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## **POLGEN 62**

# **NOTE**

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Taking forward the Strategic Agenda
	18-month Programme of the Council (1 July 2023 - 31 December 2024)

Delegations will find attached the 18-month programme of the Council, prepared by the future Spanish, Belgian and Hungarian Presidencies and the High Representative, Chair of the Foreign Affairs Council.

### The programme

### I. <u>INTRODUCTION</u>

The trio of Presidencies - Spain, Belgium and Hungary - will work together to find common solutions to the challenges and tasks ahead. The Russian war of aggression against Ukraine combined with increasing global uncertainty require the European Union to enhance its resilience and strategic autonomy.

### This means:

- reinforcing the EU's global competitiveness by strengthening our industrial base in line with the accelerated twin green and digital transitions and making use of innovation;
- ensuring the twin transitions are fair, just and inclusive by enhancing the social dimension of
   Europe, including by addressing the demographic challenge the EU is facing;
- strengthening international partnerships, multilateral cooperation, and security in all its
  dimensions, as well as building up an ambitious and balanced trade policy, whilst at the same
  time defending EU interests more assertively, based on our values, and strengthening the
  EU's capability to act in the field of security and defence.

The trio commits to steering the work of the Council at the end of the current institutional cycle to ensure a smooth transition to the next one. The trio will also contribute to reflections on how to integrate new members in a manner that strengthens key European policies.

Building on the experience gained through the Conference on the Future of Europe, the trio is maintaining efforts to enhance dialogue with citizens, together with the other EU institutions within their competences.

# II. <u>DEVELOPING OUR ECONOMIC BASE: THE EUROPEAN MODEL FOR THE</u> <u>FUTURE</u>

The trio will work on deepening the EU's single market in a way that upholds a level playing field for all Members States, and on further removing barriers with a view to providing adequate framework conditions for a future-proof EU economy and enhancing the EU's long-term competitiveness and sustainable and inclusive growth. The trio will promote open strategic autonomy, economic resilience, circularity and competitiveness for the EU in its industrial policy, with a particular focus on the green and digital transitions. Due attention should be given to the role of SMEs in the EU single market and to reducing the administrative burden for companies.

The trio will aim to finalise the review of the EU fiscal rules with a view to ensuring fiscal sustainability in the EU and promoting macroeconomic stability and growth, while safeguarding Member States' ability to finance sustainable and productive investments and adopt structural reforms. It will also look into further developing the social dimension in the context of the European Semester.

The trio will work on the mid-term review of the Multiannual Financial Framework 2021-2027 whilst ensuring progress on the legislative proposals concerning a new set of own resources, in accordance with the Interinstitutional Agreement of December 2020.

The trio will contribute to the completion of the Banking Union and progress towards a true Capital Markets Union.

Emphasis will be placed on further actions to modernise and simplify the common VAT system by embracing digitalisation, and on work aimed at closing the VAT gap, for the benefit of both the national and EU budgets.

The trio will take forward the transposition into EU law of the OECD framework on the reform of international taxation.

The trio will contribute to the revision of the Union Customs Code to make it future-proof, with a view to achieving more harmonised performance, strengthening cooperation with market-surveillance and law-enforcement authorities and taking advantage of new technologies to increase efficiency and competitiveness, while protecting the internal market.

The trio will contribute to a reflection process on the future of the cohesion policy post-2027, in line with the objectives set out in the Treaties, as a driver of convergence, investment and transformation. The aim should be to reduce disparities, with a particular focus on least developed regions, rural areas, urban areas linked to the latter, as well as areas affected by industrial transition, regions that suffer from severe and permanent natural or demographic challenges, and outermost regions.

The trio will work to strengthen the rights and protection of consumers, encouraging changes in consumption habits towards patterns that are more sustainable for the planet. The trio will undertake a reflection process on the future of a sectoral EU framework for e-commerce that complements the recent Digital Services Act.

The trio will prioritise EU research and innovation cooperation with a view to addressing key challenges for the EU with the help of research and innovation.

The trio will focus on space regulation, in particular space traffic management. It will also develop space infrastructure with a special focus on cybersecurity and secure connectivity.

The trio will take work forward on the digital transformation while making sure to leave no one behind (digital inclusiveness) and ensuring the trustworthiness of and a human rights-based approach to artificial intelligence and new technologies. The trio will take work forward on a digital euro and access to financial data, and make progress on delivering on the 2030 Digital Decade targets, including fostering gigabit connectivity and the implementation of 5G and 6G.

The trio will make provision for strengthening lifelong learning opportunities, making education and training – including digital education and training – inclusive and accessible to all. Particular attention will be paid to re-skilling and up-skilling opportunities for European citizens to prepare them to cope with future transformations in society, the economy and the labour market. The trio will continue to further develop digital education and training.

### III. PROTECTING CITIZENS AND FREEDOMS

Recalling the 30th anniversary of the entry into force of the Maastricht Treaty and the creation of EU citizenship, the trio will aim to strengthen the area of freedom, security and justice in its internal and external dimensions in accordance with EU values and respecting EU fundamental rights.

The common values underpinning our democratic and societal models are the foundation of European freedom, security and prosperity. The rule of law, with its crucial role in all our democracies, is a key guarantor that these values are well protected; it must be fully respected by all Member States and the EU.

Recalling that migration is a European challenge that requires a European response, the trio reaffirms its commitment to continue work on the reform of the common European Asylum System and the Pact on Migration and Asylum, and to make every effort to ensure their adoption. It will also support efforts to achieve the right balance between responsibility and solidarity and to step up actions on the external dimension of migration, including by fostering comprehensive and mutually beneficial migration partnerships with key countries of origin and transit.

The trio will contribute to enhancing the proper functioning and resilience of the Schengen area and will focus on strengthening the external borders.

The trio will make efforts to enhance the effective fight against serious cross-border organised crime, terrorism and violent extremism, including combating smuggling of human beings, arms smuggling, trafficking in human beings, funding for extremist purposes and prevention of terrorism, and providing aid to victims of terrorism.

The trio considers that a special focus should be placed on combating child sexual abuse, violence against women and gender-based violence, as well as hate speech and hate crimes, racism, antisemitism, xenophobia and other forms of intolerance.

The trio will prioritise judicial cooperation in civil and commercial matters and in criminal matters. Digitalisation of justice will be a horizontal priority, with a view to facilitating access to justice and improving the overall efficiency and resilience of justice systems.

The trio will continue the work on further streamlining the EU's crisis management structures.

The trio will implement the EU cybersecurity strategy and strive for greater strategic autonomy in digital technologies.

### IV. BUILDING A CLIMATE-NEUTRAL, GREEN, FAIR AND SOCIAL EUROPE

The trio will strive for the prompt, fair and socially just implementation of the Fit for 55 package and will continue working on the outstanding legislative files. In the context of international negotiations, the trio will continue efforts to push for an ambitious outcome to the UNFCCC COPs and to provide parties with incentives to strengthen their climate ambition. The trio will aim to support sustainable consumption and production and accelerate the transition towards an effective, inclusive, circular and green economy by implementing the action plan and supporting the initiatives in this area. The trio will support measures to protect biodiversity within the EU (to restore nature and protect it, and to eliminate the pollution of air, water and soil by reviewing existing measures) and internationally (including through supporting the work of the biodiversity-related international agreements). The trio will pursue efforts towards safe and sustainable chemicals for citizens and the environment.

The trio will work on further improving sustainable forest management and will closely monitor the implementation of the new EU forest strategy for 2030.

The trio will pay special attention to waste management.

The trio will support the work on a legislative framework for sustainable food systems and on the various labelling initiatives for achieving an autonomous European food policy. In this respect, the trio will pay special attention to the sustainability of agriculture, fisheries and aquaculture, innovation and digitalisation in those sectors, and animal welfare, while safeguarding European food safety and food security and strengthening the resilience of the European food system.

The trio will closely monitor the implementation of the reformed Common Agricultural Policy (CAP) and the design of the new post-2027 CAP. On fisheries, the trio will pay special attention to the external dimension of the Common Fisheries Policy (CFP).

The trio will pursue efforts towards a clean energy transition, with a particular focus on the facilitation and development of cross-border energy infrastructures, in order to tackle bottlenecks. The trio will strive to ensure secure, sustainable and affordable energy supply to citizens and businesses and will work on the review of the EU electricity market design.

Greening transport and encouraging the development of sustainable means of transport will be a priority for the trio. The trio will take forward work on legislative initiatives, with a particular focus on promoting smarter mobility, improving passenger rights and ensuring security.

The trio will continue efforts towards an effective implementation of the European Pillar of Social Rights action plan and of the Commission's action plan for the social economy. Special attention will be paid to exploring ways to address the demographic challenge the EU is facing. The trio will focus on strengthening fair labour mobility in the Union, access to social protection and to the protection of workers, and on ensuring health and safety, inclusiveness and non-discrimination at work. The trio will pay particular attention to stress and burn-out at work, in line with the new Commission initiative on mental health. The trio will support inclusion, in particular by facilitating the integration of those categories that are most vulnerable or at risk of exclusion. The trio will also take forward discussions on the initiative from the Commission on the European Disability Card.

The trio will work to further strengthen the EU Health Union and the resilience of health systems that are accessible to all, build preparedness for future health emergencies and promote health and healthy lifestyles. The trio will continue the work on antimicrobial resistance and on the accessibility of medicines that meet our public health needs. It will also strive to improve the prevention of health risks through a 'one health' approach. The trio will work on supporting European health strategies *inter alia* on mental health, cardiovascular disease and rare diseases, as well as the global health initiative.

The trio will demonstrate its commitment to boosting the European cultural and creative sectors by promoting cultural diversity, stimulating its digital and green transformation and improving access to culture. The trio undertakes to implement the European work plan for culture. The trio will place the aspirations of young people at the centre of European policies, with a special focus on those with fewer opportunities. The trio will assess the current European work plan for sport and adopt its successor, focusing efforts on promoting sport, including non-organised sport.

In line with the European Tourism Agenda 2030, the trio will focus on the resilience, sustainability, circularity and data-driven governance of the tourism ecosystem.

# V. PROMOTING EUROPE'S INTERESTS AND VALUES IN THE WORLD

The trio recalls that the European Union has reaffirmed its unwavering and continued political, economic, financial, military and humanitarian support for Ukraine in exercising its inherent right of self-defence against Russia's illegal aggression, for as long as it takes, taking into account the security and defence interests of all Member States. The trio is committed to helping the rest of the world cope with the consequences of Russia's war and contributing to the coordination of long-term financial support for the reconstruction of Ukraine, and will pay particular attention to accountability, human rights and equality in accordance with international law, in close coordination with global partners.

The trio will take the EU enlargement process forward in accordance with the new methodology, based on the Commission's reporting and following a merit-based approach, whilst keeping in mind the EU's capacity to absorb new members. A specific focus will be placed on further developing a regular political dialogue with enlargement countries and empowering them to progress towards meeting the Copenhagen criteria.

The European Union's direct neighbourhood will remain a major focus. The trio will support the EU and its partners in tackling the numerous challenges they face and, where relevant, the implementation of their reform agendas. The trio will work on making full use of the EU's new framework with the United Kingdom, as well as of partnerships with the European Economic Area and Switzerland, and on strengthening the partnerships with the Eastern Partnership and with the Southern Neighbourhood and the Western Balkans, including at leaders' level in the second semester of 2023 and the second semester of 2024; respectively, the trio also aims for a cooperative and mutually beneficial relationship with Türkiye, based on the framework decided by the European Council.

The trio will help give shape to the European Political Community (EPC) as a forum for continent-wide high-level political dialogue between EU Member States and their closest neighbours on European stability and security, energy security and resilience.

The trio will promote an assertive EU stance in upholding the UN Charter, international law, respect for and the protection and fulfilment of human rights for all, respect for labour rights, and democratic values in multilateral fora. The trio will encourage a 'Team Europe' approach on the main global themes and coordination on outreach and visibility, and will seek to build new partnerships in pursuit of our objectives. The trio will work towards implementing the Global Gateway strategy by fully mobilising all relevant actors, in particular the European private sector and industry.

The trio will take work forward on an ambitious and balanced bilateral trade agenda that is open, sustainable and assertive, including during the implementation of trade agreements, with a view to boosting growth and contributing to the prosperity of EU citizens and companies, with a special focus on SMEs. The EU also needs to work steadily on restoring the rules-based multilateral trading system by promoting reform of the functioning and effectiveness of the WTO. The trio will continue the work on trade defence instruments and will implement them.

Concerning Latin America and the Caribbean, the trio will provide follow-up to the EU-CELAC summit to be held in July 2023, and will work towards effective delivery on the commitments made at the summit.

The trio will support a mutually beneficial strategic partnership and positive relationship with the United States, including within the EU-NATO framework. A results-oriented Trade and Technology Council must go hand-in-hand with solving our trade irritants and working on ensuring a global level playing field. It will support the strategic partnership with Canada, working towards a successful EU-Canada Summit.

The trio will also ensure follow-up to the EU-African Union summit of February 2022 and work on effective delivery on the commitments made.

The trio will promote dialogue, cooperation, outreach and visibility in the Asia-Pacific region, building on the EU's Indo-Pacific Strategy. Regarding relations with China, the trio is committed to the implementation of the multi-faceted approach endorsed by the European Council. Strengthening the cooperation between the EU and Central Asia will be explored, building on the 2019 EU strategy for Central Asia.

In light of the rapidly changing and deteriorating European security environment, the trio is committed to strengthening the EU's capability to act in the field of security and defence by ensuring the timely implementation of the EU's Strategic Compass, including through developing bilateral partnerships with like-minded countries, and by effectively deepening EU-NATO cooperation in line with the third joint declaration signed in January 2023. The definition of the priorities of the strategic EU-UN strategic partnership on peace operations and crisis management beyond 2024 and the implementation of global agendas will also be matters of special attention for the three presidencies.

The trio will also focus on the Permanent Structured Cooperation (PESCO) strategic review process, the mid-term review of the European Defence Fund (EDF) and the revision of the Council Decision establishing the European Peace Facility (EPF), the global scope and level of ambition of which it is crucial to maintain, as well as reflections on the future development of the Common Security and Defence Policy (CSDP). The trio will also work on closing capability gaps and strengthening the European defence technological and industrial base so as to ensure seamless security of supply of military capabilities, including through joint defence procurement and related regulations. The trio will also promote the implementation of the European Union Space Strategy for Security and Defence, which is due to be endorsed by the Council during the second semester of 2023, and of the reviewed EU Maritime Security Strategy and its Action Plan. The trio will work together to enhance our resilience and ability to counter hybrid threats and cyberattacks, including through the use of the EU's cyber diplomacy and hybrid toolboxes.

### VI. CONTRIBUTING TO THE PREPARATION OF THE NEXT STRATEGIC AGENDA

The trio's shared ambition is to contribute to the preparation, adoption and implementation of the Strategic Agenda for the period 2024-2029. In this process we will draw lessons from the major challenges we faced during the current legislative cycle, such as the impact of the COVID-19 pandemic and the Russian aggression against Ukraine, and look at how we can strengthen the foundations of the European Union, thus making sure European integration continues to guarantee peace, stability and welfare for its Member States and citizens, as it has done for over 70 years.