



EUROPEAN COUNCIL

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COVER NOTE

from : General Secretariat of the Council

to : Delegations

Subject : **EUROPEAN COUNCIL
7/8 FEBRUARY 2013**

CONCLUSIONS

Delegations will find attached the conclusions of the European Council (7/8 February 2013).

I. TRADE

1. Enhancing sustainable growth and jobs is a key priority for the EU. Trade in goods and services and investment can make a significant contribution in this respect. It is estimated that an ambitious trade agenda can lead in the medium term to an overall increase of 2% in growth and to the creation of two million jobs. To get the most out of trade, the EU must develop the right domestic policy framework to support competitiveness, open up trade in services, strengthen the industrial basis in Europe and enhance Europe's place in global value chains.
2. In order to better use trade as an engine for growth and job creation, the European Council reiterates the EU's determination to promote free, fair and open trade whilst asserting its interests, in a spirit of reciprocity and mutual benefit. The EU trade agenda will promote EU standards and international regulatory convergence. The EU remains fully committed to a strong, rules-based multilateral trading system. It is of the utmost importance to fight all forms of protectionism, including as regards non-tariff trade barriers, ensure better market access, promote appropriate investment conditions including as regards its protection, enforce and promote intellectual property rights and open up public procurement markets. Work is under way on the proposal on access to public procurement markets.
3. The EU will ensure the effective and robust enforcement of its rights under existing rules, including through the recourse to the WTO's dispute settlement system and to its own trade defence instruments where appropriate. The European Council looks forward to the next Commission report on trade and investment barriers.

4. The EU remains committed to the successful conclusion of negotiations within the WTO's Doha Development Agenda (DDA). This requires efforts from all participants in the negotiations, in particular from large emerging economies. In the short term, it is important for progress to be made towards a multilateral agreement on trade facilitation, as well as on other aspects of the DDA, by the time of the December 2013 WTO Ministerial Conference in Bali. Such progress would benefit the world economy and inject new momentum into the DDA negotiations more broadly. The EU is ready to begin a reflection, in cooperation with partners, on the post-Bali WTO agenda, including the DDA.
5. Plurilateral and sectoral agreements can contribute to the EU's growth agenda. The EU looks forward to forthcoming negotiations on services and to the early completion of the review of the Information Technology Agreement. Further progress is required towards liberalisation of trade in environmental goods and services as a positive contribution to moving towards a resource-efficient, greener and more competitive economy.
6. While the EU remains committed to the further development of the multilateral trading system, its immediate focus is on developing its bilateral trade relations. These can and must make a positive contribution to the multilateral system. By building on WTO rules and by going further and faster in promoting openness, the EU's bilateral agreements will help to clear the way for further progress at the multilateral level.
7. Building on the tangible progress made in recent months in the EU's bilateral trade agenda, all efforts should be devoted to pursuing agreements with key partners, prioritising those negotiations that will provide most benefit in terms of growth and jobs. In particular, the European Council:

- (a) looks forward to the report of the EU-US High Level Working Group on Jobs and Growth and its recommendations. The European Council calls upon the Commission and the Council to follow up on these recommendations without delay during the current Presidency. It reiterates its support for a comprehensive trade agreement which should pay particular attention to ways to achieve greater transatlantic regulatory convergence;
- (b) looks forwards to the launch of negotiations with Japan at the forthcoming EU-Japan summit further to the adoption of the negotiating mandate in late 2012;
- (c) expects the negotiations with Canada to be concluded very shortly;
- (d) stresses that, regarding Russia, in the short term the priority must remain implementation of its commitments stemming from its accession to the WTO. Negotiations on a comprehensive New Agreement require further progress;
- (e) notes that the EU's agenda with China is broad and ambitious. Priorities in the short term should focus on investment, market access, procurement and intellectual property rights, and be based on a constructive and strategic engagement. Both sides have committed themselves to an early start to negotiations on a substantial investment agreement;
- (f) recalls that negotiations with key emerging economies are important for the EU:
 - negotiations with India require further efforts;
 - further to the conclusion of the negotiations with Singapore, trade relations with other ASEAN countries should be deepened;
 - the commitment of the EU and MERCOSUR to work towards exchanging market access offers no later than the last quarter of 2013 is welcome.

8. The European Council also calls for progress as regards:
- (a) the Association Agreements including DCFTAs with the Republic of Moldova, Georgia and Armenia with a view to their finalisation by the time of the Eastern Partnership Summit in Vilnius. The European Council reaffirms its commitment to the signing of the agreement with Ukraine, in full compliance with the Council conclusions of 10 December 2012;
 - (b) the start of negotiations on Deep and Comprehensive Free Trade Agreements with Morocco and rapid progress towards the negotiations with Tunisia, Egypt and Jordan;
 - (c) the development of a renewed partnership with the African/Caribbean/Pacific countries through the conclusion of Economic Partnership Agreements.

II. EXTERNAL RELATIONS

Arab Spring

9. Europe and its Southern Mediterranean partners share a common neighbourhood and are bound by common interests and concerns. The EU is fully resolved to engage in a mutually beneficial partnership, aimed at establishing an area of shared prosperity, closer political association and progressive economic integration, and based on adherence to universal values, such as democracy, respect for human rights, the rule of law, and gender equality. Civil society has an important role to play in the transition to democracy. The development of this partnership should be achieved through a wide range of instruments and requires the long term commitment of both sides.

10. Momentous changes have taken place in the region in the last two years, with the important moves towards democracy achieved in the wake of the Arab Spring. In several countries democratic elections have been held for the first time and the basic foundations of democracy are being progressively introduced. The EU strongly supports these processes and calls on the governments, as well as political and social forces in the countries concerned, to continue their efforts to develop stable and well-grounded democracies beyond the electoral processes, which should be free and fair, and to develop inclusive processes based on dialogue.

11. This process of transition towards democracy will take time and has to take into account the political and social realities of the local societies involved, but it needs to be clearly based on the promotion and protection of human rights, fundamental freedoms and the rule of law. Many of the countries in the region are, at the same time, facing considerable socio-economic challenges that need to be tackled urgently both in order to place their economies on a sound footing as a basis for recovery and to help consolidate democratic transition.

12. The EU has been fully committed to this new Partnership in a spirit of co-ownership since the beginning of the Arab Spring and is determined to further enhance its support for democratic and economic transition processes in the region, based on a differentiated approach, with countries making greater efforts towards democratic reforms receiving more support. This includes:
 - (a) assistance for democratic transformation, the development of civil society, the rule of law, human rights, gender equality and increased transparency and efficiency in electoral processes, including through the provision of technical advice and cooperation and the deployment of electoral observer missions;

 - (b) enhanced cooperation in the area of freedom, security and justice, in particular through the dialogues on migration, mobility and security and the development of mobility partnerships as well as through support in addressing the rule of law, security sector reform and border management challenges;

- (c) promotion of shared economic prosperity, including by contributing to macroeconomic stability, promoting economic reforms and an appropriate climate for business and investment and maintaining momentum on Deep and Comprehensive Free Trade Agreements, thus multiplying the possibilities for commercial exchanges and growth;
 - (d) people-to-people contacts, in particular as regards promoting exchanges between young people in the EU and in the Southern neighbours, notably in the framework of the Erasmus Mundus programme. Particular attention should be given to promoting the employability of young people and women. The Commission will in particular provide assistance and expertise to improve the quality of education and vocational training, to further increase student exchanges, to develop policy dialogue on education, employability and vocational training and to stimulate youth exchanges;
 - (e) enhanced cooperation in a wide range of fields such as research, entrepreneurship and SMEs, agriculture, transport, including aviation and maritime services, environment, climate change, energy, telecommunications, administrations' capacity-building, culture, and sharing of knowledge and expert exchanges on transition processes.
13. Joint task forces have been established with some of these countries to ensure that the EU's approach is comprehensive and consistent. It is also important to ensure more synergies and coordination between the support brought by the EU, its Member States and other actors.
14. This overall reinforced commitment has involved the provision of additional funds and macro-financial assistance to the countries in transition. The EU will make every effort to support reforms and respond to the individual needs of these countries, in the short as well as in the medium and long term. The EIB is invited to continue to step up its support for investment into the private sector, infrastructure and climate change in the region.

15. It is also necessary to explore further ways to enhance the political dialogue, including dialogue at the highest level, with those countries in transition towards democracy, and to promote synergies with regional initiatives such as the Union for the Mediterranean and the "5+5 Dialogue". The EU will also support efforts towards more regional integration. The European Council welcomes the communication on supporting closer cooperation and regional integration in the Maghreb.

16. The European Council calls on EU institutions, Member States and Mediterranean partners to maintain a high level of effort and commitment. It invites the High Representative and the Commission to keep relations with the Southern Neighbourhood under review. It invites the Council to evaluate the effectiveness of the EU's policies and instruments in assisting the political and economic transition of the region and to report back by June 2013.

17. The European Council deplores the appalling situation in Syria, which remains the most worrying among the countries whose societies were mobilised in the Arab Spring. It calls for an immediate end to violence and expresses its concern over the widespread and systematic violations of human rights and international humanitarian law, for which the Assad regime carries the primary responsibility. It reiterates its support for the efforts of Joint Special Representative Brahimi to achieve a political solution. It expresses its support for the Syrian population's aspirations and for the Syrian National Coalition as legitimate representatives of the Syrian people, and stresses the need for a political transition towards a future without Assad and his illegitimate regime. The EU will mobilise its resources so as to lend its full assistance to the consolidation of peace and the establishment of democracy. It will continue to provide humanitarian aid and other civilian support to the Syrian population. In this context and in light of the humanitarian emergency situation, the European Council welcomes the significant pledges made at the Kuwait donor conference, encourages Member States and the Commission to further increase their respective contributions and calls on all parties to the conflict to facilitate humanitarian access. The European Council recalls its tasking to the Council in December to work on all options to support and help the opposition and to enable greater support for the protection of civilians. In this regard, it notes that the Council will assess and review, if necessary, the sanctions regime on Syria at its next meeting ahead of its March deadline.

Mali

18. Recalling the Council conclusions of 31 January, the European Council welcomes the decisive action taken by the Malian armed forces, especially supported by France, other EU Member States, and countries of the region, to restore the country's territorial integrity and the authority of the Malian state. The EU is committed to bringing financial and logistic support to the accelerated deployment of the African-led International Support Mission in Mali. The adoption of the roadmap for transition by the Malian National Assembly is a fundamental step towards the restoration of democracy, constitutional order and civilian control over the armed forces in Mali and should be urgently implemented. This allows the gradual resumption of European development cooperation in order to respond swiftly to Mali's priority needs. The EU stands ready to support the implementation of the roadmap, including through support to the electoral process. It is crucial to restore an inclusive national dialogue open to the populations of the north and to all groups which reject terrorism and recognise the integrity of the country. The Malian authorities should take all the necessary measures to prevent further human rights violations and to fight impunity. The imminent launch of the European Training Mission and the swift deployment of observers will help contribute to strengthening civilian authority, respecting international humanitarian law and promoting human rights. The European Council welcomes the outcome of the meeting of the Support and Follow Up Group on the situation in Mali of 5 February which added political momentum to the implementation of the roadmap.

III. MULTIANNUAL FINANCIAL FRAMEWORK

19. The European Council reached agreement on the next Multiannual Financial Framework as set out in document 37/13.

