

ESTONIAN PRIORITIES IN THE EUROPEAN UNION DURING THE AUSTRIAN PRESIDENCY

FUTURE OF THE EU

Constitutional Treaty. Estonia wishes to move ahead with the discussions, on both domestic and EU level, over the political aims and agreements enshrined in the Constitutional Treaty, in order to reach a decision on the future of the treaty. Estonia aims to ratify the treaty in the first half of 2006.

Enlargement. Estonia supports the further enlargement of the EU, as the prospect of joining the EU would retain the transition countries motivation to continue the necessary political and economic reforms.

COMPETITIVENESS

Financing EU policies over the next Financial Perspective (2007-2013). Estonia's aim is to ensure, that conditions for the implementing programmes of the structural funds and other policies would enhance Estonia's abilities to use as well as plan the programmes in a flexible manner and in line with our internal priorities, thus enhancing the competitiveness of the Union. In this relation, Estonia would like to avoid any disruption in the implementation of the programmes and enforce all related implementation acts during 2006. Bearing in mind the reduction of initially dedicated sums to EU policies, Estonia wishes to ensure that cuts from the 7th framework programme will be minimal.

Preparations for the adoption of the euro. Estonia has set a goal to end technical preparations by 2006 and accede to single currency from 1st of January 2007. The necessary activities are foreseen in the Estonian National Changeover Plan. The government continues to make technical and legislative preparations and will execute policies in order to meet the criteria set for the accession to Eurozone.

Sustaining the investment-friendly tax environment. Estonia's aim is to promote the initiation of amendment of the Parent-Subsidiary Directive during the Austrian presidency.

Liberalisation of the services market. Estonia wishes to go forward with the draft services directive, with the objective to adopt it as soon as possible in the form that assures the widest possible scope of the directive and with as few derogations as possible to the country of origin principle.

Flexible labor market. Estonia's objective regarding the Working Time Directive is to retain flexible working-hours. Estonia is interested in maintaining the possibility for individual opt-out regardless of collective agreements in order to ensure competitive economic climate. Moreover, Estonia promotes flexible approach to compensatory rest for working during the rest period.

Developing security of energy supply. Estonia's long-term aim is to ensure EU's security of energy supply. In this context it is important to maintain speed on the opening of energy markets and remove obstacles that hinder the development of cross-boarder energy markets and networks. In addition to EU internal energy trade, EU should develop energy trade with the third countries (incl. Russia), based on common and transparent rules.

Raising Europe's competitiveness on R&D. The potential of European universities and R&D institutions should be strengthened by fostering research networks. Estonia welcomes the debate over the possible establishment of a new central research institute, but expresses doubts whether such a centralized body could contribute to the raising of competitiveness of the European R&D sector. At the same time Estonia does not exclude the possibility that the creation of such a body in a specific field could promote the development of some sectors.

Competitive fishing sector. Estonia's goal is to ensure the support of the European Fisheries Fund to the development of the sector and continued support to the development of the infrastructure in the rural areas (fishing ports, aquaculture, inland fisheries). Support should be given irrespective of the size of the enterprise. Estonia also wishes to continue support for the modernisation and renewal of fishing vessels (incl. assignment carried out below the main deck of fishing vessels) in accordance with the reformed objectives of the Common Fisheries Policy.

AREA OF FREEDOM, SECURITY AND JUSTICE

Preparations to the accession to Schengen area. Preparation for the enlargement of the Schengen area is among Estonia's continued priorities and we expect the adoption of the legal basis for the Schengen Information System and the Visa Information System by the end of Austrian presidency. A revised National Schengen Action Plan will be presented to the government in the beginning of 2006. Estonia also expresses its readiness for the evaluation of visas and consulates taking place during the Austrian presidency under the overall evaluation of Schengen preparedness.

FOREIGN - AND SECURITY ISSUES

European Neighbourhood Policy (ENP). Estonia's foremost objective is to promote the development of democracy and market economy in ENP target countries, notably in the Ukraine, Moldova and Georgia. We call for rapid adoption and implementation of ambitious national ENP action plans, and related community legislation (ENP financial instrument for the new FP). Estonia also expects the start of negotiations on a new framework agreement between EU and the Ukraine. Through development cooperation, Estonia will continuously carry out projects promoting democracy, human rights, economic and social stability and reduction of poverty in ENP target countries.

Relations between the EU and Russia. Estonia's aim is to proceed towards a strategic partnership between the EU and Russia, which would be based on common values. Such a partnership would contribute to political and economic development and stability in Estonia's direct neighbourhood, which also provides a guarantee for our security and prosperity.

Active participation in the development of the European Security and Defence Policy (ESDP). Estonia's aim is to increase its capabilities in guaranteeing the international stability and security. Our interest is to develop a stronger CFSP, including the enhancement of crisis management mechanisms, especially concerning the civilian capabilities. Estonia's main priority is to ensure the stability and security in the immediate neighbourhood of the EU. Here the important activities include the continuation of the Moldova-Ukraine border mission, EU's participation in Georgian border guard issues and EU's military mission ALTHEA in Bosnia and Herzegovina.