

Programme of the Cyprus  
Presidency of the Council of  
the European Union  
1 July - 31 December 2012











Cyprus Presidency of the Council  
of the European Union,  
1 July – 31 December 2012



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## Towards a Better Europe

The European Union can emerge stronger from the current crisis and reinstate its place in the international scene. The Union is deploying its means to further deepen European integration, overcome the multi-faceted challenges, foster growth, enhance social cohesion and improve the quality of life of its citizens. The economic and sovereign debt crisis has revealed not only the need for fiscal consolidation, but also the need for improving governance in the EU. Austerity measures are important, but emphasis should also be given to measures aiming at directly enhancing inclusive and smart growth, creating jobs and ensuring stability. The driving force for the necessary reforms is the underlying values and principles of the EU; liberty, solidarity, democracy, equality, rule of law and respect for human rights and human dignity will be at the forefront. The promotion of these values and the well-being of the Union's citizens are the main objectives of the EU, as set out in the Lisbon Treaty.

The Cyprus Presidency, on the basis of these values, will promote social cohesion, inclusive growth and job creation especially for the younger generations, as well as sustainable development and improved quality of life. The Union needs to become more relevant to its citizens and to the world. In this sense, it is important to place the citizens at the heart of EU policies and to communicate a message of hope and solidarity to them and to the world. Europe needs to enhance its role at international level. In parallel, the credibility of the EU needs to be reinstated, not only to the markets, but also to its citizens.

Cyprus, during its Presidency, will work **Towards a Better Europe**; meaning a more **effective** Europe, contributing to sustainable **growth** and job creation through efficient and integrated policies; a Europe working on the basis of social cohesion and underlying principle of **solidarity**, committing itself to a better future. All efforts will be directed to bequeath a Better Europe to the younger generations.

The Cyprus Presidency will deal with important priorities on the EU agenda, such as the Multiannual Financial Framework for the period 2014-2020. The Multiannual Financial Framework is an opportunity to agree on a budget that will contribute to growth and, thus, more jobs in the Union, promote integrated policies, sustainable development and increase the EU's competitiveness. The Cyprus Presidency will work in the spirit of the fundamental principles of the Union and in close cooperation with the other EU Institutions, in order to reach an agreement for a balanced and effective EU budget.

The establishment of the Common European Asylum System by the end of 2012 will contribute to the building of a common area of protection, on the basis of solidarity and fair burden sharing.

The Presidency will also promote actions which will result in effectiveness and, consequently, in growth, prosperity and jobs; it is imperative to identify and bring out the elements of growth in all EU policies. The further strengthening of economic governance will restore confidence in the euro area and bring about more effective and convergent economic policies, including crisis prevention and alleviation of imbalances in competitiveness across the EU. In parallel,

growth and policy effectiveness will be pursued through the proper implementation of the Europe 2020 Strategy and the Compact for Growth and Jobs, which was decided in June 2012. In 2012 the 20th anniversary of the establishment of the internal market is celebrated and emphasis will be given to its further development, aiming at a more competitive EU social market economy.

**Working Towards a Better Europe, the Cyprus Presidency has set the following priorities:**

1. Europe, more efficient and sustainable
2. Europe, with a better performing and growth-based economy
3. Europe, more relevant to its citizens, with solidarity and social cohesion
4. Europe in the world, closer to its neighbours

These priorities are based on the Trio 18month Programme, which was prepared in close cooperation with Cyprus' Trio partners - Poland and Denmark - and was approved in June 2011. The Presidency will draw guidance from the conclusions of the European Council. Moreover, a constructive and smooth cooperation with the European Parliament, in line with the Lisbon Treaty, is imperative for moving forward the work of the Union.

## **1. Europe, more efficient and sustainable**

The Treaty of Lisbon provides a framework, which allows the Union to proceed with effectiveness in addressing the challenges that it is facing. On the basis of the Treaty, steps will be taken to apply new principles, which were introduced in relation to policy making, such as territorial cohesion, along with economic and social cohesion. The overarching aim will be to promote integrated policies and sustainable development that will foster growth, in a framework of effective governance, addressing the instability and uncertainty caused by the crisis.

The main focus of the Cyprus Presidency will be the **Multiannual Financial Framework (MFF) 2014-2020**, working hard towards the aim of finalising the negotiations before the end of 2012, in line with the conclusions of the European Council in June 2012. The overall goal is a fair and effective EU budget aiming at creating growth and employment, through the reformulation of EU policies and their financial instruments, which will be governed by more efficient and simplified implementation mechanisms. The Presidency will aim for a fair and balanced content of the main common policies for the new programming period 2014-2020; emphasis will be given primarily to the quality of spending so that the policies and programmes that will be financed are policies with real European added value. The Presidency will seek to achieve the greatest possible progress in the negotiations on the legislative framework in relation to these policies, including the **Common Agricultural and Fisheries Policies, the Cohesion Policy** and the Research and Innovation Policy, as well as financial programmes such as the external financing instruments and those to be adopted in the areas of justice and home affairs, transport, energy, health, education, youth, sports and culture. In parallel, the Presidency will progress discussions on the issue of own resources, respecting the provisions of the Lisbon Treaty, in order to ensure adequate funding for the effective implementation of the Union's policies, aiming at reaching consensus among Member States on a rational and fair system.

The **Cohesion Policy** is the main development policy of the EU, focusing on economic, social and territorial cohesion, so as to diminish the gap amongst regions, throughout the territory of the Union. It provides important financial instruments for solidarity and the Presidency will aim for considerable progress in the negotiations of the legislative package.

The reform of the **Common Agricultural Policy (CAP)** is of utmost importance to the Presidency. The aim is to formulate a targeted and effective policy framework for developing a more competitive agriculture sector ensuring food security. In this respect green growth, sustainability and the supply of public goods will be promoted and new challenges for environmental protection, climate change, conservation and efficient use of resources and balanced development of rural areas will also be addressed. Moreover, the Presidency will aim to progress the negotiations of the **Common Fisheries Policy**, which will promote the sustainable management of fisheries resources and the protection of vulnerable fisheries resources.

Research and innovation are a catalyst for boosting economic growth and the competitiveness of the Union, while driving to job creation and better quality of life for citizens, thus addressing societal challenges. The main priority of the Cyprus Presidency will be to take forward the work on the EU funding programme '**Horizon 2020**', which seeks to bridge the gap between market and research, through a better utilisation of scientific results, in a way that brings European added value and ensures quality of spending. The realisation of the European Research Area will also be promoted.

In its orientations for the **energy policy**, the European Council emphasised the need for modernizing and expanding Europe's energy infrastructure and interconnecting networks across borders, in order for solidarity between Member States to become operational, alternative supply/transit routes and sources of energy to materialize and renewables to develop and compete, with traditional sources. It also called for consistency and coherence in the EU's external relations. It has been agreed that the internal energy market shall be completed by 2014 and that no Member State shall be isolated from European gas and electricity networks after 2015. The efficient operation of the Trans-European Networks on transport, energy and telecommunications is the primary means to better interconnect Europe. While acknowledging the role of the market in financing infrastructure, priority will be given to the **Connecting Europe Facility** as it will contribute to further integration, to boosting the competitiveness of Europe by improving its infrastructure and to strengthening the economic, social and territorial cohesion of Member States.

**Sustainable development** is at the forefront in 2012, due to the United Nations Conference on Sustainable Development, the RIO+20 Summit. Moving towards the longer term goal of sustainable development requires an integrated approach and the establishment of synergies of policies on, inter alia, climate change, transport, environment and energy aiming at addressing all three pillars of development (i.e. economic, social and environmental). In line with the Europe 2020 Strategy, inclusive and equitable green growth shall be promoted through the sustainable and efficient management of Europe's resources. It is, thus, essential for the EU that the policies on climate change, environment and energy are guided by an integrated action programme, compatible with the European Strategy on Sustainable Development. In the same context and taking into consideration that 2012 has been designated as the 'Year of Water', the Presidency will

highlight the importance of actions for the sustainable use of water resources in the EU. The Cyprus Presidency also aspires to the 're-energizing' of the **EU Integrated Maritime Policy**, as an important tool in meeting the objectives of Europe 2020 Strategy, which will address relevant challenges in an efficient and sustainable way, at European level.

## 2. Europe, with a better performing and growth-based economy

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The economic crisis has revealed significant structural and competitiveness weaknesses within the Union, as well as the need for greater cooperation and effectiveness of policies and measures, so as to achieve smart, sustainable, inclusive, resource-efficient and job-reach growth. The approach to recovery is two-fold, both fiscal consolidation and sustainable economic growth are imperative for a better Europe.

The Presidency will focus on the implementation of the **new enhanced framework of economic governance** and will promote and implement measures deemed necessary to further improve economic governance and strengthen budgetary surveillance, so as to ensure fiscal stability. The signing of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union at the European Council meeting in March 2012 opened up a new important chapter in this area. The ratification of the Treaty is crucial, since, along with the Treaty on the European Stability Mechanism, it enhances, on the one hand, the solidarity among all Contracting Parties and, on the other, the sense of responsibility of individual countries, two principles that form the bedrock of the Union's response to the sovereign debt crisis.

Effective implementation of the commitments of the euro area Member States in the framework of the Euro Plus Pact and compliance with the strengthened Stability and Growth Pact are essential for achieving fiscal consolidation and fostering competitiveness. Focus will be placed on actions arising from the implementation of the second European Semester, launched in January 2012, and ensuring the appropriate monitoring of new initiatives, such as the Macroeconomic Imbalance Procedure.

In addition to the measures aiming at fiscal consolidation and structural reform, it is of paramount importance to stimulate growth, in order for the EU to start recovering from the crisis. In this context, emphasis will be placed on the **monitoring of the implementation of the Europe 2020 Strategy** and of the **Compact for Growth and Jobs**, which was decided in June 2012. The enhancement of economic growth and the promotion of employment opportunities will be among the main priorities of the Presidency, with a view to achieving sustainable and job-rich growth, taking into consideration the effects of the financial crisis.

As the European Council reiterated in June 2012, the further **deepening of the internal market**, by reducing remaining barriers will be a key driver for the promotion of growth and jobs. Therefore, the advancement of the initiatives of the Single Market Act and possible new initiatives, is crucial. This will, consequently, boost the European economy, stimulate economic growth and create more jobs, while at the same time, bring social progress and response to

the needs of Small and Medium-Sized Enterprises (SMEs) and consumers. The Presidency, recognising the importance of SMEs, which form the backbone of the European economy, will promote an SME-friendly environment, focusing on access to finance for SMEs and to an effective digital single market, within the framework of the European Digital Agenda.

A sound and properly regulated financial services sector is also a precondition for economic growth and stability. The Presidency will give emphasis to the strengthening of the **financial services regulatory framework** and to the implementation of measures, which aim at greater market transparency, protection of consumers and investors, prevention of threats to financial stability from excessive risk taking and completion of a common European framework for effective management of financial crises.

Following the Compact on Growth and Jobs and the report Towards a genuine Economic and Monetary Union, the Cyprus Presidency will, as required, work closely with all competent EU Institutions and the Member States on the expected interim report in October 2012 and the final report by the end of the year.

### 3. Europe, more relevant to its citizens, with solidarity and social cohesion

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The Cyprus Presidency will work towards bringing Europe closer to its citizens, with the view to improving the quality of life of EU citizens, their health and well-being, as well as by enhancing social inclusion and fairness. The current socioeconomic circumstances and, in particular the effects of the crisis have adversely affected European citizens. Actions to enhance growth and jobs are imperative for the fulfilment of the Lisbon Treaty's objective to promote the citizen's well-being and the Presidency will work towards this end.

In relation to employment, the focus will be on **youth employment**, especially in line with the Statement of the Members of the European Council of January 2012, for urgent actions needed to decrease the rising youth unemployment rates in the entire Union. This priority will be linked to the Youth Opportunities Initiative and will include issues related to training opportunities, working conditions, quality employment, as well as matching of qualifications and expectations of young people with the needs of the economy and of the enterprises. Moreover, in the context of the structured dialogue with young people, focus will be placed on youth participation in democratic life and social inclusion.

One of the basic objectives of the Cyprus Presidency is the establishment of the **Common European Asylum System** by the end of 2012, focusing on strengthening practical cooperation between Member States in protecting the rights of those in need of international protection, on the basis of solidarity and the principle of equitable burden sharing among all Member States.

The protection and security of persons and the protection of one's privacy are fundamental rights of all citizens. The Presidency will promote the new legal framework for the **protection of personal data**, as the rapid technological changes, globalisation and massive daily border transmission of personal data have made data protection indispensable. Moreover, legislative

measures focusing on enhancing cooperation between Member States in the field of justice will be promoted.

Addressing the demographic challenges in Europe, the Presidency will deal with issues related to the **European Year for Active Ageing and Solidarity between Generations**, by promoting active participation in all spheres of life and strengthening of solidarity between generations. In the field of health, the aim is to prevent diseases and promote a healthy lifestyle, thus, leading to healthy ageing throughout the lifecycle. In this context, the role of sports in improving the health of citizens and, therefore, enhancing active ageing will also be addressed.

The Presidency will focus on strengthening European social policy, by promoting and enhancing **children's well-being**, as well as preventing and combating child poverty and social exclusion. Discussions on all aspects of children's well-being, like protection, participation of children and access to adequate resources, services and opportunities will be further facilitated through the Presidency proceedings.

In the field of education, the main priority will be the negotiations for the next-generation programmes, Erasmus for all. Particular emphasis will also be given to the promotion of literacy and the provision of more qualitative **education** and training, so as to strengthen social cohesion and combat unemployment. Given the fact that enhanced investment in **culture** contributes to economic growth, employment, innovation and social cohesion, the Presidency will work on the proposal for a Creative Europe Programme, for the post 2013 period.

In order for citizens to regain confidence and trust in the Union's policies, their active participation is essential. Hence, the Presidency will promote the participation and involvement of social partners, NGOs and local authorities, in the formulation and implementation of the Europe 2020 Strategy, as well as in civil protection.

## 4. Europe in the world, closer to its neighbours

In the framework of the external dimension of the EU, the Cyprus Presidency will work closely with the President of the European Council and support, where necessary, the activities and initiatives of the High Representative of the Union for Foreign Affairs and Security Policy and the European External Action Service (EEAS).

In this regard, the Cyprus Presidency will support the High Representative's efforts on **European Neighbourhood Policy**, notably its Southern Dimension, where the EU has committed to supporting the democratic transformation of our southern partners. Dialogue with the countries of the region on trade and economic relations, as well as other issues of common concern, such as migration, mobility and security, will be promoted. At the same time, the Cyprus Presidency will contribute to the High Representative's efforts to promote the objectives of the Eastern Partnership.

The Cyprus Presidency will also support the efforts of the High Representative in consolidating EU relations with our strategic partners and in advancing the Union's relations with emerging global players.

During the Cyprus Presidency, the aim will be to conclude the negotiations on the **external financing instruments** within the framework of the new Multiannual Financial Framework for 2014 – 2020, also to better enable the EU's cooperation with neighbouring and partner countries. The Presidency will work towards a strengthened EU external trade policy that is an engine of growth, as stipulated in the Compact for Growth and Jobs. Moreover, the Cyprus Presidency will support the High Representative and the Commission in furthering the EU's development and humanitarian agendas. With regard to fighting world hunger and ensuring a better quality of life in developing countries, the Cyprus Presidency will focus on food security and improved nutrition.

Enlargement strengthens the Union as it extends the zone of stability and prosperity and brings the citizens of the continent closer. The Cyprus Presidency intends to actively promote the enlargement agenda on the basis of the "own merits" approach and strict conditionality.



# Operational Programme

## 1. General Affairs

The General Affairs Council has a special place in the institutional architecture of the Council. It has a coordinating role, in the preparation and follow-up of the European Council meetings, in ensuring consistency in the work of the different Council configurations and on the handling of horizontal issues, such as the Multiannual Financial Framework, the enlargement process and inter-institutional issues. On the basis of the agreed framework, the Cyprus Presidency will work in consultation with all EU Institutions.

Negotiations for the next Multiannual Financial Framework (MFF) 2014-2020, are taking place in a challenging socio-economic environment, at a time when the Union is taking action to tackle the adverse effects of the economic and sovereign debt crisis. The Presidency will give special emphasis on guaranteeing consistency and coherence of the MFF for 2014-2020 with sectoral proposals, aiming to match the content and resources of the new MFF with agreed priorities of the EU, while working in parallel on the own resources package.

Enlargement remains an important EU policy, promoting stability and prosperity in Europe and, in this respect, the Presidency will continue work on the EU enlargement process. In the framework of the General Affairs Council, the Cyprus Presidency will provide support on the efficient preparation and follow-up of the European Council meetings, with the aim to further enhance the linkage between the two.

Furthermore, the Cyprus Presidency will continue the efforts on the implementation of the Europe 2020 Strategy and the accomplishment of the agreed goals. Efforts will focus on delivering the new priorities set in the Annual Growth Survey 2012. The Presidency stands ready, in close coordination with the following Presidency, to contribute to the preparation of the 2013 cycle.

### **Multiannual Financial Framework**

The agreement for the EU budget should, on the one hand, take into account the economic circumstances and fiscal consolidation measures of Member States, and, on the other hand, the fact that the EU budget must contribute to the efforts for enhancing growth, as well as providing the means, in its seven year span, to achieve the targets of the Europe 2020 Strategy. At the same time, the EU budget needs to strive towards delivering solidarity and fairness and improving the standard of living and quality of life of EU citizens.

The negotiations of the Multiannual Financial Framework will be a top priority for the Cyprus Presidency, aiming to take the negotiations further at Council level, for it to be brought to the European Council for a final agreement before the end of 2012. In this respect, the Cyprus Presidency will follow the community method and will work in close cooperation with the President of the European Council. At the same time, the Presidency will engage closely with

the European Parliament, in order to facilitate the adoption of the entire package. Negotiations will take place in parallel with those on the various EU sectoral policies, laying the ground for the smooth finalisation on relevant discussions connected with the MFF negotiations.

## **Cohesion Policy**

The agreement on the new legislative package for Cohesion Policy after 2013 will constitute one of the most important elements of the GAC agenda during the Cyprus Presidency. A timely conclusion of the negotiations on the new regulatory framework for Cohesion Policy is crucial, in order to enable Member States to proceed with the preparation of the new generation of programmes and their implementation at the beginning of 2014.

The aim of the Presidency will be to make as much progress as possible, subject to the conclusion of negotiations of the MFF. The Council will need to address pending issues, with the aim of formulating the new Cohesion Policy, in line with the underlying objectives of the Europe 2020 Strategy, to improve economic, social and territorial cohesion.

The Cyprus Presidency will carry work forward on the implementation and monitoring of the roadmap towards promoting and enhancing an integrated territorial approach based on the Territorial Agenda 2020. In terms of urban development, the Presidency will proceed with the implementation of the Leipzig Charter and the Toledo Declaration.

## **Enlargement**

The prospect of membership provides a strong incentive for democratic transformation, structural reforms and regional co-operation. The Cyprus Presidency will ensure that the enlargement agenda of the EU remains high amongst its priorities and will, therefore, further advance the process, on the basis of the “own merits” approach and strict conditionality.

The Cyprus Presidency is determined to contribute in taking forward Iceland’s accession negotiations, aiming at bringing the process as close as possible to its conclusion.

Moreover, the reinforcement of Turkey’s accession prospect is of critical importance and the Presidency will focus on advancing this prospect, in line with Turkey’s Negotiating Framework and relevant Council conclusions.

The Cyprus Presidency stands ready to implement swiftly the Union’s decision to open accession negotiations with Montenegro and to contribute to the decisive advancement of these negotiations.

The Presidency will seek to build on the momentum created by European Council Decision to grant candidate status to Serbia, a key country in the Western Balkans, aiming potentially to a European Council decision for the opening of accession negotiations.

The Cyprus Presidency will follow closely the monitoring process for the implementation of the commitments assumed by Croatia during the accession negotiations, in view of the Comprehensive Monitoring Report to be presented by the European Commission to the

European Parliament and the Council in autumn 2012.

### **Integrated Maritime Policy**

The EU Integrated Maritime Policy is an important tool in meeting the objectives of the Europe 2020 Strategy. The potential of Europe's oceans and seas for the EU economy, sustainability and prosperity, as well as the need for a genuine strategic approach to Europe's maritime affairs and coastal areas should be further explored. The Cyprus Presidency will, as a priority, aim at 're-energizing' the Integrated Maritime Policy, through the examination and adoption of a Declaration, in order to create momentum for the implementation of this innovative cross-cutting policy. The Presidency will initiate and progress the discussions on the proposal for a legislative act on the Maritime Spatial Planning, as part of the Integrated Maritime Policy.

### **Institutional issues**

The reform of the Staff Regulations aims to modernise some administrative elements, in order to increase the efficiency and effectiveness of the EU Institutions and agencies, while at the same time generating savings. The Presidency will endeavour to progress the negotiations with the intention to reach an agreement on this issue.

The Cyprus Presidency will also work so as to contribute to the permanent objective of the smooth and efficient functioning of EU Institutions. In particular, it will seek to contribute to the enhancement of the cooperation between the institutions and to promote the different elements of the reform of the Union's Courts, with the aim of improving their efficiency for the benefit of European citizens and their undertakings alike.

With a view to completing the establishment of a well-functioning European External Action Service (EEAS), the Cyprus Presidency will promote further cooperation between EU Institutions, Member States and the EEAS in order to effectively address the challenges set out in the High Representative's first progress report.

### **Nuclear Safety**

In light of the results of the EU comprehensive safety assessments of nuclear power plants in the EU and neighbouring countries, the Presidency will make every effort to promote any relevant actions stemming from the final report of the European Nuclear Safety Regulators Group (ENSREG) and the conclusions of the European Council, in June 2012. The Presidency will also follow up discussions with third countries, especially EU neighbouring countries, with a view to strengthening cooperation in the field of nuclear safety. Moreover, discussions on the proposal for the new Basic Safety Standards Directive will be continued, with a view to its adoption in 2013, and any initiative, in relation to the security of supply of medical radioisotopes, will be followed up, accordingly.

### **Main Presidency events**

- Informal Meeting of Ministers and State Secretaries for European Affairs, Lefkosia (Nicosia), 30 August 2012

- Informal Meeting of Ministers on Cohesion Policy, Lefkosia (Nicosia), 6 November 2012
- Informal Ministerial Meeting on EU Integrated Maritime Policy, Lefkosia (Nicosia), 8 October 2012

## 2. Foreign Affairs

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The Cyprus Presidency will work closely with the President of the European Council and support the activities and initiatives of the High Representative of the Union for Foreign Affairs and Security Policy and the European External Action Service (EEAS), with a view to promoting the effectiveness of the EU. To reach this objective, the Cyprus Presidency will also cooperate closely with the European Parliament.

In particular, the Cyprus Presidency will help to further strengthen the strategic coherence and effectiveness of the EU's external policies across different Council formations by facilitating:

- Increased coherence of the external policies, including in the fields of development and humanitarian affairs, through close coordination with all relevant EU actors;
- A strengthened EU external trade policy.

In the framework of the European Neighbourhood Policy, the Cyprus Presidency will support the High Representative in implementing the EU's commitment to the democratic transformation, primarily of the Southern Neighbourhood, and to the continued development of a partnership based on mutual accountability and adherence to democratic values.

The Presidency will also support the efforts of the High Representative in consolidating EU relations with our strategic partners and advancing the Union's relations with emerging global players.

Furthermore, the Presidency will aim to conclude the negotiations on the external financing instruments within the framework of the new Multiannual Financial Framework covering the period 2014 - 2020. The new set of regulations will facilitate the Union to elaborate its cooperation with neighbouring and partner countries and respond promptly and swiftly in cases of emergency, ensuring effectiveness and flexibility through the involvement of all actors in the process. They will also provide the framework for the implementation of development programming and assistance until 2020.

### **Development Cooperation and Humanitarian Aid**

The European Union is a leading global actor in development cooperation and humanitarian assistance. The Cyprus Presidency will work together with all Member States and EU Institutions to further advance the respective EU Development and Humanitarian Agendas. In this context, the Cyprus Presidency will aim to reach agreement on all relevant financing instruments. Among the issues that the Cyprus Presidency is expected to take forward is sustainable change in transition societies, in particular those undergoing major economic, social and political reforms in the neighbourhood and other developing countries.

Another issue is deepening engagement with civil society and local authorities, building on the outcomes of the structured dialogue with these important development stakeholders. Social protection has been brought to the forefront of the development agenda in response to the combined effects of the global economic crisis and the persistent non-inclusive growth. The Cyprus Presidency will seek to strengthen EU assistance to social protection policies and systems in partner countries.

The Cyprus Presidency will also ensure that the EU continues to make progress on its ambitious development commitments in the context of financing for development and the global post-2015 development framework.

The Presidency is expected to forward work on important humanitarian issues such as the European Voluntary Humanitarian Aid Corps, the revision of the Instrument for Humanitarian Aid, as well as, efforts to further strengthen the link between Relief, Rehabilitation and Development.

Food security and improved nutrition are at the core of efforts to fight hunger and improve development outcomes. The Cyprus Presidency will put strong emphasis on supporting EU efforts in addressing these challenges in developing countries.

## **Trade Policy**

The Cyprus Presidency will aim for the acceleration of the on-going negotiations with Mediterranean partners and, at the same time, support the launching of negotiations for Deep and Comprehensive Free Trade Agreements with those southern Mediterranean countries that are ready and prepared. In parallel, the Free Trade Agreement (FTA) with Singapore, as well as the Comprehensive Economic and Trade Agreement (CETA) negotiations with Canada could be concluded. Progress is also expected to be made regarding the bilateral trade negotiations with, among others, India, Malaysia and Mercosur. At the same time, the EU will continue to strongly support multilateralism and to pursue efforts for reviving the Doha Development Round negotiations.

The EU will continue its efforts towards deepening and upgrading economic and trade relations with its strategic partners. Cyprus Presidency will work towards building the conditions for the initiation of negotiations for a free trade agreement with Japan and will follow the work of the EU-US High Level Working Group on Jobs and Growth, which is expected to deliver recommendations on supporting job creation, economic growth and international competitiveness. In addition, following Russia's WTO accession, the EU will continue to work towards meaningful negotiations for advancing the trade and investment provisions of the New Agreement with Russia and consideration will also be given in exploring the possibility of initiating negotiations for an investment agreement with China.

Through its market access strategy, the EU will continue to resist protectionism, create the right conditions for businesses and seek greater market access in third countries for small and medium-sized enterprises (SMEs). To this end, renewed efforts will be made to remove non-tariff and other regulatory barriers introduced by emerging, as well as, developed countries during the latest world economic crisis.

Finally, in pursuing the EU's trade policy objectives and in line with the Lisbon Treaty, the Cyprus Presidency will maintain a close cooperation with the European Parliament and will continue the work for the implementation of a comprehensive EU investment policy.

### **Main Presidency events**

- Informal Meeting of Foreign Affairs Ministers (Gymnich), Pafos, 7-8 September 2012
- Informal Meeting of Defense Ministers, Lefkosia (Nicosia), 26-27 September 2012

## **3. Economic And Financial Affairs**

Cyprus will assume the Presidency amid challenging times for the Union. Significant measures have been taken at European level, which have contributed to tackling the effects of the economic and sovereign debt crisis. These measures have been enhanced by the European Council conclusions in June 2012, including, inter alia, the report Towards a genuine Economic and Monetary Union, which aims at a stronger Union in the financial, fiscal, economic and political domains.

During the Presidency, due attention will be given to addressing the current multidimensional challenges, including low levels of growth, high unemployment, fiscal imbalances and financial sector problems.

Against this background, the ECOFIN Council will continue to closely monitor the situation and, when necessary, address issues pertaining to the proper functioning of the markets. Fiscal consolidation is a necessary precondition for macroeconomic stability and key for reversing and gradually improving the situation, whereas at the same time, it is of utmost importance to focus on fostering economic growth and creating new job opportunities, inter alia, through structural reforms.

In the area of economic policy, the Cyprus Presidency will attach high priority to the effective implementation of the recently adopted initiatives for improving economic governance, ensuring fiscal consolidation, strengthening the European financial services framework and accelerating structural reforms, with a view to enhancing growth potential and social cohesion. In addition, the strengthening of the European financial services framework, together with promoting further work on various key taxation issues, also constitute important priorities for the Presidency.

The Presidency will aim for an effective coordination within the EU, with a view to ensuring appropriate representation of EU positions at international fora, such as the G20 meetings and securing the overall European interests.

### **Towards enhanced economic governance, policy coordination and crisis management**

The Treaty on Stability, Coordination and Governance in the Economic and Monetary Union, aiming at strengthening fiscal discipline and introducing stricter surveillance within the euro area, was signed at the European Council meeting in March 2012. The ratification process at national

level has already been initiated and is expected to be finalised by the first quarter of 2013. The entry into force of the Treaty will constitute a major step in addressing market concerns brought by the sovereign debt crisis and pave the way back to sound public finances and financial stability in the euro area, thus creating a sound basis for the future economic growth in the European Union. The Presidency will monitor the process for a smooth ratification within the set deadlines. The Presidency will continue work, on the two Regulations, the so-called two-pack, which aim at stronger economic and budgetary surveillance of the euro area's members experiencing or threatened with serious difficulties, as well as stronger monitoring and assessment of draft budgetary plans. The Presidency will aim at their successful incorporation in the enhanced Stability and Growth Pact.

In addition, the Cyprus Presidency will contribute to ensuring the effective implementation of the commitments of the euro area members in the framework of the Euro Plus Pact, which identifies the issues that are essential to foster competitiveness in the euro area and encourages countries to adopt concrete measures to that effect.

The Council will furthermore assess the progress made during the second European Semester, placing special emphasis on the compliance with the strengthened Stability and Growth Pact. The Presidency will take stock of the progress and overall process in relation to the new initiative of the Macroeconomic Imbalances Procedure. Moreover, at the beginning of the Cyprus Presidency, the European Stability Mechanism will come into force, aiming at safeguarding macroeconomic stability and providing, where needed, financial assistance to Member States. The Presidency will ensure coherence between all these procedures, processes and measures, as well as transparency and effectiveness in their implementation.

### **Europe 2020 Strategy and Compact for Growth and Jobs: Putting Europe back on the track for Growth**

Fostering smart, sustainable and inclusive economic growth and promoting employment opportunities will be among the main objectives of the Cyprus Presidency, also in line with the European Council conclusions of June 2012. In this context, work at EU and national level for delivering the Europe 2020 strategic goals for supporting competitiveness and social inclusion will be pursued. The Presidency intends, inter alia, to promote the revival and expansion of capital markets to finance large European infrastructure projects in the fields of transport, energy and information technology through the launch of the pilot phase (2012-2013) of the Europe 2020 Project Bond Initiative.

Recalling the importance of fiscal consolidation, structural reform and targeted investment for sustainable growth, the Compact for Growth and Jobs provides coherent framework for action at national, EU and euro area levels, using all possible levels and instruments. The Cyprus Presidency will ensure appropriate follow up, pushing the growth agenda forward.

### **EU Budget 2013: Allocating funds effectively**

The Cyprus Presidency will steer the work with a view to a timely adoption of the 2013 budget, taking into account the need for balance between fiscal consolidation and appropriate allocation of resources to policies that contribute to growth and jobs.

## **Revisiting the own resources system**

The Presidency will carry on the examination of the proposals for the new system of own resources of the EU, with the overall objective to put in place a fair, simple and transparent system that will enable the financing of the next Multiannual Financial Framework.

## **Strengthening the European Financial Services Framework**

Strengthening regulation and supervision of the financial sector is vital, in order to ensure the proper and sound functioning of the financial institutions and markets. The Presidency is committed to making progress on the financial regulatory agenda. Priority will be given to the finalisation of the revised capital requirements for credit institutions and investment firms (CRD IV), which is part of the legislative implementation of the Basel III Agreement for credit institutions and investment firms.

Similarly, work will be carried forward in the area of insurance, with the Omnibus II Directive proposing specific changes to legislation mainly for insurance (Solvency II Directive) and also for securities (Prospectus Directive). Furthermore, the Presidency will seek to achieve an agreement with the European Parliament on the proposals for a further revision of the Regulation on credit rating agencies (CRA III), as well as for the revision of the Transparency Directive. The Presidency will work towards an agreement on the revised rules on markets in financial instruments (MiFID/MiFIR) and on the revised rules on market abuse (MAR), with a view to contributing to the establishment of a single rule book for EU financial services.

Very high on the agenda of the Presidency is the crisis management framework in the financial sector, aiming at putting in place an EU framework for crisis management in the financial sector and at enlarging the toolkit of authorities for dealing with the orderly resolution of failing financial institutions. The Presidency will focus on the examination of the proposal for the Recovering and Resolution of Credit Institutions and Investment Firms. . The Presidency will also progress work on other legislative initiatives in the financial services sector, in order to improve the protection of European consumers and investors.

## **Taxation policies in the EU**

As regards taxation of the financial sector, the Cyprus Presidency will continue all the necessary work on the issue of the Financial Transaction Tax. The Presidency stands ready to explore, in a consensual spirit, possible compromise proposals, including the enhanced cooperation option.

In the area of indirect taxation, the Presidency will ensure appropriate follow up of the relevant Council conclusions on the Future of VAT, that underline the need for a simpler, more efficient, robust and fraud-proof VAT system. The Presidency will initiate work on the proposal for a Council Directive regarding the treatment of vouchers, which seeks to tackle market inefficiencies created by differences in national rules across Europe. Moreover, technical discussions will be continued on the proposal for a Council Directive on Energy Taxation, with the aim of carrying the work forward.

The work on the proposal for a Regulation establishing an action programme for customs and taxation for the period 2014-2020 (FISCUS Programme) will be pursued, subject to the negotiations of the MFF.

In the area of direct taxation, the Presidency will carry on the work on the Directive on Taxation of Savings Income and on the adoption of the negotiating mandates for Savings Taxation Agreements with third countries. The Presidency will also work on the revision of the proposal for a Council Directive on a Common System of Taxation applicable to interest and royalty payments made between associated companies of different Member States.

On the issue of tax coordination, during the Cyprus Presidency, the Council will discuss tax policy issues in order to ensure the exchange of best practices, in order to avoid harmful practices and fight fraud and tax evasion.

Furthermore, the Presidency will continue discussions on technical issues with regards to the Common Consolidated Corporate Tax Base.

### **Enhancing the European Statistical Framework**

The Cyprus Presidency will continue the work for the provision of high quality, reliable and relevant European statistics in compliance with the principles of the European Statistics Code of Practice. The Presidency will emphasise the necessity for a continuous focus on simplification and prioritisation initiatives in the field of statistics, as well as on the reduction of the administrative burden on statistical authorities and respondents, which are key elements in balancing the new data needs against the increasing resource constraints.

Particular attention will be given to the finalisation of the work on the proposal for a Regulation on the European Statistical Programme 2013-2017, which provides the framework for the development, production and dissemination of European statistics, intended to support the implementation and monitoring of EU policies. Also, the Presidency will progress the negotiations on the proposal for amending the Regulation on European Statistics, which aims at improving the governance and efficiency of the European Statistical System. The Presidency will conclude the work on the proposal for a Regulation on the European System of National and Regional Accounts in the EU.

### **Main Presidency events**

- Informal ECOFIN Council, Lefkosia (Nicosia), 14-15 September 2012

## **4. Justice And Home Affairs**

Global economic developments and the newly emerging situation in North Africa and the Middle East have brought to the surface major challenges for the EU in the area of freedom, security and justice. A comprehensive, coherent and long-term EU approach is needed to address these challenges, which call for stronger and better cooperation between the Member States, based on mutual trust and solidarity.

For the achievement of the EU strategic objectives in the area of freedom, security and justice, the complete and timely implementation of the Stockholm Programme (2010 - 2014) is of high importance. To ensure that the financial means to achieve these objectives are available, the Cyprus Presidency will make every effort to conclude the discussions on the legislative proposals for the relevant funds.

In parallel, the external dimension of Justice and Home Affairs also carries great importance. In this regard, the Presidency will promote the strengthening of cooperation with EU's strategic partners, such as the USA, the Russian Federation and the countries of the Western Balkans. The Presidency will monitor developments in the Southern Neighbourhood, with a view to strengthen ties in Justice and Home Affairs matters.

The Presidency will give priority to establishing the Common European Asylum System by the end of 2012; to enhancing police cooperation in order to tackle cross-border serious crime; to continue work on improving response capacities of the Member States to face disasters and crisis and, finally, to examine the new comprehensive legal framework on Data Protection.

With regards to civil and criminal law, the Presidency will focus on the proposal for the establishment of a European Account Preservation Order to facilitate cross border debt recovery and on the proposed Directive, which aims at improving the capacity of Member States to confiscate the proceeds of criminal offences.

### **Asylum, migration and borders**

The establishment of a Common European Asylum System (CEAS) based on high protection standards, as well as fair and effective procedures, so as to prevent abuses and allow for rapid examination of asylum applications, remains an overarching priority for the EU and for the Presidency. Taking into account the concerns of all parties involved, the Presidency will aim to complete the work on the CEAS by the end of 2012, as foreseen by the Stockholm Programme. In this regard, the Presidency will strive to finalise the outstanding legislative proposals.

Europe's demographic challenges call for a comprehensive EU migration policy, based on common admission procedures and fair third-country nationals' treatment. The development of an EU legal framework on migration is a vital component of this comprehensive EU migration policy. Such a policy can contribute to the future prosperity of both the EU and the countries of origin of the migrants. The Presidency will, therefore, devote considerable efforts to reach an agreement on the proposals concerning the procedures regulating the entry, temporary stay and residence of Intra-Corporate Transferees (ICTs), as well as the entry and residence conditions for Seasonal Workers. At the same time, successful integration is the key for maximising the benefits of immigration both for the receiving societies and for migrants themselves, in terms of economic development and social cohesion. In light of this, the Presidency will work on closer cooperation between Member States and relevant stakeholders with the aim to enhance the active involvement of local and regional governance, in shaping and implementing integration policies.

As far as the external dimension of migration and asylum is concerned, the Presidency will focus on the implementation of the renewed Global Approach to Migration and Mobility,

presented by the Commission and endorsed by the Council in May 2012, with emphasis on establishing and strengthening cooperation with key countries of origin. Considering the latest developments in the southern neighbourhood, the Presidency will actively support efforts to continue the dialogues on migration, mobility and security with the countries of the eastern and southern Mediterranean.

In addition, the Cyprus Presidency will continue to address challenges in relation to illegal immigration, in full respect of fundamental rights, freedoms and human dignity. To this end, the Presidency will follow closely the implementation of the EU Action on Migratory Pressures to ensure a coherent EU response to continued migratory pressures. Furthermore, the Presidency will work towards the completion of readmission agreements with key countries of transit and origin.

Modernisation of the EU's border regime and the use of new technology to ensure that the system both encourages cross-border activities and provides the right safeguards, are the key elements for a well-managed migration policy. The Presidency will, therefore, work towards the conclusion of the work on the legislative proposal for EUROSUR (European Border Surveillance System) and will initiate discussions on the expected Smart Borders legislative package (Entry/Exit System and the Registered Traveler Programme).

Regarding the Schengen reform, the Cyprus Presidency fully recognises the political sensitivity of the issues involved. Improvements in the efficiency of the management of the Schengen area and the strengthening of political governance in the Schengen cooperation will remain a priority. The Presidency will, therefore, continue, in a consensual manner, the work on the legislative proposals relating to the temporary reintroduction of border control at internal borders in exceptional circumstances and the establishment of an evaluation mechanism to verify the application of the Schengen acquis. It will also work towards the completion of the Schengen Information System II (SIS II), while ensuring a smooth transition from the current system to the second generation one. The proper functioning of the Schengen evaluation process according to the proposed timetable, as well as the continuation of the Schengen evaluators' training will also be pursued.

Following the conclusions of the European Council in March 2012, the Presidency will continue efforts that will make possible the successful enlargement of the Schengen Area to include Romania and Bulgaria.

The Presidency aims to finalise work on the amendment of the Regulation on the Requirements for Third-Country Nationals, addressing the reciprocity principle in visa issues and achieve its adoption. The Presidency will also work towards the conclusion of the amended Visa Facilitation Agreements (VFAs) with Russia, Ukraine and Moldova, as well as the advancement of negotiations for VFAs with Armenia and Azerbaijan. Additionally, the roll-out of the Visa Information System to cover further regions will be taken forward, with the third roll-out covering the Gulf Region and Afghanistan expected to take place in October 2012.

## **Security and Police Cooperation**

Tackling security challenges, many of them being cross-border and cross-sectoral in nature,

and building an open and secure Europe, through the implementation of the Internal Security Strategy, will be a priority for the Cyprus Presidency. In this framework, the implementation of the EU policy cycle for serious and organised crime, focusing on the monitoring of the operational plans and the validation of the new plans for 2013 will be pursued. Furthermore, actions will be promoted in the framework of the multidisciplinary and administrative approach to combating organized crime. Large-scale attacks against information systems and various other forms of cybercrime are subject to rapidly evolving technological developments. The Presidency will therefore continue work in this regard, aiming to increase EU capacity to fight against cybercrime, including various forms of child pornography on the internet.

Terrorism remains one of the greatest threats in Europe today that can affect Member States and people irrespective of their geographical location. Efforts will be promoted on the four strands of work of the EU Strategy against Terrorism, with particular emphasis on the enhancement of cooperation and the protection of soft targets. In addition, the implementation of the EU Radicalization and Recruitment Action Plan, the EU Action Plan on Violent Radicalisation and the EU Explosives Action Plan will be further monitored. In the area of combating the financing of terrorism, discussions will be initiated with regard to the introduction of a European Terrorist Financing Tracking System (TFTS).

Once the Commission and the High Representative have submitted their proposal, the Cyprus Presidency will initiate discussions on the implementation of the solidarity clause (Article 222 (3) TFEU), which stipulates that if a Member State is the object of a terrorist attack or the victim of a natural or man-made disaster, action will be taken by the Union and its Member States. The swift and efficient exchange of information is of fundamental importance for effective international police cooperation. The Presidency will continue the work towards the development of a European Passenger Name Record (PNR) system and the conclusion of PNR Agreement with Canada. Work will also be continued on the implementation of the automated exchange of DNA, fingerprint and vehicle registration data (Prüm Decision) and on comprehensive application of the Swedish initiative (Council Framework Decision on simplifying exchange of information and intelligence). The forthcoming proposal for the revision of the EU framework for data retention, as well as the proposal for a new legal basis for Europol pursuant to Article 88 TFEU, will be examined as appropriate.

In the same framework, the Presidency will work on the creation of an Informal European Network of Expertise in the field of Cultural Property, with a view to enhancing law enforcement cooperation in combating illicit trafficking of works of art and antiques. Particular emphasis will be given to domestic violence issues, and in particular to the role of law enforcement authorities in overcoming «attrition» in domestic violence, through policing. The fight against trafficking in human beings remains a great challenge for the Member States and the EU as a whole. The Presidency will actively pursue and support a comprehensive EU response against trafficking in human beings.

As concerns the EU's response to drugs, the Presidency's main goal will be to draft the new EU Drugs Strategy, based on the results of the evaluation of the current EU Drugs Strategy 2005-2012, with the aim to adopt it by the end of 2012. During the Presidency, discussions will be initiated in order to improve the EU mechanism of the information exchange, risk-assessment and control of new psychoactive substances.

The political dialogue on drugs with the USA, the Russian Federation and the countries of Latin America and the Caribbean will be pursued by the Presidency, whereas new political dialogues with Morocco and Lebanon will be initiated, so as to enhance the relation with the Mediterranean region in this field.

## **Justice**

In the field of judicial cooperation in civil matters, the Presidency will focus on measures aiming at facilitating cross border litigation involving citizens. In this respect, the Cyprus Presidency will finalize the work for the adoption of the amendment of the Brussels I Regulation and will focus on the proposal for the establishment of a European Account Preservation Order to facilitate cross border debt recovery. The proposed Regulation, together with the Brussels I Regulation, constitute an indispensable tool, particularly in times of an ongoing economic crisis, for creditors to protect their interests in recovering debts. The Cyprus Presidency will aim to reach the right balance between creditor's interests and the rights of debtors and other third parties affected.

The Presidency further purports to contribute towards strengthening the exercise of property rights of citizens by continuing work on the two proposals on Jurisdiction, Applicable Law and the Recognition and Enforcement of Decisions in matters of Matrimonial Property Regimes and Property Consequences of Registered Partnerships. The Presidency will work towards the adoption of the Regulation on Mutual Recognition of Protection Measures in Civil Matters, in order to enhance the rights of victims in the EU.

In the area of criminal law, the Presidency will, as a matter of priority, work towards achieving agreement within the Council on the proposed Directive aiming at improving the capacity of Member States to confiscate the proceeds of criminal offences. The Presidency will also continue work on the roadmap concerning the Procedural Rights of Suspects and Accused Persons in Criminal Proceedings and, more specifically, on the Directive that guarantees the right of access to a lawyer. Emphasis will also be placed on the proposed Directive deterring market abuse and insider dealing through effective criminal sanctions. The Presidency will continue work on the European Investigation Order and will initiate discussions on the expected proposal for a Directive on the Protection of the financial interests of the Union through criminal law.

## **Fundamental Rights**

While it is important to establish performant online and other services, it is imperative to offer to European citizens a safe digital environment. The Presidency will work actively on the Commission's proposal for a general Data Protection Regulation, which is an important step in this direction.

The Presidency will also work intensively on the Proposal for a Directive on data protection in the area of police and judicial cooperation. Taking into consideration that the Union needs to re-establish its relations with strategic partners, the Presidency will continue the work on the proposed EU-US General Data Protection Agreement.

Additionally, the Presidency will continue the discussion on the European Union's accession to the European Convention for the Protection of Human Rights and Fundamental Freedoms, a commitment arising from Article 6 of the Treaty of Lisbon.

The Presidency will make every effort to finalise the proposal for a Decision of the European Parliament and the Council for the European Year of Citizen 2013, which aims to actively inform the European citizens of all the advantages connected to the Union citizenship.

## **Civil Protection**

In the area of civil protection, the Cyprus Presidency will continue the work on improving response capacities of the EU and the Member States in order to strengthen the EU's capability to ensure a rapid and effective response to disasters and crises both in the EU and in third countries, always taking into account the necessary balance between prevention, preparedness and response. The Presidency will work towards ensuring progress on the proposal for a Decision on a Union Civil Protection Mechanism. After the Commission submits the progress report on the Chemical, Biological, Radiological and Nuclear (CBRN) Programme, the Presidency will initiate discussions on the topic. Furthermore, the Presidency will seek to promote volunteering in Civil Protection and Humanitarian Interventions.

## **Main Presidency events**

- Informal JHA Council, Lefkosia (Nicosia), 23-24 July 2012
- EU-US Justice and Home Affairs Senior Officials Meeting, Lefkosia (Nicosia), 25-26 July 2012
- High Level Group on Gender Mainstreaming, Lefkosia (Nicosia), 18-19 September 2012
- EU-Russia Permanent Partnership Council (PPC) on Freedom, Security and Justice, Lefkosia (Nicosia), 3 October 2012
- Conference on Trafficking in Human Beings on the 6th EU Anti-trafficking Day, Brussels, 18 October 2012
- Equality Summit, Lefkosia (Nicosia), 22-23 November 2012
- 11th ASEM Conference of the Directors – Generals of Migration, Lefkosia (Nicosia), 30-31 October 2012
- Experts Conference on issues of Integration of third-country nationals, Lefkosia (Nicosia), 20 November 2012
- EU – Western Balkans Justice and Home Affairs Ministerial Forum, Tirana, 5-6 November 2012
- EU – US Justice and Home Affairs Ministerial Meeting, Washington DC (date tbc)
- Consultative Forum of the Prosecutors General and the Directors of Public Prosecutions, The Hague, 13-14 December 2012

## **5. Agriculture And Fisheries**

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A sustainable, environmentally friendly and competitive agricultural and fisheries sector, based on solidarity, is of paramount importance for Europe and its citizens. The Cyprus Presidency will take forward the negotiations on the reform of the Common Agricultural Policy (CAP) and the Common Fisheries Policy (CFP), in parallel with the negotiations on the Multiannual Financial Framework (MFF).

The Presidency will make every effort to ensure that, by the time an agreement on the MFF is reached, the work on the substance of the CAP and CFP reforms will be at an advanced stage, so as to allow a swift conclusion of the work. One of the core objectives will be to ensure simplification of both policies, while ensuring sufficient flexibility for Member States, in an efficient and effective way, taking account of national/regional specificities and needs.

### **Taking Common Agricultural Policy a step forward**

One of the main objectives of the Common Agricultural Policy reform is to ensure that, in the future, agriculture will accommodate citizens' demands and expectations concerning food safety and quality, as well as delivery of public goods, and will contribute to meeting the challenges relating to the protection of the environment, climate change, conservation and efficient use of resources and energy security, contributing to the objectives of Europe 2020 Strategy. The Presidency will pay particular attention to the further streamlining and simplification of the CAP, allowing for targeted and efficient implementation of the policy without undue complications and delays.

At the same time, the Presidency will work towards a competitive and sustainable European agricultural sector in the global context tapping on existing potential for high quality food production and efficient use of resources. To promote innovation and contribute to ensure food security, the Presidency will foster, in particular, more synergy, coordination and cooperation between researchers, advisors and the agro-food industry, while ensuring a basic level of direct support to farmers. The needs of Europe's small farms, which make up 75% of all farms, should also be addressed.

The Cyprus Presidency will aim to take the discussions on the content of the CAP a step forward. Concerning the various elements of the new direct payments system, the Cyprus Presidency will seek to achieve consensual solutions, by promoting flexible approaches and simplification, paying attention to synergy and complementarity with the second pillar.

The Presidency will also work intensively on the new Rural Development Regulation, ensuring that the new framework will be targeted, yet, flexible enough, to accommodate particular needs of Member States.

An effective safety net for farmers, flexible crisis management tools and deeper cooperation along the food chain will be needed in the future. In this respect the Presidency will press ahead with the discussions on the Single Common Market Organisation and the financing of the CAP Regulations, including the amendment on the publication of beneficiaries.

With a view to providing quality food for the citizens, recognising the importance of local and regional specialties and geographical designations for the competitiveness of European agriculture, the Presidency will give emphasis to the completion of the Quality Package and of outstanding work on the revision of the Organic Farming Regulation. Following the Commission's Communication, work will also be initiated on the Promotion of the Agricultural Products Regulation.

## **Promoting food safety and animal health**

Access to safe and healthy food products is a vital part of consumer protection. It is essential that common rules for safe food are defined from 'farm to fork'.

The Presidency will start the examination, upon submission by the Commission, of the package proposal for the New Animal Health Law, the Revision of the Official Controls, the new Plant Health regime and the new Marketing of Seeds and Propagating Material Regulation. The aim is to establish a clearer regulatory framework combining, simplifying and streamlining the existing legal framework and ensuring sufficient and sustainable funding for official controls.

Furthermore, the Presidency will launch work on the revision of the Hygiene Package and carry forward work on the proposal for the new Pet Regulation.

## **An efficient and sustainable fisheries sector**

The main objective of the reform of the Common Fisheries Policy (CFP) is to ensure the recovery of fish stocks and bring an end to overfishing. At the same time, the reformed CFP should minimize the impact on ecosystems, ensure that fishing activities are environmentally sustainable and that the EU fishing sector is socially and economically viable. The CFP reform package, which includes a Basic Regulation, a Common Market Organization and the European Maritime and Fisheries Fund 2014 – 2020, needs to provide the necessary tools that will help the European fisheries sector to tackle and resolve current problems, as well as face future challenges. In this context, important objectives of the Presidency are to promote the simplification of rules and procedures and to support and ensure better coherence and complementarity of the fisheries policy with other EU relevant policies. The Cyprus Presidency will make every effort to progress the negotiations on the proposals of the CFP package.

Regarding the Total Allowance Catches (TACs) and Quotas for 2013, the Presidency will organise work in a way to ensure their timely adoption, on the basis of scientific advice and taking into consideration the social, economic and territorial impacts of the decisions to be taken.

The Presidency will also seek to conclude the work on the renewal of several bilateral protocols of fisheries partnership agreements and to coordinate, in an efficient manner, the annual negotiations in the framework of International and Regional Fisheries Organisations.

### **Main Presidency event**

- Informal AGRIFISH Council, Lefkosia (Nicosia), 09-11 September 2012

## **6. Competitiveness**

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The EU has launched a number of measures aiming to stimulate growth and enhance its competitiveness, in order to address the economic crisis. In this context, enhancing the competitiveness of SMEs, which are the backbone of the European economy, is of utmost importance. In line with these objectives, the Presidency will press ahead the work on the legislative initiatives of the Single Market Act.

Special attention will be given to SME's access to finance, Public Procurement legislation, the Directive for Professional Qualifications and to reinforce consumers' confidence - especially in cross border transactions - by introducing effective dispute resolution mechanisms (Alternative Dispute Resolution and the Online Dispute Resolution).

In the field of Research and Innovation, the advancement of the negotiations on the Horizon 2020 package will be of the highest priority.

## **Internal Market**

The EU celebrates this year the 20th anniversary of the internal market, one of the greatest achievements of the EU and the core of European integration. The internal market has played a pivotal role in delivering growth and employment and boosting competitiveness, especially at times of economic crisis. The deepening of the internal market will be one of the key priorities of the Cyprus Presidency. The Presidency will support initiatives from the Single Market Act, which promote a growth and job generating economy, while providing protection - including social safeguards - to citizens, consumers and employees. The Presidency will also promote strategic priorities with the greatest benefits for businesses, in particular SMEs.

The Cyprus Presidency will carry on the work on the key proposals defined in the Single Market Act, while standing ready to promote possible additional measures, based on the expected Single Market Act II, providing a new impetus to the Single Market. The Presidency will continue to follow up the implementation of the Services Directive. In line with the European Council conclusions of March 2012, attention will be given to the negotiations on the Professional Qualifications Directive.

Recognising the importance of modernising and increasing the efficiency of public procurement in the European Union, the Presidency will seek to reach an agreement on the reform of the relevant legislation, namely the Classical and the Utilities Public Procurement Directives, which is an important component of the Single Market Act and the Europe 2020 Strategy. Increasing the efficiency, flexibility and user-friendliness of public procurement in the EU will contribute to the promotion of sustainable growth and innovation, to enhancing competition, reducing the administrative burden on businesses and facilitating SMEs' access to public contracts. Furthermore, the Presidency will take forward work on the proposal for the award of concessions.

Smart and efficient rules remove obstacles and reduce costs, while complex rules and red tape hinder Europe's competitiveness and growth potential. Smart Regulation is an important initiative within this framework and a useful tool for achieving the objectives set out in the Europe 2020 Strategy. The Presidency will reflect on the issue based on the commitments deriving from the Council conclusions of December 2011.

In the area of technical harmonisation, the Presidency will aim to reach an agreement with the European Parliament on all nine Directives, which are to be aligned to the New Legislative Framework. The work on the proposal concerning noise emissions from motor vehicles and on the legislative proposals for type approval will be taken forward.

Company law and corporate governance are the cornerstones of a modern and dynamic economy. Company law, including accounting and auditing, is therefore essential for promoting growth and strengthening the confidence of investors in the single market.

The preparation of financial statements has been identified as one of the most burdensome regulatory obligations for companies. The reform of the Accounting Directives, which aims at the simplification, comparability and clarity of financial statements, as well as the transparency of financial transactions, will be a priority. The Presidency will work towards achieving political agreement with the European Parliament.

Priority will also be placed on achieving agreement on the audit reform proposals, which aim at enhancing the internal market for statutory audits.

In order to encourage the establishment and operation of Foundations in the internal market, the Presidency will carry on the work on the proposal for a Council Regulation on the Statute for a European Foundation, which aims to create a new European legal form. Work will also commence on the forthcoming initiatives on the disclosure of non-financial information by companies, corporate governance and the future of European Company Law.

The modernisation of the legal framework regulating intellectual property in the European Union has been identified in the Europe 2020 Strategy as a prerequisite for boosting the competitiveness of the EU innovative industry. It will also make progress on the examination of the Commission proposals, aiming at modernising the governance and transparency of collective rights management, as well as the trademark system in the European Union.

## **Industry and SMEs**

SMEs make up for more than 99% of Europe's businesses. One of the main goals of the Single Market Act is to facilitate SMEs' access to finance.

The Presidency, considering the importance of industrial policy and the need to set new priorities and actions to respond to challenges resulting from the economic crisis, will review the expected Communication on Industrial Policy and propose relevant Council conclusions.

Entrepreneurship is an important contributor to job creation, competitiveness and economic growth. The EU has not fully exploited its entrepreneurial potential and thus, the Presidency will focus on the need to boost entrepreneurship as part of Europe's strategy for competitiveness and growth.

The Presidency will also initiate discussions highlighting the most appropriate policy measures in fostering entrepreneurial culture in Europe, through entrepreneurship education, activating untapped pools of talent, boosting innovative entrepreneurship and providing a second chance to entrepreneurs to return to the market.

COSME is the new financial instrument for enterprises and SMEs, which constitutes an important priority for the Presidency, since it aims at creating a more competitive and supportive environment for SMEs. The Presidency will aim to achieve an agreement, subject to the negotiations of the MFF.

## **Consumer Protection**

Ensuring high level protection of consumers and their interests is of utmost importance, as it contributes to improving the quality of life of EU citizens. Quick, inexpensive and effective out-of-court consumer dispute resolution is expected to significantly boost consumers' and traders' confidence to engage in cross-border transactions.

Emphasis will be given to the Alternative Dispute Resolution and the Online Dispute Resolution legislative proposals, aiming to reach an agreement.

The Presidency also aims to conclude the negotiations on the Consumer Programme 2014-2020, which focuses on accomplishing community consumer protection and information actions, subject to the MFF negotiations.

## **Customs Union**

The new EU Customs Action Plan 2013-2016, which aims to combat the intellectual property infringements and the revision of the Regulation on the Control of Drug Precursors will be examined. The Cyprus Presidency will endeavour to make significant progress on the recast of Modernized Customs Code (Union Customs Code) and the proposed Regulation establishing an action programme for customs and taxation (FISCUS).

In the area of international cooperation, discussions will take place regarding possible mandates for Agreements on Mutual Recognition of Authorised Economic Operators programmes with major trade partners, as well as on the Strategic Frameworks of Cooperation with eastern neighboring countries.

## **Research and Innovation**

The Presidency's main aim in EU research and innovation policy is to advance the negotiations on the Horizon 2020 package, building on the progress achieved so far on the main Regulation, the Specific Programme, the Rules for Participation and EURATOM. A close and constructive cooperation with the European Parliament at this phase will be crucial, taking into consideration the evolution of negotiations on the Multiannual Financial Framework. Horizon 2020 will, inter alia, address major societal challenges and contribute in strengthening the EU's position in science and industrial leadership, thus enhancing competitiveness, growth and employment. Horizon 2020 provides for simplified rules and procedures, in order to ease the access of small research teams, SMEs and industry to the Programme. The Presidency will also bring forward the negotiations on the Strategic Innovation Agenda of the European Institute of Innovation and Technology (EIT), as well as on the amendment of the EIT Regulation. In relation to the realisation of a European Research Area (ERA), the Presidency will initiate the relevant discussions at Council level focusing on the improvement of the mobility and career prospects of researchers, as well as on cross-border cooperation. The Presidency will also promote the international dimension of ERA, placing particular emphasis in revisiting Euro-Mediterranean cooperation in research and innovation.

## Space Policy

In the area of space, the Cyprus Presidency will ensure the follow-up to the relevant Commission's initiatives on the European Programme for the establishment of a European capacity for Earth observation, GMES (Global Monitoring for Environment and Security) with a view to push this important policy area forward. The Cyprus Presidency will initiate discussions on the Commission's Communication on EU Space Industrial Policy.

### Main Presidency events

- Informal Competitiveness Council, Lefkosia (Nicosia), 19-20 July 2012
- Conference on Single Market for Growth, 20 October 2012
- SME Assembly, Lefkosia (Nicosia), 15-16 November 2012
- European Institute of Innovation and Technology Conference, Larnaca, 8-9 November 2012
- European Research Area Conference, Lefkosia (Nicosia), 14 November 2012

## 7. Transport, Telecommunications And Energy

Modern and well developed transport, telecommunications and energy infrastructure is vital for the growth of the EU economy and its competitiveness. The further development and progressive completion of the Trans-European networks, therefore, remains a priority. These networks can effectively support the social, territorial and economic cohesion between all regions of the Union. In this respect, the negotiations on the Connecting Europe Facility will be a priority for the Presidency.

The key role of new and innovative technologies in the transport sector is highlighted both in the White Paper on the European Transport Policy and in the Digital Agenda for Europe. In this respect, the Cyprus Presidency will promote the role of Information Communication Technologies (ICT) in the implementation of the European transport policy, addressing, in this respect, multimodality, through the development of intelligent transport systems. In the energy area, the aim will be to ensure the well functioning of the internal energy market and security of supply of the Union, as well as the development of new renewable forms of energy.

### A sustainable and efficient transport system

A sustainable and efficient transport system is vital for the activities of European businesses and the mobility needs of citizens. From this perspective, an efficient transport system is a key factor to enhancing the European growth potential. The Cyprus Presidency will, therefore, give priority and work towards the successful revision of the Trans-European Transport Networks as part of the Connecting Europe Facility (CEF). The further development of the Trans-European Networks will contribute both in meeting effectively the new challenges in the transport sector and in achieving the objectives of the Europe 2020 Strategy. In this context, special attention will be given to the transport systems' optimal interconnection, in order to provide more efficient and sustainable transport solutions to both the citizens and the transport industry.

In the area of land transport, the Presidency will work towards the amendment of the current legislation on recording equipment in road transport (tachographs), aiming to improve the reliability of the system, fight fraud, and reduce administrative burden. In the same area, a new legislative proposal to amend the Directive on Roadworthiness Tests for Motor Vehicles and their Trailers will be discussed during the Cyprus Presidency. Furthermore, emphasis will be placed on road safety, with focus on increasing awareness on ways to improve road safety among young people.

The development of the Global Navigation Satellite System (GNSS - the Galileo Project) will contribute to economic growth in Europe. Galileo services will bring benefits to the full range of transport modes, create new opportunities for mobile telecommunications and enhance the safety of persons and property. The Cyprus Presidency will take forward work on the legislative proposal on governance and financing of the GNSS, subject to the negotiations on the Multiannual Financial Framework. The finalisation of this work will be a substantial step towards creating financial and management stability and contributing to its Full Operational Capability.

In the area of aviation transport, the full implementation of the Functional Airspace Blocks (FABs), as part of the process of the completion of the Single European Sky, is considered a priority for the Cyprus Presidency. In this respect, the Presidency will work, in close cooperation with the European Commission and the Member States, to make the FABs operational, thus improving aviation performance, with the adoption of a detailed set of rules, performance targets and guidance on FABs.

Enhancing the quality and efficiency of EU airports is an important aspect of EU aviation policy. The Presidency will seek to make progress in the negotiations with the European Parliament on the airport legislative package, which aims to improve the quality of operations at airports, to limit the noise impact of aviation around airports and to optimise the use of airport capacity.

The Presidency, in close cooperation with the European Commission, will take forward work on the external aviation policy, in particular on forthcoming open sky agreements with third countries.

With regards to maritime transport, the Presidency will attach importance to the promotion of improved working and living conditions for seafarers, to a more secure and responsible maritime workforce, as well as, to a socially responsible shipping industry. In this respect, the Presidency will attach emphasis to the transposition in EU legislation of the relevant provisions of the ILO's Maritime Labour Convention (MLC) in relation to Port State and Flag State obligations of EU Member States, through the revision of the relevant Directive and the new proposal for a Directive concerning flag State responsibilities.

## **Telecommunications – the further development of the Digital Agenda for Europe**

The Cyprus Presidency aims at contributing to the completion of the Digital Single Market (DSM) pillar, since this will bring productivity growth up to 4% by 2015.

The Presidency will also focus on the continuation of the review of a series of guidelines on Trans-European telecommunications networks, within the Connecting Europe Facility (CEF).

CEF aims at contributing to the objectives of the Europe 2020 Strategy by incentivising the roll-out of next generation broadband infrastructure and by supporting a number of digital service infrastructures. Increasing investment in high speed networks is an opportunity for the EU to regain competitiveness and increase productivity and innovation.

The Presidency places great emphasis on network and information security and will continue the work on the European Network and Information Security Agency (ENISA) and initiate discussions on the European Internet Security Strategy.

In order to boost the digital economy, it is of utmost importance to increase the confidence of citizens and businesses in online transactions. Therefore, the Presidency will work on the proposal for a Pan-European legislative framework on trust and confidence in electronic transactions in the internal market (e-identification and e-signature) that will facilitate the use of public and private online services.

Finally, the Digital Single Market will be further stimulated by the implementation of the Directive on the re-use of Public Sector Information (PSI) that will ensure a common approach across all EU Member States. Formulation of the new framework on the re-use of PSI, which will have a significant positive economic impact as it is expected to generate new businesses and jobs, will be promoted during the Cyprus Presidency.

### **A competitive and safe energy sector**

Abiding by the orientations of the European Council of February and December 2011, the Presidency will focus on the completion of the internal energy market, the enhancement of the security of Europe's energy supply, the promotion of the sustainable production and use of energy, as well as the preservation and strengthening of Europe's competitiveness in this area.

The main priority of the Cyprus Presidency will be to continue work on the proposed Regulation regarding the guidelines for Trans-European energy infrastructure with the aim to facilitate its timely adoption. The proposed regulation is vital to achieve the Union's energy and climate policy objectives with respect to the completion of the internal energy market, guaranteeing security of supply, reducing greenhouse gas emissions, increasing the share of renewable energy in the final energy consumption and increase in energy efficiency. At the same time the Union has to prepare its infrastructure for the long term transition towards a low-carbon economy for 2050.

The Directive on Energy efficiency will provide a decisive contribution to the achievement of the EU's 20% energy saving target and to realizing our vision of a resource efficient and low carbon economy by 2050. In this policy area, the Presidency will carry on work to ensure the adoption of the Energy Star Regulation on office equipment.

Security of supply should not come to the detriment of safety, irrespective of the source of energy. In this respect, the proposed Regulation on the Safety of Offshore Oil and Gas related activities will strengthen Europe's preparedness and response capacity to major accidents that endanger persons and the environment. Consequently, the Presidency will progress

negotiations so as to facilitate the timely adoption of this proposal.

Renewable energy and the internal market will remain high on our agenda. While a higher share of renewable energy beyond 2020 is recognised as a major prerequisite for a more sustainable energy system, the way forward is still to be explored. Towards this aim, the Cyprus Presidency will make sure that the Council thoroughly addresses the Commission Communication on a Renewable Energy Strategy and adopt Conclusions to that effect. In view of the deadline for the completion of the internal market, the Council will take stock and report to the European Council on the progress in achieving a fully functioning and interconnected internal energy market.

Acknowledging that the EU external energy policy should take into account the principles of solidarity, transparency, subsidiarity and cooperation as well as reciprocity, the Cyprus Presidency will facilitate the development of coordinated EU positions in the framework of international energy organisations and meetings and ensure the active follow-up of ongoing negotiations of Energy Agreements between the EU and third countries. In parallel, the Presidency aims to contribute in a proportionate manner to enhancing the consistency of Member States external energy relations with the objectives of the EU's energy policy.

### **Main Presidency events:**

- Informal Ministerial Meeting on Transport and Telecommunications, Lefkosia (Nicosia), 16-17 July 2012
- Informal Ministerial Meeting on Energy, Lefkosia (Nicosia), 17 September 2012
- Aviation Summit, Lemesos (Limassol), 11-12 October 2012
- 4th European Road Safety Day dedicated to Youth, Lefkosia (Nicosia), 25 July 2012

## **8. Employment, Social Policy, Health And Consumers**

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The economic crisis has led to adverse social consequences and aggravated even further the employment situation, especially for young people. This situation revealed the need for enhanced solidarity and social cohesion in the Union; an objective which constitutes a priority for the Cyprus Presidency. The future growth, competitiveness and social cohesion of Europe rely on policies that aim at tackling the demographic challenge and strengthening solidarity between generations, as well as enhancing sustainable employment, through, inter alia, the utilisation of all employment opportunities.

The socio-economic and demographic challenges, especially the ageing population, have resulted in considerable pressures on the economy, employment and social protection, threatening the sustainability of pension and healthcare systems and the existing structures and accessibility of these systems. Against this background, the Europe 2020 Strategy presents opportunities to tackle these challenges and, in particular, to boost inclusive growth.

The Cyprus Presidency will carry on intensive work on the Union's priority to create more and better jobs, upgrade skills and promote new ones, especially for the youth. In the field of health, the importance of early disease prevention and health promotion throughout the life-cycle will be underlined, as a prerequisite to ensure a healthy ageing process.

## Reinforcing Employment and Social Policy

Within the context of the Europe 2020 Strategy target for employment, the Cyprus Presidency will continue discussions on ways to create sustainable conditions for more and better jobs and, in this respect, will ensure an efficient follow-up to the Commission's Employment Package. The Presidency will invite Member States to further explore ways so as to effectively address youth employment. This discussion will focus, inter alia, on increasing training opportunities, such as apprenticeships and traineeships, improving working conditions and matching the qualifications and expectations of young people with the needs of the economy and of the enterprises. In this context, the Youth Opportunities Initiative will be taken into account. The Presidency will prepare Council conclusions relating to employment.

The Council will carry on the work on the Programme for Social Change and Innovation, 2014-2020, subject to the MFF negotiations and on the European Globalisation Adjustment Fund (2014-2020) Regulation.

In the framework of promoting occupational safety and health, the Presidency will carry forward the work on revising the Directive on the minimum health and safety requirements regarding the exposure of workers to electromagnetic fields. Moreover, the Presidency will progress negotiations on the amendment of five Safety and Health Directives resulting from the adoption of the REACH (registration, evaluation, authorisation and restriction of chemical substances) and CLP (classification, labeling and packaging of substances and mixtures) Regulations.

The success of the Europe 2020 Strategy depends on the involvement of the whole society. Hence, the Cyprus Presidency will work towards ensuring the active participation of the social partners, local authorities and civil society in the implementation of the Strategy. Particular emphasis will be given to the Strategy's targets on employment, poverty and social exclusion, drawing on best practices at national and European level.

Social cohesion is a key dimension of the Europe 2020 Strategy and its enhancement is crucial for economic recovery, and for the social inclusion of the vulnerable groups of the population. Therefore, the Presidency will attach particular attention to the need to strengthen social cohesion and to the work on child well-being and poverty. In particular, emphasis will be given to all aspects of the well-being of children, including the development of indicators for child well-being and issues such as participation, protection, access to adequate resources, services and opportunities.

With a view of strengthening social cohesion and in light of the European Year for Active Ageing and Solidarity between Generations, 2012, the Cyprus Presidency will facilitate discussions on the active participation of older people in the society. In connection to this, the active participation of the civil society in the formulation and implementation of measures related to active ageing and solidarity between generations will also be discussed.

Reinforcing citizens' confidence in trans-border activities of businesses in the single market can be promoted by a high level of protection for workers' rights. In this respect, the Presidency will take forward the work on the proposal for a Directive to enhance the enforcement of the

legal framework on posted workers, which is part of the Single Market Act and will seek to make progress on the Regulation regarding the right to take collective action.

The Presidency will continue discussions on the proposals for Council Decisions on the mandate for negotiations with the Association Councils regarding the Social Security Association Agreements with Albania, Turkey, Montenegro and San Marino.

As a follow up to the United Nations Beijing Platform for Action, the Presidency will work on the indicators for Violence against Women, with a special focus on victims' support services. The Presidency will also encourage discussions on the gender pay gap problem by facilitating the exchange of good practices between Member States. Work will continue on the revision of the Directive on the introduction of measures to encourage improvements in the safety and health at work of pregnant workers and workers who have recently given birth or are breastfeeding.

### **Better Health for all**

In the field of public health, preparedness for and response to serious cross-border threats to health need to be improved and, hence, the Cyprus Presidency will pay particular attention to health security in the EU. The Council will continue its work on the proposal for a Decision on cross-border threats to health, with the objective of strengthening internal EU structures, preparedness and response planning. In addition, the Presidency will focus on the regional dimension of health security and on the capacity building, especially in relation to the EU neighbouring countries.

The Presidency will aim for an agreement on the proposal for a Regulation establishing the 3rd Multiannual Programme of EU action in the field of health for the period 2014 – 2020, namely the 'Health for Growth Programme', subject to the agreement on the new Multiannual Financial Framework and in line with the objectives of the Europe 2020 Strategy for sustainable and inclusive growth.

The issue of chronic diseases will also be addressed by highlighting the essential role of disease prevention, early diagnosis and health promotion programmes in combination with innovative approaches in healthcare and by addressing main health determinants. In this context, conclusions will be prepared in order to emphasise healthy living throughout the lifecycle, leading to a healthy ageing process. The important issue of organ donation and transplantation will respectively be dealt with by the Presidency, with a proposal for relevant Council conclusions, based on the existing Action Plan on Organ Donation and Transplantation (2009- 2015).

In the field of pharmaceuticals, the Presidency's main objectives are to enhance the quality of information given to patients and to establish clear and transparent procedures. This will be pursued by advancing the discussions on the proposals for the revision of the Directive relating to transparency of measures regulating the pricing of medicinal products and the revision of the Directive on Clinical Trials.

In the crucial area of medical devices, the incident of the faulty breast implants (PIP) and the

Metal-on-Metal Hip implants highlighted the need to improve the control of medical devices production and of their placing on the market. In this respect, the Presidency will initiate the discussions on the revision of the medical devices legislation.

In international fora, the Presidency will coordinate the EU position for the 5th Conference of Parties of the WHO Framework Convention on Tobacco Control to be held in November 2012.

## **Safer Food**

Given the importance of food safety and the need for protecting citizens from possible food borne diseases, the Presidency will work towards the conclusion of negotiations on the proposal for a Regulation on foods intended for infants and young children and on food for special medical purposes.

## **Main Presidency events**

- Informal Meeting of Ministers for Employment, Social Policy, Health and Consumer Affairs (EPSCO), Lefkosia (Nicosia), 10-13 July 2012
- Closing Conference for the European Year for Active Ageing, and Solidarity between Generations, Lefkosia (Nicosia), 10 December 2012
- High Level Conference on Healthy Ageing across the Lifecycle, Lefkosia (Nicosia), 5-6 September 2012
- Conference on Cross Border Health Threats in the EU and its neighbouring countries-focus on communicable diseases, Lefkosia (Nicosia), 5 July 2012
- Conference on Occupational Safety and Health, Lefkosia (Nicosia), 18 October 2012
- Conference on Child Poverty and Children Wellbeing, Lefkosia (Nicosia), 18-19 October 2012
- Presidency Conference on Youth Employment Issues, Lefkosia (Nicosia), 22-23 October 2012
- Conference on Combating Violence against Women, Lefkosia (Nicosia), 8-9 November 2012

## **9. Environment**

The substantial *acquis communautaire* on the environment, consisting of interlinked laws, policies and programmes, paves the way to sustainability. In this sense, it is important to ensure that actions taken in the fiscal and economic areas are consistent with policies for environmental protection and sustainable development. Environmental measures are under constant evolution and transformation, addressing global challenges, the needs and expectations of Europe's citizens, as well as new scientific evidence and advancements.

At the same time, the EU is committed to its international obligations and is determined to continue to lead the international efforts to address the interlocking environmental crises of our time. In 2012 the international dimension of environmental policy will be dominant, thus, the Presidency will ensure the effective representation of the EU in international fora and conferences, especially on Climate Change and Biological Diversity. Other significant international meetings are those of the International Conference on Chemicals Management, the Parties to the RAMSAR Convention on Wetlands, the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, the Mercury Intergovernmental Negotiating

Committee and the International Whaling Commission.

The Presidency will place particular emphasis on water resource management and on adaptation to and mitigation of climate change, by promoting as much as possible related initiatives.

## **Sustainable Development**

The continuing quest for an alternative model of development, sustainable development, has been in the forefront of global initiatives in 2012. Despite the efforts of the European Union for a more ambitious outcome, the final document approved at the Sustainable Development Conference of June 2012 (Rio+20) is a challenge to implement and ensure that Rio+20 will result to real action for sustainable development, green economy and poverty eradication. The Council will deal with the follow-up of the Rio+20, the goal of the Presidency being the adoption of conclusions.

## **Resource Efficiency**

The European Council last March called for a rapid progress in the implementation of the resource efficiency roadmap. Therefore, the Presidency acknowledges the need for the Council to contribute towards this target. In this respect, the Cyprus Presidency will present this issue in the Council, aiming to contribute and communicate a key policy message to the Spring European Council in 2013, concentrating on "greening" the 2013 European Semester, on the basis of the 2013 Annual Growth Survey to be presented by the Commission in November. An orientation debate on this issue will be held at the Council in December 2012.

## **Climate Change**

In addressing the challenge of climate change, the EU consistently reaffirms its commitment to the Kyoto Protocol and will keep on negotiating in a spirit of global solidarity and joint responsibility. In this framework, the Presidency will, as a priority, work towards the negotiations on formulating and agreeing on a post-2012 framework. In the second half of this year, the ongoing negotiations on the international regime on climate change beyond 2012 will reach a crucial stage at the Conference of the Parties (COP) to the Framework Convention on Climate Change in Qatar, which will be preceded by Ministerial sessions in Korea. In October, the Council will adopt conclusions regarding the negotiating position of the EU at the meeting of the Conference of the Parties and other matters relating to the implementation of the commitments.

In parallel, the Presidency will work towards an agreement on the proposed new Regulation, which aims to revise the current requirements for greenhouse gases monitoring, by reflecting the experience so far and including additional obligations. In addition, the Presidency will aim also for a political agreement on the inclusion of land use, land use change and forestry related emissions and removals in the 20% reduction commitments by 2020. Mainstreaming adaptation to climate change in other policies will be given emphasis by the Cyprus Presidency. In this respect, the Presidency will hold an exchange of views on the financing of adaptation measures.

The Green Paper on the EU positions regarding the composition and functions of the Ad-hoc Working Group of the Durban Platform, set up to prepare a global binding agreement on climate change not later than 2015, will also be presented to the Council.

## **Environment**

The necessity for the integrated management of water has never before been more imperative than at present. Good quality water is indispensable for human health, the environment and sustainable development. European water resources are facing multiple threats, which need to be addressed through an integrated approach. Despite the array of EU legislation in this area, the sustainable management of water resources continues being a key priority of the Presidency. The presentation of the Commission's "Blueprint to safeguard Europe's water resources", which aims, inter alia, to ensure the implementation of European water policy, to complete the relevant policies and to integrate climate change adaptation into water management practices, will be followed up by Council conclusions at the Council in December.

The Cyprus Presidency will also work towards reaching an agreement on the priority substances list of the Water Framework Directive.

EU legislation and policies on biological diversity, our natural heritage, provide a good framework for strengthened action for nature conservation. In this highly significant field, important international events will take place, in particular the 11th meeting of the Conference of the Parties to the Convention on Biological Diversity, of October 2012, in India, and the related meetings to the Biosafety Protocol. The Presidency will ensure an efficient preparation and follow up of these meetings.

Waste management will continue to be a major challenge, as long as the use of resources and the generation of waste are linked to economic activities. In this respect, the Presidency will also carry on the work on the proposal on ship dismantling, which aims to lay down effective rules to ensure that ships linked to the EU, in terms of flag or ownership, are dismantled in safe and environmentally sound facilities.

Environmental Policy Support will be enriched with a number of initiatives. The LIFE+ Regulation is the main EU financial instrument for the Environment. The proposal for a new Regulation for the period 2014 – 2020 consists of two major components, one for the environment and one for climate action. The Presidency will seek to make as much progress as possible on the new LIFE+ Regulation, as well as on the revision of the Environmental Impact Assessment Directive.

The 7th Environmental Action Programme is anticipated with great interest, since it will set out an environmental strategy, guided by a longer term vision to respond to the increasingly interlinked nature of environmental challenges in the EU, supported by measures to strengthen the Implementation of Environmental Law. Depending on the timing of the tabling of the proposal, its presentation to the Council may be possible.

## Main Presidency events

- Informal Environment Council, Lefkosia (Nicosia), 7-8 July 2012
- Conference on “Blueprint to safeguard Europe’s water resources”, Lefkosia (Nicosia), 26-27 November 2012

## 10. Education, Youth, Culture And Sport

The policy areas of education, youth, culture, audiovisual and sport are important factors for economic growth and social cohesion in the EU, as well as for the well-being of citizens. The objective of the Presidency will be to emphasise the social dimension of these policy areas through, inter alia, the modernization of education and training systems, the provision of more qualitative and equitable education, the tackling of illiteracy, the active involvement of youth in democratic life in Europe, the role of sports within the European agenda and the enhancement of cultural governance.

Cyprus Presidency will continue work in these areas and will aim to promote the relevant objectives of the Europe 2020 Strategy and will, in particular, concentrate on the further implementation of the flagship initiatives “Youth on the Move” and “New Skills for New Jobs”.

A main priority for the Presidency will be to advance, as far as possible, the work on the content of the proposal for the new Erasmus for all Programme 2014 – 2020, which aims to contribute to the Union’s growth, through investing in people’s potential. The Presidency will also seek to make progress on the negotiations of the Creative Europe Programme, which promotes competitiveness of European cultural, audiovisual and creative sectors, by adapting to the digital and globalised era, while safeguarding European cultural and linguistic diversity. Furthermore, the Presidency will follow the progress of the discussions on the Europe for Citizens programme.

### **Towards a more socially inclusive and modern education and training systems**

Literacy will be one of the issues that will be addressed during the Cyprus Presidency. Many young people and adults in Europe lack basic reading and writing skills, which consequently, constitutes an obstacle for their employment and may result in social exclusion. The Presidency, within the context of the strategic co-operation framework “Education and Training 2020” and in response to relevant Commission’s communications, will propose Council conclusions on this issue, calling for the effective tackling of illiteracy through more qualitative education and training.

The Presidency will address the issue of strengthening vocational education and training (VET) among young people and adults with an emphasis on equity and excellence in VET. Furthermore, the updated agenda of the Copenhagen Process will be carried forward by exploring the issue of expanding opportunities and raising skills, by opening pathways between Vocational Education and Training, on the one hand, and Higher Education, on the other.

In the field of Higher Education, focus will be given on the modernisation of universities. In this respect, emphasis will be given to quality assurance and internationalisation of higher

education, in line with the objectives of the EU modernisation agenda for higher education and the Bologna Process. The Presidency will also focus on teaching and learning excellence in higher education. Achieving excellence in teaching requires the reformation and modernization of Europe's higher education in order to enrich teaching, improve learning experiences, support personalised learning, facilitate access through distance learning and virtual mobility, streamline administration and create new opportunities for research.

The Presidency, in close cooperation with the Council and the Commission, will follow-up the results of the European Semester in the fields of education and training. The Cyprus Presidency will also promote a Council Recommendation on the recognition of non-formal and informal learning.

### **Participating Youth**

Youth participation and social inclusion of all young people, including young people with migrant background, will be a priority issue for the Cyprus Presidency. The importance of the participation of young people and youth organisations, especially in decision-making, will be highlighted as an important factor for the creation of inclusive, democratic and prosperous societies. In this context, consultations with young people will take place within the Structured Dialogue process. The final outcome of the Structured Dialogue process will be set out in Council conclusions. The second 18-month cycle of the Structured Dialogue with young people and youth organisations, "Youth participation in democratic life", will be completed by the end of 2012 and a Council Resolution will be adopted. The Council will also adopt a resolution on the EU Youth Report 2012.

### **Sport, a European Heritage: the need to protect, disseminate and develop**

Following the adoption of the Lisbon Treaty, the sports sector has gained a new momentum in the EU. The work of the Presidency in the area of sport will be based on the EU Work Plan for Sport, which was adopted in May 2011, and will give emphasis on the role of sport for active ageing, since 2012 is the Year of Active Ageing and Solidarity between Generations.

The Presidency will focus the work of the Council on the issue of sport and health and evidence based sport policies, highlighting the potential role of sports for attaining the goals of Europe 2020 Strategy. Furthermore, the Presidency will coordinate the Union's position on the revision of the World Anti-Doping Agency's (WADA) International Standards.

### **Emphasising the social dimension and public value of Culture**

In the area of culture, the Cyprus Presidency will work towards demonstrating the links between the Europe 2020 Strategy and culture. The Presidency will aim to further promote the strategic targets of the European cultural agenda and enhance cultural research - while strengthening the networks between researchers in cultural policy issues - and evidence based policy in the context of a holistic approach to Cultural Governance. In this context, the Presidency will propose Council conclusions.

The Presidency will also progress all relevant discussions and work for the new Decision for the European Capital of Culture Programme.

## **Main Presidency events**

- Informal Ministerial Meeting on Education, Lefkosia (Lefkosia (Nicosia)), 4-5 October 2012
- Informal Meeting of EU Sport Ministers (Lefkosia (Nicosia)), 20-21 September 2012
- Senior Officials' Conference on Culture, Lefkosia (Nicosia), 28-29 August 2012
- Conference on Literacy, Lefkosia (Nicosia), 5-6 September 2012
- EU Youth Conference, Lefkosia (Nicosia), 11-13 September 2012
- EU Sports Forum, Lefkosia (Nicosia), 19-20 September 2012



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