COMMISSION OF THE EUROPEAN COMMUNITIES



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COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

THE COMMISSION'S WORK PROGRAMME FOR 2002

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INTRODUCTION

In the March 2000 White Paper "Reforming the Commission", the Commission announced a change in the way that it would set its political agenda, so as to re-centre on core activities and objectives, improve delivery of policy priorities and further increase transparency towards other European Union institutions, national parliaments and European citizens.

In 2001, the Commission introduced a new system of activity based management, which will become operational in 2002. This established a complete cycle that runs from policy planning to execution.

In February 2001, the Commission adopted its first **Annual Policy Strategy**¹. This set out the main political priorities that will receive special attention in 2002, defined priority actions, and allocated corresponding resources. The Annual Policy Strategy provides the **framework** for the preliminary draft budget and operational programming by the Commission's services in the form of annual management plans. These translate the Commission's political steer into actions, objectives and expected results at the level of internal programming by the services and contain operational proposals for the Commission's Work Programme.

The conditions and nature of the Commission Work Programme have therefore changed. It used to be presented at the start of the year in question and was accompanied by a long descriptive catalogue of legislative and other policy actions, not always identified with political priorities. Following the logic of the new political planning process, the Work Programme has now become a political instrument, integrated in the new cycle mentioned above. Through the Annual Policy Strategy adopted in February 2001, the Commission set out its political priorities for 2002, and this Work Programme focuses on the major political actions through which the Commission intends to deliver those priorities. The new Commission Work Programme therefore:

- Assesses progress in the current year;
- Identifies the political and economic context for the coming year;
- Spells out the political priorities for the year to come on the basis of the Annual Policy Strategy, but adapts these where necessary to reflect major new developments;
- Highlights the main political actions for 2002, in particular those that translate the political
 priorities for that year. It does not, however, attempt to provide a comprehensive picture of
 Commission activity, much of which is ongoing work linked to the Commission's Treaty
 obligations.

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¹ SEC(2001)268 final of 21.2.2001

1. ASSESSMENT OF PROGRESS IN 2001

Towards the end of its second year in office, this Commission can report that it is broadly on target towards meeting the strategic objectives defined for the period 2000-2005². Progress has been achieved in all areas, notably on enlargement, relations with neighbouring countries, creating a European area of freedom, security and justice (Tampere agenda) and pursuing the strategic goal of making the Union the world's most competitive and dynamic knowledge-based economy by the end of the decade through a new economic and social agenda (the Lisbon strategy).

The Commission responded swiftly to the events of 11 September, contributing to the European Union's action plan in a range of areas, including through proposals to combat terrorism and organised crime, provide humanitarian assistance and enhance civil protection and public health.

In 2001, the Commission took a number of important initiatives within its 4 strategic objectives:

Promoting new forms of governance

- In July, the Commission adopted a **White Paper on European governance** and launched a consultation process with other European Union institutions, central governments, regions, cities and civil society that will run until the end of March 2002.
- The Commission's **internal reform** is on target, with the adoption in 2001 of, amongst other measures, the Communication implementing activity based management, the package relating to personnel reform and the modified proposal for the recasting of the financial regulation. The Commission also adopted a communication launching the first cross-cutting strategic evaluations of certain Commission policies.

The new economic and social agenda

- The Commission monitored and co-ordinated preparations on **euro** notes and coins. In February, it also set out the key elements for a further strengthening of economic policy co-ordination within the euro area.
- In May, the Commission adopted a proposal for a **sustainable development strategy** for the European Union. This strategy requires dealing with economic, social and environmental policies in a mutually reinforcing way.
- The Commission issued a Green Paper on the future of the **Common Fisheries Policy** and launched a wide consultation with stakeholders on its reform.
- The Commission presented a series of proposals to advance the **new economic** and social agenda. In February, it adopted a strategy to create an internal market

² COM(2000)154 final of 9.2.2000, available on http://europa.eu.int/comm/index en.htm

in services. It presented several proposals implementing the Financial Services Action Plan. It also presented a White Paper on the Community **transport policy**.

- The Commission began implementing the Union's **social policy agenda** and in particular launched the open method of co-ordination in the field of social inclusion.
- The Commission adopted the second report on **cohesion policy**, assessing the progress made in reducing disparities in development and launching the debate on the future of cohesion policy.
- The Commission adopted its first annual work programme for **gender equality**, based on the Community framework strategy on gender equality. This presented the Commission's activities to promote gender equality in the different policy areas.
- The Commission adopted proposals on the Framework Programme for Research and Technological Development 2002-2006. In the framework of the implementation of the European Research Area, it launched a wide-ranging dialogue on science and society. These measures will make an important contribution to increasing innovation and competitiveness in line with the Lisbon strategy, re-inforcing the EU's sustainable development strategy and promoting better governance.
- The Commission adopted communications on comprehensive strategies for the EU's future **taxation policy and company taxation**. It also adopted action plans to increase administrative cooperation in the customs and taxation areas.

Stabilising our continent and boosting Europe's voice in the world

- The Union made substantial progress on the 18 chapters of the **enlargement negotiations** that were foreseen in the "road map" for 2001 and is on target for completing the negotiations with up to ten candidate countries by the end of 2002, if the present rate of progress is maintained.
- In the area of trade policy, the Commission contributed actively to the successful launch of a **new multilateral trade round (the Doha Development Agenda)** at the World Trade Organisation's Ministerial Conference at Doha in November. Together with continuing progress in other bilateral and regional negotiations, notably the **EU-Mercosur trade talks**, this should help to restore confidence in the prospects for the global economy and address legitimate public concerns about the relationship between trade liberalisation and regulation or rule-making, and between globalisation and sustainable development. Both multilateral and regional/bilateral negotiations offer real progress in terms of integrating developing countries into the global economy.
- In February, the Council adopted the Commission's "Everything but Arms" initiative, granting duty-free and quota-free access to imports from least developed countries. United Nations members signed up to the objective of providing similar access at the 3rd United Nations Conference for the least developed countries in May.

- With the creation of the EuropeAid co-operation office, the Commission put in place a central element of a wide-ranging **reform of the management of EU external assistance programmes**. With the aim of radically improving the speed and quality of our assistance, this reform should contribute to the visibility and effectiveness of the EU on the world stage.
- In the **Western Balkans**, the Commission continued to make a significant contribution to reconstruction and, through the Stabilisation and Association process, to underpinning democratic, economic and administrative reforms throughout the region. The Commission made a strong commitment to support FRY in its formidable task of reform both in financial terms and in kick starting the integration process. In 2001, Stabilisation and Association Agreements were signed with Croatia and the Former Yugoslav Republic of Macedonia, and the Commission played a leading role in the EU effort to tackle the crisis in FYROM during the course of the year.
- In the Mediterranean, the Commission accomplished significant progress in the negotiation of association agreements which are the main pillars of the Barcelona Process: the agreement with Egypt has been signed; and those with Lebanon and Algeria are nearing conclusion. The Commission has also given strong support to emerging sub-regional initiatives between Mediterranean partners, such as the Agadir Agreement aiming at free trade area between Jordan, Morocco, Tunisia and Egypt. In the Middle East, the Commission has given prompt and substantial financial support to the Palestinian Authority as one of the key interlocutors of the Middle East Peace Process.
- In September the Commission adopted a new strategic framework to strengthen its engagement with Asian countries, over the next decade, in the political and security fields, increase trade and investments relations and step up efforts to promote democracy and fight poverty in Asia.

A better quality of life for all

- The Commission played a key role in contributing to the European Union's success in rescuing the **Kyoto Protocol on climate change**. In October, the Commission adopted a package of proposals to ratify the Protocol and to implement the Union's commitments. Earlier in the year, the Commission adopted proposals for the 6th Environmental Action Programme.
- The Commission presented several important proposals towards creating a **European space of freedom, security and justice**. As well as the important measures on the fight against terrorism, these included draft measures on the definition of refugee status and the reception of asylum seekers, on applying an open method of coordination on immigration, on implementing mutual recognition of decisions in both civil and criminal matters, on common penalties for specific forms of crime, and the launch of a consultative paper on the establishment of a european prosecutor.
- In the areas of **consumer protection, public health and food safety**, the Commission presented proposals on genetically modified organisms to enable freedom of choice and ensure environmental safety, issued a green paper on consumer protection, proposed a regulation on sales promotion within the Internal

Market, and continued preparatory work for the launch of the new European Food Authority. It also developed initiatives to counter the health threats due to terrorism, as requested by the European Council meeting at Ghent.

However, much work remains to be done. In many areas, the Commission has delivered proposals, but Council and the European Parliament have yet to take the necessary decisions. There is an urgent need to address European citizens' concerns about peace and security and achieve timely progress on the creation of an area of freedom, security and justice. In the face of unstable economic prospects, it is more important than ever to press ahead with structural reforms of the European economy as well as to modernise and improve the European social model. Final agreement should be sought rapidly on a priority reform package, covering the Community Patent, the procurement package and key elements of the Financial Services Action Plan, such as pension funds, cross-border payments and international accounting.

In the external relations field, the European Union needs to continue to strengthen its relations with countries around the Mediterranean and to take a new look at its cooperation programmes in Central Asia. The Union also needs to develop a fresh dialogue with the Arab and Islamic world and to work more proactively with the UN, the US and other key partners for peace in the Middle East. Each EU institution must play its full role in delivering progress in all these areas

2. OUTLOOK AND CHALLENGES FOR 2002

The events of 11 September were clearly the defining moment of 2001. They provided spectacular evidence that there is no retreat from multilateral cooperation, highlighting the importance of a common approach towards problems that exceed the capacity of any single country.

The European Union's response to those events has redefined the policy landscape in a number of areas.

It has brought home to citizens the value of a Union dedicated to promoting peace, prosperity and democratic values; a Union that provides safe and secure living conditions for its citizens; a Union with an emerging European identity that promotes cultural diversity and seeks to strengthen inter-cultural dialogue; a Union that shows solidarity, not only within the Union itself but also as part of the global community.

In 2002, the Commission will play its full part in continuing to develop the Union's response to the **security** challenges that it faces.

Even before the dramatic events of 11 September, all major regions in the world were experiencing an **economic slowdown**. These events and subsequent political developments have reinforced the uncertainty already being felt by markets, businesses and people in their role as employees and consumers. The European Union economy has not escaped these effects. However, sound economic fundamentals, a stable environment in the context of the economic and monetary union and the arrival of the euro currency, mean that the conditions for a recovery in 2002 exist, providing the international political and economic situation does not deteriorate further.

Looking beyond the Union's borders, among the **<u>key challenges</u>** will be the re-establishment of peace, the promotion of reconciliation and the support to reconstruction in Afghanistan, as

well as the continued efforts under United Nations auspices to provide an international response to the threat of terrorism. The EU will play a full role as one of the four co-chairs, with the US, Japan and Saudi Arabia, of the Afghan Steering Group, working to bring together all actors and to mobilise the necessary funds from the international donor community.

Important external events on the multilateral agenda will be the UN Conference on Financing for Development in March (Monterey), the launch of the Global Fund to fight HIV/AIDS, tuberculosis and malaria and the World Summit on Sustainable Development in September (Johannesburg). Likewise, sustainable development will be a key objective of the European Union in the trade negotiations launched at Doha.

Regarding the European Union's near neighbours, 2002 will be a critical year for enlargement. The Commission will help the Union to complete negotiations with up to ten candidate countries. It will have to assess whether they meet the economic and political criteria to join the European Union and can implement the "acquis communautaire". Moreover, the Commission will pursue the partnership with our Mediterranean partners (Barcelona process) and ensure the success of the EuroMed Ministerial Conference at Valencia in April. Furthermore, the Euro-Mediterranean policy will have to be part of a broader, coherent and active policy aimed at all our neighbours, in an arc stretching through Russia and Ukraine to the Mediterranean. In this context, there will be an opportunity later in the year to take stock of progress on developing the Northern Dimension of EU policies. As far as the Western Balkans are concerned, the Commission will continue working in support of peace and reconstruction

Further afield, the Commission will work for closer relations with Latin America, notably through the EU/Latin American Summit in May 2002, aiming to complete negotiations on a free trade agreement with Chile and continuing similar negotiations with Mercosur. In September, the IVth Asia-Europe (ASEM) Summit of Heads of State and of Government will be the occasion to enhance regional dialogue with our Asian partners.

Among the main internal events, euro banknotes and coins will be issued in January, thereby launching the final step of the changeover process and at the same time marking an historic milestone in European integration to be accompanied by a close coordination of macroeconomic policies and key steps in finalising the common market in the financial sector. The introduction of the single currency shows just how far the European project has matured since the European Coal and Steel Treaty 50 years ago - whose expiry will be commemorated in 2002.

The Commission believes that the Union can build confidence by pursuing vigorously the European model of cooperation and integration both within the Union and with our associated partners and neighbours. The Commission will focus in 2002 on maximising the beneficial effects of the entry into circulation of the euro and optimising competitive conditions on the Internal Market. It will pursue the strategic goals for the Union's new economic and social agenda through actions and concrete decisions. It will contribute actively to the **spring European Council**, which becomes the central forum issuing guidance to coordinate the Union's economic and social policy in the light of the objective of sustainable development.

The Commission will play its full part to seek substantial progress on the establishment of the area of **freedom**, **security and justice**. Key areas for 2002 include developing the second phases of the common immigration and asylum policies and implementing the mutual recognition programmes in judicial cooperation, in addition to the security agenda.

In 2002, the Commission will conduct the mid-term review of the Common Agricultural Policy, propose reform of the Common Fisheries Policy and launch the independent European Food Authority.

3. COMMISSION PRIORITIES FOR 2002

Against this background, the Commission confirms the six priorities initially identified in the Annual Policy Strategy and adds security to its political priorities for 2002. The priorities for 2002 are, therefore to:

- Combat terrorism and crime and promote the **safety and security** of European citizens through action within the Union as well as at the international level;
- Ensure the successful launch of the **euro** and take the necessary accompanying structural reform measures to consolidate economic and monetary union and the single market;
- Implement the EU's sustainable development strategy to aim for stable economic growth and higher employment, coupled with social cohesion and environmental protection within the Union and internationally;
- Promote a **new European governance**;
- Deliver concrete results on the EU's enlargement negotiations by the end of 2002;
- Re-inforce Europe's relationship with its close neighbours in the **Mediterranean** region, and
- Stress the health and education focus of the EU's **development cooperation** policies, as part of the over-arching objective of combating poverty.

It is important to recall the rationale for the choice of these priorities. Europe has reached a turning point where economic integration is very much a reality. The people of Europe are the central element in taking a qualitative leap towards political integration. European integration will move ahead if it places increased emphasis on the policies that respond most to citizens' needs and expectations and if they are actively involved in future stages of integration. The European Union must also assume its global responsibilities, contributing to peace, international solidarity and sustainable development.

4. ACTIONS LINKED TO COMMISSION PRIORITIES FOR 2002

Safety and Security

The European Union has acted with speed and determination following the events of 11 September. The Commission for its part is developing a comprehensive set of responses on the diplomatic, economic, financial, political and security fronts. This priority means accelerating work to combat terrorism and crime as well as taking appropriate measures to enhance European citizens' security, including transport security and safety, security of energy supply, civil protection and public health. It must also have a strong external component, including multilateral cooperation, concerted action in Afghanistan and other areas of tension, as well as readiness to respond to humanitarian crises.

The Commission will monitor the evolving economic and political situation and respond flexibly as the need arises.

Key actions:

- As part of the creation of an area of freedom, security and justice, the Commission will bring forward a number of initiatives to fight **terrorism and crime**. These include measures to make it easier for authorities to fight terrorism and to combat and prevent terrorist funding, including money laundering; and measures to reinforce the fight against organised crime and terrorism, such as the extension of the mandate of Europol.
- The Commission will launch a new initiative focussing on the progressive development of an integrated border management system for effective external border controls, including improved consular cooperation in the field of visas. This is important for all Member States and border countries should not have to bear the responsibility alone.
- In the area of **internal policies**, the Commission will implement the Communication on civil protection and bio-terrorism, which it adopted in November 2001 and recommend an integrated EU strategy on prevention, preparedness and response to natural, man-made and other risks.
- The Commission will propose further measures to re-inforce transport security and safety, especially with regard to air transport, road transport in tunnels and maritime safety.
- In the area of energy security, the Commission will make proposals for action following the conclusions of the 2001 debate on the Green Paper "Towards a European strategy for the security of Energy Supply". It will strengthen the EU-Russia energy dialogue and bilateral relations with other key energy partners.
- The Commission will present concrete measures to speed up ongoing work on **security of communication networks**, including increased cooperation mechanisms at the EU level as well as dialogue with third countries.
- In the area of external relations, the Commission will focus on developing multilateral cooperation against crime and terrorism with key partners. The broader security dimension will also be factored into the EU's regional and bilateral co-operation programmes.
- An immediate priority will be to reinforce the EU's role in the continuing **humanitarian aid** activities as well as the promotion of peace, reconciliation and reconstruction in Afghanistan.

Introduction of the euro, further economic and financial integration

In January 2002, euro notes and coins will become a reality for 290 million Europeans, as well as for businesses and citizens of other countries in their dealings with the Euro zone. This unprecedented event is crucial not only for economic prosperity in Europe but also as a tangible, everyday symbol of European integration.

Within the context of economic and monetary union, the Commission will make and enforce proposals aimed at strengthening coordination of economic policies, as this is a crucial element in ensuring economic stability for the benefit of the people of Europe. Besides strengthening the Broad Economic Policy Guidelines, principles should be agreed by the euro area Member States for the conduct of mainly budgetary policies as well as on how to respond to unforeseen events.

With this in mind, the Commission notes the need to exploit fully the potential of the single market. It also notes the work that remains to be done in the area of financial services and elimination of discriminatory rules in Member States' tax regimes, as well as other tax obstacles to the proper functioning of the Internal Market. It believes that convergence leading towards increased integration is essential in these areas: obstacles to the circulation of

financial flows must not prevent citizens from reaping the benefits of the single currency. Furthermore, the Commission will improve the functioning of the internal market for goods and services, including in the field of transport and energy. It will reinforce **structural reform** efforts – and monitoring of their progress - with a view to strengthening the growth potential of the Community.

Key actions:

- *The Commission will evaluate the consequences of the changeover to the euro.*
- The Commission will present a proposal for a **code of conduct** that sets out the principles underlying the economic policies of euro area Member States. This code of conduct will focus initially on budgetary policy and elaborate on other economic policies which increase the growth potential of the euro area and its capacity to respond to unforeseen events.
- The Commission will prepare regular **euro area reports**. These will stimulate a public debate on the main economic issues (inflation, competitiveness, budgetary policies) as well as on issues related to budgetary, monetary and structural policies.
- The Commission will continue to pursue the **Financial Services Action Plan** (FSAP), including an integrated securities market. It will conduct a mid-term review of the FSAP and present key legislative proposals on investment services and banks. It will also present proposals to improve the legal framework for **e-commerce**.
- Following the report of the Group of high-level experts on Company law, the Commission will present a new proposal for a directive on take-over bids.
- The Commission will present proposals to combat counterfeiting and piracy in the Internal Market.
- The Commission will pursue its efforts to modernise the framework for **public procurement** and will present proposals to revise the directives on remedies.
- The Commission will work to secure adoption of the Savings Directive and reach agreement on the rollback of harmful tax practices.
- The Commission will adopt a Communication on **Consumer Policy** Strategy and establish an action plan designed to ensure that the introduction of the euro brings maximum benefits for consumers.
- The Commission will, jointly with the Member States, come forward with concrete proposals to develop quantitative targets so as to increase the momentum of improvement to the business environment. It will present measures in the context of the European Research Area to strengthen private investment in research and development.

Sustainable development

Sustainable development is emerging as a truly cross-cutting priority for the European Union, relevant to all of the Commission's strategic objectives and policies, including external relations. Sustainable development helps to consolidate the prosperity of the Union and of its citizens without risking the quality of life of future generations. The Commission will take forward the strategy endorsed at the Göteborg European Council in two ways: (i) by identifying its impact on European society and laying the foundations for a coherent approach to sustainable development from an economic, social and environmental point of view; and (ii) by extending the strategy to include an external sustainable development dimension.

The task involves furthering economic and social cohesion as well as tackling social exclusion, poverty and the challenges of an ageing population. This will be applied to the relevant Community policies and could serve as a global model. Furthermore, in the light of the BSE and other crises, animal health and welfare, food production and food safety for consumers have become key components of sustainable development. This also includes developing an adequate capacity to respond to communicable disease threats.

Major reviews of Community policies should be used to reconsider the fundamental design and thrust of EU policies and lead to significant reorientation of the policies concerned in favour of sustainable development. The mid-term review of the Common Agricultural Policy should reflect consumers' concerns about wholesome and safe foods. It should promote production methods which favour environmental protection and more efficient use of natural resources as well as increasing support for rural development within the agreed existing financial framework, while ensuring the economic viability of the farming sector and taking into account the social effects of adjustment on income. These efforts will feed into a more coherent and sustainable European model for food production and consumption. They will be further supported by the launch of the new European Food Authority early in 2002.

Key actions:

• The Commission will ensure that all major proposals are consistent with the EU's sustainable development strategy. It is developing an **impact assessment** methodology to be applied to all major policy proposals. The **synthesis report** for the Barcelona European Council will include a sustainable development dimension for the first time. The Commission will adopt a Communication on the **external dimension** of sustainable development in order to complete the strategy endorsed at Göteborg and in preparation for the World Summit on Sustainable Development.

Economic and social actions:

- The Commission will pursue sustainable development through the **Doha Development Agenda**, the new trade negotiations launched in November 2001, particularly in the focus on capacity-building in developing countries.
- The Commission will review the **Common Agricultural Policy** mid-way through the 2000-2006 Financial Perspectives. It will continue the operational integration of environmental concerns into the Common Agricultural Policy.
- The Commission will present proposals to reform the Common Fisheries Policy.
- The Commission will launch the new **Framework Programme for Research and Technological Development**, the main objectives of which are to help structure the European Research Area and to concentrate actions on a limited number of priorities.
- The Commission will present a Communication for a Community Strategy on health and safety at work. The objective is to reduce the number of accidents, deaths, injuries, ill health and to encompass a higher well being at work over the next 5 years.
- The Commission will adopt an interim report on the future of cohesion policy in an enlarged Union, taking forward the debate launched by the 2^{nd} cohesion report in January 2001.
- The Commission will implement and assess the **open method of coordination** in employment, re-inforce it in the field of social exclusion and extend it to pensions in the context of an ageing society.

Quality of life actions:

- The Commission will take a range of actions to implement the 6th Environmental Action Programme for 2001-2010. The Commission will produce a White Paper on integrated product policy to integrate the life-cycle approach into EU policies and a Green Paper on the sustainable use and management of natural resources. It will also bring forward framework legislation implementing the White Paper on Chemicals.
- The Commission will launch the independent European Food Authority and adopt a series of food safety measures in line with the new White Paper on Food Safety, the most important being to strengthen controls throughout the food and feed production chain. The Commission will finalise the new multi-annual public health programme and begin its implementation, in particular as regards infectious diseases and resistance to antibiotics, as set out in the Göteborg Conclusions.
- As set out in the Transport White Paper and as mandated by the Göteborg EU Council, the Commission will develop an integrated transport approach.

New European governance

A review of the decision-making process and the way the EU's institutions function is necessary in order to overcome the increasing alienation of citizens with regard to Europe and to re-inforce democratic legitimacy. This raises the need for new European governance, involving all relevant actors, which is a major priority in enabling an enlarged Union to function effectively for the good of its people.

Since the Commission set its Annual Policy Strategy for 2002, it has adopted a White Paper on governance and launched a wide-ranging debate on how to improve governance in the EU. The Commission will concentrate on the operational follow-up to the White Paper on governance once the public consultation period ends in March and will ensure that its action is more transparent, responsible and effective.

In addition to implementing the White Paper's proposals, governance entails following up the Nice European Council, in particular promoting and facilitating the "Debate on the future of the Union", and preparing the Commission's substantive contributions to the Convention which will lay the groundwork for the next Inter-Governmental Conference, as well as implementing regulatory simplification.

Key actions:

- The Commission will analyse responses to the public consultation on its **Governance White Paper** and implement the necessary actions and subsequently present a report. Before June 2002, the Commission will propose a detailed Action Plan on better regulation and regulatory simplification.
- The Commission will submit contributions to the **Convention** preparing the ground for the next inter-governmental conference and to the debate on the **Future of Europe**.
- In relation to the Convention, the Commission will make proposals aiming to **inform national** parliaments better about Community legislative proposals, so that they can perform their function of political guidance and control at the national level.
- The Commission will continue to pursue its own **internal reforms**, implementing decisions already taken, and will review overall progress on reform and administrative simplification by the end of the year.
- The Commission will introduce a new enforcement system to ensure more effective application of anti-trust competition rules.
- The Commission will present proposals to simplify and streamline rules on mutual recognition of **professional qualifications**.
- The Commission will pursue timely implementation of the **e-Europe 2002** action plan. It will also present proposals for future EU initiatives to consolidate the move towards an inclusive **eSociety**.

Enlargement

Enlargement is the most visible political expression of the importance the Commission attaches to the People's Europe. Although this is the fifth enlargement in the history of the European Community, its scale is much bigger than those that have gone before.

The year 2002 will be crucial to this process, as the terms and conditions for the accession of the first new Member States will have to be established in that year. This objective can only be met if the Commission's efforts over recent years are further consolidated and focus on concluding negotiations with those applicant countries that meet all of the accession criteria.

In 2002, the Commission will increase the tempo of its work on enlargement. The main tasks - involving virtually all parts of the Commission - will be to conclude membership negotiations with those countries which are ready. In particular, the Commission will present, within a common financial framework, proposals in the field of agriculture, regional policy and budget on the basis of the existing acquis and the principles inherent in the Berlin agreement. The Commission will monitor implementation of the *acquis communautaire*, develop an action plan to analyse and support institution-building efforts in candidate countries, ensure that candidate countries can and do in practice participate in Community programmes, agencies and committees (essential for integrating the future Member States and familiarising them with the Community's working methods), actively prepare the ground to welcome the future Member States within the European Union's structures, and manage bilateral relations during the pre-accession phase. The Commission will also actively pursue negotiations with candidates that will not be ready to join the EU in 2004. To this end, the Commission will set out an updated road map and, if necessary, a revised pre-accession strategy.

Key actions:

- The Commission will finalise **Draft Common Positions** on all chapters of the negotiations by mid-2002, notably on the major outstanding issues of agriculture, structural funds and the budget, based on the agreed common financial framework. It will prepare the **enlargement strategy** paper for 2002 and submit progress reports to the Council. The Commission will assess candidate countries' capacity to assume the responsibilities of EU membership and implement a **communication strategy** in order to inform the public and opinion leaders in the EU and candidate countries about enlargement.
- In the framework of an action plan, the Commission will analyse by early 2002 with each of the candidate countries their ongoing efforts for **institution-building** and, if necessary, their intention to re-inforce them, with a supplementary institution-building facility under the Phare programme.
- The Commission will continue to ensure that the pre-accession instrument for structural policies (ISPA) brings tangible benefits to citizens in candidate countries through environment and transport infrastructure projects. It will also continue to assist candidate countries to make the special accession programme for agriculture and rural development (SAPARD) fully operational in order to deliver targeted support and tackle the delays incurred so far in this area.
- The Commission will support integration of the candidate countries by **progressively opening** further programmes to them, such as the Culture 2000 and Media Plus programmes.
- The Commission will continue work on the financial, administrative and linguistic preparations for enlargement in a multi-annual perspective.

Mediterranean

The European Union must forge closer links with its immediate neighbours, with a view to achieving peace, stability, democracy and prosperity, and is prepared to provide practical support to that end. The Mediterranean therefore deserves to be a priority for 2002. While the Barcelona process has created a new spirit of partnership between the Union and its immediate neighbours in the southern and eastern Mediterranean, it has not yet fully lived up to expectations. Further impetus is needed to reinforce the strategy and instruments of the Barcelona process. In this respect, the accent will be placed on three large axes: accelerating negotiation of Association Agreements, developing South-South cooperation and exchanges, and gradually creating a functioning Euro-Med market.

Collaboration between Europe and the Mediterranean countries cannot be solely political or economic. We shall initiate a new, broad-based cultural dialogue in the Mediterranean region: a dialogue to oppose any possibility of conflict between civilisations.

The Commission will strengthen its efforts in the field of justice and home affairs cooperation (in particular migration, judicial cooperation, fight against organised crime and terrorism) and in social, cultural and human affairs. Meda programmes will be improved to provide increased focus on the Association process, better coordination and speedier delivery.

Key actions:

• The Commission will adopt a Communication on ways to improve the functioning of the **Barcelona Process** in preparation for the Euro-Med Ministerial meeting at Valencia in April 2002.

- The Commission will bring forward proposals to adapt the working methods of the Euro-Mediterranean Partnership, in particular to provide for more operational and frequent political dialogue on regional and international issues.
- The Commission will consider ways to **stimulate investment and joint development projects** in the Mediterranean, for example by studying the need for and feasibility of a new Bank or other financing mechanism building on the European Investment Bank
- The Commission will seek to conclude the negotiation of **EUROMED** association agreements with Algeria, Lebanon and Syria.
- The Commission will launch a regional programme to support the creation of a functioning, harmonised Euro-Med market and will provide support for the development of free trade and integration among the Mediterranean partners.
- The Commission will deepen cooperation with EUROMED partners on justice and home affairs and will propose launching the EuroMed Youth II programme and extending the TEMPUS programme for university cooperation to Mediterreanean partners. It will also encourage the development of transport and energy infrastructure, and work for the adoption of a strategy for environmental integration at the second Euro-Med Ministerial Conference on the environment.
- The Commission will work with Mediterranean partners to improve available information and statistics as part of ongoing cooperation on legal migration and to combat illegal immigration. It will study various possible solutions, including the possibility of establishing a mechanism for regular monitoring of migration flows.
- The Commission will continue streamlining its management of the **MEDA Programme** so as to improve the level of implementation, speed up delivery and raise the quality of assistance provided.
- The Commission will propose, in the framework of the reform of the Common Fisheries Policy, an action plan for strengthened fisheries management in the Mediterranean sea, involving measures and initiatives for both Community and international waters.
- In close cooperation with the Council, the Commission will continue efforts to re-inforce the EU's role in the **Middle East Peace Process**, including through dialogue and specific support to the parties.

Development cooperation

The priority given to **development cooperation** is fully in line with the concept of sustainable development, which contains components essential to self-development. In 2002, the Commission will further develop and strengthen its policy and strategies to **focus better on the six priority areas expressed in the EU's development policy including in the areas of education and health.** In doing this, the Commission will strengthen its contribution to the agreed international development goals.

To achieve this, the Commission will strengthen policy formulation and programming capacity in these areas, and will apply major Community instruments such as the European Development Fund to this end. In addition, the new Cotonou partnership framework with countries in the African, Caribbean and Pacific regions has the central objective of poverty reduction and its ratification in 2002 will be an important priority.

The Commission will also take a leading role in discussions on international action to ensure that the benefits of the information society spread to developing countries.

The Commission will further pursue its efforts to reform the management of external aid, with a special emphasis on the **deconcentration of management and decision-making** to the Delegations in partner countries.

Key actions:

- The Commission will focus its efforts on the six priority areas defined in the EU's development policy statement, including in the areas of health and education.
- The Commission will propose several **new sectoral policy frameworks** in relation to poverty, including for health and education.
- The Commission will implement the programme of action aimed at decreasing the spread of communicable diseases, propose a new regulation for this purpose and contribute to the new Global Fund to fight HIV/AIDS, tuberculosis and malaria.
- The Commission will present proposals for the EU's position at the UN Conference on Financing for Development (March 2002).
- The Commission will propose a new regulation on cooperation aid to **Asian and Latin American countries**, improving the effectiveness of financial programmes and giving priority to improving access to education and health.
- The Commission will promote ratification of the **Cotonou Agreement** in 2002. Within the Cotonou Agreement, the Commission will establish an action plan to develop private sector initiatives that fight poverty and strengthen health and education. It will begin negotiations on **Economic Partnership Agreements** with ACP countries and regions in September 2002 on the basis of a mandate from the Council.
- The Commission will pursue management reform of EU external assistance.

5. CONCLUSIONS

2002 marks the halfway stage for the present Commission. After two years in office, it is broadly on target towards meeting the strategic challenges that it set at the start of its mandate.

The enlargement process, which is our historic task, is on track. The Commission is pursuing fundamental economic reforms designed to make the European Union the world's most competitive and dynamic knowledge-based economy by the end of the decade. Coupled with the introduction of the euro, this will radically change the face of Europe.

The Commission is achieving a complete overhaul of the way it does business: politically, financially and administratively. These changes should also improve cooperation with the Council and the European Parliament, not least in improving the coherence of the EU's strategic priorities.

In the meanwhile, there are growing concerns that Europe could become aloof from European citizens' immediate concerns. So this Work Programme focuses on political priorities that will bring real improvements for citizens and place them at the centre of policy. For instance, governance is about connecting citizens better to Europe's decision-making, sustainable

development is about reconciling the economic, social and environmental needs of present and future generations.

Needless to say, the events of 11 September have dramatically re-inforced the need to show how Europe can respond to the most essential needs of its citizens, that of guaranteeing their quality of life, including peace and security. It has highlighted the core European values, and Europe's responsibilities to help foster peace and development abroad. This reflects the expectations that Europe's citizens and the wider international community now have as to Europe playing a full and effective role in international crisis management and resolution.

This is the sense of the Work Programme for 2002. And this is how the Commission's achievements should be assessed at the end of 2002.