

## The Commission's legislative and work programme for 2004

**Caption:** On 29 October 2003, the European Commission adopted the legislative and work programme for the year 2004.

**Source:** Communication from the Commission to the European Parliament and the Council. The Commission's legislative and work programme for 2004. [ON-LINE]. [Brussels]: Commission of the European Communities, [07.11.2003]. COM(2003) 645 final. Available on <http://europa.eu.int/eur-lex/en/com/pdf/2003/act0645en01/1.pdf>.

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**URL:** [http://www.cvce.eu/obj/the\\_commission\\_s\\_legislative\\_and\\_work\\_programme\\_for\\_2004-en-9c9dbc6e-0ed3-4b5c-8c93-020d937e7455.html](http://www.cvce.eu/obj/the_commission_s_legislative_and_work_programme_for_2004-en-9c9dbc6e-0ed3-4b5c-8c93-020d937e7455.html)

**Publication date:** 20/10/2012

## Communication from the Commission to the European Parliament and the Council: the Commission's Legislative and Work Programme for 2004 (Brussels, 29.10.2003)

COM(2003) 645 final

### Table of contents

#### Introduction

1. Dialogue with the European Parliament and the Council
2. Outlook and challenges for 2004
3. Commission priorities for 2004
  - 3.1. The accession of 10 new Member States
  - 3.2. Stability
  - 3.3. Sustainable growth
4. Impact assessment
5. Conclusions

### Annexes

1. List of new legislative proposals and non-legislative acts for 2004
2. List of proposals subject to an extended impact assessment before adoption
3. Provisional assessment of progress towards the Prodi Commission's strategic objectives
4. Commission proposals awaiting action by the legislative authority in 2004
5. Simplification and codification of Community legislation

### Introduction

This is the last **Legislative and Work Programme** of the Prodi Commission, covering a year of major changes for the European Union.

- On 1 May 2004, ten new Member States will join the European Union. Shortly afterwards, a new Constitutional Treaty will be signed by Heads of State or Government of the enlarged Union.
- In June 2004, citizens throughout the European Union will vote in elections for the European Parliament.
- On 1 November 2004, the new Commission will take up office.

It is, therefore, clear that 2004 will be a far from normal year for the programming of the EU institutions. In view of this, and as befits a Commission that is approaching the end of its mandate, the Legislative and Work Programme for 2004 is deliberately much more tightly focussed than in previous years. The Commission intends its programme to be as realistic as possible, both in terms of what it can deliver and the other EU institutions can absorb.

In these circumstances, the Commission has reviewed the key initiatives presented in the Annual Policy Strategy and has reduced them to those that are absolutely necessary and feasible in 2004.

The principal aim of the Legislative and Work Programme is to focus on the Commission's priorities, announce its major new proposals for 2004 as well as a limited number of major proposals carried over from 2003 (Annex 1) and finalise the selection of proposals requiring an extended impact assessment (Annex 2). However, it also provides a preliminary assessment of the progress made so far towards achieving the strategic objectives of the Prodi Commission (Annex 3), highlights the need for legislative follow-up by the Council and European Parliament to proposals already presented by the Commission (Annex 4), and reports on further work concerning simplification and codification of the acquis (Annex 5).

### 1. Dialogue with the European Parliament and the Council

On 5 March 2003, the Commission adopted its **Annual Policy Strategy for 2004**<sup>1</sup>, identifying the **accession of ten new Member States** as the central priority for 2004, supported by two connected priorities, i.e. **stability**, and **sustainable growth**.

The Commission presented its Annual Policy Strategy to the European Parliament and to the Council in March. In the months that followed, a **structured dialogue** took place with both institutions on the priorities and key initiatives for 2004. Both institutions reacted positively to the political priorities identified by the Commission and provided useful feedback on the key initiatives proposed for 2004. On 23 September 2003, Vice-President de Palacio presented the Commission's stocktaking document on the follow-up to its Annual Policy Strategy for 2004<sup>2</sup> to the European Parliament's Conference of Committee Chairmen. In parallel, the document was transmitted to the Council. The other institutions' reaction to the Commission's priorities has been positive and a number of suggestions made regarding sectoral initiatives have been taken into account in the Legislative and Work Programme.

This year, the inter-institutional dialogue had a reinforced multiannual dimension. In line with the reforms agreed at the Seville European Council, the Council will recommend that the European Council in December 2003 endorse a **multiannual strategic programme** for 2004-2006. This programme is being prepared in consultation with the Commission, and the European Parliament will be informed about its purpose and content.

## 2. Outlook and challenges for 2004

### Political outlook

The European Union faces three major challenges in 2004:

– Shaping the future Union

Ten new Member States will join the European Union on 1 May 2004. This historic enlargement will provide a considerable boost to the EU's potential, but will also pose a considerable challenge for the Union. In 2004, the Union will have to start preparing the next political and financial framework, since the current medium-term financial perspective ("Agenda 2000") expires at the end of 2006.

The strategy for future enlargements will also have to be pursued. Negotiations with Bulgaria and Romania will continue in 2004, and the Commission will prepare its formal opinion on Croatia's application to join the Union. In December 2004, the European Council will decide, on the basis of a report from the Commission, whether Turkey meets the Copenhagen political criteria, in view of the possible opening of accession negotiations.

– Prioritising the policy agenda

2004 will be an important year for moving ahead with the Union's core political agenda, notably in the areas of sustainable growth and stability.

Achieving sustainable development will be the political centre of gravity for the Union's next financial perspective (2007 onwards). In 2004, the Union will review the strategic objectives agreed at the Lisbon European Council in March 2000 and the EU strategy for sustainable development agreed in Göteborg. The Growth Initiative endorsed by the European Council in October 2003 needs to stimulate investment in networks and knowledge in 2004, thereby boosting confidence in the Union's economic potential and consolidating economic growth.

Progress towards making the Union an area of freedom, security and justice needs to be consolidated by the

May 2004 deadline for completion of the first stage of the programme agreed at the Tampere European Council in October 1999.

– Developing the Union's external action

The international situation remains more tense and unstable than it has been for many years. This reinforces the need for the European Union to act in a more united way to promote stability, to support effective multilateral responses to crises, and to address the fundamental problems facing global development. The draft security strategy which was presented by the High Representative for the CFSP analyses these and other threats. The Commission is actively participating in the refinement of this strategy which should be endorsed by the European Council in December 2003. Further to its approval, the Commission will remain involved in the instruments aimed at reducing risks of potential crises.

Enlargement reinforces the Union's presence on the international scene and means that the Union will have to examine its responsibilities in its neighbourhood, and take the lead in developing a close and supportive partnership with its near neighbours in the East as well as in the Mediterranean region.

A major challenge facing the Union in 2004 will be to draw the appropriate conclusions of the failed WTO Ministerial Conference in Cancun and to continue its efforts to pursue trade negotiations with its partners that result in increased economic growth and development benefits.

### **Economic prospects for the EU in 2004**

The weak economic performance observed in the EU economies at the end of 2002 continued throughout the first half of 2003. Consequently, for a third consecutive year growth is likely to disappoint: the average growth rate is expected to be about  $\frac{3}{4}\%$  in the EU and about  $\frac{1}{2}\%$  in the euro area. However, with accommodative macroeconomic policy conditions, supportive financial conditions, continued disinflation, progress in structural reforms, and a reduction in geopolitical uncertainty, the confidence of economic agents is returning and the international environment is improving.

In this context, the momentum for recovery is expected to pick up in the second half of 2003 and to gather pace throughout 2004. A rebound to an average growth rate of about 2% is projected for the EU next year. This is underpinned by a recovery in consumer expenditures, supported by growing external demand and a consequent recovery in investment. Despite this projected recovery, the protracted period of sluggish growth has taken its toll on the performance of the labour market and employment growth is expected to be sluggish.

The risks to the outlook appear to be more balanced than earlier this year. First, there are many factors that point to increasing optimism regarding the short-term growth path of the US economy, which should in turn provide a stimulus for growth in the EU. Nevertheless, if the recovery in the US were to falter, then the expected pick up in the EU economy might be put at risk. Second, the strength of the euro has been weighing on the recovery through declining exports. However, this is balanced by the positive stimulus to consumption from gains in terms of trade. Finally, the financial conditions facing the corporate sector are supportive, and corporate profits have seen some improvement during the year. However, to the extent that corporate balance sheet adjustment is still incomplete, continued adjustment could hold back investment spending in the EU.

### **3. Commission priorities for 2004**

Against this background, the Commission confirms the political priorities that it identified in its Annual Policy Strategy for 2004:

– Accession of ten new Member States

- stability, and
- sustainable growth

The Commission invites the other EU institutions to take account of these priorities, key initiatives, legislative proposals and non-legislative acts in their own programming for 2004. The Commission confirms its readiness to cooperate with the other EU institutions to deliver these priorities through joint programming.

As explained in the introduction, the Commission has reviewed the key initiatives presented in the Annual Policy Strategy and has reduced them to those that are absolutely necessary and feasible in 2004.

The corresponding legislative proposals and non-legislative acts appear in List 1.

### 3.1. The accession of 10 new Member States

The Commission identifies three main objectives for 2004:

- To ensure the successful completion of the accession process for the ten new Member States joining the European Union on 1 May 2004. This includes fulfilling the legal obligations of the European Union and the new Member States vis-à-vis the *acquis communautaire* from the first day of accession. The top priorities are the implementation of legislation, the extension of the existing programmes, instruments and procedures to the new Member States, the further development of administrative capacity and the development of an economic convergence strategy;
- To pursue negotiations with the remaining candidate countries (Bulgaria and Romania), to assess and produce a recommendation as regards the possible opening of accession negotiations with Turkey and prepare the opinion on Croatia's application for EU membership;
- To shape future directions for the enlarged European Union and to consolidate institutional and regulatory reform.

#### Key Initiatives

- Finalise the 2004 accessions

1. Adapt existing programmes to the membership of the new Member States.

2. Apply and monitor the application of Community legislation in the new Member States, including:

- Enforcement of the *acquis*, especially in the areas of food safety, agriculture, environment, customs union, internal market, justice and home affairs, maritime safety;
- Implementation of the Schengen Facility and checking implementation of the relevant *acquis* on external border control by the new Member States;
- Ensuring that the levels of nuclear safety in the new Member States are as high as in the existing Member States.

- Ongoing accession negotiations and strategy for possible future accessions

3. Continue negotiations for the accession of Bulgaria and Romania.

4. Analyse Turkey's compliance with criteria for accession, as decided at the Copenhagen European Council.
5. Examine Croatia's application to join the European Union.
  - Adapting the framework of the enlarged European Union
6. Follow up the results of the Intergovernmental Conference on a Constitutional Treaty for the European Union.
7. Prepare the EU's financial perspective for the period after 2006, including:
  - Financial and legislative proposals for major spending programmes after 2006, a proposal on the Own Resources system and a draft inter-institutional agreement.
8. Update, codify and simplify the *acquis communautaire* in line with the Better Regulation initiative (see Annex 5).
9. Complete the reforms announced by the Commission in its White Paper of March 2000 and ensure that all necessary administrative preparations for accession are in place.

### 3.2. Stability

The Commission identifies two main objectives for 2004:

- To develop a stable and comprehensive political framework for cooperation with neighbouring countries in order to create an area of peace, stability and prosperity and to avoid new dividing lines in Europe subsequent to the enlargement of the Union.
- To develop internal EU policies that support stability and security, in particular consolidating progress towards creating an area of freedom, justice and security (completing the Tampere agenda) and to integrate those policies effectively in a coherent EU external action. Particular attention will be given to managing the common borders effectively, balancing tough action against illegal immigration with measures on the fair treatment and integration of legal immigrants, and further measures in the fight against crime and terrorism.

#### Key Initiatives

– European Neighbourhood Policy / Wider Europe

1. Creation of an enlarged area of peace, stability and prosperity encompassing the enlarged EU's eastern and southern neighbours, based on shared values, common interests and deeper integration. This will combine progress demonstrating shared values and effective implementation of political, economic and institutional reforms, with the prospect of closer economic and political links with the EU, including a stake in the internal market and improved cross-border and regional/transnational cooperation at the EU's external borders.
  - Prepare a series of action plans, starting with up to eight countries from Eastern Europe and the Mediterranean;
  - Develop a framework for neighbouring countries with the prospect of having a stake in the Single Market, in particular in the area of transport, energy and telecommunications networks, while paying the necessary attention to the environmental aspects of such activities;
  - Encourage greater EU political involvement in conflict and crisis prevention;

- More cultural cooperation and efforts to enhanced mutual understanding.

– Russia and the countries of Eastern Europe

2. Implement the decision of the May 2003 EU-Russia summit at St-Petersburg to develop four “common spaces” (economic, justice and home affairs, security, research/culture). Improve implementation of the Partnership and Cooperation Agreements with Russia and Ukraine, including in the area of Justice and Home Affairs on the basis of the action plan against organised crime with Russia and the JHA action plan with Ukraine.

– Balkans

3. Pursue the agenda agreed in Thessaloniki with the Balkan countries, prepare a partnership agreement, and feasibility studies on Bosnia-Herzegovina and Serbia-Montenegro in view of the Spring 2004 European Council.

– Develop EU policies to support stability and security

4. Evaluate the progress achieved in relation to the Tampere programme, working with the Council to secure maximum adoption of proposals needed to create a European area of freedom, security and justice by the deadline of 1 May 2004.

- Present final evaluation of the implementation of the Tampere agenda and its impact, and orientations for the next stage in the development of the area of freedom, security and justice.

- Establish an agency to manage control of the external borders.

- Establish the legal framework for the second generation Schengen information system (SiS II) and the visa information system.

5. Implement new co-operation programmes with third countries in the area of migration and develop a balanced approach to immigration that both ensures the maintenance of high levels of employment and productivity and encourages better integration and fair treatment of legally-resident migrants in European societies.

6. Develop a policy for security of communication networks and information.

7. Continue action against international terrorism and bio-terrorism, and enhance European security measures in support of the Petersberg’s tasks, including in the area of research.

### **3.3. Sustainable growth**

Sustainable growth is a broad priority, covering the actions designed to promote and develop the European Economic and Social model (prosperity, economic convergence, social cohesion, environmental protection and a better quality of life). The Commission’s aim is to highlight certain aspects of this priority that deserve a particular focus in 2004. Its objectives are:

- To reinforce the effective delivery of the strategic policy goals already set for the enlarged European Union;

- To highlight a certain number of concrete actions that will help to deliver sustainable growth and improve the quality of life for European citizens;

- To improve economic and budgetary policy coordination between Member States to secure the smooth functioning of EMU, and
- To continue combating poverty and promoting sustainable growth in the wider world.

### Key Initiatives

– Cross-cutting aspects of sustainable growth

1. Accelerate progress on achieving the goals set in the European Union's Lisbon strategy, with a particular emphasis on reviewing the strategy and the measures necessary to stimulate growth, competitiveness and employment, including investment in networks and knowledge, in a sustainable framework:

- Spring Report to the European Council assessing progress achieved and identifying problems requiring urgent implementation;

2. Prepare the next steps in the EU's sustainable development strategy, including:

- Review the internal and external policy dimensions of the EU's Sustainable Development Strategy, adopted at the Göteborg European Council in June 2001 and follow-up the Johannesburg World Summit on Sustainable Development;

- Implementation of the EU water and energy initiatives announced at Johannesburg.

– Sectoral contributions to sustainable growth

3. Investment in networks and knowledge:

- Develop European transport, energy and other infrastructure networks with a view to increasing the interconnectivity and sustainability of the enlarged European Union's economy;

- Develop the European Research Area and implement the action plan to increase investment in research and development in line with the 3% GDP objective and to attract adequate human resources in research;

- Support innovative sustainable and energy-saving technologies as well as efforts towards the long-term availability of appropriate energy sources and carriers;

- Advance preparations for the Galileo satellite, which will improve traffic management and reduce congestion and improve energy infrastructure monitoring;

- Review and adjust the eEurope 2005 initiative, in particular with a view to promote the development and use of a European secure broadband infrastructure, and improve international management of the internet.

4. Integration of sustainability considerations into European Union policies, including:

- Present a Communication on the use of economic instruments to protect the environment;

- Present environmental thematic strategies (soils, pesticides, waste prevention and recycling) within the framework of the 6<sup>th</sup> Environment Action Programme, pursue the Community strategy on climate change and put forward an action plan on environment and health 2004-2010.

- Implementation of the second half of the Social Policy agenda as revised in June 2003.



– External dimension of sustainable growth

5. Take part in WTO negotiations and start, or pursue ongoing, regional or bilateral trade negotiations with partners such as Mercosur, Canada, the Gulf Cooperation countries as well as the ACP countries in the context of the regional Economic Partnership Agreement negotiations.

6. Prepare the mid-term review of the Cotonou Agreement, reflect on its revision, and prepare the successor to the 9th European Development Fund. Monitor implementation of the debt initiative and the Global Health Fund and implement the Action Plan on communicable diseases and reproductive health.

#### 4. Extended impact assessment of selected proposals

The Commission's Communication of 5 June 2002 on Impact Assessment <sup>3</sup> introduced a *new integrated procedure for impact assessment* of all its major initiatives, i.e. those presented in the Annual Policy Strategy or the annual Legislative and Work Programme. The objective of the new procedure is to improve the quality and coherence of the policy development process and to increase transparency and communication with the European citizens on the expected impact of European wide initiatives and legislation. This new procedure integrates, streamlines and replaces all existing separate impact assessments previously used in the analysis of Commission proposals.

The selection of proposals for extended impact assessment forms part of the Commission Programming and planning cycle. On the basis of a preliminary impact assessment statement, the Commission decides in the Annual Policy Strategy or at the latest in its annual Legislative and Work Programme which proposals should undergo an extended impact assessment. In deciding, it takes the following criteria into account:

- Whether the proposal will result in substantial economic, environmental and/or social impacts on a specific sector or several sectors;
- Whether the proposal will have a significant impact on major interested parties;
- Whether the proposal represents a major policy reform in one or several sectors.

The proposals eligible for selection include both a) proposals representing early stages of strategic decisions on options such as Communications setting out a policy, strategy or special course of action and b) legislative proposals.

The extended impact assessment focuses on the economic, social and environmental as well as the regulatory impacts of a proposal. It also includes an analysis of subsidiarity and proportionality. Finally, an extended impact assessment process normally includes a consultation with interested parties and relevant experts according to the Commission's minimum standards for consultation.

2004 marks the first year of full implementation for the new impact assessment procedure. A number of proposals were identified in the initial APS list of proposals for extended impact assessment in 2004. Most of these have been confirmed and several have been added to produce the final list of proposals selected for extended impact assessment in this Work Programme. The proposals represent initiatives from a wide range of sectors within the three priorities for 2004.

In the interest of transparency, the preliminary impact assessments on major new proposals are made public when this Legislative and Work Programme is adopted <sup>4</sup>, while the extended impact assessments reports will be made available to other institutions and the public when the Commission adopts the corresponding proposals.

#### 5. Conclusions

2004 will be a crucial year for the European Union. The overarching task in 2004 will be to complete the successful integration of ten new Member States into the European Union and to define its future shape. At the same time, the European Union will need to press forward with its policy agenda, ensuring that its 453 million citizens can enjoy good prospects for stability and sustainable growth.

The Commission intends to play its full part in meeting these challenges and will use the year ahead to complete the programme of strategic objectives announced at the start of its mandate.

## **Annex 1 – Commission Legislative and Work Programme for 2004**

### **List of legislative proposals and non-legislative acts**

#### **List 1: Legislative proposals and non-legislative acts corresponding to the political priorities for 2004**

#### **List 2: Other legislative proposals and non-legislative acts likely to be brought forward in 2004**

#### Explanatory Notes

(1) List 1 contains specific proposals or non-legislative acts corresponding to the priorities as well as proposals carried over from 2003 which the Commission engages itself to pursue in 2004.

(2) List 2 contains an indicative forecast of other proposals and acts that the Commission could envisage being adopted in 2004.

(3) The lists only exist in the original language version (part English, part French).

(4) The Commission updates its planning each month and transmits a “3-month rolling programme” to the other EU institutions to help them organise their work <sup>5</sup>.

(5) The first list is arranged by political priority and then by policy area (e.g. “Agriculture” or “Internal Market”), while the second list is arranged by policy area. The lists provide the following information:

– Reference number: e.g. 2004/ADMIN/001.

– Commission department(s) responsible

– estimated date of adoption

– whether legislative proposal or non-legislative act

– provisional indication of the likely legal base and the corresponding inter-institutional procedure (e.g. co-decision)

– whether mandatory or optional consultation of the Committee of the Regions (CoR) and/or the European Economic and Social Committee (CESE) is foreseen

– brief description, political motivation, and an indication of whether the proposal will undergo an extended impact assessment

– “Political motivation sort code”, enabling proposals to be re-ordered according to the political priorities: accession, stability, sustainable growth.

## Annex 2 – Proposals that will undergo an extended impact assessment before their adoption

N.B. Given the specific circumstances of 2004 (see introduction) there are a number of important proposals on which the Commission cannot guarantee the timing of the delivery, but for which it will undertake an impact assessment. They are listed in the table with an asterisk.

In the Work Programme list, these proposals are flagged with the abbreviation "EXT" in the impact assessment column.

### ISG = Inter-departmental Steering Group

Before submitting any proposal in the social field, the Commission is bound to consult the social partners on its possible type and content (according to Article 138 of the Treaty). This consultation is an integral part of the impact assessment process.

### [Propositions qui feront l'objet d'une analyse d'impact approfondie avant leur adoption](#)

## Annex 3 – Provisional assessment of progress towards the Prodi Commission's strategic objectives

### Introduction

1. The Prodi Commission established four strategic objectives at the start of its mandate <sup>6</sup>: promoting new forms of European governance, a stable Europe with a stronger voice in the world, a new economic and social agenda and a better quality of life. An assessment of progress against these strategic objectives shows that the Prodi Commission is building a significant legacy for its successors. The Prodi Commission will leave behind a European Union of twenty-five Member States, with a reformed Treaty, a reformed Commission and reformed policies.

### I. Promoting New Forms of European Governance

#### Revised Treaty

2. The Commission made its contribution to the Inter-Governmental Conference, which concluded in the Treaty of Nice. The Commission has supported the implementation of this Treaty. The Treaty of Nice made the adjustments necessary for the accession of the ten new Member States, and this was an important step.

3. Nevertheless, the Commission, along with other parties, considered that the Treaty of Nice could be improved. The Commission supported the establishment of the Convention to consider the institutional structure of a European Union of 25 Member States. The Commission delegation, led by Commissioners Barnier and Vitorino, have been active participants in the Convention. The Commission considers that the Convention is a significant improvement on previous negotiations on the Treaty, but also believes that the draft text can be improved in the Inter-Governmental Conference.

#### Internal Commission Reforms

4. The Prodi Commission came into office with a commitment to achieve a broad programme of internal reform. The three main pillars covered are personnel reform, strategic planning and programming and financial management. Key achievements include:

- Agreeing with the Council revised staff regulations, allowing new pay and pensions structures to be put in place. A new system of performance appraisal and promotion has been introduced.

- Introducing a new strategic planning and programming cycle, which has assisted in the Commission's preparations for enlargement. Accountability has been improved through a new system of Annual Activity Reports for each Commission service.
- Agreeing a new Financial Regulation for the management of Community funds.
- Introducing new procedures on public access to Commission documents and a code of conduct for Commission officials.

5. The scale of the reform programme means that not all of its benefits will be felt immediately and will increase in the years to come. New procedures take time to be fully established, and some, such as the accounting procedures, are not yet fully in place. Difficulties do remain in the Commission's administration, shown by the recent allegations concerning Eurostat. The Commission remains determined to address these difficulties.

#### Better Governance

6. The Commission has carried out a number of initiatives to improve European governance. The Governance White Paper of July 2001 contained a number of proposals. This led directly to the Better Regulation package of June 2002. Measures included a new Impact Assessment procedure for developing major proposals, and minimum standards for consultation. In addition, the Commission is carrying forward a major programme to simplify European Union legislation. The full benefits of these initiatives will be evident shortly.

#### II. Stabilising the continent and boosting Europe's voice in the world

##### Enlargement

7. The Prodi Commission has supported the successful conclusion of the enlargement process. At the Copenhagen European Council of December 2002, Member States agreed to the Commission's recommendation that Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia and Slovenia should join the European Union. All nine subsequent referenda have shown strong popular support in those countries for entry into the European Union.

8. The Commission has supported the preparations of accession states to enter the European Union. The Commission has also carried out internal preparations to ensure that programmes and policies will accommodate the new Member States. The accession day of 1 May 2004 marks a decisive step in the history of the European continent. The Commission has also supported the preparations of Bulgaria and Romania for entry into the European Union with target dates of 2007. The Commission is supporting Turkey's efforts made in order to fulfil the Copenhagen political criteria for opening accession negotiations with the Union and is preparing its Opinion on Croatia's application to join the Union.

##### Stability

9. The Commission has played an important part in the development of stability beyond the borders of an enlarged European Union. The "Wider Europe" agenda is likely to continue in the years to come. A clear success at this stage has been the programme of stabilisation in the Balkans. Significant progress has been made in those countries. A European Union's peacekeeping force is deployed in the Former Yugoslav Republic of Macedonia at the explicit request of their government.

10. The Commission has also developed its links with Russia and the other countries of Eastern Europe, the

Caucasus and Central Asia.

Wider Europe – Neighbourhood

11. In a Communication on Wider Europe – Neighbourhood of March 2003, the Commission put forward an ambitious vision: the creation of an enlarged area of peace, stability and prosperity encompassing the neighbours to the East and the South that currently do not have a perspective of EU membership, based on shared values, common interests, and deep integration. This combines progress demonstrating shared values and effective implementation of political, economic and institutional reforms, with the prospect of closer economic and political links with the EU, including a stake in the internal market and improved cross-border and regional/transnational co-operation at the Union's external borders.

12. In addition, the Commission has taken forward the Barcelona process towards a Euro-Med free trade area. Progress has been hampered by the crisis in Israel and Palestine. The Commission has supported all efforts to broker peace, notably the road-map initiative. The European Union has entered an Association Agreement with Egypt, and concluded negotiations for Association Agreements with Algeria and Lebanon.

Action in the world

13. The Prodi Commission has played a leading part in efforts to establish new multi-lateral global governance. The Commission played a leading role in the drive for ratification of the Kyoto Protocol on climate change, for a successful conclusion of the World Summit on Sustainable Development in 2002 and in the launch of new multilateral trade negotiations in Doha. The Commission remains convinced that multi-lateral dialogue is the best way forward as countries deal with the effects of globalisation. The Commission also remains committed to the United Nations' Millennium Development goals. In this context, it completed the negotiations of the Cotonou Agreement and prepared a new Community development policy. The institution has improved the focus and delivery of development programmes to maximise its contribution.

III. A New Economic and Social Agenda

Lisbon and Sustainable Development

14. On the basis of the Commission's contribution, the European Council agreed in March 2000 in Lisbon, on an objective that the European Union should become by 2010 "the most competitive and dynamic knowledge based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion". As proposed by the Commission, the Göteborg European Council of June 2001 integrated the environmental dimension into the Lisbon Strategy and established a sustainable development strategy. The Commission has taken forward the Lisbon economic reform agenda with determination. Achievements include the liberalisation of energy markets and telecommunications services, the creation of the European Research Area and proposals to liberate rail and air transport. A key factor in the European Union's ultimate success in achieving the Lisbon objective will be the level of engagement of Member States.

15. The Nice Social Agenda complements and forms part of the Lisbon Strategy. It was revised in June 2003 to take into account the evolution of the labour market and of society. The Commission has introduced the open method of coordination in the fields of social inclusion and pensions, has renewed the European Employment Strategy and has coordinated the European Year of People with Disabilities. In the field of industrial relations, it has supported social dialogue and when necessary has initiated specific legal proposals, for example on health and safety at work and on temporary work.

Single Market and the Introduction of the Euro

16. The euro notes and coins were successfully introduced in 12 Member States. Based on the undertaking to conduct sound macroeconomic policies, the euro contributes to growth, competitiveness and employment. However, the introduction of the euro also highlights further changes that are still needed for Europe to gain the full benefits of the single market. Given the success of the physical introduction of the euro, economic and monetary union undoubtedly qualifies as one of the significant landmarks of European integration, ranking alongside such earlier achievements as the customs union of 1968 and the single market of 1992.

#### Agriculture and Fisheries

17. The Commission's reform agenda has continued into the Common Agricultural Policy and Common Fisheries Policy. On 26 June 2003, EU farm ministers adopted a fundamental reform of the Common Agricultural Policy (CAP). The new CAP will be geared towards sustainable agriculture, while giving EU farmers the freedom to produce what the market wants. In future, the vast majority of subsidies will be paid independently from the volume of production.

18. In December 2002, EU Fisheries Ministers agreed on a reform of the Common Fisheries Policy with a view to conserve fish stocks better, protect the marine environment, ensure the economic viability of the fishery and aquaculture sectors and provide good quality food to consumers.

#### IV. Better Quality of Life

##### Justice and Home Affairs

19. The Commission has taken forward measures to create a European area of freedom, security and justice, as mandated by the European Council in Tampere in October 1999. The Commission's growing expertise in this area enabled it to respond promptly to the events of 11 September 2001. The Council has agreed on a number of proposals, including a common European arrest warrant and on combating illegal immigration. Nevertheless, further progress is needed to respond to the demands of citizens and the European Council's political goals.

##### Public Health, Environment, Transport and Energy

20. The European Commission is working with Member States to ensure that the European Union achieves its goals for reduction in carbon emissions agreed at the Kyoto environmental conference. Climate change is one of the principal themes of the European Union's Sixth Environment Action Programme, to be completed by 2012, alongside protecting nature and biodiversity, contributing to the quality of life and social well-being for citizens, better resource efficiency and resource and waste management. The Commission is managing a new Public Health Action Programme from 2003 to 2008. The Commission has established a Food Safety Authority, a Maritime Safety Agency and is proposing a European Centre for Disease Prevention and Control.

21. The Commission has also devised a ten year Transport Programme, which will run to 2010, with the goal of refocusing Europe's transport policy on the demands and needs of its citizens. The Commission has also developed a long-term strategy to ensure the security of energy supply in Europe. The Commission has contributed actively to stimulating implementation of the trans-European transport network, opening rail networks to competition and improving transport safety (notably maritime safety). It has also actively promoted the access to quality services of general interest.

22. Finally, the Commission has introduced a "Solidarity Fund" to enable the European Union to assist Member States and accession states following a natural disaster. The Solidarity Fund has already been used following the floods in Central Europe of summer 2002 and the forest fires in Southern Europe in summer

2003.

#### Annex 4 – Commission proposals awaiting action by the legislative authority in 2004

##### General Affairs and External Relations

- Proposal for a Regulation on decentralised co-operation (2003/0156/COD)
- Proposal for a Regulation on promoting gender equality in development co-operation (2003/0176/COD)

##### Taxation / Customs Union

- Proposal for a Regulation on the prevention of money laundering by means of customs co-operation (2002/0132/COD)
- Proposal for a Directive amending Directive 77/388/EEC as regards value added tax on services provided in the postal sector (2003/0091/CNS)
- Proposal for a Directive amending Directive 92/81/EEC and Directive 92/82/EEC to introduce special tax arrangements for diesel fuel used for commercial purposes and to align the excise duties on petrol and diesel fuel (2002/0191/CNS and COM(2002) 410)

##### Justice and Home Affairs

###### Common asylum policy:

- Proposal for a Directive on minimum standards on procedures in Member States for granting and withdrawing refugee status (2000/0238/CNS)

###### Common immigration policy and fight against illegal immigration:

- Proposal for a Directive on the conditions of entry and residence of third country nationals for the purposes of studies, vocational training or voluntary service (2002/0242/CNS)
- Proposal for a Directive on the short-term residence permit issued to victims of action to facilitate illegal immigration or trafficking in human beings who cooperate with the competent authorities (2002/0043/CNS)
- Proposal for a Directive on the conditions of entry and residence of third-country nationals for the purpose of paid employment and self-employed economic activities (2001/0154/CNS)

###### Internal and external borders, common visa policy:

- Proposal for a Directive relating to the conditions in which third-country nationals shall have the freedom to travel in the territory of the Member States for periods not exceeding three months, introducing a specific travel authorisation and determining the conditions of entry and movement for periods not exceeding six months (2001/0155/CNS)
- Proposal for a Regulation amending Regulation (EC) 1683/95 laying down a uniform format for visas; and Proposal for a Regulation amending Regulation (EC) 1030/2002 laying down a uniform format for residence permits for third-country nationals (2003/0217 /CNS and 2003/0218/CNS)

###### A genuine area of justice in civil law matters:

- Proposal for a Regulation creating a European enforcement order for uncontested claims (2002/0090/CNS)
- Proposal for a Directive on compensation to crime victims (COM(2002) 562)

###### Fight against crime and terrorism and a genuine area of justice in criminal matters:

- Proposal for a Council Framework Decision on combating racism and xenophobia (2001/0270/CNS)
- Proposal for a Council Framework Decision laying down minimum provisions on the constituent elements of criminal acts and penalties in the field of illicit drug trafficking (2001/0114/CNS)
- Proposal for a Directive on the Protection of the Environment through Criminal Law (2001/0076/COD)
- Proposal for a Directive on ship-source pollution and on the introduction of sanctions, including criminal sanctions, for pollution offences (2003/0037/COD)
- Proposal for a Framework Decision to strengthen the criminal law framework for the enforcement of the law against ship source pollution (2003/0088/CNS)
- Proposal for a Directive on the criminal-law protection of the Community's financial interests (2001/0115/COD)
- Proposal for a Council Framework Decision on combating the sexual exploitation of children and child pornography (2001/0025/CNS)
- Proposal for a Decision establishing a Community action programme to promote activities in the field of the protection of the Community's financial interests (2003/0152/COD)
- Proposal for a Decision on counterfeit euro coins: analysis, cooperation and information exchange (2003/0158/CNS)

#### Employment, Social Policy, Health and Consumer Affairs

- Proposal for a Directive on working conditions for temporary workers (2002/0072/COD)
- Proposal for a Regulation amending Regulation (EEC) n° 1612/68 on freedom of movement for workers within the Community (1998/0229/COD) and proposal for a directive amending directive n° 68/360/EEC on the abolition of restrictions on movement and residence within the Community for workers of Member States and their families (1998/0230/COD)
- Proposal for a Regulation on consumer protection cooperation (2003/0162/COD)
- Proposal for a Regulation establishing a European centre for disease prevention and control (2003/0174/COD)
- Social security: coordination of systems in view of the free movement of persons (1998/0360/COD)
- Proposal for a Regulation amending Council Regulation (EEC) N° 1408/71 on the application of social security schemes to employed persons and their families moving within the Community (2003/0138/COD)
- Proposal for a Council Regulation on the European Monitoring Centre on Racism and Xenophobia (2003/0185/CNS)

#### Competitiveness (Internal Market, Industry and Research)

##### Internal Market:

- Proposal for a Directive on the recognition of professional qualifications (2002/0061/COD)
- Proposal for a Regulation on sales promotion in the internal market ( 2001/0227/COD)
- Proposal for a Regulation on the Community Patent (2000/0177/CNS)
- Proposal for a Directive on the patentability of computer-implemented inventions (2002/0047/COD)
- Proposal for a Regulation amending the regulation on the Community Trademark (2002/0308/CNS)
- Proposal for a Directive on the enforcement of intellectual property rights (2003/0024/COD)
- Proposal for a Directive amending Directives 72/166/EEC 84/5/EEC, 88/357/EEC, 90/232/EEC and Directive 2000/26/EC on insurance against civil liability in respect of the use of motor vehicles (2002/0124/COD)
- Proposal for a Directive on take-over bids ( 2002/0240/COD)
- Proposal for a Directive on the harmonisation of transparency requirements with regard to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (2003/0045/COD)

##### Consumer policy:



- Proposal for a Directive on the harmonisation of the laws, regulations and administrative provisions of the Member States concerning credit for consumers (2002/0222/COD)
- Proposal for a Directive concerning unfair commercial practices (2003/0134/COD)

#### Enterprise:

- Proposal for a Decision on Interoperable Delivery of pan-European eGovernment Services to Public Administrations, Businesses and Citizens (IDABC) (2003/0147/COD)
- Proposal for a Directive on the approval of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles (Recast version) (2003/0153/COD)

#### Competition:

- Proposal for a Regulation on the control of concentrations between undertakings (2002/0296/CNS) – if not adopted in 2003

#### Transport, Telecommunications and Energy

- Proposal for a Council Regulation amending Regulation (EURATOM) No 2587/1999 defining the investment projects to be communicated to the Commission in accordance with Article 41 of the Treaty establishing the European Atomic Energy Community (COM(2003) 370)
- Proposal for Directives concerning the alignment of measures with regard to security of supply for energy products (2002/0219/COD, 2002/0220/COD) and 2002/0221/CNS)
- Proposal for a Directive establishing a framework for the setting of Eco-design requirements for Energy Using Products and amending Council Directive 92/42/EC (2003/0172/COD)
- Proposal for a Regulation on the harmonisation of certain social legislation relating to road transport (2001/0241/COD)
- Proposal for a Directive on a transparent system of harmonised rules for driving restrictions on heavy goods vehicles involved in international transport on designated roads (weekend bans) (1998/0096/COD)
- Proposal for a Directive amending Directive 1999/62/EC on the charging of heavy goods vehicles for the use of certain infrastructures (“Eurovignette”) (2003/0175/COD)
- Proposal for a Directive on the widespread introduction and interoperability of electronic road toll systems in the community (2003/0081/COD)
- Amended Proposal for a Regulation on action by Member States concerning public requirements and the award of public service contracts in passenger transport by rail, road and inland waterway (2000/0212/COD)
- Proposal for a Regulation on the negotiation and implementation of air service agreements between Member States and third countries (2003/0044/COD)
- Proposal for a Directive on safety requirements for cabin crew (COM(1997) 382)
- Proposal for a Regulation amending Regulation 3922/91 to establish common requirements for the commercial operation of aeroplanes (2000/0069/COD)
- Proposal for a Regulation amending Regulation (EC) No 1406/2002 establishing a European Maritime Safety Agency (2003/0159/COD)
- Proposal for a Directive on ship-source pollution and on the introduction of sanctions, including criminal sanctions, for pollution offences (2003/0037/COD)
- Proposal for a Regulation on enhancing ship and port facility security (2003/0089/COD)
- Nuclear safety in the European Union – Proposals for Directives (COM(2002) 605)
- Amended proposal for a Regulation amending the amended proposal for a Regulation amending Council Regulation (EC) No 2236/95 laying down general rules for the granting of Community financial aid in the field of trans-European networks (COM(2003) 561, 2001/0226/COD)
- Proposal for a Decision replacing Decision 1692/96/EC on the Community guidelines for the development of the transeuropean network in the field of transport – TEN-Guidelines (COM(2003) 564)

## Agriculture and Fisheries

- Proposal for a regulation of the European Parliament and of the Council on official feed and food controls (2003/0030/COD)
- Proposal for a Regulation on maximum residue levels of pesticides in products of plant and animal origin (2003/0052/COD)
- Proposal for a Regulation laying down requirements for feed hygiene (2003/0071/COD)
- Proposal for a Regulation on the protection of animals during transport and related operations, amending Directives 64/432/EEC and 93/119/EC (2003/0171/CNS)
- Series of proposals linked to the implementation or follow-up of the reform of the Common Fisheries Policy, such as the proposal for a Council Regulation establishing measures for the recovery of cod stocks (COM(2003) 237) and the proposal for a Council Regulation establishing measures for the recovery of the Northern hake stock (COM(2003) 374 – if not adopted in 2003)

## Education, Youth and Culture

- Proposal for a Decision modifying Council Decision 2000/821/EC of 20 December 2000 on the implementation of a programme to encourage the development, distribution and promotion of European audiovisual works (MEDIA Plus – Development, Distribution and Promotion) (2003/0067/COD)
- Proposal for a Decision modifying Decision No 163/2001/EC of the European Parliament and of the Council of 19 January 2001 on the implementation of a training programme for professionals in the European audiovisual programme industry (MEDIA-Training) (2001-2005) (2003/0064/COD)
- Proposal for a Decision modifying Decision No 508/2000/EE of 14/2/2000 establishing the “Culture 2000” Programme (2003/0076/COD)
- Proposal for a Decision establishing a Community Action Programme to promote bodies active at European level in the field of youth (2003/0113/COD)
- Proposal for a Decision establishing a Community action programme to promote bodies active at European level and support specific activities in the field of education and training (2003/0114/COD)
- Proposal for a Decision establishing a Community action programme to promote bodies active at European level in the field of culture (2003/0115/COD)
- Proposal for a Decision establishing a Community action programme to promote active European citizenship (civic participation) (2003/0116/CNS)
- Draft Council Decision laying down the Rules of the Advisory Committee on Vocational Training (ACVT) (COM(2003) 394)

## Environment

- Proposal for a Directive on environmental liability with regard to the prevention and remedying of environmental damage (2002/0021/COD)
- Proposal for a Directive concerning the quality of bathing water (2002/0254/COD)
- Proposal for a Directive amending Directive 1999/32/EC as regards the sulphur content of marine fuels (2002/0259/COD)
- Proposal for a Directive on the limitation of emissions of volatile organic compounds due to the use of organic solvents in decorative paints and varnishes and vehicle refinishing products and amending Directive 1999/13/EC (2002/0301/COD)
- Proposal for a Directive on the management of waste from the extractive industries (2003/0107/COD)
- Proposal for a Regulation on persistent organic pollutants and amending Directives 79/117/EEC and 96/59/EC (2003/0119/COD)
- Proposal for a Regulation on Shipments of Waste (2003/0139/COD)
- Proposal for a Regulation amending Regulation (EC) No 1655/2000 concerning the Financial Instrument for the Environment (LIFE) (2003/0148/COD)
- Proposal for a Directive relating to arsenic, cadmium, mercury, nickel and polycyclic aromatic hydrocarbons in ambient air (2003/0164/COD)
- Proposal for a Directive amending the Directive establishing a scheme for greenhouse gas emission

allowance trading within the Community, in respect of the Kyoto Protocol's project mechanisms (2003/0173/COD)

- Proposal for a Regulation on certain fluorinated greenhouse gases (2003/0189/COD)
- Proposal for a Directive on the protection of groundwater against pollution (2003/0210/COD)
- The REACH proposal (2002/ENV+/015), adopted by the Commission on 29 October 2003
- Proposal for a Directive on environmental access to justice (2003/0246/COD) and for a Regulation on the application of Aarhus principles to the Community (2003/0242/COD)

## Annex 5 – Simplification and codification of Community legislation

### Simplification priorities 2004

The Commission launched in February 2003 a framework for action to up-date and simplify Community legislation <sup>7</sup>. A key action of this initiative aims at legislative simplification <sup>8</sup> through a reinforced political attention and a new methodology based on the following steps:

- the development of prioritisation indicators to guide the Commission in selecting sectors where simplification appears particularly relevant;
- the Commission selects policy sectors and carries out a screening for simplification potential. This screening may result in identification of specific legislative acts as candidates for simplification;
- legal acts identified as candidates for possible simplification are examined in detail and concrete simplification proposals are developed, using best practice methodology and procedures, and adopted as Commission proposals.

The main novelty of this methodology is the establishment of priority indicators and, on this basis, a more systematic and wide-spread screening of Community policy sectors by Commission services to identify simplification potential. The Framework for Action is being implemented in three phases. At the end of each phase (October 2003, April 2004 and end-2004), the Commission reports on the achievements during the previous phase and sets out planned work for the coming phase.

The Commission presented in October 2003 the first report on the implementation of the Framework for Action, covering Phase I (February – September 2003) <sup>9</sup>. This report demonstrates that very considerable efforts are currently being made by Commission services towards legislative simplification across a broad range of policy areas. Completion of this work, in the form of final Commission proposals, will take place over the coming years. The Commission's programming of simplification work follows the 3-phased implementation of the February 2003 initiative, in particular the screening of policy sectors. Individual legislation with confirmed simplification potential is programmed in the context of the ordinary programming cycle.

### [Priorités en matière de simplification pour 2004](#)

#### Codification of EU legislation

The Commission is working towards its objective of completing its codification programme by the end of 2005. Around 60 codification proposals are planned for 2004. The Commission invites the European Parliament and the Council to give urgent consideration to the Commission's proposals under the codification programme in order to adopt all proposals no later than the end of 2006.

<sup>1</sup> COM(2003) 83 of 5 March 2003

<sup>2</sup> SP(2003)3092/3 of 17 September 2003

<sup>3</sup> COM(2002) 276 of 5 June 2002

<sup>4</sup> This Legislative and Work Programme and the preliminary impact assessments can be found on the

following Commission website address: [http://europa.eu.int/comm/off/work\\_programme/index\\_en.htm](http://europa.eu.int/comm/off/work_programme/index_en.htm)

<sup>5</sup> In the interests of transparency, this is also made available to the public on the Commission's Internet homepage [http://europa.eu.int/comm/index\\_en.htm](http://europa.eu.int/comm/index_en.htm) ("The Commission at your service", "Work Programme", "3-month rolling programme").

<sup>6</sup> The Commission's strategic objectives for 2000-2005, "Shaping the New Europe"; COM(2000) 154 of 9 February 2000

<sup>7</sup> COM(2003) 71.

<sup>8</sup> In the February Communication, the Commission defined simplification broadly. Simplification can, on the one hand, mean modification of legislation without affecting the substance of the underlying policy. This can be relevant when, for example, more efficient or proportional legislative instruments and techniques are available than those currently used. On the other hand, simplification can also mean simplifying the substance of a policy by adapting or entirely redesigning the legislative approach.

<sup>9</sup> COM(2003) 592 and the accompanying Commission Staff Working Paper SEC(2003) 1085