respect for existing borders and other international obligations which will contribute to the rapprochement of each of these countries with the Union and form a whole. The European Union stresses the importance of the contribution made by the Stability Pact and would point to the importance of other initiatives aimed at promoting cooperation with countries in this region. It confirms that the process of stabilisation and association is at the heart of the Union's policy vis-à-vis the five countries concerned, which each receive individual treatment. A clear prospect of accession, indissolubly linked to progress in regional cooperation, is offered to them in accordance with the conclusions of Cologne and Feira. The allocation for the CARDS programme for these countries amounts to EUR 4,65 billion over the period from 2000 to 2006. The European Council continues to support the efforts of the European Community and the Danube Commission's efforts to re-establish navigation on the Danube. This is an essential element for revitalising the economy of the region and for developing regional cooperation.

D. Development

61. The European Council welcomes the adoption of a declaration by the Council and the Commission on the Community's development policy. The Council also welcomes the adoption of a Resolution on communicable diseases and poverty. That Resolution sets out an overall approach to the scourge that HIV/AIDS, tuberculosis and malaria constitute for the developing countries, incorporating in particular the essential dimension of access to treatment.