

## ESTONIAN PRIORITIES IN THE EUROPEAN UNION DURING THE GERMAN PRESIDENCY

### GENERAL AFFAIRS

Estonia aims to **contribute to the discussions over the Constitutional Treaty** in order to find a proper solution. We expect the presidency to come out with a proposal that is not going to bring substantial changes to the agreements achieved earlier. We also hope that the Treaty will be implemented before the European Parliament elections in 2009 with minimal changes. Estonia believes that the Constitutional Treaty is a solid and well-balanced agreement that is an important tool for the effective functioning of the EU. We believe that rapid implementation of the principles of the Treaty is truly important for carrying out the further enlargement as well as effective functioning of the Union.

Estonia supports the **continuation of the EU enlargement process** in order to provide incentives for the countries in transition to carry out necessary economic and social reforms. We believe that it is important to continue reforms of the EU at the same time in order to guarantee effective functioning of the EU after future enlargements. It is equally important to pay more attention to the public opinion and communication of the enlargement process.

### Competitiveness

Estonia is interested in **developing an innovation policy** that supports the European competitiveness. We hope that the EU innovation policy initiatives help to create a more effective business environment, especially for the SMEs. Estonia is convinced that it is important to enhance the commercialization of R&D efforts and we support the promotion of university-enterprise cooperation. Estonia is going to contribute to the implementation of the Competitiveness and Innovation Framework Program (CIP) and supports the idea of launching an initiative for a charter on the handling of intellectual property.

**Ensuring sustainable energy supplies** is one of Estonian main objectives in the long term. Estonia expects from the presidency concrete proposals regarding the opening up of the energy markets that would help to remove the remaining obstacles to the development of energy networks and to increase cross-border energy trade. It is also important to develop energy trade with third countries and establish clear and unified rules for that purpose. Estonia's goal is to contribute to the elaboration and adoption of the European energy policy action plan during the German presidency. We hope that the action plan is going to promote closer integration between the energy policy and common foreign and security policy (CFSP). It should also focus on the establishment of priority connections between member states and regions that will contribute to the creation of a functioning internal energy market and provide energy security to isolated member states. The action plan should also contain measures enhancing energy efficiency and the use of renewable energy resources.

Estonia wants to contribute to **the reduction of tax burden** in the internal market in order to reduce the administrative burden for enterprises, and to facilitate and simplify their operations. Therefore Estonia supports the ideas of the European Commission to move further with the Common Consolidated Corporate Tax Base (CCCTB). Estonia expects the CCCTB system to be transparent and simple with a broad tax base. It should help to reduce administrative burden and not impose additional administrative costs.

Estonia finds that for the long-term efficiency and competitiveness of the Union it is very important to **start discussion over the reform of EU budget**. Estonia emphasizes the importance of the simplicity, clarity and transparency of the EU budget. It is also important to make better use of budget resources. As a result of the reform most of the expenditures from the EU budget should be targeted to increasing the competitiveness of the Union. Beside technical amendments to the budget it is also important to pay attention to the more efficient targeting of activities financed by the EU.

Estonia wishes to **speed up international negotiations over climate change** in order to reach an agreement on the reduction of the greenhouse gas emissions for the post 2012 period in 2009 at latest. It is important to ensure that all industrial and developing countries would be involved in the agreement. Estonia wishes that the EU's contribution to the reduction of greenhouse gases would be decided at the Spring European Council so that member states could apply measures according to their own circumstances and targets. Estonia finds it important to **extend the emissions trading scheme** by covering more sectors and greenhouse gases with the scheme.

## **JUSTICE AND HOME AFFAIRS**

Estonia's objective is to ensure timely accession to the Schengen area and to conclude necessary preparations successfully. According to the conclusions of the Finnish Presidency, the internal border controls will be lifted at land and sea borders at the end of 2007 and at the airports in March 2008 at the latest provided all requirements for applying the Schengen *acquis* have been fulfilled. Estonia also emphasizes the importance of the development of the SIS II and expects that the work related to the SIS II project will be more transparent to the Member States in the future.

## **EXTERNAL RELATIONS**

One of Estonia's main objectives is to **enhance and foster the European Neighborhood Policy** (ENP), which aims at supporting the development of democracy and market economy in the EU's neighboring countries. The Estonian government will implement projects supporting the development of democracy, human rights, economic and social stability and reduction of poverty in Ukraine, Moldova and Georgia. Estonia emphasizes the importance of rapid enforcement and implementation of visa facilitation and readmission agreements with Ukraine. We also emphasize the necessity to conclude these agreements with Moldova and we are expecting that the EU will consider starting respective negotiations with Georgia. Estonia seeks a fast adoption of a mandate for the PCA negotiations with Ukraine and the launch of negotiations. We also support the continuation of the double-track policy towards Belarus, including the increase of finances to develop the civil society. Estonia is going to extend its representation in priority countries (Ukraine, Moldova, Georgia) and enhance relations in the field of development cooperation (regular consultations, preparations for the conclusion of bilateral cooperation memorandums etc.).

Estonia's objective is to **develop a strategic partnership between the EU and Russia** based on common values, through uniform implementation of all the aims agreed under the roadmaps of the four Common Spaces. We look forward to the full implementation of the EU-Russia visa facilitation and readmission agreements, including the simplification of registration of foreigners in Russia. It is also important to reach an agreement on the mandate

for the PCA negotiations and start negotiations as soon as possible. We support developing economic relations with Russia, especially in the field of energy. In addition to that it is important to develop crises management cooperation.

Within the **European Security and Defence Policy** (ESDP), Estonia strives to further develop its capabilities and increase its participation in the EU missions in order to better contribute to international stability and security. Estonia is interested in the strengthening of the ESDP, including the development of the European rapid response battle groups. Estonia emphasizes the importance of ensuring stability and security in the neighbouring countries of the EU. We support the EU activities related to Georgian border guard reform and Moldova-Ukraine border missions. Estonia hopes that the EU is going to take a more important role in the development of institution building and principles of rule of law in Afghanistan. Estonia also considers it important to launch an ESDP mission on enhancing the rule of law in Kosovo after the status of the territory will be decided. We will continue to participate in the EU military mission in Bosnia-Herzegovina.