

Priorities and programme of the Hungarian Presidency

The Hungarian Presidency of the Council of the European Union wishes to build its political agenda around the human factor, focusing on four main topics: growth and employment for preserving the European social model; stronger Europe; citizen friendly Union; enlargement and neighbourhood policy.

From 1st January 2011, it is the task of the Hungarian Presidency of the Council of the European Union to shape the issues on the agenda of the European Union in line with the interests of the 27 Member States. In order to maintain the course amidst its many obligations, the Hungarian Presidency has defined the topics that it considers to be of outstanding significance. The Hungarian Presidency wishes to work along four priorities during the first half of 2011. Beside this, it intends to keep in the focus point the human factor, as the basis for intelligent, sustainable and inclusive growth when dealing with all other issues ranging from the economy, through common policies to the issue of enlargement.

Growth and employment for preserving the European social model

The entire Union is defined by a period of economic rearrangement. The Hungarian Presidency will continue the process of consolidation. It is convinced that the key to success is in the future oriented growth strategy of the EU and in the reinforcement of economic policy coordination.

The Europe 2020 strategy wishes to improve or to preserve the living conditions of European citizens, therefore it has to have the creation of jobs and sustainable competitiveness in the focus. Thus the Hungarian Presidency wishes to improve the situation of small and medium enterprises, which are the drivers for job creation and also wishes to call the attention of Member States to the impact that demography and family policy can have on employment and economic growth. In the framework of the initiative to decrease poverty, the Presidency wishes to pay increased attention to the struggle against child poverty and will strive for tangible, European-level measures in the field of the integration of the Roma-people.

Stronger Europe

The internal policies of the EU are structured around three basic elements: food, energy and water. Therefore the Hungarian Presidency attaches great importance to strengthen policies in these fields, thereby also reinforcing Europe. The review of the Common Agriculture Policy, the definition of a common energy policy and a new area, the drafting of a European water policy all serve this purpose. Parallel to the debate on preserving water resources, the European strategy on the development of the Danube-region will also be adopted during the Hungarian Presidency.

Hungary wishes to conduct a real and tangible debate on the afore-mentioned issues. This is indispensable in order to make sure that these policies that strength cohesion and solidarity between Member States provide a solid foundation for the next multi-annual financial framework of the Union.

Citizen friendly Union

The EU also has to deal with issues that have a direct relevance on the everyday lives of citizens. Thus Hungary intends to further the implementation of the Stockholm Program, to

move forward the enlargement of the Schengen area to include Bulgaria and Romania in order to provide a free movement of people and to protect fundamental rights. Beside all these, it is the objective of the Hungarian Presidency to direct the attention of Member States to cultural diversity as a European value that needs to be protected. Cultural diversity will be a defining theme of cultural events during the Presidency.

Enlargement and neighbourhood policy

Hungary wishes to pay particular attention to taking the enlargement process further and to providing an integration perspective for the Western Balkans region. The Hungarian Presidency will do everything it can to conclude the accession talks with Croatia during the first half of 2011. It is also a priority objective to strengthen the Eastern dimension of the neighbourhood policy, in the framework of which, Hungary will host the second Eastern Partnership Summit in May 2011.

Enlargement

Besides the harmonised and consistent deepening of European integration, its enlargement is also a historical success. The Hungarian Presidency therefore pays increased attention to taking the process further. The objective is to ensure that the European Union continues to be open to European countries that are ready and able to implement the internal reforms that strengthen European values and that fulfil accession requirements.

BACKGROUND

Sixty years ago, in 1950, six countries agreed on the harmonised operation of their coal and steel industry. This economic cooperation has grown to become the European Union, which today works as the tight integration of 27 countries. Through its common policies and joint institutions, it has established cohesion between Member States and is strengthening its role in the world. During the course of the latest enlargement, ten former communist countries joined the Union, including Hungary, which contributed to the strengthening of democratic values, the rule of law and security on the continent. The significance of Europe lies in the unity thus created, with the Union enlargement policy being one of its basic elements.

The harmonised and consistent deepening of European integration and its concurrent enlargement is a historical success. The Hungarian Presidency wishes to maintain the momentum of the process and will do everything possible to ensure that the accession process advances in a scheduled manner, in consideration of the level of preparedness of those awaiting accession. The objective of the Hungarian Presidency is to establish the consensus among member states necessary for the advancement of the accession process.

THE SIX MONTHS OF THE HUNGARIAN PRESIDENCY

The EU currently regards five countries as candidate countries. Turkey, Croatia, the former Yugoslavian Republic of Macedonia (FYROM) and Iceland are in various phases of their accession processes and Montenegro was just granted this status at the latest European Council, i.e. 16-17 December 2010. The Hungarian Presidency firmly believes it is the interest of the Union to remain open to European countries that are ready to implement the internal reforms aimed at strengthening European values, human rights, freedom and the rule of law, if they fulfil accession requirements. The Union can only maintain credibility, if the process remains predictable in the future.

Hungary is committed in favour of the integration perspectives of the Western Balkans region. We believe that accession to the Union shall bring stability and prosperity to the region.

Turkey

Turkey received candidate status from the EU in 1999. 13 of the 35 chapters of the accession negotiations started in 2005 are currently open and one of them has been temporarily closed. The objective of the Hungarian Presidency is to maintain the momentum of the process, to ensure its credibility.

Croatia

Croatia became a candidate country in 2004 and the accession negotiations that started in 2005 have entered the final phase. The Hungarian Presidency will do everything to ensure the finalisation of the negotiations with Zagreb. The accession of the country would make European integration more tangible for the region, strengthening the stability of the Western Balkans and increasing commitment to EU values. The finalisation of the most complex and most difficult chapters will be left for the Hungarian Presidency, it is in these fields that negotiations have to be concluded with Zagreb.

Iceland

This island state submitted its accession application to the EU in June 2009, and Member States decided in favour of starting the negotiations a year later. The first phase of the process was the detailed Commission review (screening) of the legal material falling under each chapter, which started in November 2010 and is expected to be concluded by the spring of 2011. Since Iceland is a member of the European Economic Area, it has already harmonised part of its legislation with EU norms. However, in order to maintain the credibility of the enlargement process, the Hungarian Presidency shall make sure that Reykjavík participates in the process with the same conditions as other candidate countries. If Member States decide that Reykjavík is prepared, Hungary is ready to open the first negotiation chapters with Iceland.

OBJECTIVES

The Hungarian Presidency is committed in favour of the integration perspective of the Western Balkans region, and will do everything possible to ensure that the accession negotiations with Croatia are concluded in the first half of 2011. Hungary is prepared to perform the relevant presidency tasks, if member states decide in favour of commencing the accession negotiations with the former Yugoslavian Republic of Macedonia (FYROM). It is an objective to maintain the current pace of accession negotiations with Turkey and to efficiently manage the next phase of negotiations with Iceland.

Eastern Partnership

The European Union formally launched the Eastern Partnership Initiative at its Prague summit on 7 May, 2009, setting, within the framework of its Neighbourhood Policy, the goal of developing economic and political relations between the EU and six former Soviet Republics. In this respect, the task of the Hungarian Presidency will not be primarily legislative action, there will be a need for strategic steps instead. The second Eastern Partnership Summit will take place in Hungary in May, 2011, which is the highest level biannual event of the multilateral dimension of this cooperation with the

participation of the heads of state and governments of the 27 EU Member States and of the six partner countries. The Summit will take place in the spirit and practice of the Lisbon Treaty, under the auspices of the Permanent President of the European Council. Hungary as a host will closely cooperate with the EU institutions.

BACKGROUND

The European Union established its Neighbourhood Policy in 2004 in order to help countries that do not take part in the enlargement process. The objective of the Policy is to assist in the promotion of welfare, stability and security in the countries neighbouring the Union.

The Eastern Partnership wishes to enhance the eastern wing of the Neighbourhood Policy because the Policy had focused mostly on Euro-Mediterranean partnership which included the southern neighbours. Thus the Neighbourhood Policy, which otherwise is a single policy, has assumed two main courses:

- The **Mediterranean Union** was established upon French initiative within the southern relationship in June, 2008, as a further development of the Euro-Mediterranean cooperation,
- The **Eastern Partnership** aiming at the development of the relations with the eastern neighbours grew out of a Swedish-Polish initiative, and was launched officially at the Prague Summit in May, 2009.

The EU wishes, within the frameworks of the Eastern Partnership Initiative, to make political and economic relations tighter with six former Soviet Republics (Ukraine, Moldova, Azerbaijan, Armenia, Georgia, and depending on the development of the relations with the EU, Belarus). The Eastern Partnership Initiative encourages the participating countries to approximate their legal systems to the European legal standards, but does not offer the prospect of EU membership. The objectives of the Eastern Partnership that can be summed up as "Integration Without Membership" are to be implemented in bilateral and multilateral frameworks:

- Free trade agreements, and visa liberalisation and the development of energy cooperation appear as long term objectives in the **bilateral dimension**,
- The **multilateral dimension** focuses on urging regional cooperation of the Partners. Debates on modernisation and reform take place on four platforms: 1.) democracy, good governance and stability, 2.) economic integration, convergence with EU policies, 3.) energy security, 4.) people-to-people contacts.
- The amount spent on the cooperation from **community funds** will increase from an annual 450 million Euros in 2008 to 785 million Euros in 2013. Funds for institution development will add another 50 %, while funds for regional development will add another 20 % to this amount.

The implementation of the programme has started. Hungary wishes to support its continuation during its rotating presidency in the first half of 2011.

THE SIX MONTHS OF THE HUNGARIAN PRESIDENCY

The second Eastern Partnership Summit will take place in Hungary in May, 2011, already in line with the provisions of the Lisbon Treaty, inviting the heads of state and governments of the 27 EU Member States and of the six eastern partner countries. High Representative of the European Union for Foreign Affairs and Security Policy Catherine Ashton will be responsible for the technical preparations of the summit (in close cooperation with Stephan

Füle, European Commissioner for Enlargement and Neighbourhood Policy and his Unit). The event will be co-chaired by the Permanent President of the European Council Herman Van Rompuy and Prime Minister Viktor Orbán of Hungary.

The currently ongoing revision of the European Neighbourhood Policy will play an important role in the preparation of the May Summit. Following consultations with the EU Member States, the European Parliament, the partners and civil society (September-December, 2010), the Commission plans to present its report on the outcome in the Spring of 2011, at the same time as the progress reports of the countries involved in the neighbourhood policy are presented. The foreign ministers of the EU Member States agreed in October, 2010 that they would discuss separately the achievements of the Eastern Partnership Initiative reached so far at the May 2011 Summit, and will provide guidelines for the future.

OBJECTIVES

Hungary, in agreement with the EU institutions, will play a complementary and supportive role in the preparations of the Summit as well as in the wider sense of developing Eastern Partnership further. The Hungarian Presidency will make special efforts to ensure that the second Eastern Partnership Summit does not only assess the progress made, but also that progress is made at the conceptual and also at the level of specific areas. Poland, which was the initiator, together with Sweden, of the Eastern Partnership Initiative, will take over the rotating presidency from Hungary in June, 2011, so probably Warsaw will also continue with the achievements of the Hungarian term.

The Danube Region Strategy

The EU Danube Region Strategy (DRS) is the macro-regional development strategy and action plan for the regions and countries located in the catchment area of the Danube river. It targets the sustainable development of the Danube macro-region as well as the protection of its natural areas, landscapes and cultural heritage. Acting on the request of the European Council in June 2009, the European Commission submitted a proposal for the DRS in December 2010, the adoption of which is scheduled for the period of the Hungarian Presidency.

The EU adopted the Strategy for the Baltic Sea Region in the second half of 2009 during the Swedish Presidency, so the DRS is going to be the second macro-regional development strategy of the EU. Eight EU-member and six Non-EU states participated in drafting the strategy: Germany (Baden-Württemberg and Bavaria), Austria, Hungary, Czech Republic, Slovak Republic, Slovenia, Bulgaria, Romania, and Serbia, Bosnia-Herzegovina, Montenegro, Moldova and Ukraine.

OBJECTIVES

The objective of the Hungarian Presidency is to have the Member States adopt the strategy at the European Council meeting in June 2011. At its meeting on 18-19th June 2009, the Council of the European Union officially asked the European Commission to prepare the draft of the Danube Region Strategy by the end of 2010. The Commission submitted its proposal in December 2010, which covers 11 action items in the following main priority areas: sustainable development of transportation and energy networks, environment and hydrology protection, social and economic development and the development of the monitoring system.

Both the Baltic and the Danube Region strategies have a symbolic value as well. They symbolise that in the age of globalization the reliance of states on each other is increasing. Thus the strategy provides a unique opportunity for the participating states to give a coordinated response to global challenges, which can only be solved through a cross-border approach (energy security, climate change, floods, droughts etc.).

The objective of the DRS is to achieve a sustainable increase in the region's economy and competitiveness, and to increase general welfare, with a view to establishing a flourishing, developing and attractive region. The DRS contributes to strengthening cohesion in the region and helps reduce existing regional differences. The support given to assist the competitiveness and the expansion of small and medium enterprises in the Danube Region is an important aspect of this. As an important element of the Central European policy, the DRS can also promote the European integration of the Western Balkans.

A priority action area of the DRS is to complete the connections in the energy and transportation networks, to develop the road and rail transportation corridors in the region and to improve of the security of energy supply. An integrated approach and the harmonization of Member State projects are key to the strategy.

With respect to renewable energy (for example geothermic energy) and energy efficiency, the DRS clearly supports the objectives of the Europe 2020 strategy. Promoting cooperation with countries of the region in the related field of research and development is also important.

The DRS incorporates the topic of water management, which is one of the priorities of the Hungarian Presidency in 2011. The strategy is a valuable contribution to shaping the new, comprehensive water policy that is to begin in 2012, because it complements the earlier approach concentrating on protecting water quality with the issue of integrated and sustainable water management.

Water policy is an individual initiative of the Hungarian Presidency. The objective of Hungary is to develop and to strengthen water management considerations in EU policies. The Presidency will concentrate on a) integrated management of extreme weather and hydrological conditions (droughts, floods, inland waters, uneven distribution of precipitation); b) so-called ecological services related to water (water habitats, self purification of water, soil generation); c) international cooperation. In addition to the flood risks, the protection of water quality (including the elimination and management of contamination) also requires an approach that extends to the entire water catchment area. The discussion of Member States on the comprehensive water policy proposals of the Commission is to be held at the end of the Hungarian Presidency.

It is important to strengthen the comprehensive security of the Danube Region. The Danube Region is made up of Schengen- and non-Schengen, candidate and non-member countries, which makes coordinated law enforcement action and coordination between countries more difficult. The DRS provides an opportunity for operative cooperation between all relevant law enforcement and other organisations along the entire stretch of the Danube. The parallel development of disaster relief information systems also helps to strengthen the security of the Danube as a transportation corridor.

The DRS builds on the rich cultural heritage of the region both by protecting and presenting its material heritage and by emphasizing its cultural diversity. Equally important is the utilization of the Danube for aqua tourism and water sports along the entire stretch of the river.

The strategy also aims for a better and coordinated use of resources, but no special EU funds will be allocated for this purpose. It is an eminent interest of countries in the region to use the macro-regional strategy to promote economic growth through projects and programs, in harmony with the Europe 2020 strategy aimed at economic recovery.

It indicates the significance and complexity of the DRS that a large number of professional and civil organizations wish to participate in developing and implementing the strategy. As the basic objectives of the DRS also mentions, professional and civil organizations will have an important role to play in developing the details and tangible projects. This would ensure that the strategy is realized with the widest possible support.

THE SIX MONTHS OF THE HUNGARIAN OPRESIDENCY

The majority of the Member States will study and discuss the DRS during the Hungarian Presidency.

The objective of the Hungarian Presidency is to have the Member States adopt the strategy at the June 2011 meeting of the European Council. The cooperation of the eight Member States and the six non-EU countries in drafting the strategy can strengthen cohesion in the region; therefore harmonizing the various interests will remain an important task.

Hungary will be followed in the rotating Presidency by Poland on 1st July 2011. As a member of the EU Baltic Sea Strategy, Poland - based on its strong ties to the Eastern partners of the EU and the Danube Region - plays an important role in making the two macro-regional strategies a coordinated success.