
**The Estonian Government's European Union Policy
for 2004-2006**

Approved by the Estonian Government on 22 April 2004

GENERAL INTRODUCTION

On 14 September 2003, the Estonian citizens gave their firm approval to Estonia's accession to the European Union. With this historic decision, the Government also undertook the obligation to protect and promote the interests of its citizens in unified Europe.

The Government's European Union Policy for 2004-2006 serves the following purposes:

- it is a strategic framework instrument stipulating the principles which are the basis for the Government's European Union policy;
- it is a set of principles which determines Estonia's position and vision in issues falling into the competence of the European Union which the Government considers to be of importance for Estonia;
- it is the basis for Estonia's position in more particular issues in different fields.

This document is a result of co-operation between different ministers, ministries and non-governmental organisations. Before being approved, the document was open for public discussion for social partners, public organisations and non-profit organisations that made their proposals and comments, and was under deliberation in the *Riigikogu* (the Estonian Parliament) as a matter of significant national importance on 6 April 2004.

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General principles of Estonia's European Union policy

The Government's European Union Policy for 2004-2006 is based on the following values:

Equal opportunities

The reunification of Europe will result in significant changes for the European Union as a whole as well as for its individual Member States. The renewed European Union should continue to guarantee its Member States, their citizens and enterprises equal opportunities and uniform treatment. Europe must be open.

A rapid integration of the new Member States into all policies of the EU and into its decision-making process is essential to the effective functioning of the enlarging European Union. However, the process should be carried out taking into account the particular characteristics of each and every Member State, without hindering their competitiveness. The shorter the adaptation period is the greater the benefits for Europe as a whole are. The four freedoms of the internal market (free movement of persons, goods, capital and services) are the cornerstones of European co-operation and, as such, should be extended to all twenty-five Member States at the earliest possible time. The European Union should facilitate free movement for the citizens of the new Member States and promote the early accession of those states to the Schengen area. It is essential that all Member States receive equal treatment on joining the Economic and Monetary Union.

A simple and citizen-friendly Europe

Estonia envisages the European Union as an open and democratic association of states. The European Union should strive towards simplicity, transparency and flexibility – in a word, citizen-friendliness - in its activities. Developing trust in common European ideals and values amongst European citizens should be the goal of the renewed European Union. The governments of the Member States should be able to show their citizens the specific benefits to be reaped as a result of the enlargement of the European Union.

Estonia's participation in Europe requires the full involvement of its citizens. Estonia strives for the widest possible level of participation when forming its positions - positions are reached as the result of a process of co-operation between the Estonian Parliament (the Riigikogu), the citizens, the Government and officials. The Riigikogu, the Government and the European institutions share the responsibility of keeping the citizens informed about European developments and Estonia's activities in Europe. In order to guarantee maximum awareness on the part of the Estonian citizens in matters related to the European Union, the Government provides them with comprehensive information on the effects of EU membership and Estonia's participation in the EU decision-making process.

To best meet the challenges of today's world, Europe should establish its foundations in cooperation between Member States, dynamic joint institutions, based on common values and objectives. In such a Europe, a possibly wide range of citizens and citizens

associations should be consulted as early as possible before a decision is made. European citizens must be able to feel safe and secure in every part of Europe. In order for Europe to achieve such objectives, Estonia supports all constructive discussions regarding the draft EU constitutional treaty and its earliest possible adoption. The constitutional treaty must ensure the successful functioning of the expanded Europe by providing a basis for sustainable development, promoting understanding of EU activities among its citizens and increasing the role of the parliaments of the Member States and, thereby, the citizens at European level.

Well-being and entrepreneurship

For Estonia, membership of the European Union presents the opportunity and the means to improve the quality of life of its citizens and all Europeans alike. The European Union and the Member States must promote rapid and balanced economic growth by fostering long-term international competitiveness and providing favourable economic conditions for enterprises.

Promoting entrepreneurship is of utmost importance for European success. In order to increase overall well-being, the European Union should create opportunities for small and medium-sized enterprises in particular to increase their competitiveness. At the same time it should devote much more attention to promoting education, scientific research and innovation, to applying scientific achievements in economic practice and in the creation of social capital. Europe should follow a path of sustainable development, taking account of the needs of the weakest members of society and the environment.

The need to be demanding and constructive

Estonia's European policy will be demanding towards itself as well as its partners. In order to fulfil the common interests of Europe, all Member States and the European Union should undertake to perform the obligations they have assumed in a conscientious and timely manner. Europe's objectives can only be achieved by developing a demanding attitude towards the implementation of those objectives. Estonia will effect its obligations and expects the same of its partners.

The European Commission should develop a more stringent attitude towards monitoring the implementation of obligations assumed by the Member States, and its authority as the Guardian of the Treaties should be increased. As a Member State of the European Union, Estonia will respect and value the achievements of the European Union and abide by the legal framework in force. Estonia will do its best to create a more democratic, competitive, dynamic and successful European Union. Estonia as a Member State will strive to be a positive, constructive and co-operative force ready to play its part in the development of Europe.

The Estonian Government's EU policy strives to promote the common interests of Europe through the following five objectives:

I Europe must be competitive and open because that is the only way Europe can succeed in the midst of ever-intensifying international competition and guarantee well-being and improvements in the quality of life for our citizens.

For that purpose:

- the EU internal market must function smoothly to ensure that citizens and companies alike gain the maximum benefits from the common market;
- Europe should actively develop knowledge-based economy and more resources should be allocated to the development of human capital;
- greater flexibility is necessary in labour market policy to ensure that the competitiveness of enterprises increases and to promote the creation of new and better jobs;
- joint efforts should be made to develop the infrastructures for transport, telecommunications and the energy – sectors which play an essential role in ensuring competitiveness;
- the cultural diversity of Europe must be maintained and efforts should be made to strengthen European co-operation in promoting the viability of the languages and cultures of the individual Member States;

II The economic and fiscal policy applied within the EU should be sound and effective in order to promote a sense of economic stability amongst citizens and enterprises.

For that purpose:

- the joint budget of the European Union should be used more purposefully and effectively to guarantee that the level of development of the new Member States is brought up to the average European level;
- decisions regarding tax policy should remain within the competence of the individual Member States in order to achieve a balanced and competitive taxation policy;
- the basic principles of economic and monetary union should function smoothly. In order to gain maximum benefits from the European single currency, the participation of all EU Member States in the euro zone should be set as a goal.

III The progress of Europe has to be sustainable and economical in order to guarantee the balanced and interconnected development of the economic, social and environmental spheres.

For that purpose:

- environmental aspects must be integrated in all areas of EU policy, and further steps should be taken to protect natural resources and preserve natural diversity in Europe and the rest of the world;
- greater emphasis should be placed on understanding the special role of the Baltic Sea as the inland sea of the European Union. Co-operation between the states of

that region in determining and expressing their common interests at European Union level should be promoted;

- the common agricultural policy should be simplified. Shifting subsidies from resource extensive production to rural development and non-hazardous production should be a clear objective. New Member States should be granted equal opportunities to compete in the common agricultural market;
- sustainable and competitive development, which takes into account the need to preserve fish stocks, should be guaranteed for the EU fisheries sector.

IV Europe should move closer to the citizens and guarantee their safety and security.

For that purpose:

- the decision-making process of the EU should be citizen-friendly, effective and democratic;
- European security should be increased by way of establishing a common immigration and asylum policy, promoting co-operation between the Member States in the area of border management, and preventing trans-national crime;
- the rights of citizens of the European Union should be equally protected in all Member States.

V In order to secure the interests of its Member States, the European Union should assist in the world-wide promotion of democracy, human rights, security and well-being.

For that purpose:

- the EU should increase its contribution towards strengthening and stabilising international security;
- the area of security and prosperity in Europe should be extended;
- efforts should be made to establish a stable international economic environment in order to increase well-being outside the European Union.

An enlarged Europe must be a stronger Europe. It is Estonia's wish to help shape a European Union that is able to achieve both economic and political success in the face of ever-intensifying international competition. The European Union should guarantee increased well-being and quality of life for its citizens and play an important role in international politics as an upholder of peace and democracy.

A competitive and open Europe

1. In order to promote economic and social well-being in the Member States of the European Union, the most significant task faced by the EU is to increase the competitiveness and economic growth of the EU as a whole. **To achieve this, a more dynamic and open economic environment must be created in the European Union. Estonia's objective is to assist in every way in fulfilling the ambitious target set by the Member States of developing the economy of the European Union into the most competitive and dynamic knowledge based economy in the world by 2010.** The prerequisite for reaching this goal in practice is the systematic implementation of the objectives set by the Lisbon Strategy.
 2. **Estonia supports improvements to the functioning of the internal market by way of working towards a more open economic environment, continuing liberalisation of the markets and reducing excessive regulation.** In order to achieve this objective, we recommend that an analysis of the EU legal framework related to enterprise be carried out by way of a comparative assessment of the different measures adopted by the Member States. The economic environment must be uncomplicated, effective and favourable for enterprise and competition. We consider it essential to simplify and harmonise the activities related to the foundation of companies on the basis of the best practices of the Member States. We strongly support the rapid implementation and putting into practice of the new trans-European form of enterprise, the European Company (SE), which is essential for the rapid development of transnational enterprise within the EU.
 3. **Estonia supports the development of a knowledge based economic model open to competition.** Estonia considers all initiatives leading to a better cohesion between research, development and innovation with initiatives aimed at economic growth to be of material importance for guaranteeing rapid economic growth in Europe. Estonia believes it is essential that the EU growth initiative be implemented in practice and stresses the need for investment in human capital.
 4. **Estonia supports a more flexible and active social and labour policy.** Estonia believes it is necessary to pay more attention to lifelong learning as an important tool in increasing employment and emphasises that social dialogue is essential to the effective implementation of successful employment measures. We support the extension of the principle of free movement of persons to all citizens of the European Union as well as all initiatives promoting the mobility of the labour force to ensure greater flexibility in the labour market in Europe as a whole and to increase competitiveness.
 5. **Estonia supports the creation of conditions in which competitiveness can be increased by developing infrastructure and guaranteeing security of supply at a stable price within the internal energy market.** In order to achieve these goals, Estonia considers it important that activities be undertaken to increase the
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interconnectedness, interoperability and compatibility of transport networks. We believe it is necessary to increase safety and competitiveness in all transport sectors while taking into account the particular characteristics and natural barriers of the Member States in developing the concept of "Motorways of the sea". In Estonia's view, it is necessary to bring the process of opening up the EU energy market to a conclusion, to develop cross-border energy infrastructures, to implement common taxation principles in the energy sector and to research and use local and alternative energy sources, including renewable energy sources, in order to guarantee the security of the energy supply within the internal energy market.

6. **Estonia supports the development of the cultures and languages of the European Union to help to preserve the cultural diversity of Europe.** We believe it is necessary to provide more support for and greater appreciation of the oral and intangible heritage and to increase the size of the budget for the Community new cultural programme to be launched in 2007. In Estonia's opinion, a cultural dimension should be added to EU initiatives in other fields and the particular characteristics of small nations should be taken into account in furthering European cultural co-operation.
7. **In order to increase Europe's ability to compete successfully, the role of the European Commission in expediting the implementation of the Lisbon Strategy and providing equal opportunities in the internal market should be strengthened.** Continuous comparison of the measures taken and best practices applied by the Member States with the indicators demonstrating the competitiveness of the European Union should help to speed up this process. Estonia supports the presentation of an interim report in 2005 on the realisation of the goals of the Lisbon Strategy, and stresses the importance of relevant preparations.

Effective internal market

In order to ensure that the EU internal market is friendly to both enterprises and consumers and in order to increase competitiveness, the market must function smoothly.

Avoiding excessive bureaucracy and promoting enterprise

8. One of the priorities of the EU Internal Market Strategy (2003-2006) is simplifying legislation. **As a result of its own open and liberal model of economic development, Estonia supports the simplification of legislation and avoidance of excessive bureaucracy in the EU internal market.** We therefore support all activities which simplify access to the market, especially for small and medium-sized enterprises. In Estonia's opinion, it is necessary to strengthen the role of the European Commission in ensuring the timely transposition of EU legislation by the Member States, so helping to reduce the fragmentation of the internal market and to improve the way in which it functions.

9. **In order for the internal market of the EU to function effectively, it is necessary to ensure all four freedoms - the free movement of goods, persons and capital and freedom to provide services.** Regardless of the fact that almost 70 % of the GNP of the European Union is created by the service sector, impediments to the free movement of services arising from differences in the legislation of the Member States exist even today. We consider it important that a framework directive on services be adopted and implemented without delay to guarantee that enterprises can be founded and services provided freely within the entire internal market of the EU and that all undertakings are given equal opportunities in the provision of services. The adoption and implementation of the directive on services is essential to both the enterprises, which provide services and the consumers using the services, as a services market open to competition also has a positive effect on the selection, quality and prices of the services provided.
10. **In the context of an enlarging Europe, Estonia considers that it is necessary for an extensive analysis to be carried out by the European Commission to pinpoint the factors hindering the smooth functioning of the internal market and to propose solutions for reducing over-regulation and for improving its functioning.**
11. Estonia believes that the European Union's aspiration to develop a more enterprising Europe is an important prerequisite for attaining higher employment levels, increased productivity and also innovation.
12. **Estonia supports all projects which are directed at making optimum use of business potential**, including the creation of an enterprising spirit in society as a whole, development of business knowledge and skills and, above all, education of young people in a manner which encourages them to be creative and to take initiatives and to think analytically and critically.
13. **We consider it necessary to improve access for small and medium-sized enterprises to capital.** This problem is particularly evident in the financing of new enterprises and innovative projects. It is our opinion that the European Commission should make further efforts to develop the venture capital markets.

Developing a competitive financial sector

14. The prerequisite for developing a common, comprehensive and effective European financial market is the creation of pan-European financial intermediaries and the formation of infrastructures to support the functioning of the pan-European financial markets. Financial services that are provided by large pan-European financial intermediaries improve the competitive environment, as the range of services offered in the Member States widens. Greater competition results in quality improvements and lower prices, making the services cheaper and better for the customer.
15. **Estonia considers it important that the risks related to the formation of a common European financial market are managed in a manner ensuring**

fair competition, efficient supervision and easy access for customers (both enterprises and private persons) to financial services.

16. **Estonia supports the formation of a common, integrated and effective European financial market by facilitating the supply of cross-border services and reducing regulatory differences.** Financial intermediaries in all Member States should have equal opportunities to compete in the EU financial markets. We also support the initiatives which help to make the European financial sector more open and competitive, including initiatives which promote the free movement of investments and capital between the Member States and third countries.

Efficient co-operation to ensure equal opportunities in competition

17. In 2004, a new regulation for implementing competition law will enter into force in the European Union, further increasing the authority of the national competition bodies and the courts of the Member States in implementing EU competition policy.
18. **Estonia supports the creation of a network of public authorities dealing with competition issues in the European Commission and the Member States.** These agencies should act in close co-operation to implement EU competition rules in order to ensure efficient application of those rules and to guarantee fair treatment to all enterprises. We consider it vital that co-operation between the competition bodies takes off rapidly, as this would help to play an important role in guaranteeing equal opportunities in competition throughout the EU.
19. **As public procurement is an area closely related to competition, we consider it essential to simplify the regulations of public procurement.** Implementation of the principles contained in the new EU directives on public procurement must be ensured in all Member States with the objective of ensuring competition, transparency, equal treatment of tenderers and meeting of environmental requirements during public procurement. Estonia's objective is to facilitate the creation and development of a regulatory environment for electronic public procurement and to decrease informal obstacles to cross-border procurement using, for example, the possibilities offered by the public procurement network created between the Member States.
20. **Estonia supports the European Commission's policy to restrict granting of State aid which distorts competition and to direct State aid towards better targeted goals, for instance to the research and development activities.** We support the Commission's initiative to elaborate completely new principles for assessing State aid which has less distortive effect on competition as well for the simplified proceedings of such aid. We consider assessment of the efficiency of State aid and the creation of a functioning system for that purpose to be of significant importance.

21. **In order to guarantee a level playing field when it comes to competition, Estonia believes it is essential that both intellectual property and industrial property is protected effectively.**
22. **Estonia fully supports the fight against the manufacture of pirated and counterfeit goods at both EU and national level.** The onset of the information society has led to rapid development in the field of copyright law and related rights. As this area is guided by the principle of territoriality, Estonia considers it important that **the same degree of copyright protection should be provided in all Member States.** We support the legislative initiatives under discussion in the European Union aimed at adjusting and simplifying the regulation of copyright and related rights.
23. **Estonia considers it important for the protection of industrial property to be rendered more effective and for the availability of legal assistance to be guaranteed.** Estonia supports the creation of a Community Patent without delay, as this will facilitate the movement of goods protected by patent rights within the territory of the EU and is an important tool in increasing the competitiveness of the European Union.

Consumer-friendly internal market

24. **Estonia considers it important that equal opportunities are created for undertakings to market their products and that consumers are guaranteed safe products.** For this reason, we support the drawing up of the New Approach Directives which will simplify product safety legislation to a significant extent. In areas not covered by the New Approach Directives, we support the initiatives of the European Commission aimed at more effective implementation of the principles of mutual recognition for products by all Member States.
25. In order to guarantee the safety of goods, we consider it necessary **to intensify trans-European co-operation between conformity assessment and market supervision bodies**, as a result of which the duplication of work when verifying product safety would be avoided and money would be saved.
26. **Estonia supports the creation of a single European market supervision information system which meets the requirements of modern information technology and operates on a clear legal basis** in order to guarantee effective market supervision and thereby protect consumers from dangerous products. At present, the systems for exchanging information on dangerous goods frequently duplicate each other and operate without a clear legal basis.
27. In connection with the free movement of persons and the development of e-commerce, the number of cross-border transactions performed in the EU internal market is increasing. **Estonia considers it necessary to point out that while cross-border enterprise is accelerating, it is essential to increase the feeling of trust in the internal market felt by consumers.** For this reason, Estonia supports the initiative of the European Commission to instigate co-operation between the authorities of the Member States which are responsible for consumer protection, whereby the collective interests of consumers can be

protected in cross-border trade, the level of trust felt by consumers can be increased and the benefits of the internal market can be used to their maximum extent.

Ensuring the competitiveness of the chemical industry

28. **An important issue for Estonia regarding the adoption by the European Union of the new regulation concerning chemicals (REACH) is to maintain the balance between the economic, environmental and social aspects.** We aim 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 (e.g. the Estonian oil shale industry).

Development of a knowledge based economic space

An information society for all

29. **Estonia actively supports the goals of the eEurope 2005 Action Plan under the Lisbon Strategy, paying particular attention to the creation of electronic services for EU citizens, enterprises and state authorities and simplifying their communication with EU institutions and authorities of the Member States.** At the same time it is vital to guarantee that transition to electronic services does not create new social gaps. In order to increase the competitiveness of the European Union and to promote the efficient functioning of the internal market, Estonia believes it is vital that the innovative development projects set out in the eEurope 2005 Action Plan in respect of e-services and m-services are rapidly implemented in practice in the following areas:
 30. e-government, e-legislation and e-democracy - for closer and more open communication between the citizens and the state, electronic services for citizens, enterprises and other state authorities (provision of public information, enabling citizens to present opinions and proposals, e-elections, e-public procurement, e-polls, etc.) should be applied extensively, making use of the best practices of the Member States.
 31. e-health - Estonia believes it is necessary to develop information systems to be used in the provision of health services in order to enable cross-usage of person-based data between the health authorities of different Member States. The objective is easy access for doctors, health care institutions, pharmacies, providers of emergency medical care and other state authorities (e.g. vital statistics offices, social security offices) to the medical histories of patients in order to provide effective treatment to patients, to guarantee their rights and to reduce bureaucracy substantially. Estonia aims to bring the concept of e-health

to Europe's attention, as this system has already been implemented and is functioning smoothly in Estonia.

32. e-learning - Estonia supports projects targeted at digitising cultural and linguistic objects and making such objects accessible on the Internet, designing and maintaining multi-language webpages on linguistic and cultural topics, and using digitised cultural heritage in learning.
33. The precondition for the international use of e-services is the application of single measures for user identification and digital signing. **In order to ensure the common and secure use of e-services, Estonia supports the preparation and application of a legal basis for universal electronic identification and digital signature certificates at EU level** and proposes, as one of the options, that use be made of the principles of the Estonian electronic ID card, namely comfort for the user, security for the service provider, and its universal nature.
34. **Estonia would like to stress the potential shown by the ID card concept and the possibility of applying the ideas behind its use in the functions of the EU Health Insurance Card** which should be realised in digital form in 2008. Estonia has also set as a target a wider range of the application of the ID card throughout the European Union.
35. Estonia actively supports **liberalisation of the telecommunications market** and all activities which are aimed at improving the accessibility of telecommunication services. In order to achieve this objective, we believe that effective adoption and application of the new EU telecommunications package by the Member States is necessary and we support the European Commission initiative to analyse and delimit the electronic communications markets in co-operation with the Member States. Telecommunications policy is a useful tool in promoting the economic growth of the EU. It is our objective to establish a policy within the EU which would enable broadband communications to be provided to the wider public through open platforms in electronic communication (including digital broadcasting and third generation mobile communications – 3G).

Improving the competitiveness and flexibility of the labour force

36. Bearing in mind the wider goal of increasing economic competitiveness, Estonia supports the main objectives of EU education policy: creation of conditions for the transition to a knowledge based economy and development of human resources to promote a competitive labour market. **In order to fulfil these goals, we believe it is important that a common educational space is created in the European Union, which will help to enhance the competitive ability and flexibility of the labour force.**
37. In Estonia's opinion, particular attention should be paid to the following areas:
 - lifelong learning (in particular, advanced learning) and the development and modernisation of informal education, including increasing accessibility to education for less-favoured target groups;

- development of mobility programmes for education and science;
- improvement of the quality of education in the EU, including the development of quality assurance systems at both national and trans-European level, and the purposeful development of a single quality assurance system for vocational education;
- determination of the role and authority of teachers, and updating and purposeful development of teacher training (especially in vocational training);
- development of the structure and quality of youth work, and extensive co-operation in youth issues;
- further development of research in the field of youth issues in Europe as well as at national level.

Development of the European research and innovation area

38. Estonia wishes to accelerate the development of the European Research Area by taking part in the open process of co-ordinating the research and development activities and innovation policy of the EU Member States and the European Commission. **Estonia supports initiatives developing internationally competitive research and development, human capital and infrastructure.** For this purpose, Estonia supports an increase in financing prescribed in the EU action plan for research and development with the aim of reaching 3% of GDP by 2010, as well as the application of measures which will motivate the private sector to increase investment in R&D and improve ability to introduce new technologies rapidly.
39. Estonia believes that co-operation should be fostered between enterprises, universities and research institutions and supports activities aimed at attaining this objective. We consider it important that the mobility of researchers between EU Member States and third countries is promoted, so assisting in the creation of a common education area covering the whole European Union and positively affecting competitiveness. Estonia believes it is necessary to channel considerable EU investments towards higher education and research, as this helps to achieve Europe's strategic goals and to resolve problems related to the structure of research activities in Europe as well as will have a positive influence on the business environment.

An active and flexible social and labour market policy

An open labour market

40. The main requirement for increasing the competitive ability of the European Union is the openness of the labour market and application of the principle of free movement of persons to all citizens of the European Union. **For this reason, Estonia considers it is necessary to open the labour market fully within the boundaries of the European Union.** Estonia will not establish restrictions for EU citizens wishing to enter our labour market and calls upon
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the Member States to apply the principle of equal treatment in the European Union labour market. It is Estonia's wish to conduct negotiations with those Member States which have established a transition period for opening up their labour markets in respect of the acceding states to avoid further extension and possible shortening of such transition periods.

41. In order to better apply the principle of free movement of workers and to promote the free movement of persons, Estonia's target is the **liberalisation and simplification of the system for the recognition of professional qualifications**, above all in the area of the provision of trans-boundary services. For this purpose, we actively support the idea of drawing up a new directive on the recognition of professional qualifications.

High-quality working life and a flexible working relationship

42. **Estonia believes it is important for the European Employment Strategy to be applied with the aim of reaching an average employment rate of 70% in the European Union by 2010.** In the application of labour market reforms, Estonia supports the goals, and the measures for achieving those goals, set out by the Wim Kok Employment Task Force Report published in November 2003. We consider it necessary to increase the flexibility of the working relationship, which would have a beneficial influence on the creation of new jobs by enterprises. With the aim of ensuring greater employment, more attention should be paid to increasing the ability of workers to compete in the labour market which would help the workers to adjust easily to a new job or to return to the labour market. For this purpose, over-regulation of the labour market must be reduced. Benefit and tax systems should be developed into resources designed to support active participation in the labour market.
43. Following on from these goals, special attention should be paid to ensuring equal treatment of men and women in the labour market, reducing unemployment, and in particular long-term unemployment among the young, and supporting the active involvement of older workers.
44. **In order to attain higher levels of employment, we believe it is necessary to further develop and increase the importance of active labour market measures** (employment training, counselling, employment mediation, individual activity plans), also by making use of resources allocated from the European Social Fund.
45. **In order to improve the quality of working life, we support EU policies which promote the creation of better jobs** (also by increasing employment in the service sector). Estonia supports the development of a safe and healthy working environment with the aim of maintaining workers' long-term capacity for work. Maintenance of a safe and healthy working environment is vital for the smooth functioning of the internal market under the conditions of fair competition to minimise the effects of dumping.
46. **In order to develop flexible working relationships, we actively support the idea of giving priority to flexible working schedules, telework and other**

flexible forms of employment. Estonia considers the above to be one of the key issues in increasing the competitive ability of the EU and supports all actions taken to amend EU employment law in this direction. Estonia actively supports amendment of the European Working Time Directive such that the flexibility of working time would be maintained. In order to develop flexible working relationships, collective contracts and agreements between employees and employers should be encouraged.

47. **In order to improve the compatibility of working life and family life, Estonia supports the measures taken to help the parents of small children return to work or continue working.** At EU level, Estonia supports the following initiatives and guidelines: to enable provision of better child care services and welfare services for the elderly, to popularise part-time work and flexible working schedules, and to take necessary measures to assist women in risk groups (single mothers).

An active social policy based on co-operation between Member States

48. **Estonia considers it necessary for the EU's social policy to be developed on the basis of the goals of the Lisbon Strategy.** Estonia supports the preparation of a pension strategy and long-term care plan on the basis of the principle of open co-ordination.
49. Estonia actively takes part in developing EU social policy measures which help to reduce poverty (when choosing the measures, paying particular attention to the needs of families with children), increase social inclusion (concentrating on people with special needs) and guarantee that the right of persons to benefit from their pension plans and to receive social benefits would be retained if they move within the boundaries of the European Union. In view of the future and of the sustainable development of Estonia and the European Union, special attention should be paid to the protection of the rights of children, the improvement of their life quality and reducing direct social exclusion of children.
50. **Estonia believes that increased co-operation between the Member States in the area of health care is essential in order to minimise risks related to communicable diseases, to guarantee easier access to health services and to improve their quality, to minimise damage related to the use of addictive substances (tobacco, alcohol, narcotic drugs) and to improve conditions contributing to the healthy development of children.** In order to achieve these goals, Estonia is implementing an e-Health Project and is closely co-operating with other Member States in exchanging experiences in this field.
51. Estonia supports the establishment of a centre for infectious diseases prevention and control in the European Union and the formation of the registers and laboratory-based reporting systems on infectious diseases (reference laboratories) which would be necessary for operating such a centre.
52. We believe it is important to prepare and implement an internal EU price policy for medicinal products prescribed for the treatment of HIV/AIDS and

tuberculosis, to encourage generic drugs to be placed on the market as quickly as possible and to increase investment in research into relevant vaccines.

53. In connection with the free movement of patients and health care professionals, we consider it necessary to introduce monitoring of this process and to participate in preparing methodology and action plans for harmonising the health care systems of the Member States.

Development of the transport and energy sector

A stable and open energy market

54. **In the energy sector, the main goal of Estonia is to guarantee security of supply at stable energy prices within the internal European Union energy market.** This should be based on unambiguous criteria to be followed by all Member States. It is important to have a forward-looking energy policy which takes into account environmental and safety aspects and which, in the long run, would be directed at progressive replacement of fossil fuel with alternative, i.e. renewable energy sources.
55. **Estonia considers it essential that the process of opening up the EU energy market is brought to a conclusion** and that the regulatory mechanisms are developed further in order to guarantee fair and undistorted competition between undertakings in the energy market. In the liberalisation of energy market, regional and social aspects must be taken into consideration.
56. In order to guarantee long-term security of supply within the common European framework, connections to the single European energy system must be guaranteed on the basis of the particular characteristics of each Member State. **For this purpose, Estonia believes it is necessary to develop an cross-border energy infrastructure** in collaboration with other Member States and supports investments to this end at EU level.
57. **In order for the common energy market to be better organised, it is necessary to implement common energy taxation principles and to set the principles for the administration of emission quotas.** Estonia believes it is necessary to formulate effective energy management principles, to apply, with the support of EU funds, new financing models when carrying out corresponding projects and to promote energy saving in order to support the economic use of energy.

Development of transport services and infrastructure

58. **Estonia supports the rapid formation of a common European market in transport services** which would ensure equal opportunities for all carriers from EU Member States and would prevent discrimination.
59. **In the field of air and maritime transport, Estonia's main goals are increased safety for passengers and increased volume of services.** Efficient

competition will ensure increased competitiveness of the maritime and air transport services offered and better prices of the services for the consumer.

60. **In the field of air transport, Estonia considers it important that the market restrictions which are currently in force in various Member States are abolished in the EU air transport market and that a common system for monitoring aviation safety is launched through the European Aviation Safety Agency (EASA) at the earliest possible opportunity.** Estonia believes it is necessary to implement rapidly and without deviation from the initial idea the package of EU regulations intended to establish the Single European Sky in order to solve the problem of airspace fragmentation and to improve the smooth functioning, safety and economy of European air traffic through the technical, procedural and institutional harmonisation of air traffic management.
61. **In the field of maritime transport, Estonia's main objective is to increase maritime safety on the Baltic Sea, including readiness to prevent ship accidents and to clean up maritime pollution as quickly as possible.** As an alternative to road transport, Estonia supports increasing the importance of short sea shipping.
62. **In order to provide better guarantees for the safety of passengers within the European Union, Estonia is taking an active role in improving road safety on European roads** with the aim to decrease the fatalities from road accidents by half by 2010.
63. Smoothly operating transport networks are an essential condition in ensuring the free movement of goods within the European Union. Development of the **Trans-European Transport Networks (TEN-T)** connecting the Member States is of high importance, as almost half of the transport movements for the carriage of passengers and goods in the European Union are carried out using those networks. In the development of transport networks, Estonia supports environment-friendly solutions.
64. **Estonia supports activities aimed at developing the cohesion and interoperability of transport networks** with the goal of substantially increasing efficiency and safety of all transport chains, including transit traffic. We also highlight the necessity of creating **high-quality and operational infrastructural connections with third countries**, also in transit traffic.
65. **Estonia supports a rapid and comprehensive development of the Motorway of the Baltic Sea project included in the TEN-T, taking into consideration the particular characteristics of navigation on the Baltic Sea during the winter.** Estonia supports the initiatives of the European Commission and the Member States directed at removing the technical, legal and administrative impediments currently hindering the formation of the TEN-T.

Active European cultural co-operation

Strengthening the viability of languages and culture

66. Estonia wishes to use the benefits offered by enhanced European collaboration in the cultural sphere to foster the viability of the Estonian language and culture. We acknowledge the importance of initiatives which set a wider goal of developing mutual understanding and common cultural area on the basis of cultural communication.
67. **Above all, Estonia supports activities aimed at furthering the development of cultures and languages with restricted geographical area in order to promote and preserve the cultural diversity of Europe.** We aim to support awareness of such languages and cultures through translation projects and promoting training for and co-operation between translators. More attention should be paid to supporting, promoting and improving the awareness of intangible heritage, and to increased collaboration in all fields of culture. Estonia aims to contribute to a clearly defined and traceable output of all initiatives.
68. **We consider it necessary that the Community new cultural programme to be launched in 2007 is relevant to the needs of the smaller Member States and that increased budget funds are guaranteed for the programme.** A single programme dealing with cultural issues must, above all, guarantee permanent support to cultural projects of high quality. Particular attention should be paid to involve the cultural organisations of the new Member States in European co-operation in the field of culture.
69. **In Estonia's opinion, consideration should be given to the cultural aspect and a cultural dimension should be added to EU initiatives in other fields** such as education, the social sphere, regional development, enterprise, etc.
70. Cultural heritage is a reserve which up to this day has not been fully used in improving the physical and social environment, intensifying economic activities and creating new jobs. **Conditions must be created where the resources of the EU structural funds can be put to better use to attain greater appreciation of cultural heritage.**

Creation of new opportunities in the development of broadcasting and the audio-visual sector

71. **Estonia wishes to play an active role in supporting the preparation of the EU new media programme to be launched in 2007 which will promote the competitiveness of the film, television and new media industries of the Member States and facilitate international distribution of the products of those industries.** Estonia's objective within the framework of the programme is for more support to be allocated for the distribution and digital distribution of films. At the same time, Estonia considers it necessary for there to be an improvement in the efficiency of the support mechanisms intended to manage the financial risks of small and medium-sized producers of audio-visual works.

72. **Estonia believes that more attention should be paid to the interests, particular characteristics and opportunities of smaller countries in the process of formation of EU audio-visual policy.** For this purpose, Estonia feels that it is necessary to amend the television without frontiers directive and make it more flexible. Estonia wishes to point out that, as far as possible, the interests of producers, television channels, right holders and viewers should be taken into account in a balanced manner in the process of amending the directive.

Effective economic and budget policy

Use of the common budget of the European Union

73. The planning, implementation of and control over the budget of the European Union must be transparent and based on impact analysis. One of the greatest challenges in drawing up the EU common budget for 2007 to 2013 is creating effective financing conditions to involve the new Member States in achieving the economic and political goals of the EU. The new financial perspective of the European Union has to be consistent with the new challenges: Europe must collaborate in order to achieve greater economic growth and create better jobs, and it must become a stronger player on the global arena and, in particular, in its relations with its closest neighbours. The new financial perspective must be in harmony with European political goals and, above all, with the Lisbon Strategy.
 74. **Estonia supports the preparation of the EU financial perspective for 2007 to 2013 in a manner which enables its optimum use for the purposes for which it is intended, and supports the effective and purposeful use of budgetary funds.** The new budget of the European Union must take account of all aspects related to the enlargement, and adherence to the principle of solidarity must be ensured. The aim of Estonia is not obtaining the maximum size of the budget, but the optimal funding of all priorities agreed upon and of obligations undertaken. It is our conviction that there is significant saving in the current proposal of the Commission for keeping the ceiling of the own resources below the present level. We support the principle of guaranteeing equal and fair treatment to Member States with regard to their contributions to the EU budget.
 75. **We consider it necessary for the system of own resources to be simplified.** Estonia believes that it is not practical to apply a general correction mechanism for net contributors paying above a certain threshold, as this would not ensure the fair and equal treatment of the Member States. Estonia does not support the idea of adding to the contributions of Member States to the EU budget a new tax payable by EU citizens and/or enterprises (e.g. a tax based on value added tax, income tax or energy tax). Imposition of such a tax would require further harmonisation of the tax systems and its application would be complicated.
 76. **Estonia's goal is to ensure rapid and sustainable development of the European Union in a manner which is socially and regionally balanced.**
 77. **In order to increase the EU's ability to compete, to ensure sustainable economic development and to improve the employment situation, the development levels of the new Member States should be brought closer to the EU average.** There must exist the possibility of allocating necessary and sufficient funds from the EU common budget in order to attain the EU's regional policy goals. Structural aid should be directed to the least developed
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countries and regions, i.e. above all to the new Member States. For this reason, Estonia supports a short phasing out period for the regions influenced by the statistical effect and the idea of maintaining the maximum level of budgetary appropriations of structural funds gained by the Member State at the level of a maximum of 4% of the GDP of the Member States.

78. **The use of EU structural funds should be as simple and as transparent as possible.** Estonia supports the idea of concentrating assistance on two types of target area: objective 1 (Member States with a GDP of less than 75% of the EU average) and objective 2 (Member States falling under this category may select which activities they wish to promote with the help of EU funding, based on their domestic priorities and the Lisbon Strategy). In addition to the above, Estonia feels that the merger of different funds would be practical in order to simplify the structural funds further.
79. **In connection with the enlargement of the European Union, Estonia considers it important to modernize, simplify and amend the EU Cohesion Policy.** Estonia supports the idea of giving the first priority in the implementation of the cohesion policy to improving the economic growth and competitiveness of less developed countries, as this is of essential importance in attaining the goals of the Lisbon Strategy.
80. We support the principle according to which the budget of the Cohesion Fund would make up one third of the cohesion policy funds in the Member States which receive assistance. Estonia wishes to point out that co-ordination of the cohesion policy should be significantly increased and the cohesion policy should be better linked to other EU policies (primarily policies related to employment, transport, agriculture and science) and the goals of the Lisbon Strategy.
81. Until the end of the transition period for direct payments (up to 2013), the resolutions related to the EU Common Agricultural Policy (CAP) Reform which prescribe a gradual transition of direct aid to rural development measures do not apply to the new Member States. **Estonia finds the current CAP competitiveness inhibiting and supports the reduction of the market distortive impact of the common agricultural policy (CAP) and the direction of resources from direct aid to rural development. Estonia supports the idea of further decrease of the amount of the CAP in the budget of the European Union, as the budget must adjust to the actual priorities of the European Union and not to historical priorities.**
82. In forming the EU financial perspective and using the EU structural funds, Estonia places the highest priority on increasing sustainability and competitiveness. The development of human resources and a knowledge based economy plays an important role in this. **In order to reduce the difference between the levels of development in the EU Member States, Estonia will do its best to increase the share of investments (in particular in the areas of**

education, research and development) alongside today's consumption expenses.

Development of a favourable and balanced tax policy

83. In forming its tax policy, Estonia adheres to the principle of a simple tax system with a wide tax base which aims to minimise exemptions in taxes within the competence of the European Union. Estonia also stands for cost-effectiveness of the tax administration and for keeping tax rates at a low level.
84. **The main objective of Estonia's tax policy is to maintain a favourable and balanced tax environment which is favourable to economic, environmental and social policy in the EU.**
85. **Estonia supports the implementation of a tax policy within the EU which promotes healthy competition and increases competitiveness. We consider it necessary to adhere to the principle of unanimity in tax issues and believe that the authority to determine direct taxation policy should remain within the competence of each Member State.** Decisions on tax policy made at EU level should not change the basic principles of the tax policies of the Member States or the character of their tax systems. In addition to the above, Estonia supports co-operation in the field of tax administration as this is necessary for the tax system to function optimally.
86. **In Estonia's opinion, all Member States should comply with the EU Code of Conduct on Business Taxation.** In order for the internal market to function better, Estonia considers it of primary importance to prevent unfair competition and tax evasion in EU Member States. Estonia does not support optimisation of the tax burden through special rules incompatible with the Code of Conduct. In order to maintain the simple and transparent nature of the tax system, the number of exceptions set out in the requirements established by tax directives should be brought to a minimum.
87. **Estonia supports tax policy decisions which aim at lower tax rates.** In order to attain the goals of the Lisbon strategy, we believe it is necessary to redirect the tax burden step by step from taxing the labour force to taxing consumption, creating more incentives to work and business activity as well as more effective investments.

Supporting a strong economic and monetary union within the enlarged EU

88. **Estonia believes it is important that all Member States join the euro area to make full use of the potential of the internal market and of the benefits arising from single monetary policy.** Joining the EU single currency is a logical step in the context of co-ordinating economic policy efficiently. Estonia

believes it is necessary that all Member States who join the euro area meet the convergence criteria and comply with the terms of the Maastricht Treaty.

89. **We consider it necessary to maintain and adhere to the principles of economic and monetary union.** As a Member State of the European Union, Estonia will continue to support policies aiming at the fiscal soundness and stability of the EU single monetary policy and will contribute towards the successful operation of the monetary union. Estonia, as a Member State, will continue to implement the economic policy aimed at sustainable economic growth, in adherence to the Broad Economic Policy Guidelines and the Stability and Growth Pact, in order to guarantee the soundness of EU economic and employment strategies. We also consider it necessary for such policies to be implemented in an uncompromising manner throughout the entire European Union.

 90. **Estonia believes that the consistency of the Broad Economic Policy Guidelines with other economic policy co-ordination instruments is important,** particularly in the area of structural and employment policies. Mutual monitoring by the Member States will become increasingly important in maintaining and improving the efficiency of economic and budgetary policies. Estonia also supports the idea of further increasing the authority and expanding the competence of the European Commission as the body responsible for monitoring economic and budgetary policy and ensuring closer adherence to the Stability and Growth Pact. The Commission must be able to give economic policy recommendations and issue early warnings to Member States who fail to adhere to the Stability and Growth Pact. In Estonia's opinion, decisions on whether the budget of a Member State is in excessive deficit should fall within the competence of the Commission. This would encourage discipline amongst the Member States in adhering to the objectives set and would reduce the risk of economic policy decisions being unfavourably influenced by a change in the political situation.
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A Sustainable Europe

An environmentally friendly European Union

91. **In order to guarantee sustainable development, Estonia believes it is important for equal importance to be placed on the three pillars on which such development is based (the economic, social and environmental fields) and for their balanced and interconnected growth to be promoted.** Economic growth must not be accompanied by harmful environmental impact.
 92. **Environmental aspects (environmental impact assessment, the precautionary principle, the “polluter pays” principle) must constantly and systematically be taken into consideration in all areas of EU policy.** For this purpose, Estonia supports the full integration of environmental measures within the Lisbon Strategy and the EU Sustainable Development Strategy (the Göteborg Strategy), and updating of the Cardiff process. Transparency, involving the public, both at Member State and European Union level, in the process of decision-making in the environmental field, promoting environmental awareness and making environmental education an integral part of general education are of essential importance.
 93. **The formation of EU environmental policy should be based on a scientific approach and environmental problems should be resolved in adherence to the “polluter pays” principle,** using taxation for that purpose and ending the grant of subsidies to producers who harm the environment. EU environmental legislation should be reformed on an ongoing basis with the aim of simplifying it and rendering it cheaper and more effective.
 94. **In Estonia's opinion, the European Union should play a leading role in the global discussion of sustainable development and climate change.** Estonia supports EU initiatives which encourage energy conservation as well as the implementation of economic levers (including greenhouse gas emission allowance trading and the EU Joint Implementation Project), the development of sources renewable energy and the promotion of the use of bio fuels.
 95. In Estonia's view, it is important for emissions of greenhouse gases by the transport sector to be lowered and therefore we give priority to the development of rail and marine transport and we support the development of public transport. Estonia believes that it is essential to develop carbon-emission-free energy systems and technologies. Using EU research and development programmes and other political measures, high priority should be given to the development of energy technologies which help to prevent climatic changes.
 96. Estonia believes that the formulation of the thematic strategies for the Sixth Environment Action Programme of the European Community is of high
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importance. **Estonia is interested in actively participating in and contributing towards the development of strategies which deal with waste prevention, recycling and the sustainable use of natural resources**, taking account of Estonia's science-based development and national resources. We believe it is important to develop and implement the EU Integrated Product Policy and the Environmental Technology Action Plan. When drawing up the EU New Financial Perspective, sufficient means should be channelled towards the development of the environmental protection infrastructure of the Member States.

97. As a result of the European Union's enlargement, its geographical centre will change and the Baltic Sea will practically become an inland sea of the EU. **It is important for Estonia that the European Union would pay more attention to the Baltic Sea and would take account of the particular characteristics of the region.**
98. **Protection of the Baltic Sea and its sustainable use is of vital importance to Estonia.** Estonia believes that regional needs must be taken into account in the development of the EU Marine Strategy. In the development of the Baltic Sea Strategy and the Estonian Marine Protection Programme, the main focus of attention should be on the safety of marine transport, the prevention of eutrophication and a reduction in the levels of hazardous substances in the Baltic Sea. The European Union must use its authority to end the navigation of single hull oil tankers on the Baltic Sea.
99. **In order to guarantee the sustainable development of the European Union, Estonia supports effective action to preserve natural diversity and protect natural resources.** Estonia believes that the highest priority should be given to the protection of forests, water bodies, natural wetlands and semi-natural habitats and to landscape conservation, and views the involvement of EU funds in supporting such activities as important. Natural diversity and the protection of species must be ensured by applying a sustainable hunting policy.

Rural, agricultural and fisheries policy

Towards a more integrated rural and agricultural policy

100. Among the different fields of EU policy, the Common Agricultural Policy (CAP) is significant for its long-term development. As such, agriculture is one of the EU areas with the highest degree of regulation and it is traditionally financed from the common EU budget. At present, the legislation dealing with the EU agricultural sector (including food safety) makes up approximately 40% of the total volume of EU legislation.
101. Estonia supports the goals of the CAP. However, it is our opinion that the ongoing changes in the world must be taken into consideration in reforming the CAP. It is important to ensure that **employment in rural areas is preserved** and that **the income of agricultural producers corresponds to the general standard of living**. **The safety and availability to the consumer of food and**

feedingstuffs produced within the EU or imported from third countries must also be guaranteed.

102. The CAP has been repeatedly reformed in order to meet new challenges in the internal and external markets as well as the expectations of the public for a more integrated agricultural and rural policy, which has environmental protection, food safety, and conservation of traditional landscapes as its priorities. The latest reform began in 2003 directly after the EU Accession Treaties were signed with the acceding countries. As a result of the amendments, payments are being partly decoupled from production in order to encourage agricultural producers to adopt a more market-orientated approach in their business decisions and thereby to improve the ability of the agricultural sector to compete on the world market. The objective of this reform is to attain stability in the enlarged agricultural market and in the field of agri-political measures for the next decade. The decisions already taken will serve as the basis for developing the EU Financial Perspective for the period 2007 to 2013.
103. **In the longer term, CAP must be aimed at developing a more competitive agricultural sector on the world market, which depends less on direct payments and market organisation measures.**
104. Estonia considers it important for the EU Agriculture Budget to remain at the same real level. Estonia supports **a gradual reduction of direct payments and an increase in resources allocated through rural development measures.** We wish to direct more attention and funds to the rural area as a whole in order to encourage local initiatives diversify economic activity and uphold traditions.
105. We support the idea of consolidating the planning of the rural development measures accompanying the agricultural policy and rural measures granted from the European Agricultural Guidance and Guarantee Fund (EAGGF) under a single programming system (including a single programming document, i.e. a development plan) which would render use of the assets of the fund more flexible for the Member States. The rules concerning contributions that have been agreed upon until 2013 should remain in force until the end of the next budget period, but the rules for implementation should be simplified as far as possible.
106. In order to increase the efficiency and competitiveness of agricultural production, Estonia stresses the importance of following aspects at the EU level:
 - co-financing of agricultural science and education projects by the EU within the framework of rural development measures;
 - creation of a system for risk assessment and risk-spreading and for compensation of damages at EU level;
 - production of "green energy", support for other alternative methods of land use and development of science-based activities in this area.

Acknowledging the importance of agriculture and rural life throughout the EU

107. One of the main goals in implementing the CAP is balanced development in the whole Europe. This requires a sustainable, tradition-based development of rural areas and agriculture.
108. The primary recipients of the CAP support measures must be those who are actively engaged in agriculture and who make actual expenditures for improving the land. We believe it is important not to apply transition periods on direct support schemes agreed upon after the conclusion of the accession talks, above all on schemes related to milk and energy crop production. Estonia considers it unacceptable to apply transition periods to any CAP amendments that may be adopted after the accession of the new Member States.
109. The ongoing reform of the current system of direct support, tied to previous production levels, should set as its objective awareness of and regard for the public good provided by the agricultural sector (a well maintained landscape) throughout the whole EU. We support a gradual **evening out of the levels of agricultural support in the different EU regions and the financing of the CAP primarily from the EU Common Budget.**
110. Estonia does not support the idea of increasing the share of national budgets in financing agriculture and rural development. In particular, the creation of unfair competition through national budgets should be avoided.
111. Efforts should be made to provide equal opportunities for importers and exporters from all Member States in trade with third countries.
112. Estonia considers it necessary to stress that food safety requirements should apply to everyone equally. In order to avoid unfair competition during the transition periods, we support undertaking thorough analysis each time exceptions are established for individual Member States.

Promotion of Estonian agricultural produce in Europe

113. The markets of the Member States of the European Union constitute the main marketplace for our agricultural products. Estonia has set a goal of increasing the competitiveness of its products and actively marketing its products in Europe, underlining Estonia's competitive advantages in agricultural production and the consumer-friendly nature of our goods.
114. Estonia believes it is necessary to support activities that increase the competitiveness of the food sector (development of production, meeting consumers' expectations better), both in the internal and the external markets.
115. The production, differentiation and distribution of foodstuffs and organic and non-organic produce containing genetically modified organisms (GMOs) must be strictly regulated at European Union level in order to create equal conditions for competition. Also, the use of GMO must be subject to the precautionary

principle and the producer liability principle, and the corresponding products must be distinctly labelled.

116. Estonia supports the European Action Plan for organic food and farming, and believes that a greater emphasis should be placed on organic produce in the European Union. Taking into account Estonia's high potential in developing environmentally friendly production methods and the considerable interest among the farming sector in exporting organic products to the EU Member States, Estonia supports the introduction of a common EU eco-labelling scheme.
117. Consumer safety must be guaranteed in regard to food and feedingstuffs produced in or imported into the European Union. Hygiene requirements should be implemented in a manner, which does not interfere with existing trade either in the internal market of the EU or with third countries. In implementing food safety requirements, there should be a guarantee that opportunities for producing traditional products will remain.

Sustainable and competitive fisheries policy

118. Estonia's primary goal is to encourage the sustainable and internationally competitive development of the fisheries sector in the European Union, ensuring the preservation of fisheries resources.
119. For this to happen, it is necessary to continue applying knowledge based sustainable exploitation of fisheries resources and to take necessary measures for their renewal and conservation. Under the present conditions of a continuing reduction in fisheries resources, sustainable development of the EU fisheries sector can be guaranteed only by using thorough scientific and social analyses.
120. In order to ensure that the EU fisheries sector develops competitively, Estonia supports the **simplification of the Common Fisheries Policy and the liberalisation of fisheries trade**. Estonia believes it is necessary for fishing capacity to be brought into correspondence with fishing possibilities throughout Europe. From Estonia's point of view, it is important that traditional fishing grounds and fishing possibilities are preserved.
121. The fisheries structural policy (Financial Instrument for Fisheries Guidance – FIFG) should support the sustainable development of the fisheries sector. At the same time, it is necessary that continued support is given to the development of land-based fisheries infrastructures (such as harbours, aquaculture and fresh water fishing).

A simple and safe Europe

A common area of freedom, security and justice includes, in addition to questions on justice and home affairs, the democratic participation of citizens in all stages of EU decision-making process. **Estonia considers it necessary to emphasise the growing need to bring the state closer to its citizens and therefore supports the reform of the European Union in a way that its institutional architecture would guarantee the continued functioning of the European Union as a union of states.** In addition, Estonia believes it is important for citizens to have more involvement and to have greater transparency in the functioning of the EU.

Efficient and democratic decision-making

122. **Estonia sees the European Union as an open and democratic union of states where decisions are taken as close as possible to the citizens.** In order to define the competence of the EU more precisely, to simplify its treaty structure and decision-making process and to increase the authority of the Parliaments of the Member States, Estonia supports the adoption of the EU draft constitutional treaty provided that a result acceptable to all Member States is reached at the Intergovernmental Conference.
 123. **Estonia calls for the decision-making process in the European Union to be made simpler and more understandable for the citizens.** In order to strengthen the citizen-friendliness of the EU institutions, Estonia supports that the measures increasing transparency are taken into account both when reviewing the regulation of public access to documents and at the Intergovernmental Conference. In order to promote an open Union based on the principles of participatory democracy, Estonia considers it necessary to support the active participation of local governments and regional authorities as well as independent associations and social partners at the European Union level through the Committee of the Regions, the European Economic and Social Committee or through trans-European non-governmental organisations network.
 124. In order to increase transparency in the decision-making process, Estonia supports the steps proposed at the 2002 Seville European Council for improving the working methods of the Council. Estonia calls for measures to be adopted supporting public initiative and greater involvement of the citizens. We are also in favour of simplification of the legislative procedure, including the comitology procedure.
 125. Estonia supports the wider application of the Community Method in the decision-making process. **We are in favour of strengthening the European Commission in order to provide better guarantees for the uniform application of EU legislation throughout the EU.** In principle, Estonia supports the idea of wider application of qualified majority voting in the
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Council, except in individual issues directly related to the performance of the main functions of the state (taxation, social security policy, foreign and defence policy). In order to ensure democratic control, Estonia supports the strengthening of the role of the European Parliament and of the national parliaments in the European Union decision-making process. At the same time, Estonia believes it is important for the principles of subsidiarity and proportionality to be applied upon the preparation and adoption of decisions.

126. **In Estonia's opinion, all Member States should be involved in running the European Union.** Each Member State should be guaranteed a Commissioner in the European Commission, the rotating presidency system for the Council should be maintained as far as possible, and the minimum number of seats in the European Parliament should be sufficient to enable each Member State to participate in the work of the largest political groupings.

A safe Europe

Developing a common asylum and immigration policy

127. In order to promote the free movement of persons and, at the same time, to render external border controls more effective, the Treaty of Amsterdam and the EU summit in Tampere set the goal of establishing a common area for freedom, security and justice in the European Union by 1 May 2004. As one of the measures of the Tampere process, the first stage of creating a common asylum system, including elaboration of the basic principles for granting asylum and processing asylum applications, will be concluded by that date.
 128. **Estonia considers the establishment of a common procedure for granting asylum and a uniform status for refugees to be of great importance.** Common procedures and guarantees ensure equal protection for asylum seekers throughout the Union and prevent asylum seekers from submitting asylum applications in several Member States. Estonia supports the equal treatment of present and acceding Member States in establishing such measures, as well as the adoption of directives establishing the status of asylum seekers and the minimum standards for the asylum procedure. When considering the granting of additional social guarantees to refugees, we emphasise the need to base the decisions in this area on the resources of the Member States. Estonia wishes to play an active role in the elaboration of the goals of the continuation of the Tampere process in order to work towards an operational common asylum policy.
 129. One of the key elements of migration policy is efficient cooperation with the countries of transit and origin. Estonia supports the activities of the European Commission in concluding readmission agreements with third countries and wishes to actively participate in the process. Bearing in mind the fact that
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Estonia's Eastern border will become the EU external border, signing the readmission agreement with Russia is of particular importance.

130. Estonia supports the application of a flexible method in developing an EU common migration policy. We believe it is necessary for common qualitative standards to be introduced to regulate different types of migration. However, the Member States should be given freedom to regulate migratory flows taking account of the security, demographic, economic and labour market situation of each Member State.

A Europe without internal frontiers

131. **Estonia supports closer co-operation between the Member States in the area of EU border control.** Although control of the external borders will remain under the competence of the Member States, Estonia believes that it is necessary to improve operational cooperation and therefore fully supports the establishment of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the EU. Estonia would like to take active part in the discussions determining the functions of the Agency. As Estonia will be one of the Member States to administer the external border of the EU, we are interested in **the European Union assuming a supporting and co-ordinating role in border management and are of the opinion that the financial burden related to border control should be shared according to the principle of solidarity.**
 132. Accession to the EU will enable Estonia to join the area without internal borders, the Schengen area, which ensures the freedom of movement within the Union for all EU citizens. In order to continue to provide a high level of security for everyone in the enlarged European Union, **Estonia emphasises the need to render the Schengen compensation mechanisms (co-operation between the police, customs authorities and judicial bodies) more effective.** For the purpose of enabling full integration with the Schengen area, Estonia considers it necessary for the Schengen Information System II and the Visa Information System to be developed in a timely manner and wishes to participate actively in this process. At the same time and in order to be fully prepared to join the Schengen area in 2007, Estonia will continue organisational and technical preparations at national level, including strengthening the technical basis of foreign representations in the issue of visas. Estonia supports the idea that each new Member State should be able to join the Schengen area at its own individual pace.
 133. **Estonia is interested in the adoption of new technologies to improve the security of identity documents and supports the EU initiatives for introducing biometric security elements in visa and residence permit stickers and passports.** However, we wish to emphasise that the terms set for the application of these technologies must be realistic and take the resources of each Member State into consideration. In connection with this, we support the
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idea that the financial burden related to the introduction of new technologies should be shared at EU level.

134. **Estonia wishes to emphasise that entry into agreements for visa-free travel should be based on common EU criteria.** Estonia believes it is necessary that, as a prerequisite for visa-free travel, third countries should meet certain basic criteria, including effective control over their external borders, security of their travel documents, existing readmission agreements and control over illegal immigration. We would also like to point out the importance of applying the principle of reciprocity when entering into agreements for visa-free travel.

Fight against international crime

135. **Development of police co-operation and crime prevention mechanisms with the aim of guaranteeing security for citizens throughout the EU is of high importance.**
136. **Estonia wishes to intensify co-operation between Member States and make it more effective by increasing the competence of EUROPOL – the European Police Office.** Estonia believes that the increased obligations of the Member States and binding measures in the field of justice and home affairs would significantly improve co-operation at EU level.
137. **We support the conclusion of an agreement between Europol and Eurojust** with the aim of developing and maintaining close co-operation between those organisations in order to render the fight against international crime more effective and to prevent the duplication of activities.
138. **Estonia supports the idea of actively protecting the EU's financial interests and fighting cross-border crime through the existing institutions.** The goals of the EU in this area can be attained by strengthening and intensifying co-operation between the European Anti-Fraud Office (OLAF), Eurojust and Europol.
139. With the objective of creating a European judicial area, the Treaty of Amsterdam foresees the possibility to harmonise, on certain conditions, the criminal law provisions of the Member States. Removing the considerable differences between definitions of similar criminal offences and terms of punishment applicable in the Member States would prevent criminals from taking advantage of those Member States with more lenient regulations. **Estonia supports the harmonisation of substantive and procedural law at EU level for certain more serious types of cross-border crime such as drug offences, trafficking in human beings and information technology crime.**
140. **Estonia wishes to promote and improve the efficiency of co-operation between the Member States through the European Crime Prevention Network (EUCPN).** Estonia is in favour of increasing the competence of the authority and supports, in combating crime, the conduct of scientific research as well as the implementation of crime prevention measures on the basis of a

uniform methodology and in co-operation with the central and local authorities, the third sector and the citizens.

Civil protection

141. **Estonia attaches significant importance to the preparation of strategies and programmes for the prevention of disasters within the framework of the EU Civil Protection Mechanism.** Estonia supports all initiatives for improving the effectiveness of the Community Civil Protection Mechanism, including development of the EU Information and Monitoring Centre (MIC) set up to communicate information between Member States in the event of crises and to perform the function of a co-ordination centre in general. In the field of civil protection, Estonia emphasises the need for a closer co-operation between the EU and other international organisations such as NATO and the UN (UN-OCHA) in order to reduce the duplication of field training operations, actions and reaction mechanisms.

Effective protection of rights in other Member States

142. One of the basic principles of judicial co-operation in civil matters is the mutual recognition of court decisions and decisions in extra-judicial cases made in civil and commercial matters. Estonia's goal is to assist in fully implementing mutual recognition in such matters in order to guarantee that differences in the legal systems of the Member States do not hinder citizens and legal persons from exercising their rights in other Member States of the European Union.
143. It is also important for Estonia to ensure the rapid and smooth processing, through co-operation between the Member States, of judicial matters involving parties from several Member States. For this reason, Estonia supports the initiatives of the Commission dealing with the settlement of small claims and the alternative dispute resolution at Community level and believes it is important for the judicial and extra-judicial procedure to be simplified and harmonised still further.

Europe and the world

In order to increase the security and improve the standard of living of the citizens of the Member States, **the EU must promote the growth of safety and well-being in its neighbourhood and the rest of the world, support human rights and democracy, help to prevent the proliferation of weapons of mass destruction and assist in the fight against terrorism.** To attain this goal, the European Union must be an active and co-operative partner and have the capabilities to prevent and resolve crises. The European Union must, on the basis of the subsidiary principle, attribute to the achievement of the United Nations Millennium Development Goals.

EU Common Foreign and Security Policy and the European Security and Defence Policy: strengthening and stabilising the international security environment

144. **In order to strengthen the international security environment, the activities of the EU in reducing world security risks must be rendered more effective in accordance with the European Security Strategy.** For this purpose, it is necessary to improve the ability of the Member States both to participate in the implementation of the EU Common Foreign and Security Policy (CFSP) in an effective manner and to propose initiatives. The European Union must work towards the multilateral settlement of conflicts and make use of all forms of co-operation to guarantee the security of its Member States. Continued EU co-operation in the field of the CFSP and European Security and Defence Policy (ESDP) at European level should be carried out in a manner which precludes duplication of the defence work conducted within the framework of NATO and which promotes transatlantic co-operation. At the same time, the interconnectedness of EU actions in various international organisations in the field of security policy and trade policy and development co-operation must be increased.
 145. Estonia supports the enlargement and securing of the area of stability in regions bordering on the European Union (in East and Southeast Europe, the South Caucasus and the Wider Middle East) as well as in more distant regions by developing co-operation with the EU's neighbours and, where necessary, by assisting in the conflict prevention, crisis management and solving of crises and in subsequent post-conflict rehabilitation.
 146. **A strong transatlantic relationship is the basis for continued stability, economic growth and development in the North-Atlantic region and for this reason Estonia believes that the continued participation of the United States of America in guaranteeing the security of Europe is important.** The objective of transatlantic co-operation, based on common values and interests, is to maintain world peace and combat phenomena, which put world peace at risk (such as terrorism, weapons of mass destruction and organised crime). **A strong partnership between the North Atlantic Treaty Organisation and the**
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European Union is the cornerstone of transatlantic co-operation and the basis for the European security and defence policy.

147. The package of agreements on the organisation of defence co-operation which was reached between the EU and NATO within the framework of the Berlin Plus agreement has established a strong basis for developing the EU-NATO strategic partnership in crisis management.
148. **Mutual co-ordination of the planning processes in the EU and NATO is important to enhance Europe's defence and crisis management capacities.** Above all, this means harmonising the military planning principles, schedules and procedures of NATO and the EU. Estonia will prepare a national scheme for financing its participation in crisis management activities in order to render such participation more effective.
149. In order to ensure the security of Europe, Member State participation in the CFSP and the ESDP should be enhanced within the framework of the Petersberg Tasks in the area of military and civil crisis regulation measures. The European Union must continue its peacekeeping missions and exert itself in other ways to eliminate the consequences of conflict in the Western Balkans. More attention should also be paid to resolving the "frozen conflicts" in Moldova and the Southern Caucasus.
150. In order to develop military and civilian capacity for international crisis regulation, Estonia views continued participation in the EU crisis management training exercises and in the planning of such events as important.

The European Union and its neighbours: expanding security and prosperity

151. **The EU must promote an increase in security in our neighbourhood and support economic growth and the development of democratic societies based on a market economy,** as this also contributes to the security and well-being of the citizens of the EU.
 152. **In developing the European Neighbourhood Policy and the Northern Dimension policy, specific action plans must be prepared to promote co-operation with the EU's new Eastern European neighbours and to allocate more resources to enhancing cross-border co-operation in the Baltic Sea region.** Within the framework of the European Neighbourhood Policy, priority should be given to promoting co-operation in environmental issues in order to prevent transboundary pollution and enhance nuclear safety and in issues related to fighting organised crime and preventing the spread of transboundary diseases, and to promoting closer communication in the field of culture. The European Union should extend its efforts to assist in the democratic development and stability of Ukraine, Moldova, Byelorussia, Georgia and other Southern Caucasian states.
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153. The European Union is an open Community and in order to foster stability and prosperity in Europe the reunification process of the European continent should continue. Estonia supports the further enlargement of the European Union based on the Copenhagen criteria.
154. **The partnership between the European Union and Russia must be based on common values.** For this partnership to work, the Member States must form a common EU position on all key issues of the relations between the EU and Russia. In addition to issues concerning economic co-operation, attention should be focused on the development of the rule of law and democracy in Russia, ensuring human rights, including in the Northern Caucasus, securing the EU external border and the related immigration and refugee policy. It is essential for the development of bilateral relations between the EU and Russia that the EU-Russia Partnership and Co-operation Agreement is extended and applied without problems to the new EU Member States as of 1 May 2004.

EU external trade relations: developing a stable growth environment for enterprises

155. **Estonia considers further liberalisation of the world economy to be important for promoting European exports, supporting economic growth and creating stable external trade rules which encourage enterprises to develop.** It will be Estonia's interest as a Member State to promote the development of EU common commercial policy and to ensure that enterprises are able to benefit from the opportunities, which arise from the application of this policy.
156. Estonia believes it is important for the World Trade Organisation (WTO) to be strengthened further. In order to intensify world trade and offer a wider market for Estonian and European producers, Estonia supports further liberalisation of world trade, the development of closer economic ties between the EU and the USA, Canada and Asian regions with their rapidly developing economies, and the accession of Russia, Ukraine and our other closest neighbours to the WTO on terms acceptable to the members of the organisation.

Development co-operation: increasing the well-being of the world

157. **Estonia supports the efforts of the EU to attain the UN Millennium Development Goals by 2015.** Estonia wishes to assist in promoting the EU's common development policy and making it more effective and, in accordance with principles of Estonian development co-operation, is willing to increase its contribution to the policy. Estonia's contribution to the EU's development co-operation above all consists of supporting the development of the Countries of East and South-East Europe and is primarily concentrated on areas where Estonia is able to share its experiences in economic and political reform during the transitory period. The inter-connectedness between different policy fields – such as development co-operation and foreign trade – must be increased. Estonia supports the involvement of non-governmental organisations in the
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creation and implementation of the European Union policy on development co-operation.