

AIMS OF THE ESTONIAN GOVERNMENT DURING THE UK PRESIDENCY

1. Financing of the Union

Adoption of the financial perspective that is enhancing the competitiveness of the Union and takes into account the interest of the new Member States

An agreement will have to be found in good time in order to make proper preparations for the use of structural funds from 2007. Priority areas for Estonia are cohesion policy funds for the new Member States; research and development; competitiveness; rural development and fisheries; border control and neighbourhood policy; environment; and culture.

Preparations for the adoption of the euro

Estonia will aim for technical preparedness for the adoption of the euro by the middle of the year 2006. The target date for the adoption of the euro is 1 January 2007. In order to meet this goal, technical and legal adaptations will have to be continued. Special attention will be paid to meeting the inflation criterion.

Abolition of reduced VAT rates for labour-intensive services from 1 January 2006 and minimising the number of VAT exceptions

The EU should continue to strive towards a system of minimal number of VAT exceptions in order to guarantee fair competition in the internal market.

2. Competitiveness

The main means for increasing the competitiveness of the European economy is increasing the openness of the economic environment of the EU. Estonia supports initiatives, which are aiming at further integration of the internal market and making the legislative environment more simple, transparent and flexible. Greater openness vis-à-vis the third countries should also be aimed by liberalising the common trade policy.

Better regulation: simplifying the legislation and reducing the administrative burden on businesses

The legal acts of the EU should be unequivocally understandable. Analysis of the EU legal acts that need to be simplified should be continued and a single model for measuring administrative burden should be elaborated. At the same time simplification should not turn into administrative burden in itself. Work will also be continued on reducing the regulatory burden resulting from domestic legal acts.

Liberalisation of the internal market of services

The aim is to simplify the business environment for the service provider. This would result in higher growth rates and new jobs across Europe. Estonia hopes that the debate in the Council will continue in the direction of adopting the services directive. Estonia supports the principles of the directive as proposed by the Commission and hopes that the directive will be adopted as soon as possible.

Labour market flexibility

Regarding the Working Time Directive Estonia is interested in maintaining the possibility for individual opt-out regardless of collective agreements. Estonia supports flexible approach for compensatory rest for working during the rest period.

Ensuring the competitiveness of the EU chemicals policy

Regarding the discussions on the new chemicals regulation (REACH) Estonia aims to guarantee a high level of environmental and health protection which would not curb the competitive and innovative ability of the chemical industry, particularly in smaller enterprises, and which would take into consideration the regional characteristics of each Member State.

A research and development and innovation policy that increases the competitiveness of the EU and of the Member States

Estonia aims to strengthen its R&D system in order to achieve the goals of the Lisbon strategy. Estonia supports the principles of the 7th framework programme as proposed by the Commission. Estonia supports the creation of a Common Research Area in the EU; strengthening the ties between the universities, research institutes and enterprises and increasing the research and development expenditure. Especially the private sector investment into R&D should be increased. In order to get the best possible results from European financing, the criterion of excellence should fully be taken into account.

Continuous diversification of the European cultural space

The new Culture programme should be more flexible and participation in programmes should also be accessible for smaller Member States.

Flexible development of the European audiovisual sector

The new "Television without frontiers" directive should be sufficiently flexible. Full attention should be paid to the problems of jurisdiction of television channels that have emerged in practice. The norms regarding the structure of programmes, advertisement and sponsorship should also take into account the situation in Member States with a small audiovisual sector.

Security of energy supplies and development of relations in the field of energy with third countries

Estonia wants clearly fixed rules regarding security of supply in the European energy market. Thus it is important that the directive on security of energy supplies would be adopted during the UK presidency. This would also contribute to opening up of energy markets. The new Green Paper on security of energy supplies should take into account the specific situation of the Baltic States, especially regarding possible solutions in energy relations with Russia. Estonia considers it important that representatives of Member States could participate at the preparations of the EU-Russia energy dialogue. Also the work should be started in the four working groups on energy created on the basis of the document on economic space approved at the EU-Russia summit on 19 May.

3. Agriculture, fisheries and environment

Fishing opportunities for Estonia in 2006

The main interest of Estonia is to determine catch quotas on the basis of scientific arguments and research results. Estonia supports effective measures for protecting fish stocks while at the same time socio-economic effects for Member States should be kept in mind when fixing the fishing quotas.

European Fisheries Fund

Estonia has reached most of its objectives during the negotiations under the Dutch and the Luxembourg Presidencies. As most of Estonian fish industries have more than 250 employees also the investments in large fish industries have to be eligible for support. Fleet modernisation and renewal have to be eligible for support in accordance with reformed objectives of the common fisheries policy.

Sugar market reform

Estonia supports a far-reaching reform of Common Market Organisation for sugar. Estonia would like to see even further reforms than suggested in the proposal of the Commission. Reforms would benefit above all the consumers who currently have to pay an unfairly high price for the product but it would also enhance the competitiveness of the European industry.

Preserving the biological diversity of member states

Estonia considers necessary an explicit reference to Natura 2000 in LIFE+ Regulation that would guarantee the co-financing of activities not eligible under other EU funds. The budget share earmarked for Member States should take into consideration the contribution of each Member State (total areas of Special Protection Areas and of proposed Sites of Community Importance) to the EU Natura 2000 network.

4. Justice and home affairs

Continuing the preparations for accession to Schengen area and development of Visa Information System

As preparation for enlargement of the Schengen area is Estonia's priority, it is necessary to present in time the answers to the Schengen evaluation questionnaire, co-ordinated both nationally and with the neighbouring countries. Also the revised national Schengen Action Plan needs to be approved by the Government. In order to be fully prepared for accession, Estonia requests the Schengen Facility 2004-2006 instruments to be available also in 2007.

In order to ensure the timely completion of the SIS II, the Commission should continuously inform the Council of the preparations. Estonia also expects the Commission to continue active work in elaborating the legal basis for VIS and to adopt the decision on storing the visa biometry data.

5. Foreign and security policy

Relations between the EU and Russia

The evolving strategic partnership between the EU and Russia should be based on common values and take into account Estonian interests. The roadmaps based on four spaces that define the relations between the EU and Russia should be implemented in full. It is important that readmission agreement between the EU and Russia should be precondition to any agreement on simplification of the visa regime. Human rights

related consultations between the EU and Russia should be continued. Further developments are needed in environmental issues (maritime safety in the Baltic Sea, nuclear safety, protection of border water bodies, implementation of the Kyoto Protocol). In the area of economic relations, an agreement on protection of investments between Estonia and Russia should be concluded and discriminatory rail tariffs on the Russian side should be abolished.

Neighbourhood policy

The democratic and economic development of the neighbourhood policy countries, especially Ukraine, Belarus and Georgia, should be further supported. The ENP action plans with Ukraine and Moldova should be implemented and action plans should be elaborated with Georgia, Armenia and Azerbaijan. Estonia continues development co-operation and technical assistance projects with those countries. It is in the Estonian interests to continue support to the civil society in Belarus and to assist in solving the disputes in Transnistria, Abkhazia and South Ossetia. Sufficient resources for conducting an effective neighbourhood policy should be allocated under the next financial perspective.

Continuing support to EU enlargement

The enlargement process should continue in accordance with the aims and criteria set by the European Council. Estonia supports starting accession negotiations with Croatia and Turkey as well as continuing assistance to Western Balkan states to help them to fulfil accession criteria.

Achieving the aims of the European Security Strategy

It is important to guarantee security and stability in the neighbourhood of the European Union and Estonia is willing to make its contribution by participating at different missions under the ESDP. To facilitate this, our capabilities will have to be improved, especially by establishing proper domestic mechanisms. The crisis regulation mechanisms of the EU should be further developed. It is important for Estonia to participate in the stabilisation processes in the Middle East. More broadly, further development of trans-Atlantic relations is key for the security in the region as well as on the global scale. During the second half of 2005, the reform of the UN is another key topic on the agenda.