

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

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### GENERAL AFFAIRES

Estonia will seek to **uphold the discussions on the Constitutional Treaty and the future of the European Union**. We support exploring the possibilities to enhance the functioning of the EU in the framework of existing treaties, without harming the perspectives of the Constitutional Treaty.

Estonia supports the **continuation of the EU enlargement process** that offers a clear motivation for the countries in transition to carry out necessary economic and social reforms. Estonia supports the accession of Bulgaria and Romania in January 2007, provided they are ready, and welcomes the opening of negotiations with Croatia and Turkey in chapters that have been positively evaluated in the screening process. We hope that the upcoming discussions on enlargement will focus on the broader enlargement strategy, without putting too much emphasis on its specific aspects. The absorption capacity of the EU is an important consideration, but it should not become another accession criterion.

### COMPETITIVENESS

Estonia's goal is to **raise the competitiveness of the EU** and to promote the creation of better conditions for the implementation of the initiatives supporting this objective in the Member States. We also look forward to further progress in developing the EU's research and innovation policies. Estonia supports the implementation of the National Reform Programmes for Growth and Jobs and an in-depth and comparable analysis of the results. Another important objective is the development of **innovation policy** through the improvement of the functioning of the markets, simplification of regulations concerning the registration of enterprises, increasing the demand side of innovation, mobility of researchers and promotion of university-enterprise cooperation. In respect to the establishment of the European Institute of Technology, Estonia prefers better use of existing opportunities by supporting a bottom-up initiative, a market-oriented and network-based structure which is flexible and transparent and fully uses the potential of existing research institutions.

Estonia wishes to **join the Eurozone as soon as possible**. The Government aims to be ready for the adoption of the euro in 2007 and accession to Eurozone from 1 January 2008. The core task for this is the implementation of National Changeover Plan. To support this goal, the Government will follow an economic policy that supports meeting the convergence criteria. Estonia intends to participate actively in the discussions over the application of Maastricht price stability criterion.

In order to support the continuous growth in competitiveness of the economy, the government would like to **avoid any disruption in the implementation of the EU financial programmes**. Therefore the goal is to ensure that all necessary implementing acts for financing the EU policies during the next budgetary period will be adopted during the Finnish presidency.

Estonia hopes the Presidency will take forward the **development of the European Energy Policy**. The action plan that is to be presented to the 2007 spring European Council should among other issues cover the linkages between energy policy and CFSP and establish priority energy-networks, which would contribute to the functioning of the single energy market and

increase the EU's energy security. In order to support the diversification of energy resources, we look forward of the review of the agricultural support schemes of energy crops during the Finnish presidency, so that it would also apply to the new Member States on equal basis.

To simplify the VAT-obligations for cross-border operating companies Estonia supports the approval of the **EU VAT-package** by the end of 2006. The Estonian government also wishes to ensure that the measures in **fight against tax fraud** would be proportionate, not too burdensome for entrepreneurs and that the measures would not in turn create new possibilities for fraud.

Estonia supports the **development of the logistics sector**, which could facilitate trading in internal market end between the European Union and third countries. Among other aspects it should include the development of infrastructure in border-areas. Moreover, due attention should be given to the functioning of the markets of logistic services by enhancing the use of contemporary information and communication technologies, simplification of border procedures and investing into less developed regions.

Regarding the revision of the Working Time Directive, Estonia aims to **retain flexible working hours** so as to enhance the competitiveness of the Union. The possibility of using individual opt-outs should be maintained for all employees in national legislation, regardless of the existence of collective agreements.

Estonia is interested in further **development of the internal market in the audiovisual sector**, with the aim of creating favourable conditions for the development of new audiovisual media services. Estonia, while generally approving the country of establishment principle, would like to seek more far-reaching measures as regards the possibilities of the receiving countries to fight abuse and fraudulent conduct in case of providers whose programmes are mainly or exclusively directed to the public of another Member State.

The review of the regulation on the definition, description and presentation of **spirit drinks**, should value traditional spirit drinks, recognizing only traditional raw materials as the raw materials of vodka (spirit made out of grain and potatoes) in order to prevent producers from misleading their customers.

## **RURAL AND ENVIRONMENTAL POLICY**

Estonia considers it very important to open up a discussion about the **future of the Common Agricultural Policy**, to seek for solutions in order to develop a more competitive EU agricultural sector and to ensure equal conditions for the producers from all Member States.

Estonia's aim is the **adoption of the Marine Strategy Directive**, which should deal with the prevention of all threats concerning marine environment and would foster the improvement of environmental status of the Baltic Sea.

In order to **assure sustainability of the fisheries sector**, we consider it important that the decisions on catch quotas for the years 2007 and 2008 are based on scientific arguments and research results. Moreover, the capacity and the conditions of catches should be designed for longer periods and the existing allocation of quotas should be re-examined. Estonia also wishes that differences between the Member States and possible socioeconomic implications would be taken into consideration when establishing measures for the recovery of the stock of

European eel, as the proposed measures would put an end to eel fishing in the Estonian inland waters.

## **JUSTICE AND HOME AFFAIRS**

Preparation for the **enlargement of the Schengen area** is among Estonia's continued priorities. We expect the adoption of the legal basis for the Schengen Information System (SIS) and the Visa Information System (VIS) by the end of the Finnish Presidency. Also scheduled completion of the preparations for making the SIS II operational and successful completion of the Schengen evaluation missions are of utmost importance for us.

For **enhancing the cooperation in the field of Justice and Home Affairs** Estonia supports the review of the Hague Programme, in order to guarantee higher level of legal certainty and security to all EU citizens. Estonia wishes that in this review focus should be put especially on the questions of preparations for the Schengen enlargement; global approach to migration and its causes; developing a common European asylum system; external dimension of JHA; further strengthening of cooperation of law enforcement agencies and exchange of information. Estonia welcomes opening of the debate to explore the possibilities for improving the decision-making in the area of police and judicial cooperation in criminal matters on the basis of existing treaties.

## **EXTERNAL RELATIONS**

Estonia's main objective is to **enhance and foster the European Neighbourhood Policy (ENP)**, which aims at supporting the development of democracy and market economy in the EU's neighbouring 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. We look forward to concluding the agreements on visa facilitation and readmission between the EU and Ukraine, and to starting respective negotiations with Moldova during the Finnish Presidency. In order to support the common effort in the field of ENP, Estonia will establish an embassy in Tbilisi. We also support the continuation of the double-track policy towards Belarus, including the increase of finances to promote civil society and, as a new element, establishing a so-called "shadow" action plan.

Estonia's objective is to **enhance 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 Common Spaces. We look forward to the full implementation of the EC-Russia visa facilitation and readmission agreements during the Finnish Presidency and in this connection the simplification of registration of foreigners in Russia. Estonia's aim is to keep the framework coherent and transparent while developing future cooperation between the EU and Russia after the expiry of the current PCA.

Within the **European Security and Defence Policy (ESDP)**, Estonia strives to further develop its capabilities and participation in the EU activities in order to better contribute to international stability and security. During the Finnish Presidency, Estonia will increase its participation in the EU border control mission on the Moldovan-Ukrainian border and conclude the preparations for participating in the upcoming mission in Kosovo.