

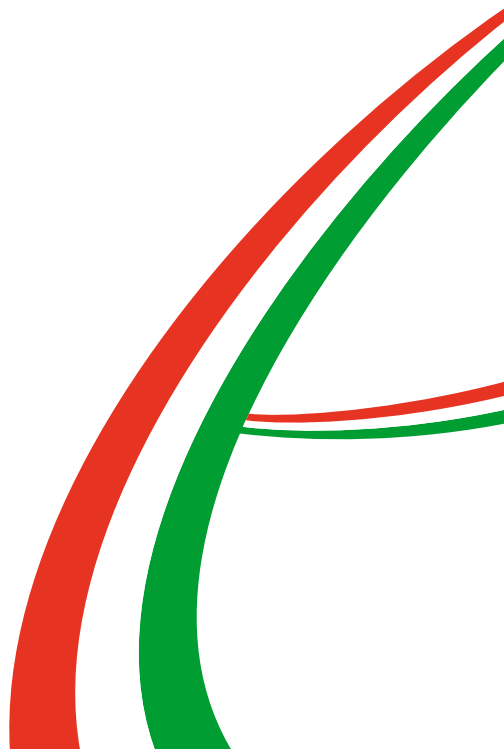
**Six Months  
in the Service  
of a Stronger Europe**

**Overview of the Hungarian  
Presidency of the Council  
of the European Union**

**JANUARY – JUNE 2011**

# Table of contents

<b>I. THE MOST IMPORTANT ACHIEVEMENTS OF THE HUNGARIAN PRESIDENCY .....</b>	<b>3</b>
<b>II. LEGISLATIVE ACTS AND DECISIONS ADOPTED DURING THE HUNGARIAN PRESIDENCY OF THE COUNCIL OF THE EUROPEAN UNION .....</b>	<b>33</b>
<b>III. VIEWS ON THE HUNGARIAN EU PRESIDENCY .....</b>	<b>95</b>



**I.**  
***The most important  
achievements of the  
Hungarian Presidency***



Holding the rotating Presidency is an honour and an obligation for each Member State of the European Union. The Hungarian government aimed to advance the most important dossiers of the European agenda while it was prepared to face unforeseen events during its term. It made a commitment to work on making **Europe stronger by the end of its Presidency** than it was when Hungary took the baton. In doing so, it has always taken into account the human factor, the interests of the citizens, as expressed in its motto: Strong Europe with a human touch. Strong Europe implies a strong common currency, strong common policies and strong institutions that cooperate with each other. In pursuance of the last goal, **Hungary declared a Parliament-friendly Presidency**, aiming to conciliate in the inter-institutional conflicts arising from the implementation of the Lisbon Treaty.

The government decision of 22 December 2010 on the six-month programme of the Council of the European Union defined the main goals of the Hungarian Presidency along four priorities: a) bolstering economic growth through strengthening the economic governance and placing emphasis on job creation and social inclusion; b) strengthening common policies by making them more efficient and competitive, and safeguarding their underlying value and their cohesive capacity; c) bringing the Union closer to the citizens; d) as well as responsibly continuing the enlargement process and guaranteeing its credibility.

By the end of its Presidency, Hungary had achieved all its objectives and it has kept to the schedule. The civil servants involved organised and managed meetings and implemented the set agenda with full professionalism, winning general approval. All Member States unanimously endorsed the Presidency priorities at the time of their presentation. The main priorities have been fulfilled; the European Union has become stronger by the end of the Hungarian Presidency.

When considering the importance of the Presidency's achievements, specific circumstances must not be forgotten: Hungary has had to do its job and pursue its ambitious goals as a first-time president, in a particularly difficult context, without any specific experience. The most difficult elements of the

Union's comprehensive response to the global and economic crisis had to be adopted and implemented during the Hungarian Presidency: it had to carry out the first European Semester while finding a compromise to the legislative package that redefines the basis of economic governance. Meanwhile, subsequent crises shook the Eurozone: following the financing problems of Greece and Ireland in 2010, Portugal needed assistance as well. The future of strong agricultural and cohesion policies had to be secured right before the start of the negotiations on the next multi-annual financial framework in an atmosphere strongly opposing further budgetary burdens. A new strategy had to be defined for the creation of a fully common, integrated energy market. The sudden events in North Africa and the Middle East called for efficient and quick crisis management, including a response to the influx of immigrants into Europe, with special regard to its effect on the Schengen System.

At the same time, the possibility of Romania and Bulgaria joining the Schengen Area had to be secured as well. Although the conditions for carrying on the enlargement process were unfavourable, we managed to conclude the accession negotiations with Croatia.

The institutional and legal debate in horizontal questions between the European Parliament and the Council has become a danger for the implementation of the Presidency programme. As a Parliament-friendly Presidency, Hungary was determined to ease inter-institutional tensions that had made cooperation difficult by the end of 2010. Although all such problems cannot be solved during a six-month term, a constructive process has been started and a more cooperative spirit has been created for the adoption of the legislative package on economic governance and the launching of negotiations on the next multi-annual financial framework. With that aim, regular consultations were held between the Presidency and the EP's negotiating team on horizontal issues, and a method of involving the EP in the negotiations on the next multi-annual financial framework has been elaborated.

**This brochure presents the achievements of the main Presidency priorities.**

## 1. Growth, Jobs and Social Inclusion

*The Hungarian Presidency strived to strike a balance between securing the sustainability of state budgets, enforcing strict fiscal discipline, and stimulating economic growth in Europe. In order to reach the third, it encouraged putting employment and job creation in the foreground of European common policies.*

**The key task of the Presidency was leading the negotiations on the legislative package on economic coordination, coordinating between institutions and adopting it in first reading if possible.** The six legislative proposals of the package would strengthen the preventive and corrective part of the existing Stability and Growth Pact (SGP), coordinate the budgetary framework of Member States, as well as introducing a new procedure for macro-economic imbalances. The goal is to encourage Member States to manage their fiscal policies in a responsible, transparent and sustainable way and to detect macro-economic imbalances early enough to remedy those processes that would undermine competitiveness. Thanks to the intensive work of the Presidency, Member States could agree on the package at the 15 March 2011 meeting of economics and finance ministers. After informal talks, intensive negotiations with the European Parliament ensued after the plenary vote of April. The almost two thousand amendments of the Parliament focussed on several hundred substantial questions; however, in the last stages of the negotiation, the Presidency succeeded in brokering a practical compromise that – besides some technical elements – left only one political issue open: that of the extension of the reversed qualified majority vote to the preventive part of the Stability and Growth Pact. The Presidency has thereby paved the way for the possibility of an agreement in first reading at the beginning of July 2011.

**The Hungarian Presidency was successful in fulfilling its task of great responsibility, that of executing the European Semester according to schedule.** The implementation of the European Semester constitutes one of the main elements of the comprehensive response given to the crisis.

It is an excellent instrument to integrate the different (fiscal and structural) economic control procedures into one cycle. It enhances the ex ante, preventive aspect of economic coordination, as well as rendering the Member States' macroeconomic and budgetary situation and competitiveness commitments more transparent. The first European Semester was launched in January 2011. The Member States submitted their stability and convergence programmes as well as their national reform programmes by the end of April and those that have joined the Euro Plus Pact (see below) have also made competitiveness commitments in their programmes. The Commission then submitted country-specific policy advice on the basis of its assessment of the programmes that were debated in the relevant Council formations. The Member States must take into account the advice endorsed by the June 2011 European Council when preparing their budget as well as during the execution of structural policies.

**Agreement was also reached during the Presidency concerning other elements** (not pertaining to the work of the Presidency) of the comprehensive response to the economic crisis, such as: Member States accepted the deepening of the Economic and Monetary Union's economic pillar, the Euro Plus Pact that strengthens competitiveness and ensures more efficient convergence between Member States (Hungary did not join the pact because it would have been detrimental to the competitiveness of its corporate tax system; however, the possibility of a future joining remains open). The Member States modified Article 136 of the Treaty on the Functioning of the European Union in order to create the permanent European Stability Mechanism (ESM) needed to replace the temporary crisis management system as of June 2013. The Member States decided to raise the real capacity of the European Financial Stability Facility from 250 to 440 billion euros. The bank stress tests were conducted between March and June 2011, the results of which for each bank were published in July 2011.

**During the Hungarian Presidency huge steps were taken concerning financial services.** In order to manage the financial crisis and to prevent similar situations from arising, a new European supervisory system was put in



place at the beginning of 2011: the European Systemic Risk Board was created for the macro-prudential supervision of European financial markets as the second pillar of the system, and the European System of Financial Supervisors created three European authorities to supervise the micro-prudential level. The Hungarian Presidency with the cooperation of the European Commission succeeded in averting the crisis looming in the European Parliament concerning the nomination of the authorities' presidents. Ádám Farkas was elected Executive Director of the European Banking Authority.

The financial crisis highlighted the need for stricter regulation of the securities market and banking. An element of the ensuing legislative procedure was the agreement of Member States at the May 17 meeting of economics and finance ministers on the draft regulation controlling short selling of shares and bonds as well as certain questions relating to trading in credit default swaps. Member States agreed on a further two issues at the June 20 meeting of Economic and Financial Affairs Council: first, on the directive on deposit guarantee scheme which further protects depositors; and second, on the regulation creating the Single Euro Payments Area (SEPA), which enables its residents to execute certain – both domestic and cross-border – financial payments under uniform conditions.

**The submission and evaluation of reform plans setting out the national goals of the Europe 2020 Strategy have become a part of the European Semester and are thus closely linked to the convergence programmes. Additionally, the Presidency has placed great emphasis on the flagship initiatives that help reach the numerically defined goals of the Europe 2020 Strategy.** The aim of the flagship initiatives is to realize the EU's goals in the field of the Europe 2020 Strategy's main priorities: innovation and knowledge-based growth, sustainable growth, as well as an inclusive society.

Ministers for social affairs concluded that to the successful implementation of the *Platform Against Poverty* flagship initiative, the targets of the Europe 2020 Strategy must be achieved too. Ministers also agreed that the positive effects of growth and job creation must reach people living in poverty. At the

same time coordinated political actions ensuring the effective use of EU funds are needed. In accordance with the *Youth in Action* flagship initiative, ministers for employment paid special attention to the promotion of youth employment. Ministers took stock of those national actions and fields which need to be in the focus in order to decrease the dramatically high youth unemployment rate. Ministers stressed the importance of education and vocational training as well as the negative impact of early school leaving on employability and successful labour market integration. Ministers for education emphasised the horizontal role of employment and training in the successful implementation of the targets of the Europe 2020 Strategy, in the establishment of structural reforms and in the complementation of actions boosting growth. Ministers made their commitment to the reduction and prevention of early school leaving, especially concerning disadvantaged children, including the Roma.

Regarding the Radio Spectrum Policy Programme – one of the key actions of the *Digital Agenda* flagship initiative – the Hungarian Presidency took significant steps towards the agreement aiming the achievement of the EU's goal, in order to provide all users with broadband internet access by 2013. Ministers also reached agreement on the extension of the mandate of the European Network and Information Security Agency, which is supposed to promote network and IT security in order to strengthen the confidence of the users.

The implementation of the climate and energy policy objectives of the EU2020 Strategy is served by the *Resource Efficient Europe* flagship initiative coupled with the 2050 roadmap for decarbonising Europe with an aim to create a low-carbon European economy, the White Paper on Transport Policy, Energy 2020 Strategy, energy infrastructure priorities for 2020 and beyond or the Commission's communications on the energy efficiency action plans of 2011.

The Presidency has dealt with all the proposals in a detailed manner. The Presidency put special emphasis on the issue of Innovation and Research-Development which was put high on the agenda of the European Council of 4 February. The heads of states and governments urged the completion of the European Research Area by 2014, the improvement of which was agreed upon

by the ministers of research in order to secure the mobility of researchers and knowledge. In March, ministers of research carried out the evaluation of the performance of the Union's Research and development financing instrument for 2013 the 'Seventh Framework Programme', in April they debated on the future criteria to be taken into account when developing the new framework programme to be started in 2014. The launching of the pilot project of the European Innovation Partnership, a new form of cooperation within the Innovation Union, became possible following a March agreement sealed by the Presidency. Within the implementation of the *Industrial Policy* flagship initiative, Member States adopted Council conclusions summarizing the tools of tackling the challenges on raw materials.

**The Presidency made significant progress concerning the strengthening of the single market and the ameliorating of the situation of the small and medium-sized businesses (SMEs), thus making contributions to the improvement of Europe's competitiveness.** The Commission released its communication on the Single Market Act on 13 April with an aim to determine twelve key measures to be adopted by 2012 in order to improve the Single Market. The Hungarian Presidency has adopted Council conclusions on the communication by unanimity by which Member States made clear their positions concerning the Act and the proposed measures therein. Keeping in mind its fundamental role in economic growth, the Member States made their commitments to reach agreement on the most important concrete measures and legislative proposals with an effect to renew the Single Market by the end of 2012. In light of the consequences of the economic crisis and the Union's long-term economic policy strategy, the revision of the EU's Small Business Act became a necessary step. The informal April meeting of ministers for competitiveness has placed the issue of small enterprises high on its agenda. Ministers also agreed on the main elements of Union's policy concerning the SMEs stressing the enhanced need of access to finance for such enterprises, the simplification of relevant provisions, the facilitation of market access and the strengthening of business perspective. During the Competitiveness

Council's meeting in May, ministers held a lunch debate on the issue of reducing the bureaucratic barriers faced by SMEs. The adopted conclusions touch upon inter alia the issues of impact assessments, the reduction of administrative barriers and the requirements for transparent and easily accessible provisions.

**After more than a futile decade-long debate on the matter of unitary patent, the Competitiveness Council authorized the launch of an enhanced cooperation in its decision at their meeting of 10 March.**

As a result of intense negotiations carried out by the Hungarian Presidency, a further thirteen Member States joined those twelve who had initially requested the enhanced cooperation, thus raising the overall number of members participating in the mechanism to twenty-five. On the basis of this mandate, the Presidency sealed an agreement among Member States on the creation of unitary patent protection within the framework of enhanced cooperation and the linguistic regime of the new patent system at an extraordinary session of the Competitiveness Council of 27 June. Results reached by the Hungarian Presidency open the way for a significant reduction of patent expenses on a medium-term thus contributing to a better exploitation of Europe's innovation and research and development capacities.

**The Hungarian Presidency successfully concluded consultations with the European Parliament, which led to the adoption of the new European framework of consumer rights.** By regulating the rights of consumers, the act will boost consumer confidence and benefit intra-European trade and services. The act contains provisions inter alia for distance-contracts (distance marketing, online purchasing) off-premises contracts, right of withdrawal and information requirements.

**Owing to the supporting role taken by the Hungarian Presidency, the need to devote attention to the issue of the Roma and the promotion of national efforts in this respect became a highly consensual issue.** In response to the communication by the European Commission, the Hungarian Presidency has proposed the draft Council conclusions of "An EU Framework for National Roma Integration Strategies up to 2020" which were

adopted by the Employment, Social Policy, Health and Consumer Affairs Council on 19 May. The conclusions stress the Member States' primary competence concerning the inclusion of marginalized and disadvantaged communities, such as Roma; in order to improve the situation of the Roma, Member States develop inclusion strategies or integrated sets of policy measures within their broader social inclusion policies by the end of 2011. The document calls on the Member States to make efforts for the effective use of EU funds and to consider increasingly taking into account the goal of the inclusion of the Roma when designing, implementing and monitoring their National Reform Programmes. By the spring of 2012, the Commission will assess the national strategies and will report back to the European Parliament and the Council. This will be followed by annual implementation reports of the national strategies. The European Council endorsed the Presidency report containing the council conclusions and called on Member States to quickly implement the commitments made therein.

**In order to support the implementation of the “EU Disability Strategy 2010-2020” the Hungarian Presidency adopted Council conclusions** in which the Member States and the Commission are invited in accordance with their respective competences and in line with the principles of subsidiarity, proportionality and better regulation, to pursue further progress in main areas for action: accessibility, participation, equality, employment, education and training, social protection, health, and external action. Furthermore, the conclusions invite the Commission to consider the needs of persons with disabilities in the context of all actions that support the Europe 2020 Strategy, to reduce social exclusion and improve employment opportunities and skills, to involve civil society in the implementation of the Convention at the EU level, as well as in the required monitoring and reporting activities, and to promote the exchange of good practices. The conclusions invite the Member States to secure the active involvement of persons with disabilities in the development of policies when implementing the United Nations Convention on the Rights of Persons with Disabilities.

In order to strengthen the human-orientation of Europe and to be able to handle the long-term effects of the unfavourable demographic processes, the Hungarian Presidency called the attention of the Member States to the importance of the strategic role of the family and emphasized the focal role of the family policy. The Hungarian Presidency dedicated a range of thematic events to the topic of demographics and family policy. There were professional, civilian and clerical meetings taking place during the Hungarian Presidency moreover at the informal Council meeting the ministers for demographics and family policy shared their best practices. As closing of the ministerial meeting, the Spanish-Belgian-Hungarian trio together with the incoming Polish Presidency adopted a Trio+1 declaration “on the impacts of reconciliation of work and family life on demographic dynamics”. On the initiative of the Hungarian Presidency, 2014 will be the European Year of the Family. The Council conclusions on the reconciliation of work and family life adopted at the 17 June 2011 meeting of the Employment, Social Policy, Health and Consumer Affairs Council (EPSCO) establish that it is necessary to promote better work-life balance for women and men in family life, too; to promote the involvement of men in parenting; to enhance the consideration of the dependent-care in the demographic processes and to take into account the effect of these measures to women’s employment and the gender balance.

## **2. A Stronger Europe – Strong Common Policies**

*The preparation of the upcoming negotiations of the EU’s next Multi-annual Financial Framework, beginning with the second half of 2011, was considered an important task for the Hungarian Presidency, in the first place through a substantive debate on the future of the EU’s common policies. Throughout the strengthening of the common policies, the Presidency contributed to the fulfilment of its most important priority, the creation of a stronger European Union.*

**The Hungarian Presidency contributed to laying down the foundations of a post-2013 Common Agricultural Policy, offering safety for European producers.** Thanks to the efforts of the Presidency, the Council of Agricultural Ministers on 17 March 2011 adopted Presidency conclusions on the Commission Communication about the future of the CAP until 2020. A strong, qualified majority of Member States, in support of the reform, has an utmost importance during the preparations to the review of the EU's next Multi-annual Financial Framework. The conclusions support a two-pillar, Community-financed common policy which can also take account of the new challenges.

**For the first time, the Hungarian Presidency managed to agree about the future of a post-2013 cohesion policy, including the joint commitments of the Member States.** By adopting the Council conclusions, the Council sent a formal message about the importance of the Cohesion Policy, prior to the debate about the next multi-annual financial framework. The Member States unanimously declared that the Cohesion Policy must remain a strong and integrated tool for the Regional Development Policy, and has a particular importance for the implementation of the Europe 2020 Strategy. At the same time, the Cohesion Policy has to stick to its original objectives – to minimize the regional differences. The Hungarian Presidency was successful in raising the importance of territorial cohesion, the third dimension of the Cohesion Policy, to the level of economic and social cohesion. The EU ministers for regional development not only laid down the new foundations for regional development, by unanimously adopting the revised Territorial Agenda, but also adopted a common guideline for the improvement of every other common policy, such as the Cohesion Policy or sectoral policies.

**An energy debate on the level of heads of states and governments took place for the first time, during the Hungarian Presidency, at the summit of the European Council on 4 February 2011, to which Hungary attached a great importance.** The approved conclusions give a clear political guidance for the further improvement of the European energy policy, called for the realization of the Single Market both through the proper and

timely implementation of the EU legislation, and the elimination of missing infrastructure links. So the EU Single Energy Market should be realized by 2014 and energy islands should be eliminated by 2015 (thus no Member State should remain isolated from the energy market). Regarding infrastructure, the conclusions leave the possibility open for a partial public financing of key projects of European interest in the energy sector. On the basis of the conclusions, the 28 February, the Energy Council adopted a detailed set of conclusions about the energy strategy until 2020, and the infrastructural priorities.

**By the substantive conclusion of the inter-institutional negotiations, the Hungarian Presidency came close to the first reading agreement with the European Parliament on the regulation on energy market integrity and transparency.** The proposal aims to create a regulatory framework for the wholesale gas and electricity markets which would allow the control of energy markets in order to effectively detect and to prevent market abuses and market manipulation, by which the confidence in energy exchange and energy products could be strengthened. The adoption of the regulation is equally important both for the market and for the consumers.

**In the area of transport, all the legislative and non-legislative objectives of the Presidency were achieved.** The Hungarian Presidency had an orientation debate during the 16 June 2011 Council meeting about the key *White Paper on Transport Policy*, and concluded the discussions in the Council about the communication by the adoption of a Presidency synthesis report, summarizing the positions of the Member States. The main objective of the communication is to sustain the global competitiveness of the European transport policy, in such a way that the Member States mitigate the level of greenhouse gas emissions earmarked for transport, and reduce the dependence of transport on oil. The main issues on the agenda of the informal meeting of transport ministers were network design and financial questions of the review process of the Trans European Transport Network (TEN-T). The main findings of the meeting were summarized by a Presidency conclusion, after which the European Commission and the Member States conducted bilateral consulta-



tions about the future networks to be constructed. In April 2011 Hungary was the first to start these consultations with the result that most of the proposed network elements could be incorporated into the Commission's proposal. This result is particularly significant, because transport cohesion funds can be almost exclusively granted to the network elements of TEN-T.

**The Hungarian Presidency could reach a general approach on the rail package, creating a single European railway area at the 16 June 2011 Transport Council meeting.** One of the main goals of the regulation is to simplify, clarify and modernize the regulatory environment of the European rail industry. Another objective is to ensure an adequate market access for new railway companies, promoting competition in the industry. On the basis of the agreement in the Council, negotiations with the European Parliament about the adoption of the new legislation can be launched.

**The Hungarian Presidency successfully concluded the inter-institutional negotiations about the proposal on the modification of the directive on the charging of heavy goods vehicles for the use of certain infrastructure (Eurovignette).** The aim of the adopted regulation is to allow Member States to receive compensation for costs of air and noise pollution caused by transport, apart from the usual road user charge paid by lorries, proportionate to road usage, and to internalize congestion charges in road tolls by a greater differentiation. The adoption of the directive is a significant success which, in case of introduction in Hungary, could have a positive fiscal impact.

**Water played a central role among the environmental priorities of the Hungarian Presidency: the objective of the Presidency was to incorporate priority issues related to sustainable water management, such as the integrated management of extreme water events, the protection of ecosystem services, the improvement of international co-operation or the relation between water and international development issues into European policies.** This aim is also served by the Council conclusions adopted on the 21 June 2011 Environment Council meeting that would contribute to Blueprint to Safeguard

Europe's Water Resources a water policy document to be published by the European Commission in 2012.

The Presidency made important progress in the area of the European protection of biodiversity. At the June 2011 Environment Council meeting, Member States agreed on the council conclusions on the new European Biodiversity Strategy until 2020, thanks to the efforts of the Presidency. The new strategy offers six targets and twenty actions in order to stop the degradation of biodiversity and ecological services in the EU by 2020, and to restore the damages to the best possible degree. Another important achievement for the protection of biodiversity was the signing of the Nagoya-Kuala Lumpur Supplementary Protocol on May 2011 by the representative of the Hungarian EU Presidency, and later the signing of the key Nagoya Protocol on the access to genetic resources and the fair and equitable sharing of benefits arising from their use on 23 June 2011.

A political agreement was reached at the March Environment Council meeting as regards the review of the directive on waste electrical and electronic equipment, closing the first phase of negotiations with the unanimous support of Member States building on the efforts made by four consecutive Presidencies. The future adoption of the directive could substantially contribute to resource-efficiency flagship initiative of the Union.

The Hungarian Presidency achieved progress during the negotiations concerning the amendment of the Seveso II Directive on control of major-accident hazards involving dangerous substances

**The Hungarian Presidency attained significant achievements during the international climate talks, and during the fulfilment of its duties as president in the area of the EU's internal climate policy.** The United Nations Framework Convention on Climate Change, the European assessment of the 2010 meeting of the Parties to the Kyoto Protocol (CMP) at Cancún took place. Council conclusions on the tasks ahead in 2011 were adopted by the Member States on 14 March 2011. The Presidency began with the implementation of the 2010 Cancún Agreement in the EU, and the preparations for the Durban climate summit at the end of 2011.

After several years of debate, the Presidency reached an agreement with the European Parliament in the second reading about the regulation on the provision of food information to consumers. Playing a very important role in the promotion of consumer's interests, the regulation requires that nutrition labels contain the basic information in a clear and readable form, providing the possibility for the consumers to make informed choices on their diet that is good for their health. According to the new rules, every food label has to indicate the energy, salt, sugar, protein, carbohydrate, fat and saturated fat content. The country of origin must also be indicated in the future in the cases of fresh pork, beef, lamb, goat meat and poultry as well.

**The Danube Region Strategy, the second macro-regional strategy of the EU, was adopted by the Member States, and endorsed by the 24 June 2011 European Council meeting.** The aim of the strategy is to achieve a sustainable economic growth, job creation and viable Danube region, by giving co-ordinated European answers to cross-border challenges. The strategy embraces several areas: improving mobility through infrastructural investments – especially when it comes to the north-south corridor – an incentive for more environmentally-friendly navigation, securing sustainable energy, reducing energy dependence, or assisting SMEs. The strategy provides a possibility for a more effective use of the structural funds, considering macro-regional aspects. The European Investment Bank had an active role in the co-ordination of the available funds by giving expert advice, and providing project financing.

**In spite of the considerable efforts made by the Hungarian Presidency, no consensus could be reached on the Commission proposal on European GMOs.** The aim of the Presidency was to make progress in the negotiations, and eventually reach an agreement on the regulation which would confer more freedom on Member States to allow, restrict or ban the cultivation of GMOs on part or all of their territory. The draft would allow the use of additional reasons in the European authorisation procedure apart from the applied ecological and public health risk assessment. During the intensive con-

sultations on expert level, the Hungarian Presidency made significant progress on the proposal. Although the compromise proposal was supported by the majority of Member States, despite all of our efforts, no further progress could be made, due to the rejection of influential Member States.

**No equally acceptable consensus could be reached for the three EU institutions on the proposal on the rules of the authorisation procedure and market release of novel foods.** The importance of this dossier is highlighted by the serious political and ethical debate on the issues of cloning and food from cloned animals. In the main questions (the monitoring of food from cloned animals and commercial issues etc.), the Member States could not agree to the European Parliament's proposal for a general ban, thus no agreement could be reached on a solution which could serve the interests of the consumers, and would also be applicable in practice. After three round of talks in the conciliation committee, the proposal finally fell through.

### 3. Citizen-Friendly Europe

*A key goal of the Hungarian Presidency was to bring the EU closer to the citizens: therefore it considered it important to scrutinize each proposal with the aim of ascertaining whether it in fact makes the lives of citizens easier .*

**On 14 February the Council approved the regulation on the European Citizens' Initiative**, which sets out the conditions under which citizens can take the initiative at the European Commission to make legislative proposal towards a joint EU action. This regulation will increase the democratic legitimacy of EU decision-making, and give an important possibility for EU citizens to have a say concerning the conditions regulating their lives.

**Migration and asylum issues during the six months of the Hungarian Presidency have been the focus of attention** due to the migration flows towards some Member States (notably Italy and Malta) following the Arab

Spring. The Hungarian Presidency put migration from the Southern neighbourhood on the agenda of the Justice and Home Affairs Council as early as February, following the first arrivals to Lampedusa, and dealt with the issue throughout its term. The Presidency demonstrated its commitment towards the issue by organizing high level meetings with ministers and state secretaries of Egypt, Tunisia and Malta. In May, an extraordinary Council meeting was organized in order to discuss the latest ongoing developments in the Southern neighbourhood. The Presidency prepared concise conclusions on the management of migration flows, which identified all relevant measures to be taken by the EU. The key elements of those conclusions were the followings: supporting the humanitarian efforts in the region; strengthening the capacity of FRONTEX, the European border guard agency; making available additional financial resources for Member States in a difficult situation; enhancing cooperation with the countries of the region.

**The Hungarian Presidency successfully handled the political initiatives aiming at reforming the Schengen System.** In May, the Commission issued a Communication on migration, an important element of which was to strengthen the current Schengen System. In the future system Member States, Commission and EU agencies would receive a major role in verifying the appropriate implementation of the Schengen acquis. Additionally, if the EU's external border faces extraordinary migratory pressure or, a State is unable to fulfil its obligation to control external borders, the new system would allow for the temporary reintroduction of internal border controls. In order to discuss those issues, the Presidency convened in May an extraordinary Council meeting and prepared the Council conclusions adopted in June. As a result, core principles supported by all Member States were laid down which served to avoid a heated debate at the June European Council meeting. In the view of the Hungarian Presidency, internal borders could be restored only as a last resort, according to precise criteria, following a decision based on the community method.

**The Presidency managed to close the dossier on the strengthening of FRONTEX, the European Agency for the Management of Operational**

**Cooperation at the External Borders of the Member States. The Agency has gained a significant role in the field of fight against illegal immigration:** deployed for the first time in Greece in 2010, the Rapid Border Intervention Teams effectively reduced the inflow of irregular migrants, while Operation Hermes, which was launched on the Mediterranean Sea in February 2011, played an essential role in keeping the migration flow coming from North Africa under control. Hungarian border guards participated in both operations. Strengthening the agency's capacities and operational effectiveness were the aims of amending the regulation establishing the agency.

**The Hungarian Presidency made significant progress towards the establishment of a Common European Asylum System.** The European Asylum Support Office became operational, which is a primary asset in the coordination of cooperation between Member States in the field of immigration. The aim of the Common European Asylum System is to guarantee asylum procedures that ensure a high level of protection and at the same time are resilient to potential abuse are available in all Member States. This is a complex system, containing several legislative proposals (Reception Directive, the Dublin and Eurodac Regulations, qualification and asylum procedures directive, the directive on long-term resident status). The amendment of the long-term residence directive was adopted, which extended the scope of the directive to beneficiaries of international protection. During the dialogues concerning the qualification directive, a compromise was achieved with the European Parliament, except for one horizontal political question, the correlation tables. The directive is a cornerstone of the common asylum package: it determines the criteria of qualifying as a refugee or international beneficiary of subsidiary protection, and also the basic rights associated with those particular statuses. The Council Conclusions of the Justice and Home Affairs Council meeting and the European Council in June designated strategic directions for this legislative package.

**Another significant success of the Hungarian Presidency is the fact that the Justice and Home Affairs Council meeting held on the 9 June declared that Romania and Bulgaria are well prepared to fully**

**apply Schengen acquis**, thus all necessary pre-conditions have been fulfilled to adopt council conclusion aiming at eliminating border controls. Apart from fulfilling technical conditions, a political decision taken by unanimity is also necessary for the Schengen enlargement. In December 2010 the Franco-German ministerial letter (to which by the time other Member States had joined as well) made it clear for the Hungarian Presidency that those Member States found Schengen enlargement premature. As a result of the Presidency's efforts in building consensus in the question, the Justice and Home Affairs Council meeting held on 9 June declared unanimously that both countries fulfilled the conditions to join the Schengen Area. The enlargement of the Schengen Zone was equally supported by the European Parliament, which has to be consulted on the issue. This means that only the last step, i.e. setting the date of fully fledged Schengen membership of the two aspirant countries, is to be taken after the term of the Hungarian Presidency. The Council conclusions adopted in June also made it clear that the Council will return to this question in September at the latest. Thus, there is serious chance that by September the political decisions on progressively opening the borders (airports first, then land borders) will be adopted.

**Significant progress was made in order to better ensure the freedom and security of EU citizens.** Concerning the issue of fight against organized crime in Europe, we should note the Council conclusions adopted in February 2011 on the communication of the Commission on the Internal Security Strategy in Action as well as setting the EU's priorities for the fight against organised crime between 2011 and 2013. Within the framework of a project group (with the participation of several EU Member States) the Presidency has promoted putting together a handbook collecting the best practices of EU Member States in the area of the fight against organized crime. Human trafficking is one of the most serious crimes, therefore the adoption of the new directive is a great achievement. Due to the misuse of modern IT technologies, a new form of crime endangering EU citizens' everyday lives, cybercrime, is becoming a global challenge which EU Member States

must fight shoulder-to-shoulder. The Presidency has organized an expert-level conference in Budapest on the 10th anniversary of the Council of Europe Cybercrime Convention (the Budapest Convention – 2001) as well as on further aspects for an even more effective fight against cybercrime. For the same reasons, after lengthy discussions, the Presidency finally achieved a general approach at the JHA Council meeting held on 10 June on the new Cybercrime Directive, replacing Council Framework Decision 2005/222/JHA, which provides the chance for upcoming Presidencies to start negotiations with the European Parliament on the Directive.

Taken into account that a second reading agreement was successfully reached between the Council and the European Parliament on the Directive on the cross-border exchange of information on road safety related traffic offences, the number of fatal road accidents will decrease significantly at European level.

**In the field of data protection, the Presidency reviewed the new challenges concerning current legislation** as well as reflected upon the Commission's communication on the issue by adopting Council conclusions on a comprehensive approach on personal data protection in the EU. The Council conclusions define the main directions of the EU's data protection regime dating back two decades, which the rapid development of information technologies and globalisation justify. Those trends make it urgent to establish a more coherent European data protection policy.

This recent and most challenging issues concerning global data protection standards were also discussed at the conference held in Budapest.

**In recent years cooperation in the field of law enforcement and the fight against terrorism between the European Union and the United States has intensified.** Such important issues as the EU-US PNR Agreement as well as the TFTP Agreement were negotiated. Taken into account that certain comprehensive issues regarding the respective data protection regimes were raised, a framework agreement between the EU and the US was proposed from both sides. After long preparative talks the official start of



negotiations of this umbrella agreement took place on 14 April in Gödöllő in the framework of an EU – US Justice and Home Affairs ministerial troika meeting.

**The General Affairs Council adopted conclusions on 23 May on the Council's actions and initiatives for the implementation of the Charter of Fundamental rights of the European Union based on the European Commission annual report on the application of the Charter.** The conclusions establish a list of actions taken by the Council in the field of protection of fundamental rights during 2010 and 2011. It underlines the horizontal steps taken, among others, the establishment of a working group dealing with fundamental rights issues and the Council's helpful role concerning the accession of the European Union to the European Convention on Human Rights. Moreover, the conclusion refers to the methodological guidelines elaborated during the Hungarian Presidency aiming to give helpful advices for chairs of working parties dealing with human rights issues. In it, the Council expressed its strong commitment towards the implementation of each right mentioned in the Charter and also call the interest of all Member States and European institutions to implement and respect those rights. It contains a reference to national minority rights, cultural and linguistic diversity for the first time. Its adoption was a response to the European Commission's annual report on the application of the Charter in order to ensure the inter-institutional dialogue and also serves as an example for upcoming presidencies.

**The Justice and Home Affairs Council adopted a political compromise on 10 June on the main issues concerning the legislative proposal on succession.** The future legislation will facilitate the cross-border recognition and enforcement of decisions and authentic instruments in matters of succession as well as establishes a new European Certificate of Succession.

**The Presidency has highlighted the importance of a common European history and remembrance by adopting the Council Conclusion on the memory of the crimes committed by totalitarian regimes in Europe.** The conclusions encourage Member States to hold a memorial day each year on the 23th August in order to commemorate the victims of all totalitarian

regimes. Moreover, it seeks to enhance research projects and encourage Member States to make European past more accessible for the general public.

**The Council conclusion concerning the Work Program (2011-2014) for Culture was completed upon the Hungarian proposal and included areas having significant importance in the field of cultural diversity.**

On 18 November the Education, Youth, Culture and Sport Ministers' Council adopted the work program and among others it proposed the organisation of informal meetings between cultural ministry officials and ministry of foreign affairs officials responsible for culture. As a result, the first such meeting took place in Pécs on 22-24 June. The subject of the meeting was the role of the culture in the diplomacy with special emphasis on enlargement process.

**A political agreement was reached on the European Heritage label,** aiming to increase the public awareness and popularity of European tourist sites and places which were important for the creation of the European Union. Moreover, it tries to increase inter-cultural dialogues and the sense of togetherness. During the Polish Presidency, the European Parliament will probably adopt the text without amendment.

#### **4. Responsible Enlargement, Global Engagement**

*Based on the conviction that the coordinated and credible enlargement of European integration is a major contribution to its historic success, the Hungarian Presidency placed a strong emphasis on furthering the EU enlargement policy with a special view on the promotion of the integration process of the Western Balkans. To this end it worked closely and intensively with the Member States, the European Commission, the European Parliament, the candidate countries and potential candidates.*

**The Hungarian Presidency placed the promotion of the enlargement process and the integration of the Western Balkan countries among its priorities.** The main objective was to conclude the accession negotiations

with Croatia. At the beginning of the Hungarian Presidency, seven chapters were still open. As a result of the series of interventions of the Presidency the work accelerated: through tremendous effort, Croatia has fulfilled all requirements and the Commission issued a positive evaluation on the performance of the country on 10 June 2010. This supported the Hungarian Presidency in its efforts to conclude the negotiations by the end of its term. The Member States took the necessary political decision at the June European Council meeting so the Hungarian Presidency could conclude the talks on 30 June 2011. The conclusion of the accession negotiations also gave impetus to the integration process of the Western Balkan countries.

**The persistent efforts of the Hungarian diplomacy earned rewards as far as the Western Balkans Forum is concerned.** This event had been postponed as consequence of the North African uprisings but took place after all presided by the High Representative of the EU and with the participation the foreign ministers of the region and of the Member States on 20 June 2011 in Luxembourg. Prime Minister Viktor Orbán's visits in the region underpinned the dedication of Hungary and the Hungarian Presidency as regards the EU enlargement process of the Western Balkan countries.

**While no chapter was opened in the accession talks with Turkey, four chapters with Iceland were opened and two of them closed at the 27 June accession conference.** Distinguished attention was paid to the accession process of Iceland as the Hungarian Presidency deemed that it could offer a momentum to the whole enlargement process and could improve the Member States' public opinion on the issue.

**The Hungarian Presidency put significant emphasis on ensuring that the EU's common trade policy effectively supports European growth and job creation in Europe.** The Presidency established the necessary conditions so that the free trade agreement between the European Union and its Member States and South Korea could be provisionally applied from the second half of the year and that the preparatory works towards a free trade agreement with Japan could begin. Within the new framework set up by the

Treaty of Lisbon, the Hungarian Presidency managed to retain the role of the rotating Presidency in the field of trade policy. Hungary chaired the meetings of the Foreign Affairs Council dedicated to trade policy issues and led the coordination tasks related to the work of the World Trade Organization in Geneva.

**With due respect to the provisions of the Treaty of Lisbon in the field of common foreign and security policy, Hungary defined for itself a role which facilitates the putting into practice of the Treaty and which supports the activities of the European External Action Service (EEAS).** This goal could be achieved despite of the constantly changing environment marked by institutional insecurities and operational difficulties. The Presidency chaired with success the external relations working groups left under the auspices of the rotating Presidency and represented effectively and successfully the EU in several third countries in emergency situations (e.g. Libya, Iran and Belarus). At the levels of minister, minister of state for parliamentary affairs and deputy state secretary, Hungary replaced the High Representative fourteen times at events with third countries or regions (among those at the EU-Israel, EU-Central Asia, EU-South Caucasus and the EU-Montenegro dialogues). Hungary played an active role in the making of the decision on the role of the EU in the UN and its bodies just as in the representation of the EU in the international organizations and in the settlement of internal disputes. Hungary contributed to the furthering of the debate in the current issues of the common foreign and security policy by organizing several seminars, conferences and field trips. The crisis situations (see below) highlighted well the harmonious relationship between the Foreign Affairs Council and the Council configurations chaired by the Hungarian Presidency. On the whole we can say that Hungary managed to establish an exemplary model of cooperation of the rotating Presidency and the High Representative/EEAS.

**Hungary actively participated in the review process of the European Neighbourhood Policy (ENP)** that was initiated by the Commission in July 2010. As regards the Hungarian interests, it is important that Commission's

communication on the strategic review of the European Neighbourhood Policy published on 25 May 2011 approaches the entire neighbourhood policy in a balanced way and intends to find solutions to the current challenges. This communication does not mean the diminishment of the Eastern Partnership; moreover, it reinforces and contains several elements that were constantly included in the positions of the pro-Eastern Partnership, like-minded EU Member States (like Hungary). The appointment of a coordinator last autumn gave an emphasis to the Hungarian ideas regarding this initiative. The EU institutions, the other Member States and the eastern neighbours deemed this decision a sign of our dedication. Although the summit was delayed due to objective reasons (problems with the date), the Hungarian proposals in the preparation process for the summit were well received and some of them will be taken on by Poland (e.g. Eastern Partnership Business Forum).

**The 10th meeting of the ASEM** (Asia-Europe Meeting) foreign ministers took place in Gödöllő between 6-7 June 2011. The foreign ministers of the 48-member dialogue forum composed of the 27 EU Member States, the ten ASEAN Member States, the ASEAN secretariat, Australia, New Zealand, Russia, China, Japan, South Korea, India, Mongolia, Pakistan and the European Commission meet every other year. The interest of Asia in the forum was reflected by its high level representation (sixteen foreign ministers from nineteen countries). The two-day meeting focused on the “non-traditional” security challenges that require global action and attention, e.g. natural catastrophes (earthquakes, floods), nuclear safety, energy and food security. The largest meeting in terms of participants during the Presidency has significantly enhanced the Presidency’s visibility, underpinned the foreign policy opening of the Government towards the countries of the Asian region and gave an opportunity to bilateral exchange of views with the foreign ministers of all important Asian states.

**The Hungarian Presidency achieved outstanding results in the field of international development and humanitarian aid.** Regarding development financing, where there are significant differences in the Member

States' contribution as consequence of the financial crisis, the Presidency managed to reach a consensus on the issue of future steps. As for the cooperation between the EU and the US, it means a big step forward that with the mediation of the Hungarian Presidency the parties agreed on a joint work plan to be realized in the fields of global health care and of international development cooperation. The Presidency managed to give emphasis to the importance of water in development. The Parliamentary Assembly and Joint Ministerial Council of the EU and of its main development partners, the African, Caribbean, Pacific Group of States (ACP) were held at high political level. The Presidency led a consultation with the government of Bissau-Guinea and promoted the formation of development cooperation with the new state of South Sudan that declared its independence on 9 July.

In the humanitarian field, the Hungarian Presidency carried on the preparatory work related to the establishment of the European Voluntary Humanitarian Aid Corps (EVHAC), adopted guidelines as regards the implementation of the European Consensus on Humanitarian Aid and contributed to the one-year prolongation of the Food-Aid Agreement.

## 5. Management of Unexpected Events

*An excellent measure of the success of the Presidency is that how rapidly and efficiently the Presidency was able to react to unexpected events and challenges. The first half of 2011 witnessed many difficulties and extraordinary turns requiring immediate steps which the Presidency managed efficiently.*

The **revolutions in the southern neighbourhood of the EU** (Tunisia, Egypt, Libya, Yemen, Bahrain, and Syria) fundamentally reorganised the foreign policy agenda of the EU in the first half of 2011. The Hungarian EU Presidency – with due respect to the new framework established by the Treaty of Lisbon which placed the common foreign and security policy under the auspices of

the High Representative – played a proactive coordinative role to secure the protection of the EU citizens and to enable a unified and efficient EU action. The Presidency successfully implemented the central and local Presidency tasks related to the consular and crisis-situation cooperation in every case.

As regards **Tunisia** and **Egypt**, Minister for Foreign Affairs János Martonyi and State Secretary Enikő Győri were among the first international actors who visited the area to personally check upon the humanitarian crisis situation and to take stock of the necessities.

In the case of **Libya**, the EU activated its citizen protection mechanism which enriched the EU's set of tools of evacuation and provided crisis-management experts. In **Tripoli** – similarly to other embassies operating in crisis-ridden areas – it was the Hungarian Embassy that coordinated the consular and evacuation tasks related to the EU citizens, represented the EU and later other non-EU countries (e.g. the US) as well. Hungary provided civilian aeroplanes to rescue the Hungarian and foreign – primarily EU– citizens stuck in Libya. The Hungarian Counter-Terrorism Centre took part in this operation as well. Furthermore, Hungary offered a civilian charter plane for the transportation of the Chad refugees. On 9 March, two urgent health care humanitarian projects were launched. Hungary set itself dynamically about the coordination of the tasks in the field of policy-making: the RELEX working group chaired by the rotating Presidency had worked out with rapid and enduring efforts the autonomous EU-sanction package against Libya which complements and exceeds Resolution 1970 of the UN Security Council. Following this, the Hungarian Presidency put to the agenda of the next Council meeting the adoption of the sanctions package without delay. In light of the possible effects of the Libyan political crisis to the European energy markets and supply, the Hungarian Presidency convened an extraordinary meeting of the Energy Council on 28 February and started a common thinking about the EU-level reactions.

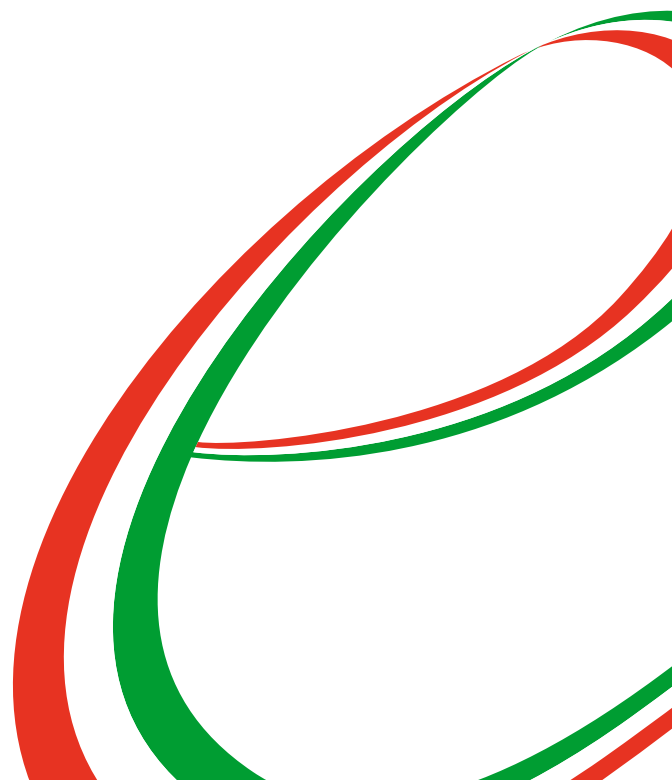
After the **earthquake and devastating tsunami hitting Japan** in March, the Hungarian Presidency coordinated the consular and crisis management activity for the protection of the EU citizens. For the second time it

activated the Monitoring and Information Mechanism, and the Ministry for Interior provided the participation of crisis management experts. The convening of the working group on atomic questions and the meeting of the Energy Council on 21 March were important steps. The latter discussed the effects of the events in Japan on the EU's energy sector and on the energy markets this way preparing important political decisions of the European Council in March (e.g. the safety of all EU nuclear plants should be reviewed, on the basis of a comprehensive and transparent risk and safety assessment ("stress tests"). The situation in Japan appeared on the agenda of the Justice and Home Affairs Council in May as well.

The Hungarian Presidency discussed the issue of the **E. coli** pandemic claiming lives in Northern Germany at the informal Agricultural Council as extraordinary agenda point on 31 May in Debrecen and at an extraordinary Council meeting on 7 June. Taking into account what had been discussed at the Council meeting, the Commission provided an immediate assistance of 210 million euros for helping the European vegetable producers. We can say that it is the success of the Hungarian Presidency that the Council accepted all the remarks of the European Commission and within one day put forward a new proposal which was discussed and approved by the Member States' representatives out of turn.

*The Hungarian Presidency received words of praise at the June plenary meeting of the European Parliament, at the EP committee hearings, at the last Council meetings, at the June meeting of the European Council and from the governments of the Member States for its efficient and productive Presidency performance.*





**II.**

**Legislative Acts and Decisions  
Adopted during the  
Hungarian Presidency  
of the Council  
of the European Union**



## Economic and Financial Affairs

- 1) **Draft Regulation amending Regulation (EC) No 1466/97 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies. (Strengthening of the preventive arm of the Stability and Growth Pact)** – *One element of the six legislative proposals on reinforcing economic governance*

The legislation on the preventive part of the Stability and Growth Pact sets out budgetary policy requirements against Member States whose budgetary deficit is below the 3% of GDP threshold. The reference point remains the Medium-Term Objective. The new element is that the growth of national expenditures will be examined in the future besides the structural budgetary balance, which is a difficultly measurable and non-reliable indicator. This helps that tax revenue surplus in good times can be afforded to debt reduction and not to other additional expenditures.

A general approach was reached within the Council on 15 March 2011.

- 2) **Draft Regulation amending Regulation (EC) No 1467/97 on speeding up and clarifying the implementation of the excessive deficit procedure. (Strengthening of the corrective arm of the Stability and Growth Pact)** – *One element of the six legislative proposals on reinforcing economic governance*

The most important change in the corrective part of the Stability and Growth Pact is that the debt criteria are followed more closely along with the deficit criteria. The excessive deficit procedure can also be opened if the debt exceeding the reference value does not reduce toward the reference value in a satisfactory pace. The annual pace of debt reduction is suitable if the debt reduces at least with 1/20th of the difference between the debt value and reference value (60% threshold) in the last

three years. To strengthen fiscal discipline, financial and non-financial sanctions are introduced also in the earlier stages of the procedure in both parts of the Stability and Growth Pact.

A general approach was reached within the Council on 15 March 2011.

**3) Draft Council Directive on requirements for budgetary frameworks of the Member States** – *One element of the six legislative proposals on reinforcing economic governance*

The aim of the draft Council directive is that Member States will be committed to have sustainable and controlled budgetary policies and the objectives and principles of the Stability and Growth Pact will be reflected in the national budgetary frameworks as well. The directive contains minimum requirements regarding budgetary planning, transparency and implementation, such as statistical data reporting, numerical fiscal rules promoting the compliance with EU deficit and debt criteria, fiscal planning based on public macroeconomic forecasts and requirements on multi-annual fiscal planning, which have to be involved in national budgetary procedure practices by the end of 2013 at the latest.

A general approach was reached within the Council on 15 March 2011.

**4) Draft Regulation on the prevention and correction of macroeconomic imbalances** – *One element of the six legislative proposals on reinforcing economic governance*

The Excessive Imbalance Procedure appears as a new element in the economic policy surveillance framework, essentially based on the sample of excessive deficit procedure. The European Commission may set up a scoreboard to timely identify the macro-economic imbalances. If the early warning system signs the risk of imbalances, the “excessive imbalances” would be determined against the Member State concerned after

an in-depth review. In the course of the procedure, the Council may adopt recommendations for the Member State who has to submit a corrective action plan to eliminate imbalances.

A general approach was reached within the Council on 15 March 2011.

**5) Draft Regulation on the effective enforcement of budgetary surveillance in the euro area** – *One element of the six legislative proposals on reinforcing economic governance*

The draft regulation tightens the sanctions applying under the implementation of the Stability and Growth Pact and extends the sanctions also to the preventive part of the Pact. To make the enforcement of sanctions more effective, the draft regulation may introduce the “reversed voting”, which means the Commission's proposal for a sanction will be considered adopted unless the Council turns it down by qualified majority.

A general approach was reached within the Council on 15 March 2011.

**6) Draft Regulation on enforcement measures to correct excessive macroeconomic imbalances in the euro area** – *One element of the six legislative proposals on reinforcing economic governance*

The draft regulation sets out a system of sanctions regarding the excessive imbalances procedure.

A general approach was reached within the Council on 15 March 2011.

**7) Amending the Financial Conglomerates Directive (FICOD)**

Conglomerates can contain banks, insurance, investment and asset management companies; however, an institution can only be considered as a conglomerate if it pursues at least banking or security trading activity

besides the insurance function. Meanwhile, all of these functions shall be significant. The supervision of the directive has been on the agenda for years. The European Commission intends to carry out this initiative in a two stage approach. The present proposal covers only the most urgent technical issues.

The text agreed during the inter-institutional negotiations was approved by the 17 June Coreper.

**8) Regulation on the professional cross-border transportation of euro cash by road between euro-area Member States**

The goal of this regulation is to ease the free movement of the euro cash within the Eurozone by eliminating the barriers arising in connection with the transportation of euro cash by road among the Eurozone Member States. Furthermore, the regulation ensures that the cash transportation should always be carried out in a way, which guaranties the security both of the cash-in-transit staff and the civil population.

An agreement was reached during the inter-institutional negotiations on 4 May 2011.

**9) Decision of the European Parliament and of the Council granting an EU guarantee to the European Investment Bank against losses under loans and guarantees for projects outside the European Union**

The European Union provides a budgetary guarantee to the European Investment Bank (EIB) covering risks of a sovereign and political nature in connection with its loan and loan guarantee operations carried out outside the EU in support of EU external policy objectives. This proposal aims to introduce a number of new elements in the mandate and to extend possible financing into new countries (e.g. Libya).

Events in North Africa brought this proposal into the spotlight during the Hungarian Presidency. Amongst many issues debated, the main aim was to agree on an increase of individual regional guarantee ceilings. Reaching an agreement on the proposal was important not only to provide compensation against damages caused by the revolutionary wave that swept through the Mediterranean, but also because the guarantee available for candidate countries would have been exhausted by December.

Agreement on the proposal was reached on 29 June 2011 at Coreper.

#### **10) Regulation on short selling and certain aspects of credit default swaps (CDS)**

Short selling is the practice of selling assets that are not in the possession of the seller (they are borrowed from a lender) with the intention of buying identical assets back at a later date to return to the lender. Besides increasing market liquidity, it may contribute to giving rise to potential risks. The proposal aims at furthering transparency, since it helps authorities and market actors identify short selling activities by demanding the trade venues to classify the equity transactions that include short selling. A general approach was reached in Ecofin Council on 17 May 2011.

#### **11) Amending the Deposit Guarantee Schemes Directive**

The aim of the proposal is to revise and thoroughly modify the current directive in order to enhance the consumer confidence in bank deposits. The modification focuses on two main fields: on the one hand, the maximum level of compensation will be higher regarding the bank deposit guarantee (the coverage level will be upgraded to €100 000). On the other hand, the modification proposes faster compensation if an investment firm fails to return the investor's assets

A general approach was reached in Ecofin Council on 20 June 2011.

## **12) Single Euro Payment Area (SEPA): Technical requirements for credit transfers and direct debits**

The regulation aims to allow those who live in the territory covered by SEPA to conduct cash and credit transactions under uniform conditions.

The regulation sets a unified implementation deadline for three main fields: credit transfer, direct debit and card-framework.

A general approach was reached in Coreper on 8 June 2011.

## **13) Concluding the review of the Financial Regulations in the Council**

The Financial Regulation contains the most important rules for establishing, implementing, auditing and reporting about the budget of the European Union. The aim of the proposal is to conduct the compulsory three -year review due in 2010.

A general approach was reached in the Council and the Coreper decision to start the negotiations with the EP 25 May 2011.

## **14) Regulation of the European Parliament and of the Council establishing transitional arrangements for bilateral investment agreements between Member States and third countries**

Following the entry into force of the Treaty of Lisbon, foreign direct investment is included in the list of matters falling under the common commercial policy. This Regulation establishes the terms, conditions and the procedure under which Member States are authorised to maintain in force, amend or conclude bilateral agreements with third countries relating to investment.

The Council on 9 June 2011 adopted a mandate for carrying out tria-logues.



## **Measures with Possible Positive Effects on the European Union's Overall Competitiveness**

### **15) Council Decision authorising enhanced cooperation in the area of the creation of unitary patent protection**

The decision authorises the 25 participating member states to create unitary patent protection under enhanced cooperation.

The Council adopted the decision at the meeting of March 10th.

### **16) Regulation of the Council and the European Parliament on the creation of unitary patent protection within the framework of enhanced cooperation**

The actual patent system in the EU is costly and over-complex – especially concerning the translation requirements. The aim of the regulation is to create unitary patent protection within the territory of the 25 member states participating in the enhanced cooperation and thus to simplify and reduce the costs of patent system.

A General approach was reached at the Competitiveness Council of June 27th.

### **17) Regulation of the Council on the translation arrangements applicable to unitary patent protection within the framework of enhanced cooperation**

The regulation on translation requirements is integral part of the patent-package. According to the proposal during the patent application any language is acceptable, however the European Patent Organisation would examine and grant the patent in one of the official languages: English, French or German.

General approach was reached at the Competitiveness Council of June 27th.

**18) Proposal for a directive of the European Parliament and of the Council amending Council Directive 78/660/EEC on the annual accounts of certain types of companies as regards micro-entities**

The aim of the directive is to simplify the business environment for micro-entities and lift the reporting requirements applying to them, thereby enabling their competitiveness and their growth potential to be turned more effectively to account.

The Council reached political agreement on 30 May 2011.

**19) Regulation of the European Parliament and of the Council laying down harmonised conditions for the marketing of construction products**

This Regulation lays down conditions for the marketing of construction products by establishing rules on how to express the performance of construction products in relation to their essential characteristics and on the use of CE marking on those products

The Regulation was published in the Official Journal of 4 April 2011.

**20) Provisions for tractors placed on the market under the flexibility scheme amending Directive 2000/25/EC**

The directive provides that Stage III. A limits for the emission of gaseous pollutants by engines will be replaced by the more stringent Stage III. B. limits entering into force progressively as of 1 January 2011. Flexibility scheme allows the type approval and the placing on the market of a limited quantity of tractors with engines that comply with the previous stage of emission limits.

The compromised text was adopted by the Parliament on 23 June.

- 21) **Proposal for a Directive of the European Parliament and of the Council repealing Council Directives 71/317/EEC, 71/347/EEC, 71/349/EEC, 74/148/EEC, 75/33/EEC, 76/765/EEC, 76/766/EEC, and 86/217/EEC regarding metrology**

The aim of the proposal is to repeal eight metrology Directives with a view to simplifying and improving legislation in this field. Repealed Directives are directives are technically outdated, do not reflect the state of the art in measurement technology or concern instruments which are not subject to technological development and which are increasingly less in use.

Directive 2011/17/EU was published in the Official Journal on 18 March.

### **Legislative Acts with Possible Positive Effects on European Citizens, Consumers and Workers**

- 22) **Regulation (EU) No 211/2011 of the European Parliament and of the Council of 16 February 2011 on the citizens' initiative**

With the European Citizens' Initiative, European citizens will have the opportunity to invite the European Commission, within the framework of its powers, to submit any appropriate proposal required for the purpose of implementing the Treaties. The provisions of the Lisbon Treaty set only out that the support of one million citizens is required who are nationals of a significant number of Member State. This regulation contains the detailed rules of this new tool of direct democracy that will be applicable from 1 April 2012.

The regulation was published in the Official Journal on 11 March 2011.

### 23) Directive of the European Parliament and of the Council on consumers rights

The directive will promote consumer protection across the European Union when it comes to off-premises contracts and distance selling, including online transactions which are becoming increasingly prevalent. According to the directive, the consumers have a period of fourteen days (and not of seven days) to withdraw, it also harmonises the information requirements the trader shall provide the consumer before the conclusion of the contract. The merchants have to ensure that consumers are aware of the conclusion of contract and give their express consent. The merchants could not charge consumers for the use of payment means exceeding the cost borne by the merchant. The directive requires that consumers be able to contact merchants following a sale with a standard rate phone call.

The text agreed at the informal inter-institutional negotiations was adopted at the EP plenary on 23 June.

### 24) Proposal for a Regulation of the European Parliament and of the Council on the provision of food information to consumers

The proposal is to ensure that basic information appear on food labels in a clear, readable form providing the possibility for the consumers to make informed choices on their diet that is good for their health.

The final compromise text elaborated after the agreements achieved at the inter-institutional meetings was adopted by the European Parliament at its plenary session on 6 July 2011.

## 25) Proposal for a Regulation of the European Parliament and of the Council on textile names and related labelling of textile products

The Regulation establishes rules concerning the use of textile fibre names and related labelling and marking of fibre composition of textile products, and rules concerning the labelling or marking of textile products containing non-textile parts of animal origin. It defines the list of those textile products that can be placed on the market without labelling, and those which could not be labelled because of their size.

By 30 September 2013, the Commission shall carry out a study to evaluate whether there is a causal link between allergic reactions and chemical substances or mixtures used in textile products. On the basis of that study, the Commission shall, where appropriate, submit legislative proposals in the context of existing Union legislation.

The text agreed upon at the informal inter-institutional negotiations was adopted by the May plenary of the European Parliament.

## 26) Regulation of the European Parliament and of the Council concerning the rights of passengers in bus and coach transport

The aim of the regulation is to adequately protect the coach travellers in Europe. In the future, coach travellers are entitled to compensation in case of cancellations, overbooking, more than two hours' delay, baggage loss or damage. The law protects highly the people with limited mobility and with disabilities.

The Regulation was published in the Official Journal of 28 of February 2011.

**27) Regulation EU No 492/2011 of the European Parliament and of the Council of 5 April 2011 on freedom of movement for workers within the Union (codification)**

The purpose of this proposal is to undertake a codification of Council Regulation (EEC) No 1612/68 of 15 October 1968 on freedom of movement for workers within the Community. The new Regulation will supersede the various acts incorporated in it; this proposal fully preserves the content of the acts being codified and hence does no more than bring them together with only such formal amendments as are required by the codification exercise itself.

The Regulation was published in the Official Journal of 27 May 2011.

**28) Regulation concerning European statistics on tourism**

The aim of the proposal is to update and optimize European-level statistics on tourism.

The Council adopted the regulation on its meeting of 21 June 2011.

**29) Proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 2006/2004 on cooperation between national authorities responsible for the enforcement of consumer protection laws**

The aim of the proposal is to modify the provisions on cooperation between national EU authorities responsible for the enforcement of consumer protection laws, to promote the efficiency of cooperation and the enforcement of consumer rights of European Citizens.

The text agreed at the informal inter-institutional negotiations was adopted at the Coreper meeting on 22 June.

## **Social Affairs, Employment and Culture**

### **30) Directive of the European Parliament and of the Council on the application of patients' rights in cross-border healthcare**

The directive significantly strengthens those patients' rights who seek health care in another Member State by ensuring the same reimbursement as they would have been treated in their home country.

The directive was published in the Official Journal of 4 April 2011.

### **31) Decision of the European Parliament and of the Council on the European Year for Active Ageing and Solidarity between Generations (2012)**

The European Year shall encourage and support the efforts of Member States, their regional and local authorities, social partners, civil society and the business community, including SMEs, to promote active ageing and to do more to mobilise the potential of the rapidly growing population in their late 50s and over. In doing so, it shall foster solidarity and cooperation between generations, taking into account diversity and gender equality.

Promoting active ageing means creating better opportunities so that older women and men can play their part in the labour market, combating poverty, particularly that of women, and social exclusion, fostering volunteering and active participation in family life and society and encouraging healthy ageing in dignity.

The compromised text was adopted by the Parliament on 7 July.

- 32) **Directive of the European Parliament and of the Council amending Directive 2001/83/EC on the Community code relating to medicinal products for human use, as regards the prevention of the entry into the legal supply chain of falsified medicinal products**

According to the directive medicinal products must bear a safety feature (serial number) which will allow for the identification of individual packs throughout the supply chain and websites offering medicines must display a common logo. The directive extends the Union's good manufacturing practices to ingredients imported from third countries.

The directive was published in the Official Journal of 1 July 2011.

- 33) **Decision on establishing a European Union action for the European Heritage Label**

The aim of the Decision on the European Heritage Label is to contribute to the improvement of the knowledge and to promote the value of sites that played a significant role in the history of Europe and the building of the Union and that can strengthen European citizens' sense of belonging to the Union and the inter-cultural dialogue.

The Council reached political agreement on the decision on 20 May 2011.

## **Energy Policy**

- 34) **Regulation of the European Parliament and of the Council on energy market integrity and transparency**

The proposed regulation will create a framework which defines rules for monitoring wholesale gas and electricity markets in order to effectively detect market abuse, prevent manipulation and insider trading, thereby



ensuring the integrity and transparency of these markets. The principal objective of the proposal is to regulate the wholesale market of energy products, to ensure that Europe's traded energy markets function properly, generating an increased level of trust of all stakeholders.

The text based on the inter-institutional agreement was adopted by Coreper I on 29 June 2011.

**35) Council directive on the management of spent fuel and radioactive waste**

The proposed Directive aims to set out an EU legal framework for spent fuel and radioactive waste management, which involves electricity production in nuclear power plants and a range of radioisotope applications in medicine, industry, agriculture, research and education ensuring nuclear safety.

The proposal's text was adopted by Coreper II on 17 June 2011.

**36) Council decision concerning the Framework Programme of the European Atomic Energy Community for nuclear research and training activities (2012-2013)**

The extension of the framework programme for the years 2012 and 2013 was necessary for the continuity of the research activities and for the coherence with the seven-year budgetary period of the EU.

A general approach was adopted at the Council meeting on 28 June.

## Transport and Telecommunication

### 37) “Eurovignette” Directive – amending the directive on charging of heavy goods vehicles for the use of certain infrastructures

The Directive allows Member States to include to the tolls of the heavy goods vehicles the external costs (pollution, congestion, noise) caused by traffic in proportion to the distance travelled in order to be better enforced "polluter pays" principle to the charges. The legislation will encourage Member States to promote freight transport efficiency and environmental performance with applying differentiated charging. These fees will encourage transport operators to use cleaner vehicles, to choose less congested routes, to optimize the loading of the vehicles, and ultimately a more efficient use of infrastructure.

European Parliament plenary session in June adopted the text according to the inter-institutional agreement.

### 38) Decision of the European Parliament and of the Council on the detailed rules for access to the public regulated service offered by the global navigation satellite system established under the Galileo program

The aim of the Galileo Program is to create the first global satellite navigation and positioning infrastructure specifically designed for civilian purposes.

The "public regulated service" is one of the five services provided by the Galileo system. This service can be used by only government-authorized users for those applications which require a special treatment, assuring a high degree of service continuity.

Coreper meeting on 15 June approved the appropriate text reached by the Inter-institutional agreement.

### **39) Regulation on the extension of the mandate of the European Network and Information Security Agency (ENISA)**

The European Network and Information Security Agency (ENISA) is an EU agency with a mandate limited in time which is responsible for promoting network and information security in order to strengthen the confidence of users in digital tools. ENISA enhances the ability of the Union and thus of the users to prevent and handle IT problems, and provides high-level expertise and assistance both to the Commission as well as to the Member States. The regulation extends the mandate of the agency established for a limited period of time by 18 months, without changing conditions regarding its operation.

The EP plenary session voted in favour of the regulation on 24 March 2011, and the Council accepted it on 27 May 2011.

### **40) Directive on the Single European Railway Area**

The aim of the directive is to modernize and integrate into a unified system the "First railway package" elements (access to the rail market, authorization of railway companies, infrastructure charges and the financing of the infrastructure manager, responsibilities of the governing body).

The General Approach was reached in the Council meeting of 16 June 2011.

### **41) Amending Regulation (EC) No 1406/2002 establishing a European Maritime Safety Agency (EMSA)**

Following the accident of the tanker Erika, which had resulted a major oil spill, the European Maritime Safety Agency (EMSA) was established in 2003, in order to have a technical body to ensure maritime safety, and a high uniform and efficient level of prevention of ship pollution in the European Union. The current amendment clarifies the existing responsi-

bilities and the role of the EMSA, and extends its responsibilities for example to the control of the maritime traffic and of the waterways, as well as monitoring the potential polluters to assist Member States.

The A general approach was adopted on the Council meeting of 16 June 2011.

## **Agriculture and Fisheries**

### **42) Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 1288/2009 establishing transitional technical measures from 1 January 2010 to 30 June 2011**

Transitional technical measures in fisheries are those rules and restrictions in the fisheries sector which on the whole and with some exceptions have to be applied in a horizontal way. The amendment of the legislation made possible the prolongation of these measures, which would have been applicable until 30 June.

The legislative act was signed by the President of the European Parliament and the President of the Council on 8 June.

### **43) Proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) N° 861/2006 of 22 May 2006 establishing Community financial measures for the implementation of the common fisheries policy and in the area of the Law of the Sea**

The objective of the amendment is to provide coherence between the regulation on the implementation of the Common Fisheries Policy and financial measures on the Law of the Sea and legislative framework aligned to the Treaty of Lisbon.

The final compromise text elaborated after the agreements achieved at the inter-institutional meetings has been adopted by the Coreper at its meeting on 9 March.

**44) Council Regulation amending Regulation (EU) No 57/2011 as regards fishing opportunities for certain fish stocks**

Council Regulation (EU) No 57/2011 fixes for 2011 the fishing opportunities for certain fish stocks and groups of fish stocks, applicable in EU waters and, for EU vessels, in certain non-EU waters. Amendment of regulation fixing fishing opportunities for 2011 was necessary among others because the necessary external agreements regarding fishing stocks to be managed with third countries have not been signed.

**45) Proposal for a Council Regulation on certain provisions for fishing in the GFCM (General Fisheries Commission for the Mediterranean) Agreement Area**

GFCM is a regional fisheries organization established under the Constitution of the Food and Agriculture Organization of the United Nations which, based on scientific opinion, can formulate recommendations and decisions in order to promote the development, conservation, rational management and best utilization of living marine resources in the Mediterranean and the Black Sea.

After the successful closure of the inter-institutional negotiations on 21 June an early second reading adoption of the regulation is possible to reach.

**46) Draft Regulation of the European Parliament and of the Council on repealing certain obsolete Council acts in the field of the common agricultural policy**

The aim of the proposal is to repeal several CAP related legislative acts and two accession documents which has exhausted all the legal effects in the practice, but are formally still in force.

The Special Committee on Agriculture adopted the agreement with the EP on 30 July 2011.

**47) Proposal for a Regulation of the European Parliament and of the Council repealing Regulation (EEC) No 429/73 making special provisions for imports into the Community of certain goods coming under Regulation (EEC) No 1059/69 and originating in Turkey**

The proposal concerns the repealing of the regulation, which ensures customs preferences. The regulation became obsolete because products from Turkey are duty-free.

The Special Committee on Agriculture adopted the agreement with the EP on 30 July 2011.

**48) Council Decision laying down simplified rules and procedures on sanitary controls of fishery products, live bivalve molluscs, echinoderms, tunicates, marine gastropods, by-products thereof and products derived from these by-products coming from Greenland**

Greenland and the European Union intend to form a sanitary agreement on the field of fishes and fishery products intended for consumption. The aim of the agreement is that trade in those products between Greenland and the Union should be conducted in compliance with the internal market rules.

The Council adopted the decision on 28 June 2011.

## **Environmental Policy**

- 49) **Proposal for a Regulation setting emission performance standards for new light commercial vehicles as part of the Community's integrated approach to reduce CO<sub>2</sub> emissions from light-duty vehicles**

The objective of the regulation is the reduction of CO<sub>2</sub> emissions from new light commercial vehicles with the help of setting stringent emission standards.

The Regulation was published in the Official Journal on 31 May 2011.

- 50) **Proposal for a Directive amending Directive 97/68/EC as regards the provisions for engines placed on the market under the flexibility scheme**

The draft directive aims at the review of the legislation in force in order to reduce the costs of complying with emission standards for non-road mobile machinery.

The Coreper approved the compromise reached at the informal dialogues at its meeting of 29 June.

- 51) **Proposal for a Directive on waste electrical and electronic equipment (WEEE)**

The proposal aims at the review of the directive regulating the collection, re-use and recycling of waste electrical and electronic equipment in order to set new collection and recycling targets.

Political agreement was reached at the Council meeting of 14 March 2011.

## 52) Regulation concerning the making available on the market and use of biocidal products

The objective of the new regulation is to improve regulations on biocidal products in order to guarantee high level protection for public health and the environment, as well as to harmonise the internal market of biocidal products and to foster innovation and competitiveness.

The position of the Council at first reading was adopted at the Council meeting of 21 June 2011.

## External Borders, Internal Security and Home Affairs

### 53) Regulation of the European Parliament and the Council on amending the Council Regulation establishing a European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (FRONTEX)

The amendment aims to improve the effectiveness of the European border protection agency's (FRONTEX) operations and strengthen its capacities, thus contributing to the fight against illegal immigration, which has become an issue featured more prominently on the agenda of the Union following the recent revolutions in North Africa and the Middle East. The amendment will allow FRONTEX to station its own liaison officers in third countries, in line with the EU's new Neighbourhood Policy. The Member State contributions to FRONTEX operations will be better coordinated, and FRONTEX will be able to procure its own equipment. The inter-institutional negotiations successfully concluded on 21 June 2011.



**54) Decision of the European Parliament and of the Council on the list of travel documents entitling the holder to cross the external borders and which may be endorsed with a visa**

Each Member State of the European Union makes its own decision on the recognition of travel documents issued by third countries. In Schengen visa procedures, it is important to know which travel document is recognized by which Member State. The decision provides the rules for establishing this list.

The compromise reached at the trialogue discussions was endorsed by Coreper on 29 June 2011.

**55) Directive of the European Parliament and of the Council on minimum standards for the qualification and status of third country nationals or stateless persons as beneficiaries of international protection and the content of the protection granted (qualification directive)**

The qualification directive establishes the conditions upon which a person who applies for international protection shall be recognized as a refugee or a beneficiary of subsidiary protection, and sets out the rights and obligations of refugees and beneficiaries of subsidiary protection. The recast of the directive currently in force seeks to provide greater harmonization of the conditions of qualifying as a beneficiary of international protection in the European Union, in line with obligations under international law.

The compromise reached at the trialogue discussions was endorsed by Coreper on 29 June. One open question remains, that of correlation tables.

**56) Directive of the European Parliament and the Council amending Council Directive 2003/109/EC to extend its scope to beneficiaries of international protection**

The amendment enables foreign nationals who are refugees or beneficiaries of subsidiary protection to become long-term residents, and enjoy the rights associated with this status. Previously they fell outside the scope of the directive.

The directive was published in the 19 May 2011 issue of the Official Journal.

**57) Regulation of the European Parliament and the Council amending Council Regulation (EC) No 377/2004 on the creation of an immigration liaison officers network**

The aim of the amendment is to make coordination between immigration liaison officers (ILOs) of different Member States up-to-date and more effective, and to clarify the role of the Union's external borders agency (FRONTEX) in the operation of the ILO network.

The regulation was published in the 27 May 2011 issue of the Official Journal.

**58) Directive of the European Parliament and of the Council on preventing and combating trafficking in human beings and protecting its victims, and replacing Council Framework Decision 2002/629/JHA**

Trafficking in human beings is considered to be one of the most serious crimes regarding to global standards: gross violation of fundamental rights, a modern variant of slavery, and a very profitable business for organized crime.

Trafficking in human beings especially covers recruitment, transportation, transfer, harbouring or reception of persons, including the exchange or transfer of control over those persons, by means of the threat or use of force or other forms of coercion, abduction, fraud, deception, the abuse of power or a position of vulnerability or the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation.

Exploitation shall include, as a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or provision of services, including begging, slavery or practices similar to slavery, servitude, or the exploitation of criminal activities, or the removal of organs.

The new legislation aims to provide an effective tool-box for Member State authorities in order to combat trafficking in human beings, including crime prevention, prosecution and protection of victims.

The directive was published in the Official Journal on 15 April 2011.

#### **59) Directive of the European Parliament and of the Council on combating the sexual abuse, sexual exploitation of children and child pornography, repealing Framework Decision 2004/68/JHA**

The sexual abuse and exploitation of children are considered to be particularly serious crimes, since these crimes are committed against those who are in need of protection, guidance and care.

In order to combat these serious crimes the directive would harmonize certain criminal offences, at the same time setting high level of penalties. The legislation also aims to harmonize rules throughout the European Union on the protection of victims as well as crime prevention. The inter-institutional negotiations were concluded on 22 June 2011.

**60) Regulation of the European Parliament and of the Council on establishing an Agency for the operational management of large-scale IT systems in the area of freedom, security and justice**

The Agency, seated in Tallinn and Strasbourg, will be responsible for the operation of large-scale IT systems used in the Union's justice and home affairs cooperation, including the Schengen Information System (SIS), the Visa Information System (VIS) and the Eurodac system.

Following the successful inter-institutional negotiations, political agreement in the Council was reached on 9 June 2011. The EP voted in favour of the agreement on 5 July 2011.

**61) Council Directive on a single application procedure for a single permit for Non-EU Member Country nationals to reside and work in the territory of a Member State and on a common set of rights for Non-EU Member Country workers legally residing in a Member State (single permit directive).**

The aim of the proposal is to establish a single work and residence permit to be issued in a single procedure. Furthermore, it sets out the fields in which third country national employees shall enjoy equal treatment with the nationals of Member States.

The one open question after the successful conclusion of inter-institutional negotiations on 22 June is that of correlation tables.

**62) Directive of the European Parliament and of the Council facilitating cross-border exchange of information on road safety related traffic offences**

The legislation aims to take control of traffic offences and minor offences committed by non-nationals of the Member State concerned.

To this end, an electronic information exchange mechanism is to be set up to facilitate the exchange of information between Member States in order to identify the owners or drivers of the vehicles, as well as to facilitate the enforcement of fines.

The inter-institutional agreement on the text was as agreed by Coreper on 22 June 2011, as well as by the plenary session of the European Parliament on 6 July 2011.

**63) Directive of the European Parliament and of the Council on attacks against information systems, replacing Council Framework Decision 2005/222/JHA**

The rapid development of modern IT technologies came together with the misuse of these technologies and a new form of crime endangering EU citizens' everyday lives, cybercrime is becoming a global challenge. The consolidation of the Directive provides new tools to Member State authorities to fight these new form of criminality.

A general approach was adopted on the Directive by the Council on 10 June 2011.

**64) Directive of the European Parliament and of the Council regarding the European Investigation Order in criminal matters**

In order to accelerate criminal proceedings, the proposed Directive aims that evidence stemming from an investigative procedure carried out in a Member State would be acceptable in the criminal procedures of another Member State.

A partial general approach was adopted on the Directive by the Council on 10 June 2011.

## Trade Policy

### 65) Regulation of the European Parliament and of the Council repealing Council Regulation (EC) No 1964/2005 on the tariff rates for bananas

The Dispute Settlement Body (DSB) of the World Trade Organisation (WTO) had on several occasions found that the EU's banana import system was not in compliance with the WTO rules. After lengthy negotiations the EU succeeded in arriving at an agreement with the complainants. The repeal of this regulation provides for the alignment of the provisions of the Common Customs Tariff regarding banana tariffs with the European Union's obligations under that international arrangement.

### 66) Regulation of the European Parliament and of the Council implementing the bilateral safeguard clause of the EU-Korea Free Trade Agreement

The regulation determines the procedures applicable in case imports from Korea cause market disturbance in the EU. The adoption of the regulation stood as precondition for the provisional application of the free trade agreement starting on 1st July, 2011.

The Regulation was published in the Official Journal on 31st, May, 2011.

### 67) Regulation (EU) No 512/2011 of the European Parliament and of the Council of 11 May 2011 amending Council Regulation (EC) No 732/2008 applying a scheme of generalized tariff preferences for the period from 1 January 2009 to 31 December 2011

The extension by maintaining the continuity of preferences for the developing countries gives two years for the negotiations on the Commission

proposal regarding the reform of the generalized tariff preferences. The Regulation was published in the Official Journal on 31 May 2011.

**68) Amendment of the Council Regulation (EC) No 55/2008 introducing autonomous trade preferences for the Republic of Moldova**

The regulation extends the validity of the autonomous trade preferences granted to Moldova until 2015. It also provides for a 50 per cent increase of the tariff quota for wines.

The regulation was signed by the Presidents of the European Parliament and of the Council on the 8th June 2011.

**69) Regulation of the European Parliament and of the Council repealing Council Regulation (EC) No 1541/98 on proof of origin for certain textile products falling within Section XI of the Combined Nomenclature and released for free circulation in the Community, and on the conditions for the acceptance of such proof**

The regulation repeals the proof of origin for certain textile products which was requested from certain trade partners in order to alleviate the import of certain textile products into the European Union.

The European Parliament voted on the regulation on the 7th July 2011.

**70) Proposal for a regulation of the European Parliament and of the Council on the application of certain guidelines in the field of officially supported export credits**

Providing state aid to export is in general incompatible with WTO regulations; however, there are certain high value and high risk investments in developing countries that are vitally important for the host countries but that would not be financed under pure market conditions. The rele-

vant OECD arrangement ensures that Member States grant state aid to such projects under similar conditions, so that it remains competition neutral.

The aim of the proposal is to implement the OECD arrangement on the application of certain guidelines in the field of officially supported export credits that was revised into EU law in 2005.

The agreement reached at the inter-institutional negotiations was adopted by Coreper on 29 June 2011.

#### **71) Proposal for a regulation on the extension of autonomous trade preferences provided for the countries and territories of the Western Balkans**

The European Union provided the exceptional, unrestricted duty free access to European markets of nearly all products coming from the Western Balkans, in order to stimulate the economies of those countries. This regulation extends the application of the autonomous preferences provided for the partners (foremost Kosovo) of the Western Balkans.

The Council of 16 June 2011 adopted a mandate for carrying out dialogues.

### **Institutional Affairs**

#### **72) Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers**

The purpose of the regulation is to lay down the detailed rules of the comitology structure based on the Lisbon Treaty.

The regulation was published in the Official Journal on 28 February 2011.



### 73) Repeal of certain obsolete Council acts

The purpose of the proposal is to repeal a number of acts which have become obsolete because of their temporary character or because their content has been taken up by successive acts, but remain technically in force. The Special Committee on Agriculture on 30 June 2011 approved the agreement concluded with the EP.

## **Council and Presidency Conclusions of Utmost Importance**

### 74) Council Conclusions on the European Union Strategy for the Danube Region

13 April 2011

The Strategy aims to boost economic growth, increase employment and create favourable living conditions in the Danube region through coordinated responses to cross-border challenges. The Council's conclusions on the Strategy incorporate the political agreement on the objectives and tools that have also been endorsed by the European Council on 24 June 2011. The Hungarian Presidency has prepared the ground for the successful implementation of the strategy, the informal institutional background has been set up and practical implementation can be launched. Furthermore, the European Investment Bank is opening an office in Budapest (Budapest Danube contact point) tasked with promoting the implementation of the Strategy.

### 75) Council Conclusions on the Future of a Post-2013 Cohesion Policy

21 February 2011

Reflecting on the European Commission's Fifth Report on Economic, Social and Territorial Cohesion, the European Council adopted conclu-

sions on the future of Cohesion Policy that was a formal message about the importance of the Policy, prior to the debate about the next multi-annual financial framework. The Member States unanimously declared that the Cohesion Policy has to remain a strong and integrated tool for the regional development policy, and has to stick to its original objectives – to minimize the regional differences. It also has particular importance for the implementation of the Europe 2020 Strategy.

**76) Presidency Conclusions on the Communication of the European Commission on the Future of the Common Agricultural Policy towards 2020**

Concerning one of the most important priorities of the Hungarian Presidency, it is a significant achievement that with qualified majority support, strong Presidency conclusions have been adopted about the future of the Common Agricultural Policy. The conclusions support a two-pillar, Community-financed common policy with the three main objectives: viable food production, sustainable management of natural resources and climate action and balanced territorial development. The document contributes to laying down the foundations of a post-2013 Common Agricultural Policy, thus offering safety for European producers.

**77) Conclusions of the European Council on "Energy and Innovation"**  
4 February 2011

In order to appropriately meet the grand societal challenges, the European Council urged policy measures to boost European innovation. Regulatory and financial tools should be used and the European Research Area should be completed so that Europe would become an attractive place for researchers and innovative enterprises.

**78) Council Conclusions on Completion of the Process of Evaluation of the State of Preparedness of Romania and Bulgaria to Implement all Provisions of the Schengen Acquis**

9 June 2011

The document states that the evaluation of the preparedness of the two candidate countries to apply the Schengen acquis came to an end and that they stand ready to join. The decision on the admission to the full membership shall be taken unanimously: according to the conclusion the Council shall take up this matter during the semester of the Polish Presidency, not later than September.

**79) Council Conclusions on Borders, Migration and Asylum**

9 June 2011

The Council's document reacts to the communications, legislative proposals of the Commission on migration related issues. It touches upon strengthening of the Schengen system, on legal migration, external aspects of migration and asylum issues. This document served as a basis for the 24 June 2011 European Council's discussion on migration and it also states that relations Eastern and Southeastern neighbours of the Union shall continue to receive utmost attention.

**80) Council Conclusions on the Council's Actions and Initiatives for the Implementation of the Charter of Fundamental Rights of the European Union**

23 May 2011

The European Commission made a first-time evaluation on the implementation of the Charter submitted to the Council on 1 April 2011. In a response to the report the Council in its conclusions made a review of the efforts

it has made during the past one and a half year within the perspective of the trio-Presidency (from 2010 to the first semester of 2011) in the field of fundamental rights. In its conclusions the Council stressed its commitments to continue its activities for a more effective implementation of all the provisions of the Charter, and invites the Member States and the institutions to take part in these efforts in their respective competence.

### **81) Council Conclusions on the Management of Migration from the Southern Neighbourhood**

11 April 2011

The conclusions set out the means of handling migration originating from North-Africa, among others, humanitarian aid to the region, solidarity with the most affected countries, strengthening of the capacities of the EU border guard agency, quickly mobilizing financial resources and partnership with those countries of the Southern Mediterranean that cooperate in fighting illegal migration.

### **82) Council Conclusions on the Single Market Act**

30 May 2011

The European Commission published the reviewed version of the Single Market Act on 13 April 2011, which is a coherent response to the shortcomings of the internal market and aims at relaunching the Single Market by adopting twelve key measures before 2012, its 20th anniversary. The Council adopted conclusions as a response to this initiative in which Member States express their positions concerning the key initiatives. Regarding the fact that a well-functioning internal market is a prerequisite for economic growth, Member States committed themselves to agree on a first set of priority measures by the end of 2012 to bring a new impetus to the Single Market.

**83) Council Conclusions on the Review of the Small Business Act**

30 May 2011

In the context of the economic crisis and the new economic policy strategy until 2020, the SME policy of the EU must be revised. In May Competitiveness ministers agreed on the main lines of the SME policy of the Union and Member States, and they adopted Council conclusions on the issue. The conclusions set out tasks concerning regulatory environment of SMEs, better access to financial sources and to markets and the development of entrepreneurial attitude.

**84) Conclusions of the European Council of 23/24 June 2011**

The European Council adopted conclusions on the closing of the accession negotiations with Croatia by the end of June. By the opinion of the Council this development brings a new momentum to the European perspective of the Western Balkans.

**85) Conclusions of the Council on an EU Framework for National Roma Integration Strategies up to 2020**

19 May 2011

The conclusions of the Council aim at improving the social and economic situation of the Roma and to close the gaps between marginalised Roma communities and the general population. Member States have the primary competence for Roma inclusion, however cooperation at EU level brings significant added value. Member States shall adopt national Roma inclusion strategies, or integrated sets of policy measures for improving their situation in accordance with the size and the social and economic situation of their populations living in their territories and taking into account the different national circumstances, by the end of

2011. National measures shall focus on four priority areas: education, employment, housing and health. National and EU funds shall be used in a more effective way; furthermore, Member States consider the goals of Roma inclusion when designing, implementing and monitoring their National Reform Programmes. Member States shall appoint a National Contact Point in order to ensure effective monitoring and the exchange of good practices. The conclusions call on the Member States and the European Commission to improve the social and economic situation of Roma victims of human trafficking by intensifying the fight against human trafficking and by making full use of instruments available at the EU level.

#### **86) Council Conclusions on the roadmap towards the Integration of Maritime Surveillance**

23 May 2011

Council conclusions were adopted about the integration of maritime surveillance, which would improve information exchange among various surveillance authorities of the Member States. This will lead to more efficient and coordinated action in case of maritime accidents, environmental hazards and to combat illegal immigration.

#### **87) Council Conclusions on The Mechanism on Cooperation and Verification for Bulgaria and Romania**

Since the two Member States still have some further measures to take regarding the judiciary reform and the battle against corruption and organised crime, the Member States monitor the development in these fields in the special framework of the Mechanism on Cooperation and Verification for Bulgaria and Romania (CVM). The European Commission presented its interim report on 18 February on the developments of the

CVM of Bulgaria and Romania. The main assessments of the interim report were reflected in the Council conclusions, which acknowledge the progress by the two countries and set the list of further tasks. At the same time the two Member States are encouraged to take further efforts.

### **88) Adoption of the Territorial Agenda 2020 of the European Union 2020**

19 May 2011

At their informal meeting, territorial development ministers accepted the revised version of the Union's territorial development agenda - "Territorial Agenda 2020" - that is the cornerstone of the EU's territorial development policy and had been first approved in 2007. The Territorial Agenda 2020 is a joint ministerial declaration: a goal-oriented strategy with deadlines that identifies the place of the territorial dimension in the system of relations between the Europe 2020 Strategy, cohesion policy and various other sectoral policies, while it also defines the main players in the measures to be taken for strengthening territorial cohesion in the Community.

### **89) Council Conclusions Defining the European Union Strategy on Readmission**

9 June 2011

The Union's agreements on readmission are important elements of its effective policy aimed at fighting illegal immigration. In its conclusions, the Council provided strategic guidance and recalled that the EU needs to work out a renewed, coherent readmission strategy which shall be closely linked to the general external relations policy of the European Union and shall employ a joint approach to the relations vis-a-vis the third states which do not cooperate in the readmission of their own nationals.

**90) Council conclusions on the memory of the crimes committed by totalitarian regimes in Europe**

9-10 June 2011

The document invites Member States to commemorate each year, in accordance with the history and the specificities of their own countries, the Europe-wide Day of Remembrance on the 23rd day of August (the anniversary of the Molotov-Ribbentrop Pact) in order to remember the victims of these crimes. The conclusions encourage the Member States and the Commission to support initiatives and research projects aimed at informing and education the public about the dark events of Europe's past.

**91) Council Conclusions on Setting the EU's Priorities for the Fight Against Organised Crime between 2011 and 2013 and on the Manual on Best Practices for Fighting Organised Crime**

9 June 2011

The conclusions establish for the coming years the major directions of the fight against organized crime, as well as address the manual prepared by the Presidency which collects the progressive practices of the fight against organized crime, thereby providing a useful tool to the law enforcement services of the member states.

**92) Council Conclusions on a Roadmap for Strengthening the Rights and Protection of Victims, in Particular in Criminal Proceedings**

10 June 2011

In June the Council adopted the roadmap prepared by the Presidency which describes the tasks of the Union in the reinforcement of the strengthening the rights and protection of victims, in particular in criminal proceedings (the "Budapest roadmap"). The roadmap had been the



initiative of the Hungarian Presidency, in which the Council provides a program for legislative activity for the coming years in the area of victim protection.

**93) Council Conclusions - "Targeting developing forms of trafficking in human beings in the EU Member States"**

9 June 2011

The Council in its conclusions calls upon Member States to enhance data collection in connection with human trade in the territory of their own country and the EU. The document also settles that the necessary steps should be taken in order to improve the quality of the relevant data so that they can be used more effectively during the policy planning and the defining of the national and international tendencies of human trade. Furthermore, the document asks Member States to organise regular, multidisciplinary trainings for experts working with victims and incorporate in their curriculum at all levels the topic of human trade and exploitation.

**94) Council Conclusions on Enhancing the Links between Internal and External Aspects of Counter-terrorism**

9 June 2011

The Council in its conclusions calls for closer cooperation and cooperation in the area of the security of the Union, on the one hand in the area the common foreign and security policy, and the area of freedom, security and justice on the other. The document affirms as well that in the fight against terrorism it wishes to build upon the achievements of existing structures, putting the emphasis on the development of synergies, and on the avoidance of duplications of functions in order to establish a well-coordinated, coherent and effective anti-terror policy for the Union.

**95) Council Conclusions on the Commission Communication on the European Union Internal Security Strategy in Action**

24-25 February 2011

The conclusions make the fight against the acts and events threatening the internal security of the Union, especially the fight against organized crime visible on the political level. The conclusions reflect upon the communication of the Commission on the EU Internal Security Strategy in Action dated 22 November 2011, which proposes to focus attention to five areas: the fight against organized crime, terrorism, cybercrime, cross-border crime and disaster response.

**96) Council Conclusions on the Communication from the Commission to the European Parliament and the Council - A comprehensive approach on personal data protection in the European Union**

24-25 February 2011

In its conclusions, the Council reflects upon the November 2010 communication of the Commission, the purpose of which was to ensure that the Union shall give adequate data protection responses to the questions raised by the fast-paced development of modern information technology and that a common thinking shall be established at the Union level on working out a coherent data protection system capable of meeting modern challenges.

**97) Council Conclusions on the Migration of the Website of the European Judicial Network in Civil and Commercial Matters into the European e-Justice Portal**

24-25 February 2011

The purpose of the European e-Justice Portal is to make available to citizens on the Internet all judicial information and services. In order to

achieve that, the decision was made to migrate the website of the European Judicial Network in civil and commercial matters to the unified European e-Justice Portal thereby avoiding the duplication of information available on the Internet.

**98) Council Conclusions on the Communication of the European Commission on Honeybee Health**

The mortality of bees could have a significant impact on the agricultural activity and the environment. The adoption of the document is of great importance as it states that the beekeeping sector has an important economic role and also plays a key role in terms of increasing biodiversity.

**99) Council Conclusion on Smart Regulation**

30 May 2011

The conclusion contains the requirements of easily understandable language, transparency and more accessible legislation, impact assessment, simplification, reduction of administrative burden, and the improvement of EU legislation implementation.

**100) Council Conclusions on the Interim Evaluation of the EUROSTARS Joint Programme**

31 May 2011

The EUROSTARS joint programme is designed to help SMEs with intensive research and development activities to bring their products and services to the market. The adopted conclusions evaluate the programme and give suggestions for further development.

**101) Council Conclusions on the First Interim Evaluation of the Ambient Assisted Living Joint Programme (AAL)**

31 May 2011

The adopted document focuses on the ICT (info-communication technology) tools and services, it evaluates the joint programme carried out by industry and the EU and it deals with ways of development of the programme.

**102) Council Conclusions on the Development of the European Research Area (ERA) through ERA-related Groups**

31 May 2011

The adopted document is an important step towards the goal of completion of the ERA as set out in the European Council conclusions of 4 February. It gives guidelines for the work of experts in the groups.

**103) Council Conclusions "Towards a space strategy for the EU that benefits its citizens"**

31 May 2011

The Presidency carried out important work and as consequence the Council has adopted conclusions on space policy and clarified the relationship between the EU and the European Space Agency.

**104) Council Conclusions on a Better Functioning Single Market for Services – Based on the Results of the Mutual Evaluation Process of the Services Directive**

10 March 2011

The Presidency's aim was to contribute to a better functioning single market for services by leaning on the results of the mutual evaluation process foreseen by the Services Directive.

**105) Council Conclusions on the Pilot Innovation Partnership on Active and Healthy Ageing**

9 March 2011

The document contributes to the launch of the European Innovation Partnership with the aim of increasing the number of years in good health by two.

**106) Council Conclusions on the Interim Evaluation of the 7th Research Framework Programme (FP7) including the Risk-Sharing Finance Facility (RSFF)**

9 March 2011

The main issue of the document is the simplification of the use of resources of the research and development programme.

**107) Council Conclusions on Raw Materials Initiative**

10 March 2011

The document suggests measures concerning raw materials with strategic importance that are not available in Europe. The measures aim to ensure the safe supply of those materials for European industry.

**108) Council Conclusions on the protection of water resources and integrated sustainable water management in the European Union and beyond**

21 June 2011

The document aims at contributing to the preparation of water policy related work of the European Commission, presenting specific Hungarian water priorities, such as the integrated management of extreme water events, the protection of ecosystem services, the improvement of international co-operation and the connection between water and international relations.

**109) Council Conclusions on the EU Biodiversity Strategy to 2020**

21 June 2011

The document aims at the endorsement of targets stipulated in the EU Biodiversity Strategy to 2020, as well as the review of financial resources.

**110) Presidency Conclusions on the Roadmap for Moving to a Competitive Low-carbon Economy in 2050**

21 June 2011

Using a sectoral approach and without setting new emission reduction targets, the document analyses opportunities for and means of climate friendly economic development in a timeframe until 2050.

**111) Council Conclusions on the Memoranda of Understanding on the Conservation of Migratory Sharks and Birds of Prey under the Convention on the Conservation of Migratory Species of Wild Animals**

27-28 June 2011

The document authorises the signing of two memoranda of understanding on the conservation of migratory sharks and birds of prey on behalf of the EU.

**112) Council Conclusions on the review of the community strategy concerning mercury**

14 March 2011

The adopted document analyses the progress made on the basis of the Commission communication on the review of the community mercury strategy of 2005.

**113) Council Conclusions on the Follow-up to the Cancún Conference**

14 March 2011

The document evaluates the results of the meeting of the Parties to the UN Framework Convention on Climate Change and the Kyoto Protocol held in December 2010 in Mexico from the European perspective, and lists tasks emerging with view to the conference.

**114) Council Conclusions on the Communication of the European Commission on Energy Efficiency Plan 2011**

10 June 2011

The Council conclusions determine the cross-cutting policy objectives for the Commission's new legislative proposal on energy efficiency. The

Communication sets goals and proposes measures for the priority sectors across the EU.

**115) Council Conclusions on the Way Ahead towards Integrated and Competitive EU Inland Waterway Transport**

16 June 2011

The aim of the document is the proper integration the inland navigation to the economy. Because of the sustainability of the inland waterway, it can contribute to the reduction of transport's external costs, and with its spare capacity, it can contribute to the elimination of the bottlenecks; therefore it is necessary to assign financial assets for its development: to ameliorate its intermodal connections, the river information services, the fleet, to simplify its organizational structure and to apply qualified human resources.

**116) Council Conclusions on the Action Plan for Critical Information Infrastructure Protection**

27 May 2011

The Member States agreed that resilient and secure IT systems have to be created and maintained and that these matters have to be dealt with simultaneously on national, European and international level.

**117) Council Conclusions on the E-government Action Plan for 2011-2015**

27 May 2011

To be able to reach the goals established in the document, the cooperation regarding e-Government has to be strengthened both on the Union level as well as between Member States.



**118) Council Conclusions on the Coordinated EU Position to be Represented at the 2012 World Radio Conference (WRC-12), the ITU conference Defining the Unitary International Rules Regarding Frequency Usage**

27 May 2011

The document deals with the coordinated EU position to be represented at this ITU conference.

**119) Council Conclusions on the Mid-term Review of the European Satellite Radio Navigation Programs (EGNOS, Galileo)**

31 March 2011

The conclusion of the Council is a response to the European Commission's mid-term evaluation. The communication on the mid-term review of the implementation of the European GNSS (Global Navigation Satellite Systems) programs (EGNOS and Galileo) evaluates the existing EGNOS program, as well as the Galileo program, which is currently in development stage and will become operational during 2014-2015. The communication presents the challenges we face long- and short-term. In the conclusion, the Council confirms its firm commitment for the European satellite radio navigation program, and emphasizes the strategic and economic importance of the programs. The programs are designed to give independence to the EU in this area, and to make the EU to the market's leading player in space technology. In addition, EGNOS and Galileo will stimulate further economic activities, for example, application developments for the exploitation of the opening opportunities by these the programs. These projects – by nature – should be continued to finance from the EU budget. By the same time, the Council called for avoiding the cost overruns of the implementation of the programs.

**120) Council Conclusions on the Energy Infrastructure Priorities for 2020 (Energy 2020 Strategy)**

28 February 2011

The Council conclusions adopted in light of the political guidelines of the European Council specify the short, medium and long-term priorities for the Strategy with special emphasis on the importance of the completion of the internal energy market by 2014, the abolition of isolated energy markets (Baltic states, Malta, Cyprus) by 2015 and the elimination of infrastructure deficiencies; furthermore, the conclusions stress the need of improving the energy efficiency and usage of renewable energy, and the need to further improve the consistency, transparency and coherence of the EU external action in the field of energy.

**121) Council Conclusions on the Reconciliation of Work and Family Life in the Context of Demographic Change**

17 June 2011

The aim of the Council conclusions is to promote family policies which improve the reconciliation of work and family life in the context of demographic challenges, and which can improve the implementation of the Europe 2020 Strategy.

Measures aiming the reconciliation of work and family life should be strengthened in order to reach a better balance for both women and men, and also to contribute to reach the employment target of the Europe 2020 Strategy. Demographic changes urge those policies which are able to improve birth rates e.g. flexible working time arrangements (part-time work), childcare and family allowances, affordable and high quality childcare services and other care facilities that enable parents to reconcile their professional and family lives. Special attention need to be paid to vulnerable families such as single parent families.

### **122) Council Conclusions Promoting Youth Employment to Achieve the Europe 2020 Objectives**

17 June 2011

The conclusions emphasise the importance of education and training, and the negative effect of early school leaving regarding the employability and the correspondence to the labour market needs. The Council invites the Member States to adopt measures or reforms which facilitate young employees to participate in such education or training. Youth unemployment and long-term inactivity should be prevented and considered a high priority. Better matching between the education system and the labour market needs should be promoted.

### **123) Council Conclusions on the Support of the Implementation of the European Disability Strategy 2010-2020**

17 June 2011

To promote the ratification and the implementation of the UN Convention on the Rights of Persons with Disabilities, and to support the implementation of the European Disability Strategy (2010-2020) the Hungarian Presidency has adopted its Council conclusions.

The European Strategy provides a framework for action at European level, as well as suggested actions at national level, to address the range of diverse situations faced by women, men and children with disabilities. Its overall aim is to empower persons with disabilities so that they can enjoy their full rights and fully participate in society and in the European economy. The Strategy identifies eight main areas for action: accessibility, participation, equality, employment, education and training, social protection, health, and external action. It also suggests a number of general instruments and implementation tools.

In its conclusions on the Strategy, the Council invites the Member States to promote disability mainstreaming within the Europe 2020 Strategy, and that existing financial resources should be utilised properly.

In order to promote the social inclusion of persons with disabilities, these persons should have access to quality education and training and to health care services on an equal basis with others through appropriate efforts to improve accessibility.

Compromised text was adopted by the Parliament in May.

#### **124) Council Conclusions on Modern, Responsive and Sustainable Health Systems**

6 June 2011

In its conclusions, the Council invites the Member States and the Commission to initiate a reflection process under the auspices of the Working Party on Public Health at Senior Level aiming to identify effective ways of investing in health, so as to pursue modern, responsive and sustainable health systems and share best practices. The Member States invited the Commission to support the reflection process, stressing the major economic role of the health sector, aiming to shift health from being regarded as just an expenditure post to being an acknowledged contributor of economic growth.

In circumstances of scarce resources, equitable access to high quality health care services should be ensured. The Commission is invited to provide effective tools and methodologies for Member States for the assessment of the performance of health systems and present regular reports to the Council to contribute to the reflection process, the first report being submitted by the end of 2012.

**125) Council Conclusions on Innovation in the Medical Device Sector**

6 June 2011

The conclusions express the Member States' expectations concerning the future Union-level regulation of the medical device sector, in order to enhance innovation and the modernization of the market regulatory framework. The Council invites the Member States and the Commission to launch initiatives for the innovation in the medical device sector which aim at the improvement of patients' health well-being meanwhile they are user-friendly devices. The medical device sector covers nearly 18,000 SMEs in Europe.

**126) Council Conclusions on Mental Health and Well-being**

6 June 2011

The conclusions recognize the work done since 2008 in the framework of the European Pact for Mental Health and Well-Being and invites the Member States and the Commission to continue their activities in the field of prevention and cure. The Council invites the Member States and the Commission to set up a joint action on mental health and well-being in the framework of the EU Public Health Programme 2008-2013 providing a platform for exchange of views, cooperation and coordination. The Council invites the Commission to submit a report on the results of the joint action and consider future policy actions for the follow-up of the Pact. The Member States shall make mental health and well-being a priority of their health policies and to develop strategies and/or action plans on mental health. The conclusions welcome the results of the five thematic conferences organized on the different aspects of mental health under the European Pact for Mental Health and Well-Being between 2009 and 2011 in Europe's different capitals.

**127) Council Conclusion on Childhood Immunization**

6 June 2011

The conclusion recalls that the most effective and economical way of preventing infectious diseases is through vaccination, where it exists. It underlines that vaccines have led to the control, lower incidence and even elimination of diseases in Europe that in the past caused death and disability for millions of people, and that the global eradication of small-pox and the elimination of poliomyelitis from most countries in the world are excellent examples of successful vaccination programmes.

The Member States and the Commission are invited to make efforts to reinforce their vaccination programmes, exchange of information, vaccination coverage and to promote childhood vaccination programmes. They are invited to identify with the support of the European Centre for Disease Prevention and Control (ECDC) and the European Medicines Agency (EMA) a non-exhaustive list of elements suggested for inclusion in national, sub-national immunization cards or health booklets.

**128) Conclusions of the Council on Tackling Child Poverty and Promoting Child Well-being**

17 June 2011

The priority of fighting child poverty and promoting child well-being fits into the framework of the Europe 2020 Strategy and in particular the goal of reducing poverty and social exclusion. The conclusions of the Council state that child poverty is a multi-dimensional problem that needs an integrated approach (health, education, services and benefits). The Council invites the Member States to adequately emphasise the aspects of child poverty and bear in mind decent employment opportunities and income for families, to ensure quality services in the fields of early childhood development, education, housing and health care serv-

ices. Member States are invited to set adequate targets and resources. The conclusions also invite the European Commission to put forward a Recommendation on child poverty and well-being in 2012 (linked also to the European Platform against Poverty and Social Exclusion).

**129) Council Conclusions on the Joint Employment Report in the Context of the Annual Growth Survey 2011: Political Guidance on Employment Policies**

7 March 2011

The Employment Report examines the situation of the employment in Europe, and the results of the implementation of the employment guidelines adopted in October 2010. The Report takes into account also the first phase of the implementation of the Europe 2020 Strategy. The Council emphasises that fiscal consolidation should be led with the reconstruction of the economic growth and with the improvement of the employment. Labour market policies reforms are not able to generate adequate work force. To create more and better jobs, to strengthen social cohesion and to use the potential of human resources, employment-friendly business environment and stronger economic growth are needed. Innovative economic activities and green economy can support these goals. The Council invites the Member States to set ambitious employment targets, and to promote social inclusion by the reduction of poverty as for to reach the 75% employment rate and to lift at least 20 million people out of the risk of poverty and exclusion by 2020.

**130) Council Conclusions on European Pact for Gender Equality (2011–2020)**

7 March 2011

The Presidency points out three priority areas in the Pact for the period of 2010–2020: measures reducing gender pay gap and labour market

segregation, reconciliation of work and family life in the context of demographic challenges, and combatting all forms of violence against women.

The Council in its conclusions emphasises that the Union is committed in the elimination of gender-based differences in the field of employment, education and social protection, in the combat of all forms of violence against women, and in promoting the reconciliation of work and family life for both women and men. It also urges national and European measures to eliminate gender based stereotypes, to ensure equal pay for equal work, to improve female participation in the decision making system, to improve affordable and high-quality child care services, to promote flexible working arrangements, and to avoid violence against women including the importance of emphasising the role of men in this process.

Gender equality has important economic dimension, employment of women and men should be improved at the same time within the Europe 2020 Strategy.

Member States have to improve their gender policies regarding especially the European employment guidelines. Gender equality aspects have to be also incorporated in the Union's Annual Growth Survey.

### **131) Council Conclusions on Further Development of an Electronic Exchange System Facilitating Administrative Cooperation in the Framework of the Posting of Workers Directive**

7 March 2011

Under the directive on the posting of workers, which was adopted in 1996, Member States must cooperate and exchange administrative information on posted workers. In this regards the Council reaffirms that it should be examined whether a separate and specific module of the Internal Market Information System (IMI) appears to be the most appro-



priate electronic information exchange system to be used in the area covered by the posting of workers Directive. From May 2011, the administrative cooperation is done in the framework of a pilot project with the help of the IMI system. The Council waits the reports on the results of the pilot project with expectations.

### **132) Conclusions of the Council on the European Platform against Poverty and Social Exclusion**

7 March 2011

The conclusions adopted about the flagship initiative of the Europe 2020 Strategy identify the priorities and the tasks of the upcoming years in the field of fight against social exclusion with a special regard on the open method of social coordination and the Europe 2020 Strategy. In its conclusions, the Council recalls that that certain groups are particularly exposed to the risk of poverty and social exclusion or the most extreme forms of poverty; and stresses that in order to alleviate poverty and social exclusion, a combination of all efforts and instruments at EU and national levels are needed. Consequently, the Council welcomes that the Platform adopts an integrated approach in dealing with the complex problem of social exclusion.

### **133) Conclusions of the Council on the Contribution of Culture to the Implementation of the Europe 2020 Strategy**

19-20 May 2011

The conclusions of the Council follow the threefold approach of the Europe 2020 Strategy and thus formulate invitations to the Member States, the European Commission, and jointly the Member States and the European Commission regarding the role of the culture in strengthening smart, sustainable and inclusive growth. The conclusions stress

that the cultural and creative industries bear a significant potential in promoting growth and quality employment, thus culture plays an important part in realising strategic objectives and flagship initiatives such as the Digital Agenda for Europe or the Innovation Union. The Council invites Member States to make use of EU financial instruments, in particular Structural Funds for the realisation of cultural projects, and the European Commission take into account culture in its proposals for future EU policy and financial instruments.

### **134) Conclusions of the Council on Mobility Information Services for Artists and for Culture Professionals**

19-20 May 2011

Ensuring the mobility of artists aims at facilitating the free movement and cooperation of both artistic work and artists, furthermore it also intends to enable wide access to artistic content with different geographical or institutional origin. The conclusion foresees the establishment of an information service promoting the mobility of artists and culture professionals, as one of the main barriers to mobility can be the lack of information. The conclusions stress the importance of promoting mobility both at national and at the European level, they identify barriers to mobility, encourage networking and define the main goals and elements of the information system. The Council also proposes the establishing of an expert working group on the topic.

### **135) Conclusions of the Council on Early Childhood Education and Care**

As regards efficiency and equity, the current education policy of the Union has not yet formulated recommendations in the field of early childhood education. The aim of the Hungarian Presidency was to overcome this, building on the communication of the Commission adopted

on 17 February 2010. In its conclusions, the Council stresses the importance of available, high-quality early childhood education and care, which lays the essential foundations of indispensable skills for later social integration, personal development and employability and thus contributes to achieving the goals of the Europe 2020 Strategy. The conclusions aim at launching and strengthening the cooperation at European level in the field of early childhood education and care.

### **136) Resolution of the Council on a European Union Work Plan for Sport (2011-2014)**

The Council adopted the resolution of a work plan for sport (2011-2014) that recognises the important role sport plays in the reaching of the general goals of the Europe 2020 Strategy. The sector bears a significant potential to contribute to smart, sustainable and inclusive growth, to the creation of new jobs and considering its positive effects on social inclusion, education and training as well as public health and active ageing. Priority themes designed by the work plan comprise the integrity of sport, in particular the fight against doping and match-fixing and the promotion of good governance; social values of sport, in particular health, social inclusion, education and volunteering, economic aspects of sport, in particular sustainable financing of grassroots sports and evidence-based policy making. The Member States and the Commission agreed to set up several expert groups for the next three years; however, besides the expert groups, working methods might imply Presidency conferences, informal meetings of Sports Directors and Ministers, Commission studies and conferences. In the first half of 2014, the implementation of the present work plan will be evaluated by the Council on the basis of a report prepared by the Commission by the end of 2013.

### **137) Conclusions of the Council on the Role of Education and Training in the Implementation of the Europe 2020 Strategy**

The Council invites in its conclusions the Member States to support the high quality and modernised education and training with efficient investment, to tackle early school leaving and to address as a matter of urgency the situation of those young people who face exceptional difficulties in entering the labour market due to the severity of the crisis. Member States shall incorporate education and training policies into their National Reform Programs, and strengthen horizontal cooperation and the exchange of good practices in particular with employment ministries, but also with other stakeholders such as the social partners, when designing and reporting on the implementation of national employment policies. Cooperation between higher education, research institutes and enterprises, as the basis for a more innovative and creative economy shall be reinforced.

### **138) Council Conclusions on the European Voluntary Humanitarian Aid Corps (EVHAC)**

16 May 2011

The European Commission published a communication on EVHAC in November 2010, and in 2011 consultations were carried out in a parallel manner on establishing the Corps' future structure, hierarchy, recruitment, national contingents and training tasks. During the Hungarian Presidency, Council conclusions were adopted and an international conference was organised on this topic in support of the European Commission's efforts in this field. The conclusions contain proposals for practical solutions concerning the establishment of the EVHAC and concerning the Commission's role. The Presidency also organised a workshop on 22 March with the participation of an international civil society

organisation, which has enabled the acquisition of a more comprehensive knowledge on this topic. Furthermore, on 17 June a conference was held with the participation of commissioner Kristalina Georgieva, during which the results of the pilot projects were presented and an exchange of views with civil society representatives was held.

**139) Council Conclusions on the Mid-term Review of the European Consensus on Humanitarian Aid Action Plan**

16 May 2011

The mid-term review of the European Consensus and the implementing Action Plan was carried out in 2010. The European Commission published a communication setting out the next steps and the Council adopted conclusions thereon. The conclusions propose practical solutions with regard to the implementation of the Action Plan: enhanced practical coordination and information sharing of EU humanitarian response through joint risk management, needs assessments and coherent financing of humanitarian activities, maintaining and enhancing the EU's humanitarian professionalism through existing training facilities, and supporting the EU Member States donor capacity.

**140) Council Conclusions on the European Neighbourhood Policy**

20 June 2011

In its conclusions, the Council underlines that the new approach of the EU will be based on mutual accountability and shared commitment to universal values of liberty, democracy, respect for human rights, fundamental freedoms and the rule of law. The partnership between the EU and each of its neighbours will reflect their needs, capacities and reform objectives. It will be based on joint ownership and differentiation. Such a partnership may lead those countries that are willing and able to move

further to closer political association and progressive economic integration into the EU Internal Market. Stronger political cooperation, closer economic integration and increased EU support will depend on progress towards reforms. The Council invites the High Representative and the Commission to design the appropriate mechanisms and instruments that will help deliver these objectives. The Council looks forward to the Eastern Partnership Summit in Warsaw on 29-30 September with the view to enhancing the relations between the EU and the Eastern partners. The ENP will have to live up to the new challenges in the Southern Neighbourhood. The Council encourages the High Representative and the Commission to seize the opportunities provided by the Lisbon Treaty to enhance EU involvement in the resolution of the protracted conflicts. The Council looks forward to the implementation of the new response to a changing Neighbourhood and invites the High Representative and the Commission to report in 2012.



**III.**  
**Views on the Hungarian**  
**EU Presidency**





*“The new role of the rotating presidencies following the entry into force of the Lisbon Treaty has been shouldered with diligence by Hungary. It has proven itself as an honest and able broker... Hungary deserves credit for its role in forging consensus and helping the EU overcome the sovereign debt crisis.”*

Jerzy Buzek, President of the European Parliament

*“We witnessed important decisions taken under the leadership of Hungary, such as the conclusions to create a platform against poverty and social exclusion or the definition of new EU energy priorities for the decade 2011-2020.”*

Herman van Rompuy, President of the European Council

*“While confronted with very testing circumstances in the Union, Hungary has risen to the challenges and delivered a very competent Presidency of the Council... During this Presidency of the Council, the European Union achieved the first European Semester, concluded negotiations with Croatia, supported the democratic movements of the Arab Spring, approved a new European strategy for the Roma and launched the Danube Strategy. This is a good result.”*

José Manuel Durão Barroso, President of the European Commission

*“The Hungarian Presidency has succeeded, over the past months, in making significant progress in advancing the most important tasks that lie ahead of the European Union”*

German Chancellor Angela Merkel

*“I am very pleased that, during the presidency of the European Union, the Hungarian Government has pushed for reforms that would guarantee the Roma people the same rights and opportunities their fellow citizens enjoy.”*

US Secretary of State Hillary Clinton

*“The Hungarian EU Presidency has contributed positively to advancing China-EU relations. This is why China and the EU have made the decision that Hungary could host the second round of Strategic Dialogue between China and the EU.”*

Chinese State Counsellor Dai Bing-guo

*“Let me congratulate Hungary for its successful first EU Presidency. The Hungarian Presidency deserves credit because it has led the EU in a time with many challenges...The EU under the Hungarian Presidency has responded to these challenges in a convincing manner: we gave a new direction to the European Neighbourhood Policy so that it can serve as the engine for democratic changes in our neighbourhood. The European Council laid down the new foundations for the economic policy of the Eurozone last week, and thus established an important condition for making the common European currency stronger.”*

German Foreign Minister Guido Westerwelle

*“The Hungarian Presidency has overseen a number of success stories over the past six months: the conclusion of Croatia's accession negotiations, agreement on the Roma Strategy and the Danube Strategy, and the successful completion of the first European Semester.”*

British Minister for Europe David Lidington

*“European leaders have made an unprecedented commitment to improving Roma integration and I would like to thank the Hungarian Presidency in particular for its determination in obtaining this commitment.”*

Viviane Reding, EU Commissioner for Justice,  
Fundamental Rights and Citizenship

*“Congratulations to the Hungarian diplomatic corps! They have demonstrated that, in the framework of the Spanish-Belgian-Hungarian trio, they have been prepared for the tasks, so we must consider the Hungarian Presidency as successful.”*

László Andor, EU Commissioner for Employment, Social Affairs and Inclusion

*“The performance of the Hungarian Presidency has been flawless in the field of economic issues, common policies and external relations as well.”*

Joseph Daul, Chairman of the European People’s Party

*“We greatly appreciate Hungary’s efforts, as a result of which the EU has made a historic advance in common economic governance, in setting up the European patent system, in adopting a common Roma strategy and in implementing a common energy policy.”*

Irish Minister for EU Affairs Lucinda Creighton

*“As the Hungarian Presidency of the Council of the European Union has come to an end, I wish to congratulate you on your success and express my profound gratitude to you and your team for the close cooperation, open communication and collaborative spirit in these past six months.”*

Peter Weiss, Ambassador of Slovakia to Hungary

*“The balance of the Hungarian Presidency is positive, it had to cope with very difficult situations.”*

Javier Solana, former EU High Representative for Foreign and Security Policy