



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 10 September 2010

13460/10

LIMITE

CO EUR-PREP 50

NOTE

| | |
|-----------|---|
| from : | The General Secretariat of the Council |
| to : | General Affairs Council |
| Subject : | <i>European Council (16 September 2010)</i> <i>– Draft conclusions</i> |

In accordance with article 2(3)(a) of the Council's Rules of Procedure, delegations will find attached the draft conclusions prepared by the President of the European Council, in close cooperation with the member of the European Council representing the Member State holding the six-monthly Presidency of the Council and with the President of the Commission.

o

o o

The European Council discussed how to give new momentum to the Union's external relations, taking full advantage of the opportunities provided by the Lisbon Treaty. It agreed on the need for Europe to promote its interests and values more assertively and in a spirit of reciprocity. As a first step, it set general orientations with a view to a number of important events over the coming weeks and months. It also decided on a number of concrete measures to more generally enhance the effectiveness of the Union's external policy. The European Council took stock of progress achieved in the Task Force on economic governance.

I. RELATIONS WITH STRATEGIC PARTNERS

A changing world: a challenge for the EU

1. Europe is facing many challenges in a rapidly changing world, which all require a concerted international response. The recent economic and financial crisis has dramatically shown the extent to which the well-being, security and quality of life of Europeans depend on external developments. The emergence of new players with their own worldviews and interests is also an important new feature in the international environment.
2. The European Union must be an effective global actor, ready to share in the responsibility for global security and to take the lead in the definition of joint responses to common challenges. A strong economy and internal cohesion will strengthen the Union's ability to project its influence in the world. The Union can draw on its firmly-rooted belief in effective multilateralism and universal values and a unique range of instruments. The European Union remains the largest donor to countries in need, it is the first trading power in the world, and it has developed a strong common security and defence policy supported by crisis management tools. It also plays a major stabilizing role in its neighbourhood, in particular through its neighbourhood policy as well as the European perspective given to the Western Balkans; the European Council will revert to this topic at its December 2010 meeting.

3. Making full use of the opportunities offered by the Lisbon Treaty, and in line with the European Security Strategy, the European Union and its Member States will act more strategically so as to bring Europe's true weight to bear internationally. This requires a clear identification of its strategic interests and objectives at a given moment and a focused reflection on the means to pursue them more assertively. The European Council calls for improving synergies between the European Union and national levels, for enhancing coordination between institutional actors, for better integrating all relevant instruments and policies and for using summit meetings with third countries more effectively, as set out in more detail in the annex.
4. The European Union's strategic partnerships with key players in the world provide a useful instrument for pursuing European objectives and interests. This will only work if they are two-way streets based on mutual interests and benefits and on the recognition that all actors have rights as well as duties. The full participation of emerging economies in the international system should allow its benefits to be spread in a balanced manner and its responsibilities to be shared evenly.

Orientations for upcoming events

5. The European Union will hold a number of important international meetings in the coming weeks. They require clear strategic guidance by the European Council and optimal preparation by the Council. The European Council accordingly lays out initial orientations today with a view to these meetings. It will in future regularly discuss external relations in order to set strategic orientations in advance of key events, in particular with a view to defining key messages on our objectives and on the means to achieve them.

6. October will see summits with China and South Korea and the Asia-Europe Meeting (ASEM), followed later in the year by a summit with India. They are a good opportunity to engage with key partners in a very dynamic part of the world. Issues such as the respective roles in achieving a sustainable recovery from the economic crisis and in seeking global solutions to universal challenges will be on the agenda. Pursuing its strategic interests, the European Union will also explore concrete ways of enhancing cooperation on major economic and political themes between Europe and Asia, with particular focus on market access and investment conditions, climate change, intellectual property rights, public procurement, exchange rate policy, migration and labour standards. It will foster people to people relations and seek more open societies as a way of promoting good governance and human rights. The European Union also intends to reinforce cooperation to address pressing security issues such as proliferation, terrorism and piracy.
7. Over the coming months there will be a number of other important external relations issues which will have to be addressed by the European Council.
 - a) The G20 Summit in Seoul will allow a review of the global economic recovery and the commitments made by G20 members. In particular, it will allow the Union to stress the importance of maintaining strong momentum in the area of financial reform; in this respect, the recent agreement between the European Parliament and the Council on the financial supervision package and the completion of the reform of the regulatory framework by the end of 2011 strengthen the EU's hand. It should also serve to send a clear signal on the need to conclude the WTO DDA negotiations. The European Council will discuss the detailed preparation of Seoul at its October 2010 meeting. The G8 and the G20 will remain important fora for the definition of global responses to many of the challenges facing us; the European Council therefore lends its full support to the ambition of the incoming French chairmanship in 2011 to fully use the G20 and G8 to that end.

- b) The transatlantic relationship constitutes a strong pillar of the international system. With a view to the next European Union/United States summit, the October 2010 European Council will agree on the key political messages the European Union representatives will bring to this major summit. Based on a good understanding of mutual interests and the respective contributions, the transatlantic partnership should concentrate on maximising the potential benefits of our economic relationship, on working more closely on major international issues and on confronting global challenges together in a concerted manner. In this connection, the High Representative is invited to develop ideas on how EU/NATO cooperation in crisis management could be further strengthened.
- c) The European Council will take stock of preparations for the Cancun conference on climate change at its October meeting and agree on the EU position. Cancun should be a stepping stone in the international climate negotiations, agreeing on concrete deliverables for all participants to create momentum and stay on track for an ambitious final agreement.
- d) The second summit of the Union for the Mediterranean will provide a timely opportunity to support the resumption of direct negotiations between the parties in the Middle East Peace Process and to strengthen Euro-Mediterranean cooperation.
- e) EU/Africa relations have taken on a new dynamic in recent years. The importance of continued support for development and achievement of the Millennium Development Goals will figure prominently both in discussions at the UN General Assembly and at the EU/Africa Summit.

- f) The upcoming summits with Russia and the Ukraine should be used to deepen cooperation on areas of mutual benefit, so as to bring more stability and predictability to those two important relationships. With Russia in particular, cooperation should be enhanced on economic issues such as energy, Russia's economic modernisation agenda, investment or innovation, on security issues, including frozen conflicts, the combat against terrorism and organised crime, and on environmental issues, including climate change. The discussion on energy at the February 2011 European Council will have a bearing on relations with these two countries.

II. TASK FORCE ON ECONOMIC GOVERNANCE

8. On the basis of an interim report of the President of the Task Force on economic governance, the European Council welcomes the important progress made, notably on the development of a new macro-surveillance framework to monitor and correct unsustainable competitiveness divergences and imbalances in a timely manner and on the strengthening of national fiscal frameworks.
9. The European Council underlines the need to keep the momentum on the reform of European economic governance, and looks forward to receiving for its October 2010 meeting the final report of the Task Force, presenting a comprehensive package of measures which will guide legislative work.
-

INTERNAL ARRANGEMENTS**TO IMPROVE THE EUROPEAN UNION'S EXTERNAL POLICY**

- a) Looking at concrete measures to more generally improve the functioning of the European Union's external policy, the European Council calls for a more integrated approach, ensuring that all relevant EU and national instruments and policies are fully and coherently mobilised in support of the European Union's strategic interests. The importance of issues like climate change, energy policy, trade, development or Justice and Home Affairs issues, including migration, in dealings with partners and at a multilateral level must be fully taken into account in preparations for summits and international events. In this regard the European Union should further enhance the coherence and complementarity between its internal and external policies. The practice of holding orientation debates well before summits should be further developed, with a particular emphasis on setting priorities and concrete tasking to relevant Council bodies and EU delegations.
- b) Synergies need to be developed between the European Union's external relations and Member States bilateral relations with third countries, in order to ensure that what is done at the level of the European Union complements and reinforces what is done at the level of the Member States and vice versa. There should be more active and regular sharing of information and consultation on developments at the respective levels, on the basis of a running calendar of EU and Member States' summits with major strategic partners.
- c) Close and regular coordination between all the different institutional actors involved in the definition and implementation of the European Union's external relations is necessary to ensure that EU representatives can defend coherent positions on the whole range of the strategic interests and objectives of the Union.

- d) Much progress has been achieved in the preparation, at the level of the European Union, for multilateral summits, notably through the practical arrangements reached between the President of the European Council and the President of the Commission on the EU representation in the G8 and G20 structures. It invites them to continue to work towards improving the way in which the European Union projects its views in such fora.
- e) The European Union needs a clear picture of the particular issues arising from relations with the individual partner States. It needs to develop medium-term planning that sets out objectives to be reached over time, with each summit concentrating on two or three core issues. The European Council therefore asks the High Representative, in coordination with the Commission, and working with the Foreign Affairs Council, to evaluate the prospects of relations with all strategic partners, and set out in particular our interests and possible leverage to achieve them. The High Representative is invited to present a first progress report on this work to the December 2010 European Council. In this context, there should be a reflection on the frequency, format and output of those summits, which need to be better targeted towards reaching EU objectives. The European Council invites its President in cooperation with the President of the Commission to take any necessary initiatives in view of improving the process.
- f) The European External Action Service will be a crucial tool in support of the efforts towards enhancing the European Union's external policy. At service level, it will provide support to the European Council, the Council, the High Representative and the Commission concerning the strategic overview and coordination necessary to ensure the coherence of the European Union's external action as a whole.
