

## Finland's Presidency of the EU - results

Unofficial translation – subject to change

### 1. CROSS-CUTTING ISSUES

#### Enlargement

- The date for the accession of Romania and Bulgaria was confirmed during the Finnish EU Presidency and the countries will join the European Union on 1 January 2007. Their accession will conclude the Union's fifth enlargement.
- Accession negotiations with Croatia and Turkey were continued in accordance with the general principles for enlargement: every candidate country is treated equally and progress in the accession negotiations will depend on each country's individual merits. The Commission finalised the comparison of Croatian and Turkish legislation with EU legislation during the Finnish Presidency. In the negotiations with Croatia, one negotiation chapter (education and culture) was opened and provisionally closed and three other chapters (economic and monetary policy, enterprise and industrial policy, and customs union) were opened.
- As holder of the Presidency, Finland endeavoured to ensure Turkey made progress in implementing its obligations under the Additional Protocol to the Ankara Agreement. The objective was to find a solution which would enable the uninterrupted continuation of Turkey's accession negotiations and improve the situation of both communities in Cyprus. The intention was not to try to resolve the Cyprus issue as that will be done under the auspices of the UN. Finland held discussions with both parties during the autumn. Following the Foreign Ministers' discussions on 27 November, the Presidency stated that circumstances did not permit a solution to be reached.
- In December, the Council decided on measures that the EU will take with regard to Turkey's accession negotiations as Turkey has not implemented the Additional Protocol to the Ankara Agreement. Negotiations on the eight chapters related to the Customs Union will not be opened until Turkey meets the set obligations nor will any chapters be closed before that. Proceedings on other chapters will continue as normal up to the closing stage.
- In December, the Council reached political agreement on the issuing of conclusions on economic development in Northern Cyprus. The conclusions are to be adopted in

January. At the meeting, the Presidency, with the backing of all Member States, issued a statement in support of the UN process in the region.

- The December European Council held an in-depth debate on enlargement and the Heads of State or Government confirmed their consensus with regard to the continuation of the process.

#### Constitutional Treaty

- During its Presidency, Finland held confidential bilateral consultations with all Member States and with Bulgaria and Romania, which will join the Union as of 1 January 2007, on the future of the Constitutional Treaty. In the consultations, the Presidency focused on mapping the Member States' views on how best to move forwards, on the timetable and on alternative solutions with regard to the contents of the Treaty. With this, the process for the reform of the European Union entered a more active phase. The conclusions drawn from the consultations provide a basis for further work. Prime Minister Vanhanen presented his assessment of the conclusions over dinner at the European Council and Finland will be presenting a detailed analysis to the forthcoming German Presidency.

#### Better regulation

- The principles of better regulation have been systematically applied in the work of the Council during the Finnish Presidency. The Commission's impact assessments have been examined in the Council's committees and working groups. This has broadened the knowledge base for decision-making. Simplification proposals have been actively promoted. The meetings of the Ecofin and Competitiveness Council have provided political guidance for the continuation of work on better regulation.

#### Openness and communications

- The guidelines adopted at the June European Council for increased openness in Council sessions, were adhered to in full during Finland's EU Presidency. The number of open sessions was increased considerably. In July-October, 85 open ministerial level sessions were held. There was a particular increase in the number of public sessions concerning legislative projects. During the first half of 2006, 17% of all ministerial discussions on legislation took place in open sessions. The corresponding figure for the first four months of the Finnish Presidency is 86%.
- As of the beginning of July, the open sessions of the Council have been webcast on the Internet. The press conferences of the informal ministerial meetings, the ASEM 6 Summit, third country meetings and the Informal Meeting of Heads of State or Government in Lahti have also been webcast via the Presidency website. Information on the open sessions and press conferences that were made available through the Presidency web service was provided in weekly newsletters. Since mid-October, the Presidency has also issued a weekly press release on Presidency webcasts and webcasts broadcast by the Council Secretariat.
- The aim was to establish open, rapid and technically advanced means of communication targeted to reach the media within the EU countries. Particular

emphasis was placed on web communications. In addition to basic information and news material, the Presidency website provided information on, for example, meeting agendas, key civil servants' mobile phone numbers and invitations sent by Finnish Ministers to their colleagues. Media representatives could also subscribe to a news service and receive news and press releases in an SMS or e-mail format.

## EU budget and financial management

- The EU budget authorities reached an agreement on the budget for 2007. An increase in payment appropriations (3%) is well justified on the basis of strict budgetary discipline. The reform of the Financial Regulation was also brought to a conclusion.

## 2. POLICY AREAS

### Competitiveness

- Negotiations on the Union's new chemicals Regulation (REACH Regulation) were finalised during Finland's Presidency. The Regulation has been under preparation for almost ten years. The Regulation will mean a complete overhaul of the Union's chemicals Regulation. It will be a significant step forwards in comparison to the current 40-year-old monitoring system.
- Negotiations on the Seventh Framework Programme of the European Community and Euratom for research, technological development and demonstration activities (2007-2013) were brought to a conclusion. The agreement also covered the rules for participation and specific programmes. The Seventh Research Framework Programme is the biggest funding programme (approx. EUR 55 billion) and is to be launched at the beginning of 2007 on schedule.
- The Services Directive was adopted. The Directive is a unique step towards a fully functioning internal market for services. It will also provide crucial support for the Union's common aim to promote competitiveness in Europe.
- The development of a broad-based innovation policy has been one of the main themes for the Finnish Presidency. In line with the consensus reached at the Informal Meeting of Heads of State or Government in Lahti, the December European Council confirmed the need for a strategic approach to create an innovation friendly environment in Europe. The Competitiveness Council set the strategic priorities for innovation actions at the Union level. Progress in implementing the priorities will be examined as part of the follow-up to the Lisbon Strategy.
- Political agreement was reached on the Directive on Prepackaging. The Directive aims, through liberalisation of pack sizes, to encourage free movement in the internal market and guarantee customers a wide freedom of choice between different pack sizes. The Directive provides a good example of the furtherance of the internal market and the Lisbon Strategy in practice.

- In the field of technical legislation, agreement was established with the European Parliament on the Directive on the placing on the market of pyrotechnic articles. The Directive serves to harmonise, for example, approval procedures with regard to fireworks within the EU.
- In the field of consumer policy, a common position was adopted on the EU Consumer Programme for 2007–2013. Significant progress was also achieved with regard to the Consumer Credit Directive.
- The Finnish Presidency coincided with important customs legislation reforms, including the proposal for a modernized Community Customs Code. So far, agreement has been reached on almost half of the contents. Negotiations on the Customs 2013 Action Plan (2008-2013) were finalised during the Finnish Presidency.
- The Council adopted conclusions on the Union's external competitiveness. These define the future priorities for the EU's trade policy and seek ways to improve the effectiveness of the trade policy. The decision included support for a swift launch of free trade negotiations with the ASEAN countries, India and South Korea.

#### Economic and monetary policy

- In the course of the implementation of the reformed Stability and Growth Pact, agreement was reached on the need to take full advantage of favourable economic conditions. This is a primary economic policy guideline. It was also agreed during the Finnish EU Presidency that national budget systems will be examined in connection with stability and convergence programmes. Progress in the Lisbon reform process was monitored for the first time on the basis of the reports on the implementation of national action plans.
- The Council's decisions on the introduction of the euro in Slovenia were adopted in early July. Slovenia will be the first new Member State to adopt the euro as of the beginning of 2007.
- The EU's position on the reform of the International Monetary Fund (IMF), the first steps of which were taken in Singapore in September, was finalised under the Finnish Presidency. The reforms that have been agreed on correspond with the EU's views.
- As holder of the Presidency, Finland stressed issues relating to the stability of financial markets and to crisis management. An informal ministerial meeting assessed the results of the crisis management practice that took place in spring 2006 and agreed on further measures to develop financial market arrangements in relation to crisis management.
- The Council agreed on support for cooperation between European banks to create a Single Euro Payments Area (SEPA). The proposal for a Directive on Payment Services supports the aforementioned objective and the progress achieved in these negotiations during the Finnish Presidency provides a sound basis for further work. During the autumn, political agreement was reached in negotiations for a Directive on prudential assessment of acquisitions in the financial sector.

- With regard to clearing and settlement of securities, the Council expressed its support for the Code of Conduct that the Commission prepared in cooperation with market operators. The aim is to improve effectiveness and competition between service providers. A timetable for further work was adopted at the same time, which means that in the future the Member States will be systematically involved in the development of securities clearing and settlement arrangements.
- As regards taxation, the Council approved increases in duty-free allowances for travel from third countries. In the field of alcohol taxation, it was agreed that the Commission will next spring prepare a comprehensive report on the rates of excise duty on alcohol and alcoholic beverages, taking into account competition between the different categories of alcoholic drinks. The report will serve as a basis for the development of alcohol taxation.
- At the end of November, agreement was reached on renewal of the European Investment Bank (EIB) external lending mandate. The EIB's external lending supports the EU's political objectives in areas such as enlargement, the neighbourhood policy, energy and the environment. The agreement reached ensures the development of the EIB's functions.

#### Electronic communications

- The Regulation on roaming was actively dealt with during the Finnish Presidency. The aim is to lower mobile phone call prices for the Union's citizens when they move from one Member State to another. Although discussion on the Regulation proposal will continue after the Finnish Presidency owing to the European Parliament's timetable, a number of difficult issues have already been resolved and there is a wide consensus on the need for the legislative measures put forward in the proposal. The political discussion at the Council will facilitate and accelerate further work on the issue with the aim of finalising the process during the German Presidency.
- Data security and trust in electronic communications and information society services were the Presidency's priorities in relation to the information society policy. In December, the Council adopted a Resolution on a Strategy for a Secure Information Society in Europe which provides grounds for the Union's common view with regard to data security issues. The resolution stresses the importance of trust, the need to raise the level of data security awareness and skills, the existing security threats and cooperation between all information society actors. The resolution includes proposals for action that contribute to the implementation of aforementioned factors promoting data security in the Member States.
- Finland promoted the Union's common information society policy. The high-level i2010 expert conference, hosted by Finland in September, and the conclusions which followed from it, gave substance to the EU's i2010 Information Society Strategy and related key measures to be carried out in the near future.

#### Transport

- Finland chose transport logistics as a priority because they are crucial to European competitiveness, sustainable development and regionally balanced development in the Community. In summer 2006, the Commission submitted a communication on logistics, which was duly discussed in the Council. In December 2006, the Council adopted conclusions on freight logistics. The conclusions provide guidance for the Commission as it prepares the EU's Action Plan on Logistics to be issued in spring 2007.
- A solution was found to the Siberian overflight issue at the EU-Russia Summit. As of 2014, EU air carriers will only pay air navigation charges set by the authorities in line with the Chicago Convention. The agreement will significantly improve the competitive situation of European airlines on the growing market for air travel between Europe and Asia.
- Finland organised the first meeting of the EU-Russia Permanent Partnership Council with a special focus on transport issues. The meeting agreed on the priorities for transport cooperation in the near future. These include railways, infrastructure, logistics, air safety and sea safety. The meeting also set up a working group on logistics which is to report on ways to improve the effectiveness of freight logistics and border crossing procedures between the EU and Russia during the German Presidency.
- An agreement with the European Parliament was reached on the TEN Financial Regulation which regulates the financing of Trans-European Networks on transport and energy.

## Energy

- In energy issues, Finland's priority was external relations with regard to energy and they were also on the agenda at the informal meeting of Heads of State or Government in Lahti. Dinner discussions with the Russian President, Vladimir Putin, were constructive and the EU Member States presented a united front.
- With regard to internal energy policy, the Council adopted conclusions on the basis of an Action Plan on Energy Efficiency. The conclusions set priorities for the promotion of energy efficiency in the near future. To support the preparation of the energy package in the Commission, the Council held discussions on the choice of energy sources and the promotion of renewable energies.
- With regard to energy relations, unanimity was reached on the need for tighter cooperation between the EU and Russia. There was also a clear consensus that efforts to forge closer relations with producer and transit countries should be continued and stepped up. In addition, it was agreed that issues relating to energy and climate should feature prominently at summits between the EU and third countries.
- Energy relations with Russia were also discussed at the EU-Russia Summit in November and at the meeting of the EU-Russia Permanent Partnership Council in December.

- A decision on the setting up of a network of energy security correspondents was made during the Finnish Presidency. The aim of the network is to collect and analyse geopolitical and other information relating to energy issues and to serve as an early warning system.

#### Employment, social and health policy

- Finland put forward a new proposal for the revision of the Working Time Directive. Most Member States have not amended their legislation to correspond with the rulings of the EC Court of Justice because adherence to the decision would endanger the provision of medical care and introduce significant budgetary effects. Finland's proposal presented a balanced answer to these problems. In addition, it would have guaranteed better protection for workers even where the possibility, written in the current Directive, not to comply with the provision on maximum weekly working hours (opt-out) is applied. The Council was unable to reach agreement on the issue.
- The Council and the European Parliament reached agreement on the Regulation governing the European Globalisation Fund. The Fund can become operational in early 2007, in accordance with the schedule set by the European Council. The Fund will support workers who have lost their jobs as a result of globalisation in finding new employment.
- Negotiations on the setting up of an EU Institute for Gender Equality were brought to a conclusion when the Council and the European Parliament reached agreement on a Regulation establishing it. The Member States reached unanimous consensus on locating the institute in Vilnius, Lithuania.
- The following multiannual cooperation programmes in the social and health sector were finalised and negotiations brought to a conclusion during the Finnish Presidency: the Progress programme for employment and social affairs and the Daphne programme to combat violence against children, young people and women.
- The Council reached political agreement on the Public Health Programme (2008-2013). Work to establish agreement between the Council and the European Parliament has been thorough and the intention is to agree on the matter during the German Presidency.
- Significant progress was made on preparations for the Directive on the Portability of Supplementary Pensions. This provides a basis for establishing unanimity on the issue. The aim of the proposal for a Directive is, for its part, to promote the free movement of labour by safeguarding the Portability of Supplementary Pensions when people use their right for free movement.
- During Finland's Presidency, Community legislation on pharmaceuticals was complemented by the finalisation and adoption of a Regulation on paediatric medicines. In addition, the groundwork was done for the adoption of legislative initiatives relating to medical devices and advanced therapies. These initiatives support the competitiveness of the European pharmaceutical industry and patient safety.

- The global avian influenza situation was carefully monitored and related preparedness actively promoted. The 4th international conference on avian influenza in Bamako, Mali, amassed almost 500 million dollars in pledges to combat and prevent the spread of the disease globally and particularly in Africa. More than 130 million dollars will be donated by the EU or the European Commission. As holder of the Presidency, Finland led and coordinated the EU's participation in the conference.

#### Education, Culture, Youth and Audiovisual Affairs

- In November, the Council adopted a general approach to amending the Television Without Frontiers Directive. This paves the way for negotiations during the German Presidency. The Council may adopt a common position during the German Presidency, once the European Parliament has adopted its own position and negotiations with Parliament can begin.
- During Finland's Presidency, the Council and the European Parliament decided on multi-annual programmes in education, culture and youth policy. In accordance with the Presidency's objectives the Integrated Action Programme in Lifelong Learning, and the Youth in Action, Culture 2007, MEDIA 2007 and "Citizens for Europe" programmes will be operational in 2007. The new Lifelong Learning Programme will bring together a number of current programmes such as Socrates, Leonardo da Vinci and Europass.
- In December, the informal meeting of Education Ministers adopted the Helsinki Communiqué, in which they agree to continue with the Copenhagen Process aimed at promoting European cooperation on vocational education and training.
- During Finland's Presidency, the Council decided to declare 2008 European Year of Intercultural Dialogue.

#### Environment

- Combating climate change has been a priority for Finland's Presidency. The EU achieved its main negotiating objectives at the UN Climate Change Conference, held in Nairobi in November. At the Nairobi conference, the focus was on issues of particular importance to the developing countries, such as adapting to climate change. Furthermore, the EU achieved its goal of advancing negotiations on the climate regime after 2012.
- Climate change and sustainable energy policy were also discussed at third-country summits and at the meeting of the EU-Russia Permanent Partnership Council (PPC) on the Environment. A dialogue with the United States was launched on climate change, clean energy and sustainable development. These discussions have prepared the ground for negotiations on the climate regime after 2012.
- In December, the Council adopted conclusions setting out a target time-table and basic principles for international negotiating processes and for the preparatory work to be done at EU level.

- In October, the Council reached political agreement on the Air Quality Directive. The main content of the Directive was agreed on during the Austrian Presidency. The Directive will for the first time lay down a binding limit value for the concentration of fine particles in ambient air. The Council and the European Parliament also reached agreement on a Regulation setting tighter emissions limits for light passenger and commercial motor vehicles (standards known as Euro 5 and 6). Poor air quality has significant detrimental effects on health in Europe.
- In December, the Council reached political agreement on the proposal for a Marine Strategy Directive.
- During Finland's Presidency, agreement was also reached with the European Parliament on two pieces of environmental legislation in the conciliation procedure. The instruments in question are the Ground Water Directive and the Inspire Directive establishing an infrastructure for spatial information.
- The EU target of halting the loss of biodiversity by 2010 was widely discussed during Finland's Presidency on the basis of the Commission Communication and its action plan. The Council adopted conclusions on biodiversity in December.

#### Regional policy

- The Structural Fund Regulations prepared during earlier Presidencies were formally adopted in July. This meant that the Community strategic guidelines on cohesion that form part of the Structural Fund rules could be swiftly dealt with during Finland's Presidency. Once the European Parliament had approved the guidelines, they were confirmed by the Council in October. Following the adoption of the EU regulations, programmes can now be launched in 2007.

#### Agriculture and fisheries

- Finland started a debate on the state of the European agricultural model and future challenges at the informal meeting of Agriculture Ministers. The debate met with an enthusiastic response. The next challenges for the EU's common agricultural policy are simplification, the "health check" and the mid-term review of the EU's financial framework. The debate marked the start of work on planning and developing the common agricultural policy after 2013.
- The Council succeeded in rationalising the way it deals with fisheries by bringing forward decision-making on sea-fishing opportunities (frontloading). In accordance with the new procedure, the Council decided in October on fishing opportunities in the Baltic Sea and in December on deep-sea fishing opportunities. This facilitated decision-making with regard to fishing opportunities in the North Sea, the Atlantic Ocean and other sea areas at the December Council. Frontloading means that issues are dealt with earlier, which gives businesses in the fishing industry more scope for planning for the year ahead and supports sustainable harvesting of fish species.

- During the Finnish Presidency, the long-debated proposals on rules for fishing in the Mediterranean and on electronic recording and reporting of fishing activities were brought to a successful conclusion.
- With regard to the proposal for a Regulation on spirit drinks, a large majority in the Council supported the text put forward by the Presidency, which will be used as a basis for discussions with the European Parliament. Parliament will vote on its opinion at the plenary session in March 2007.
- The report on the energy crop support scheme and the Commission's proposed amendments to it were one of the Presidency's priorities. A majority of Member States supports the Commission's proposals to extend the energy crop support scheme to cover all Member States and to increase the maximum guaranteed area under the scheme. A decision on the proposal was taken at the December meeting of the Agriculture and Fisheries Council.
- The prime objective with regard to forestry was to prepare the EU's positions concerning the decisions to be made at the next session of the United Nations' Forum on Forests (UNFF) in April 2007. The UNFF is set to agree on a global document covering all forests worldwide, the "non-legally binding instrument on all types of forest" and on its work programme laying down guidelines for worldwide forestry cooperation up to 2015.
- The conclusions on the EU Forest Action Plan (2007-2011) were drawn up under the Finnish Presidency and adopted at the October Council meeting. The conclusions call, for example, for improved cooperation in EU activities relating to forestry.
- In the spring of 2007, the Commission will present a proposal for a Community animal health strategy for 2007-2013. In November, Finland, together with Austria and the Commission, organised a conference to examine the evaluation report on the Community animal health strategy for 1994-2005. On the basis of the discussion, the Presidency's conclusions were adopted, stressing the role of prevention in future EU animal-health policy.
- A decision on the Regulation on the import of organic products was taken at the December meeting of the Council. The Council also agreed on a general approach to the proposal for a Regulation on organic production and labelling of organic products.
- A decision on reform of the common market organisation for bananas was taken at the December meeting of the Council. With the reform, support will be made part of the POSEI scheme for the EU's outermost regions.
- The Council adopted a Directive on animal health requirements for aquaculture animals and on the prevention and control of certain diseases in aquatic animals.

- The December European Council made a political commitment to resolve, in connection with the next reform of the Union treaties, the problems related to decision-making in justice and home affairs in line with the principles applied to the Constitutional Treaty. This will mean, for example, an increased use of qualified majority decision-making.
- With regard to migration, the December European Council endorsed the elements for a comprehensive European Migration Policy and agreed on the steps to be taken in the course of 2007. The positive results gained from cooperation with African countries in 2006 will be applied to migration from the eastern and south eastern regions neighbouring the European Union. In addition to long-term measures, the Union's capabilities to manage irregular migration flows were also enhanced.
- With regard to the Schengen Information System, political agreement was reached on the legislative proposals concerning SIS II. The legislative package is essential for the development of SIS II. Together with Austria, Finland carried out the task of assessing the new Member States in relation to aspects other than the Schengen information system. In addition, Finland negotiated an arrangement which enables the lifting of internal border controls at the new Member States' land borders by the end of 2007 and at their airports by March 2008, provided they apply the Schengen acquis in full.
- The Council and the European Parliament reached political agreement on a framework programme on solidarity and management of migration flows, incorporating four funds: the Refugee Fund, the External Frontiers Fund, the Return Fund and the Integration Fund. Political agreement was also reached on the Framework Programmes on Fundamental Rights and Justice and on Security and Safeguarding Liberties.
- At the December meeting of the Council, Finland brought negotiations on the European Fundamental Rights Agency to a successful conclusion. The Agency will be based in Vienna, Austria, and will be operational from early 2007. A solution was found enabling the Agency to deal on a voluntary basis with areas of police and judicial cooperation in criminal matters from the moment it is established. Though the Agency will be chiefly concerned with the Union and the Member States when implementing Community law, candidate countries and the countries in the Western Balkans will also be able to take part in the Agency's activities on certain conditions.
- During Finland's Presidency, agreement was reached on the taking into account of previous convictions in the Member States in the course of new criminal proceedings in another Member State. The Framework Decision promotes equality in that convictions handed down by foreign courts will be taken into account in criminal proceedings in a similar way to those handed down by domestic courts. The Framework Decision also encourages more effective cooperation on the exchange of data on criminal records.
- At the December meeting of the Council, 24 Member States settled on the text put forward by Finland, Sweden and Austria for a Framework Decision on the transfer of prisoners. One Member State was unable to approve any of the solutions proposed. The Framework Decision would provide a more effective procedure for transferring prisoners, for the purpose of enforcing custodial sentences, to their state of

nationality, state of residence or another Member State in which it would be most appropriate for them to serve their sentence, taking into account the possibility of social rehabilitation of the sentenced person. The Framework Decision would strengthen the principle of mutual recognition within the Union.

- Review of the Hague Programme: among the themes featuring prominently during the review were more effective decision-making and the definition of priorities in the field of justice and home affairs, as a basis for developing the area of freedom, security and justice. The need for better evaluation of the implementation of decisions was also stressed. In December, the Council adopted conclusions on the Hague Programme review and took note of the Presidency report on those areas in which a renewed effort is required to enhance cooperation at EU level.
- During Finland's Presidency, the border management strategy drawn up at Finland's initiative was adopted with a view to developing an integrated border management system for the EU.
- With regard to judicial cooperation in civil matters, agreement was reached with the European Parliament on a Regulation establishing a European small claims procedure. The European Payment Order Regulation was definitively adopted. Work progressed as expected on the Rome I Regulation (on the law applicable to contractual obligations), the Maintenance Regulation and the Rome III Regulation (on divorce procedures).
- In October, the EU and the US concluded negotiations on the transfer of passenger name record (PNR) data to the US Administration. The EU achieved its negotiating objectives in that the US Administration will continue to honour the undertakings it gave in 2004 concerning data protection and that the smooth running of air services will be safeguarded.
- During Finland's Presidency, negotiating mandates were adopted for visa facilitation and readmission agreements with countries in the Western Balkans. This will enhance cooperation between the Union and the Western Balkans and strengthen those countries' prospects with regard to EU membership.

#### External relations

- During Finland's Presidency, the EU has been actively involved in efforts to reinvigorate the Middle East Peace Process and, in particular, in activities to stabilise the situation in Lebanon. The EU played a central role in the negotiation process aimed at bringing the hostilities to an end and, through its commitment, the Union showed leadership in the strengthening of UNIFIL. The EU was a key player in the provision of humanitarian aid.
- In relations between Israel and the Palestinians, the Presidency endeavoured to exert direct influence on the parties to the conflict for the creation of conditions which would enable them to resume the political process. The Presidency has also underlined the responsibility and role of other actors in the area in calming the situation. International cooperation, particularly within the framework of the Quartet,

has continued as an expression of the international community's ongoing commitment to the two-state model.

- Cooperation and dialogue with the Mediterranean partners remained active under the Barcelona Process. The EUROMED ministerial meeting in November was a success. The adoption of a joint declaration was a clear indication of the weight that the partner countries attach to this process as a framework for the development of both regional and bilateral relations.
- As holder of the Presidency, Finland has actively promoted relations between the EU and Russia. At the EU-Russia Summit in November, the participants reached agreement on the gradual phasing-out of charges for overflying Siberia. There Permanent Partnership Council held five ministerial level meetings: external relations, justice and home affairs, transport, the environment and energy. The meetings on transport and the environment were the first to be held on those issues. During Finland's Presidency, the EU and Russia agreed to start comprehensive cooperation on the environment, covering climate issues, biodiversity and the protection of the seas and other water systems.
- A Northern Dimension Framework Document and a political declaration on the Northern Dimension were adopted at a high-level Northern Dimension meeting held in connection with the EU-Russia Summit. The Northern Dimension was turned into a common policy of the EU, Russia, Norway and Iceland.
- With regard to the Western Balkans, the main challenge during the Finnish Presidency was the Kosovo status process. Finland aimed to guarantee the EU's coherent support for the process led by Special Envoy Martti Ahtisaari. Finland opened political dialogue with Serbia by holding two ministerial level Troika meetings with Serbia.
- The European Neighbourhood Policy (ENP) Action Plans for Armenia, Azerbaijan and Georgia were adopted in November 2006.
- In September, a successful ASEM 6 Summit was held in Helsinki, bringing Asian and European countries together. The meeting adopted a decision on the enlargement of the ASEM and issued the first declaration on climate change in the history of the ASEM process.
- Freedom of movement was a major topic during the Finnish Presidency. The global approach to migration was reinforced at the Informal Meeting of Heads of State or Government in Lahti, at the December European Council, at the meetings of the Justice and Home Affairs Council and in discussions between Foreign Ministers and Development Ministers. Progress was made on cooperation between the EU and Africa on migration and development issues. The documents adopted in Rabat in July and in Tripoli in November provide a basis for concrete cooperation in the near future. Through its unity, the EU played a prominent role in the UN dialogue on migration and development in September 2006.
- An internal agreement on the 10th European Development Fund was signed during the Finnish Presidency. The agreement guarantees Community funding for

development for the African, Caribbean and Pacific countries and for the European overseas countries and territories for 2008-2013.

- Implementation of the Union's Africa Strategy, adopted in December 2005, made headway during the Finnish Presidency. The joint EU/Africa Strategy is to be adopted at the EU-Africa Summit in Lisbon during the second half of 2007.
- The EU operation in the Democratic Republic of Congo supported the United Nations MONUC mission and enabled elections to be held in the country. In Sudan, the EU continued its support for the African Union's peace operation in Darfur. In Kosovo, the EU prepared for its largest ever civilian crisis management operation (approx. 1,000 persons). The operation may begin towards the end of the German Presidency. The civilian crisis operation currently underway in Aceh, Indonesia, will be brought to an end in mid-December after local elections. The Aceh peace process has progressed in line with the set objectives. The EU is tentatively examining possibilities for a civilian crisis management operation in Afghanistan.
- Work continued on developing military and civilian capabilities. The development of rapid response is a concrete topical example of qualitative improvements in crisis management. As the Finnish Presidency ends, EU battle groups are set to reach full operational capability. With regard to civilian crisis management, the Civilian Response Teams will reach a preliminary stage of capability by the end of Finland's Presidency.
- The EU's active efforts to move the WTO round of negotiations forward did not bear fruit during the Finnish Presidency. The EU will continue its endeavours to maintain the impetus of the process.
- Finland promoted development of the Union's external action. The forthcoming Presidencies will continue this work. The focus was placed on improving strategic planning, promoting the coherent use of different external relations instruments, developing the EU's coordination in international organisations, and on improving interinstitutional cooperation and cooperation between the institutions and the Member States.
- Concrete results were achieved in improving the coherence of external action, for example, in work on mainstreaming human rights. In development issues, greater coherence was sought through the organisation of sessions bringing together foreign and development ministers and trade and development ministers. During the Finnish Presidency, agreement was reached on the procedures for integrating development issues into Council decision-making and on the drafting of a joint EU "Aid for Trade" strategy in 2007.