13098/03 (Presse 291)

### **PROVISIONAL VERSION**

2532nd Council meeting

## - GENERAL AFFAIRS\* -

Brussels, 13 October 2003

President: Mr Franco FRATTINI

Minister for Foreign Affairs of the Italian

Republic

\* The 2533rd meeting on External Relations is the subject of a separate press release (13099/03 Presse 292)

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<sup>•</sup> 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.

<sup>•</sup> The documents whose references are given in the text are available on the Council's Internet site <a href="http://ue.eu.int">http://ue.eu.int</a>.

<sup>•</sup> 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 above mentioned Council Internet site or may be obtained from the Press Office.

## **PARTICIPANTS**

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

Belgium:

Mr Jan DE BOCK Ambassador, Permanent Representative

**Denmark**:

Mr Per Stig MØLLER Minister for Foreign Affairs

**Germany:** 

Mr Joschka FISCHER Federal Minister for Foreign Affairs and Deputy Federal

Chancellor

**Greece**:

Mr Anastasios GIANNITSIS Deputy Minister for Foreign Affairs

**Spain**:

Ms Ana PALACIO Minister for Foreign Affairs

France:

Mr Dominique de VILLEPIN Minister for Foreign Affairs

**Ireland**:

Mr Dick ROCHE Minister of State at the Department of the Taoiseach and at the

Department of Foreign Affairs with responsibility for European

Affairs

Italy:

Mr Franco FRATTINIMinister for Foreign AffairsMr Roberto ANTONIONEState Secretary for Foreign Affairs

**Luxembourg:** 

Ms Lydie POLFER Deputy Prime Minister, Minister for Foreign Affairs and Foreign

Trade

**Netherlands:** 

Mr J G de HOOP SCHEFFER
Mr Atzo NICOLAÏ
Minister for Foreign Affairs
State Secretary for European Affairs

Austria:

Ms Benita FERRERO-WALDNER Federal Minister for Foreign Affairs

**Portugal:** 

Ms Teresa GOUVEIA Minister for Foreign Affairs

**Finland**:

Mr Erkki TUOMIOJA Minister for Foreign Affairs

Ms Paula LEHTOMÄKI Minister for Foreign Trade and Development

**Sweden**:

Ms Laila FREIVALDS Minister for Foreign Affairs

**United Kingdom:** 

Mr Jack STRAW Secretary of State for Foreign and Commonwealth Affairs

\* \* \*

 $\underline{Commission}$ :

Mr Chris PATTENMemberMr Günther VERHEUGENMemberMr Michel BARNIERMember

**General Secretariat of the Council:** 

Mr Javier SOLANA Secretary-General/High Representative for the CFSP

### The Governments of the Acceding States were represented as follows:

<u>Czech Republic</u>: Mr Jan KOHOUT

Mr Jan KOHOUT State Secretary, Ministry of Foreign Affairs

Estonia:

Ms Kriistina OJULAND Minister for Foreign Affairs

**Cyprus**:

Mr George IACOVOU Minister for Foreign Affairs

<u>Latvia</u>:

Ms Sandra KALNIETE Minister for Foreign Affairs

<u>Lithuania</u>:

Mr Rytis MARTIKONIS State Secretary, Ministry of Foreign Affairs

**Hungary**:

Mr Lásló KOVÁCS Minister for Foreign Affairs

Malta:

Mr Joe BORG Minister for Foreign Affairs

**Poland**:

Mr Wlodzimierz CIMOSZEWICZ Minister for Foreign Affairs

Slovakia:

Mr Eduard KUKAN Minister for Foreign Affairs

**Slovenia**:

Mr Dimitrij RUPEL Minister for Foreign Affairs

## **ITEMS DEBATED**

**NOTE**: The Acceding countries Cyprus, the Czech Republic, Estonia, Hungary, Latvia,

Lithuania, Malta, Poland, the Slovak Republic and Slovenia align themselves on the

conclusions on China, Eritrea and Angola.

#### PROGRESS OF WORK IN OTHER COUNCIL CONFIGURATIONS

The Council took note of a report from the Presidency on work underway in the Council's other configurations, covering meetings held since the last report on 29 September.

The Presidency's report highlights in particular the Agriculture Council's discussions on genetically modified crops and formal adoption of the seven Regulations on reform of the Common Agriculture Policy, the Justice and Home Affairs Council's agreements on matrimonial matters and parental responsibility and on the setting-up of a network of immigration liaison officers, and the Economic and Financial Affairs Council's agreement on the investment services Directive.

### PREPARATION OF THE EUROPEAN COUNCIL ON 16 AND 17 OCTOBER

The Council approved the agenda of the European Council meeting to be held on 16 and 17 October in Brussels and took note of the annotated draft agenda prepared by the Presidency as the basis for deliberations (*doc.* 13459/03).

The annotated draft agenda sets out the main items that the European Council is due to address, namely:

- Re-launching the European economy;
- Strengthening the area of freedom security and justice;
- External relations.

### STATUTE FOR MEMBERS OF THE EUROPEAN PARLIAMENT

The Council examined a request from the President of the European Parliament, Pat Cox, for the Statute for members of the European Parliament to be reviewed by the Intergovernmental Conference on the reform of the EU treaties.

In a letter dated 26 September, Mr Cox considered it inappropriate that there should continue to be different national regimes governing MEPs' immunities, and requested that the 1965 Protocol on MEP privileges and immunities be reviewed by the Intergovernmental Conference.

### ITEMS APPROVED WITHOUT DEBATE

#### **GENERAL AFFAIRS**

### Enlargement - Code of conduct for business taxation - Council conclusions

The Council took note of a report from its working group on enlargement (tax experts) on harmful tax measures in the acceding States and on measures to bring their corporate tax systems into line with the Code of Conduct on business taxation by the date of their accession to the European Union.

During the accession negotiations, the acceding States committed themselves to the principles of the Code of Conduct, adopted in December 1997, and to only introduce new measures that are in conformity with those principles. In order to monitor implementation of these measures, the enlargement group is currently preparing a Council decision on a list of harmful tax measures in the acceding States.

The Council also adopted the following conclusions:

"The Council welcomes the work accomplished by the Enlargement Group (Tax Experts) in establishing a list of tax measures in the acceding States which are harmful and which must be eliminated or amended in order to bring their corporate tax systems in line with the principles of the Code of Conduct for business taxation by the date of accession. The Council takes note of the report of the Group, as set out in doc. 13213/03 and agrees that the rollback measures envisaged or already undertaken by the acceding States are adequate to either remove the harmful features or to abolish the harmful tax measure concerned for 27 of the 30 measures listed in the Annex to doc. 13213/03. The Council invites the Commission to take the report into account in the monitoring of the acceding States' commitments and in its comprehensive monitoring reports to be presented by the Commission on 5 November 2003."

#### **EXTERNAL RELATIONS**

#### China - Council conclusions

The Council adopted the following conclusions:

- " Council conclusions on the Commission's Policy Paper on China A maturing partnership - shared interests and challenges in EU-China relations
- 1. In the context of the preparation of the sixth EU-China Summit in Beijing on 30 October 2003, where the EU will meet for the first time at the highest level with the new leadership appointed in March 2003, the Council recalled that the draft European Security Strategy of June 2003 recognises China as a major partner of the EU. The European Union and China, in light of their prominent international role and their increasing political and economic weight, have an interest to work together to promote global stability, peace and sustainable development.

The Council welcomed the fact that China will produce its first-ever strategy paper on its relations with the EU. The Council noted with appreciation China's commitment to setting the stage for the six-party talks on North Korea's nuclear weapons programme and in bringing the process forward. The role that China thus has assumed illustrates how its perception of the world is changing as it gets further integrated into the global community. The Council encouraged Chinese engagement in resolving further regional issues, in particular the current political situation in Burma/Myanmar.

- 2. The Council, with reference to its conclusions of June 1998 and June 2001 and in view of the above, welcomed the Commission's policy paper "A maturing partnership Shared interests and challenges in EU-China relations" and endorsed the general thrust of the analysis and recommendations proposed in the paper.
- 3. The Council agreed that the EU should make better use of the existing EU-China dialogue framework, adopted in June 2002, to pursue the Union's interests both in China and globally. The Council underscored that Chinese participation at presidential level would very much contribute to the success of EU-China Summits. The EU should improve co-operation with China on multilateral issues and transnational challenges. This would include support for a peaceful resolution of the territorial disputes in the South China Sea. It would also include co-operation in multilateral fora, especially at the UN, on issues including peacekeeping, conflict prevention and confidence building, non-proliferation of weapons of mass destruction, arms control, disarmament and terrorism as well as discussion of global environmental issues. The Council also encouraged enhanced co-operation in regional fora such as ASEM or the ASEAN Regional Forum. In order to achieve more coherence and effectiveness, EU Member States should closely co-ordinate their foreign policy towards China.
- 4. The Council underlined that supporting the transition to an open society based upon the rule of law and the respect for human rights is an essential element of the EU's policy towards China. It therefore recommended establishing the EU-China dialogue on human rights at the appropriate political level on an ad hoc basis, while preserving the existing contacts at working level. This should enhance political impact and visibility while maintaining the capacity for reviewing progress on the ground.
- 5. The Council acknowledged the progress linked to China's remarkable economic growth in reducing poverty. The Council welcomed recent efforts by the Chinese Government to put stronger emphasis on sustainability and social issues such as education and health care. While acknowledging also improvements in relation to the establishment of the rule of law and the development of the legal system, the Council remained concerned about the significant gap still existing between the current human rights situation in China and the internationally accepted standards, in particular with respect to civil and political rights, freedoms of speech, assembly, religion, belief and the rights of persons belonging to minorities. As far as Tibet is concerned, the Council encouraged the continuation of the dialogue between the Chinese authorities and representatives of the Dalai Lama. The Council deplored the frequent and extensive application of the death penalty and the persisting practice of re-education through labour. The Council urged China to ratify the UN Covenant on Civil and Political Rights and to take measures to improve the situation of human rights and rule of law on the ground. The Council stressed the importance of promoting contacts and dialogue between European and Chinese civil society. The Council further encouraged China to adhere to the Rome Statute on the International Criminal Court.

- 6. The Council reaffirmed that the EU continues its One China Policy and called for a peaceful resolution of the Taiwan issue through constructive dialogue.
- 7. The Council stressed its intention to continue to follow the situation in Hong Kong and Macao closely.
- 8. The Council agreed that, in promoting China's economic opening, the EU's priorities should be to work together to ensure success of the Doha Development Agenda especially after Cancun, closely monitor and assist China's compliance with its WTO commitments and ensure that a proper monitoring of new regional agreements with WTO-compatibility is enforced within the adequate WTO committees. The Council stressed also the need to ensure the smooth development of the bilateral trade relations. The Council welcomes the launching of new sectorial dialogues in the fields of industrial policy, regional policy, competition policy, intellectual property rights, sanitary and phytosanitary issues, education and human resources development and agreements on nuclear research co-operation and customs co-operation. The Commission is invited to fully associate the Council to these dialogues and to provide the Council with detailed information on the progress thereof. Furthermore, the early signing of an "Authorised Destination Status" agreement to facilitate Chinese tourism in the EU is a major priority. So too is the agreement on EU-China co-operation under the EU's Galileo programme for global satellite navigation.
- 9. The Council expressed its support for the Chinese reform process and welcomed the preparedness of the Chinese leadership to further deepen the reforms in key areas such as the financial system and state-owned enterprises, which are critical issues in the development of a well-functioning market economy. Institutional reforms, such as the development of the legal and judiciary framework, are the heart of the reform process. The Council welcomed the intention of the Commission to further develop its co-operation with China in support of the reform process and noted with satisfaction the growing involvement of Member States in different aspects of the process.
- 10. The Council agreed that the dialogue with China on illegal immigration should be more results-oriented and underlined the importance of concluding soon an agreement on the readmission of illegal immigrants. The Council also stressed the importance of an early launch of an EU-China technical assistance project in this field.
- 11. The Council reconfirmed the strategic objectives underpinning the EU co-operation programme with China and agreed on the opportunity to prepare a new national indicative programme for 2005/2006. In this framework, coordination between the Commission, member states, and other international donors should be enhanced.
- 12. The Council welcomed the Commission's proposals on ways to enhance the EU's profile in China and underlined the importance of people-to-people contacts in order to achieve a stronger mutual relationship."

#### Eritrea - Council conclusions

The Council adopted the following conclusions:

"The Council welcomed the steps taken over the past months by the EU and the Government of the State of Eritrea in order to restore a climate of regular communication and emphasised the importance to develop a meaningful political dialogue between the two partners.

Recalling the country strategy paper signed in Asmara in November 2002 as a comprehensive framework for development co-operation, the Council reaffirmed the Union's commitment to sustainable development, respect for human rights and fundamental freedoms, to the eradication of poverty, to the establishment of democratic institutions and the rule of law in Eritrea, as well as to peace, stability and co-operation in the Horn of Africa.

It also welcomed the mutual engagement of the EU and the Government of the State of Eritrea towards the resumption of political dialogue and called upon the Member States and the Commission to seek to operationalise the dialogue based on the essential elements such as democracy and human rights and all other values and provisions of the Cotonou agreement in particular through discussions on the various areas of concern to the two parties.

In this context, the Council stated that development cooperation in Eritrea is neither blocked nor frozen and the Council hoped that the political dialogue would facilitate the furtherance of the partnership between the EC and the Government of Eritrea."

#### Angola - Council conclusions

The Council adopted the following conclusions:

"The Council welcomes the substantial political changes that have occurred in Angola in 2002 with the completion of the main tasks of the Angolan peace process and congratulates the Angolan Government and UNITA for the political will shown in achieving the goal of peace and national reconciliation. The European Union intends to maintain a positive, constructive and consistent approach so as to support Angola in its efforts to consolidate democracy and advance socioeconomic developments as provided for in the framework of the EC/Angola strategy for 2002-2007 signed with the Government of Angola on 28th January 2003.

The European Union will pursue the following objectives with regard to Angola:

- to strengthen the mutually beneficial relations in all areas of common interest;
- to support the process of national reconciliation and democracy, through the promotion of good governance and a culture of tolerance among all political parties and all sectors of civil society, and the ongoing efforts for a lasting peace in all the 18 provinces of the country;
- taking note of the steps already taken in this regard, to encourage the Government of Angola and all the political forces to hold free and fair general elections as soon as possible once conditions are met, to accelerate the constitutional reform process, fully to respect the rule of law and justice throughout the Angolan territory, to promote and protect human rights and to foster the role of civil society in contributing to national reconciliation and democracy-building in the country;

- to encourage the Government of Angola to intensify its efforts to relieve the serious humanitarian situation and favour actions of mine-clearance, social reintegration and resettlement of all the internally displaced people, refugees and former soldiers, including child soldiers, in the framework of the implementation of the objectives stated in the declaration by the Government on 13 March 2002 and to create the conditions to allow the international community to complement these efforts;
- to encourage the Government:
  - i) to implement transparent management of public resources and full accountability for the benefit of all Angolans, thus laying the grounds for sustainable economic and social development;
  - ii) to support the pursuit of sound poverty-oriented macroeconomic policies so as to ensure better prospects for poverty reduction, economic growth and sustainable development for the country;
  - iii) to increase its efforts and budgetary resources to the health, education and agricultural development sectors;
  - iv) to conclude an agreement with the IMF;
  - v) to complete the necessary preparatory work to ensure a successful outcome of the donors' conference on the reconstruction of the country;
  - vi) to agree on a comprehensive plan with the aim of reducing poverty;
- to encourage co-operation and understanding among the countries in the region with the aim of improving regional security and economic development.

In order to further the above mentioned objectives, the European Union will:

- conduct a regular political dialogue with the Angolan authorities as envisaged in the Cotonou Agreement;
- offer to assist efforts by the Government of Angola to strengthen democratic institutions and practices so as to allow the holding of free and fair legislative and presidential elections and to ensure respect for human rights, the rule of law and independent civil society;
- offer to assist efforts by the Government of Angola to accelerate the constitutional reform and will provide assistance to develop a pluralistic democracy based on institutional strengthening of the parliamentary process and a multi-party system as well as capacity building to foster a dynamic, participatory civil society;
- offer to assist efforts by the Government of Angola to reinforce overall administrative capacity, creating a coherent and functional country-wide administration and market oriented policies, and to strengthen capacities in the legal and judicial system;
- offer to assist efforts by the Government to reform the Angolan economy through cooperation with the IMF in co-ordination with the international community, to help the Government in its fight against corruption and poverty; encourage and assist the Government of Angola in its efforts to prepare a poverty reduction and growth facility program and to reinforce its dialogue with the IMF;

- reiterate its solidarity with, and commitment to the Angolan people by continuing to contribute to the efforts to improve the humanitarian situation and alleviate the suffering of the most vulnerable groups among the Angolan population, without prior categorization, inter alia, by encouraging the Commission of the European Communities to take all measures rapidly to implement all available funding in support of the peace process in coordination with the United Nations and the international financial institutions, the Union will continue to assist the Government of Angola in addressing the humanitarian situation and needs arising from demobilisation and reintegration programmes which are necessary for a full-scale reconstruction of the country. The Union urges the Government to make rapidly an accurate evaluation of the most pressing needs of the Angolan population;
- offer to assist the Government of Angola to intensify its efforts to tackle transmissible diseases, and in particular to prevent the spread of HIV/AIDS;
- offer to assist the Government of Angola in the rebuilding and reconstruction of the country, encouraging its intention to convene an international donors' conference with EU support and paying due regard to the rules of transparency and accountability within a democratic environment, while inviting it to allocate the resources necessary to implement economic and social policies that will improve the lives of the citizens of Angola as part of the peace dividend;
- be prepared to participate in mine-clearance operations, in accordance with the Council Resolution of 22 November 1996, welcoming the ratification by the Government of Angola of the Ottawa Convention on mine-clearance."

#### Tajikistan - Partnership and co-operation agreement

The Council approved an addition to the directives, adopted in 1992, authorising the Commission to negotiate a partnership and co-operation agreement with Tajikistan.

The decision extends the scope of the Commission's mandate to cover migration and co-operation against terrorism.

#### **Relations with Russia - Co-operation Committee on 20 October**

The Council agreed on the position of the European Union for the 8th meeting of the EU-Russia Co-operation Committee, which will take place in Moscow on 20 October.

The Co-operation Committee is due to examine, in particular, EU enlargement and EU-Russia relations, work on a Common Economic Space, justice and home affairs and issues related to the EU-Russia Partnership and Co-operation Agreement.

### **EUROPEAN SECURITY AND DEFENCE POLICY**

### Crisis Management exercise 2004

The Council approved the exercise specification for the EU Crisis Management Exercise 2004 (CME 04). CME 04 will be a crisis management exercise at the politico/military strategic level, including operational planning at the strategic level. The exercise will be conducted in May 2004.

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