

Taking stock of Germany's EU Presidency

"The German Presidency has achieved a success many would have thought unthinkable a few months or even a few days ago. On behalf of Europe, I want to thank you most warmly and I look forward to working with you in future. This shows that Europe is moving in the right direction. A few months ago in Berlin we pledged to return to our shared European objectives, and tonight we honoured that pledge" (free translation).

Commission President José Durão Manuel Barroso

after the end of negotiations on the Reform Treaty on 23 June 2007.

The German Government set itself the aim during its Council Presidency of strengthening the EU's transparency and effectiveness and of promoting concrete decisions to the benefit of Europe's citizens. It succeeded – the latest Eurobarometer poll shows impressively that at the end of the German Presidency approval of the EU has reached the highest level in 10 years. Some 57% of EU citizens think their country's EU membership is a good thing.

At the same time a large number of major decisions were taken in the EU. The German Presidency's positive overall record can be summed up in **five central spheres**:

1. The adoption of the **Berlin Declaration and the agreement on treaty reform** mean that the EU's capability to act has been guaranteed long-term. During the June European Council the Heads of State and Government agreed on a mandate for the Intergovernmental Conference soon to be convened. This mandate is clear and enables the conference to be concluded swiftly before the end of the Portuguese Presidency. This will allow the elections to the European Parliament in September 2009 to be placed on a new contractual basis.

In March 2007 a political agreement was also reached on the EU's own resources. This means that all preconditions have been created to ensure that the EU now has a solid foundation of efficient decision-making structures and a secure financial base.

The Reform Treaty – an overview of the results of the European Council

The compromise of a "Reform Treaty" reached at the European Council provides for amendments to the Treaty on European Union (TEU) and the Treaty establishing the European Community (TEC). The TEC will be renamed the "Treaty on the Functioning of the Union".

At the same time, it was possible to **preserve the most important innovations of the Constitutional Treaty and thus retain its substance**. This will now be integrated into the Reform Treaty at an Intergovernmental Conference.

The **Charter of Fundamental Rights** will be given **legally binding** value through a cross reference in the Article on fundamental rights. The major advances achieved in the

Constitutional Treaty in this area have thus been preserved. In accordance with an additional protocol, however, this will not apply to the United Kingdom.

The **institutional package** has been by and large preserved. As regards the much-discussed issue of the weighted **voting system** in the Council, it was eventually decided that the double majority voting system will be kept. According to this system, a qualified majority is reached when 55% of the Member States representing at least 65% of the total population of the Union approve a decision. The new system will be introduced in 2014, although members of the Council may request that a decision be taken in accordance with the Nice system until the end of March 2017.

The package also provides for an extension of the scope of qualified majority voting and the co-decision powers of the European Parliament. With the establishment of the **co-decision procedure as the general procedure**, the European Parliament will become a co-legislator on an equal footing with the Council. The Commission President will in future be elected by the European Parliament. These developments will make the EU more democratic and more transparent.

The plan to **reduce the number of commissioners** to two thirds of the number of Member States from 2014 will also strengthen the EU's ability to act. The same goes for the creation of a new permanent office of **President of the European Council**, which will guarantee the continuity, coherence and visibility of EU policy both within and outside the Union.

The EU's foreign policy will be significantly strengthened by the introduction of the office of a **High Representative of the Union for Foreign Affairs and Security Policy** and the establishment of a **European External Action Service**. The role of High Representative will combine various roles, including Vice-President of the Commission for External Relations and Chair of the External Relations Council. The holder of the post will be supported by the European External Action Service.

The most important advances achieved in the Constitutional Treaty in the area of **specific policies** have also been preserved. Alongside the EU's foreign policy, these notably concern efforts to combat terrorism and crime, energy policy and social affairs. The new treaty will also contain provisions on climate protection and energy solidarity. In the area of justice and home affairs, Member States wishing to move forward within the scope of "enhanced cooperation" will be able to do so more easily.

At the request of some Member States, provisions in the Constitutional Treaty aimed at **strengthening the role of national parliaments**, particularly with regard to subsidiarity control and the delimitation of competences, have been extended even further, taking into account major concerns which arose from the public discussions pursued in some Member States during the two-year reflection period.

What happens next? The European Council has called for an **Intergovernmental Conference**, which is to begin work before the end of July 2007. The Portuguese Presidency is to draw up a draft treaty, which it will present to the Intergovernmental Conference at the beginning of this process. The Intergovernmental Conference is to complete its work as quickly as possible, but by all means before the end of 2007, so that there is enough time for the new treaty to be ratified before the 2009 European Parliament elections.

2. The **EU's role as a global player** is of increasing importance. This is what ordinary people ask from politicians – and this is reflected in the work of the German Presidency. The Common Foreign and Security Policy and the European Security and Defence Policy were strengthened: it was decided to create a civilian headquarters in the Council Secretariat with the aim of making the planning and management of civilian missions (Afghanistan, Kosovo) more effective and of simplifying coordination between civilian and military crisis management. A Joint Statement on UN-EU Cooperation in Crisis Management was signed.

In the Middle East conflict, the EU has succeeded through the revival of the Middle East Quartet in lending a new momentum to international cooperation. The Quartet has strongly supported Israelis and Palestinians in their efforts to move closer to each other and encouraged them time and again to use direct talks to improve the daily lives of both peoples and to make progress towards implementing a two-state solution. Moreover, the German Presidency has pushed for a greater involvement of Arab states in the international peace efforts and, in this connection, invited for the first time the Arab League and the Israeli Foreign Minister to the General Affairs Council for talks on the Arab League's peace initiative.

The EU has been actively committed to the Kosovo status process. The resolution of the Kosovo status issue is crucial to security and stability in the Western Balkans. The EU is unanimous in its backing for President Ahtisaari. His proposal has provided the basis for a status solution by way of a new UN Security Council resolution. The EU is working hard to bring this about. The negotiations on a Stabilization and Association Agreement with Serbia have recommenced.

The Strategy on Central Asia adopted by the European Council has, for the first time, given the EU a political framework which defines its interests and goals in Central Asia and names the concrete spheres for cooperation. The German Presidency presented a report on the European Neighbourhood Policy in which it puts forward strategies aimed at intensifying cooperation with neighbouring regions to the east and south-east. The aim is to develop a range of instruments which can then be adapted on a case-by-case basis to the capabilities and needs of the partner country in question with a view to supporting reform processes and modernization. The EU's relations with Russia were also further intensified via concrete steps. For example, an early-warning mechanism for energy crises was created and a dialogue among experts on investment security is to be established. However, we will have to continue working to create the conditions which will allow us to commence negotiations on a modern Partnership and Cooperation Agreement with Russia.

Transatlantic relations received fresh and lasting impetus with the EU-US Summit on 30 April: in the declaration on a "Framework for advancing transatlantic economic integration" the two sides reaffirmed their strong commitment to further intensify EU-US economic relations by harmonizing standards and establishing a Transatlantic Economic Council. The conclusion of an aviation agreement, also agreed upon at the summit, will further promote exchange and trade.

With regard to relations with Africa, the Presidency carried out initial work on an EU strategy on Africa which laid sound foundations on which subsequent Presidencies can build. A joint Action Plan was agreed with South Africa with the aim of creating a strategic partnership between the EU and South Africa. The EU has continued its substantial financial and logistic assistance for the AMIS Mission in Darfur and provided considerable support for the joint efforts of the African Union and United Nations to find a political solution to the conflict.

Advancing the accession processes with Croatia and Turkey was one of the most important concerns of the German Presidency. In this we succeeded. All in all, a total of 10 chapters with Croatia and 3 chapters with Turkey have now been opened.

3. The following decisions in the sphere of **climate and energy policy** should be highlighted:

- Harmful emissions are to be reduced by 20% by 2020.
- Global warming is to be limited to two degrees.
- The share of renewable energies in overall consumption is to be increased to 20% by 2020.

Decisions made on energy and climate protection were important stepping stones along the path towards the agreements reached by the G8 in Heiligendamm. Given what it has achieved, the EU can now rightly claim a leading role in the forthcoming negotiations on a post-Kyoto regime.

4. In the sphere of **justice and home affairs**, Europe has reaffirmed its determination to contain illegal immigration in the context of its dialogue with countries of origin and transit, as well as to improve the framework for legal migration. In doing so, the EU will focus in future not only on the Mediterranean but also to a greater extent on neighbouring regions to the east and south-east.

The Prüm Treaty on the enhanced exchange of data was incorporated into EU legislation, thus making it easier to combat terrorism and organized crime in future.

Citizens' rights will also be strengthened by ensuring that cross-border claims for maintenance are enforced and by improving consumer protection.

5. The German Presidency gave top priority to **strengthening both the social dimension in Europe and competitiveness**. Concrete examples of this are: the roaming regulation which will make it cheaper to use mobile phones throughout Europe. The Single European Payments Area will make it possible for businesses and citizens to make payments Europe-wide just as quickly, simply and cheaply as is already the case for national payments. The EU's social dimension has been enhanced by decisions on the coordination of social security systems and the fresh impetus for an innovative and preventive health policy.

Key steps have been taken towards the completion of the Single Market and better regulation. In concrete terms this encompasses agreement on the establishment of a European Technology Institute by the end of 2007, the creation of a Single European Payments Area, a Single European Sky ATM Research Programme (SESAR), as well as the signing of a comprehensive aviation agreement with the US. All of these are important and concrete steps towards increasing the EU's competitiveness.