



**COUNCIL OF
THE EUROPEAN UNION**

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COVER NOTE

from : Presidency

to : delegations

Subject : **COPENHAGEN EUROPEAN COUNCIL
12 AND 13 DECEMBER 2002**

PRESIDENCY CONCLUSIONS

Delegations will find attached the revised version of the Presidency conclusions of the Copenhagen European Council (12 and 13 December 2002).

1. The European Council met in Copenhagen on 12 and 13 December 2002. The meeting was preceded by an exposé by the President of the European Parliament, Mr Pat Cox, followed by an exchange of views concerning the main items on the agenda.
2. The European Council heard a report by President Valéry Giscard d'Estaing on the progress of the Convention's proceedings. In the light of that report the European Council held an exchange of views on the development of the discussions. The Convention will present the result of its work in time for the European Council in June 2003.

I. Enlargement

3. The European Council in Copenhagen in 1993 launched an ambitious process to overcome the legacy of conflict and division in Europe. Today marks an unprecedented and historic milestone in completing this process with the conclusion of accession negotiations with Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic and Slovenia. The Union now looks forward to welcoming these States as members from 1 May 2004. This achievement testifies to the common determination of the peoples of Europe to come together in a Union that has become the driving force for peace, democracy, stability and prosperity on our continent. As fully fledged members of a Union based on solidarity, these States will play a full role in shaping the further development of the European project.
4. The Union endorses the result of these negotiations as set out in document 21000/02. The financial consequences of enlargement are set out in Annex I. The comprehensive and balanced outcome provides a solid basis for the smooth integration of ten new Member States, while safeguarding the effective functioning of the enlarged Union. The agreement reached will provide the acceding States with the necessary transitional arrangements to cope successfully with all obligations of membership. The result achieved in the accession negotiations ensures the continued functioning of the internal market as well as the various EU policies, without prejudging future reform.

5. Monitoring up to accession of the commitments undertaken will give further guidance to the acceding States in their efforts to assume responsibilities of membership and will give the necessary assurance to current Member States. The Commission will make the necessary proposals on the basis of the monitoring reports. Safeguard clauses provide for measures to deal with unforeseen developments that may arise during the first three years after accession. The European Council welcomes furthermore the commitment to continue the surveillance of progress with regard to economic, budgetary and structural policies in the candidate States within the existing economic policy coordination processes.
6. All efforts should now be directed at completing the drafting of the Accession Treaty so that it can be submitted to the Commission for its opinion and then to the European Parliament for its assent, and to the Council with a view to signing in Athens on 16 April 2003.
7. By successfully concluding the accession negotiations the Union has honoured its commitment that the ten acceding States will be able to participate in the 2004 European Parliament elections as members. The Accession Treaty will stipulate that Commissioners from the new Member States will join the current Commission as from the day of accession on 1 May 2004. After the nomination of a new President of the Commission by the European Council, the newly elected European Parliament would approve a new Commission that should take office on 1 November 2004. On the same date, the provisions contained in the Nice Treaty concerning the Commission and voting in the Council will enter into force. The necessary consultations with the European Parliament on these matters will be concluded by the end of January 2003. The above arrangements will guarantee the full participation of the new Member States in the institutional framework of the Union.
8. Finally, the new Member States will participate fully in the next Intergovernmental Conference. Without reform the Union will not fully reap the benefits of enlargement. The new Treaty will be signed after accession. This calendar shall be without prejudice to the timing of the conclusion of the IGC.

9. The current enlargement provides the basis for a Union with strong prospects for sustainable growth and an important role to play in consolidating stability, peace and democracy in Europe and beyond. In accordance with their national ratification procedures, the current and the acceding States are invited to ratify the Treaty in due time for it to enter into force on 1 May 2004.

Cyprus

10. In accordance with paragraph 3 above, as the accession negotiations have been completed with Cyprus, Cyprus will be admitted as a new Member State to the European Union. Nevertheless, the European Council confirms its strong preference for accession to the European Union by a united Cyprus. In this context it welcomes the commitment of the Greek Cypriots and the Turkish Cypriots to continue to negotiate with the objective of concluding a comprehensive settlement of the Cyprus problem by 28 February 2003 on the basis of the UNSG's proposals. The European Council believes that those proposals offer a unique opportunity to reach a settlement in the coming weeks and urges the leaders of the Greek Cypriot and Turkish Cypriot communities to seize this opportunity.
11. The Union recalls its willingness to accommodate the terms of a settlement in the Treaty of Accession in line with the principles on which the EU is founded. In case of a settlement, the Council, acting by unanimity on the basis of proposals by the Commission, shall decide upon adaptations of the terms concerning the accession of Cyprus to the EU with regard to the Turkish Cypriot community.
12. The European Council has decided that, in the absence of a settlement, the application of the acquis to the northern part of the island shall be suspended, until the Council decides unanimously otherwise, on the basis of a proposal by the Commission. Meanwhile, the Council invites the Commission, in consultation with the government of Cyprus, to consider ways of promoting economic development of the northern part of Cyprus and bringing it closer to the Union.

Bulgaria and Romania

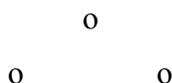
13. The successful conclusion of accession negotiations with ten candidates lends new dynamism to the accession of Bulgaria and Romania as part of the same inclusive and irreversible enlargement process. The Union welcomes the important progress achieved by these countries, which is duly reflected in the advanced state of their accession negotiations.
14. The Union looks forward to consolidating the results achieved so far. Following the conclusions of the European Council in Brussels and depending on further progress in complying with the membership criteria, the objective is to welcome Bulgaria and Romania as members of the European Union in 2007. The Union confirms that accession negotiations with these countries will continue on the basis of the same principles that have guided the accession negotiations so far, and that each candidate country will be judged on its own merits.
15. The roadmaps put forward by the Commission provide Bulgaria and Romania with clearly identified objectives and give each country the possibility of setting the pace of its accession process. It is essential that Bulgaria and Romania seize this opportunity by stepping up their preparation, including fulfilling and implementing the commitments undertaken in the accession negotiations. In this context, the Union underlines the importance of judicial and administrative reform that will help bring forward Bulgaria and Romania's overall preparation for membership. This will ensure that the process will be successfully brought forward on the basis of the results reached so far. Future Presidencies and the Commission will make sure that the pace of accession negotiations on all remaining chapters, including chapters with financial implications, is maintained and matches the efforts of Bulgaria and Romania.

16. The Union underlines its resolve to assist Bulgaria and Romania in these efforts. The Union endorses the Commission's communication on roadmaps for Bulgaria and Romania, including the proposals for a significant increase in pre-accession assistance. The high level of funding to be made available should be used in a flexible way, targeting the priorities identified, including in key areas such as Justice and Home Affairs. Further guidance in their pre-accession work will be provided by the revised Accession Partnerships to be presented to them next year.
17. Furthermore, Bulgaria and Romania will participate in the next Intergovernmental Conference as observers.

Turkey

18. The European Council recalls its decision in 1999 in Helsinki that Turkey is a candidate State destined to join the Union on the basis of the same criteria as applied to the other candidate States. It strongly welcomes the important steps taken by Turkey towards meeting the Copenhagen criteria, in particular through the recent legislative packages and the subsequent implementation measures which cover a large number of key priorities specified in the Accession Partnership. The Union acknowledges the determination of the new Turkish government to take further steps on the path of reform and urges in particular the government to address swiftly all remaining shortcomings in the field of the political criteria, not only with regard to legislation but also in particular with regard to implementation. The Union recalls that, according to the political criteria decided in Copenhagen in 1993, membership requires that a candidate country has achieved stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities.
19. The Union encourages Turkey to pursue energetically its reform process. If the European Council in December 2004, on the basis of a report and a recommendation from the Commission, decides that Turkey fulfils the Copenhagen political criteria, the European Union will open accession negotiations with Turkey without delay.

20. In order to assist Turkey towards EU membership, the accession strategy for Turkey shall be strengthened. The Commission is invited to submit a proposal for a revised Accession Partnership and to intensify the process of legislative scrutiny. In parallel, the EC-Turkey Customs Union should be extended and deepened. The Union will significantly increase its pre-accession financial assistance for Turkey. This assistance will from 2004 be financed under the budget heading "pre-accession expenditure".



21. The European Union and the acceding States agreed on a joint declaration "One Europe" on the continuous, inclusive and irreversible nature of the enlargement process (see SN 369/02) which will be annexed to the final act of the Accession Treaty.

The enlarged Union and its neighbours

22. The enlargement will bring about new dynamics in the European integration. This presents an important opportunity to take forward relations with neighbouring countries based on shared political and economic values. The Union remains determined to avoid new dividing lines in Europe and to promote stability and prosperity within and beyond the new borders of the Union.
23. The European Council recalls the criteria defined at the Copenhagen European Council in June 1993 and reaffirms the European perspective of the countries of the Western Balkans in the Stabilisation and Association Process as stipulated by the European Council in Feira. The Council underlines its determination to support their efforts to move closer to the EU. The European Council welcomes the decision by the incoming Greek Presidency to organise a Summit on 21 June in Thessaloniki between EU Member States and countries of the Stabilisation and Association Process.

24. The enlargement will strengthen relations with Russia. The European Union also wishes to enhance its relations with Ukraine, Moldova, Belarus and the southern Mediterranean countries based on a long-term approach promoting democratic and economic reforms, sustainable developments and trade and is developing new initiatives for this purpose. The European Council welcomes the intention of the Commission and the Secretary-General/High Representative to bring forward proposals to that end.
25. The European Council encourages and supports the further development of cross-border and regional cooperation inter alia through enhancing transport infrastructure, including appropriate instruments, with and among neighbouring countries in order to develop the regions' potential to the full.

II. FUNCTIONING OF THE COUNCIL IN VIEW OF ENLARGEMENT

26. The European Council took note of an initial report from the Presidency on the Presidency of the Union requested at Seville.

III. EUROPEAN SECURITY AND DEFENCE POLICY

27. The European Council congratulated the Presidency and the Secretary-General/High Representative, Javier Solana, for their efforts which have enabled the comprehensive agreement reached with NATO on all outstanding permanent arrangements between the EU and NATO in full conformity with the principles agreed at previous meetings of the European Council and the decisions taken at the Nice European Council.
28. The European Council confirmed the Union's readiness to take over the military operation in FYROM as soon as possible in consultation with NATO, and invited the relevant bodies of the EU to finalise work on the overall approach to the operation, including development of military options and relevant plans.

29. The European Council also indicated the Union's willingness to lead a military operation in Bosnia following SFOR. It invited the Secretary-General/High Representative, Javier Solana, and the future Presidency to begin consultations to that end with the authorities in Bosnia and Herzegovina, the High Representative/EU Special Representative Lord Ashdown, NATO and other international players and to report to the Council in February. It requested the relevant EU bodies to make proposals on an overall approach, including the legal framework, by the same time.
30. The European Council has taken note of the declaration of the Council attached in Annex II.

IV. MIDDLE EAST/IRAQ

31. The European Council adopted the declarations in Annexes III and IV.

V. OTHER ITEMS

Maritime safety/marine pollution

32. The European Council expresses its regret and grave concerns with regard to the serious accident of the oil tanker PRESTIGE off the northwest coast of Spain. The ensuing damage to the marine and socio-economic environment and the threat to the livelihood of thousands of persons are intolerable. The European Union expresses its solidarity with the States, regions and populations that have been affected and its support and recognition of the efforts of the affected States, institutions and civil society towards the recovery of the polluted areas.

33. The European Council recalls its conclusions in Nice in December 2000 concerning the ERIKA measures and acknowledges the determined efforts in the European Community and the International Maritime Organisation (IMO) since the ERIKA accident to enhance maritime safety and pollution prevention. The Union is determined to take all necessary measures to avoid a repetition of similar catastrophes and welcomes the rapid responses by the Council and the Commission. The Union will also continue to play a leading role in international efforts in pursuit of this objective, in particular within the IMO. The conclusions of the Transport Council on 6 December 2002 and the Environment Council on 9 December 2002 should be implemented in all their aspects without delay.
34. The European Council welcomes the action undertaken by the Commission to confront the economic, social and environmental consequences derived from the wreck of the Prestige, in the framework of the present financial perspective and its intention to examine the need for further specific measures. Amongst these measures, questions relating to liability and the corresponding sanctions will also be examined.

On the basis of a report by the Commission, the European Council will address these issues at its forthcoming March meeting.

Alpine transit

35. According to the conclusions of the European Council in Laeken, the European Council requests the Council to adopt, before the end of this year, a regulation on the interim solution for the transit of heavy goods vehicles through Austria 2004-2006. The European Commission shall present a proposal for a new Eurovignette directive not later than the first half of 2003.

Melk Agreement

36. The European Council took note with satisfaction of the Melk Agreement between Austria and the Czech Republic and expects its comprehensive implementation.

Specific situations in agriculture in current Member States

37. The European Council has been asked by Portugal to take action pursuant to the conclusions of the Berlin European Council on 24 and 25 March 1999 on the specificity of Portuguese agriculture.

The European Council noted that Portugal considers that a specific problem, arising from the way the CAP currently applies to Portuguese agriculture, still exists. To this end the Commission is invited to present a report analysing the situation. The Commission is also invited to consider the situation in other parts of the Union where similar specific problems may exist.

Reports and communications for the European Council

38. The European Council took note of the report on reports and communications submitted to it (15530/02).

BUDGETARY AND FINANCIAL ISSUES

The Union endorses the result of the negotiations which have determined expenditure requirements resulting from the accession of new Member States respecting the ceilings for enlargement-related expenditure set out for the years 2004-2006 by the European Council in Berlin.

The European Council invites the Commission to take into account this expenditure in its proposal to adjust the financial perspective, to be adopted by the European Parliament and the Council in accordance with paragraph 25 of the Interinstitutional Agreement of 6 May 1999 on budgetary discipline and improvement of the budgetary procedure.

Based on the accession of 10 new Member States by 1 May 2004, the maximum appropriations for commitments for agriculture, structural operations, internal policies and administration for the new Member States should be the amounts now determined as a result of the negotiations at this European Council, as set out in the following table:

Maximum enlargement-related appropriations for commitments (EUR mio. 1999 prices) 2004-2006 (for 10 new Member States)			
	2004	2005	2006
Heading 1 Agriculture	1.897	3.747	4.147
Of which:			
1a - Common Agricultural Policy	327	2.032	2.322
1b - Rural development	1.570	1.715	1.825
Heading 2 Structural actions after capping	6.070	6.907	8.770
Of which:			
Structural Fund	3.453	4.755	5.948
Cohesion Fund	2.617	2.152	2.822
Heading 3 Internal policies and additional transitional expenditure	1.457	1.428	1.372
Of which:			
Existing policies	846	881	916
Transitional nuclear safety measures	125	125	125
Transitional institution building measures	200	120	60
Transitional Schengen measures	286	302	271
Heading 5 Administration	503	558	612
Total maximum appropriations for commitments (Headings 1, 2, 3 and 5)	9.927	12.640	14.901

This is without prejudice to the EU 25 ceiling for category 1a for 2007-13 set out in the Decision of the Representatives of the Governments of the Member States, meeting within the Council on 14 November 2002, concerning the conclusions of the European Council meeting in Brussels on 24 and 25 October 2002.

The European Council considers that appropriate adjustments to the EU 15 financial perspective ceilings for the period 2004-2006 to take account of the expenditure requirements relating to enlargement should not – for existing headings – exceed the above amounts.

In addition, a new temporary heading X for a special lump-sum cash-flow facility and for temporary budgetary compensation for the years 2004 to 2006 should be created within the Berlin ceilings for enlargement-related expenditure. The total amounts now determined as a result of negotiations are as follows:

Heading X (special cash-flow facility and temporary budgetary compensation) 2004-2006 (for 10 new Member States)			
	(EUR mio. 1999 prices)		
	2004	2005	2006
Special cash-flow facility	1.011	744	644
Temporary budgetary compensation	262	429	296
Total	1.273	1.173	940

However, the corresponding ceiling for appropriations for payments for the enlarged Union for the years 2004-2006 should be unchanged compared to the corresponding ceiling set out in Table A of the Berlin conclusions. The European Council recalls paragraph 21 of the Interinstitutional Agreement of 6 May 1999 which sets out the need to maintain an appropriate relationship between commitments and payments.

In accordance with the Own Resources Decision of 29 September 2000, the new Member States will fully contribute to the financing of the EU expenditure as from the first day of accession, since the own resources acquis will apply to the new Member States as from accession.

Regarding the ring-fencing of expenditure, the European Council recalls paragraph 21 of the Interinstitutional Agreement of 6 May 1999.

The general effort towards budgetary discipline laid down by the European Council in Berlin should be continued in the period beginning in 2007.

DECLARATION OF THE COUNCIL MEETING IN COPENHAGEN
ON 12 DECEMBER 2002

The Council notes the following:

1. As things stand at present, the "Berlin plus" arrangements and the implementation thereof will apply only to those EU Member States which are also either NATO members or parties to the "Partnership for Peace", and which have consequently concluded bilateral security agreements with NATO.
2. Paragraph 1 above shall not affect the rights and obligations of EU States in their capacity as EU Members. Consequently, in the absence of any specific provision in the Treaty or in a Protocol annexed thereto (particular case of Denmark), all EU Member States will participate fully in defining and implementing the Union's CFSP, which shall cover all matters relating to the Union's security, including the progressive framing of a common defence policy.
3. The fact that, as things stand at present, Cyprus and Malta will not take part in EU military operations conducted using NATO assets once they have become members of the EU will not, within the limits of the EU Security Regulations, affect the right of their representatives to participate and vote in EU institutions and bodies, including COPS, with regard to decisions which do not concern the implementation of such operations.

Likewise, their right to receive EU classified information, within the limits of the EU Security Regulations, shall not be affected, provided the EU classified information does not contain or refer to any classified NATO information.

EUROPEAN COUNCIL DECLARATION ON THE MIDDLE EAST

Peace in the Middle East is an imperative. The European Council calls upon the Israeli and Palestinian people to break the endless cycle of violence. It reiterates its strong and unequivocal condemnation of all acts of terrorism. Suicide attacks do irreparable damage to the Palestinian cause. The European Union supports the efforts of those Palestinians seeking to take forward the reform process and to bring an end to the violence. It appeals to Israel to facilitate those efforts. While recognising Israel's legitimate security concerns the European Council calls upon Israel to stop excessive use of force and extra-judicial killings, which do not bring security to the Israeli population.

Violence and confrontation must give way to negotiations and compromise. The international community, including the parties, share a common vision of two States, Israel and an independent, viable, sovereign, and democratic Palestine, living side by side in peace and security on the basis of the 1967 borders. All efforts should now be directed at translating this vision into reality.

As a result the European Council attaches the highest priority to the adoption on 20 December this year by the Middle East Quartet of a joint road-map with clear timelines for the establishment of a Palestinian State by 2005. The implementation of the road-map must be based on parallel progress in the security, political and economic fields and should be closely monitored by the Quartet.

In this context, the European Council is alarmed at the continuing illegal settlement activities, which threaten to render the two-State solution physically impossible to implement. The expansion of settlements and related construction, as widely documented including by the European Union's Settlements Watch, violates international law, inflames an already volatile situation, and reinforces the fear of Palestinians that Israel is not genuinely committed to ending the occupation. It is an obstacle to peace. The European Council urges the Government of Israel to reverse its settlement policy and as a first step immediately apply a full and effective freeze on all settlement activities. It calls for an end to further land confiscation for the construction of the so-called security fence.

Decisive steps must be taken to reverse the sharply deteriorating humanitarian situation in the West Bank and Gaza, which is making life increasingly intolerable for ordinary Palestinians and fuelling extremism. Humanitarian access and the security of humanitarian personnel and their installations must be guaranteed.

With the aim of supporting the reforms in the Palestinian territories, the EU will continue its budgetary support to the Palestinian Authority with clear objectives and conditions. The EU calls on other international donors to join this commitment also with a view to coherent efforts for reconstruction. Israel for its part must resume the monthly transfers of Palestinian tax revenues.

The European Union is determined to continue the work with its partners in the Quartet to assist Israelis and Palestinians alike to move towards reconciliation, negotiations and a final, just and peaceful settlement to the conflict.

EUROPEAN COUNCIL DECLARATION ON IRAQ

The European Council underlines its full and unequivocal support for Security Council Resolution 1441 of 8 November 2002. The goal of the European Union remains the disarmament of Iraq's weapons of mass destruction in accordance with the relevant UN Security Council Resolutions. It is now up to Iraq to seize this final opportunity to comply with its international obligations.

The European Council notes Iraq's acceptance of Resolution 1441 and that it has, as required, submitted a declaration on its programmes to develop weapons of mass destruction and related products.

The EU will continue to give its full support to the efforts of the UN to ensure full and immediate compliance by Iraq with Resolution 1441. The role of the Security Council in maintaining international peace and security must be respected.

The European Council expresses its full support for the inspection operations of UNMOVIC and IAEA headed by Dr Blix and Dr El-Baradei. The European Council stresses that the weapons inspectors should be allowed to proceed with their important task without interference using the full range of tools available to them under Resolution 1441. The EU looks forward to their assessment of the Iraqi declaration.