

EUROPEAN COUNCIL - NICE 7-10 DECEMBER 2000

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1. The European Council met in Nice on 7, 8 and 9 December 2000. Proceedings began with an exchange of views with the President of the European Parliament, Ms Nicole Fontaine, on the main topics for discussion.

I. CHARTER OF FUNDAMENTAL RIGHTS

2. The European Council welcomes the joint proclamation, by the Council, the European Parliament and the Commission, of the Charter of Fundamental Rights, combining in a single text the civil, political, economic, social and societal rights hitherto laid down in a variety of international, European or national sources. The European Council would like to see the Charter disseminated as widely as possible amongst the Union's citizens. In accordance with the Cologne conclusions, the question of the Charter's force will be considered later.

Operation of the institutions

3. The European Council points to the importance of implementing the operational recommendations approved by it in Helsinki for the working of the Council and takes note of the report on the new co-decision procedure. It reiterates its commitment to supporting the Commission's administrative reform. It notes with satisfaction the measures adopted by the Council and the Commission in order to improve the effectiveness of the Union's external action.



II. ENLARGEMENT

4. The European Council reaffirms the historic significance of the European Union enlargement process and the political priority which it attaches to the success of that process. It welcomes the stepping up of accession negotiations with the candidate countries, which has brought very considerable progress, particularly in recent months.

5. The European Council believes that the time has now come to lend fresh impetus to the process. It endorses the General Affairs Council conclusions of 4 December 2000 concerning the strategy proposed by the Commission. It is pleased to see that the principle of differentiation, based on each candidate country's own merits, and allowance of scope for catching up are reaffirmed in those Council conclusions. The road map for the next 18 months will ease the way for further negotiations, bearing in mind that those countries which are the best prepared will continue to be able to progress

more quickly.

6. In the European Council's view, that strategy, together with the completion of the Intergovernmental Conference on institutional reform, will place the Union, in accordance with the objective set by the European Council in Helsinki, in a position to welcome those new Member States which are ready as from the end of 2002, in the hope that they will be able to take part in the next European Parliament elections. In Göteborg, in June 2001, the European Council will assess progress in implementing that new strategy, in order to give the necessary guidance for the successful completion of the process.

7. The European Council appreciates the efforts made by the candidate countries to establish the conditions for adoption, implementation and practical application of the *acquis*. The candidate countries are requested to continue and speed up the necessary reforms to prepare themselves for accession, particularly as regards strengthening their administrative capacity, so as to be able to join the Union as soon as possible. The European Council calls upon the Commission to propose a programme for the frontier regions in order to strengthen their economic competitiveness.

8. The European Council takes note of the Council report on candidate countries' exchange-rate strategies, which identifies an exchange-rate strategy compatible with accession to the Union, followed by participation in the exchange-rate mechanism and finally adoption of the euro. It welcomes the establishment of economic and financial dialogue with the candidate countries.

9. The European Council welcomes the progress made in implementing the pre-accession strategy for Turkey and is very pleased at the agreement reached on the framework Regulation and on the Accession Partnership at the Council meeting on 4 December 2000. It highlights the importance of that document for closing relations between the Union and Turkey along the lines mapped out by the Helsinki European Council conclusions. Turkey is requested swiftly to submit its national programme for adoption of the *acquis*, basing it on the Accession Partnership.

10. The meeting of the European Conference at the level of Heads of State or Government on 7 December 2000 provided an opportunity for discussion in depth of institutional reform and the operation of the European Union in the longer term. The European Council regards the European Conference as a useful framework for dialogue between the Union's Member States and the countries in line for membership. It proposes that the countries covered by the stabilisation and association process and the EFTA countries be invited to attend as prospective members.



III. COMMON EUROPEAN SECURITY AND DEFENCE POLICY

11. The European Council approves the Presidency report, plus annexes, on the European security and defence policy

12. The European Council calls on the next Presidency, together with the Secretary-General/High Representative, to take forward work within the General Affairs Council, in accordance with the tasks assigned in the Presidency report. The objective is that the European Union should quickly be made operational in this area. A decision to that end will be taken by the European Council as soon as possible in 2001 and no later than at its meeting in Laeken. The incoming Swedish Presidency is requested to report to the European Council in Göteborg on all of these matters.



IV. A NEW IMPETUS FOR AN ECONOMIC AND SOCIAL EUROPE

A. Social Europe

European Social Agenda

13. The European Council approves the European Social Agenda (see Annex), which defines, in accordance with the Lisbon European Council conclusions and on the basis of the Commission communication, specific priorities for action for the next five years around six strategic guidelines in all social policy areas. This Agenda constitutes a major step towards the reinforcement and modernisation of the European social model, which is characterised by the indissoluble link between economic performance and social progress.

14. On the basis of reports from the Commission and the Council and a regularly updated scoreboard, the European Council will at each spring meeting look at how the Agenda is being implemented, beginning at its Stockholm meeting in March 2001. The European Council invites the social partners, especially, to play their full part in implementing and monitoring it, particularly at an annual meeting to be held before the spring European Council meeting.

European strategy for employment

15. The rate of economic growth in the European Union is now the most favourable for ten years; it should reach 3,5% this year. Unemployment has decreased for the third consecutive year since 1997 and in mid-2000 the unemployment rate was 8,7%, with a rate of less than 8% being forecast for 2001. During the same period the employment rate increased from 60,7% to 62,1%.

16. The European Council takes note of the Commission proposal on the employment guidelines for 2001, which confirms the medium-term approach begun at the Luxembourg European Council meeting. The guidelines make improvements particularly as regards increasing the quantified objectives, including qualitative aspects peculiar to the various countries. They must enable account to be taken of the quality of employment, increased development of entrepreneurship and the cross-cutting objective of lifelong learning.

17. It endorses the agreement obtained in the Council on these guidelines, on the individual recommendations addressed to the Member States and on the joint report. It welcomes the constructive participation of the European Parliament and of the social partners and the integrated approach, including economic and educational aspects, under which work on this subject was carried out.

European strategy against social exclusion and all forms of discrimination

18. The European Council approves the objectives of combating poverty and social exclusion adopted by the Council. It invites the Member States to develop their priorities in relation to these objectives, to submit by June 2001 a national action plan covering a two-year period and to define indicators and monitoring mechanisms capable of measuring progress.

19. The European Council underlines the importance of the recently adopted texts designed to combat all forms of discrimination in accordance with Article 13 of the Treaty.

Modernisation of social protection

20. The European Council takes note of the progress reports of the High-Level Working Party on Social Protection on the future evolution of social protection as regards pensions and of the Economic Policy Committee on the financial implications of an ageing population.

21. The European Council approves the Council's approach, which involves a comprehensive assessment of the sustainability and quality of retirement pension systems. The European Council invites the Member States, in cooperation with the Commission, to exchange their experience and present their national strategies in this area. The results of this preliminary overall study on the long-term viability of pensions should be available in time for the European Council meeting in Stockholm.

Worker involvement

22. The European Council welcomes the agreement reached on the social policy aspects of the European company. That agreement, which takes into account the different types of employment relations existing in the Member States, will leave Member States the option of whether to transpose into their national law the reference provisions relating to participation applicable to European companies constituted by merger. In order for a European company to be registered in a Member State which has not transposed these reference provisions, an agreement must have been concluded on the arrangements for worker involvement, including participation, or none of the companies involved must have been governed by participation rules prior to the registration of the European company. On this basis, the European Council calls on the Council to complete before the end of this year the texts enabling the Statute for the European company to be established.

23. The European Council notes the substantial progress made in the negotiations on the draft Directive on informing and consulting employees and calls on the Council to continue examining that Directive.

B. Europe based on innovation and knowledge

Mobility of students and teachers

24. The European Council approves the Resolution adopted by the Council concerning an action plan for mobility (see Annex). It calls on the Member States to step up their internal coordination in order to implement the 42 practical measures, relating to administrative, legislative, financial and social aspects, which are designed to define, increase and democratise mobility in Europe and to promote suitable types of funding. Progress will be assessed every two years.

eEurope 2002 Plan

25. The European Council takes note of the interim reports from the Commission and the Council on implementation of the eEurope 2002 Action Plan, which describe the progress achieved. At its Stockholm meeting it will examine an initial report on the contribution which this plan has made to the development of a knowledge-based society as well as the priorities for its further implementation. In the same context, the contribution which the plan has made to modernising the civil service in the Member States will also be examined in the light of the meeting of Ministers for the Civil Service held in Strasbourg.

Research and innovation

26. The European Council notes the progress achieved in the construction of a "European Area of Research and Innovation". It would like the initiatives taken to improve the transparency of research results and the attractiveness of scientific careers to be continued. It takes note of the Council conclusions on the Community financial instruments for SMEs and the first results of the EIB's "Innovation 2000" initiative.

27. The European Council calls on the Commission to submit an initial report to the European Council in Stockholm on progress made in achieving a European Area of Research and Innovation.

28. The European Council takes note of the report submitted by the Commission on the GALILEO project. For the validation phase, funding will be based on appropriations from the Community and the European Space Agency. For the implementation of the project and its subsequent management, public-private partnership will be necessary. The European Council confirms the conclusions of its Cologne meeting on the role which will have to be played by private financing. The European Council urges the Council to define the arrangements for the GALILEO project at its meeting on 20 December 2000, with a view, inter alia, to guaranteeing sound financial management and balanced participation by all the Member States.

C. Coordination of economic policies

Structural indicators

29. The European Council welcomes with satisfaction the list of structural indicators, compatible among the various

Member States, drawn up on the basis of the Commission and Council proceedings. These indicators, which also show progress achieved, will be used to draw up the synthesis report. A small number of indicators will be selected by the Council before the European Council meeting in Stockholm.

Regulation of financial markets

30. The European Council broadly agrees with the initial findings in the interim report by the Committee chaired by Mr Lamfalussy on the regulation of European securities markets and the third Commission report on the action plan for financial services. It invites the Council and the Commission to report back to it on this subject at Stockholm in March 2001 on the basis of the Committee's final report.

Euro

31. The European Council welcomes the improvements made to the workings of the Eurogroup and its visibility. It also welcomes the intention to extend the range of mainly structural matters dealt with in this forum, with due regard for the conclusions of the Luxembourg European Council meeting. These improvements intended to enhance the coordination of economic policies will help to boost the growth potential of the euro area.

32. The European Council notes the progress made in preparing for the introduction of euro coins and notes. The Commission's scoreboard, presented regularly within the Eurogroup, makes it possible to chart progress in the different countries. It would like preparatory work to be speeded up and proposes some common dates to structure information on the subject in the euro area during 2001: the week of 9 May as part of the Europe days; presentation of euro coins and notes in September; making euro coins available in mid-December to individuals in those Member States choosing to do so; and introduction of euro coins and notes at midnight on 31 December. An effective system to protect the euro against counterfeiting must be adopted as soon as possible in 2001.

Tax package

33. The European Council is pleased with the agreement reached on the "tax package" in accordance with the timetable and conditions established by the European Council in Feira, particularly regarding the essential content of the Directive on the taxation of savings. It asks the Commission and the Presidency to undertake discussions with the United States and other third countries as quickly as possible in order to encourage the adoption of the equivalent measures for the taxation of savings. The Member States concerned have undertaken to make the necessary arrangements for the adoption of the same measures as those applicable in the European Union in all dependent or associated territories referred to in the Feira conclusions. Discussions on the Code of Conduct (business taxation) must be continued in parallel in order that both the Code and the Directive on the taxation of savings may be adopted together. The Presidency and the Commission will report on all the aspects of the tax package to the European Council when it meets in Göteborg.

D. Preparation for the spring European Council

34. In Stockholm on 23 and 24 March 2001, the European Council will hold its first regular spring meeting specially devoted to the examination of economic and social matters on the basis of the synthesis report prepared by the Commission and relevant reports from the Council, in the light of, inter alia, the demographic challenges which the Union will have to face. The meeting will provide an opportunity to take stock of the implementation of the overall strategy agreed in Lisbon. This first meeting is of particular importance for the future development of the process and the European Council urges all parties to continue actively with preparations, taking into account the preliminary work initiated by the current Presidency.



V. CITIZENS' EUROPE

A. Consumer health and safety

35. The European Council affirms the need to implement rapidly and fully the principles introduced by the Treaty of Amsterdam, which provides for a high level of human health protection in the definition and implementation of all Community policies and activities. In this context, the European Council notes the Council Resolution on the precautionary principle (cf. Annex).

36. The European Council notes the Commission's presentation of a proposal for a Regulation intended, on the one hand, to lay down the general principles and basic requirements of food law and, on the other, to establish a European Food Authority. Food safety policy must apply to the whole food chain, for humans and animals alike. The new European Food Authority must operate with the highest possible level of scientific excellence, independence and transparency, thus helping to prevent crises. The European Council invites the Council and Parliament to speed up work so that the future European Food Authority may become operational as from the beginning of 2002.

B. BSE

37. The European Council has noted the measures agreed by the Council to combat BSE: implementation of test programmes, suspending the use of meat and bone meal in productive livestock feed and the withdrawal of specified risk material, the list of which could, if required, be extended. All of these provisions must be implemented swiftly and rigorously in order to give consumers a lasting guarantee that beef is safe. More intense efforts in the field of human medicine and veterinary research are essential if the prevention, diagnosis and treatment of this disease are to be guaranteed.

38. The European Council has taken note of the Commission's intention to propose measures to improve the situation in the beef market, to study the situation of livestock breeders and to analyse in greater detail the supply of and demand for oil and protein-bearing plants, in strict compliance with the financial perspective.

C. Maritime safety

39. The European Council calls on the European Parliament and the Council to conclude as soon as possible the adoption of the provisions on port State control and on classification societies, in particular by stepping up inspections of vessels with the highest risk, and of the provisions on the accelerated phasing-out of single-hull oil tankers, by seeking agreement, as far as possible in the International Maritime Organisation.

40. The European Council notes the new Commission proposals intended to improve maritime safety; these proposals aim to improve the European system for reporting and supplying information on maritime traffic, to establish a European Maritime Safety Agency and to remedy the inadequacies of the current international system for liability and compensation.

41. All of these proposals provide an essential contribution to the EU maritime safety strategy requested by the European Council. The European Council invites the Member States to implement in advance the measures approved by the fifteen Member States where they do not require an international framework.

D. Environment

Climate change

42. The European Council regrets the fact that it was not possible to reach an agreement at the conference in The Hague. It stresses the need for all parties under Annex B of the Protocol to initiate without delay the measures necessary to fulfil their commitments and reaffirms the Union's pledge to work resolutely towards the ratification of the Kyoto Protocol so that it can enter into force in 2002 at the latest. Progress was made during the negotiations on all the subjects under discussion, particularly with regard to developing countries, and this progress must be capitalised upon in future negotiations involving all parties, including developing countries. The European Council supports the proposal to hold

informal discussions in Oslo before the end of the year. The sixth Conference of the Parties must resume work without delay. The European Council appeals to all the Parties to make every possible effort to reach an agreement as quickly as possible.

Environment and sustainable development

43. The European Council has noted with interest the Council reports on incorporating environmental concerns into economic policies. It notes the recommendation favouring incentive-based instruments, particularly with regard to taxation. These reports provide an important contribution to the preparation of the European sustainable development strategy to be examined by the European Council in Göteborg.

44. The European Council notes with interest the work carried out on the question of international environmental governance and on possible solutions to remedy its current weaknesses in both the short and the long term, including the possible establishment of a world environment organisation. The European Council invites the Council to continue discussions on the matter and to submit detailed proposals for its meeting in Göteborg in June 2001, including those in preparation for Rio+10.

E. Services of general interest

45. The European Council has taken note of the Commission communication on services of general interest and approves the declaration adopted by the Council (cf. Annex). It invites the Council and the Commission to continue their discussions in the framework of these guidelines and the provisions of Article 16 of the Treaty. The European Council notes the Commission's intention to consider, in close cooperation with the Member States, ways of ensuring greater predictability and increased legal certainty in the application of competition rules relating to services of general interest. The Council and the Commission will report on the implementation of these guidelines for the European Council in December 2001.

F. Security of Union supplies in certain products

46. The European Council requests the Commission to carry out a detailed study, in cooperation with the General Secretariat of the Council, on the security of supplies in the Union and to identify the opportunities for developing cooperation in this area.

G. Area of freedom, security and justice

Fight against money laundering

47. The European Union should play a full part in the international fight against money laundering. Agreement has been reached on major texts such as the Directive and the Framework Decision on money laundering. It calls on the Commission and the Council to implement as soon as possible the guidelines drawn up by the Finance and Justice and Home Affairs Ministers on 17 October 2000, in particular those intended to adopt as from June 2000 counter-measures against the non-cooperating territories defined by GAFI.

Judicial and police cooperation

48. The Council is requested to take promptly the measures advocated in the programmes concerning the mutual recognition of court decisions, in order to facilitate the notification of court decisions in the Union.

49. The European Council recalls the need to promote operational cooperation between the competent authorities of the Member States in controlling the Union's external borders, and in particular its sea borders, with a view in particular to curbing illegal immigration. It has noted with interest the letters from the Spanish and Italian Prime Ministers on this matter. It asks the Council to adopt initiatives in this direction, involving the candidate countries where appropriate.

Asylum and immigration

50. The European Council takes note of progress on all aspects of the policy established at Tampere: partnership with countries of origin, integration of third-country nationals and control of migration flows. It asks that the last remaining problems concerning the texts aimed at combating the traffic in human beings and illegal immigration be settled as soon as possible in accordance with the explicit request made at Feira. The European Council also notes that the Commission has submitted two communications on immigration policy and a common asylum procedure and calls on the Council to begin discussing these matters at an early date.

H. Europe of culture

Culture and Audiovisual Matters

51. The European Council welcomes the agreement reached by the Council on the MEDIA Plus programme of aid to the audiovisual industry and the adoption of a Resolution on the systems of national aid for this sector.

Sport

52. The European Council notes the declaration adopted by the Council (see Annex) on the specific characteristics of sport. The European Council also welcomes the Council conclusions concerning the World Anti-Doping Agency and agrees to intensify European cooperation in this area. It also noted the UN Millenium Declaration on the promotion of peace and mutual comprehension by means of sport and the Olympic Truce.

I. Outermost regions

53. The European Council noted the Commission's updated work programme aimed at the full implementation of the Treaty provisions concerning the outermost regions and also the proposals submitted to help those regions. It calls on the Council to examine these proposals as soon as possible. The European Council will take stock of progress on the whole dossier at its meeting in Göteborg in June 2001.

54. The European Council notes the Commission's report on POSEIMA and the measures announced concerning the development of the economy of the Azores and Madeira archipelagos. Taking account of the economic and social importance of the milk sector for these outermost regions, the Commission has proposed removing, under certain conditions, the milk-product consumption of the Azores from the national calculation of the additional levy for a period of four years from 1999/2000.

J. Island regions

55. On the basis of Declaration No 30 annexed to the Treaty of Amsterdam, the European Council confirms the need for specific measures for the benefit of island regions, in accordance with Article 158 of the TEC, in view of their structural handicaps which impair their economic and social development, within the limits of the budget resources available.



VI. EXTERNAL RELATIONS

A. Cyprus

56. The European Council welcomed and strongly supports the efforts of the United Nations Secretary-General to achieve an overall agreement on the Cyprus problem consistent with the UN Security Council Resolutions and to arrive at a positive conclusion of the process initiated in December 1999. It appeals to all the parties concerned to contribute to the efforts made to this effect.

B. Mediterranean

57. The Fourth Euro-Mediterranean Ministerial Conference in Marseille has confirmed the relevance of the process launched in Barcelona five years ago and has adopted important guidelines for revitalising the partnership.

58. The European Council confirms the Union's commitment to deepening this partnership in all areas. The MEDA programme, which has been reformed so as to draw the lessons from the initial years, will be allocated EUR 5,35 billion for the period 2000-2006, which reflects the importance that the Union attaches to the partnership. The European Council welcomes the EIB's announcement of additional support of EUR 1 billion for countries in the area.

59. It notes the progress on negotiations on a future fisheries agreement with the Kingdom of Morocco and hopes that a solution can be reached before the end of the year. If this is not possible the European Council asks the Commission to propose, keeping within the financial perspective, a specific action programme for restructuring the Community fleet which has fished in the framework of the old agreement, and to extend the current system of aid for the inactivity of the fleet.

C. Western Balkans

60. The Zagreb Summit of 24 November, which brought together for the first time countries in the region which had returned to democracy, welcomed the historic changes which have occurred in the Western Balkans, initially in Croatia and then in the FRY. The European Union attaches the greatest importance to the development of the situation in South—Eastern Europe; it will actively continue to support the Western Balkans' efforts in their progress towards democracy, the rule of law, reconciliation and cooperation based on respect for existing borders and other international obligations which will contribute to the rapprochement of each of these countries with the Union and form a whole. The European Union stresses the importance of the contribution made by the Stability Pact and would point to the importance of other initiatives aimed at promoting cooperation with countries in this region. It confirms that the process of stabilisation and association is at the heart of the Union's policy vis-à-vis the five countries concerned, which each receive individual treatment. A clear prospect of accession, indissolubly linked to progress in regional cooperation, is offered to them in accordance with the conclusions of Cologne and Feira. The allocation for the CARDS programme for these countries amounts to EUR 4,65 billion over the period from 2000 to 2006. The European Council continues to support the efforts of the European Community and the Danube Commission's efforts to re-establish navigation on the Danube. This is an essential element for revitalising the economy of the region and for developing regional cooperation.

D. Development

61. The European Council welcomes the adoption of a declaration by the Council and the Commission on the Community's development policy. The Council also welcomes the adoption of a Resolution on communicable diseases and poverty. That Resolution sets out an overall approach to the scourge that HIV/AIDS, tuberculosis and malaria constitute for the developing countries, incorporating in particular the essential dimension of access to treatment.

[Annexes](#)

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CONCLUSIONS OF THE PRESIDENCY

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ANNEX I - EUROPEAN SOCIAL AGENDA

1. Policy guidelines laid down by the European Council

1. The Lisbon European Council set a strategic goal for the European Union, namely "to become the most competitive and dynamic knowledge-based economy in the world, capable of sustained economic growth with more and better jobs and greater social cohesion".

2. It also set a goal of full employment in Europe in a society more adapted to the personal choices of women and men. The ultimate goal is, on the basis of the statistics available, to bring the employment rate (which currently stands at an average of 61%) up to a level which is as near as possible to 70% by 2010 and to increase the proportion of working women (currently an average of 51%) to over 60% by 2010. The Heads of State or Government said that an average economic growth rate of around 3% should be a realistic prospect for the coming years, if the measures they had adopted in Lisbon were implemented against a sound macro-economic background.

3. In this context, the European Council instructed the French Presidency to initiate proceedings "on the basis of a Commission communication, with a view to reaching agreement on a European Social Agenda at the Nice European Council in December, including the initiatives of the different partners involved".

4. In accordance with these guidelines, the Commission submitted on 28 June 2000 its communication on the European Social Agenda. The Commission announced this communication, in the framework of its five-year programme, as one of the key elements of its economic and social agenda. The Member States unanimously stressed the high quality of that contribution. They saw it as a relevant basis in view of the guidelines laid down by the European Council in Lisbon and Feira. It may also be noted that the communication clarifies the way in which the Commission intends to use its right of initiative in the field of social policy.

5. On this basis the European Parliament Resolution adopted on 26 October 2000 provided substantial elements of deepening and enhancement. It particularly emphasised the following points: the importance of interaction between economic, social and employment policies, the role of the various instruments and especially the open method of coordination and legislation, the mobilisation of all the players involved. It sought to reinforce the Agenda on a series of

points and stressed the need for an annual follow-up to the Social Agenda on the basis of a scoreboard drawn up by the Commission.

6. The discussion has also been enriched by the Opinions issued by the Economic and Social Committee and the Committee of the Regions. The contributions from the social partners and the non-governmental organisations have made it possible to incorporate the views of these key players in the sphere of social policy. The relevant Committees and Working Parties of the Council or the Commission, and in particular the Employment Committee, the High-level Working Party on Social Protection and the Advisory Committee on Equal Opportunities for Women and Men, have also played their part in this work.

2. Modernising and improving the European social model

7. At Lisbon the Member States recalled that: "*The European Social model, with its developed systems of social protection, must underpin the transformation to the knowledge economy.*" They emphasised that: "People are Europe's main asset and should be the focal point of the Union's policies. Investing in people and developing an active and dynamic welfare state will be crucial both to Europe's place in the knowledge economy and for ensuring that the emergence of this new economy does not compound the existing social problems of unemployment, social exclusion and poverty."

8. At the heart of its communication the Commission placed the need to ensure a positive and dynamic interaction of economic, employment and social policies and to mobilise all players to attain that strategic objective.

9. In this perspective, the dual objective of social policy needs to be emphasised: the Agenda must strengthen the role of social policy as a productive factor; it must enable it to be at the same time more effective in the pursuit of its specific aims concerning the protection of individuals, the reduction of inequalities, and social cohesion. The European Parliament and the social partners have laid particular stress on this dual objective. Economic growth and social cohesion are mutually reinforcing. A society with more social cohesion and less exclusion betokens a more successful economy.

10. An approach of this kind presupposes in the first instance an increase in the level of participation in the employment market, especially by groups that are under-represented or disadvantaged in it. More and better jobs are the key to social inclusion. More accessible labour markets should be promoted, and diversity in employment as a productive factor and a factor for social integration should be encouraged. The strategy of mutual reinforcement of economic and social policies, as defined at Lisbon and consisting in mobilising the full potential of the jobs available, is thus decisive in ensuring the sustainability of retirement pension systems.

11. To prepare for the future, the Union must rely on its achievements. It must continue to promote its inherent values of solidarity and justice as enshrined in the Charter of Fundamental Rights. The European social model, characterised in particular by systems that offer a high level of social protection, by the importance of the social dialogue and by services of general interest covering activities vital for social cohesion, is today based, beyond the diversity of the Member States' social systems, on a common core of values.

12. The European social model has developed over the last forty years through a substantial Community acquis which the Treaties of Maastricht and Amsterdam made it possible to strengthen to a considerable extent. It now includes essential texts in numerous areas: free movement of workers, gender equality at work, health and safety of workers, working and employment conditions and, more recently, the fight against all forms of discrimination. The Social Chapter of the Treaty established the fundamental role of agreements between the social partners in the law-making process. The Extraordinary European Council in Luxembourg constituted a major step in mobilising the European Union to act on employment. The Amsterdam Treaty, with the European employment strategy, and the European Council meeting in Lisbon and Feira, with the open method of coordination on the subject of social exclusion and greater cooperation in the field of social protection, have contributed new and relevant methods for expanding the new areas of Community action.

13. The objective set at Lisbon presupposes that the European Union identifies the new challenges that call for a response over the next five years.

3. The common challenges

Achieve full employment and mobilise the full potential of jobs available

14. The pace of Europe's growth, supported by continued structural reforms, should make it possible to attain the objective of a return to full employment. That prospect involves ambitious policies in terms of increasing employment rates, reducing regional gaps, reducing inequality and improving job quality.

15. It is crucial to improve qualifications and increase the opportunities for lifelong education and training, giving an essential role to the social partners. It is essential for skills to develop and evolve in order to improve adaptability and competitiveness and combat social exclusion. Changes in the organisation of work will be necessary in order to take full advantage of the potential of the information and communication technologies. Flexibility and security must be combined in the context of a changing economy.

Benefit from technical progress

16. The rapid changes in information technology, communication and life sciences make it necessary for each Member State, in line with the objective set by the Lisbon European Council, to be at the cutting edge of the knowledge-based and innovatory economy and society, the wellspring today of growth and development.

17. Technological changes also have to bring about an improvement in the standard of living to the benefit of society at large. The emergence of new information and communications technologies is therefore an exceptional opportunity which must be put to the best use, taking care not to widen the gap between those with access to new knowledge and those excluded from it.

Develop mobility

18. Economic integration and the setting up of bi-national or multinational companies mean increased mobility for men and women throughout the European Union. This trend, which is already quite clear among young graduates and senior management, must be encouraged and facilitated, particularly for teachers, researchers and trainees. This demand must be duly taken into account in the context of national education and training systems. Moreover, it is necessary to modernise and improve the Community rules for the protection of the social rights of workers who exercise their right to mobility.

Take advantage of economic and monetary integration

19. The realisation of Economic and Monetary Union and the existence of a large single market are bringing about greater transparency in the comparison of costs and prices. This process of integration, a token of increased competitiveness, will result in the restructuring of the apparatus of production, and sectoral changes that must be managed and backed up by a greater effort to train workers and help them acquire skills. A positive approach to these changes must be developed by involving undertakings and workers.

20. If, within Economic and Monetary Union, growth is to be sustained and non-inflationary, pay rises in each Member State must in particular reflect increased productivity and must comply with the provisions in the Treaties on maintaining price stability.

Deal with population ageing

21. Every Member State is faced with the challenge of an ageing population. Pursuing appropriate policies on the family and children is one matter, but new responses have to be found, whether in terms of increasing the level of female employment, facilitating and supporting older workers to remain in employment or in terms of the sustainability of retirement systems and measures to take care of those who are dependent.

22. Achieving a high level of employment and increasing female employment will, by reducing the burden of pensions per employed person, reinforce the capacity to deal with the issue of ageing. It is therefore necessary to facilitate access to the labour market by measures to combat discrimination and by the adjustment of social protection systems to promote

employment and reinforce the relationship between working life and family life.

Strengthen social cohesion

23. Social cohesion, the rejection of any form of exclusion or discrimination and gender equality are all essential values of the European social model and were reaffirmed at the Lisbon European Council. Employment is the best protection against social exclusion. Growth should benefit all, but for this to be so, proactive measures, especially in problem districts, should be continued and stepped up to deal with the complex nature and multiple facets of exclusion and inequality. Alongside employment policy, social protection has a fundamental role to play, but it is also necessary to recognise the importance of other factors such as housing, education, health, information and communication, mobility, security and justice, leisure and culture. Third-country nationals legally resident in the territory of the Union should also be integrated satisfactorily.

Make a success of enlargement in the social field

24. Enlargement is a challenge facing the European Union, especially in the social field. The Union should resolutely support the efforts already made by the applicant countries to adjust and transform their social security systems and to encourage the establishment of a process of convergence in making progress. Not only do they face the major challenge of adjusting and changing their systems but they are also confronted with most of the problems that beset the existing Member States of the European Union. The prospect of enlargement therefore needs to be taken into account in all areas of social policy.

Affirm the social dimension of globalisation

25. By expanding competition, the globalisation of trade and finance increases the demand for competitiveness, which has implications for social policies (e.g. the impact of social security contributions on wage costs). Multilateral negotiations on economic issues increasingly have a social dimension (for example, discussions on fundamental social rights, health care problems). It is important that the European Union should organise itself in such a way as to ensure that social issues are taken into account in international negotiations.

4. Implementation arrangements

26. To meet these new challenges, the Agenda must ensure the modernisation and deepening of the European social model and place the emphasis on the promotion of quality in all areas of social policy. Quality of training, quality in work, quality of industrial relations and quality of social policy as a whole are essential factors if the European Union is to achieve the goals it has set itself regarding competitiveness and full employment. The implementation of this approach and action taken at Community level must be aimed more particularly, subject to the principle of subsidiarity and giving all due importance to the social dialogue, at ensuring the achievement of common objectives.

27. All those involved, the institutions of the European Union (European Parliament, Council, Commission), the Member States, local and regional authorities, the social partners, civil society and businesses have a role to play.

28. In the implementation of the Social Agenda all existing Community instruments bar none must be used: the open method of coordination, legislation, the social dialogue, the Structural Funds, the support programmes, the integrated policy approach, analysis and research.

29. The Agenda recognises the need to take full account of the principle of subsidiarity and the differences between Member States in social and labour traditions and situations.

30. The Agenda will have to remain progressive in character so as to take account of economic and social changes.

31. Strengthening and modernising the European social model so that it can face up to new challenges means realising the implications of the interaction between economic growth, employment and social cohesion when defining the policies of the Union. It is on this basis that the strategic options for these policies must be defined.

32. Taking account of the future direction laid down by the European Council in Lisbon and Feira, and on the basis of the Commission communication, the Employment and Social Policy Council proposes to the Nice European Council that it agree on:

- The *following* future orientations for social-policy:
 - I. More and better jobs
 - II. Anticipating and capitalising on change in the working environment by creating a new balance between flexibility and security.
 - III. Fighting poverty and all forms of exclusion and discrimination in order to promote social integration
 - IV. Modernising social protection
 - V. Promoting gender equality
 - VI. Strengthening the social policy aspects of enlargement and the European Union's external relations.
- The following arrangements for implementing these orientations:

The Commission is requested:

To make appropriate proposals and to exercise its powers with regard to implementing and monitoring the application of Community law in accordance with the role conferred upon it by the Treaty;

In accordance with the conclusions of the Lisbon European Council concerning the open method of coordination, to support the latter by means of appropriate initiatives, with particular reference to the development of indicators, in conjunction with the Employment Committee and the Social Protection Committee.

The Council:

Is instructed, in its Employment and Social Policy formation, with the involvement of the other formations of the Council, to implement the Social Agenda;

Examines, with a view to their adoption, for the duration of the Social Agenda, the appropriate proposals submitted by the Commission, with the participation of the European Parliament in accordance with the arrangements laid down by the Treaty;

In accordance with the conclusions of the Lisbon European Council concerning the open method of coordination, formulates and updates the orientations and the appropriate or common objectives; establishes, where necessary, quantitative and qualitative indicators and benchmarks. Instructs the Employment Committee and the Social Protection Committee to support the Council's work, favouring contributions from the social partners and, as regards social exclusion, from non-governmental organisations. Welcomes the desire expressed by the European Parliament to be fully involved in this implementation and to establish appropriate contacts.

The social partners are requested:

To make full use of the scope offered by the Treaty for relations based on agreements and joint actions and to make known, before each Spring European Council, the joint actions undertaken or planned;

In this connection, to submit an initial joint contribution for the Stockholm European Council in March 2001.

The Member States:

Ensure the implementation at national level of the acts adopted by the Council;

In accordance with the conclusions of the Lisbon European Council on the open method of coordination, translate these orientations and these appropriate or common objectives into national, regional or local policies by setting specific targets and adopting measures which take into account national, regional and local differences;

the following monitoring and updating procedures:

The Commission is requested:

In its annual summary report to the European Council, to present the initiatives it has taken and to emphasise the contributions of all the other actors in modernising and improving the European social model in order to attain the strategic objective adopted in Lisbon;

In this framework to monitor and check the implementation of the social agenda, as requested by the Lisbon European Council, in the context both of the Commission communication of 28 June 2000, and of the orientations set out below and their mid-term review in 2003. To submit, for this purpose, in preparation for the Spring European Council, an annual scoreboard of progress made in implementing measures;

The Council:

In its Employment and Social Policy formation:

— examines the Commission reports and scoreboard and;

— contributes, in coordination with the other Council formations concerned, to the Spring European Council, to achieve the strategic goal set in Lisbon. An initial contribution is expected for the Stockholm European Council.

I. MORE AND BETTER JOBS

The prospect of achieving full employment must be underpinned by resolute efforts to open up access to the labour market to as many people as possible; this in particular means firming up policies on the promotion of gender equality at work, on reconciling professional and family life, on helping older workers to keep their jobs, on combating long-term unemployment and (by mobilising all of the actors concerned, especially those working in the social economy) on providing the most vulnerable categories of people with the prospect of integration. Opting for a knowledge-based society requires investment in human resources to encourage workers to acquire skills and accept mobility. At the same time it is important to promote quality in employment and to develop effective life-long learning and training strategies to benefit as many people as possible.

- a) Increase *active employment* by improving policies for reconciling family and professional life for both men and women, and by encouraging specific categories to have access to jobs or to stay in existing jobs (particularly the long-term unemployed, disabled workers, older workers and minorities): a comparative analysis by the Commission before 2002 on the structural factors likely to encourage participation in the labour market and adjustments to the employment guidelines, in particular when it comes to setting a benchmark on child care provisions.
- b) Strengthen and continue the coordinated strategy for employment under the auspices of the Employment Committee. Complete the review and impact assessment of the strategy in 2002 with a view to contributing to the further development of the strategy.
- c) Focus more, in this context, on attaining *quality in work* and its importance for growth as a significant attractive factor and as an incentive to work. A Commission communication will refer in 2001 to the contribution of employment policy to quality in work (in particular as regards working conditions, health and safety, remuneration, gender equality, balance between flexibility and job security, social relations). On that basis, the Employment Committee will submit a report at the end of 2001 on how to define the indicators to enable these to be monitored.
- d) Combat long-term unemployment by developing active preventive and reintegration strategies based on early identification of individual needs and improving employability.
- e) Support, in this context, the local and regional dimensions of the employment strategy. The regional dimension will require a strategic approach at all levels, including at European level, and may require varied and targeted policies for different regions, in order to meet the objectives agreed at Lisbon, including greater regional cohesion.

f) Improve effective access to *life-long education and training*, in particular in new technologies in order to avoid skills shortages. Strategies in this area should coordinate the shared responsibility of public authorities, social partners and individuals, with a suitable contribution being made by civil society. The social partners are requested to negotiate measures to improve further education and training to increase adaptability. They are also requested, as are governments, to inform the Employment and Social Policy Council by the end of 2001 of any provisions adopted at European or national level in the context of national employment action plans. A conference will be held on this question for all parties concerned in 2002. A European award will be created for pioneering companies.

g) Promote both the identification and dissemination of good practice in employment and the social dimension of the information society, in close conjunction with the High Level Working Party on this question and develop further the "human resources" aspect of the "e-Europe" plan.

h) Facilitate mobility for European citizens:

— by developing a *knowledge-based Europe* through eliminating the barriers to mobility for teachers, research workers, students, training professionals and people undergoing training, specifically within the context of the mobility action plan and the recommendation adopted by the Council;

— by promoting at European level the recognition of qualifications and skills gained in the Member States in keeping with the Treaty;

— by encouraging the *free movement of persons*: amend, by 2003, the directives on the right of residence and encourage improvement of the rules on the free movement of workers;

— by modernising the rules, while the social policy agenda is being implemented, ensuring that *migrant workers retain their rights to social security*; by improving the application of legislation on this matter, in particular by promoting the use of new information and communication technologies;

— by strengthening the arrangements for *safeguarding additional pension rights* before the end of 2002 for workers moving with the European Union.

i) While the social policy agenda is being implemented, commence a study of the links between migratory flows and employment policies.

j) Ask the Commission to continue its examination, with due regard for the responsibilities in the matter conferred upon it by the Treaty, of the relationship between social policy and competition policy, while maintaining appropriate contacts with the Member States and the social partners.

II. ANTICIPATING AND CAPITALISING ON CHANGE IN THE WORKING ENVIRONMENT BY CREATING A NEW BALANCE BETWEEN FLEXIBILITY AND SECURITY

The far-reaching changes in the economy and the labour market, resulting specifically from the emergence of a knowledge-based economy and from globalisation, are gaining momentum in all Member States. These changes call for fresh collective responses that take account of workers' expectations. Social dialogue and consultation must create the right conditions for workers to participate in change, by anticipating new developments in enterprises, sectors of industry and countries. The search is on for new kinds of collective framework more suited to the new forms of employment and these must allow for mobility and individual investment in increasingly diversified forms of work by making it easy to go from one situation or one job to another. The measures adopted to accompany these changes must strike a balance between the various existing Community instruments, in particular the open method of coordination and leave the social partners considerable scope for initiative.

a) *Involve workers more in managing change* by improving the Community framework, by the year 2002, of rules on workers' rights to be informed, consulted and involved (review the Directive on the European Works Council, continue to

examine the Directives on information and consultation and on the social aspects of the European company).

b) Develop, in particular on the basis of a Commission communication in 2002, the *Community strategy on health and safety at work*:

— to consolidate, adapt and, where appropriate, simplify existing standards;

— to respond to new risks such as work-related stress, by initiatives on standards and exchanges of good practice;

— to promote the application of legislation in SMEs, taking into account the special constraints to which they are exposed, to apply them by means of a specific programme;

— to develop, from 2001 onwards, exchanges of good practice and collaboration between labour inspection institutions in order to satisfy the common essential requirements more effectively.

c) Take account, in the context of the growing interdependence of European economies, of *changes in the working environment and in work relations*:

— while the European social policy agenda is being applied, organise the exchange of innovatory experiences at Community level on *labour relations combining worker security with flexibility for undertakings*, while involving the social partners in all relevant aspects of modernising and improving work relations;

— as of 2001, in line with the proposals from the social partners, set up a "*European Monitoring Centre on Change*" within the Dublin Foundation;

— before 2003, examine, with a view to its adjustment, the Directive on the *protection of workers if the employer is declared bankrupt*; review, as the Commission has announced, existing Directives on the guarantees afforded to workers in the event of *mass redundancy*, on the protection of labour relations if the *employer changes* and, where appropriate, adapt them;

— invite the social partners to:

- continue the social dialogue, on problems related to the *organisation of work* and new forms of employment;
- launch debates which might lead to negotiations on shared responsibility between undertakings and workers as regards the employability and adaptability of the workforce, in particular from the perspective of mobility;
- examine data protection questions.

d) Support initiatives linked to the social responsibility of undertakings and to managing change, by means of a Commission communication.

e) Improve the functioning of the macro-economic dialogue provided for at the European Council in Cologne so that it fully contributes to the positive and dynamic interaction of economic, social and employment policies. Encourage exchanges of information between the Community institutions and the social partners, on ongoing changes in the make-up and content of wages and salaries.

f) By the year 2004, organise an exchange of views on individual dismissals, taking account of social security benefits and national labour market characteristics.

g) In 2001, supplement Community legislation on working time by finalising the provisions for the *road transport sector*. Make progress on the texts on harmonising the social aspects of *maritime and air transport*.

III. FIGHTING POVERTY AND ALL FORMS OF EXCLUSION AND DISCRIMINATION IN ORDER TO PROMOTE SOCIAL INTEGRATION

The return to sustained economic growth and the prospect of full employment in the near future do not mean that poverty

and exclusion in the European Union will automatically decrease. These factors do, however, make the continued existence of poverty and exclusion even less acceptable. The Lisbon European Council underlined the need to take steps to make a decisive impact on the eradication of poverty. That political will has been affirmed at the highest level in each of the Member States and must be transmitted to the grass roots by mobilising all the local actors, in particular NGOs and the social services. It must be accompanied too by action to ensure equal treatment for all third country nationals residing lawfully on Union territory.

- a) Implement by June 2001, pursuant to the open method of coordination defined by the Lisbon European Council, a national two-year action plan for combating poverty and social exclusion on the basis of the jointly adopted objectives. This plan states the progress aimed for by national policies and lists the indicators used to assess the results of the action undertaken; progress, as from 2001, on the basis of the indicators adopted by the States in their national action plans, towards achieving compatibility as regards those indicators and the defining of commonly agreed indicators;
- b) Exploit the possibilities offered by new information and communication technologies to reduce social exclusion by encouraging access for all to the knowledge society; and to that end, implement the Commission Action Plan "eEurope 2002 — An information society for all", approved by the Feira European Council;
- c) Ensure a follow-up, when the first national action plans are completed, to the 1992 recommendation on *minimum guaranteed resources* to be provided by social protection systems and examine possible initiatives to monitor progress in the area.
- d) Use exchanges of experience to support the efforts of Member States in urban policy so as to combat social and spatial segregation.
- e) Evaluate the impact of the ESF, including the Community initiative Equal, on the promotion of social inclusion.
- f) Ensure effective implementation of Community legislation on *combating all types of discrimination* on grounds of gender, race or ethnic origin, religion or beliefs, disability, age or sexual orientation. Develop exchanges of experience and of good practice to strengthen these policies.
- g) Conduct, in accordance with the conclusions of the Tampere European Council, a more vigorous *integration policy for third country nationals legally resident on Union territory* which should aim at granting them rights and obligations comparable to those of European Union citizens. Develop exchanges of experience on national integration policies.
- h) Develop, in particular during the European Year of Disabled Citizens (2003), all action intended to bring about *the fuller integration of disabled people* in all areas of life.
- i) Establish conditions for an efficient partnership with the social partners, non-governmental organisations, local authorities and bodies that manage social services. Involve undertakings in this partnership to strengthen their social responsibility.

IV. MODERNISING SOCIAL PROTECTION

Social protection systems are an essential component of the European social model, and although they remain the responsibility of each Member State, they face common challenges. To confront them more effectively, cooperation between Member States must be strengthened, particularly through the Social Protection Committee. The modernisation of social protection systems must meet the requirements of solidarity: that is what is at stake in the action we have to take on retirement and health and to achieve an active welfare state that strongly encourages participation in the employment market.

- a) Continue *cooperation and exchanges between States* on strategies designed to *guarantee secure and viable pensions in future*: national contributions forwarded with a view to the Stockholm European Council meeting (March 2001), study on this subject to be sent by the Employment and Social Policy Council to the European Council in Gothenburg (June 2001), which will determine the subsequent stages.

- b) Analyse, on the basis of each of the Member States' policies, the adjustments made to social protection systems and the progress still to be made in order to *make work pay and promote secure incomes* (2002) and to encourage reconciliation between work and family life.
- c) Before 2003, conduct a study on how, with due regard for the requirements of solidarity, *a high and sustainable level of health protection* can be guaranteed, taking into account the impact of ageing (long-term care): report to the Employment and Social Policy Council in conjunction with the Health Council.
- d) Examine, on the basis of studies undertaken by the Commission, the evolution of the situation with regard to cross-border access to quality health care and health products.
- e) Ensure monitoring and evaluation, throughout the period of the agenda, of close cooperation in social policy; envisage and develop appropriate indicators in this field.

V. PROMOTING GENDER EQUALITY

Equality between the sexes must be established across the board throughout the whole Social Policy Agenda and be supplemented by a number of specific measures concerning women's access to decision-making and the reinforcement of equality-related rights and those reconciling family life and working life.

- a) *Integrate the concept of gender equality into all relevant areas*, particularly those covered by the Social Policy Agenda, in the design, monitoring and assessment of policies by establishing appropriate mechanisms and tools, such as, where appropriate, gender impact assessments, monitoring tools and performance assessment criteria.
- b) *Increase women's access to decision-making* by setting appropriate goals or time-bound targets for the public sphere and the economic and social sectors in every Member State.
- c) Implement the Commission communication entitled "Towards a Community framework strategy on gender equality (2001-2005)", examine, with a view to their adoption, the proposed amendments to the 1976 Directive on equal treatment and reinforce equality-related rights by adopting before 2003 a *Directive, based on Article 13 of the EC Treaty*, on promoting gender equality in areas other than employment and professional life.
- d) Increase awareness, the pooling of resources and the exchange of experience, in particular through the establishment of a *European Institute for gender issues* and the setting up of an experts' network. The feasibility study should be completed in 2001.
- e) Extend and reinforce initiatives and action designed to *promote equality between men and women at work, particularly as regards pay*. Develop the existing initiative for female entrepreneurs.
- f) *Better reconcile work and family life*, particularly by encouraging quality care for children and dependent persons.

VI. STRENGTHENING THE SOCIAL POLICY ASPECTS OF ENLARGEMENT AND THE EUROPEAN UNION'S EXTERNAL RELATIONS

Enlargement and external relations are, in several respects, a challenge and an opportunity for Community action in the social field. It is necessary to develop the sharing of experience and strategy with applicant States, particularly so as better to face together the challenges of full employment and the fight against exclusion; and to promote an integrated economic and social agenda consistent with the European approach in international bodies.

- a) Prepare for enlargement with the aim of promoting economic and social progress in the enlarged Union:
— Organise regular *exchanges of views on all aspects of social policy linked to enlargement*, in conjunction with the social partners;

— *Help* the applicant countries to take on board the European Employment Strategy, implementation of the objectives of combating poverty and social exclusion, and strengthened cooperation on social protection;

— *Support the role of the social dialogue* in that context.

— Contribute to the development of the NGOs concerned in the applicant countries.

b) Develop a *concerted approach to international social policy issues within the multilateral institutions* (United Nations, World Health Organisation, Council of Europe, International Labour Organisation and, where appropriate, WTO and OECD);

c) Strengthen the *social dimension of cooperation policy*, particularly the fight against poverty, the development of health and education as well as the taking into account of gender equality (especially in the context of the Euro-Mediterranean process).



ANNEX II - STATEMENT ON SERVICES OF GENERAL ECONOMIC INTEREST

The following points emerge from the Internal Market, Consumer Affairs and Tourism Council's open debate on 28 September 2000 and from Member States' contributions in writing:

Article 16 of the Treaty establishes the role of services of general economic interest in ensuring the European Union's social and territorial cohesion. Without prejudice to Articles 73, 86 and 87, it also recognises the important place occupied by services of general economic interest in the shared values underlying the European social model.

In Lisbon, in March 2000, the European Council adopted an overall economic and social strategy for the European Union, so as to ensure its smooth integration into the new economic age dawning with the rapid development of information technology, while keeping faith with the European social model. In our economies open to competition, services of general economic interest play an irreplaceable part in ensuring the overall competitiveness of the European economy, made attractive by the quality of its infrastructure, the high level of training of its workforce and the strengthening and development of networks throughout the territory, and in accompanying the changes under way by maintained social and territorial cohesion.

In that connection the new, revised Commission communication on services of general interest has been very well received, particularly as a result of the following points:

- the scope of services of general economic interest should not remain fixed, but should reflect our rapidly changing economic, scientific and technological environment;
- the contribution made by services of general economic interest to European competitiveness serves specific purposes: protection of consumer interests, user safety, social cohesion and regional planning, sustainable development;
- the importance of the principles of neutrality, freedom and proportionality has been reaffirmed. These guarantee that Member States are free to determine the tasks and manner of operation of services of general economic interest, with the Commission bearing responsibility for ensuring compliance with the internal market and competition rules;
- the tasks performed by services of general economic interest should be carried out in such a way as to meet the legitimate expectations of consumers and citizens looking for affordable prices in a transparent pricing system, and anxious for access on equal terms to quality services essential to their economic, territorial and social integration.

In addition, a number of concerns have been expressed:

- Application of internal market and competition rules should allow services of general economic interest to perform their tasks under conditions of legal certainty and economic viability which ensure *inter alia* the principles of equal treatment, quality and continuity of such services. There is a need here especially for clarification of the relationship between methods of funding services of general economic interest and application of the rules on State aid. In particular, the compatibility of aid designed to offset the extra costs incurred in performing tasks of general economic interest should be recognised, in compliance with Article 86(2).
- The contribution made by services of general economic interest to economic growth and social well-being fully warrants regular assessment of the way in which their tasks are being performed, particularly in terms of quality of service, accessibility, safety and fair and transparent pricing. Such assessment could be conducted under the Cardiff process, on the basis of contributions from Member States and reports by the Commission, exchange of good practice or peer review. Citizens and consumers could also be consulted via the "Forum on the internal market in the service of citizens and SMEs".
- Discussions held in the context of Article 16 of the Treaty, stipulating that "the Community and the Member States, each within their respective powers and within the scope of application of this Treaty, shall take care that such services operate on the basis of principles and conditions which enable them to fulfil their missions", have shown the need for further consideration of these matters.



ANNEX III - COUNCIL RESOLUTION ON THE PRECAUTIONARY PRINCIPLE

The Council,

- A. Whereas the principles laid down in the EC Treaty provide that Community action must aim at a high level of protection of human health, consumers and the environment and that these objectives must be integrated into the European Union's policies and action;
- B. Whereas the Treaty recognises, in Article 174(2), that the precautionary principle is one of the principles to be taken into account in Community policy on the environment; whereas this principle is also applicable to human health, as well as to the animal health and plant health sectors;
- C. Whereas it might be useful to examine, in due course and in the appropriate fora, whether it is necessary and possible formally to consolidate the precautionary principle, in accordance with the case law of the Court of Justice of the European Communities, also in other Treaty provisions specifically concerning health and consumer protection;
- D. Recalling that the recognition of this principle is to be seen from a perspective of sustainable development;
- E. Recalling that this principle is included in various international texts, *inter alia* the 1992 Rio Declaration, the 1992 Convention on Climate Change, the 1992 Convention on Biological Diversity, the 2000 Protocol on Biosafety and a number of Conventions on protection of the marine environment;
- F. Pointing to the importance of work in progress on the subject in the Codex Alimentarius context;
- G. Whereas the precautionary principle must not be used in order to introduce disguised trade restrictions;
- H. Whereas the preamble to the World Trade Organisation (WTO) Agreement sets out general objectives which include sustainable development and environmental protection and conservation; whereas Article XX of the GATT and Article XIV of the GATS contain general exceptions, while Article 5(7) of the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS) lays down rules on the procedure to be followed in the event of risk and insufficient scientific evidence; whereas the Agreement on Technical Barriers to Trade (TBT) allows account to be taken of the risks that failure to apply measures might pose for human health or safety, animal or plant life or the environment;

I. Whereas the European Union attaches great importance to helping developing countries to participate in the SPS and TBT Agreements in view of their particular difficulties in that respect;

J. Recalling the recommendations made by WTO panels, in particular by the Appellate Body in the hormones case, concerning the right of WTO members to "establish their own appropriate level of sanitary protection, which level may be higher than that implied in existing international standards, guidelines and recommendations", and to take into consideration minority expert opinion;

K. Realising that public authorities have a responsibility to ensure a high level of protection of human health and the environment and have to address increased public concern regarding the risks to which the public are potentially exposed;

1. Welcomes the Commission's initiative in presenting a communication on the precautionary principle, the broad lines of which the Council endorses;

2. Considers that the precautionary principle applies to the policies and action of the Community and its Member States and concerns action by public authorities both at the level of the Community institutions and at that of Member States; that such authorities should endeavour to have that principle fully recognised by the relevant international fora;

3. Notes that the precautionary principle is gradually asserting itself as a principle of international law in the fields of environmental and health protection;

4. Considers that WTO rules do basically allow account to be taken of the precautionary principle;

5. Believes that under international law the Community and the Member States are entitled to establish the level of protection they consider appropriate in risk management, that they may to that end take appropriate measures under the precautionary principle and that it is not always possible to determine in advance the level of protection appropriate to all situations;

6. Sees a need to establish guidelines for use of the precautionary principle, in order to clarify arrangements for its application;

7. Considers that use should be made of the precautionary principle where the possibility of harmful effects on health or the environment has been identified and preliminary scientific evaluation, based on the available data, proves inconclusive for assessing the level of risk;

8. Considers that the scientific assessment of the risk must proceed logically in an effort to achieve hazard identification, hazard characterisation, appraisal of exposure and risk characterisation, with reference to procedures recognised at Community level and internationally, and that, owing to insufficient data and the nature or urgency of the risk, it may not always be possible to complete every stage systematically.

9. Considers that, in order to carry out the risk assessment, public authorities must have suitable research facilities and rely in particular on scientific committees and on relevant national and international scientific work; that the public authorities are responsible for organising the risk assessment, which must be carried out in a multidisciplinary, independent and transparent manner and ensure that all views are heard;

10. Considers that an assessment of risk must also report any minority opinions. It must be possible to express such opinions and bring them to the knowledge of the parties involved, in particular if they draw attention to scientific uncertainty;

11. Affirms that those responsible for scientific assessment of risk must be functionally separate from those responsible for risk management, albeit with ongoing exchange between them;

12. Considers that risk management measures must be taken by the public authorities responsible on the basis of a political appraisal of the desired level of protection;

13. Believes that, in selecting the risk management measures to be taken, consideration should be given to the whole range of measures enabling the desired level of protection to be achieved;
14. Considers that all stages must be conducted in a transparent manner, in particular the risk assessment and management stages, including the monitoring of measures decided upon;
15. Considers that civil society must be involved and special attention must be paid to consulting all interested parties as early as possible;
16. Considers that appropriate means must be used for communicating information on scientific opinion and risk management measures;
17. Considers that measures must observe the principle of proportionality, taking account of short-term and long-term risks and aiming to achieve the desired high level of protection;
18. Considers that measures must not be applied in a way resulting in arbitrary or unwarranted discrimination; where there are a number of possible means of attaining the same level of health or environmental protection, the least trade-restrictive measures should be opted for;
19. Considers that measures should be consistent with measures already adopted in similar circumstances or following similar approaches, having due regard to the latest scientific developments and developments in the level of protection sought;
20. Stresses that the measures adopted presuppose examination of the benefits and costs of action and inaction. This examination must take account of social and environmental costs and of the public acceptability of the different options possible, and include, where feasible, an economic analysis, it being understood that requirements linked to the protection of public health, including the effects of the environment on public health, must be given priority;
21. Considers that decisions taken in accordance with the precautionary principle should be reviewed in the light of developments in scientific knowledge. To that end the impact of such decisions should be monitored and additional research conducted in order to reduce the level of uncertainty;
22. Considers that, when determining measures taken in accordance with the precautionary principle and in monitoring them, the competent authorities should be able to decide case by case, on the basis of clear rules established at the appropriate level, who is responsible for providing the scientific data required for a fuller risk assessment;

Such an obligation may vary according to the circumstances and the aim must be to strike a satisfactory balance between the public authorities, scientific bodies and economic operators, taking into account in particular the responsibility held by economic operators by virtue of their activities.

23. Undertakes to put into practice the principles contained in this Resolution;
24. Calls on the Commission to:
 - systematically apply its guidelines on the conditions for use of the precautionary principle, making allowance for the specific features of the various areas in which they may be implemented;
 - incorporate the precautionary principle, wherever necessary, in drawing up its legislative proposals and in all its actions;
25. Calls on the Member States and the Commission to:
 - attach particular importance to the development of scientific expertise and to the necessary institutional coordination;
 - ensure that the precautionary principle is fully recognised in the relevant international health, environment and world trade fora, in particular on the basis of the principles put forward in this Resolution; to pursue that aim and

ensure that it is taken into account as fully as possible, particularly at the WTO, and at the same time help to explain it;

- ensure that the public and the various parties involved are informed as fully as possible about the state of scientific knowledge, the issues at stake and the risks to which they and their environment are exposed;
- work actively for international partners' commitment to reaching an understanding on the application of the principle;
- have this Resolution as widely disseminated as possible.



ANNEX IV - DECLARATION ON THE SPECIFIC CHARACTERISTICS OF SPORT AND ITS SOCIAL FUNCTION IN EUROPE, OF WHICH ACCOUNT SHOULD BE TAKEN IN IMPLEMENTING COMMON POLICIES

1. The European Council has noted the report on sport submitted to it by the European Commission in Helsinki in December 1999 with a view to safeguarding current sports structures and maintaining the social function of sport within the European Union. Sporting organisations and the Member States have a primary responsibility in the conduct of sporting affairs. Even though not having any direct powers in this area, the Community must, in its action under the various Treaty provisions, take account of the social, educational and cultural functions inherent in sport and making it special, in order that the code of ethics and the solidarity essential to the preservation of its social role may be respected and nurtured.

2. The European Council hopes in particular that the cohesion and ties of solidarity binding the practice of sports at every level, fair competition and both the moral and material interests and the physical integrity of those involved in the practice of sport, especially minors, may be preserved.

Amateur sport and sport for all

3. Sport is a human activity resting on fundamental social, educational and cultural values. It is a factor making for integration, involvement in social life, tolerance, acceptance of differences and playing by the rules.

4. Sporting activity should be accessible to every man and woman, with due regard for individual aspirations and abilities, throughout the whole gamut of organised or individual competitive or recreational sports.

5. For the physically or mentally disabled, the practice of physical and sporting activities provides a particularly favourable opening for the development of individual talent, rehabilitation, social integration and solidarity and, as such, should be encouraged. In this connection, the European Council welcomes the valuable and exemplary contribution made by the Paralympic Games in Sydney.

6. The Member States encourage voluntary services in sport, by means of measures providing appropriate protection for and acknowledging the economic and social role of volunteers, with the support, where necessary, of the Community in the framework of its powers in this area.

Role of sports federations

7. The European Council stresses its support for the independence of sports organisations and their right to organise themselves through appropriate associative structures. It recognises that, with due regard for national and Community legislation and on the basis of a democratic and transparent method of operation, it is the task of sporting organisations to organise and promote their particular sports, particularly as regards the specifically sporting rules applicable and the make-up of national teams, in the way which they think best reflects their objectives.

8. It notes that sports federations have a central role in ensuring the essential solidarity between the various levels of sporting practice, from recreational to top-level sport, which co-exist there; they provide the possibility of access to sports for the public at large, human and financial support for amateur sports, promotion of equal access to every level of sporting activity for men and women alike, youth training, health protection and measures to combat doping, acts of violence and racist or xenophobic occurrences.

9. These social functions entail special responsibilities for federations and provide the basis for the recognition of their competence in organising competitions.

10. While taking account of developments in the world of sport, federations must continue to be the key feature of a form of organisation providing a guarantee of sporting cohesion and participatory democracy.

Preservation of sports training policies

11. Training policies for young sportsmen and -women are the life blood of sport, national teams and top-level involvement in sport and must be encouraged. Sports federations, where appropriate in tandem with the public authorities, are justified in taking the action needed to preserve the training capacity of clubs affiliated to them and to ensure the quality of such training, with due regard for national and Community legislation and practices.

Protection of young sportsmen and -women

12. The European Council underlines the benefits of sport for young people and urges the need for special heed to be paid, in particular by sporting organisations, to the education and vocational training of top young sportsmen and -women, in order that their vocational integration is not jeopardised because of their sporting careers, to their psychological balance and family ties and to their health, in particular the prevention of doping. It appreciates the contribution of associations and organisations which minister to these requirements in their training work and thus make a valuable contribution socially.

13. The European Council expresses concern about commercial transactions targeting minors in sport, including those from third countries, inasmuch as they do not comply with existing labour legislation or endanger the health and welfare of young sportsmen and -women. It calls on sporting organisations and the Member States to investigate and monitor such practices and, where necessary, to consider appropriate measures.

Economic context of sport and solidarity

14. In the view of the European Council, single ownership or financial control of more than one sports club entering the same competition in the same sport may jeopardise fair competition. Where necessary, sports federations are encouraged to introduce arrangements for overseeing the management of clubs.

15. The sale of television broadcasting rights is one of the greatest sources of income today for certain sports. The European Council thinks that moves to encourage the mutualisation of part of the revenue from such sales, at the appropriate levels, are beneficial to the principle of solidarity between all levels and areas of sport.

Transfers

16. The European Council is keenly supportive of dialogue on the transfer system between the sports movement, in particular the football authorities, organisations representing professional sportsmen and -women, the Community and the Member States, with due regard for the specific requirements of sport, subject to compliance with Community law.

17. The Community institutions and the Member States are requested to continue examining their policies, in compliance with the Treaty and in accordance with their respective powers, in the light of these general principles.



ANNEX V - RESOLUTION OF THE COUNCIL and of the Representatives of the Governments of The Member States meeting within the Council of

concerning an action plan for mobility

The Council of the European Union and the Representatives of the Governments of the Member States, meeting within the Council

CONVINCED that the construction of a genuine European area of knowledge is a priority for the European Community and that it is through education that Europeans will acquire the shared cultural references that are the basis of European citizenship and of a political Europe.

SURE that this belief is based on mutual discovery of our diversity and complementarity and involves increased personal contacts and exchange of knowledge and experience.

CONVINCED that it is therefore essential to target intelligible action, shared by all of the Member States, at young people, school children, students, researchers, all those being educated and their teachers; that it is by building the Europe of intelligence that we will bring about a true feeling of being part of Europe.

AWARE that the Europe of knowledge is also an economic necessity; that in an internationalised economy increasingly founded on knowledge, openness to foreign cultures and the ability to educate oneself and work in a multilingual environment are essential to the competitiveness of the European economy.

CONVINCED that increasing the mobility of young people, school children, students, researchers, all those being educated and their teachers in Europe is thus a major political goal and that it requires simultaneous commitment and effort by the European Community and the Member States.

NOTE that to attain this goal Europe already has a wealth of resources: the Community's SOCRATES, LEONARDO da VINCI and YOUTH programmes represent appreciable progress and play an essential role which will increase with the second generation of programmes.

CONVINCED that this progress must be taken further; that even if the number of people choosing mobility is on the increase, it is still small; that, for example, among students it concerns only a small percentage; that substantial obstacles remain: unequal access to information, obstacles of a financial nature, administrative difficulties as regards tax and social benefits, complex residence procedures, disadvantages in terms of status and career.

NOTE that the Extraordinary European Council in Lisbon of 23 and 24 March 2000 recognised the urgency of removing obstacles and promoting mobility and that, in its conclusions, it invited the Council and Commission to define "by the end of 2000, the means for fostering the mobility of students, teachers and training and research staff both through making the best use of existing Community programmes, by removing obstacles and through greater transparency in the recognition of qualifications and periods of study and training" (paragraph 26).

UNDERTAKE, to meet the great expectations of their fellow citizens, that with the support of the Commission, each in its field, and in full compliance with the principle of subsidiarity it will take the steps necessary to remove obstacles to mobility and to promote it.

CONSIDER that this Resolution, far from prejudging the substantial amount of work already done by the Commission and the Council towards providing a suitable legal framework for promoting mobility and in particular the proposal for a Recommendation on mobility which it is hoped will be adopted soon aims, on the contrary, to facilitate the implementation of Community initiatives in this area by suggesting possible specific initiatives. These initiatives will be implemented in close cooperation with all the participants and institutions concerned, in particular universities, whose participation is a key to success.

WELCOME the mobility action plan set out in the Annex which was submitted to the Ministers for Education at the

Sorbonne on 30 September 2000. That plan has three major objectives:

- to define and democratise mobility in Europe;
- to promote appropriate forms of funding;
- to increase mobility and improve the conditions for it.

The measures mentioned in the Action Plan are conceived as a "toolbox" of 42 measures divided into 4 main chapters which, in their individual scope and combination, are designed to identify and deal with the obstacles encountered by those who, no matter where, seek to implement a mobility measure.

The first chapter concerns actions to promote mobility through measures to train people who help to implement mobility, to develop multilingual skills and to access useful information.

The second chapter covers the funding of mobility and seeks to identify a series of measures that will mobilise all possible financial resources.

The third chapter aims to increase and improve mobility by multiplying the forms that it may take and by improving reception facilities and the organisation of timetables.

Lastly, the fourth chapter describes measures to make the most of periods of mobility and gain recognition of the experience acquired.

CONVINCED that if all Member States, with the assistance of the Commission, make use on a voluntary basis of those actions which they consider will best enable the obstacles encountered by those requesting mobility in their countries to be overcome, all agree from the outset that the following measures in the action plan are of particular importance:

- developing multilingualism;
- establishment of a portal giving access to the different European sources of information on mobility;
- recognition of periods of mobility in diploma courses;
- training of the teachers and administrative staff involved to become true mobility organisers able to provide advice and guidance and draft mobility projects;
- definition and adoption of a quality charter on reception facilities for foreign nationals on training courses;
- drawing up of an inventory of existing mobility circuits and good practices, exchanges of students, trainees and trainers;
- creating linkage between mobility funding from the Union, the Member States and local authorities, the public sector and the private sector.

PROPOSE that, as part of rolling programming instituted by the Council in its Resolution of 17 December 1999 [\[1\]](#) and for the sake of regular assessment of progress in achieving the targets set, the Council, in collaboration with the other European institutions concerned, regularly take stock of the situation, in principle every two years.

RECALL that the plan also identifies measures of broader scope coming under larger-scale coordination within each Member State and between the Commission and the Member States' administrations.

In accordance with the conclusions of the Extraordinary European Council in Lisbon, this Resolution is submitted to the European Council in Nice.



ANNEX VI - DOCUMENTS SUBMITTED TO THE EUROPEAN COUNCIL IN NICE

- Presidency note on the solemn proclamation
(14101/00)
- Summary document
(*CONFER 4816/00*)
 - Complete picture of the enlargement process (General Affairs Council conclusions)
(13970/1/00 *REV 1*)
 - Report by the ECOFIN Council on the exchange-rate aspects of enlargement
(13055/00)
 - Enlargement strategy paper: report on progress towards accession by each of the candidate countries
(13358/00)
 - Presidency report
(14056/00 *REV 2*)
 - Contribution by the Secretary General/High Representative: reference framework for comprehensive, coherent crisis management
(13957/1/00 *REV 1 + COR 1*)
 - Report by the Secretary General/High Representative and the Commission containing practical recommendations for improving the coherence and effectiveness of EU action in the field of conflict prevention
(14088/00)
 - Joint employment report for 2000
(12909/00 + *COR 1 (en), COR 2, ADD 1, ADD 1 COR 1 (en)*)
 - Proposal for a Council Decision on guidelines for Member States' employment policies for the year 2001
(14116/00)
 - Commission recommendation for Council recommendations on the implementation of Member States' employment policies
(14115/00)
 - European Social Agenda
(14011/00 + *COR 1 (en) + COR 2 (es)*)
 - Commission communication concerning the social policy agenda
(9964/00)
 - Fight against poverty and social exclusion — definition of appropriate objectives
(14110/00)
 - Progress report from the High-Level Working Party on Social Protection on the communication from the Commission to the Council, to the European Parliament and to the Economic and Social Committee on the future evolution of social protection from a long-term point of view: safe and sustainable pensions
(14055/00)
 - Report from the ECOFIN Council on the review of Community financial instruments for enterprises
(13056/00)
 - Report from the ECOFIN Council on structural indicators: an instrument for better structural policies
(13217/00, 13170/1/00)
 - Commission proposal
(11909/00)
 - Commission communication to the Council and the European Parliament on *e*Europe 2002
(14203/00)
 - Reports by the Commission and the Council on implementation of the *e*Europe Action Plan
(13515/1/00, 14195/00)
 - Council Resolution concerning an action plan for mobility
(13649/00)
 - Note submitting the Council Resolution on the precautionary principle
(13603/00 + *COR 1 (fi) + REV 1 (en)*)
 - Report by the ECOFIN Council on environment and sustainable development
(13054/1/00 *REV 1*)
 - Report by the High-Level Working Group on Asylum and Migration
(13993/00 + *ADD 1, 13994/00*)
 - Council report on the implementation of the Common Strategy on Ukraine

(14202/00)

- Statement on services of general interest
(13403/00 + COR 1 + ADD 1 + 2 (fr,en))
- Declaration on the specific characteristics of sport and its social function in Europe, of which account should be taken in implementing common policies
(13948/00)
- "Better lawmaking 2000" (Commission report)
(14253/00)
- Report by the Presidency and the General Secretariat of the Council on making the co-decision procedure more effective
(13316/1/00 REV 1, 14144/00)
- Draft Council Resolution on the application of national fixed book-price systems
(13343/00 REV 1 (fi))
- Draft Council Resolution on national aid to the film and audiovisual industries
(13345/00)
- Commission working paper on Article 299(2): strategy for sustainable development of the outermost regions of the Union
(7072/00, SEC(2000) 2192)

Footnote:

[1] Council Resolution of 17 December 1999 on "Into the new millenium": developing new working procedures for European cooperation in the field of education and training (OJ C 8, 12.1.2000, p. 6).

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