

COUNCIL OF THE EUROPEAN UNION

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NOTE

from: Presidency
dated: 17 June 2003
to: Delegations
Subject: EU-US Relations

Delegations will find annexed a revised version of the Presidency paper submitted to the GAERC of 16 June.

25 June Summit: a milestone in transatlantic relations

- 1° The transatlantic relationship remains of fundamental importance in every domain, both for the two sides and for the international community. This strategic question has been discussed within the Union over the last six months by the Political Directors in January, the PSC in February and, more recently, by Ministers at their informal Gymnich meeting on 2 3 May 2003. While there is a need to consider 'the overall political picture', the immediate concern, however, is the preparation of the EU US Summit in Washington on 25 June.
- 2° The Summit comes at an extremely opportune moment. It will provide the occasion to put behind us some of the recent problems we have encountered, and to set priorities in transatlantic relations. We must show that cooperation is giving concrete results. Work is progressing in a satisfactory way.

State of Play of Preparations for the Summit

- 3° Agenda: a formal proposal is still awaited from Washington but, following the discussions on 11 June 2003 with the US, the latter indicated that at the plenary meeting the main political questions (Iraq, Middle East, Afghanistan and non-proliferation/WMD) and counter-terrorism would be discussed. At lunch, the focus would be on economic and trade issues (Doha Development Round, Air Transport Agreement, Hydrogen energy and Financial Markets). During the Summit, the Presidency intends to give the US a read-out from the Thessaloniki European Council discussion on the work of the Convention. The Commission wishes also to raise the question of WTO compliance.
- 4° **Deliverables**: The signature of the MLA/Extradition agreements represents a major success and will be given due prominence on 25 June. It is the outcome of a process started at the last Summit and is a clear example of how the EU and US can work together. Other potential deliverables include the proposed joint statements on Non-proliferation, Trade, Energy cooperation, Hydrogen research and, possibly, Galileo. A progress report on the resolution of the Passenger Name Record (PNR) issue is expected to be presented to the Summit. On the Container Security Initiative (CSI), there has been some progress but negotiations on an extension of customs cooperation to cover security aspects in transatlantic trade have not yet begun. The Summit will also offer the opportunity to publicise the launching of negotiations on

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the proposed Air Transport Agreement.

5° <u>EU fact sheets under preparation</u>: Afghanistan, Western Balkans, Counter-terrorism, Mutual Legal Assistance/Extradition Agreements, Economic inter-linkage, Transport Security (CSI and PNR), Enlargement, Air Transport Agreement, Bioterrorism Act, WTO compliance, Steel, Biotechnology, Hydrogen research and Energy cooperation.

Way forward

- 6° As we prepare the Summit, we need to keep in mind that improvement to relations will come by concentrating on obtaining concrete results to the benefit of both. We should continue our strategic discussions, including new ideas for strengthening relations (e.g. development of transatlantic dialogues, including the Transatlantic Legislators' Dialogue, as well as of think tanks and other non-governmental contacts). However, the immediate focus should be on concrete action not theory or structures.
- 7° Experience has shown that the EU and US relationship has been most successful and productive when the two sides develop policies together, taking account of each other's interests and concerns, and maximising the use of resources. We should, therefore, continue to build on successful cases of EU-US cooperation (Western Balkans, fight against terrorism, Afghanistan and Middle East Peace Process). We should also keep on developing new areas for cooperation, as we have successfully done in the fight against terrorism and are now doing in the field of non-proliferation. Areas where the EU has increasingly taken over responsibility for operations (EUPM, Concordia and Artemis) should be highlighted as well.
- 8° There are many important issues where the EU has shown strong international lead over the last few years, such as promotion of human rights, democracy, environment and development (e.g. access to medicines and fight against major diseases). It is really important to work towards close cooperation with the US in these areas and overcome any difficulties, which could hamper it and lead to the wasting of valuable resources.
- 9° The wider strategic question can be thoroughly discussed again at a later stage, particularly in the light of the consideration by the Thessaloniki European Council of the European strategic concept and the EU US partnership.

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