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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 January 2019 - 30 June 2020)

Delegations will find attached the 18-month programme of the Council, prepared by the future Romanian, Finnish and Croatian Presidencies and the High Representative, Chair of the Foreign Affairs Council.

The programme**I. INTRODUCTION**

The three Presidencies take over the responsibility of steering the work of the Council at end of the current institutional cycle. The Trio is committed to ensure smooth transition to the next legislative cycle, it will make every effort to ease this process within the remit of their competences. The three Presidencies will build up close and constructive relations with the new institutional actors in order to allow for an early return to a normal working rhythm and legislative activity.

At the beginning of the Trio the main priority will be the finalisation of the still outstanding files of the current Strategic Agenda and in particular those listed in the Joint Declaration on the EU's legislative priorities for 2018-19. When the new institutional cycle starts, the three Presidencies will organise the work in the Council according to the priorities of the next Strategic Agenda, expected to be adopted in 2019, and taking into account the outcome of the Sibiu summit.

The three Presidencies underline the importance of common values of the Union: respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities. They underline their commitment to promote confidence among the citizens and companies in the European project, as well as to foster competitiveness, economic growth and support investments. The Trio will put special emphasis on the strengthening economic, social and territorial cohesion, its underlying values and shared objectives, for the development of the Union as a whole. The Trio underlines the need to strengthen and sustain the multilateral system and also pay attention to promote Agenda 2030 for sustainable development, within and beyond the EU. The three Presidencies endeavour to reinforce unity and foster consensus at European level, by promoting joint and inclusive initiatives, beneficial to all Member States.

The Trio is committed to ensure that the European Union operates close to the citizens, transparently and according to the principles of good governance and better regulation, thus promoting citizen-oriented policies. The three Presidencies are also committed to improving knowledge about the EU and to raising awareness on the citizens' oriented EU policies, in particular amongst the young.

A future at 27

The three Presidencies will devote all efforts to ensure the effective and timely handling of all work required by the Brexit process, fostering the unity of the 27 Member States.

In line with the Rome Declaration, work will be taken forward with a view to the adoption of a new Strategic Agenda at the June 2019 European Council.

Multiannual Financial Framework 2021-2027

The budget of the European Union, as determined by the Multiannual Financial Framework (MFF), is an essential tool to achieve our shared objectives and deliver on the commitments made.

The three Presidencies are committed to facilitate the finalisation of negotiations on the MFF for the period 2021-2027, in close cooperation with the President of the European Council. This will be key priority for the Trio. Furthermore, the three Presidencies will strive to finalise the sectoral proposals related to the next MFF.

The three Presidencies will give special attention to the right balance of traditional policies and the shared new priorities and challenges.

All legislative proposals related to the MFF 2021-2027 will be subject of special attention and efforts of the Trio.

II. A UNION FOR JOBS, GROWTH AND COMPETITIVENESS

The EU finds itself in its sixth consecutive year of economic recovery that reaches every single Member State. This creates a window of opportunity to consolidate the reform of the Single Market in view of further enhancing growth and competitiveness.

Single Market

The European Single Market has been in existence for more than 25 years and has become an important engine for growth, investment and trade inside the EU. The Single Market also has a strong global dimension, making the EU both more competitive in trade and more attractive in investments. Looking beyond the completion and effective implementation of the pertinent strategies, the EU needs to keep working towards a future-proof and fair single market that is fit for the digital age and an enabler for competitiveness, innovation and sustainability. Avoiding double quality standards within the single market is key in this process. The three Presidencies commit to take forward the outcome of the Leaders' Agenda discussion in December 2018 based on the Commission's state of play regarding the implementation, application and enforcement of existing legislation that is key for the functioning of the Single Market and the Commission's assessment of remaining barriers to and opportunities for a fully functioning Single Market.

The EU needs a strong industrial policy, and the three Presidencies will continue discussions on the EU's long term strategic objectives in this field. The well-functioning of the Single Market fosters the success of the European Industry. Work will also be furthered towards more integrated services market, Digital Economy, including by completing the Digital Single Market, data and platform economy, the appropriate digital infrastructure and an operational framework to support digital transformation of the European industry and companies and to unlock innovation capitalising on artificial intelligence.

The Single Market requires necessary interconnectivity between all EU Member States and regions, as well as between the EU and its global partners. To this end, the improvement and completion of the TEN networks, including with a view to EU-wide digital connectivity, is important as well as the preparation for the planned revision foreseen for 2023.

Ensuring fair and effective taxation remains a key priority. There is a real need to adapt our taxation systems to the digital era. In this sense the three Presidencies will take forward the work on the Commission proposals on digital taxation in line with the conclusions of the European Council. Work will be taken forward on all other pending taxation proposals; in particular the three Presidencies will strive to achieve results on the new and definitive system of VAT.

Work should proceed in reviewing environmental policy to contribute to green growth, circular and bio economy, biodiversity and sustainable water management, in particular the protection and sustainable use of oceans and seas.

The three Presidencies commit to continue the work on the proposal to reform the Summer-Time Directive.

Macro-regional cooperation and strategies will be promoted by the Trio.

Entrepreneurship and job creation

Promoting a climate of entrepreneurship and job creation remains key to helping businesses in Europe thrive, including SMEs, which generate employment and growth. Therefore, the Trio considers that when proposing and adopting new legislation it is important to respect the 'Think Small First' principle with the aim of promoting the interests of SMEs.

The fact that unemployment has decreased and labour participation has been rising is an important success. At the same time continued efforts are needed to reintegrate the long-term unemployed in the labour market and to help young people develop the skills needed to become active on the labour market, and to increase female participation in the labour market.

Further work is needed on better positioning of tourism on the EU agenda, especially in order to encourage growth and employment.

Investments

While progress has been made in addressing the investment gap following the economic crisis, amongst others through the implementation of the Investment Plan for Europe, boosting investment levels remains crucial. This includes keeping up the emphasis on the promotion of research and innovation policy as a source of growth, hence taking forward the work on Horizon Europe as well as InvestEU. Cohesion policy will also have a major role to enhance investments and competitiveness. A modernised future Common Agricultural Policy will contribute to ensuring food security, protecting the environment, adapting to climate change, and maintaining the sustainable viability of rural areas. Reaching an agreement on the MFF 2021-2027 and the related sectoral proposals will be instrumental in tackling present and future challenges.

Economic and Monetary Union

The three Presidencies will take the work forward on deepening the Economic and Monetary Union (EMU). The current economic climate provides for the necessary calm waters to deepen and strengthen the EMU in order to be better able to withstand economic crises. In this respect severing the sovereign-bank nexus is essential, whilst paying regard to developments at international level. Further work is needed amongst others on the strengthening of the Banking Union, following the agreed approach on risk-reduction and risk-sharing, including on the proposal on the European Deposit Insurance Scheme and the implementation of the ESM backstop to the Single Resolution Fund, as well further developing the Capital Markets Union. The rules of the Stability and Growth pact should be simplified. To promote accession to the euro, further work is needed on the proposed Reform Support Programme, including the Convergence Support Facility.

III. A UNION THAT EMPOWERS AND PROTECTS ALL ITS CITIZENS

European citizens expect more from the European Union than economic benefits. Education, including lifelong learning, culture, sport, and policies geared towards the youth are important not only from a competitiveness point of view but also for the inclusiveness and cohesion of our societies. The three Presidencies will take work forward the implementation of policies aimed at strengthening social dimension, tackling skills mismatch, and promoting the level of social protection of citizens.

Today's labour market is characterised by fast technological changes. In order to maintain Europe's high competitiveness and productivity European citizens need the right set of skills required in the new global workplace. These include the investment in people and education with a focus on anticipating future skills needs, the development of new fundamental, relevant and transversal skills, including skills related to digitalisation, cyber security, media literacy, robotisation and artificial intelligence. Furthermore the development of youth work and its quality should be promoted as well as equal opportunities for all young people. The EU dimension in secondary education can also be enhanced. Intensive work will be devoted to the negotiations on Erasmus, an emblematic programme for the European project.

The Trio will pay particular attention to fostering mobility, inclusiveness and excellence, while also contributing to the promotion of European values. Decisions will have to be taken on and followed by early implementation of the next generation co-operation frameworks in the education, youth, culture and sport sectors (such as the post ET2020 framework, the new EU youth strategy).

Equal opportunities and social inclusion need to be promoted throughout all EU policies, including gender equality and gender mainstreaming, the social inclusion of persons with disabilities and providing support for activities in the fight against poverty, especially against child poverty, while respecting Member States' competences.

Further efforts are needed in public health in order to guarantee access to healthcare for all EU citizens, ensure patient safety and mobility, and take advantage of the opportunities posed by new medical technologies. Renewed commitment will be necessary to address the challenges of the demographic deficit and population ageing. Cooperation in the field of transplantation and organ donation at EU level can be strengthened to save lives.

IV. TOWARDS AN ENERGY UNION WITH A FORWARD-LOOKING CLIMATE POLICY

The EU is a global leader in combatting climate change and with respect to environmental policies. In particular the EU needs to maintain and enhance its leadership in the achievement of the goals of the Paris Agreement with special attention on mitigation of and adaptation to climate change, including the issue of climate financing. Important in this respect is the definition of the EU's long term low-carbon strategy. Action is needed in the transition towards a low carbon economy, in particular in sectors where decarbonisation is lagging behind, and in implementing measures towards improving energy efficiency, while providing secure and affordable sustainable energy for European citizens. The modernisation of the economy and the mainstreaming of climate policies should be seen as an economic opportunity offering new jobs and generating growth.

The three Presidencies intend to finalise the negotiations on the Clean Energy package, and intend to finalise the negotiations on the proposals under the mobility packages, including in particular the climate-related initiatives. They will do so while building on the Energy Union framework, with an emphasis on integrating the Energy Union into Member States national policies and the implementation of integrated climate and energy plans.

The Strategy for long-term EU greenhouse gas emissions reduction in accordance with the Paris Agreement will be promoted, in line with the commonly shared climate objectives. Accordingly, the leading role of the EU in fight against climate change will be ensured in the international climate negotiations. Reducing black carbon emissions in the context of the EU policy for the Arctic is important.

V. A UNION OF FREEDOM, SECURITY AND JUSTICE

The current Strategic Guidelines for the development of the area of freedom security and justice come to an end together with the end of the institutional cycle and the three Presidencies are committed to swiftly taking up the new guidelines to be elaborated by the European Council.

A comprehensive approach to migration which combines more effective control of the EU's external borders, increased external action and the internal aspects, in line with our principles and values is necessary. This is a challenge not only for a single Member State, but for Europe as a whole and beyond. These policies need to be continued and reinforced to prevent a return to the uncontrolled flows of 2015 and to further stem irregular migration on all existing and emerging routes. Work is needed on all three strands, starting with the strengthened control of the EU's external borders, including through the strengthening of the European Border and Coast Guard, the introduction of the new information systems (EES, ETIAS) and by implementing the necessary quality control mechanisms and the development of the Integrated Border Management Strategy, while considering the balance between security and the fluency of border crossings. In terms of external action, tackling the challenge at its core requires a true partnership with the countries of origin and transit firmly embedding our external migration policy in the EU's overall bilateral relations with third countries in order to address the root causes of migration. Further work is needed with respect to enhancing returns, amongst others through the proposals for a more effective and coherent European return policy as well as looking at the framework for legal migration, including resettlement. The three Presidencies, in line with the European Council conclusions, will pay special attention to the Central, the Western and the Eastern Mediterranean Routes, while remaining vigilant on possible new routes. Cooperation with, and support for, partners in Africa, the Western Balkans region and Turkey remain priority. On the internal aspects, the three Presidencies commit to seeking the finalisation of the reform of the Common European Asylum System, including finding a consensus on the Dublin regulation.

In terms of fostering EU internal security, the three Presidencies remain committed to enhancing police and judicial cooperation, combatting organised crime, including drug trafficking and human trafficking, reinforcing the fight against terrorism, in particular by countering and preventing radicalisation and extremism, including by devoting all efforts towards removing terrorist content online. The interoperability of information systems needs to be further strengthened to further this goal. A particular objective is to further develop the capacities needed to promote cybersecurity and countering cyber-risks, through better cross-border coordination of law-enforcement authorities.

The Trio underlines its commitment to the Schengen system and expresses the intention to ensure its appropriate functioning and to work on all strands relevant to preserving and strengthening the Schengen Area as one of the major achievements of the European Union.

With respect to cooperation in the field of justice, the Trio underlines the importance of further advancing mutual recognition. The Trio commits to further promote e-Evidence and e-Justice. The Trio would also pay attention to the operationalisation of EPPO and to strengthening cooperation with OLAF.

The three Presidencies will promote civil protection activities, including in the field of prevention against disasters.

VI. THE UNION AS A STRONG GLOBAL ACTOR

The three Presidencies together with the Member States will work closely with and support the work of the High Representative of the Union for Foreign and Security Policy/ Vice President of the Commission in taking forward the agreed priorities of the EU Global Strategy, ensuring the consistency of the EU's external policies, and reinforcing proper linkages between the internal and external policies of the Union. They shall seek to ensure that the Union is equipped in the period 2021-2027 with all the necessary funding and legal instruments to perform these tasks. They will seek the active and committed support of Member States to the Union's Foreign and Security policy, and will support the High Representative/Vice-President in seeking an increasing convergence amongst Member States, based on a common identification of shared interests and mutual political solidarity.

The priority areas include the following:

The three Presidencies reaffirm their commitment to enlargement, which remains a key policy of the European Union in particular in view of providing a credible enlargement perspective, within the agreed parameters for the Western Balkans. Turkey is a candidate country and remains a key partner for the EU. Enlargement policy continues to represent a strategic investment in peace, democracy, prosperity, security and stability in Europe. Embracing and committing to core European values is a political choice, and is essential for all partners aspiring to EU membership. The three Presidencies reaffirm the need, in accordance with the renewed consensus on enlargement, for fair and rigorous conditionality and the principle of own merits, combined with the EU's capacity, in all its dimensions, to integrate new members. The Trio welcomes the announcement of Croatia to host an EU-Western Balkans summit during its Presidency. The Trio reiterates the importance of further deepening of cooperation on foreign policy issues and expects enhanced alignment with the EU Common Foreign and Security Policy (CFSP).

Furthering political, economic, social and cultural ties between the Union and its neighbouring countries to the East and South. The three Presidencies will work closely with and support the work of the High Representative/Vice-President in addressing long-standing political tensions, to strengthen partners' resilience to external pressures, and to safeguard their ability to make their own diplomatic choices. It will maintain the principles-based and united approach in the policy towards Russia. It will seek collaborative approaches to maintaining the security of the EU's borders and addressing the shared challenges of migration.

Strengthening and sustaining the rules-based multilateral system, with the UN at its core. This will mean, in particular, working across the EU's internal and external policies to implement the 2030 Agenda, including the Sustainable Development Goals; promoting human rights, fundamental freedoms, and the rule of law; meeting obligations under the Paris Climate Accord and ensuring others do the same; follow-up on Global Compact for Safe, Orderly and Regular Migration and the Global Compact on Refugees, and strengthening the global arms-control and non-proliferation regimes and agreements such as the JCPOA, which contribute to the security of the Union. The Union will accompany and support the UN reform, and work to defend the credibility and capacity of key UN agencies. The three Presidencies will support preserving the EU's leading role in development policy and humanitarian aid. In the context of growing trade tensions, the three Presidencies remain committed to preserving and deepening the rules-based multilateral trading system, including work towards the modernisation of the WTO. The three Presidencies will support the negotiation of ambitious, high-quality, balanced and mutually beneficial trade agreements with key partners across the world, accompanied by political agreements that promote the EU's values and standards and stimulate greater cooperation on issues of common interest. They also underline the importance of the implementation of agreements, as well as enhancing the linkages between external economic relations and the Internal Market.

Strengthening collaborative regional orders. In pursuit of this, the three Presidencies will work closely with and support the High Representative/Vice-President in developing closer region-to-region ties. These will aim to complement and reinforce the EU's bilateral relations, including in Africa, Latin America, the Caribbean, Asia and the Arab world. Work will include completing negotiations of new regional accords with African, Caribbean and Pacific countries, with a view to modernising relations with each region, while updating the overall ACP framework. It will also mean to seize the opportunities presented by the strategic shifts in Asia, while equipping the Union to meet the potential challenges. This will involve, in particular, implementing new strategies for India and for Central Asia; reinvigorating implementation of the EU's China strategy, intensifying security policy engagement with like-minded countries, recognising the strategic importance of Euro-Asian connectivity and completing the major trade and investment negotiations currently underway. The Union will implement its vision for a renewed partnership with Africa, Latin America and the Caribbean.

Sustaining the transatlantic partnership and building coalitions with like-minded advanced economies. The transatlantic partnership remains the cornerstone of security and prosperity on both sides of the Atlantic. The EU will invest further in this relationship at federal and all other appropriate levels. Other advanced economies share the Union's interest in an effective rules-based systems, the rule of law, human rights and democracy and will expand work with them on shaping the future based on these shared interests. This will also include the establishment of a very close partnership with the UK after its departure from the EU.

Carrying forward work on EU Security and Defence, while enhancing EU-NATO relations. While major decisions have been taken during the first years of implementation of the EU Global Strategy, the Presidencies will support the High Representative in seeing through the implementation of PESCO, including addressing the question of third country participation, managing the CARD process, and ensuring the coherence and alignment of defence capability development with EU agreed priorities. The Presidencies underline the importance of the implementation of the European Defence Industrial Development Programme and further progress on the European Defence Fund. The Presidencies will support taking forward work on military mobility and enhancing the EU's and Member States capabilities in countering hybrid and cyber threats. In addition they will work closely with and support the work of the High Representative in strengthening the MPCC and reinvigorating civilian CSDP.

In a fast-moving and contested global environment, the Union needs to be equipped with effective working methods, and develop the necessary resilience to address direct threats to its interests both at home and in third countries. The three Presidencies will work with the High Representative/vice-President across the full range of issues that this raises. These may include improving the way in which common assessments of country situations are conducted ahead of key policy-decisions, better linking funding instruments to political priorities, further improving strategic communication and decision-making. They will support an enhanced capacity of the Union for conflict prevention, mediation and peacebuilding. Moreover, though the Union will, as a matter of conviction, seek multilateral solutions to common problems, it needs also to strengthen its ability to secure its interests in an autonomous way when necessary. Finally, the three Presidencies will work very closely with the Commission and the High Representative/Vice President to ensuring the coherence of internal and external policies designed to build a Union that Protects.