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THE EUROPEAN UNION**

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from : Secretariat

to : COREPER/COUNCIL

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Subject : Annual report from the Council to the European Parliament on the main aspects and basic choices of CFSP, including the financial implications for the general budget of the European Communities (point H, paragraph 40, of the Interinstitutional Agreement of 6 May 1999)
- 2004

1. The Interinstitutional Agreement (IIA) of 6 May 1999 on budgetary discipline and improvement of the budgetary procedure, provides under point H, paragraph 40, that "once a year the Council Presidency will consult the European Parliament on a Council document setting out the main aspects and basic choices of the CFSP, including the financial implications for the general budget of the European Communities".
2. The "Foreign Relations Counsellors" Working Group at its meetings on 7 and 15 April 2005 examined a draft report presented by the General Secretariat of the Council, and agreed to submit to COREPER/Council the text set out in the Annex.

3. The document follows the following criteria:
- its scope is limited to a description of CFSP activities, including common positions, joint actions and implementing decisions ¹ (where appropriate, and necessary in order to provide a comprehensive view of the activities, reference is also made to actions falling outside Title V of the TEU);
 - it is complementary to the chapter on external relations of the annual report on the progress of the European Union presented to the Parliament in application of Article 4 of the TEU²; thus the broad priorities of the Union's external relations, as expressed for example in European Council conclusions, are included in the "Article 4" report.
4. The Committee is invited:
- to confirm agreement on the text of the draft document set out in the ANNEX;
 - to recommend to the Council that it approve as an "A" item the document on the main aspects and basic choices of CFSP, including the financial implications for the general budget of the Communities, for presentation to the European Parliament in application of point H, paragraph 40, of the Interinstitutional Agreement of 6 May 1999.

¹ The complete recapitulative lists of CFSP instruments (declarations, démarches, reports of Heads of Mission and political dialogue meetings) is, as from 2004, published in a separate document, to be issued twice a year. The information covering 2004 is contained in document 6735/05 PESC 157 FIN 79. Available on the Council website: <http://register.consilium.eu.int/>

² doc. 7052/05 POLGEN 10 PE 48.

**COUNCIL DOCUMENT ON THE MAIN ASPECTS AND BASIC CHOICES OF THE
COMMON FOREIGN AND SECURITY POLICY (CFSP), INCLUDING THE FINANCIAL
IMPLICATIONS FOR THE GENERAL BUDGET OF THE EUROPEAN COMMUNITIES,
PRESENTED TO THE EUROPEAN PARLIAMENT IN APPLICATION OF POINT H
(PARAGRAPH 40) OF
THE INTERINSTITUTIONAL AGREEMENT OF 6 MAY 1999**

TABLE OF CONTENTS

		Page
PREFACE		6
CHAPTER I	MAIN DEVELOPMENTS IN THE AREAS OF CFSP AND ESDP IN 2004	8
CHAPTER II	THEMATIC ASPECTS	
	1. EU'S EXTERNAL ACTION IN THE FIGHT AGAINST TERRORISM	13
	2. NON-PROLIFERATION	16
	2.1. FIGHT AGAINST PROLIFERATION OF WEAPONS OF MASS DESTRUCTION	16
	2.2. COMBATING THE DESTABILISING ACCUMULATION AND SPREAD OF SMALL ARMS AND LIGHT WEAPONS	21
	3. EUROPEAN SECURITY AND DEFENCE POLICY (ESDP)	22
	3.1. MILITARY AND GENERAL ASPECTS	22
	3.2. EUROPEAN DEFENCE AGENCY	25
	3.3. CIVILIAN CRISIS MANAGEMENT	26
	3.4. CIVILIAN/MILITARY CELL	29
	3.5. ESDP SUPPORT FOR PEACE AND SECURITY IN AFRICA	29
	4. EUROPEAN UNION SPECIAL REPRESENTATIVES	30
	5. CONFLICT PREVENTION	31
	6. HUMAN RIGHTS	32
	7. RESTRICTIVE MEASURES (SANCTIONS)	35
	8. ARMS EXPORTS	37
CHAPTER III	PRIORITIES IN THE GEOGRAPHICAL AREAS	
	1. WESTERN BALKANS	39
	2. EASTERN EUROPE AND CENTRAL ASIA	48
	3. CENTRAL AND EASTERN EUROPE	55
	4. SOUTH EASTERN EUROPE	56
	5. MIDDLE-EAST PEACE PROCESS (MEPP)	57
	6. MEDITERRANEAN REGION	59
	7. MASHREK / MAGHREB	60
	8. MIDDLE EAST / GULF	67
	9. ASIA-OCEANIA	70

10.	AFRICA	78
11.	LATIN AMERICA AND CARIBBEAN	100
12.	TRANSATLANTIC RELATIONS	109
CHAPTER IV	MULTILATERAL FORA	
1.	UNITED NATIONS	111
2.	COOPERATION WITH INTERNATIONAL ORGANISATIONS UNDER THE ESDP	112
3.	OSCE	113
4.	INTERNATIONAL CRIMINAL COURT (ICC)	114
CHAPTER V	PERSPECTIVES FOR FUTURE ACTION	115
1.	FIGHT AGAINST TERRORISM	118
2.	NON-PROLIFERATION	119
3.	EUROPEAN SECURITY AND DEFENCE POLICY	124
4.	CFSP GEOGRAPHICAL PRIORITIES	129
5.	MULTILATERAL AND GLOBAL QUESTIONS	135
ANNEX I	LEGAL ACTS INVOLVING FINANCING FROM THE CFSP LINES OF THE EU BUDGET	136
ANNEX II	LEGAL ACTS WITHOUT FINANCIAL IMPLICATIONS FOR THE CFSP LINES OF THE EU BUDGET	143
ANNEX III	LIST OF CFSP LEGAL ACTS	156

PREFACE

The Inter-Institutional Agreement (IIA) of 6 May 1999 provides that "once a year the Council Presidency will consult the European Parliament on a Council document setting out the main aspects and basic choices of the CFSP, including the financial implications for the general budget of the European Communities".

The Council adopted the first such report on 30 March 1998 ¹ and has been reporting annually each year since then. The present report covers the year 2004 and also looks at perspectives for future action in accordance with the practice followed since the 1999 report.

The 2004 report follows the following criteria:

- its scope is limited to the description of CFSP activities, e.g. common positions, joint actions and implementing decisions (where appropriate, and necessary in order to provide a comprehensive view of the activities, reference is made to actions falling outside Title V of the TEU);
- it is complementary to the chapter on external relations of the annual report on the progress of the European Union presented to the Parliament in application of Article 4 of the TEU; thus the broad priorities of the Union's external relations, as expressed for example in European Council conclusions, are included in the "Article 4" report.

The recapitulative lists of CFSP instruments (declarations, démarches, reports of Heads of Mission and political dialogue meetings) is, as from 2004, published in a separate document, to be issued twice a year. The information covering 2004 is contained in document 6735/05 PESC 157 FIN 79.

¹ 7087/98 PESC 66 PE 23.

The following items relating to CFSP matters are available on the Internet web site of the Council (<http://ue.eu.int>): list of CFSP legislative acts, declarations, information on EU Special Representatives and the European Union Monitoring Mission (EUMM), the calendar of CFSP activities, including political dialogue meetings with third countries, as well as basic texts on the EU military structures.

The financial statements related to CFSP Joint Actions, which are normally annexed to the "I/A" item notes to Coreper/Council, are transmitted by the Council Secretariat to the European Parliament on a systematic basis. The documents in question can be accessed through the Public Register of Council documents on the Council website, immediately after adoption of the Joint Action by the Council.

Finally, attention is drawn to the new website on CFSP financing launched in December 2003 by the European Commission (http://europa.eu.int/comm/external_relations/cfsp/fin/index.htm)² and to the new website on CFSP restrictive measures, which the Commission launched in June 2004 and provides, inter alia, an overview of the restrictive measures in force and a consolidated list of persons and entities subject to financial sanctions (http://europa.eu.int/comm/external_relations/cfsp/sanctions/index.htm).

² A first section of the website focuses on the institutional framework and budgetary procedure for the financing of Joint Actions adopted by Council under the Common Foreign and Security Policy. It explains how the Commission's involvement differs from the financing and implementation of EC programs.
The second section addresses a number of questions regarding the CFSP budget.
The third and largest section presents an overview of ongoing Joint Actions financed from the CFSP budget.
The website endeavours to provide an answer to the European Parliament's demand for transparency in the field of CFSP.

Chapter I

MAIN DEVELOPMENTS IN THE AREAS OF CFSP AND ESDP IN 2004

1. 2004 was crucial year for the political development of the EU and its growing international responsibilities. A more active, capable and coherent European Union has made a continuous contribution to building a safer neighbourhood and a better world. In the course of 2004 the Common Foreign and Security Policy of the European Union was guided by the **European Security Strategy** adopted by the European Council in December 2003. The EU institutions and Member States have strived to address the main threats identified in that document and to implement its strategic objectives. A continuous effort has been made to achieve progress towards a coherent, capable and proactive foreign policy, including effective crises management.
2. The **fight against terrorism** has been a major priority in the CFSP. The EU has concentrated on terrorist financing and improving information exchange through a coherent approach, including an agreement on controls of cash entering or leaving the EU and the Europol-Eurojust Agreement. To increase the coherence and consistency of Member States in this struggle a Counter Terrorism Co-ordinator, Mr Gijs De Vries, was appointed in March 2004. The European Council in December 2004 reiterated its determination to combat terrorism by continuing the comprehensive and integrated approach. The Council also decided to establish a long-term strategy and action plan on radicalisation and recruitment by June 2005.
3. A detailed **European Strategy against the proliferation of WMD** was adopted by the Council in December 2003 as a complementary measure to the ESS. This strategy provides a roadmap for immediate and future action against the proliferation of WMD. In implementing the Strategy, cooperation with the IAEA and the OPCW was stepped up providing additional benefits to combating the spread of WMD. An important aspect of this cooperation was the agreement reached with Iran to suspend its nuclear enrichment programme. Work is underway to arrive at an agreement on long-term arrangements. The EU is committed to including non-proliferation clauses in EU agreements with third countries.

4. The **Euro-Mediterranean Partnership** and the **European Neighbourhood Policy** serve as a tools for the establishment of a ring of well governed countries on the borders of the Union. The conclusion of Action Plans and the entry into force of Association Agreements with many of the countries involved demonstrates the EU's long term commitment to these regions.

The future of the **Balkans** is within the European Union and efforts were made in 2004 to enhance the stability of the region and promote the reform processes. The Union must rise to the challenge of ensuring that all countries in the region continue on the road towards democracy, rule of law, respect for the fundamental freedoms of all people and, crucially, cooperation with the International Criminal Tribunal for the former Yugoslavia. It is hoped that those countries which aspire to EU membership will demonstrate their commitment by accelerating their own efforts in these fields. As part of the furtherance of these objectives, the European Council adopted in June 2004 a comprehensive policy towards Bosnia-Herzegovina in support of the European perspective of that country.

5. The ESS stated that there are few, if any, problems we can deal with on our own. The EU clearly needs to pursue its objectives both through multilateral organisations and through partnerships with key actors. Particular attention was paid to the promotion of **effective multilateralism** and rule-based international order with the **United Nations** at its core. In this spirit particular importance was attached to the EU's input to the UN Secretary General's High Level Panel on Threats, Challenges and Change. The European Council in December welcomed the Report of the High Level Panel, in particular the comprehensive approach to collective security, and stated its firm determination to play a major role in the UN.
6. The European Union as a global player has the firm intention to promote global security through cooperation and development of its relationship with key strategic partners, principally with its Transatlantic allies with whom it has shared interests. The visit of President Bush in February 2005 contributed to a large extent to the revival of the spirit of **Transatlantic cooperation**, putting more emphasis on practical cooperation and developing it further.

7. The EU has also **enhanced economic, political and cultural cooperation with other major partners** paying particular attention to the new actors emerging on the global economic and political stage. The outcome of summits which took place in the course of 2004 between the EU and Canada, Japan, Russia, China and India allow for further progress in these relationships. They will also contribute to effective collaboration in jointly addressing the main challenges and threats to security.

8. Europe has learned the hard way that sustainable peace and security require regional cooperation and integration. This is one of the reasons the EU supports the development of **regional cooperation** in a positive way. The European Union is committed to deepening its dialogue with these regional partners. In the years ahead, inter-regional dialogues will steadily reshape the nature of international politics and forge new mechanisms to manage global interdependence and tackle cross-border problems. In that context, the European Council welcomed the ongoing dialogue with the **African Union** and sub-regional organizations, including **ECOWAS, SADC and IGAD**, and the outcome of the Summit meetings with **ASEM**, as well as the reinforcement of the **EU-Latin America and Caribbean relationship**. The growth of regional organisations will present additional challenges and the EU is committed to maintaining positive relations with them.

9. There has been a growing recognition that **human security and human rights** are frequently at the root of conflicts. The EU has strengthened its commitment to the spread of good governance and support for fundamental freedoms and has continued to engage in dialogue with China and Iran on human rights and recently opened a new phase of consultations with Russia on the same subject. The EU must in this context face the challenges posed by free movement of goods, services and peoples to the less developed world. The High Representative recently appointed a personal representative for human-rights issues as a contribution to the coherence and consistency of human-rights policy in the CFSP.

10. The European Union as a global player has made significant efforts to deliver more active, more coherent and more capable foreign policy. There is consensus among Member States that a proactive approach should be applied to respond effectively to the challenges and threats. The ESS states that **conflict prevention** and **threat prevention** cannot start too early. The EU needs to address, in a timely way, emerging conflicts and develop a culture of prevention. During 2004 further progress was made on developing the **early-warning mechanism** and efforts are underway to follow this up with early action.

11. In 2004 the EU took part in a more active and effective way in **various crisis-management operations**. It continued to fulfil its mandate in the Police Mission to Bosnia-Herzegovina and to the former Yugoslav Republic of Macedonia and it also successfully launched the military operation in Bosnia-Herzegovina making use of NATO assets and capabilities. The European Council in December decided that a police mission in the framework of ESDP should be deployed to the Democratic Republic of Congo and the planning of deployment of an integrated police and rule of law mission for Iraq has been started. The EU has also launched its first CFSP ‘rule of law’ mission in Georgia.

12. The EU has made considerable progress in developing its **military and civilian crisis-management capabilities** so that it can successfully address the complex, multi-faceted security crises of the 21st century. Within the framework of the **EU Rapid Response capabilities**, Member States have made initial commitments to the formation of 13 EU Battlegroups, thereby contributing to the implementation of the European Security Strategy. The **European Defence Agency** was also established with the aim of getting better value for money in defence procurement and to increase usable military capabilities European governments have at their disposal. The civilian-military crises-management capability of the EU has been brought to a new operational level through the creation of a **Civilian/Military Cell** leading thereby to a greater coherence of civilian and military structures. Further results on the development of civilian capabilities are expected from the decisions taken by the **Civilian Capabilities Commitment Conference** in November 2004.

13. The influence of the European Union on the development of international issues could be significantly raised if it were more widely seen to be more coherent and more consistent. In this perspective, the ratification of the new Treaty establishing a **Constitution for Europe** would be a strategic step forward. One of its most important innovations, in the area of foreign policy, is the creation of the post of EU Foreign Minister. To ensure more consistency, the future **EU Foreign Minister** will also represent the Union abroad, contribute by his proposals to the development of the foreign policy and chair the regular meetings of EU Foreign Ministers.
14. In order to assist the new Foreign Minister the Constitutional Treaty provides for the creation of an **External Action Service**. In response to the European Council of October 2004, the European Commission and the General Secretariat of the Council have launched preparatory work for the establishment of the EAS together with the Member States and a joint Progress Report will be submitted for the European Council next June.

Chapter II

THEMATIC ASPECTS

1. EU'S EXTERNAL ACTION IN THE FIGHT AGAINST TERRORISM

In the wake of the terrorist attacks in Madrid on 11 March 2004, the European Council adopted a **Declaration on Combating Terrorism**. The Declaration calls for Member States to build on existing cooperation and effectively and comprehensively implement all outstanding measures previously adopted by the Council. The Declaration identifies seven key strategic objectives for the fight against terrorism. The external aspects of the fight against terrorism are reflected primarily in the objectives dealing with the international framework for the fight against terrorism, the enhancement of counter-terrorism capacity or commitment in third countries, the fight against terrorist financing, addressing underlying factors which contribute to support for, and recruitment into, terrorism.

In March 2004, the Council appointed a **Counter-Terrorism Coordinator** (Mr Gijs de Vries) whose role is to strengthen the coordination between the various preparatory bodies and formations of the Council and to maintain regular contacts with Member States, with a view to ensuring the best complementarity between EU and Member States' action.

The Council also adopted a **Declaration on Solidarity against Terrorism**, which calls on Member States to act in the spirit of the solidarity clause of the draft Treaty establishing a Constitution for Europe.

In June, the European Council adopted a comprehensive revised **Plan of Action on Combating Terrorism**, with key tasks and deadlines. A progress report on this Action Plan is adopted every six months.

The EU is strongly committed to **effective multilateralism** and supports the key role of the UN in the fight against terrorism. It established regular contacts with the UN Counter-Terrorism Executive Directorate, with the Terrorism Prevention Branch of the UN Office on Drugs and Crime and with other international organisations. Regional cooperation has also been enhanced in the framework of the relevant regional and sub-regional for a such as ASEAN, ARF, AU.

The EU has undertaken to promote the adoption of a comprehensive UN Convention against Terrorism as well as a UN Convention on the Suppression of Acts of Nuclear Terrorism. The EU has been supportive of the general approach adopted in the report of the High Level Panel on Threats, Challenges and Change as well as of the recommendations relating to the fight against terrorism.

The EU has continued its efforts to **mainstream the fight against terrorism** into all aspects of EU external action. A document approved by the European Council in December identifies concrete suggestions on how to achieve this result. Work on a general approach integrating counter-terrorism into political dialogue and external assistance programmes has been launched by the Dutch Presidency, in cooperation with the EU Counter-Terrorism Coordinator. The EU stepped up its efforts on enhancing counter-terrorism cooperation with key priority countries, both in terms of political dialogue and technical assistance. The EU has pursued its dialogue on counter-terrorism with a number of partners around the world.

The EU has drawn up a coherent overall approach for further strengthening the **fight against Terrorist Financing**, on the basis of proposals by the High Representative and the Commission. Enhancing the effectiveness of EU freezing mechanisms remains also a high priority (see Chapter II.7).

The EU also adopted a **Conceptual Framework on the ESDP dimension** of the fight against terrorism, identifying the main elements of the ESDP contribution to the fight against terrorism, including preventive aspects, and concrete action points for implementation.

The EU has undertaken to identify and address the factors conducive to support for, and recruitment into, terrorism. It has started to mainstream the topic of recruitment into political dialogue with third countries. More efficient use is to be made of external assistance programmes to address factors which can contribute to support for terrorism.

At the EU-US Summit on 25-26 June 2004, **the EU and the US adopted a joint Declaration on Combating Terrorism**, re-stating their commitment to further developing cooperation against terrorism while engaging to protect and respect human rights, fundamental freedoms and the rule of law. The EU and the US set up a new **Policy Dialogue on Border and Transport Security (PDBTS)**, allowing for early warning on projected measures and for joint initiatives, and established a regular dialogue in the field of the fight against terrorist financing. Enhanced cooperation in providing technical assistance to third countries is also envisaged.

2. NON-PROLIFERATION

2.1. Fight against proliferation of weapons of mass destruction

General framework

The Strategy against Proliferation of Weapons of Mass Destruction was adopted in December 2003 and the European Council has expressed its will that the EU should become a major player in this area on the international scene. The prominence of non-proliferation on the agenda of the G8, and even more so the adoption of UN Security Council Resolution 1540 on 28 April 2004, confirm the importance of this issue. The UNSC Resolution, which was adopted unanimously, highlights the need for the international community to take action against the proliferation of WMD. By implementing the EU WMD Strategy, we have already anticipated on a number of elements of Resolution 1540. The main areas in the field of non-proliferation where the EU is concentrating its efforts are:

- strengthening the international system of non-proliferation,
- pursuing universalisation of multilateral agreements,
- reinforcing strict implementation and compliance with these agreements,
- assisting third countries, and
- cooperating with key partners.

The EU had already completed or started implementing the following actions in 2004:

Support for multilateralism and universalisation of international treaties and agreements

- Démarches have already been carried out to promote the universalisation of international agreements such as the Biological and Toxin Weapons Convention (BTWC), the Comprehensive Safeguards Agreement and the Additional Protocol, the rapid entry into force of the Comprehensive Nuclear Test-Ban Treaty (CTBT) and the universalisation of The Hague Code of Conduct against Ballistic Missile Proliferation (HCOG).

United Nations Security Council Resolution 1540

- An EU report on implementation of Resolution 1540 has been drawn up by the Presidency, the Commission and the Personal Representative of the SG/HR for Non-Proliferation of Weapons of Mass Destruction. It presents the areas in which the EU has devised a common approach to deal with the issues covered by UN Security Council Resolution 1540, in particular those concerning areas falling within the European Community's sphere of competence.

Criminal sanctions for the proliferation of sensitive goods and technologies

- In June 2004, the European Council called on the Council's competent bodies to review the appropriate political and legal instruments for adopting common policies on criminal sanctions imposed in the event of illegal export, brokering and smuggling of WMD-related material.

Support for international organisations

- A number of specific activities have been carried out to support organisations competent in the sphere of non-proliferation. In May 2004, the Council adopted a Joint Action to support projects implemented by the IAEA for the physical protection of nuclear facilities, the physical protection of radioactive sources in non-nuclear facilities and an increase in national capacity for combating the illegal export of radioactive materials. These projects are being implemented in the countries of the Balkan region, Central Asia and the Caucasus.
- A Joint Action on support for OPCW activities was adopted in November 2004. It aims at supporting the universalisation of the Chemical Weapons Convention (CWC) and, in particular, at promoting the accession to that Convention of States not party to it, and its implementation by the States Parties.

Strengthening of the Biological and Toxin Weapons Convention

- The EU is endeavouring to take the lead in efforts to strengthen regulations on trade in material that can be used for the production of biological weapons. Work started during the Netherlands Presidency to prepare for the 2006 conference on the Biological and Toxin Weapons Convention. It will be a major occasion to adopt measures to strengthen that Convention.

Control of exports of dual-use items

- The Member States, the Commission and the Council General Secretariat worked together closely to prepare for the peer review process and strive for its success. The review exercise contributed considerably to making EU export control more effective through the proceedings of a study group.
- The study group made recommendations subsequently to improve EU export control and thereby strengthen Member States' capacity to avoid access by undesirable users, including terrorists, to dual-use items in the WDM context.

Control of exports of the means of delivery of WMD

- The Presidency and the Troika continued their efforts to ensure that all the new Member States were included in export control regimes. However, the Plenary Meeting of the Missile Technology Control Regime (MTCR) in October 2004 did not reach agreement on admission of the seven new EU Member States remaining outside the MTCR. The EU will continue its dynamic policy aimed at the admission of the new Member States with new démarches to relevant third countries.

Strengthening physical protection in the nuclear sphere

- Following the adoption of the Council Directive on the control of high-activity sealed radioactive sources, Member States must ensure that it is implemented rapidly. The EU encourages third countries to adopt equivalent provisions.
- The EU Member States, all parties to the Convention on the Physical Protection of Nuclear Material, are in favour of convening a conference aimed at amending the Convention in order to broaden its scope.
- A Joint Action adopted by the Council on 22 November 2004 aims at improving physical protection at the Bochvar Institute of the Russian Federal Agency for Atomic Energy in Moscow. The Joint Action will be implemented by the German government.

The importance of non-proliferation in contractual relations between the EU and third countries

- Non-proliferation of WMD occupies an important place in both the EU's contractual relations with third countries (non-proliferation clause) and with regard to action plans in the context of the New Neighbourhood policy.
- The non-proliferation clause was included in the Partnership and Cooperation Agreement with Tajikistan (signed at Luxembourg on 11 October 2004) and the draft Stabilisation and Association Agreement being negotiated with Albania. Negotiations with Syria have been concluded and the text of the Association Agreement, which incorporates a non-proliferation clause, was initialled in October 2004. Negotiations concerning an inter-regional association agreement with Mercosur, a free-trade agreement with the countries of the Gulf Cooperation Council and revision of the Cotonou Agreement are under way. A non-proliferation clause has also been proposed in the draft political agreement parallel to the Community's agreement with Pakistan.

- In the context of the European neighbourhood policy, on 13 and 14 December 2004 the Council signified its political agreement to action plans for Israel, Jordan, Moldova, Morocco, the Palestinian Authority, Tunisia and Ukraine that are the result of intense consultations conducted with those countries by the Commission, in close cooperation with the Presidency and the Secretary-General/High Representative. The action plans include chapters devoted to WMD, the wording of which is based on key elements of the WMD clause.

Cooperation with key partners

- A new Joint Statement was adopted at the EU/United States Summit on 28 June 2004. This meeting provided an opportunity for drawing up an action plan for further cooperation in the area of non-proliferation. Political dialogue meetings between the EU and the United States and contacts between that country's authorities and the Commission and/or the Personal Representative of the Secretary-General/High Representative for Non-Proliferation of Weapons of Mass Destruction helped to define new areas for cooperation.
- A Joint EU-Japan Declaration on Disarmament and Non-proliferation was adopted at the 13th EU-Japan Summit on 22 June 2004, indicating priority areas for specific cooperation.
- A Joint Declaration on Non-proliferation and Arms Control was adopted at the EU-China Summit on 8 December 2004.

An ad hoc EU-China workshop on export controls was held in January 2005 with the aim of identifying the potential for future cooperation.

2.2. Combating the destabilising accumulation and spread of small arms and light weapons

Assistance to third countries

- In the framework of EU Joint Action 2002/589/CFSP of 12 July 2002 on the European Union's contribution to combating the destabilising accumulation and spread of small arms and light weapons, in December 2004 the Council adopted a decision with a view to an EU contribution to ECOWAS in the context of the moratorium on small arms and light weapons.
- In 2004 the EU also decided to continue and conclude in 2005 programmes to collect and destroy small arms and light weapons in Albania, Cambodia and south-east Europe.

Negotiation of an international instrument on marking and tracing SALW

The EU's efforts in this area aim at obtaining a comprehensive instrument enabling the flow of illicit SALW to be traced effectively, as clearly indicated in the negotiating brief given by the United Nations General Assembly. The EU is in favour of adopting a legally binding instrument that includes small arms and light weapons and their ammunition.

3. EUROPEAN SECURITY AND DEFENCE POLICY (ESDP)

3.1. Military and general aspects

Military aspects

2004 was marked by the achievement of definite progress as regards the development of European military capabilities. In May 2004, the Council approved the Headline Goal 2010 which sets the main parameters for developing the EU's military capabilities by 2010. The new Headline Goal reflects the changes that have occurred in the global strategical environment and takes account of the ambitions set out in the European Security Strategy.

Definition of the new Headline Goal was followed by discussions on drawing up the 2005 requirements catalogue. Under the guidance of the PSC, work focused first on the examination of strategic planning scenarios and hypotheses. The terrorist threat was taken into account in accordance with the EU Plan of Action on Combating Terrorism endorsed by the European Council in June. The Military Capabilities Commitment Conference held in November provided an opportunity to evaluate the European Capability Action Plan (ECAP) and take stock of the Global Approach regarding Deployability.

Work continued on developing the EU's rapid response capabilities, the cornerstone of which is to be the battle groups. In April, the Council endorsed a report from the SG/HR proposing work priorities in this context. In May, in the framework of the Headline Goal 2010, the Council approved the level of the EU's rapid response ambitions. At the Capabilities Commitment Conference in November, Member States made an initial commitment to set up thirteen battle groups. There was an exchange of information with NATO on development of respective rapid response capabilities – EU battle groups/NATO Reaction Force. The issue of rapid response capabilities was also discussed with the United Nations.

The EU's Operation ALTHEA in Bosnia and Herzegovina was launched on 2 December 2004, taking over from the former NATO operation. Its objective is to consolidate the results achieved by the international community to turn Bosnia and Herzegovina into a stable, viable and peaceful multi-ethnic state. To this end, EUFOR's task is to maintain a stable and secure environment. The operation is carried out under Security Council mandate (Resolution 1575 of 22 November 2004). It uses certain collective Atlantic Alliance assets and comes under the "Berlin Plus" arrangements. The force carries out its action in the field in close cooperation with other European players and in coordination with NATO's residual presence. The operation is under General REITH's command. The force, commanded by General LEAKEY, is composed of 6 500 men from 22 Member States and eleven third countries. Two Member States do not participate with troops but contribute to the common costs of the operation.

ATHENA

ATHENA, a permanent mechanism for managing the financing of the common costs of European Union operations having military or defence implications, came into force on 1 March 2004.

ATHENA offers a permanent mechanism for the financing of operations and reduces the time necessary for the EU to start financing the common costs of an operation.

The common costs of Operation ALTHEA are financed *inter alia* through ATHENA.

The first review of ATHENA was finalised in 2004.

Several changes were agreed, based on the lessons learned from ESDP military operations.

In response to the Council's instructions to continue reflecting on the most appropriate ways and means to finance rapid reaction, Member States agreed to establish a special title within the ATHENA budget for voluntary payments in anticipation of a rapid response operation.

General aspects

The EU has improved its preparation for crisis situations by organising **exercises**. Crisis management exercise CME 04 took place in May, with a national operational headquarters – the United Kingdom's Permanent Joint Headquarters in Northwood – acting as EU operational HQ. The exercise provided an opportunity for testing the implementation and coordination within the EU of a vast array of civil and military response tools.

ESDP is also required to contribute to **combating terrorism**. In that regard, the Council approved a conceptual framework (endorsed by the European Council in December), which defines the complementary role of civil and military crisis management resources in this context. The conceptual framework identifies the following main sectors of action: protection, reaction to a terrorist attack and management of the aftermath of attacks, as well as support for third countries.

3.2. European Defence Agency

The **European Defence Agency (EDA)** was established by the EU Council of Ministers on 12 July 2004. Following an initial start-up phase during 2004, the Agency was operational from the end of 2004 with its senior management in place and a budget and work programme for 2005 approved by Defence Ministers of the participating Member States.

The Agency's is designed "to support the Member States in their effort to improve European defence capabilities in the field of crisis management and to sustain the ESDP as it stands now and develops in the future". More specifically, the Agency is entrusted with four functions:

- (a) defence capabilities development;
- (b) armaments cooperation;
- (c) the European defence, technological and industrial - base and defence - equipment market;
- (d) research and technology.

The EDA is an Agency of the European Union. High Representative Solana is Head of the Agency and Chairman of the Steering Board, its decision-making body composed of Defence Ministers of the 24 participating Member States (all EU Member States, except Denmark) and the Commission. The Steering Board acts under the Council's authority and within the framework of guidelines issued by the Council. Nick Witney (was appointed by the SG/HR in July 2004 as Chief Executive of the Agency.

On 22 November 2004, the Steering Board agreed the Agency's **first annual work programme (for 2005)**.

At its meeting on 22 November 2004, the Steering Board also agreed on the Agency's budget for 2005, which is about EUR 20 million including some EUR 3 million to buy in research and advice. This will fund further recruitment to the agreed strength of 77 posts by the middle of 2005.

3.3. Civilian crisis management

The **EU Police Mission (EUPM) in Bosnia and Herzegovina**, which began operations on 1 January 2003 aims to establish sustainable policing arrangements under BiH ownership in accordance with best European and international practice, thereby raising current BiH police standards. It is an administrative mission and achieves its objectives through supervising, advising and monitoring BiH police forces at middle and upper level. On 31 December 2004 EUPM numbered 862 personnel, of whom 472 were seconded police officers, 61 international civil servants and 329 BiH national staff. 24 EU Member States have participated in this EUPM (420 police officers), together with 9 third countries (52 police officers). Throughout 2004 the policy areas were to foster an independent, responsible, financially viable and durable police force and capable of combating organised crime and corruption. Setting up the State Information and Protection Agency (SIPA) was a priority task in the context of combating organised crime. Another major event in 2004 was the establishment of the Police Restructuring Commission (PRC), chaired by former Belgian Prime Minister Wilfred Martens, in which the EUPM participated to a considerable extent. The Commission's aim was to propose a single police structure for BiH under the political supervision of one or more Ministers from the Council of Ministers.

The **EU Police Mission in the former Yugoslav Republic of Macedonia, EUPOL PROXIMA**, was extended for a further year until 15 December 2005 following a request from the Prime Minister of FYROM. The aim of extending the mission was to help the police forces to become organised with a high level of efficiency and professionalism, meeting European policing standards.

The Proxima police experts will supervise and advise police forces in the host country, their priority being to train high and medium-level officials under three programmes: law and order, organised crime and border police. EUPOL PROXIMA has a total staff of 305 personnel, composed of 143 seconded police officers, 20 international civil servants and 142 national staff. 24 Member States of the European Union have contributed to the PROXIMA mission with 124 police officers, together with 4 third states (19 police officers).

In order to achieve maximum results, the mission has increased its geographical coverage of the host country while ensuring a fairly high level of presence in the former crisis area. Detective Chief Superintendent Jürgen Scholz has been appointed head of the extended mission. The police mission is fully integrated into existing international coordination structures established by the EUSR in the former Yugoslav Republic of Macedonia. Close cooperation with other players in the field, in particular with the European Commission's Police Reform Plan, is being strongly considered in order to ensure synergy and complementarity.

The European Union has launched its first CFSP "rule-of-law" mission at the request of the Prime Minister of Georgia. The **EUJUST Themis Mission in Georgia**, set up by a Joint Action adopted on 28 June 2004 by the Council of the European Union, aims in particular at helping the Georgian authorities to work out a strategy for reforming the penal system, which dates from the Soviet era, and to bring it closer to international and European standards. Eight "rule-of-law" experts from the Member States have been colocated within key Georgian authorities. The mission started on 16 July 2004 and its mandate will expire on 15 July 2005. The Head of Mission is a French magistrate, Ms Pantz.

A fact-finding mission visited the Democratic Republic of the Congo from 18 to 28 October in order to initiate planning for a **European Union Police Mission, EUPOL Kinshasa**. Planning was continued on the basis of that mission's report, and a Head of the Police Mission appointed (Superintendent Adilio Custodio). EUPOL Kinshasa will have a non-executive mandate, to cover monitoring, supervising and advising the Congolese Integrated Police Unit (IPU) after it has been trained under the European Union plan. EUPOL Kinshasa will be launched in the first half of 2005 and will remain in action for a year (until 31 December 2005) in order to help ensure the provisional government's security during the general elections scheduled for June 2005. The Mission will be under the supervision of EUSR Aldo Ajella and will maintain close contact with EU or other players in the field, especially the United Nations Mission in the Democratic Republic of the Congo (MONUC).

In November, the Council decided to set up an expert team with a view to the possibility of **developing an integrated police and "rule-of-law" and civilian administration mission for Iraq**. The expert team was deployed in the region for two months with the aim of continuing the dialogue with the Iraqi authorities (and other countries of the region), starting initial planning for a possible integrated mission (to be launched after the elections of January 2005), and in particular assessing the urgent security needs for such a mission.

Pursuant to the Council Decision of November 2003, **capabilities for planning and supporting EU civilian crisis management missions** were established within the Council General Secretariat in April 2004. These capabilities include experts seconded by Member States in the areas of the rule of law, civil administration, civil protection, lessons drawn, budget and finance, human resources, logistical means and public procurement.

In June 2004 the General Affairs and External Relations Council decided to implement an **Action Plan for Civilian Aspects of ESDP**, reaffirming the EU's ambitions in this field and defining the concrete stages enabling them to be achieved. The European Council endorsed the Action Plan.

Development of EU civilian capabilities lies at the heart of the implementation of the Action Plan. Capability-building efforts culminated at the **Civilian Capabilities Commitment Conference** held on 22 November 2004 alongside the General Affairs and External Relations Council. Member States pledged approximately 13 000 experts in priority areas (police, rule of law, civil administration, civil protection as well as generic support for the EUSR and monitoring as new instruments).

Following the European Council's decision in June 2004 to set a Headline Goal for civilian crisis management and on the basis of progress in civilian crisis management since 1999, in December 2004 the European Council endorsed **Civilian Headline Goal 2008**. The EU and the Member States pledged to take the necessary measures to achieve the objectives set by Civilian Headline Goal 2008.

3.4 Civilian/Military Cell

The European Council in December 2003 decided the establishment of a Civilian/Military Cell to enhance the EU's capacity for crisis management planning. It should reinforce the national HQ designated to conduct an EU autonomous operation, assist in co-ordinating civilian operations and have the responsibility for generating the capacity to plan and run an autonomous EU military operation, once a decision on such an operation has been taken.

The Cell was established at the end of 2004 within the EUMS and its Operations Centre will become fully operational in 2006.

3.5. ESDP support for peace and security in Africa

In November 2004, the Council welcomed the will of African states to assume their responsibilities on their own continent and reaffirmed its commitment to the principle of African ownership. In this context, the Council reconfirmed its appreciation and strong support for the objective of the African Union (AU) and African subregional organisations to promote peace and security on the African continent. Peace and security is a pre-condition for achieving sustainable development.

The European Security and Defence Policy can support the AU, African subregional organisations and African States in their efforts to ensure a stable and secure Africa. In this context, the Council agreed on the **Action Plan for ESDP-support to Peace and Security in Africa**. This Action Plan identifies practical ways for implementing the support to African organisations in building autonomous conflict prevention and management capacities, with special attention to the AU. It primarily addresses issues of capacity building, and planning support and foresees support for actions in the field of Disarmament, Demobilisation and Reintegration and Security Sector Reform.

The Council also underlined that EU support for peace and security in Africa is part of a coherent EU policy towards Africa in which ESDP activities and the Peace Facility are combined with other instruments of the Common Foreign and Security Policy and the Cotonou Agreement and with bilateral actions by Member States.

In support of the Action Plan, the **Guidelines on the institutional, legal and budgetary aspects of ESDP support to Peace and Security in Africa** were elaborated and agreed by the Council.

4. EU SPECIAL REPRESENTATIVES

EU Special representatives (EUSRs) continue to be an important instrument of the Common Foreign and Security Policy contributing to making the EU more active, more coherent and capable actor. The EUSRs are acting under the authority and operational direction of the High Representative. The Political and Security Committee (PSC) provides strategic guidance and political input to the EUSRs.

In 2004, the EU could rely on six Special Representatives. The mandates of the EU Special Representatives for the **South Caucasus** (Mr Heikki TALVITIE), for the **Middle East peace process** (Mr Marc OTTE), for the **African Great Lakes Region** (Mr Aldo AJELLO), for **Afghanistan** (Mr Francesc VENDRELL) and for the **former Yugoslav Republic of Macedonia** (Mr JESSEN-PETERSEN until 31 July and thereafter Mr Michael SAHLIN) were all extended until 28 February 2005. Following the adoption by the Council of the Joint Action on the EU military operation in **Bosnia and Herzegovina**, which designates a specific role for the EU Special Representative, the mandate of Lord ASHDOWN was amended accordingly by Joint Action adopted on 12 July 2004.

On 28 June 2004, the Council adopted an amended text of the **Guidelines on appointment, mandate and financing of European Union Special Representatives** in order to bring the timing of the extension of the mandates in line with the timing of budgetary procedures in the Commission. On this occasion, the provision in the guidelines concerning the level of appointment of the EUSRs were also brought in line with the corresponding grade in the new Staff Regulations of Officials of the European Communities.

- **SG/HR Personal Representatives**

In order to cope with specific situations, the SG/HR may appoint Personal Representatives and inform the PSC and Coreper accordingly. To date, Personal Representatives have been nominated for the Western Balkans, Kosovo, Non-Proliferation, Sudan, Iraq and Human Rights. The duration of their assignments may at times be very short.

5. CONFLICT PREVENTION

During the first half of 2004, the Irish Presidency organised a conference in Dublin on Conflict Prevention which brought together EU Member States with representatives of civil society working in this field. This cooperation was built on further with the adoption of the Action Plan for ESDP Civilian Crisis Management in June 2004, which amongst other things committed incoming presidencies to facilitate meetings and the regular exchange of information with non-governmental organisations and civil society working on this area. In the second half of the year, as a first step in implementing the objectives of the Action Plan, the Dutch Presidency organised a meeting in Brussels between member states and representatives of civil society.

The European Council also adopted in June 2004 the annual Report on **EU activities in the framework of prevention**, including implementation of the EU Programme for the **Prevention of Violent Conflicts**.

6. HUMAN RIGHTS

The **protection and promotion of human rights and fundamental freedoms** is one of the founding principles of the Common Foreign and Security Policy, and this principle was constantly stressed in the EU's bilateral relations as well as in its activities in multilateral fora. In addition to continuing to address human rights violations around the world, the EU played an active role in the promotion of respect for human rights.

As regards pursuit of its priorities in promoting respect for human rights, the EU continued its efforts to ensure the comprehensive implementation of the five EU human rights guidelines. The Working Group on Human Rights (COHOM) sought to follow up on a wide range of steps indicated in the Council conclusions of December 2002 to ensure coherence and consistency, mainstreaming, openness, and regular review of priorities, in the EU's human rights and democratisation policy. On that basis, in December 2004 the Council adopted conclusions on the implementation of EU human rights policy (15817/3/04 REV 3), in which it welcomed the decision to appoint a Personal Representative of the SG/HR for Human Rights in the CFSP area, thus helping to ensure the consistency and continuity of EU human rights policy, with due regard for the powers of the Commission.

In confronting human rights violations in countries in all regions of the world, the EU called on the governments concerned to redress the situation through a variety of instruments, including statements, démarches and declarations. It continued to conduct its human rights dialogue with China, two meetings of which took place in 2004. Moreover, a meeting of the EU human rights dialogue with Iran was held in Tehran, comprising a roundtable composed of civil society participants on both sides, and meetings of government officials. The two dialogues were the subject of a Council evaluation (12770/04) on which members of the European Parliament Subcommittee on Human Rights were briefed in detail by the Netherlands Presidency on 23 November 2004. At the same time, the Subcommittee was also briefed on the dialogue with China held in September 2004.

The EU was again one of the main actors in the **UN Commission on Human Rights (CHR)**, the 60th session of which took place in Geneva from 15 March to 23 April 2004. There the EU succeeded in getting resolutions adopted on the human rights situation in Burma/Myanmar, the Israeli settlements in the occupied Arab territories and the Democratic People's Republic of Korea (DPRK) and, with the United States, in Turkmenistan and Belarus. It also put forward Chairperson's statements on Colombia and East Timor and successfully tabled thematic resolutions on the question of the death penalty, religious intolerance and on the rights of the child (together with the Latin American Group). However, despite heavy lobbying the EU's initiatives on Chechnya were defeated, and the resolution on Zimbabwe was again blocked by means of a no-action motion. The EU also cooperated closely with the African countries on initiatives on the Democratic Republic of the Congo and Sudan.

At the Third Committee of the **59th session of the UN General Assembly**, the EU presented a general statement, concentrating in particular on issues related to the EU guidelines (human rights defenders, children and armed conflict, the death penalty and torture). It also succeeded in securing the adoption of resolutions on DRC, Burma, Sudan and Turkmenistan, religious intolerance and, jointly with the group of Latin American countries, an omnibus resolution on the rights of the child.

The EU played an active role in the UN Ad Hoc Committee established to consider proposals for an **International Convention on the Protection of the Rights and Dignity of People with Disabilities** at its meetings in New York in 2004 and at the 48th Session of the UN Commission on the Status of Women (CSW).

Following the adoption of the EU Guidelines on Human Rights Defenders, in June 2004, the **Annual Human Rights Discussion Forum** held in The Hague on 9 and 10 December focused on issues related to human rights defenders. It was attended as usual by representatives from NGOs, academics, MEPs and officials from Member States' governments and the EU institutions.

More detailed information on the implementation of the EU's human rights policy is set out in the EU Annual Report on Human Rights 2004, which was published in September 2004 (11922/1/04 REV 1), available on the Council website ([http://ue.eu.int/\(policies/Foreign & Security Policy/Human Rights\)](http://ue.eu.int/(policies/Foreign%20&%20Security%20Policy/Human%20Rights))).

7. RESTRICTIVE MEASURES (SANCTIONS)

In the context of the further development of a policy framework for more effective multilateralism in line with the European Security Strategy, the Council in June 2004 adopted “**Basic Principles on the Use of Restrictive Measures (Sanctions)**”¹, which underlines the EU’s commitment to the effective use of restrictive measures as an important way to maintain and restore international peace and security in accordance with the principles of the UN Charter and of the Common Foreign and Security policy. Such restrictive measures can be imposed to achieve any of the objectives of the Common Foreign and Security Policy, as set out in Article 11 of the Treaty on European Union, and include arms embargoes, restrictions on admission and freezing of assets.

In 2004, the Council decided to repeal the sanctions against Libya. The sanctions against Al Qaeda and other terrorist groups, the arms embargoes against Bosnia, China, Congo, Sierra Leone and Somalia, the sanctions in relation to Iraq and the sanctions against former President Milosevic of the former Federal Republic of Yugoslavia remained in force throughout the year.

In 2004, the Council renewed and amended the sanctions against Liberia, Myanmar, Sudan, Zimbabwe and certain persons in Moldova. In order to assist the International Criminal Tribunal for former Yugoslavia, the Council imposed new sanctions against those persons indicted by the Tribunal who remain at large and renewed the sanctions against persons who assist such indictees to evade justice. New sanctions were imposed against Côte d'Ivoire, against former President Taylor of Liberia and against certain persons in Belarus and in the former Yugoslav Republic of Macedonia.

The full list of restrictive measures imposed by the EU in 2004 is to be found in Annex II and Annex III to ANNEX.

¹ 10198/1/04 REV 1, adopted by the Council on 14 June 2004, and welcomed by the European Council of 17-18 June 2004.

More generally, the "**Guidelines on implementation and evaluation of restrictive measures (sanctions) in the framework of the EU Common Foreign and Security Policy**"¹ underline that the effectiveness of the EU measures hinges to a large degree on restrictive measures being implemented and enforced promptly and without exceptions in all Member States. In order to address this situation and to ensure adequate follow-up to EU decisions to impose restrictive measures, a **specific Council body** (Relex/Sanctions formation) has been set up to share experience and develop best practice in the implementation and application of restrictive measures. The Relex/Sanctions formation has in particular identified **best practices for effective implementation of financial restrictive measures targeting terrorist persons, groups or entities**².

¹ 155579/03, adopted by the Council in 2003.

² 13851/4/04 REV 4.

8. ARMS EXPORTS

In 2004 the EU Member States continued implementation of the **Code of Conduct on Arms Exports**.

In the sixth year of operation of the European Code of Conduct, considerable progress was achieved with respect to implementation. A number of important new developments (exchange of information on denial notifications between the EU and Norway, organisation of joint information seminars for neighbouring and candidate countries, development of the dialogue with the European Parliament) helped further to strengthen and expand application of the Code, thus confirming its status as the most comprehensive international arms export control regime. The single most important development in this respect was the **accession of the ten new Member States to the European Union on 1 May 2004**.

As regards **transparency**, the tables annexed to the sixth annual report drawn up according to operative provision 8 of the European Union Code of Conduct on Arms Exports are a major step forward; Member States have agreed to include references to the Military List numbers in their contribution to the report (if available).

An important development was the **review of the Code of Conduct**, the first since it became operative in 1998. The review discussion took place not only between Member States, but also through meetings with interested third parties, notably international NGOs. These discussions are expected to result in a significantly updated and upgraded Code. Several new elements will be included in the Code, thereby deepening and widening its scope.

The Member States are discussing a series of temporary procedures which could be applied to arms exports to countries previously under an EU arms embargo. This "**toolbox**" would complement the Code of Conduct.

The User's Guide, an essential tool summarising agreed guidance for the implementation of the operative provisions of the Code first published in November 2003, is regularly updated. It is primarily intended for use by export licensing officials and gives an extensive view of the Code of Conduct and the way it is applied by Member States.

Chapter III

PRIORITIES IN THE GEOGRAPHICAL AREAS

The following chapter gives an overview of the main developments in the broad spectrum of the European Union's relations with third countries within the area of the CFSP, covering the Western Balkans, Eastern Europe and Central Asia (including the Wider Europe - Neighbourhood Initiative), Central and Eastern Europe, South Eastern Europe, Middle East Peace Process, Mediterranean region, Mashrek-Maghreb, Middle East/Gulf, Asia-OCEANIA, Africa, Transatlantic relations and Latin America and the Caribbean.

1. WESTERN BALKANS

In terms of **horizontal aspects**, at the second meeting of Foreign Ministers in the **EU-Western Balkans Forum** on 22 November, the EU reaffirmed its unequivocal support for the **prospect of EU membership** for the Western Balkan countries, whose future is in the European Union. The participants commended the EU on the thorough implementation of the Thessaloniki Agenda. The leaders of the region reaffirmed their political will to contribute to the full implementation of this agenda by fulfilling their commitments.

The second annual meeting of Ministers of Justice and Home Affairs in the EU-Western Balkans Forum was held in Brussels on 2 December 2004. Ministers discussed Justice and Home Affairs issues, in particular the situation and latest developments relating to organised crime in the Western Balkans and its impact on the European Union. They also reviewed cooperation on border management and the development of judicial and law-enforcement cooperation.

The Council also continued to closely follow horizontal issues affecting the region as a whole:

Throughout 2004, the Council focused, as a priority, on full cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY). On 11 October, the Council held an exchange of views with the Chief Prosecutor of the ICTY, Ms Carla del Ponte, and also adopted a common position and a Regulation freezing all funds and economic resources belonging to Ante Gotovina, Radovan Karadzic and Radko Mladic, who have been indicted by the ICTY. The Council reiterated that continued failure on the part of the States concerned to cooperate fully and swiftly with the ICTY would seriously jeopardise further movement towards the EU.

On the fifth anniversary of the establishment of the Stability Pact for South Eastern Europe, the Council reaffirmed its strong support for the action carried out within the framework of the Stability Pact to promote regional cooperation, complementing the Stabilisation and Association Process and contributing to the implementation of the Thessaloniki Agenda.

The Council also welcomed the positive results of the Summit held on 21 April in Sarajevo within the framework of the Southeast European Cooperation Process (SEECP) and encouraged SEECP to work on specific, tangible projects contributing to the further strengthening of regional cooperation, which constitutes one of the main elements of the SAP.

On 14 June, the Council also adopted Decisions on principles, priorities and conditions for the EU's European Partnerships with Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia and Serbia and Montenegro including Kosovo. On the basis of annual reports from the Commission, the aim is to identify priorities for action in order to support efforts to enable the Western Balkan States to move closer to the European Union within a coherent framework.

Albania

In its conclusions on the Annual Review of the SAP, the Council noted that the implementation of the reforms necessary for the required implementing capacities for a Stabilisation and Association Agreement (SAA) with Albania had been limited. Accordingly, the Council encouraged Albania to accelerate reforms, particularly as regards implementation of legislation, thus allowing the SAA negotiations to advance without delay. The Council also emphasised the need to strengthen the judiciary and public administration and to ensure free and fair elections at all levels and devote more attention to guaranteeing full respect for human and minority rights. It commended Albania for the reduction in smuggling and trafficking in human beings, but noted that more substantial efforts in the fight against organised crime and corruption were necessary. The Council commended Albania for its constructive role in the region and for its responsible attitude with regard to the events of mid-March 2004 in Kosovo.

Bosnia and Herzegovina

In its conclusions on the Annual Review of the SAP, the Council noted that the Feasibility Study for Bosnia and Herzegovina confirmed that considerable progress had been made in stabilisation, but that substantial progress was needed on the 16 priorities identified therein as necessary for a recommendation to open negotiations for an SAA. It also noted that government at State level remained underdeveloped and that public administration reform had just begun. It called for further sustained reform efforts to ensure that progress made in state-building has become self-sustainable and is not reversed. The Council noted that though progress had been made in many areas, international pressure had often been the key to advancing reform. The Council urged the government of Bosnia and Herzegovina to take full responsibility for the reform process. The Council reminded the BiH authorities that a move to open SAA negotiations was contingent on their willingness to effect the necessary reforms. The EU, for its part, would continue its contribution to a stable environment in which reforms could proceed.

On 14 June 2004, the Council adopted an overall policy towards Bosnia and Herzegovina, which is one of the main priorities for the implementation of the European Security Strategy. The European Council of 17 and 18 June endorsed this overall policy.

The Council also strongly supported the measures announced on 30 June by EU Special Representative and High Representative Paddy Ashdown to help ensure that Bosnia and Herzegovina cooperates fully with the International Criminal Tribunal for the former Yugoslavia (ICTY).

The Council welcomed the reopening of the Old Bridge in Mostar on 23 July 2004, emphasising that this was symbolic of the positive changes taking place in Bosnia and Herzegovina today.

Croatia

The European Council of 17 and 18 June considered Croatia's application for accession to the EU on the basis of the Commission opinion and decided that Croatia is a candidate country.

The European Council of 16 and 17 December welcomed the progress made by Croatia in the course of its preparations for the opening of accession negotiations. The Council on 16 March 2005, adopted the negotiating framework with Croatia. Referring to the importance of full cooperation with the ICTY, the Council postponed the opening of accession negotiations. The bilateral intergovernmental conference would be convened by common agreement as soon as the Council had established that Croatia was cooperating fully with the ICTY.

Serbia and Montenegro

On 22 March, the Council reaffirmed its willingness to cooperate with the new Serbian Government and to continue to engage in a constructive dialogue with Belgrade. It emphasised that further progress towards European integration required concrete action to implement political and economic reforms, including: the fulfilment of international obligations, in particular full

cooperation with the ICTY; the strengthening of the rule of law, including the independence of the judiciary; progress in the fight against organised crime; and continued reconciliation and cooperation with neighbouring countries.

Following the Serbian Presidential elections of 27 June, which confirmed the commitment of the Serbian people to reform and a European future, the Council reaffirmed the EU's readiness to help the efforts of Serbia and Montenegro to move towards the European Union. It encouraged all democratic forces to work together in order to accelerate political and economic reforms, to fulfil all international obligations, including full cooperation with the ICTY and to resolve the open issues regarding the functioning of the State Union.

On 11 October, the Council expressed its support for the twin-track approach, which would imply a single Stabilisation and Association Agreement with separate negotiations with each Republic on trade, economic and possibly on other relevant sectoral policies. The Council reaffirmed its commitment to a strengthened State Union of Serbia and Montenegro based on the Constitutional Charter. The Council welcomed the Commission's intention to relaunch the feasibility report on a Stabilisation and Association Agreement. It urged the country's political leaders to take advantage of the twin-track approach with the aim of contributing to a positive outcome of the feasibility report early in 2005. It recalled that respect for international obligations, including full cooperation with the ICTY, remained crucial for further progress towards Serbia and Montenegro's integration into the EU.

* **Serbia and Montenegro/Serbia**

On 26 January, the Council noted the results of the Serbian parliamentary elections of 28 December 2003, which were conducted in a peaceful, free and fair manner. It urged all the democratic parties to work together to ensure the early formation of a government committed to the reform agenda and to further progress towards the EU.

On 23 February, the Council expressed concern at political developments in Serbia and emphasised the interest of the European Union in a Serbia committed to political and economic reform, the fulfilment of international obligations including full cooperation with the ICTY, the fight against organised crime, and continued reconciliation and cooperation with neighbouring countries. Real progress in this direction is essential for further advances towards European integration with the full support of the European Union.

The European Council of 17 and 18 June encouraged the people of Serbia to exercise their democratic right to vote in the presidential elections on 27 June and, in doing so, to ensure that Serbia moved decisively away from the isolation of the past and towards European integration through democracy, reform, regional cooperation and respect for human rights, the rule of law and international obligations. The European Council reaffirmed the European Union's desire to work with Serbian leaders in the spirit of European integration and on the basis of a shared commitment to European values.

* **Serbia and Montenegro/Kosovo**

In February, the Council reiterated its full support for the Special Representative of the UN Secretary-General (UNSRSG), Mr Harri Holkeri, in his work to implement Security Council Resolution 1244. The Council welcomed the report prepared by the High Representative, in close coordination with the Commission and in consultation with the UNSRSG, on ways and means of further enhancing the EU's contribution to these efforts. It invited the competent bodies to examine these proposals with a view to early decisions. The Council emphasised that the UN-led policy of implementing standards and the EU's efforts to promote the European perspective of Kosovo are mutually reinforcing and represent parallel tracks of the same process.

Following the events of mid-March, the Council called for an immediate and definitive end to the violence, which had claimed lives and caused injury to large numbers of people in Kosovo.

The Council condemned in the strongest possible terms all acts of ethnically motivated violence, the loss of lives and damage to property, and the destruction of religious and cultural heritage which is the common property of all Europeans. It expressed its full support for the efforts of SRSG Harri Holkeri, UNMIK and KFOR to stabilise the situation, including measures in favour of the rapid return of persons displaced by the recent acts of violence.

The Council called on all leaders, in particular the Kosovo Albanian leadership, to take responsibility for the situation and to ensure, through their actions and statements, that threats and violence end. Those responsible for the violence must be brought to justice. It further stressed that extremist forces had no role to play in settling Kosovo's future. The Council considered that the events of mid-March constituted a serious setback to Kosovo and reaffirmed its commitment to a stable future for a secure, democratic, prosperous and multi-ethnic Kosovo with its place in Europe. The Council invited the SG/HR to visit Kosovo as soon as possible and report on his findings and assessments.

In April, the Council emphasised its full support for the policy of Standards before Status and urged the Provisional Institutions of Self-Government to demonstrate their responsibility for and commitment to achieving concrete progress on the implementation of the Standards. The Council urged all political leaders in Kosovo, in particular the Kosovo Albanian leadership, to work closely with UNMIK and KFOR to ensure the physical security and the full protection of the rights of members of all communities in Kosovo.

In May, the Council exchanged views on the situation in Kosovo. It called upon the Provisional Institutions of Self-Government (PISG), with the support of UNMIK, to speed up the active implementation of the standards, including effective local government and stated that the EU stood ready to contribute to the implementation of this policy.

In its conclusions on the Annual Review of the SAP, the Council recalled that Kosovo benefited from all the elements of the SAP to ensure compatibility of reforms in Kosovo with the acquis. The Council noted that the instruments developed in the context of the SAP would be used to help Kosovo's institutions in their efforts to implement the UN-endorsed Standards for Kosovo.

In July, the Council emphasised that the new Special Representative of the UN Secretary-General in Kosovo, Mr Soren Jessen-Petersen, would have the full support of the European Union. The Council supported the efforts of the OSCE in preparation of the elections of 23 October 2004 and called upon all parties concerned to contribute constructively.

At the end of July, the Council welcomed the progress achieved so far in the reform process on local government in Kosovo, as parts of the Standards Implementation process.

In October, the Council exchanged views on the forthcoming Kosovo Assembly elections on 23 October. It welcomed the call by President Tadic encouraging Kosovo Serbs to participate in the forthcoming elections and also welcomed the subsequent registration of Kosovo Serb parties in these elections. The Council stressed the importance of the early formation of a functioning Government, fully committed to the Standards Implementation that would pave the way for a positive review in mid-2005.

Former Yugoslav Republic of Macedonia

On 26 January, the Council reaffirmed the importance it attached to the full implementation of the Framework Agreement and adopted a Common Position on restrictive measures against extremists in FYROM. The Council expressed its gratitude to the outgoing Special Representative (EUSR), Ambassador Alexis Brouhns, and its full support for the new EUSR, Mr Soren Jessen-Petersen.

On 22 March, the date when the former Yugoslav Republic of Macedonia submitted its application for accession to the Union, the Council emphasised the crucial contribution to peace and reconciliation made by President Boris Trajkovski, who had died in a tragic accident.

On 27 April, the Council welcomed the smooth conduct of the first round of the Presidential elections following the tragic death of President Trajkovski.

Following the submission of FYROM's application for EU accession on 22 March, the Council decided, on 17 May, to initiate the procedure laid down in Article 49 of the Treaty, and consequently invited the Commission to submit an opinion on the application to the Council.

In its conclusions on the Annual Review of the SAP, the Council, while welcoming the progress made and the entry into force of the Stabilisation and Association Agreement, emphasised the importance of accelerating the pace of reform in the judicial and economic sectors, in administration and in decentralisation.

On 12 July, the Council expressed its gratitude to the outgoing Special Representative, Mr Soren Jessen-Petersen, and decided to appoint Ambassador Michael Sahlin as his successor.

On 26 July, the Council welcomed the agreement reached within the Government on the three main laws relating to the decentralisation process. At the first meeting of the Stabilisation and Association Council on 14 September and on the eve of the referendum of 7 November on the new legislation, the Union reiterated the importance of the reform relating to decentralisation and emphasised the risk of adverse consequences for the process of moving closer to the Union which a slow-down, or blockage, of reforms in this area could entail. It also recalled that it supports fully the efforts in progress and the European perspective of this country at this important juncture.

2. EASTERN EUROPE AND CENTRAL ASIA

Russian Federation

In 2004, the enlargement of the European Union gave a new impetus to the EU's relations with Russia.

In February, the Council assessed relations between the European Union and the Russian Federation. Following that assessment, the Council reaffirmed its determination to build a genuine strategic partnership with Russia based on equal rights and obligations, mutual trust and an open and frank dialogue. It considered that the enlargement of the European Union would bring the EU and Russia closer together, increase opportunities for cooperation, and strengthen joint responsibility for promoting a European continent that was stable, democratic, prosperous and free. The Council also expressed its determination to make the EU's relations with Russia more effective and mutually beneficial; the EU should clearly present its interests, objectives and priorities and promote increased coherence across all areas of cooperation through the adoption, when appropriate, of common positions.

On 27 April, in Luxembourg, the first meeting of the EU-Russia Permanent Partnership Council (PPC) was held. This first meeting, at which the EU was represented by the "troika", took place in the Foreign Ministers' configuration, and was essentially devoted to preparation of the Summit. In the margins of the meeting, the EU and Russia signed the Protocol extending the Partnership and Cooperation Agreement (PCA) to the ten new Member States. On this occasion the EU and Russia also adopted a joint declaration on the enlargement of the EU and relations between the EU and Russia.

On 12 May the thirteenth EU-Russia Summit was held in Moscow. It confirmed the agreement on the extension of the PCA, and welcomed the possibilities of strengthening the strategic partnership between the EU and Russia afforded by the enlargement of the EU. The Summit also relaunched the process of creating four "Common Spaces" (a common economic space, a common space of freedom, security and justice, a space of cooperation in the field of external security, as well as a space of research and education, including culture).

The fourteenth EU-Russia Summit was held on 25 November 2004 in The Hague. The Summit welcomed the progress made in drawing up the roadmaps for the four Common Spaces, and confirmed both parties' intention to adopt the roadmaps at the next Summit in Moscow in May. The Summit agreed on the forthcoming start of consultations on human rights, including the rights of minorities, and fundamental freedoms between the EU and Russia. The Summit also provided an opportunity for a detailed exchange of views on the situation in Ukraine.

Throughout the year, the EU and Russia maintained an intensive political dialogue, at the political level and at expert level. The areas of cooperation extended from various geographical areas (in particular the Near and Middle East and the Balkans) to various horizontal issues, such as the non-proliferation of weapons of mass destruction, crisis management and terrorism, as well as cooperation in various international organisations (in particular the UN and OSCE). In this context, special priority was given by the EU to countries in the common neighbourhood of Russia and the enlarged EU.

Ukraine

Relations between the EU and Ukraine in 2004 were marked primarily by the Presidential elections at the end of the year, which the EU followed closely, in particular through the actions of Secretary-General/High Representative Javier Solana.

In January, the EU expressed its deep concern regarding the circumstances in which the first reading in the Ukrainian Parliament of the draft text of a major Constitutional amendment took place in December 2003.

In March, the EU noted with great dismay several measures affecting the independent media, as well as a significant increase in the harassment of independent journalists. The EU called on the Ukrainian authorities to take the necessary measures to ensure that the Presidential election would be carried out in a fully democratic manner.

On 30 April, the European Union and Ukraine signed the Protocol extending the Partnership and Cooperation Agreement (PCA) to the ten new Member States.

On 18 May, at the seventh EU-Ukraine Cooperation Council meeting, both parties welcomed the enlargement of the EU and the strengthening of relations between the EU and the Ukraine, as well as the progress made in consultations on the Action Plan within the framework of the European Neighbourhood Policy. The EU-Ukraine Summit on 8 July in The Hague further strengthened these messages. Both parties also took the opportunity to stress the importance of the Presidential elections being conducted democratically, in accordance with international standards, inter alia as regards the media.

In September, on the fourth anniversary of the disappearance and murder of the journalist Georgiy Gongadze, the European Union expressed once again its concern at the lack of progress with the investigation into the circumstances of his death.

In a declaration published on 29 September, ahead of the Presidential elections, the EU stressed the paramount importance, for a free and transparent election campaign, of the independence of the media and freedom of expression. On 11 October, the Council emphasised once again the degree of importance which it attached to free, fair and transparent elections.

After the first round of the Presidential elections on 31 October, the European Council regretted that it had not met international standards for democratic elections, and called on the Ukrainian authorities to address the noted deficiencies in time before the second round of the election and to create conditions allowing for free and fair elections.

After the second round of the Presidential elections on 21 November, in view of the irregularities detailed in the OSCE/ ODIHR report the Council seriously questioned whether the official results would fully reflect the will of the Ukrainian electorate.

The Council of 13 and 14 December and the European Council of 16 and 17 December welcomed the agreement reached by the Ukrainian leaders following intensive mediation, especially by Secretary-General/High Representative Javier Solana on behalf of the EU, which paved the way for the repeat of the second round of the Presidential elections on 26 December. The Council also agreed to the Action Plan within the framework of the European Neighbourhood Policy and asked that it be forwarded to the Cooperation Council as soon as the situation in Ukraine made it possible to envisage implementing its provisions.

Moldova

Relations between the EU and Moldova have been marked primarily by consultations on the Action Plan within the framework of the European Neighbourhood Policy and by an ongoing dialogue concerning the conflict in Transnistria.

In February, the Council adopted a Common Position renewing sanctions against those in the leadership of the Transnistrian region in Moldova who were deemed responsible for preventing progress in arriving at a political settlement of the conflict in Transnistria. The EU remained fully committed to contributing to the objective of peaceful resolution of the conflict, in full respect of Moldova's territorial integrity and within the framework of the Organisation for Security and Cooperation in Europe.

Also in February, at the sixth meeting of the EU-Moldova Cooperation Council on 24 February, both parties agreed that the European Neighbourhood Policy offered an ambitious and realistic framework for strengthening the EU-Moldova relationship, allowing Moldova to benefit fully from EU enlargement.

In June, the Council reaffirmed the importance the European Union attached to the Republic of Moldova as a neighbour and partner. The EU wished Moldova to develop into a strong and stable country with close links to the Union on the basis of common values of democracy, rule of law, human rights including freedom of the media, as well as common interests, as set out in the European Neighbourhood Policy (ENP).

In July, the EU responded to the closing of Moldavan schools in Transnistria, condemning actions taken against several schools by the armed police of the breakaway region. High Representative Javier Solana sent a letter on the issue to his Russian counterpart.

In August, in response to the recent action by the Transnistrian leadership in the region, the European Union, in close cooperation with the United States, decided to impose visa restrictions against an additional ten Transnistrian officials directly responsible for the closing of Latin-script schools, in the form of a common position.

After intensive negotiations, the EU and Moldova reached agreement on the Action Plan within the framework of the European Neighbourhood Policy. The Council agreed to the Action Plan in December, with a view to its adoption by the Cooperation Council in February 2005.

Belarus

In 2004, relations between the European Union and Bielorussia continued to deteriorate, leading in particular to Belarus' exclusion from the European Neighbourhood Policy.

In July, the EU noted with disapproval that the Belarusian authorities had exerted pressure both on the academic activity of the European Humanities University in Minsk and on its Rector, Mr Mikhailov. The European Union emphasised that it attached great importance to the maintenance of the academic structure and mission of the University as a remarkable example of academic freedom and of pursuance of true European values in teaching and research programmes.

Following the adoption by the Parliamentary Assembly of the Council of Europe of the Pourgourides report, in September the Council adopted restrictive measures against certain Belarusian officials in connection with the disappearance of four prominent individuals in that country and the subsequent obstruction of justice.

In November, the Council regretted that the policies pursued by the government of Belarus, notably the lack of progress towards democracy, the rule of law, and respect for human rights, continued to prevent Belarus from taking its rightful place among European democratic countries. The EU decided to introduce a visa-ban against the officials directly responsible for the fraudulent elections and referendum and against those responsible for severe human rights violations in the repression of peaceful demonstrators. The Council also invited the Commission to organise a workshop with the participation of Member States, other interested countries, NGOs and other relevant actors to coordinate assistance to democratisation and civil society in Belarus.

South Caucasus

2004 witnessed a substantial development of relations between the EU and the countries of the South Caucasus.

The EU Special Representative for the region, Ambassador Heikki Talvitie, regularly visited the three countries of the South Caucasus. These visits transformed the quality and quantity of the EU's political dialogue with those countries.

The Cooperation Councils with Armenia, Azerbaijan and Georgia met on 14 September 2004.

In January, in its conclusions on Georgia, the Council agreed on the need for early action by the international community in support of Georgia. In this context, the EU expressed its readiness to contribute actively to this early action, and reaffirmed its willingness to work with the new administration in Georgia.

On 14 June, the Council decided to include Armenia, Azerbaijan and Georgia in the European Neighbourhood Policy. This marked a significant step forward in the Union's engagement with the region. Each country would be given the same opportunity to develop its links with the EU, including through action plans, and would be treated on its individual merits in line with the general policy of the European Neighbourhood Policy.

At the Donors' Conference, co-chaired by the European Commission and the World Bank, in Brussels on 16 and 17 June, the European Commission pledged some 125 million euros/ USD 150 million in aid from the EU to Georgia. The aid, to be spread over the period 2004-2006, will give the Georgian Government the resources which it urgently needs to carry out its vast reform projects.

On 16 July, the European Union launched an EU Rule-of-Law mission in Georgia, EUJUST THEMIS, within the framework of the ESDP (Council Joint Action 2004/523/CFSP, published in OJ L 228, pp. 21 to 24).

The mission, which will last one year, is intended to assist in the development of a horizontal governmental strategy guiding the reform process for all relevant stakeholders within the criminal justice sector, including the establishment of a mechanism for coordination and priority setting for the criminal justice reform. Ms Sylvie Pantz was appointed Head of Mission (Political and Security Committee Decision THEMIS/1/2004 of 30 June 2004, published in OJ L 239, p. 35).

The President of the European Commission, Romano Prodi, visited the region in September. Two Ministerial Conferences were held in Baku on 13 and 14 November, on the subjects of cooperation in the fields of energy and transport between the EU and the countries in the region of the Caspian Sea and the Black Sea.

Central Asia

2004 saw continued efforts by the EU to give concrete effect to the Council's decision to develop more active relations with the countries of Central Asia. On 9 December, in Bishkek, a Troika of Regional Directors met representatives of the five Central Asian countries.

In March, European Commissioner Chris Patten visited Kazakhstan, Tajikistan, the Kyrgyz Republic and Uzbekistan.

The annual Cooperation Councils with Uzbekistan, Kazakhstan and the Kyrgyz Republic noted the growing range of dialogue between the EU and these three countries.

On 11 October, a Partnership and Cooperation Agreement was signed with Tajikistan.

The EU is continuing its reflection on how best to develop its dialogue with the countries of Central Asia. It is a priority of the EU to ensure a good fit between its policies towards these and surrounding countries. The EU will therefore consider how to promote cooperation in Central Asia and how to manage EU relations with regional organisations.

Two Ministerial Conferences were held in Baku on 13 and 14 November, on the subjects of cooperation in the fields of energy and transport between the EU and the countries in the region of the Caspian Sea and the Black Sea.

3. CENTRAL AND EASTERN EUROPE

On 1 May 2004, Estonia, Hungary, Latvia, Lithuania, Poland, the Czech Republic, Slovakia and Slovenia acceded to the European Union.

As regards Bulgaria and Romania, with which accession negotiations were finalised in December 2004, political contacts have been pursued intensively, in particular through meetings between Heads of State or Government and Foreign Ministers on the occasion of the European Council, ministerials in Association Councils and meetings at Political Director level.

4. SOUTH-EAST EUROPE

On 1 May 2004, Cyprus and Malta acceded to the European Union.

With regard to Turkey, the European Council on 16 and 17 December was called upon to decide whether accession negotiations should be opened. Bearing in mind this prospect, the reform process in Turkey was monitored particularly closely and was the subject of intensive dialogue with that country throughout 2004. In particular, political dialogue meetings at ministerial level (troika) were held in Ankara on 8 March and in The Hague on 24 November 2004. The 43rd meeting of the EC-Turkey Association Council (ministerial level) was held in Brussels on 18 May. The 112th meeting of the Association Committee was held in Brussels on 16 March 2004. Political dialogue meetings at Political Director level (troika) took place on 10 February in Dublin, on 14 July in The Hague and on 22 October 2004 in Ankara. In all these fora, the Union encouraged Turkey to pursue firmly the political reform process and to ensure effective implementation, to improve the human rights situation, contribute to a comprehensive settlement of the Cyprus problem and to work towards implementation of paragraph 4 of the Helsinki European Council conclusions. A number of international issues of mutual interest were also discussed at these meetings. In addition, the Commission continued the focused political criteria monitoring dialogue (introduced in 2003).

On the Cyprus issue, a plan for a comprehensive settlement developed by the UN Secretary-General, Kofi Annan, was the subject of referendums held on the island on 24 April 2004, the outcome of which was that the plan was accepted by the Turkish Cypriot community but rejected by the Greek Cypriot community. In the aftermath of the referendums, the Council, whilst deploring the fact that it was no longer possible to see a united island of Cyprus acceding to the EU on 1 May, confirmed its determination to ensure that the Cypriots would soon realise their common destiny as citizens of a united island of Cyprus within the European Union. In this context, the Council stated that it was determined to end the isolation of the Turkish Cypriot community and to facilitate the reunification of Cyprus by encouraging the economic development of that community. In that context, the "Green Line" Regulation facilitating exchanges between the two parts of the island was adopted.

5. MIDDLE EAST PEACE PROCESS

The main event marking the end of 2004 was President Arafat's death in November. The High Representative attended his funerals in Cairo and Ramallah and, throughout the year, actively followed the day-to-day developments in this conflict, supported by the EU Special Representative for the Middle East Peace Process (MEPP). The Palestinian Authority subsequently initiated preparations for the presidential elections scheduled for 9 January 2005. This electoral process planned by the Palestinian leaders met with positive reactions by the international community, including the US administration, which had just been confirmed in the presidential elections at the beginning of November 2004. Without wasting any time, the Commission took the necessary measures to deploy an Election Observation Mission with Mr Michel Rocard, Member of the European Parliament and former French Prime Minister, as head of this mission. All these developments made it possible to look forward to the new year with positive expectations and hopes.

The year 2004 started in far less optimistic spirit and was accompanied both by terrorist attacks by Palestinians and Israel's responses, including the excessive use of force and extrajudicial executions. This development was reflected in a number of conclusions adopted by the Council and declarations by the Presidency during 2004. From a political point of view, the intention of Prime Minister Sharon to dismantle the settlements in the Gaza Strip and in part of the northern West Bank dominated discussions. The Prime Minister had to face deep opposition to this plan, particularly within his own Likud party, which made his coalition government very unstable. The External Relations Council on 23 February 2004 laid down five criteria with which this plan had to comply and which were confirmed by the European Councils of March, November and December 2004 as conditions for EU support for this withdrawal. Furthermore, the December European Council endorsed the short-term action plan on security, reform, elections and the economy proposed by the High Representative. The EU Special Representative's proposals for an EU coordinating mechanism for donor assistance to the Palestinian Civil Police in agreement with the interested parties were also adopted by the Council on 11 October 2004.

The representatives of the Quartet at ministerial level met in May and September. At these meetings they examined all aspects of the Israeli-Palestinian conflict, especially the Israeli withdrawal plan and its compatibility with the Roadmap. This withdrawal plan was also the subject of discussions within the international community of donors who met in the Ad Hoc Liaison Committee (AHLC) on 8 December 2004 in Oslo. At the close of this meeting, the World Bank was instructed to explore with the parties and donors the possibilities for putting into practice the recommendations proposed by the Bank in its report on Palestinian economic prospects following disengagement by Israel.

The International Court of Justice delivered on 9 July 2004 its advisory opinion on the "Legal consequences of the construction of a wall in the occupied Palestinian Territory".

The advisory opinion largely coincided with the EU position on the legality of the barrier built by Israel on the Palestinian side of the Green Line and led the EU to once again express its opposition to the route of the barrier being built in the Occupied Palestinian Territory, including in and around East Jerusalem.

In the discussions within the UN General Assembly, the EU was able to ensure a common stance, conveyed by a unanimous vote by the Member States when the GA Resolution on this opinion was adopted on 20 July. This evidence of unity among the Member States certainly had an effect on the international scene.

6. MEDITERRANEAN REGION

The extension by the European Council of the European Union's Common Strategy towards the Mediterranean region demonstrated the Union's growing interest and commitment in this region. This extension will enable the Union's relations with the Mediterranean region to be examined in the light of evaluations of the Strategic Partnership with the Mediterranean and the Middle East by the European Council in June 2005, of the Barcelona Process in the context of its 10th anniversary in 2005 and of changes in the European Neighbourhood Policy during this same period.

The mid-term meeting of Foreign Ministers, which was held in Dublin on 4 and 5 May 2004 under the Irish Presidency, contributed to a new consensus on the political aspect of relations with Mediterranean partners; the most varied subjects are now discussed by the 35 partners, such as political reforms during the consultations on Action Plans on the Neighbourhood Policy, non-proliferation, counter-terrorism, ESDP cooperation, etc.

This positive atmosphere was also confirmed at the Euro-Mediterranean ministerial meeting held in The Hague on 29 and 30 November 2004, which described the Barcelona Process, enhanced by the European Neighbourhood Policy, as a central initiative for the Mediterranean in which the EU and the Mediterranean partners jointly participate and which aims to achieve the objectives of political, economic and social reforms, by involving the societies concerned; these same objectives are also repeated in the EU's Strategic Partnership with the Mediterranean and the Middle East.

As regards the EU's political and security dialogue with its Mediterranean partners, The Hague ministerial meeting confirmed progress in cooperation on combating terrorism, regional security and non-proliferation of weapons of mass destruction as well as in European

security and defence policy. Partnership measures such as the holding of diplomatic seminars in Malta, cooperation in the field of civil protection and disaster management, as well as the network of EuroMeSCo Foreign Policy Institutes, contribute substantially to bringing the Euro-Mediterranean partners closer together. These efforts are also directed at the implementation of political reforms, cooperation on human rights and democratisation, and also depend on civil society through commitments contained in association agreements and, where necessary, in the framework of the European Neighbourhood Policy. In this connection, a major part of the Action Plans approved with a number of partners is devoted to human rights, democratisation, good governance and consolidation of the rule of law.

Furthermore, all partners in the Barcelona Process were pleased that in March 2004 the Euro-Mediterranean Parliamentary Assembly held its inaugural meeting in Athens, aimed at promoting inter-parliamentary exchanges as a means to promote pluralism in the region and thus contribute to the partnership's objectives.

Likewise, the setting up of the Anna Lindh Euro-Mediterranean Foundation for Dialogue between Cultures is a decisive step in the implementation of the social, cultural and human partnership in the Barcelona Process. All members of the partnership should take advantage of the Foundation's inauguration to raise the profile of the Barcelona Process throughout the Mediterranean.

7. MASHREK/MAGHREB

Algeria

No political dialogue meeting with Algeria was held in 2004.

The state of ratification of the Euro-Mediterranean Association Agreement is almost complete from Algeria. From EU side, one Member State still has to ratify the Agreement. In the long term, this Agreement will institutionalise political dialogue, as well as bilateral cooperation in a number of areas such as counter-terrorism.

An exploratory EU mission on intensifying cooperation against terrorism took place in Algiers in November 2004.

The EU also monitored the presidential elections in April 2004 and the human rights situation.

Tunisia

Technical consultations relating to an Action Plan under the new European Neighbourhood Policy ended in July. (For the aims of the "neighbourhood" action plans, see (c) Morocco). The Action Plan makes provision inter alia for the setting up of a human rights subcommittee.

The "Industry, Trade and Service" Subcommittee was the first of the subcommittees set up in 2003 to meet in Tunis on 16 November 2003.

The Association Committee held its 4th meeting in Brussels on 18 November. The political dialogue covered the human rights situation, counter-terrorism and WMD proliferation.

Morocco

The drafting of an Action Plan under the new Neighbourhood Policy marked the bilateral agenda during 2004. The Action Plan, which falls within the framework of the Association Agreement, aims to deepen political cooperation, help implement the Association Agreement by defining specific measures and offer the prospect of a high degree of economic integration with the European Union. Through the Action Plan, the EU also intends to support commitment to common values such as respect for the rule of law, sound management of public affairs, respect for

human rights and the promotion of good neighbourly relations. The Action Plan also aims to give a concrete response to Morocco's request for "advanced status" with the European Union. The ambitious nature of the Action Plan agreed with Morocco is reflected in the very broad content, which covers inter alia political dialogue and cooperation, commercial aspects, cooperation in the energy, transport and research sectors and in policies encouraging contacts between peoples. The Action Plan covers a period of three to five years. The follow-up will take place in bodies established by the Association Agreement, including the subcommittees set up in 2003.

Following the agreement in 2003 between the European Union and Morocco to deepen their political dialogue and cooperation by establishing enhanced political dialogue, the first meeting at senior official level took place in Rabat on 29 June. This dialogue will serve to explore further subjects specifically affecting the interests of the two parties, such as internal developments and Mediterranean, African, regional and international issues. The first meeting dealt with cooperation in the fight against terrorism and non-proliferation, possibilities of cooperation in the field of ESDP with the possible participation of Morocco in the EU's crisis management operation ALTHEA in Bosnia as from 2005, the Western Sahara question and the political reforms undertaken by Morocco.

The fourth meeting of the Association Council took place in Luxembourg on 26 April. Political dialogue dealt with the fight against terrorism following the attacks in Casablanca in 2003 and in Madrid in March, the Middle East situation, the EU's Strategic Partnership with the Mediterranean and the Middle East, Western Sahara, Iraq and the non-proliferation of WMD.

Furthermore, the following subcommittees held their first meetings: "Justice and Security" (29 January), "Customs Cooperation" (27 April) "Industry, Trade, Services" (10 October), and "Migration and Social Affairs" (30 November), testifying to the intensification of bilateral relations.

Western Sahara

The EU regularly monitored the situation. It continued to give its full support to the efforts of the UN Secretary General and his personal envoy, Mr James Baker replaced by Mr Alvaro de Soto in July 2004, aimed at finding a negotiated solution which would be durable and acceptable to both parties, in conformity with international law. As regards the humanitarian situation, the EU repeatedly called on the parties to undertake immediate concrete measures to improve the humanitarian situation with a view to encouraging the establishment of a climate of confidence conducive to the search for a political solution. The EU was also involved in the release of Moroccan prisoners of war, 100 of whom were freed by the Front Polisario on 23 June, whilst 408 still remained in detention. The EU continued to call on the parties, each within their own responsibilities, to release without delay all prisoners of war, to cooperate with the International Committee of the Red Cross on the issue of the disappeared and to promote family contacts between the refugees in Tindouf and their families in Western Sahara through the free exchange of correspondence, telephone contacts and visits.

Libya

At its meeting on 11 October, the Council decided to initiate a policy of engagement with Libya, taking note of the important developments in this country. The Council considered that these developments constituted proof of Libya's readiness to change its policies of the past and of its commitment to responsible government. The Council also decided to repeal the restrictive measures adopted by the EU in application of the sanctions imposed by the UN, which were lifted in September 2003, including the lifting of the arms embargo. On 14 October the Council adopted a Common Position lifting restrictive measures against Libya (Common Position 2004/698/CFSP) and a Regulation repealing Regulation No 3274/93 preventing the supply of certain goods and services to Libya (Regulation No 1786/2004).

The policy of engagement includes the initiation of cooperation on migration in accordance with the Council's mandate of November 2002 and the negotiation of a fisheries agreement. The Council expressed its deep sympathy with those infected with HIV/AIDS in the Benghazi hospital and decided to implement a humanitarian action to that effect. The Council also decided to follow closely the human rights situation in Libya. The Council invited Libya to respond positively to the EU's engagement and, in this context, urged that Libya respond to the EU's remaining concerns, in particular the case of the Bulgarian and Palestinian medical workers in respect of whom it renewed its concerns.

Libya's integration into the Barcelona Process is the overall objective of the policy of engagement, including the eventual conclusion of a Euro-Mediterranean Association Agreement. Furthermore, Libya continued to be invited to certain Barcelona Process meetings as a special guest of the Presidency.

Israel

Intense consultations with a view to drafting an Action Plan under the European Union's New Neighbourhood Policy were conducted with Israel during 2004 and were completed at the end of the year. The Association Council, at its fifth meeting on 13 December in Brussels, was thus able to welcome the outcome marking the start of a new stage in the development of bilateral relations. The Action Plan includes an important political section in which the two sides undertake to deepen and intensify their dialogue and cooperation in a number of areas, in particular on regional and international security issues, including the situation in the Middle East. The promotion of shared values, human rights issues, such as the promotion and protection of minority rights, and the fight against anti-semitism and xenophobia will also be subjects for this enhanced political dialogue.

The Association Council was also the occasion for holding an exchange of views on new prospects in the Middle East, cooperation on fighting terrorism, Iran and cooperation on non-proliferation of weapons of mass destruction.

Lebanon

The 3rd Cooperation Council was held in Brussels on 24 February 2004. The political dialogue covered the regional political situation and the Middle East Peace Process, and the situation within Lebanon, particularly concerning the constitutional framework, the electoral process and human rights.

The ratification of the Association Agreement has virtually been concluded, with only two Member States missing.

Jordan

The second meeting of the Association Committee was held in Amman on 24 June. On that occasion, the Committee was able to note the closure of technical consultations with a view to drafting an Action Plan under the European Union's New Neighbourhood Policy. Through the Action Plan, the European Union aims to support the political and economic modernisation programme launched by Jordan. Priority sectors identified will be inter alia the development of national political dialogue, the independence of the judiciary, freedom of the media and the advancement of women in political and economic life. The Action Plan envisages measures to stimulate growth and foreign investment and aims to offer new prospects for cooperation in the fields of education, culture, the environment and technical and scientific research.

At the third meeting of the Association Council in Luxembourg on 11 October, the political dialogue covered the situation in the Middle East and in Iraq, Iran and cooperation in fighting terrorism and non-proliferation of weapons of mass destruction. The Association Council also adopted a decision setting up a subcommittee on human rights, democracy and governance, testifying to Jordan's readiness to engage in dialogue and cooperation in these areas with the European Union.

All the technical subcommittees, including those set up in 2003, will be activated over 2005 in order to accompany the implementation of the concrete measures approved in the Neighbourhood Action Plan.

Egypt

An informal dialogue on human rights was held in Cairo in May 2004.

Following the entry into force of the Association Agreement on 1 June 2004, the 1st Association Council was held in Luxembourg on 14 June 2004. The political dialogue covered the MEPP, the situation in Iran, Iraq and Sudan, and the fight against terrorism.

The Adaptation Protocol to the Euro-Med Agreement, aiming to take account of the latest enlargement of the European Union, was signed in Brussels on 20 December 2004.

Syria

It was possible to close the negotiations for the conclusion of a Euro-Mediterranean Agreement, as a result of agreement on the inclusion of a cooperation clause on non-proliferation of weapons of mass destruction in accordance with the European Union's general policy, decided on in 2003, to include such a provision in all future agreements with a third country. The Agreement was initialled at negotiator level on 19 October in Brussels. The proposal for signature is now before the Council. Once the Agreement has entered into force, it will be the most modern and comprehensive one concluded with a Mediterranean partner. The Agreement will be based on respect for and promotion of human rights, the essential clause in the agreement. It will contain provisions on political dialogue and cooperation in the fight against terrorism and, for the first time in a Euro-Mediterranean Agreement, on non-proliferation of weapons of mass destruction. The objective will be to initiate and maintain a process of political and economic reforms in Syria and to supplement the table of bilateral association agreements in the Mediterranean area.

8. MIDDLE EAST / GULF

Gulf Cooperation Council (GCC)

The 14th EU-GCC Joint Council and Ministerial meeting took place in Brussels on 17 May. The discussions covered a wide range of subjects, including political issues of mutual interest such as the situation in Iraq, the Middle East peace process, human rights, counter-terrorism and non-proliferation of weapons of mass destruction. In preparation for the Ministerial meeting, EU and GCC officials met in Brussels on 28 April 2004 in the Joint Cooperation Committee and for a political dialogue meeting.

The negotiations on a Free Trade Agreement continued, mainly focusing on trade and market access issues up to July, when the last formal negotiating meeting between the Union and the GCC in 2004 was held. Technical meetings were held during the autumn. There was also progress on negotiations on provisions concerning human rights, the fight against terrorism and cooperation in non-proliferation of weapons of mass destruction. The negotiations did not lead to an agreement in 2004.

Iran

The EU paid special attention to Iran's nuclear programme throughout the year. The EU remained committed – notably through the efforts of France, Germany and the UK, with the High Representative's support – to achieving progress on the Iranian nuclear issue. The EU fully endorsed this negotiation process. In the light of the agreement reached with Iran in Paris on 15 November 2004 and following confirmation by the IAEA that Iran had completely suspended all activities in connection with enrichment and reprocessing activities, the EU, including the Commission, decided to resume negotiations with Iran with a view to the conclusion of a Trade and Cooperation Agreement and an agreement on political dialogue. The EU continues to support the negotiation process with a view to concluding a long-term arrangement with Iran.

The EU's concerns regarding the Iranian nuclear programme were raised by the High Representative during his visit to Iran at the beginning of 2004. On that occasion he also pointed out that non-proliferation, as well as human rights, counter-terrorism and the Middle East Peace Process, were policy areas in which the EU expected significant progress in parallel with the deepening of economic relations. These were interdependent, indissociable and mutually reinforcing elements of the global approach, which was the basis of progress in EU/Iran relations.

The 4th set of meetings in the framework of the human rights dialogue took place in Teheran on 14 and 15 June 2004.

Iraq

The EU closely followed the situation in Iraq throughout 2004. The unanimous adoption of UN Security Council Resolution 1546 in June as well as the appointment of the Iraqi interim government in compliance with Resolution 1546 marked the beginning of a new phase in the transition of Iraq towards a democratic government.

The European Union endorsed the economic and political reconstruction of Iraq under the UN Security Council resolutions on this issue by making substantial contributions inter alia to the International Reconstruction Fund Facility for Iraq (IRFFI). The medium-term strategy with regard to Iraq proposed by the EU High Representative, Mr Solana, and the Commission was approved by the European Council on 17 June, as well as the Commission Communication to the Council and to the European Parliament entitled "The EU and Iraq – A Framework for Engagement". The strategy and the Communication form the basis for Europe's contributions to the reconstruction of Iraq.

The Presidency and the Commission took part in the proceedings of the "Core Group", which brings together the principal international donors, and in the meeting of the IRFFI Donor Committee in Tokyo in October 2004.

With regard to the political process, the European Council on 17 June welcomed the restoration of Iraqi sovereignty and the formation of a fully sovereign Iraqi interim government marking the end of the occupation and the dissolution of the Coalition Provisional Authority. The European Council once again condemned the terrorist attacks and the hostage-taking and murders that have been committed. At the meeting with the Interim Prime Minister of Iraq on 5 November 2004, the European Council presented Iraq with a comprehensive package of EU assistance. This package includes a substantial Community contribution in support of the elections in Iraq in January 2005 and the continuation of dialogue with the Iraqi authorities to start initial planning for a possible integrated police, rule of law and civilian administration mission after the January 2005 elections. Political dialogue with the Iraqi government was intensified during the year with several meetings at ministerial level between the European Union and the Iraqi interim government. In 2005 the EU will have to decide on any activities in the rule-of-law sector and the possibility of increasing the Community contribution to the reconstruction of Iraq.

Yemen

The first political dialogue with Yemen took place in Brussels on 6 July 2004. The political dialogue covered the internal situation in Yemen (human rights, reforms), relations with the GCC, the situation in Iraq, Iran, the MEPP and the situation in the Horn of Africa.

A deepening of relations with Yemen is planned within the framework of the Strategic Partnership for the Mediterranean and the Middle East.

9. ASIA-OCEANIA

Indian Ocean Tsunami

The earthquake and tsunami that struck different countries around the Indian Ocean constituted a significant test of CFSP. It struck without warning on 26 December 2004, during the holiday period. Nonetheless it was met with a swift and massive reaction from the European Union. As 2004 ended, preparations were starting for the extraordinary meeting of the Council held on 7 January 2005, which brought together EU ministers of Foreign Affairs, Development and Health. The disaster showed the great resources that the EU can mobilise when acting in concert, and also showed how the range of EU instruments can work together, as EU military liaison officers working with UN OCHA helped to coordinate Commission and Member State assistance, while the consular services of EU Member States provided assistance to European citizens in affected areas.

a) South Asia

Afghanistan

The democratic election of Hamid Karzai as President of Afghanistan was a milestone in the successful international engagement with that country begun in Bonn in 2001. The intervening period has not been without some difficulties, but the main targets have been met. The presidential elections were held with hardly any of the violence that had been widely predicted, and in their wake the picture looks brighter than it has for many years.

The European Union had made a very substantial contribution to this process by pursuing a clear long-term agenda, working to support policies of the government of Afghanistan. The strength of EU policy has been guaranteed by the Special Representative, Mr Francesc Vendrell, who is based in Kabul with his staff. He has been responsible for regular reporting to the Council, which has helped to ensure the continuing involvement of EU Member States. The latest expression of EU policy was presented in Council conclusions on 13 December 2004.

There have been numerous practical manifestations of EU activity in Afghanistan. The EU Member States and Commission have played key coordination roles in crucial areas of assistance. The UK is designated lead donor for counter-narcotics, Italy for judicial reform and training, Germany for police training, and the European Commission for health and rural livelihoods. The EU has also been a major financial contributor to reconstruction and humanitarian assistance. And 23 out of 25 EU Member States are involved in ISAF (International Security Assistance Force for Afghanistan), with troops from EU countries forming the bulk of ISAF's 8000 strong personnel.

India

The fifth EU-India Summit, held in the Hague on 8 November 2004, opened a new stage in relations between the two sides. Following the direction set in 2003 by the European Security Strategy of the High Representative, Javier Solana, the Summit endorsed the idea of a Strategic Partnership between the EU and India. This was the culmination of a great deal of activity, including publication of a Commission Communication (in June), an Indian response paper (in August), and EU Council conclusions. It has resulted in increasingly frequent working contacts.

Pakistan

It was at the 2004 SAARC Summit, held in Islamabad, 4-6 January, that President Musharraf of Pakistan and Prime Minister Vajpayee of India announced the beginning of a process of composite dialogue between their countries. In its contacts with both India and Pakistan, the EU sought to support the efforts made by the two leaders to improve their bilateral relationship and to work towards a peaceful settlement of the outstanding issues between their countries.

The EU's relations with Pakistan took an important step forward with the entry into force on 1 September 2004 of a Cooperation Agreement on partnership and development. So far, however, the EU has not been prepared to offer regular, formal political dialogue to Pakistan.

Nepal

Throughout 2004, the Council followed developments in Nepal with growing concern prompted by the systematic violations of civil, political and human rights by both government security forces and the Maoists of the CPN(M). The welcome expressed by the EU Presidency in July, on formation of a multi-party government, soon gave way to renewed disquiet throughout the EU at the prospect of a major humanitarian crisis due to continuing levels of violence and the lack of effective dialogue.

In December, therefore, the EU decided to send a Troika at the level of Regional Directors in order to lobby the main actors in Kathmandu. This was the first ever Troika visit to Nepal and raised the profile of EU action through CFSP, in addition to that undertaken through development assistance. The EU used the opportunity to call upon all constitutional forces to work together in support of a common strategy for achieving comprehensive and inclusive settlement.

Sri Lanka

The main preoccupation of the Council throughout 2004 remained the conflict between the government in Colombo and the LTTE (Liberation Tigers of Tamil Eelam). The EU (represented by both Presidency and Commission) continued its participation as a co-Chair of the process launched at the 2003 the Tokyo Conference on Reconstruction and Development in Sri Lanka and took part in their February meeting held in Washington, DC.

Unfortunately, despite the efforts of the co-Chairs, there was no easing of tension in the country. Overall, the 2002 cease-fire continued to hold, but a suicide bomb blast in Colombo in July - the first such incident since 2001 - prompted the EU Presidency to make a declaration deploring the resurgence in political violence. And despite the high voter turnout, an uneasy atmosphere surrounded the parliamentary elections held on 2 April, with intimidation in the North and East.

As 2004 came to a close, Sri Lanka was badly affected by the Indian Ocean Tsunami, but early hopes that this might contribute to national reconciliation seemed set to be disappointed.

Bangladesh

Faced with the deteriorating situation in Bangladesh, the EU held expert-level discussions in order to identify options for possible action towards the country. The Council continued to follow developments closely and stood ready to take further action as appropriate.

Maldives

2004 saw the Maldives receive unaccustomed attention within the framework of CFSP. Following the civil unrest in Male on 13 August, the EU sent a fact-finding mission of Ambassadors to the islands, on 23-24 August. This led the EU to communicate its concerns to the Maldives government with a call for it to embark on an open, thorough and inclusive process of reform. The European Parliament Resolution of 16 September 2004 was useful in reinforcing this message. As a result, the government of the Maldives moved positively to address the issues raised, and at the end of 2004 was preparing to hold parliamentary elections (though due to the impact of the Indian Ocean Tsunami these finally had to be postponed from 31 December 2004 to 22 January 2005).

b) South East Asia**ASEAN and ARF**

The ARF (ASEAN Regional Forum) remains of increasing importance for dialogue and cooperation on security issues in the Asia Pacific region. The EU participated actively in the ARF Ministerial Meeting held in July in Jakarta, as well as in the two Inter-sessional Group Meetings on Confidence-Building Measures (ISG on CBMs), that were held in April in Yangon and in October in Phnom Penh.

The EU has constantly encouraged the further strengthening of this Forum, in particular through a reinforcement of confidence-building measures, preventive diplomacy and practical cooperation in tackling common threats and problems.

ASEM

All efforts were focussed on the ASEM 5 Summit, which took place in Hanoi on 8 and 9 October 2004. The Summit discussed and agreed on ASEM enlargement, ushering in the 10 new EU Member States as well as Cambodia, Laos and Burma/Myanmar. With great reluctance, the EU agreed to the participation of Burma/Myanmar (albeit not at Head-of-Government level) at the Summit. European Heads of State and Government took advantage of that occasion to criticise strongly insufficient progress in the transition to democracy and the lack of significant improvement in the situation of human rights in that country. Earlier in the year an ASEM Foreign ministerial took place during the Irish Presidency in April 2004.

Burma/Myanmar

The EU continued to express its serious concern at the situation in the country and urged the Burmese authorities to restore democracy, pursue national reconciliation and respect human rights. The EU called for the inclusiveness and the transparency of the National Convention. The EU did not send any Troika to visit the country in 2004.

In April 2004, the Council extended the EU's Common Position on Burma/Myanmar for a further twelve months and decided to keep the evolution of the political situation in the country under close scrutiny. The EU also confirmed its readiness to react proportionately to developments in Burma/Myanmar, either positive or negative. The EU called on several occasions for the release of Daw Aung San Suu Kyi and other political prisoners. In accordance with its commitment to react proportionately to developments, the Council decided on further sanctions in October 2004: extension of the number of persons affected by the visa ban, and prohibition of new EU investment in Burmese state-owned companies.

At political dialogue meetings, the Council invited Asian partners to use their influence on the Burmese authorities to promote change, and brought to their attention the fact that a prosperous and democratic Burma would be to their advantage. Upon initiative from the EU, the situation in Burma was a major topic both at the ARF (Jakarta, July) and the ASEM Summit (Hanoi, in October).

The Council fully endorsed the efforts of the UN Secretary General in Burma and his call upon the Burmese authorities to allow his Special Envoy, Tan Sri Ismail Razali, to return to Burma/Myanmar as soon as possible.

The EU also introduced a resolution on Burma in the UNGA Third Committee and in the CHR.

Indonesia

In 2004, the EU and Indonesia built a closer partnership by strengthening their political dialogue. Two ministerial meetings took place, in Dublin in April and in Jakarta in October. The EU assisted Indonesia in support and observation of the 2004 Presidential and parliamentary elections.

The Council expressed its solidarity with Indonesia in fighting terrorism and recognised the serious challenges the country is facing. The Council welcomed the significant steps taken by the Indonesian government following the Bali attacks and indicated the EU's readiness to support the Government in this field.

The EU reaffirmed the importance it attaches to the protection and promotion of human rights in Indonesia, and urged the authorities to maintain the moratorium on the execution of the death penalty.

On several occasions, the Council stressed the importance of the full implementation of the letter and the spirit of the Special Autonomy laws in Aceh and Papua.

c) East Asia

China

China and the EU intensified and expanded their strategic relations in 2004. During the Seventh EU-China Summit, held in The Hague in October, the EU and China signed an Agreement on Customs Cooperation, an Agreement on the Peaceful use of Nuclear Energy, and a Declaration on Non-Proliferation. They also launched exploratory talks on the feasibility of a New Framework Agreement to replace the 1985 Cooperation Agreement.

The question of the arms embargo on China was high on the agenda. At the European Council on 16 and 17 December 2004, the Heads of State and Government mandated the incoming Luxembourg Presidency to carry on the well-advanced work in order to make possible a decision. They underlined that the result of any decision should not be an increase of arms exports from EU Member States to China, neither in quantitative nor qualitative terms.

The EU held several political-dialogue meetings with Chinese interlocutors discussing a broad range of issues including the situation in the Middle East, Iraq, the Korean Peninsula, Burma, the fight against terrorism, disarmament and non-proliferation, illegal migration and transnational crime, and human rights. The EU praised the crucial role played by China in the Six-Party Talks on the Korean Peninsula. The EU also pursued its co-operation with China in the multilateral framework, including in ASEM and the ARF.

EU human rights dialogue with China saw two rounds held, in Dublin in February and in Beijing in September. The Beijing round was preceded by a visit to Tibet. Both sides reconfirmed their commitment to work towards achieving meaningful and positive results. The EU raised, on these and several other occasions, its concerns over a wide range of human-rights problems, including the death penalty, torture and administrative detention, freedom of expression and the media, the situation in Tibet and Xinjiang, ratification of the ICCPR and the implementation of the ICESCR, and rights of people with HIV/AIDS, and pointed to a number of individual cases. The EU also encouraged China to adhere to the Rome Statute on the International Criminal Court.

As to the situation in Tibet, the EU encouraged direct dialogue between Beijing and the Dalai Lama as a means to a peaceful and lasting solution to the Tibetan question.

Japan

Close cooperation between the EU and Japan continued during 2004. A successful Summit was held in Tokyo on 22 June 2004, which was followed by a Ministerial Meeting held in New York on 20 September. The implementation of the EU-Japan Action Plan has been proceeding well. In the European Security Strategy, adopted by the European Council in December 2003, the EU committed itself to establishing a strategic partnership with Japan, as one of the key countries sharing its objectives and values. In line with this, at the Summit the EU and Japan adopted a Joint Declaration on Disarmament and Non-proliferation.

Korean Peninsula

The Union continued to follow very closely and with great concern developments in the Korean Peninsula, and notably the DPRK's nuclear programme, which poses a serious threat to regional and global security. An EU Regional-Directors troika visited the DPRK in November 2004. On that occasion, the troika reiterated the Union's position on this matter: the only acceptable outcome is the DPRK's return to full compliance with the NPT, as well as the complete, verifiable and irreversible dismantling of its nuclear programme. It also underlined the Union's disappointment at the present stalemate of the Six-Party talks and its support for the talks as the best instrument to deal with the nuclear issue on the Peninsula. It finally stated its preparedness to enhance its cooperation with the DPRK, provided that the DPRK fully complied with its international obligations.

Mongolia

The EU followed the June parliamentary elections through its Heads of Mission in Ulan Bator. It strongly welcomed the peaceful installation of a new parliament, and agreement on a new government under Tsakhiagiin Elbegdorj, despite difficult conditions.

d) Australasia and Oceania

As in previous years, the EU held a Ministerial Meeting with Australia (Dublin, 21 January 2004). It also held two Ministerial Meetings with New Zealand (Dublin, 29 March 2004, The Hague, 9 September 2004).

10. AFRICA

The **political dialogue** has become a permanent feature of EU action in the ACP countries in conformity with Article 8 of the Cotonou Agreement, under which a dialogue is regularly conducted in a continuous, structured but flexible manner. Local Heads of Mission are instructed to agree locally on a series of themes, including urgent and topical issues, to be discussed in the framework of political dialogue over a period of successive EU presidencies. The political dialogue should be comprehensive, i.e. cover a sufficiently broad set of issues and be conducted with a sufficiently large spectrum of actors, including civil society.

The troika held meetings (at expert level) with **other partners** on African issues. Specifically, two meetings were held with the United States and Canada and one with Japan. At those meetings the situation in areas at risk of conflict and countries in transition (Great Lakes, Mano River Union, Côte d'Ivoire, Sudan and the Horn of Africa) were discussed, as well as possibilities for cooperation and coordination between the various international players.

In April, the Council adopted conclusions on **Europe-Africa relations**, in which the European Union applauded the new spirit of initiative and self-help in the continent of Africa, demonstrated by events such as the inauguration of the African Peace and Security Council, the Pan-African Parliament and the Peer Review Mechanism under NEPAD. These developments also mark a new stage in Europe-Africa relations, characterised by closer, more intense cooperation.

The Europe-Africa dialogue continued during 2004. In February, a meeting of senior officials took place in Dublin. The meeting produced a joint report analysing the problem of debt in Africa. In March, High Representative/Secretary-General Javier Solana met the African Union Commissioner responsible for peace and security, Mr Said Djinnit. A troika meeting at ministerial level, in which the High Representative/Secretary-General also took part, was held in Dublin in April. As well as discussing in detail the four focal areas of the Europe-Africa dialogue (peace and security, governance, economic integration and trade and key development issues), the two sides adopted a joint declaration on multilateralism in international relations. A second ministerial troika meeting was held in Addis Ababa in December, preceded by a senior officials' meeting. At that meeting, cooperation between the EU and the AU in the African Union's monitoring mission in Darfur (AMIS) was discussed. It was decided to promote gender mainstreaming in all four focal areas of the dialogue and to appoint two consultants to work on the issue of the return of cultural goods. The African delegation expressed its wish for a Europe-Africa summit to be held as soon as possible.

At its meeting on 26 and 27 January 2004, the Council adopted a revised **Common Position on conflict prevention, management and resolution in Africa**. It underlined the importance the EU attaches to its relationship with Africa. The EU sees Africa as a key strategic partner and is deeply committed to assisting Africa and its regional organisations. The Council stressed the need to shift from crisis management, focusing on ongoing imminent crises, to conflict prevention in terms of long-term peace-building. This requires an integrated approach, working through all the EU's external action instruments so as to define comprehensive preventive strategies. The text of the Common Position is currently being reviewed and brought up to date, taking into account, among other areas, the **Action Plan for ESDP support for peace and security in Africa** endorsed by the Council on 22 November and support for African capacity-building.

The EU continued to give its full support to the efforts of the UN and the AU, as well as of regional leaders and other parties, aimed at sustaining the efforts for peace in the region, in particular in Burundi and the DRC. Use of the funds from the **Peace Facility** is described under Sudan and the Central African Republic. Contributions have also been made for AU capacity building.

The Council also continued to extend the mandate of the **EU Special Representative** Mr Aldo Ajello for the Great Lakes region on 8 December 2003 and 28 June 2004. Throughout 2004 Mr Ajello conducted extensive consultations with regional leaders, governments and other interested parties. He maintained close contact with the UN, the AU and other international organisations. He contributed actively in the preparation of the International Conference on the Great Lakes region and participated as part of a Ministerial troika in the first Meeting of Foreign Ministers and Summit of Heads of State that took place in Dar es Salaam on 16-20 November.

In April 2004, the EU adopted its strategy for West Africa. The strategy seeks a regional approach to the cross-border problems afflicting the region, such as child soldiers, mercenaries, small arms and light weapons, refugee flows and incorrect exploitation of natural resources. The strategy recognises the role of **ECOWAS** as a stabilising force in the region and establishes the reinforced dialogue and cooperation with ECOWAS and with the AU and the United Nations.

The dialogue with ECOWAS intensified over the year. Two troika meetings at ministerial level, preceded by senior officials' meetings, were held in May (in Dublin) and in November (in Accra). Also, under the Netherlands Presidency a plenary ministerial meeting of all the Member States of the EU and ECOWAS, the HR/SG and the Commission was held in St Gerlach (Maastricht) in September 2004.

Cooperation in capacity-building was also stepped up. In March, a joint EU-UNDP mission visited Abuja, Dakar and Accra to assess the needs of ECOWAS. On the basis of the report's conclusions, ECOWAS drew up a roadmap for short-, medium- and long-term measures which it submitted at the donors' meeting in Abuja in November 2004. In November, the Council adopted a Joint Action to support ECOWAS in combating the proliferation of small arms and light weapons. The EU provided a contribution of EUR 515 000 towards setting up the Light Weapons Unit within the ECOWAS Secretariat and converting the ECOWAS Moratorium into a legally binding instrument.

The EU commended **Inter-Governmental Authority on Development (IGAD)** with its decisive role in the positive outcome of the Somali National Reconciliation Conference (SNRC) and the Naivasha-process in Sudan. On occasion of the IGAD Ministerial meeting which took place in Nairobi on 6–7 May, the EU welcomed the common position of all IGAD Ministers on the development of the SNRC, expressing the hope that the course taken by IGAD would be reinforced. The EU also noted the commitment of IGAD Foreign Ministers to use their influence to persuade missing Somali leaders to return to the negotiations in Nairobi.

In the context of a continued comprehensive dialogue between the EU and the **Southern African Development Community (SADC)**, the SADC-EU Joint Steering Committee met in Brussels on 8 July. The meetings discussed developments in the region and matters arising out of the SADC-EU Ministerial meeting in November 2002. The meeting also debated the format for the continued dialogue and prepared the meeting at Ministerial level held in the Hague on 20 October. The Ministerial meeting for the first time took place in a troika format. It brought together the EU troika, the SADC troika (Tanzania, Mauritius and Botswana) and the troika for the SADC Organ on Politics, Defence and Security (Lesotho, South Africa and Namibia). The meeting discussed developments in the regions, i.a. the consequences of EU enlargement, SADC guidelines and principles governing democratic elections and elections in the region. The meeting also discussed Peace and Security questions, including the African Peace Facility, relations between AU and SADC and the situation in the Great Lakes region. Political and economical aspects of regional integration were also debated.

During 2004, Mr Dahlgren continued his mandate as Presidency Special Representative (PSR) for the **Mano River Union** with the aim of promoting lasting solutions to the conflicts in the Mano River region in a close dialogue with local, regional and international players.

In his capacity as co-Chairman of the International Contact Group on Liberia (ICGL), the PSR continued to promote a coordinated approach among the international players in support of the peace process in Liberia. The PSR continued his work to strengthen cooperation between the European Union and ECOWAS, visiting the region with the other co-Chairman of the ICGL, Mr Nana Akufo-Addo, Minister for Foreign Affairs of Ghana, the country holding the ECOWAS Chairmanship until the end of 2004.

The PSR also participated in the European Union's dialogue with Guinea, a country with which the European Union is holding consultations under Article 96 of the Cotonou Agreement.

Angola

The first working sessions of the EU-Angola political dialogue in the framework of Article 8 of Cotonou Agreement took place in 2004 between the local EU troika and the Angolan authorities. The meetings focused on EU enlargement, constitutional reform in Angola, the upcoming general elections, human rights, civil liberties and the rule of law. In June 2004 the EU troika also met with representatives of civil society in Angola and discussed issues including the electoral process, constitutional reform and human rights.

In August, the EU welcomed the statement by the Council of the Republic of Angola of 2 July 2004 on the elections, and the subsequent letter from the President urging the parliament to take the necessary steps for the implementation of a legal framework in preparation for the coming elections. The EU also appealed to the Angolan government to set up a timetable for the different stages of the preparations leading to elections and to continue its efforts to create the legal, financial and technical conditions for elections in 2006. The EU restated its readiness to contribute to the establishment of a proper and conducive environment for free and fair elections.

South Africa

The EU continued its important political dialogue with South Africa. This dialogue covered national and bilateral issues, regional matters and the African Union and NEPAD. Other issues discussed included peace and security in Africa. South Africa's contribution to peace-keeping efforts in various African countries was recognised by the EU. On 2 April an EU troika-South Africa ministerial meeting took place in Dublin. The meeting applauded South Africa for the progress made in the past ten years of democratic rule in the country. On 23 November, the EU-South Africa Joint Cooperation Council took place in Brussels following full entry into force of the Trade, Development and Cooperation Agreement. The political discussions in that meeting took place in a troika format with the South African Minister of Foreign Affairs, Dr Dlamini Zuma. Discussions touched upon national and regional issues and the spread of HIV/Aids. Situations in other parts of Africa and the Middle East and relations with the AU and the UN were also discussed. Delegations also reviewed the recent visit by President Thabo Mbeki to Strasbourg, Brussels and The Hague.

Botswana

On 30 October 2004 Botswana held general elections. The EU congratulated Botswana for the successful conduct of the elections, which were considered free and fair and organised along the lines of the SADC Principles and Guidelines Governing Democratic Elections. Botswana, one of Africa's success stories, is a longstanding multiparty democracy.

Burkina Faso

In June 2004, the EU made a démarche to the Burkina Faso authorities, stressing the importance of Burkina Faso's active cooperation in the peace process in Côte d'Ivoire.

Burundi

The EU followed closely the developments in Burundi in 2004, reaffirming its commitment to assist in reaching a peaceful solution to the conflict, and welcomed the UN decision to establish a UN peacekeeping mission in Burundi. The EU reiterated its appeal to the FNL armed movement to cease armed combat and opt for negotiations with the government in order to cooperate in the political and socio-economic reconstruction of the country. The establishment of an independent electoral commission in Burundi and the subsequent adoption of the timetable for the electoral process and the interim constitution were welcomed by the EU as a major step in the implementation of the Arusha peace process which would facilitate the forthcoming elections.

The EU reaffirmed its readiness to assist Burundi in the organisation of free and fair elections and underlined the need for the demobilisation of armed groups and reform of the security sector, reconfirming its readiness to support the process financially in the interests of long term peace and stability in Burundi and the region in general.

Cameroon

In May, the local troika in Yaoundé held the first political dialogue meeting under Article 8 of the Cotonou Agreement with the Minister of State for Foreign Relations, Mr François-Xavier Ngoubeyou. The main topic of the meeting was the elections and, specifically, the electoral timetable, the drawing up of new electoral rolls, the administration of the elections and the role of the media. A second meeting with the Minister was held in October, at which discussion focused on the presidential elections on 11 October, good governance, decentralisation and the Bakassi peninsula case (following the International Court of Justice's judgment on the land and sea border between Cameroon and Nigeria, establishing that Nigeria must return the Bakassi peninsula to Cameroon).

Côte d'Ivoire

The EU remained an active supporter of the peace process initiated in January 2003 with the signature of the Linas-Marcoussis Agreement, being particularly involved in initiatives to promote its implementation and to pave the way for parliamentary and presidential elections to take place in autumn 2005.

Following the outbreak of violent confrontations in Abidjan in March, the EU expressed concern at reports of serious violations of human rights, called on the Government to take all measure to guarantee the safety and human rights of the civilian population and urged all parties to resume political dialogue, while reiterating its firm belief that full implementation of the Linas-Marcoussis Agreement remained the only solution to the crisis. The EU also approached the authorities of neighbouring countries reiterating these statements and expressing great concern at the risk that their territories might be used as a shelter for activities aimed at obstructing the peace process in Côte d'Ivoire.

Marking the signature of the Accra III Peace Agreement at the end of July, the EU again urged all parties concerned to commit themselves to full implementation of all the provisions laid down within the general framework of the Linas-Marcoussis Agreement. As a response to the attacks led by the National Air Force of Côte d'Ivoire in the first days of November on the positions of the rebel "Forces Nouvelles" and on the French Licorne contingent, both the EU Presidency and the EU High Representative expressed concern at the deterioration of the political and security situation in the country, called on all parties to exercise restraint and refrain from the use of force, and recalled the legitimacy of the Linas-Marcoussis and Accra III Agreements and the EU's continued commitment to work with all Ivorian parties and the international community to find a way out of the crisis.

On the occasion of the meeting of their ministerial troikas, the EU and ECOWAS also jointly condemned the attacks, called on the parties to cease all activities that could cause further escalation of the conflict and urged them to discharge their responsibilities under the Linas-Marcoussis and Accra III Agreements; the EU used the same opportunity to express its readiness to assist ECOWAS' efforts to help defuse the crisis. Representatives of the EU Presidency and the European Commission, on behalf of the EU, joined the mission to Côte d'Ivoire of the African Union mediator, South-Africa's President Thabo Mbeki, and actively assisted him in his talks with leaders of both parties. The EU Council adopted Common Position 2004/852/CFSP concerning restrictive measures against Côte d'Ivoire in application of UN Security Council Resolution 1572 (2004). The Council also adopted conclusions expressing full support for the African Union and ECOWAS's efforts to find a political solution to the crisis and strongly reaffirming its commitment to support the implementation of the Linas-Marcoussis and Accra III Agreements.

Gabon

In April, the first political dialogue meeting under Article 8 of the Cotonou Agreement was held between the European Union Heads of Mission and the Minister for Foreign Affairs, Mr Jean Ping. The meeting focused on good political governance and progress in the preparations for the presidential elections in December 2005. The second political dialogue meeting took place in June 2004 and dealt with economic issues. A third political dialogue was held in July, this time with the Catholic Archbishop of Libreville, Mr Mve Engone, under the provision of Article 8 of the Cotonou Agreement which provides for representatives of civil society to be associated with the dialogue. The meeting dealt with the social situation in the country and the church's relations with the state and with other religious faiths. The fourth political dialogue meeting took place in November 2004 and focused on human rights issues.

Guinea

In March, the Council decided to open consultations under Article 96. The European Union had decided to open consultations with the Republic of Guinea under Article 96 of the Cotonou Agreement. That decision had been taken in the light of the deterioration in democratic principles and the rule of law, lack of respect for human rights and fundamental freedoms and the absence of good economic governance.

The meeting opening the consultations took place on 20 July 2004. During the meeting, the Guinean side gave certain undertakings concerning: the return to democracy through the resumption of a national dialogue with the traditional opposition and civil society and, in that context, the revision of electoral arrangements, the organisation of local and parliamentary elections in June 2005 and June 2007 respectively, and a guarantee to respect the Constitution and the law thus ensuring respect for human rights and fundamental freedoms, including the opening of discussion regarding the creation of a legal framework for the liberalisation of the airwaves; the promotion of a process of decentralisation and the enhancement of macroeconomic management and the implementation of sectoral reforms.

At the end of 2004, the proposal for a Decision concluding the consultations was under discussion in the Council fora.

Guinea-Bissau

In 2003, the Council decided to open consultations with Guinea-Bissau under Article 96 of the Cotonou Agreement. The consultations meeting took place in Brussels in January and was attended by the Prime Minister of Guinea-Bissau, Mr Rosa.

In this context, on 19 December 2003 the Council of the European Union decided to invite the Guinea-Bissau authorities to enter into consultations in order to examine the situation in detail and see how it could be remedied.

The meeting opening the consultations was held in Brussels on 19 January 2004. A number of fundamental issues were discussed at the meeting, and the Prime Minister of the transitional government was able to present the Guinea-Bissau authorities' point of view and analysis of the situation. The transitional government gave undertakings to make progress with the transition programme of the government of the Republic of Guinea-Bissau, and in particular to hold parliamentary elections, adopt measures to consolidate public finances and confirm the process of return to an independent judiciary and the restoration of civilian control over the armed forces.

After conducting an in-depth dialogue with Guinea-Bissau, in September the Council took a Decision concluding the consultations. Following the consultations, it was decided, by way of appropriate measures within the meaning of Article 96(2)(c) of the Cotonou Agreement, to normalise relations and continue cooperation while monitoring progress made in the areas of public finances, the return to an independent judiciary, the restoration of civilian control over the armed forces and the pursuit of the electoral timetable with transparent and democratic presidential elections.

In April 2004, the European Union issued a declaration on the parliamentary elections which had been held on 28 and 30 March, in which it stated that the elections had been fair, free and transparent and congratulated the people of Guinea-Bissau on the high turnout in the election.

The Council has been closely monitoring the situation in Guinea-Bissau since the riots in Bissau on 6 October.

Equatorial Guinea

In January the EU welcomed the fact that the Ministers for Foreign Affairs of Gabon and Equatorial Guinea had agreed to the terms of United Nations mediation to resolve their border dispute peacefully.

In June, the EU welcomed the impending inauguration of the new parliament in Equatorial Guinea, following the parliamentary and municipal elections held on 25 April. The EU considered that although the electoral campaign had been peaceful, major irregularities had distorted the electoral process.

Eritrea

The regular political dialogue with the Eritrean government continued, focusing on issues of concern such as demobilisation, political and human rights (democracy, regional elections, religious freedom, freedom of the press, situation of detainees), security issues and economic and development questions. The unresolved issue of the border demarcation with Ethiopia was also high on the agenda.

A ministerial troika meeting with Eritrea took place in Asmara on 5 April 2004. The meeting was entirely dedicated to the Ethiopian-Eritrean border question.

Ethiopia

In the framework of the continuing Article 8 political dialogue, regular meetings were held between Heads of Mission in Addis Ababa and representatives of the Ethiopian government, including Prime Minister Meles Zenawi. In addition to the issue of the border controversy with Eritrea, the dialogue addressed such issues as the 2005 elections, human rights, democratisation and governance (press legislation, appointment of a Human Rights Commissioner and an Ombudsman, etc.), the situation in the Gambella region, Ethiopia's accession to the International Criminal Court (ICC) and regional problems (the Somali peace process, Sudan, development of the African Union (AU)).

On 25 March, the EU expressed its concern at the persistent violence in the region of Gambella, underlining the need for the security forces and the military to act in an impartial and lawful manner if ethnic tensions in the region were to be reduced.

Another focus for EU concern was the potential humanitarian crisis caused by the Ethiopian government's resettlement programme. A démarche by the local EU troika in this regard took place in June 2004, with the EU side confirming the Union's wish to engage in a dialogue on the resettlement issue with a view to identifying ways to assist in food security while at the same time ensuring that human rights were respected.

A ministerial troika meeting with Ethiopia took place in Addis Ababa on 6 April 2004. The meeting addressed the single issue of the deadlock in the situation over the border demarcation between Ethiopia and Eritrea.

Ethiopia – Eritrea

The EU remains very concerned about the situation between Ethiopia and Eritrea and has continued its active involvement in the efforts to break the stalemate in the border demarcation between the two countries. Most importantly, a ministerial troika went to Ethiopia and Eritrea to discuss the matter on 5-6 April, meeting separately with President Isaias Afwerki of Eritrea and Prime Minister Meles Zenawi of Ethiopia. In both countries, the EU delegation stressed the need to respect the Algiers Agreement, the importance of implementing without delay the ruling of the Boundary Commission, which must be final and binding, and of complying with UNSC Resolution 1531. The need for dialogue and confidence-building measures and cooperation with the UN Special Envoy to Ethiopia and Eritrea, Lloyd Axworthy, was also underlined. The EU also reiterated its commitment to work with the other witnesses to the Algiers Agreements (EU, UN, AU, Algiers) in support of the peace process and to assist the parties to move forward through political support and development assistance. Similar messages were delivered to the parties on several other occasions.

On 17 September, the EU reaffirmed its support for the Ethiopian-Eritrean peace process and called on both countries to use the coming six months to implement measures that might help to break the

deadlock and allow the demarcation of their common border to proceed swiftly. The EU urged Ethiopia to abide by the decision of the Boundary Commission and called on Eritrea to engage constructively with Lloyd Axworthy. In another declaration, published on 30 November, the EU welcomed an Ethiopian five-point proposal for resolving the boundary dispute and looked forward to the full implementation of the decision of the Boundary Commission by the two countries. Finally, on 17 December, the EU welcomed Eritrea's statement on progress on the demarcation of the border, taking the view that, together with the Ethiopian five-point proposal, it represented an encouraging step which laid the ground for further progress in the peaceful resolution of the border dispute.

Kenya

The EU attaches great importance to relations with Kenya, given the country's relative political stability in a region characterised by conflicts and its significant role in the regional conflict resolution efforts (Sudan and Somalia) as a key partner in the framework of IGAD. In this regard, the EU commended the Kenyan authorities for their exceptional support to the Somali National Reconciliation Conference.

The intensified political dialogue with the Kenyan government at Heads of Mission level in Nairobi continued, including a troika meeting with President Kibaki. The dialogue focused mainly on Kenya's constitutional reform process, economic policy and the management of public finances, and, in this connection the country's capacity for aid absorption and fulfilment of conditions for EU budget support. In this respect, EU is concerned at what is perceived as a lack of tangible results of the fight against corruption.

Liberia

In February, the International Donors Conference for Liberia took place in New York. The EU Member States and the Commission were represented. Representing the EU Presidency, the Irish Minister of State for Development Cooperation, Mr Tom Kitt, gave a speech in which he underlined the importance of remaining involved in the peace process and the EU's political and financial contributions to the peace process through the ECOWAS peace-keeping force, the office of the ECOWAS representative in Monrovia, the DDR process, the transitional government and the provision of humanitarian aid.

In Decision 2003/631/EC, the Council had adopted measures to keep a close watch on the transition process in Liberia and to ensure that funds granted by the EU were properly used. In December, the Council decided to continue those measures until 30 June 2006.

Under UN Security Council Resolutions, the Council also adopted Common Positions 2004/137/CFSP, 2004/487/CFSP and 2004/902/CFSP (followed by Regulations (EC) Nos 234/2004, 872/2004 and 1149/2004), which imposed an arms embargo, targeted sanctions against individuals engaged in activities contrary to the peace process and a ban on imports of Liberian diamonds and timber.

In December, the Presidency, on behalf of the European Union, issued a declaration in which it expressed its concern at the slowness of electoral reform in Liberia and encouraged the members of the National Transitional Assembly to review the draft legislation bearing in mind the need to apply universally accepted principles for the organisation of democratic elections.

The European Union (Presidency, Commission and a number of Member States) continued to be represented in the International Contact Group on Liberia, of which Hans Dahlgren is the co-Chairman. The Group met in New York in February, in London in May and in Washington in September. At the September meeting the Group decided to extend its remit to all the Mano River Basin countries (Guinea, Sierra Leone, Côte d'Ivoire and Guinea-Bissau).

In October the PSR visited Monrovia, where he met members of the transitional government (from different factions) and members of UNMIL.

Malawi

Malawi held its third multiparty presidential and parliamentary elections in May 2004. The EU was present at the elections with an Observation Mission at the invitation of the Malawian authorities.

The EU welcomed the fact that the elections were conducted in a peaceful environment, but noted that the overall process fell short of international standards in some key areas; it welcomed the domestic pressure on the Malawi Electoral Commission and urged the Malawian authorities to take appropriate steps towards reform of the Commission and improvement of the framework for elections, so that future elections will be conducted in line with international standards such as the SADC guidelines and principles governing democratic elections.

Mauritania

The first political dialogue meeting between the EU Heads of Mission and the Mauritanian Minister for Foreign Affairs and Cooperation, Mr Vall Ould Bellal, was held in March. There was a second meeting in April. At both meetings issues of good governance in the country were discussed, with the accent on the presidential elections. A third meeting, focusing on issues of human rights and the rule of law, was held in July.

Mozambique

The EU has been a major partner in supporting and funding the development of democracy in Mozambique. In December 2004, Mozambique held presidential and parliamentary elections. In response to a request by the Mozambican government, the EU sent an observation mission (EOM), though full access to the tabulation of votes was denied. The EU welcomed the generally successful and peaceful conduct of the elections and congratulated the people of Mozambique on their commitment to democracy. The EU noted the progress achieved since the 1999 elections and stressed that certain improvements could be made to increase the transparency of the polling and reduce the scope for disagreements over election results in the future.

Namibia

Namibia held presidential and National Assembly elections on 15 and 16 November 2004. The EU congratulated Namibia on the spirit in which the elections were conducted, considering them free and fair and along the lines of the SADC principles and guidelines governing democratic elections.

Nigeria

In March, the Heads of Mission held a political dialogue meeting with the Finance Minister, Mr Okonjo-Iweala, at which economic and trade policy issues were the main topic of discussion. Specifically, the Minister brought the Heads of Mission up to date on the governments NEEDS programme (Nigerian Economic Empowerment and Development).

In May, following the violent incidents in Plateau State, the Presidency, acting on behalf of the EU, expressed its dismay at the outbreak of violence in the towns of Yelwa and Kano and urged restraint on both communities. The declaration also noted the rapid response of the Nigerian government in dispatching troops to the region to restore peace.

Further to the Council conclusions of 18 November 2003, the dialogue with Nigeria was stepped up. The first ministerial troika meeting was held in Abuja on 18 May 2004. Issues of peace and security, governance, development and recent developments in the EU were discussed. The EU acknowledged Nigeria's stabilising role for peace and security in the region. Application of the ICJ's ruling cross-border issue between Nigeria and Cameroon was also discussed and the EU voiced its intention to support the process politically and financially. The meeting was followed by a meeting of senior officials in The Hague in December.

In October 2004, the Prime Minister of the Netherlands, Mr Balkenende, in his capacity as President of the European Union, sent a letter to President Obasanjo in which he congratulated Nigeria and Cameroon on their intention to comply with the International Court of Justice's ruling on the cross-border dispute between Cameroon and Nigeria but regretted the fact that the transfer of the Bakassi Peninsula to Cameroon had not been effected within the required time. The letter called on both parties to comply with the ruling in full as soon as possible.

Central African Republic

After the conclusion in November 2003 of the Article 96 consultations with the Central African Republic, the EU continued to follow closely the process of transition towards a return to constitutional order. In September, the Council gave political endorsement to the request by the *Communauté Economique et Monétaire de l'Afrique Centrale* (CEMAC) for the use of funding under the Peace Facility to contribute to the financing of the *Force Multinationale* (FOMUC) which is maintaining a peace keeping operation in the Central African Republic. The funding provided under the Peace Facility amounts to EUR 3,5 million.

Democratic Republic of the Congo

The EU maintained and reinforced its engagement for peace and stability in the DRC and the Great Lakes region in 2004. In various declarations EU confirmed its firm commitment to peace and stability in the DRC and urged the Congolese authorities to act within the letter and the spirit of the resolutions adopted by the Intercongolese Dialogue, the All-Inclusive Agreement and the Transitional Constitution and to speed up the decision-taking process and the necessary reforms. The EU condemned all acts of violence and urged the transitional institutions to take all necessary measures to organise elections and restore order and the rule of law throughout the territory of the DRC.

The EU called upon the transitional institutions to pay particular attention to the reform of the security sector. With the adoption of Joint Action 2004/494/CFSP, the EU undertook to support the process of consolidation of internal security in the DRC (following a request by the transitional government of the DRC), through support for the establishment of an Integrated Police Unit (IPU) in the DRC to provide security for the transitional government and institutions during the process of consolidation of internal security in the country. This action was followed and consolidated by a police advisory mission (EUPOL) in the framework of the ESDP to monitor, mentor and advise the IPU in Kinshasa. The EU and its Member States have contributed and continue to contribute with funds and/or contributions in kind.

In December 2004 an EU fact-finding mission visited the DRC to study the framework for and contents of a possible advisory mission to the Congolese government on security sector reform (SSR).

The EU expressed deep concern at the multiple reports of military operations on the eastern border of the DRC and Rwanda and called upon Rwanda to respect the sovereignty of the territory of the DRC and withdraw any forces it might have in the DRC. The EU emphasised the importance of addressing the serious problem of the FDLR and the ex-FAR/Interahamwe and called upon Rwanda and the DRC to search for a solution to the problems caused by these groups in the eastern DRC, insisting on the use of existing mechanisms of the Tripartite Commission and the Joint Verification System in close cooperation with MONUC.

Rwanda

On the 10th anniversary of the genocide in Rwanda, the EU saluted the efforts and the progress made towards national reconciliation and the rebuilding of the country and restated its commitment to support Rwanda on its path of national recovery.

The EU expressed grave concern at the report of an attack led by the FDLR on Rwandan territory and an incident allegedly involving Rwandan troops on DRC territory near the border of the two countries, and called upon Rwanda to respect the sovereignty of the territory of the DRC and withdraw any forces it might have in the DRC. The EU emphasised the importance of addressing the serious problem of the FDLR and the ex-FAR/Interahamwe and called upon Rwanda and the DRC to search for a solution to the problems caused by these groups, appealing to the highest authorities in the two countries to respect the declaration of good neighbourly relations and the Pretoria agreement.

The EU had its first political dialogue meeting with the Rwandan government in the framework of Article 8 of the Cotonou Agreement in December 2004, on the subject of "Peace, Security and Stability in the Great Lakes region."

Senegal

The political dialogue under Article 8 was begun in Dakar in December 2003, and the Heads of Mission in Dakar held meetings with a representative of civil society, the Finance and Budget Ministers and the Prime Minister. The topics discussed were the fight against poverty, international trade, the investment climate and good governance.

In December the European Union welcomed the Senegalese authorities' decision to abolish the death penalty.

Somalia

The EU welcomed the successful conclusion of the Somali National Reconciliation Conference and the establishment of a new parliament, the election of President Abdullah Yusuf and the appointment of the Transitional Federal Government (TFG). It also undertook to continue its support – in coordination with the United Nations and all other relevant international players – for the stabilisation of Somalia through peace and reconciliation and the transition to a federal state. In this regard, the EU stressed the challenges facing the new Somali authorities: the need for effective demobilisation, disarmament and reintegration, internal reconciliation, the need for a peaceful solution to the issue of Somaliland and the need to maintain coherence and support in the region for the transition process. The EU also made clear its willingness to examine ways to support the African Union's efforts to support the transition process through the deployment of a peace support mission, possibly through the Peace Facility.

Sudan

The situation in Sudan, and particularly the Darfur conflict, was a focal point for the CFSP during 2004. From the outset of the crisis in Darfur, the EU has been in the forefront of efforts to contain and resolve the conflict, to prevent the very serious humanitarian situation from deteriorating further and to condemn and stop the human rights violations taking place in Darfur.

The EU worked actively to broker the ceasefire agreement between the Sudanese Government and the rebel movements in Darfur which was signed on 8 April. Similarly, the EU took on a key role in support of the AU-led ceasefire monitoring mission. Using funds made available through the Peace Facility, the EU financed the mission to a significant extent. Various Member States also sent observers to the ceasefire monitoring mission or supported it through logistical and financial means. The EU's assistance for the ceasefire monitoring mission is a reflection of the Union's strong support for the AU's leading role in addressing the Darfur crisis. This was further confirmed by the active support for the deployment of the expanded AU mission (AMIS) in Darfur, which started in October. A contribution of approximately EUR 80 million from the Peace Facility covered almost 60% of the total cost of AMIS, and the EU and its Member States provided the AU with military planning assistance throughout the preparation of AMIS and its deployment. Various Member States also provided financial, logistical and planning support for the mission. On the diplomatic front, the EU actively supported the AU's mediation efforts to promote a peaceful solution to the conflicts through negotiation between the parties; EU representatives attended the peace talks in Addis Ababa and Abuja.

In parallel, the EU worked to bring pressure to bear on the parties to achieve a political solution to the crisis, to ensure the protection and security of the civil population, to guarantee free and unconditional access for humanitarian aid and to stop the violations of human rights. In particular, the EU contributed vigorously to the pressure from the international community on the Sudanese government to fulfil the demands of the international community, as reflected in a number of UN Security Council Resolutions, and to live up to its commitments in practice. The government of Sudan received very clear messages and demands, not only from the External Affairs Council – which debated Darfur at all meetings from April onwards – but also through numerous contacts undertaken at various levels. The EU closely monitored the compliance of all parties with the demands of the EU and the rest of the international community and the commitments undertaken by the Sudanese government with the UN. In this respect, the EU collaborated closely with the UN Secretary-General's Special Representative for Sudan and actively participated in the work of the Joint Implementation Mechanism evaluating the implementation of the commitments agreed by the government and the UN. The Council repeatedly stated its readiness to consider taking appropriate measures, including sanctions, against the parties in the conflict if no tangible improvement of the situation in Darfur was achieved.

Similarly, on several occasions the Council expressed its deep concern at the massive human rights violations in Darfur and called for measures to be taken to ensure that those responsible for breaches and violations of human rights and international humanitarian law were brought to justice, stressing that there could be no impunity. In this regard, the EU supported the deployment of UN Human Rights Observers in Sudan as well as the creation of the International Commission of Inquiry for Darfur.

Finally, the EU made a significant contribution to the humanitarian relief efforts in Darfur, granting funds of more than EUR 325 million.

Action on Darfur was paralleled by efforts to encourage a swift conclusion of the North-South peace talks (Naivasha-process) and the signature of a comprehensive peace agreement between the Sudanese government and the Sudan Liberation Movement/Army (SPLM/A). The EU views such an agreement as a possible framework for a peaceful solution to other conflicts in Sudan, including Darfur. In this respect, the EU made clear its commitment to assist Sudan in the reconstruction and development of the country, provided that a comprehensive peace agreement is signed and implemented and that the parties fulfil their commitments, including those on Darfur.

On 13 October an EU ministerial troika met with President al-Bashir and representatives of the Sudanese government in Khartoum. During the discussion, which took place in the framework of the ongoing political dialogue with Sudan, the EU expressed its concern at the situation in Darfur, underlining issues such as security, the disarmament of the militias and the lack of progress in bringing to justice the perpetrators of human rights violations, while recognising the progress made on humanitarian access and the government's constructive engagement in the peace talks. The troika urged the Sudanese government to meet the demands set out in UN Security Council Resolutions 1556 and 1564 as well as in various EU Council conclusions.

Chad

Attention focused on the consequences for Chad of the conflict in the Darfur region of Sudan, particularly as regards the influx of IDPs and incursions of militias into Chad. On various occasions, the EU commended the government's efforts to mediate in the Darfur conflict.

A démarche was made in August by the Heads of Mission to express the EU's concern regarding the death sentences against 19 individuals. The EU made clear its concern that the convicted might be at risk of imminent execution, and urged the Chadian government to respect the effective right to full appeal against the sentence and to reinstall its previous *de facto* moratorium on the death penalty.

Togo

In April, given the scant respect for human rights and fundamental freedoms, the EU opened consultations with the Togolese Republic under Article 96 of the Cotonou Agreement. The aim of those consultations was the full restoration of democracy and enhanced respect for human rights and fundamental freedoms, including freedom for the media and strengthening of the rule of law.

During the meeting opening the consultations, the Togolese side made 22 positive undertakings in those fields. Briefly, the undertakings were as follows: a return to democracy through the resumption of a national dialogue with the traditional opposition and civil society and, in that context, a review of the electoral arrangements (on the basis of which local and parliamentary elections will be organised), the promotion of a process of decentralisation and the strengthening of human rights, the rule of law and, in particular, the judicial system.

The conclusions of the meeting also provided for the European Union to continue the dialogue in order to ensure that democracy and the rule of law in the Togolese Republic could be strengthened as swiftly as possible, as a prerequisite for full normalisation of its cooperation relations with Togo.

At the end of the consultation period, an assessment of the implementation of the undertakings was made by European Union representatives. In November, the Council adopted a Decision concluding the consultation procedure. The Decision enabled assistance for Togo to implement the undertakings, provided for full resumption of cooperation once free parliamentary elections had been held, and set a 24-month monitoring period.

Zimbabwe

In the light of continued deterioration in the human rights situation in Zimbabwe and with the aim of encouraging the persons targeted to reject policies that lead to suppression of human rights, freedom of expression and good governance, in February 2004 the EU extended the period of application of restrictive measures against Zimbabwe for a period of 12 months.

The EU condemned the violence, intimidation and irregularities before and during the Zengeza parliamentary by-elections in March 2004 and the Lupane by-elections in May 2004 which, along with the continuing restrictions on freedom of association and equal access to the media, created an unacceptable electoral environment.

The EU condemned the closure of the Tribune newspaper by Zimbabwe's Media and Information Commission (MIC) and called on the Government to respect the freedom of the media and to desist from using repressive legislation, such as the AIPPA, to silence critical voices.

After the adoption of the NGO bill by the Zimbabwean parliament in December 2004, the EU expressed its concern over the consequences of the bill. It would result in further reducing the democratic space in the country and the EU urged the Zimbabwean government to consult civil society and provide NGO legislation in line with the SADC principles and guidelines governing democratic elections and allowing full participation of citizens in the political process, freedom of association and voter education. The EU urged the government to opt for democratic elections in March 2005 respecting international law, human rights treaties, and the interests of all Zimbabweans.

11. LATIN AMERICA AND THE CARRIBBEAN

At the **third summit between the EU, Latin America and the Caribbean (Guadalajara, Mexico, 28 May 2004)**, important joint initiatives and practical measures were examined in order to implement and deepen the strategic partnership under the two global themes of "Effective multilateralism" and "Social cohesion".

The two parties will attempt to define common positions and joint actions with a view to greater cooperation within the United Nations on the prevention of conflicts, the peaceful resolution of differences, crisis management, and operations to maintain and re-establish peace in post-conflict situations.

In order to make the multilateral system more receptive and effective in responding to threats and world challenges, the EU and LAC undertook to reform and revitalise the United Nations, including the General Assembly and the Security Council.

They stated their full support for the International Criminal Court. The States party called on those countries that have not yet done so to ratify or accede, as appropriate, to the Rome Statute. They also stressed the importance of signing, ratifying or acceding to the United Nations Convention against Transnational Organised Crime and its Protocols.

Ambitious undertakings were given in the field of social cohesion, which is principally the responsibility of governments together with their civil societies.

The EU and LAC undertook:

- to allocate an adequate proportion of public expenditure to the social sectors, basic infrastructures, national solidarity funds, and better access to social services, while preventing those measures' being excessively dependent on external financing,

- to promote economic policies that encourage investment and improve income distribution,
- and recognised that social policies and social protection systems should in particular be based on tax measures that made better distribution of wealth possible and guaranteed appropriate levels of social expenditure. The social-cohesion dimension would be incorporated into national strategies and the development process.

They called on the European Commission and on the international financial institutions to contribute to the achievement of the objectives of the eradication of poverty, inequality and social exclusion.

The association agreements, including free-trade areas, were an important joint strategic objective.

Practical initiatives were taken to increase cooperation in the fields of higher education and culture, which were critical for the development of societies in a globalised world. The future area of knowledge between Latin America and the Caribbean and the European Union should be built on the results of successful biregional dialogue and cooperation on science and technology.

At the second EU-LAC summit the EU Troika also met the **Central America** and the **Andean Community Presidents**. The parties decided to open forthwith the processes that will lead to Association Agreements by a joint assessment of the respective processes for the integration of Central America and the Andean Community. The parties will spare no effort to ensure that the Doha Round makes as much progress as possible in 2004 towards a rapid conclusion. All future free-trade agreements will have to be based on the outcome of the Doha Development Agenda and on the achievement of a sufficient degree of regional economic integration.

Mexico

At the second summit between Mexico and the EU Troika, in Guadalajara on 29 May, the two parties stressed their joint commitment to addressing the major global challenges, the problems of security and disarmament, by means of a multilateral approach.

The EU and Mexico also adopted measures to adapt their Economic Partnership, Political Coordination and Cooperation Agreement to the enlargement of the EU and to implement certain major new sections.

Chile

At the summit between Chile and the EU Troika, in Guadalajara on 29 May, the two parties stressed the important results achieved in the implementation of the Association Agreement and welcomed the conclusion of the Additional Protocol to take account of the enlargement of the Union. The EU and Chile again stated their political intention of identifying appropriate mechanisms for the coordination of their positions and actions in international fora and for their cooperation in the field of foreign and security policy and the fight against terrorism. The two parties agreed to initiate political cooperation in the seven priority areas identified by the Association Council at its meeting on 27 March 2003, in particular the promotion of democracy and the protection of human rights.

CARIFORUM

At the meeting between the EU Troika and the Heads of State or of Government of CARIFORUM, the two parties confirmed their commitment to the common values of respect for the rule of law, democracy and human rights, and their support for the global fight against all forms of terrorism and the promotion of international peace and security, in accord with the United Nations Charter and international law.

The two parties recognised that the enlargement of the Union offered an opportunity to extend and deepen economic, political, social and cultural relations between the two regions. They also stressed the importance of concluding successfully the negotiations on the economic partnership agreement between the EU and CARIFORUM, which had begun on 16 April 2004, and again stated their support for the multilateral trade system.

Cuba

The Council re-examined the Common Position and the measures adopted on 5 June 2003 following the summary arrest and conviction of seventy-five members of the peaceful opposition.

The Council confirmed the Common Position of 1996, which aimed at the following objectives: encouragement of a process of transition to democratic pluralism, respect for human rights and fundamental liberties, and the long-term raising and improvement of the standard of living of the Cuban people.

The Council noted that in June and November 2004 some of the seventy-five political prisoners imprisoned in March 2003 had been released, but noted that their release had not been unconditional. The Council repeated its urgent request that Cuba unconditionally release all the political prisoners in the group of seventy-five and called insistently on the Cuban authorities to free all the other political prisoners still being held.

The Council again confirmed that it was ready to hold a constructive dialogue with the Cuban authorities in order to achieve tangible results in the political and economic fields as well as those of human rights and cooperation.

The Council had to examine the most effective means of contacting the opposition following the freeze on access to ministers imposed on those embassies that invited them to national celebrations.

The Council decided that the European Union should develop closer relations with the peaceful political opposition and broader sectors of Cuban civil society through more intense and more regular dialogue.

To achieve that objective, and in the context of a thaw on the part of the Cuban authorities, the Council finally decided on the following at the end of January 2005:

All the measures taken on 5 June 2003 would be temporarily suspended. The Council accordingly decided that the European Union would suspend the restrictions on high-level visits. During such visits, the human-rights situation and that of the dissidents would be discussed with the Cuban government and civil society. If appropriate, meetings with the peaceful opposition would be held in the context of high-level visits. The partners would inform each other of each visit. The Council decided that the EU and its Member States would also suspend the reduction in the degree of participation in cultural events.

The Council decided that the above measures would be reviewed before July 2005 in the light of developments towards democratic pluralism and respect for human rights in Cuba.

At the same time, the Heads of Mission in Havana agreed on a number of practical measures to strengthen and intensify contacts with civil society and make them more effective and visible.

Colombia

In the course of various contacts with the President and the government of Colombia, representatives of the UN Secretary-General and the UN High Commissioner for Human Rights, as well as in the Group of 24, the EU repeatedly stated its solidarity with the Colombian people and its full support for President Uribe's commitment to the search for a negotiated solution to the internal armed conflict, including direct talks with illegal armed groups. The Council insisted that the illegal armed groups end all hostilities and begin a truly constructive dialogue. The Council stressed the importance of the early liberation of all other hostages and abducted persons.

The EU was prepared to contribute to the search for a peaceful solution to the conflict as part of a global peace strategy. The Council also stressed the importance of the role played by the Special Adviser to the UN Secretary-General on Colombia.

The Council stressed that effective measures should rapidly be taken against impunity and collusion, which were particularly rampant amongst the paramilitary groups. The Council insisted on the necessity of demobilisation and the social reintegration of the members of illegal armed groups, which must be carried out in accordance with the relevant law and international jurisprudence and in a manner that respected the rights of the victims of the conflict to truth, justice and reparation. It was important that the London Declaration of June 2003, in which the government of Colombia and the international community of donors agreed on important mutual undertakings to facilitate a peace process, be implemented in full.

Following encouraging signals concerning demobilisation and possible peace processes from all the parties to the conflict, in December 2004 the Council adopted conclusions on, *inter alia*, the practical details of the role that the Union might progressively play in the peace process. More formal involvement on the part of the EU could in due course take the form of political support for the peace process in progress, once the Colombian government has defined a global legal framework. In that connection, the Council stressed that it would be very difficult for the European Union to support peace talks as long as the illegal armed groups had not ceased hostilities. Following a progressive approach linked to the development of the situation on the ground, the Council also indicated that it would be prepared to provide adequate practical financial aid to help the talks succeed once a global strategy had been drawn up for the assembly, disarming, demobilisation and social reintegration of members of the illegal armed groups.

Ecuador

On the first anniversary of the investiture of President Gutierrez the European Union confirmed its support for his democratically elected government, for Ecuador's democratic institutions and for the people of Ecuador, which had freely expressed its wish for a democratic change and political reform in the elections in November 2002.

Insisting on the importance of full respect for fundamental values such as democracy, liberty and justice, the European Union stressed that only the rule of law and good governance could provide a solid basis for political stability, social cohesion and economic development, which would, in their turn, create conditions more conducive to the development of European cooperation and direct investment.

The European Union stressed the importance of a global national dialogue, which would contribute to the strengthening of the State's democratic institutions and guarantee its more effective presence, and the fair provision of public services throughout national territory.

Bolivia

Confronted with the internal crises in Bolivia, the EU continued to give its support to Bolivia's democratic stability and to the efforts being made to eliminate political exclusion and improve the people's quality of life. The EU and the Member States provide 57% of all aid received by Bolivia. The EU has taken an active part in the efforts being made to promote institutional reform, the consolidation of the budget, and convincing all parties to participate in a National Dialogue to address and settle the problems that have accumulated during the country's history.

The EU also insisted that Bolivia should not give in to pressure to conclude a non-extradition agreement but respect the universality and the integrity of the Rome Statute (of the International Criminal Court).

Haiti

The EU has followed the development of the situation in Haiti very closely and has stated its views on the frequently tragic events there in 2004 on a number of occasions. In January, before the departure of President Aristide, the EU expressed concern at the development of the socio-political situation in Haiti, which was accompanied by a serious deterioration in the general security situation. The Union called on all parties to resume a political dialogue without delay in order to restore civil peace, encourage the reestablishment of rights and freedoms and contribute to the restoration of the climate of security that was necessary for the holding of free elections. On 18 February the EU condemned the serious deterioration of security in Haiti accompanied by serious infringements of human rights and the rules of democracy. At the same time, the EU stated its support for CARICOM's initiative in the form of a "prior action plan" and asked the Haitian authorities to respect and implement the undertakings given by President Aristide in accordance with the programme laid down in the action plan. Finally, following the events that led to the formation of a new government in Haiti, on 19 March the Union stated its support for the new government and said it was prepared to contribute to the relief of the Haitian people by providing rapid, appropriate humanitarian aid. The Union welcomed the UN Security Council's decision to send an Interim Multinational Force and encouraged all international efforts to make the country secure and stable.

Throughout 2004 the European Union involved itself in the international community's initiatives to promote stability and reconstruction in Haiti. It also took an active part in humanitarian efforts to respond to the needs of a people confronted with a series of natural disasters afflicting the country on numerous occasions. It supported the Security Council's initiative setting up the United Nations Stabilisation Mission in Haiti (MINUSTHA) with participation on the part of several Member States in the military and civilian police components. With promised contributions amounting to EUR 271 million, the Union became the biggest donor on the conclusion of the Washington Donors' Conference for Haiti in July 2004. Among other projects, it is providing substantial financial aid for the organisation of elections in 2005.

Nicaragua

On 1 November the Union again stated its support for President Bolaños's reform policies, in particular for the efforts being made in the administration of public affairs, the fight against corruption and the measures taken to strengthen economic growth and fight poverty. At the same time the EU expressed concern at the fact that the principal institutions of the state had insufficient independence from political party influence, and at the constant tension between the executive and the legislature. The Union drew attention to the dangers that that situation might entail for the country's economic and political future.

El Salvador

The EU welcomed the holding and successful conduct of the presidential election on 21 March 2004, which was won by Mr Antonio Saca. The Union stressed the high turnout of voters, which confirmed the maturity of the people of El Salvador and its commitment to democracy and peace. The Union again expressed its support for the consolidation of democracy and development in El Salvador.

The Dominican Republic

The Union welcomed the successful conduct of the presidential election in the Dominican Republic on 16 May 2004, and commended the part played by the outgoing president in safeguarding the democratic principles of the electoral process.

Panama

The EU welcomed the successful conduct of the presidential election held on 2 May. The high turnout of voters for the ballot, which was held in an atmosphere of freedom and transparency, confirms the strength and maturity of Panamanian democracy.

The Union welcomed the creation on 8 December 2004 of the **South American Community of Nations** as a stage on the road to greater regional integration.

These regular consultations on **Latin America with the United States, Canada and Russia** provided an opportunity for the exchange of assessments on the situation in various regions and for appreciation of the risk of crises, of better ways of preventing them and of practical assistance actions where appropriate.

12. TRANSATLANTIC RELATIONS

The **annual EU-US Summit** was held in Dromoland Castle, in Ireland, on 25 and 26 June 2004. Discussions centred on Iraq, the Middle East, the fight against terrorism and economic growth. Seven joint declarations were adopted at the Summit, on Iraq (support for a free, secure, democratic, unified and prosperous Iraq), on combating terrorism, on infectious diseases (HIV/AIDS, malaria and tuberculosis), Sudan (conclusion of a comprehensive peace agreement), the non-proliferation of weapons of mass destruction (practical measures on the basis of the 2003 Joint Declaration), economic partnership (commitment regarding the multilateral trade negotiations; cooperation regarding innovation, satellite-navigation systems, air services and questions of standardisation; launching the dialogue between parties on enhancement of the transatlantic economic relationship) and the broader Middle East and the Mediterranean (advance political, social and economic reforms, build democracy and promote human rights in the region). The agreement on the interoperability of the two satellite-navigation systems, the United States' GPS and the EU's Galileo, was also signed at the Summit.

After the Summit considerable progress was made in a number of sectors referred to in the joint declarations, in particular the fight against terrorism, non-proliferation and economic partnership. There are sectors where the EU and the USA hold similar views on the nature of the problems and on the most appropriate way of solving them.

President Bush's re-election at the end of the year and a new Commission gave both parties an opportunity to take a new look at the relationship. In his inaugural address President Bush stated his desire to consult his allies. That might afford an opportunity of eliminating differences on some of the more controversial questions.

The excellent cooperation between the EU and Canada continued in 2004. The spring Summit was held in Ottawa on 18 March 2004 (the autumn Summit had to be cancelled because of calendar problems). The Heads of State had an exchange of views on Haiti, Afghanistan, the Middle East, including Iran and Iraq, Africa and the NEPAD, effective multilateralism, weapons of mass destruction, the revitalisation of the UN and cooperation in the fight against terrorism. The Summit adopted a declaration on EU-Canada relations. The Heads of State also took note of the EU-Canada partnership programme, the purpose of which was to improve and revitalise the relationship, and a Trade and Investment Enhancement Agreement (TIEA) to be negotiated between the EU and Canada. During the year progress was made, *inter alia*, on the preparations for the negotiation of the TIEA and the implementation of the partnership programme.

Chapter IV

MULTILATERAL FORA

1. UNITED NATIONS

The EU continued to play an active role in the work of the UN General Assembly and other UN bodies, agencies and conferences in 2004. A constant in EU action has been its intention to contribute to the UN's comprehensive reform programme, which is designed to improve the efficiency of its bodies, policies and procedures.

On 13 July 2004 the Council approved a paper on EU **priorities for the 59th session of the United Nations General Assembly**, in which it reaffirmed its commitment to the United Nations, to upholding and developing international law, and to effective multilateralism as a central element of its external action. It also declared that it would participate in the United Nations General Assembly for the first time as an enlarged Union of twenty-five Member States, with ever-closer cohesion, and that it would harness its increased strength in the service of a strengthened United Nations.

Another EU priority was preparation for the 2005 summit. On 17 May 2004 the Council approved the EU input into the work of the High-Level Panel on Threats, Challenges and Change. Several of the topics and suggestions contained in the EU input were taken on board in the High-Level Panel's report, which was published on 2 December 2004.

Following the **Joint Declaration on UN-EU Cooperation in Crisis Management** of 24 September 2003, there was major progress on implementation in 2004. The Steering Committee met in January and November and regular expert-level talks were held throughout the year.

The UN Secretary-General was invited to take part in the European Council on 13 December 2004. The European Council welcomed the report from the High-Level Panel on Threats, Challenges and Change set up by the UN Secretary-General, in particular the proposed comprehensive approach to collective security. The European Council reaffirmed the EU's firm determination to play a major role in the UN.

2. COOPERATION WITH INTERNATIONAL ORGANISATIONS UNDER THE ESDP

Work continued on **implementing the Joint Declaration on EU-UN crisis-management relations**. In keeping with the consultation mechanism now in place, there were several meetings between secretariats, at which there was discussion of issues relating to peace-keeping operations in general, but also the situation in Africa. The Council approved a paper on UN-EU cooperation on military crisis management.

At its meeting on 17 December 2004 the Council adopted the detailed arrangements for practical cooperation with the UN on civilian crisis management. The UN welcomed the arrangements, which are based on three scenarios: (a) national contributions to an operation with information exchanged between EU Member States (b) an EU "clearing house" to coordinate Member State contributions; (c) various forms of EU contribution following a request from the UN.

Once the document was adopted by the Council, the European Union also reaffirmed its determination to work together with the UN on civilian crisis management.

EU/NATO cooperation continued under the comprehensive framework governing their permanent relations, agreed in 2003, against the background of their developing strategic partnership in crisis management. This framework includes the "Berlin plus" arrangements, which enable the EU to have guaranteed access to NATO planning, to use NATO European command options and/or to use NATO assets and capabilities whenever a crisis arises that may give rise to an EU-led operation. Operation ALTHEA is being run under the "Berlin plus" arrangements.

Throughout 2004 discussions were held on implementation of the document entitled "European defence: NATO/EU consultation, planning and operations", endorsed by the European Council in December 2003. They resulted in Council adoption of documents on the establishment of a civilian/military cell and an operations centre, and EUMS/NATO liaison arrangements. An EU-NATO agreement on these liaison arrangements should be reached in 2005.

A joint EU-NATO Group composed of senior EU and NATO policy/force planners meets regularly to exchange views on capability. The EU has also continued to cooperate with NATO on exercises.

3. **OSCE**

The EU maintained close cooperation with the OSCE throughout 2004. In addition to the regular political dialogue meetings at all levels, the EU also adopted Council Conclusions in June 2004 which underlined its commitment to enhancing its partnership with the OSCE in conflict prevention, crisis management and post-conflict rehabilitation. In December 2004, the EU adopted an "Assessment Report on the role of the EU vis-a-vis the OSCE", which developed further the basis for EU-OSCE cooperation.

4. INTERNATIONAL CRIMINAL COURT (ICC)

In February 2004 the EU adopted an Action Plan on the International Criminal Court, as part of the follow-up to the EU Common Position on the International Criminal Court of 16 June 2003. In July 2003 the European Parliament approved a Resolution on the ICC calling, inter alia, for the 2002 Action Plan to be updated. This revised Action Plan focuses on the initial period of effective functioning of the ICC, which became fully operational in 2003, with the establishment in The Hague of all its organs and bodies. The Action Plan is divided into three sections:

- (i) coordination of EU activities;
- (ii) universality and integrity of the Rome Statute;
- (iii) independence and effective functioning of the ICC.

The EU continued working throughout 2004 to promote the Rome Statute and preserve its integrity. On 27 July the EU adopted a Presidency Declaration on behalf of the European Union confirming its support for the integrity of the Rome Statute. On 6 September the Presidency made a speech on behalf of the EU at the opening of the third session of the Assembly of States Parties. The EU Member States coordinated their views throughout the ASP session. On 10 December 2004 the EU also adopted a declaration on the Nethercutt amendment, deeply regretting its adoption and pointing out that any bilateral non-surrender agreement that were to be concluded should, by complying with the legal obligations of sovereign nations party to the Rome Statute, preserve the integrity of that Statute. It also made démarches to third-country governments, in particular to promote ratification of the Rome Statute and restate the EU position on the conclusion of bilateral non-surrender agreements.

Following contacts with the ICC Deputy Prosecutor in May 2004 the EU began discussions with a view to concluding an EU/ICC cooperation and assistance agreement based on Article 24 TEU. These discussions are to continue in 2005.

Chapter V

PERSPECTIVES FOR FUTURE ACTION

In many ways, the future priorities of the CFSP define themselves - the Near and Middle East, the Balkans, Eastern Europe, China and conflict situations in Africa and Asia and of course the transatlantic relationship are all of major importance. So too are the ongoing fight against terrorism and non-proliferation of weapons of mass destruction.

The EU has an unyielding determination to combat the continuing **terrorist threat** through a comprehensive and integrated approach reinforcing both internal and international cooperation, in accordance with the principles on which the European Union is founded. The Union is convinced that in order to be effective in the long run its response to terrorism must address the root causes of terrorism. The Council is working towards the establishment of a long-term strategy and action plan on both of these and will, in cooperation with the Commission, submit proposals to this effect. Progress on external policies through counter-terrorism clauses in agreements with third countries will be made operational as soon as possible as will the implementation of the 2004 EU-US Declaration on combating terrorism. The strengthening of cooperation with priority third countries through dialogue and assistance as well as fostering regional cooperation has begun.

The European Union is determined to work against the **Proliferation of Weapons of Mass Destruction (WMD)** and will continue to implement the strategy endorsed by the Brussels European Council of December 2003 in this respect. The Union is committed to use all instruments at its disposal to counter the threat of proliferation of WMD and their means of delivery. It is essential that a sustained full suspension of all enrichment-related and reprocessing activities continues while agreement on long-term arrangements is sought. The Union remains ready to explore ways to further develop political and economic cooperation with Iran, following action by Iran to address other areas of concern of the EU including the fight against terrorism, human rights and Iran's approach to the Middle-East Peace Process.

The implementation of the **European Neighbourhood Policy** remains a central target for the EU in 2005 too. The near and middle East are to the forefront of European concerns not least because of the proximity to the Union and also because of their importance for the inhabitants of the Union. The **Barcelona Process** will continue to be the main tool of the EU for partnership, cooperation and dialogue with the Mediterranean Region. The 10th anniversary of the Barcelona Declaration is an opportunity to strengthen the Euromed process. The Union will continue the work of strengthening relations with the third countries involved in the process in all relevant political, economic, social and cultural fields. Joint ownership of the process, based on the awareness of shared values and common interests, is essential. In this context we will reiterate the importance of the commitment of our partners to engage in reform, recognising that the EU's relations with these countries have distinct characteristics that merit a differentiated approach.

At the same time, the EU also looks forward to working together with its **Eastern European neighbours** to implement reforms and other agreed priorities, and to start adopting Action Plans for the countries in the **Southern Caucasus** during the coming year. The EU will take steps to communicate and demonstrate the benefits of the European Neighbourhood Policy to the people of **Belarus** and will support the strengthening of civil society and the process of democratisation.

The Union will continue to conduct intensive **dialogue with key partners and organisations**. To that end, it is committed to strengthening the strategic dialogue with its transatlantic partners. It is recalled that, as stated in the European Security Strategy, the **transatlantic partnership** is irreplaceable. The EU will continue to develop its strategic partnership with NATO. The initiation of a yearly Justice and Home Affairs ministerial troika with the US and the broad participation of the stakeholders on both sides of the ocean in the consultations on the further deepening of transatlantic relations are welcome developments.

To promote **effective multilateralism**, the Union will continue its efforts towards enhanced multilateral cooperation, notably within the UN. Particular attention will be paid to the UNSG's Report "In Larger Freedom: Towards Development, Security and Human Rights for All."

There has been a growing recognition that **human security and human rights** are frequently at the root of conflicts. The EU has strengthened its commitment to the spread of good governance and support for fundamental freedoms and will continue to engage China and Iran on human rights. The Union recently opened a new phase of consultations with Russia on the same subject. The High Representative's personal representative for human rights issues will contribute to increased coherence and consistency of human-rights policy in the CFSP.

In 2005, the development of **EU military capacities** will be a key priority. In this respect the Council will approve the **Requirements Catalogue** and the **Battle-Group concept** will be developed to improve the **EU rapid-response capacity**. Simultaneously, work will continue to strengthen the **civilian crisis-management capacity** as a follow-up to the Capabilities Conference in November 2004.

Institutionally, the Union is in a brief period of consolidation and preparation for the implementation of the **Constitution**. Our greatest challenge in this context will be to meet the needs and expectations of the Union's citizens and governments in the creation of an **External Action Service** which is flexible and responsive to the challenges faced. Through much of this year, preparations will go on to address this question.

1. FIGHT AGAINST TERRORISM

This year the EU will build on the substantial work carried out in 2004. Implementation of the documents adopted in 2004 (on integrating the fight against terrorism into all aspects of EU external relations policy, the overall strategy for the fight against terrorist financing and the Conceptual Framework on the ESDP dimension in the fight against terrorism) will be a priority for the coming months. The EU will also engage in developing a long-term strategy and action plan on the issues of radicalisation and recruitment, as requested by the December European Council.

EU efforts will continue to focus on enhancing cooperation at international level and supporting the international legal framework in the fight against terrorism.

The EU will continue to mainstream counter-terrorism into political dialogue with its partners. In these dialogues, special attention will be paid to the protection of and respect for human rights, fundamental freedoms and the rule of law in the fight against terrorism. The issue of terrorist financing will also feature high on the EU counter-terrorism agenda. Dialogue will be continued with key partners such as the Gulf Cooperation Council countries.

Enhanced cooperation with priority countries will also remain a major objective for EU external action against terrorism. Existing aid and assistance programmes will also need to be coordinated, both within the EU and with other international donors.

2. NON-PROLIFERATION

In December 2004 the Council endorsed a list of priorities for non-proliferation, including:

Support for multilateralism and universal accession to international treaties and agreements.

The EU will continue to promote the role of the United Nations Security Council (UNSC). It will also work to foster universalisation and strengthen the main treaties and conventions, while urging all UN Member States to implement Security Council Resolution 1540.

The EU is currently preparing a coordinated position in the run-up to the NPT Review Conference to be held in May. It will take care that the NPT is preserved in full.

Over and above its political and diplomatic moves, the EU could provide practical support for the workshops and conferences organised by the International Atomic Energy Agency (IAEA), by the Organisation for the Prohibition of Chemical Weapons (OPCW) and workshops designed to encourage accession to the Convention on the Prohibition of Biological and Toxin Weapons (BTWC) and The Hague International Code of Conduct against Ballistic Missile Proliferation (HCOC) but also workshops and conference organised by the UN Office or UNIDIR in Geneva as part of the Disarmament Conference.

Implementation of effective export controls

The EU will continue to act in a concerted and determined manner to encourage all its new Member States to accede to export control regimes soon.

The EU will continue to promote tougher export control regimes and compliance with their guidelines, even by States who have not signed up to them. The importance of export controls has been especially highlighted in the context of the new neighbourhood policy. The EU could provide technical assistance to third countries in that area. The expert group set up for EU peer evaluation

could also aim to coordinate and/or participate in these assistance programmes. The priority regions for the EU might be the Balkans and its partners in the European neighbourhood policy in Eastern Europe, the Middle East, North Africa and Ukraine, but also China.

China is one of the countries with which the EU should, under the terms of the European Security Strategy, develop a strategic partnership. It has recently published a security concept and a non-proliferation white paper, which are broadly consistent with the European Security Strategy and the WMD Strategy. Cooperation on export controls could be developed initially on the basis of the findings of the ad hoc meeting held on the subject in Beijing in January 2005.

The necessary financial resources should be made available to implement assistance programmes on export controls and appropriate human resources should be mobilised in the Member States.

Strengthening the control of WMD-related equipment and materials in transit and/or in transshipment

Controlling the transit of WMD-related equipment and materials remains a major challenge for the implementation of an effective non-proliferation policy. Means should be explored in order to strengthen the ability of Member States to inspect and, where appropriate, to intercept cargoes, which are in transit through their territory and might carry WMD-related equipment and materials. If necessary, the advisability of a new legal instrument could be studied at EU level with the objective of empowering all Member States to inspect and seize suspicious cargoes.

Criminal sanctions for the proliferation of sensitive goods and technologies

In the light of the European Council's declaration of 18 June 2004, Council bodies are to review the appropriate political and legal instruments, including possible actions within the framework of

Justice and Home Affairs, that would further the adoption of concrete measures. Existing sanctions under Member States' current legislation or regulations will be evaluated and, if necessary, recommendations will be made to bring them into line.

Tightening up nuclear security

The Joint Action in support of the IAEA should be renewed in order to cover other nuclear installations and other countries where a need has been identified to improve nuclear security and national capabilities to combat illegal trafficking.

Tightening up the Biological and Toxin Weapons Convention

The Union could promote debate in the UN Security Council on tightening up the Biological and Toxin Weapons Convention. A UN roster of experts could be compiled on which the UNSC and/or the UN Secretary-General could draw.

Promotion of challenge inspections under the Chemical Weapons Convention

The EU will continue to commit itself and promote discussions on this subject in the relevant OPCW (Organisation for the Prohibition of Chemical Weapons) bodies. In the medium-term, EU action could also provide for the funding of such inspections through the OPCW.

Contributing to disarmament and dismantlement of WMD

The experience gained through the implementation of the Joint Actions on disarmament in the Russian Federation means that it is worth continuing EU action in these fields. At the same time, additional activities could be envisaged in order to cover a wider geographical scope: other states of the former Soviet Union, such as Ukraine, but also states in North Africa and the Middle East. In this area, cooperation with the IAEA and the OPCW is crucial. Another priority might be to support the destruction of chemical weapons in Albania.

Facilitating the conversion of WMD expertise.

The EU could study the potential for channelling the scientific expertise of those previously employed on WMD programmes, in Libya and Iraq, for example, towards peaceful applications.

Developing an approach to other regions*(a) India and Pakistan*

The EU should urge India and Pakistan to adopt, in parallel, transparency measures designed to improve their proliferation credibility vis-à-vis the international community. To that end, it might be useful to pursue action aimed at implementation of UN Security Council Resolution 1540, an enhanced dialogue with export control regimes and the adoption of other transparency measures.

EU action could be undertaken to help these two countries to develop and introduce appropriate systems for nuclear material accountancy. Systems of this type would reduce the risk of nuclear materials being diverted to third countries. Assistance on export controls should cover both the nuclear field and the chemical, biological and missiles areas.

(b) Developing the security aspects of the Barcelona process

The Union has consistently been in favour of a WMD-free-zone as part of a broader effort to promote security and stability in the Middle East and the Mediterranean (Barcelona process). Following the decision of principle taken by the Euromed Foreign Ministers in December 2004, an ad hoc workshop/meeting on non-proliferation and disarmament should be organised in the context of the security section of the Barcelona Process.

(c) Middle East/Gulf

In the context of implementation of the EU Strategy against WMD proliferation, Iran, Iraq and the Gulf Cooperation Council states could be of major interest. Cooperation and assistance programmes tailored to each country's specific needs could be put in place. The EU affirmed its objective of a secure, stable, unified, prosperous and democratic Iraq that will make a positive contribution to the stability of the region.

(d) ASEAN Regional Forum (ARF)

The EU is a participant in the ASEAN Regional Forum (ARF), which is a political and security forum in which both ASEAN countries and their 14 dialogue partners take part. Exchanges of views on non-proliferation issues constitute a major part of such work. Practical cooperation with the ARF countries could be envisaged in the areas of non-proliferation and disarmament.

Mainstreaming non-proliferation policies into the EU's contractual relations with third countries

The following should be pursued:

- Inclusion of a non-proliferation clause in ongoing negotiations on the interregional association agreement with Mercosur, the free-trade agreement with the Gulf Cooperation Council and revision of the Cotonou Agreement with the 78 ACP countries;
- Inclusion of a non-proliferation clause in future partnership and cooperation agreements with the countries of South-East Asia, in particular Thailand, Indonesia, Singapore, the Philippines, Malaysia and Brunei;
- Inclusion of a non-proliferation clause in other stabilisation and association agreements in the Balkans, on the Albanian model;
- Conclusion of a "parallel" instrument under Article 24 of the EU Treaty, containing a non-proliferation clause with Pakistan;
- and possibly with China in the context of a new cooperation agreement.

3. EUROPEAN SECURITY AND DEFENCE POLICY

Civilian aspects

Building on the progress made in 2004, the **European Union Police Mission (EUPM)** will continue implementation of its 7 general programmes in 2005. This process will be supplemented by guidance, surveillance and on-the-spot inspection activities. In addition, the development of the SIPA and local police capabilities to combat organised crime will remain a priority objective for the Mission.

Following the Chairman of the Police Restructuring Commission's report, the EUPM will take an active role in promoting the recommendations contained in the report, in particular through communication campaigns. The Mission will also continue to assist the EUSR with advice on the police restructuring process.

Lastly, the Mission, whose mandate is due to expire on 31 December 2005, will prepare its exit strategy, taking into account developments in policing in Bosnia and Herzegovina and the evolving presence of the international community.

Since 15 December 2004, **EUPOL PROXIMA** has adapted its organisation in line with the decision of the EU. PROXIMA is now present in seven new field locations thus covering all regions of FYROM. To ensure focus on the middle and senior management of the police PROXIMA has in 2005 implemented a total of seven projects under the three overarching programmes. These cover border police, organised crime and public peace and order based on a two-pronged approach. Two thirds of PROXIMA's activities focus on management capacities and one third on improving general skills of the FYROM police service.

The mandate of the mission expires on 15 December 2005, and the mission will prepare its exit strategy by taking into account the developments in the police service of FYROM, as well the evolution of the presence of the international community.

As laid down in Joint Action 2004/523/CFSP, **EUJUST THEMIS** is planned to end in twelve months. In his mid-term review of the Mission, the Secretary-General/High Representative called on the Special Representative to explore, together with the Head of Mission, ways in which the objectives and goals of the EUJUST THEMIS Mission could be developed. The Council will decide in July 2005 which have been achieved.

As decided in Joint Action 2004/847/CFSP, a new **Police Mission (EUPOL KINSHASA)**, designed to monitor, mentor and advise a Congolese Integrated Police Unit (IPU) will start in Kinshasa (DRC) early in 2005. This new mission will follow on from consolidation of the EDF project, which provided equipment and training for the IPU. EUPOL KINSHASA is scheduled for launch in the first half of 2005; its mandate is for one year. This will be the ESDP's first civilian mission in Africa, showing the EU's growing determination to play an active role in maintaining peace and stability on the continent.

On 21 February 2005, the Council has decided to launch an Integrated Rule of Law Mission for Iraq, **EUJUST LEX**, which should be operational as soon as possible. The EU started planning the operation following consultations with the Iraqi interim authorities and on the basis of the report by the team of experts. The Mission falls under the scope of the ESDP. It will consist of integrated training in the fields of management and criminal investigation, to be given to a representative group of senior officials and executive staff, mainly from the judicial, police and prison sectors. The Council agreed that training activities would take place in the EU or in the region and that the Mission should have a liaison office in Baghdad. Depending on developments in the security conditions in Iraq and on the availability of appropriate infrastructure, the Council will be called upon to examine the possibility of training within Iraq and, if necessary, will amend the relevant joint action accordingly. The arrangements for the Mission, which is to complement international efforts under way, will be determined in consultation with the Iraqi authorities.

CIVILIAN HEADLINE GOAL 2008

On 17 December 2004 the European Council endorsed the Civilian Headline Goal 2008, believing it important to increase the EU's ability to react more rapidly and effectively in the field of civilian crisis management, since it is now the EU's aim to be able to conduct several concurrent civilian missions at different levels of engagement and calling on different capabilities, including at least one large civilian substitution mission at short notice in a non-benign environment. The EU also intends to improve its ability to deploy at short notice, including its ability to deploy civilian means simultaneously with military means from the outset of an operation.

The Civilian Headline Goal will be developed under the aegis of the Council and with the aid of a project team set up at the General Secretariat of the Council. The following key steps have been identified:

- Step 1: Elaboration of key planning assumptions and illustrative scenarios (to be completed by April 2005);
- Step 2: Elaboration of Capabilities Requirements List (to be completed by July 2005);
- Step 3: Assessment of national contributions to the Capabilities Requirements List and identification of capability shortfalls (to be completed by the end of 2005, when Member States are due to confirm their commitments at a civilian capabilities improvement conference);
- Step 4: Civilian Headline Goal 2008 follow-up process.

Military aspects

As regards the development of **military capabilities**, the next stage in the Headline Goal 2010 process will be the definition of the military requirements necessary to implement the Goal and Council approval of the 2005 Forces Catalogue. A Forces Catalogue based on contributions notified by the Member States will be prepared subsequently, on the basis of a questionnaire. Other ongoing issues include the evaluation of the European Capability Action Plan (ECAP) and the introduction of a systematic and comprehensive capability development process that looks from today's urgent operational requirements to longer-term needs.

As regards **rapid response**, detailed arrangements will need to be adopted so that the Council's ambitious decision-making objective (five days between approval of the crisis management concept and launch of the operation) can be achieved. An SG/HR report will be drawn up for the purpose.

The first half-yearly review of **the ALTHEA operation** in Bosnia and Herzegovina is due in May this year. The exercise should make it possible to set the course for the force's activities until the end of 2005.

As part of the **follow-up to operation Artemis**, the first ESDP operation outside Europe, the relevant bodies (PSC, Military Committee, Committee for Civilian Aspects of Crisis Management and the Africa Working Party) started discussions designed to evaluate what extra capabilities (civilian and military) available under the ESDP could be envisaged to contribute to the EU's integrated approach to the prevention and management of conflicts in Africa. They covered the following ground: an early-warning capability; autonomous EU operational resources for civilian and military crisis management; strengthening African operational capabilities in support of peace; disarmament, demobilisation and reintegration (DDR); reform of the security sector (army and police); the fight against arms trafficking and mine clearance.

Exercises will continue to be conducted. There is a military exercise (CPX 05) currently in preparation which will serve primarily to test the interaction between an Operation and Force Headquarters in the context of EU management of a fictional crisis.

The conceptual framework approved by the Council in 2004 for the ESDP role in combating **terrorism** provides for a number of specific, pragmatic actions scheduled for implementation in 2005. The chief innovations include development of a rapid response capability concept in the field of protection, including force protection, support for the development of a centre of NRBC expertise, work on the interoperability of civilian and military resources and identification of appropriate support measures for third countries. An ISS seminar on the ESDP contribution to the fight against terrorism is planned for March 2005. Discussions are also being held with NATO on civil emergency planning as part of crisis management.

As regards **EU-UN relations**, regular meetings between secretariats will continue in the framework approved by the Council, with the aim of developing practical cooperation between the two organisations on military crisis management. A seminar on EU/UN crisis management cooperation (EST 05) is planned for April. In addition, there will be a workshop with the Mediterranean partners – also planned for the first half of 2005 – on the same topic.

EU-NATO relations are now deep-rooted and well established, proof of a real strategic partnership on crisis management; they will continue to form an essential part of the ESDP, especially in the post-SFOR context.

Implementation of the **ESDP Training Concept** approved by the Council in 2004 will continue, the chief development being establishment of a European Security and Defence College, in the form of a coordinated network of existing national institutes, each conducting specific training modules.

4. CFSP GEOGRAPHICAL PRIORITIES

Turkey

On the basis of a report and a recommendation from the Commission, the European Council held on 16 and 17 December 2004 decided that Turkey sufficiently satisfied the Copenhagen political criteria for accession negotiations to be opened. On that occasion, the European Council recalled the need to ensure that the political reform process was irreversible and fully implemented. Consequently, the European Union will continue to monitor closely the progress of the political reforms on the basis of an Accession Partnership setting out priorities for the reform process. Such monitoring will then be at the centre of the discussions with Turkey in the various political-dialogue fora. The question of Cyprus, concerning which the Council remains committed to the aim of a comprehensive UN settlement, will also continue to be covered in this dialogue. In accordance with the Council conclusions of 26 April 2004, the European Union is expected to pursue its efforts to facilitate reconciliation between the two communities on the island.

Western Balkans

The Stabilisation and Association Process (SAP) will remain the basic framework for the development of the EU's relations with the Western Balkans all the way to their future accession. The Council will consider the application for membership by the former Yugoslav Republic of Macedonia on the basis of the Commission's assessment. The Council will continue supporting Albania's reform efforts in order to create the conditions necessary for the successful conclusion of the negotiations for an SAA. The Council will also review and consider extension of the EU's autonomous trade measures towards the region.

The Council will pursue implementation of the jointly agreed Thessaloniki agenda, involving in particular the establishment of a regional School for Higher Education on Public Administration Reform, preparations for the participation of Western Balkan countries in individual Community programmes, improvement of regional cooperation and updating of European Partnerships with individual Western Balkans countries.

The Council will pay close attention to political developments and continuing stabilisation throughout the region. Developments in Kosovo – governed by UNSCR Resolution 1244 – will be particularly important, in light of the review of implementation of standards by mid-2005.

Middle East Peace Process

The major projects planned for 2005 are the Israeli withdrawal from the Gaza and parts of the Northern West Bank as well as the Palestinian legislative elections, both scheduled to take place in mid-July. The EU intends to work closely with its partners in the Quartet and the International community so as to permit the maintenance of security as well as rehabilitation and reconstruction in Gaza. These steps are part of the effort, as laid down in the Roadmap, towards a negotiated two-State-solution agreed between the parties which would result in a viable, contiguous, sovereign, democratic and independent Palestinian State living side by side with Israel, within recognised and secure borders.

Euro-Mediterranean Partnership

The meeting in The Hague was the second ministerial meeting held between the meeting in Naples (Barcelona VI) and the meeting scheduled to take place in Luxembourg on 30 and 31 May 2005 (Barcelona VII). In that context, preparations for the 10th anniversary of the Barcelona Process (expected to take place in Barcelona in November 2005) have already begun. Moreover, the ministers agreed to conduct a comprehensive review of the Process and to declare 2005 the Year of the Mediterranean.

In June 2005 the European Council will make an initial evaluation of the implementation of the Strategic Partnership between the EU and the Mediterranean Region and the Middle East. The Council's scrutiny will be based on a report drawn up by the Presidency, the Secretary-General/High Representative and the Commission. Consultations on the Mediterranean dimension of the Strategic Partnership will be held with our Mediterranean neighbours, within existing structures, in order to highlight the fact that the initiative is being conducted in a spirit of partnership and is helping to strengthen the Euro-Mediterranean Partnership.

Eastern Europe and Central Asia

As envisaged at the fourteenth EU-Russia Summit in The Hague on 25 November 2004, activities during the first half of 2005 will focus on finalising the Road Maps for the four common areas. Moreover, in March, consultations between the EU and Russia will be launched on human rights, including minority rights and fundamental freedoms.

For Ukraine, a special Cooperation Council should adopt the Action Plan in the framework of the European Neighbourhood Policy. The Council should also study the proposals from the Secretary-General/High Representative and the Commission on ways of strengthening relations between the EU and Ukraine. As Ukraine makes genuine progress in carrying out internal reforms and adopting European standards, relations between the EU and Ukraine will become deeper and stronger.

In relation to Moldova, the priority for 2005 will be the adoption (by the EU-Moldova Cooperation Council in February) and implementation of the Action Plan in the framework of the European Neighbourhood Policy. The EU and Moldova will also continue dialogue on the Transnistrian conflict. On 22 February 2005, the EU and Moldova reaffirmed their willingness to work together fully to exploit the new opportunities presented by European Neighbourhood Policy (ENP) based on the shared values which underpin the policy. Mr A. Jacobovits was appointed Special Representative of the EU for Moldova.

As regards Belarus, in 2005 the EU will continue its efforts to coordinate assistance for democratisation and civil society.

In relation to the south Caucasus, in its conclusions of 13 December, the Council noted that the Commission and the Secretary-General/High Representative intended to present reports on Armenia, Azerbaijan and Georgia in March 2005 to allow the Council to decide on opening consultations on establishing action plans. The Council is expected to adopt conclusions in March/April 2005.

In Central Asia, the main development with regard to EU relations in 2005 will be the follow-up to the recommendations on Central Asia, including, if appropriate, the issue of regional political dialogue.

An interim agreement on trade-related issues, which was signed at the same time as the EU-Tajikistan Partnership and Cooperation Agreement, is expected to enter into force in 2005.

Africa

The EU will continue to contribute to the settlement of conflicts within democratic institutions and procedures, wherever possible together with the African Union (AU), the UN, international institutions and Groups of friends. In this context, it will continue to stress the need to address the root causes of crises.

A major aim for the EU is to intensify the dialogue with African partners with the intention of pushing African issues up the EU's agenda. The EU will continue the dialogue with the AU initiated in 2003. Linked to this dialogue will be the EU's support to an Africa – led peacekeeping capacity. This will in particular take the form of support for the AU in its efforts to assume greater responsibility for conflict prevention and peacekeeping on the continent as well as further developing the Peace Facility for Africa.

The EU will also continue its dialogue with the sub-regional institutions, the building blocks of the AU. During 2004 meetings at Ministerial level have taken place with ECOWAS and SADC. These high level exchanges on important African issues of development, conflict prevention and crisis management will continue with a view to strengthening the existing links with these organisations. The EU is also supporting other Africa – wide and regional initiatives on development with a particular emphasis on support for NEPAD (New Partnership for Africa's Development) and its peer review mechanism.

The EU will continue to follow closely the situation in the Great Lakes region. After the first Summit in the International Conference on the Great Lakes in November 2004 focus will be on the preparation of the second Summit towards the end of 2005 through a series of preparatory meetings. The EU will also continue its efforts in the Security Sector Reform, the police training and election preparation in the DRC.

The EU together with the AU is following closely the developments in Sudan and elsewhere on the Horn of Africa. Funds from the Peace Facility have been used to deploy observers and soldiers in Sudan. Following the peace agreement in the South, efforts will continue together with the AU and the UN to find a solution to the problems in Darfur.

Asia-Oceania

On 31 January 2005, the Council adopted an Action Plan for a comprehensive EU response to the **Indian Ocean Tsunami** disaster. In addition to the EU's CFSP response, action in other policy areas will continue to have implications for EU Foreign and Security Policy. The EU is conscious of the need to ensure a smooth transition from emergency to longer term assistance. At the same time, the EU will be reviewing lessons learnt for CFSP mechanisms as a result of EU reaction to the Tsunami.

Despite recent successes, enormous challenges remain for Afghanistan after more than 20 years of war. Sustained international engagement will be required to prevent Afghanistan from lapsing into insecurity. This will be particularly important with parliamentary elections due to be held in 2005, and issues such as drugs and migration still needing very serious attention.

As regards India, the focus of action in 2005 will be the adoption of an Action Plan for Strategic Partnership by the EU-India Summit and start of work on its implementation.

Following agreement by India and Pakistan on significant confidence-building measures, such as bus services across the Kashmir line of control, the EU will continue its efforts to enhance relations with both India and Pakistan, each according to its own dynamic.

The EU is keen to encourage Pakistan to play a full and active role in its neighbourhood. After the visit to Brussels in January 2005 of Prime Minister Shaukat Aziz, the EU will continue to seek early conclusion of a readmission agreement with Pakistan. The EU will continue to press for a return to democratic government in Nepal and a restoration of fundamental rights suspended under the state of emergency declared on 1 February 2005.

The EU will hold its biannual Ministerial meeting with ASEAN on 10 March in Jakarta (Indonesia). The emphasis will be put on bilateral cooperation, especially further to the earthquake and tsunami disaster. The EU will negotiate Trade and Cooperation Agreements with Singapore and Thailand, and will explore the possibilities of negotiating similar agreements with Indonesia, the Philippines, Malaysia and Brunei, on the basis of the mandate obtained further to the Commission's communication "a New Partnership for South-East Asia". The EU will also ensure the success of the next ARF ministerial meeting, to take place in Vientiane (Laos) in July. The EU also intends to follow the situation in the individual countries. The EU will hold a meeting at ministerial level with Indonesia in Jakarta in March, in the margins of the ASEAN Ministerial.

After the 2004 enlargement, 2005 will be the year for taking stock and reflecting on the functioning and the future of the forum. The theme of the “future of ASEM” will be one of the main themes for reflection at the ASEM Foreign Ministers meeting, which is due to take place in Kyoto, Japan, on 5 and 6 May 2005. As a follow up to the “Hanoi Declaration on Closer Economic Partnership”, an Economic Ministers and Finance Ministers meeting are scheduled to take place during 2005.

The EU will continue to promote democracy, national reconciliation and human rights in Burma/Myanmar. To this end, it will remain in close contact with China, Japan, India and the ASEAN, and it will lend its support to UN efforts in the country. The EU will continue to seek the liberation of Daw Aung San Suu Kyi and other political prisoners from house arrest or prison. The EU will also call for the inclusiveness and transparency of the National Convention. The General Affairs Council in April will decide on the renewal of the Common Position.

The EU will ensure the success of the EU-China Summit to take place in Beijing in the second half of the year. During 2005, the EU will seek to obtain, *inter alia*, a Re-admission Agreement with China, and will consider starting negotiations for a new Framework Agreement to replace the 1985 Cooperation Agreement. As requested by the European Council of December 2004, the Luxembourg Presidency will continue the well-advanced work on the question of the arms embargo. The EU will follow closely the development of relations across the Taiwan Straits.

The forthcoming summit EU-Japan, scheduled for the first half of 2005 in Luxembourg, will address specific areas for future action and cooperation, notably on the basis of the 2001 EU-Japan Action Plan. 2005 will see the organisation of a host of joint initiatives within the framework of the Year for EU-Japan people-to-people contacts.

Regarding the Korean Peninsula, all attention will be focussed for 2005 on a possible resumption of the Six-Party talks between the DPRK, the RoK, the US, Russia, China and Japan. The EU strongly regretted the recent February 2005 statement on suspension of the DPRK's participation in the talks for an indefinite period and urged the DPRK to rethink its decision and to return to the talks as soon as possible. The EU does not participate in the talks, but has repeatedly expressed its readiness, when the time is ripe, to contribute to international efforts aimed at moving matters forward.

The EU will continue active cooperation with Australia and New Zealand. Successful EU-Australia and EU-New Zealand Troikas took place during the first trimester of 2005.

5. MULTILATERAL AND GLOBAL QUESTIONS

United Nations: The EU wishes to play an active part in preparations for the 60th session of the General Assembly of the United Nations and during the proceedings, and also in the work of the other UN bodies, agencies and conferences. The EU is determined to ensure that an effective outcome is achieved in the September Summit, both in respect of setting a course for the achievement of the Millennium Development Goals and in strengthening the UN's system of collective security. The EU intends to participate actively in the UN reform process. Moreover, the EU plans to strengthen its ties with the various UN bodies. In that context, the continued implementation of the "Joint Declaration on UN-EU Cooperation in Crisis Management" of 24 September 2003 will be especially important. Between now and next summer, the EU will draft the EU Priorities Paper for the 60th session of the General Assembly of United Nations.

International Criminal Court (ICC): The EU intends to pursue and increase its support for ICC activity. Particular emphasis will be placed on defending the principles of the universality and the integrity of the Rome Statute. The EU will continue to implement the revised EU Action Plan on the ICC. The EU also intends to participate actively in the fourth Assembly of the States Parties, which will take place in November 2005. A further priority will be continued efforts towards the conclusion of a cooperation and assistance agreement between the EU and the ICC.

LEGAL ACTS INVOLVING FINANCING FROM THE CFSP LINES
OF THE EU BUDGET

In 2004, the Council adopted legal acts which entailed expenditure from the CFSP lines of the budget in the following areas:

EU SPECIAL REPRESENTATIVES

- EUSR FOR AFGHANISTAN

On 28 June 2004, the Council adopted Joint Action 2004/533/CFSP¹ extending until 28 February 2005 the mandate of the Special Representative of the European Union for Afghanistan and amending Joint Action 2003/871/CFSP. The financial reference amount intended to cover the expenditure related to the mandate of Mr Francesc VENDRELL as the EUSR for Afghanistan was set at EUR 794 000 (see doc. 10616/04 for financial statement).

- EUSR FOR BOSNIA AND HERZEGOVINA

On 12 July 2004, the Council adopted Joint Action 2004/569/CFSP² on the mandate of Lord Ashdown who was to continue to exercise his functions as the European Union Special Representative in Bosnia and Herzegovina until 28 February 2005, and repealing Council Joint Action 2002/211/CFSP. The financial amount intended to cover the expenditure related to the mandate of the EUSR was set at EUR 200 000 (see doc. 11225/04 for financial statement).

- EUSR FOR FYROM

Following a political agreement reached in November, the Council adopted Joint Action 2004/86/CFSP³ appointing Mr Søren JESSEN-PETERSEN as the new European Union Special Representative in the Former Yugoslav Republic of Macedonia, in replacement of Mr Alexis BROUHNS. Mr JESSEN-PETERSEN took up his duties on 1 February 2004. On 28 June 2004, the mandate was extended until 31 July 2004 (Joint Action 2004/531/CFSP⁴).

¹ OJ L 234 of 3.7.2004.

² OJ L 252 of 28.7.2004.

³ OJ L 21 of 28.1.2004.

⁴ OJ L 234 of 3.7.2004.

On 26 July 2004, the Council adopted Joint Action 2004/565/CFSP⁵ appointing Mr Michael SAHLIN as the new European Union Special Representative (EUSR) in the former Yugoslav Republic of Macedonia from 1 August 2004 until 28 February 2005. He replaced Mr Søren Jessen-Petersen whose mandate expired on 31 July 2004 and who was appointed Special Representative in Kosovo by the UN Secretary-General.

The financial reference amount intended to cover the expenditure related to the mandate of the EUSR was set at EUR 530 000 (see doc. 11309/1/04 REV 1 for financial statement).

- **EUSR FOR SOUTH CAUCASUS**

On 28 June 2004, the Council adopted Joint Action 2004/532/CFSP⁶ amending and extending until 28 February 2005 the mandate of the Special Representative of the European Union for the South Caucasus. The financial reference amount intended to cover the expenditure related to the mandate of Mr Heikki TALVITIE as the EUSR for the South Caucasus was set at EUR 396 000 (see doc. 10616/04 for financial statement).

- **EUSR FOR MIDDLE EAST PEACE PROCESS**

On 28 June 2004, the Council adopted Joint Action 2004/534/CFSP⁷ extending the mandate of the Special Representative of the European Union for the Middle East peace process and amending Joint Action 2003/873/CFSP. The financial reference amount intended to cover the expenditure related to the mandate of Mr Marc OTTE as the EUSR for the Middle East peace process was set at EUR 1 030 000, for the extended period up to 28 February 2005 (see doc. 10616/04 for financial statement).

- **EUSR FOR AFRICAN GREAT LAKES REGION**

On 28 June 2004, the Council adopted Joint Action 2004/530/CFSP⁸ amending Joint Action 2003/869/CFSP and extending until 28 February 2005 the mandate of the EU's Special Representative for the African Great Lakes Region. The financial reference amount for this period was set at EUR 580 000 (see doc. 10616/04 for financial statement).

⁵ OJ L 251 of 27.7.2004.

⁶ OJ L 234 of 3.7.2004.

⁷ OJ L 234 of 3.7.2004.

⁸ OJ L 234 of 3.7.2004.

EUROPEAN UNION MONITORING MISSION (EUMM)

On 22 November 2004, the Council adopted Joint Action 2004/794/CFSP⁹ prolonging Joint Action 2002/921/CFSP with a view to extending the mandate of the European Union Monitoring Mission (EUMM) in the Western Balkans until 31 December 2005. The financial reference amount for the extended period was set at EUR 4 186 482 (see doc. 14215/04 for financial statement).

On 22 November 2004, the Council adopted Decision 2004/795/CFSP¹⁰ extending to 2005 the mandate of Ms Maryse Daviet as Head of Mission of the European Union Monitoring Mission (EUMM). The primary objective of the EUMM is to contribute to the formulation of the EU's policy towards the Western Balkans through information-gathering and analysis in line with directions from the Secretary-General/High Representative and the Council.

NON-PROLIFERATION

- On 17 May 2004, the Council adopted Joint Action 2004/495/CFSP¹¹ on **EU support for International Atomic Energy Agency (IAEA) activities on the enhancement of the protection of sensitive materials and of the detection of and response to illicit trafficking under the IAEA's Nuclear Security Programme.** The measure was taken in the framework of the implementation of the EU Strategy against Proliferation of Weapons of Mass Destruction adopted by the European Council on 12 December 2003, which the EU is actively pursuing, in particular through financial support to specific projects conducted by multilateral institutions such as the IAEA.

A financial reference amount of EUR 3 329 000 was allocated for the implementation of three IAEA projects corresponding to EU objectives under its strategy (see doc. 9236/04 for financial statement).

- On 22 November 2004, the Council adopted Decision 2004/790/CFSP¹² extending and amending Decision 2003/276/CFSP implementing Joint Action 2002/589/CFSP with a view to a **European Union's contribution to the destruction of ammunition for small arms and light weapons in Albania.** The financial reference amount for the extended period up to 31 December 2005 was set at EUR 500 000 (see doc. 14530/04 for financial statement).

⁹ OJ L 349 of 25.11.2004.

¹⁰ OJ L 349 of 25.11.2004.

¹¹ OJ L 182 of 19.5.2004.

¹² OJ L 348 of 24.11.2004.

- On 22 November 2004, the Council adopted Decision 2004/791/CFSP¹³ extending and amending Decision 2002/842/CFSP implementing Joint Action 2002/589/CFSP with a view to a **European Union's contribution to combating the destabilising accumulation and spread of small arms and light weapons in South East Europe**. The financial reference amount for the extended period up to 31 December 2005 was set at EUR 330 000 (see doc. 14533/04 for financial statement).

- On 22 November 2004, the Council adopted Decision 2004/792/CFSP¹⁴ extending and amending Decision 1999/730/CFSP implementing Joint Action 1999/34/CFSP with a view to a **European Union's contribution to combating the destabilising accumulation and spread of small arms and light weapons in Cambodia**. The financial reference amount for the extended period up to 15 November 2005 was set at EUR 1 375 565 (see doc. 14531/04 for financial statement).

- On 22 November 2004, the Council adopted Joint Action 2004/797/CFSP¹⁵ on **support for activities of the Organisation for the Prohibition of Chemical Weapons (OPCW)** in the framework of the implementation of the EU Strategy against the Proliferation of Weapons of Mass Destruction. The financial allocation for the three projects amounts to EUR 1 841 000 for a 12-month period (see doc. 14532/1/04 REV 1 for financial statement).

- On 22 November 2004, the Council adopted Joint Action 2004/796/CFSP¹⁶ for the **support of the physical protection of a nuclear site in the Russian Federation**, aiming at reinforcing protection measures for fissile materials at the Bochvar Institute in Moscow, so as to reduce the risk of theft of nuclear material and of sabotage. The total allocation provided for the action amounted to EUR 7 937 000 for three years (see doc. 14986/04 for financial statement).

- On 2 December 2004, the Council adopted Decision 2004/833/CFSP¹⁷ implementing Joint Action 2002/589/CFSP with a view to a **European Union contribution to ECOWAS in the framework of the Moratorium on small arms and light weapons**. The financial reference amount was set at EUR 515 000 (see doc. 14600/04 for financial statement).

¹³ OJ L 348 of 24.11.2004.

¹⁴ OJ L 348 of 24.11.2004.

¹⁵ OJ L 349 of 25.11.2004.

¹⁶ OJ L 349 of 25.11.2004.

¹⁷ OJ L 359 of 4.12.2004.

CIVILIAN CRISES MANAGEMENT OPERATIONS

- On 26 January 2004, the Council adopted Joint Action 2004/87/CFSP¹⁸ amending Joint Action 2003/681/CFSP on the **European Union Police Mission in the Former Yugoslav Republic of Macedonia (EUPOL "Proxima")**. Under the amended Joint Action, a maximum of EUR 6.555 million for *per diems* for mission personnel for 2004 was financed out of the Community budget. Operation "Proxima" was launched on 15 December 2003 (see doc. 5454/04 for financial statement).

- On 22 November 2004, the Council adopted Joint Action 2004/789/CFSP¹⁹ extending the EU Police Mission in the FYROM until 14 December 2005. The mission of EUPOL "Proxima", established by Council Joint Action 2003/681/CFSP, provides support in FYROM regarding: consolidation of law and order, including the fight against organised crime; the implementation of the reform of the Ministry of Internal Affairs, including the police; transition towards, and the creation of a border police; local policing and confidence building within the population; cooperation with neighbouring States in the field of policing. The financial reference amount intended to cover the expenditure related to the extended mission was EUR 15 950 000 for commitment, of which EUR 5 000 000 out of the 2004 budget and EUR 10 950 000 out of the 2005 budget (see doc. 14703/04 for financial statement).

¹⁸ OJ L 21 of 28.1.2004.

¹⁹ OJ L 348 of 24.11.2004.

- On 17 May 2004, the Council adopted Joint Action 2004/494/CFSP²⁰ on **EU support to the establishment of an Integrated Police Unit (IPU) in the Democratic Republic of Congo**. The measure aimed to support the process of consolidation of internal security in the DRC, which is an essential factor for the peace process and the development of the country.

Under the Joint Action, the EU and its Member States contributed with funds and/or contributions in kind to provide the government of the DRC with the law enforcement equipment and arms identified as necessary for the establishment of the IPU. The allocation under the CFSP section of the Community budget was € 585 000. In addition, Belgium, Germany and Hungary agreed to make contributions in kind and the Netherlands, the UK, Sweden, Luxembourg, Ireland and Denmark agreed to make financial contributions. These contributions came in addition to EDF (European Development Fund) funded activities, which included technical assistance, rehabilitation of a training centre and training (see doc. 9252/04 for financial statement).

- On 9 December 2004, the Council adopted Joint Action 2004/847/CFSP²¹ on the **European Union Police Mission in Kinshasa (DRC) regarding the Integrated Police Unit (EUPOL Kinshasa)**. The costs for implementing this Joint Action would be a maximum amount of EUR 4 370 000 to cover the costs during the planning phase and the year 2005 (see doc. 15021/04 for financial statement).

- On 28 June 2004, the Council adopted Joint Action 2004/523/CFSP²² establishing an **EU Rule of Law Mission in Georgia**, in the context of European Security and Defence Policy (ESDP), in order to assist in the development of a government strategy to guide the reform of the country's criminal justice system. The Council also authorised the Secretary-General/High Representative, assisting the Presidency, to open negotiations on an agreement with Georgia, on the status and activities of the Rule of Law Mission. The planning phase of the mission began on 1 July 2004 and the operational phase in mid-July 2004. The mission lasts for one year. The financial reference amount intended to cover the mission's expenditure amounted to EUR 2 050 000. The estimated total size of the mission was approximately 10 international civilian experts plus local staff (see doc. 10650/04 for financial statement).

²⁰ OJ L 182 of 19.5.2004.

²¹ OJ L 367 of 14.12.2004.

²² OJ L 228 of 29.6.2004.

- On 13 September 2004, the Council adopted Joint Action 2004/638/CFSP²³ amending Joint Action 2004/523/CFSP on the European Union Rule of Law Mission in Georgia, **EUJUST THEMIS**. The financial reference amount intended to cover the expenditure related to the mission was increased from EUR 2 050 000 to EUR 2 307 873 (see doc. 11610/04 for financial statement).

- On 6 December 2004, the Council adopted Decision 204/837/CFSP²⁴ concerning the implementation of Joint Action 2002/210/CFSP on the **European Union Police Mission in Bosnia and Herzegovina (EUPM)**. The amount of EUR 17 410 000 covering operational running costs of EUPM in 2005 would be financed in common costs from the general budget of the European Union. The management of the expenditure would be subject to the procedures and rules of the Community applying to budget matters with the exception that any pre-financing would not remain the property of the Community (see doc. 15412/04 for financial statement).

- On 26 November 2004, the Council adopted, by written procedure, Joint Action 2004/909/CFSP²⁵ on establishing an **expert team with a view to a possible European Union integrated police, rule of law and civilian administration mission for Iraq**. The financial reference amount intended to cover the expenditure related to the expert team was set at EUR 1 058 000 for a period until 15 February 2005 (see doc. 15183/1/04 REV 1 for financial statement).

²³ OJ L 291 of 14.9.2004.

²⁴ OJ L 360 of 7.12.2004.

²⁵ OJ L 381 of 28.12.2004.

LEGAL ACTS WITHOUT FINANCIAL IMPLICATIONS FOR THE CFSP LINES
OF THE EU BUDGET

CONFLICT PREVENTION IN AFRICA

On 26 January 2004, the Council adopted Common Position 2004/85/CFSP¹ aimed at supporting the prevention, management and resolution of violent conflicts in Africa by strengthening African capacity and means of action in this field. The Common Position supports peace-keeping in Africa, enabling regular assessment of potential violent conflicts and presenting policy options for early action.

WESTERN BALKANS

a) Former Yugoslav Republic of Macedonia – Restrictive measures against extremists

On 2 February 2004, the Council adopted Common Position 2004/133/CFSP² on restrictive measures against extremists in the former Yugoslav Republic of Macedonia. The Common Position would apply for a 12-month period and would be kept under constant review.

b) International Criminal Tribunal for the former Yugoslavia

On 30 March 2004, the Council adopted Common Position 2004/293/CFSP³ renewing, for a further 12 months, measures aimed at helping the International Criminal Tribunal for the former Yugoslavia by banning the movement of persons who are engaged in activities which help persons at large continue to evade justice, and updating the list of persons subject to the travel ban.

¹ OJ L 21 of 28.1.2004.

² OJ L 39 of 11.2.2004.

³ OJ L 94 of 31.3.2004.

The measures, adopted in April 2003 under Common Position 2003/280/CFSP, are aimed at preventing the entry into the EU of those engaged in helping persons to evade justice for crimes for which ICTY has indicted them, or who are otherwise deemed to be obstructing ICTY's work. As a number of indicted persons are still at large and there is evidence that they are still being assisted in their efforts to evade justice, the Council also imposed some measures targeting the indicted persons on 11 October 2004.

The Common Position, implemented by the Member States, is also aimed at encouraging third countries to adopt similar measures.

On 28 June 2004, the Council adopted Decision implementing Common Position 2004/293/CFSP⁴ renewing measures in support of the effective implementation of the mandate of the International Criminal Tribunal for the former Yugoslavia (ICTY).

On 26 July 2004, the Council adopted Decision 2004/731/EC⁵ concerning the conclusion of the Agreement between the European Union and Bosnia and Herzegovina on security procedures for the exchange of classified information.

On 11 October 2004, the Council adopted Common Position 2004/694/CFSP⁶ on further measures in support of the effective implementation of the mandate of the International Criminal Tribunal for the former Yugoslavia, in order to freeze all funds and economic resources belonging to persons indicted by the ICTY.

On 15 November 2004, the Council adopted Decision 2004/767/CFSP⁷ implementing Common Position 2004/694/CFSP on further measures in support of the effective implementation of the mandate of the International Criminal Tribunal for the former Yugoslavia, in order to freeze all funds and economic resources belonging to persons indicted by the ICTY.

⁴ OJ L 94 of 31.3.2004.

⁵ OJ L 324 of 27.10.2004.

⁶ OJ L 315 of 14.10.2004.

⁷ OJ L 339 of 16.11.2004.

On 22 December 2004, the Council adopted Decision 2004/900/CFSP⁸ implementing Common Position 2004/694/CFSP on further measures in support of the effective implementation of the mandate of the International Criminal Tribunal for the former Yugoslavia, in order to replace the list of persons set out in the Annex to Common Position.

BELARUS

On 24 September 2004, the Council adopted Common Position 2004/661/CFSP⁹ concerning restrictive measures against certain officials mentioned in the "Pourgourides Report" of the Parliamentary Assembly of the Council of Europe.

On 13 December 2004, the Council adopted Common Position 2004/848/CFSP¹⁰ amending Common Position 2004/661/CFSP concerning restrictive measures against certain officials of Belarus (and related corrigendum L 5 of 7.01.2005.)

BURMA/MYANMAR

On 26 April 2004, the Council adopted Common Position 2004/423/CFSP¹¹ renewing sanctions against the military regime in Burma/Myanmar, extending measures that were due to expire on 29 April without either strengthening or weakening the effect of the sanctions.

On 25 October 2004, the Council adopted Common Position 2004/730/CFSP¹² on additional restrictive measures against Burma/Myanmar amending Common Position 2004/423/CFSP.

⁸ OJ L 379 of 24.12.2004.

⁹ OJ L 301 of 28.9.2004.

¹⁰ OJ L 367 of 14.12.2004.

¹¹ OJ L 125 of 28.4.2004

¹² OJ L 323 of 26.10.2004.

COTE D'IVOIRE

On 13 December 2004, the Council adopted Common Position 2004/852/CFSP¹³ concerning restrictive measures against Côte d'Ivoire aimed at implementing UN Security Council Resolution 1572(2004).

The Common Position provides for prohibitive measures as regard the sale or supply of arms by nationals of Member States or from EU territories; the supply of technical assistance related to military activities; provision of financial assistance or materials that may be used for internal repression; entry into the EU of persons who constitute a threat to the peace and national reconciliation process in Côte d'Ivoire, or who are considered responsible for violations of human rights and international humanitarian law, as well as the freezing of those persons' funds and economic resources.

IRAQ

On 19 July 2004, the Council adopted Common Position 2004/553/CFSP¹⁴ implementing certain measures and amending Common Position 2003/495/CFSP on Iraq.

LIBERIA

On 10 February 2004, the Council adopted Common Position 2004/137/CFSP¹⁵ aimed at modifying sanctions in force against Liberia since May 2001, in conformity with United Nations Security Council Resolution 1521, adopted on 22 December.

The UN Security Council decided to modify some of the measures in the light of changed circumstances in Liberia, following the departure of President Charles Taylor and the formation of the a National Transitional Government. The new sanctions include a ban on technical assistance, services and financial assistance related to military activities, and on imports of rough diamonds and round logs from Liberia.

¹³ OJ L 368 of 15.12.2004.

¹⁴ OJ L 246 of 20.7.2004.

¹⁵ OJ L 40 of 12.2.2004.

On 29 April 2004, the Council adopted Common Position 2004/487/CFSP¹⁶ modifying sanctions in force against Liberia in order to provide for a freeze of funds and other financial assets and resources owned by Charles Taylor, the former Liberian President, Jewell Howard Taylor, Charles Taylor Jr. and other designated persons.

The modified sanctions implement measures approved by the United Nations on 12 March under Security Council Resolution 1522 (2004). Sanctions against Liberia have been in force since May 2001.

On 22 December 2004, the Council adopted Common Position 2004/902/CFSP¹⁷ extending Common Position 2004/137/CFSP concerning restrictive measures against Liberia.

LIBYA

On 14 October 2004, the Council adopted Common Position 2004/698/CFSP¹⁸ concerning the lifting of restrictive measures against Libya.

FIGHT AGAINST TERRORISM

On 2 April 2004, the Council adopted Common Position 2004/309/CFSP¹⁹ updating Common Position 2001/931/CFSP on specific measures to combat terrorism and repealing Common Position 2003/906/CFSP.

The measures foreseen in Common Position 2001/931/CFSP included the freezing of funds and other financial assets or economic resources for the persons and entities specified, ensuring that funds, financial assets or economic resources or financial or other related services would not be made available, directly or indirectly, for the benefit of these persons, groups and entities, as well as police and judicial co-operation between Member States.

¹⁶ OJ L 162 of 30.4.2004.

¹⁷ OJ L 379 of 24.12.2004.

¹⁸ OJ L 317 of 16.10.2004.

¹⁹ OJ L 99 of 3.4.2004.

On 17 May 2004, the Council adopted Common Position 2004/500/CFSP²⁰ updating Common Position 2001/931/CFSP on the application of specific measures to combat terrorism and repealing Common Position 2004/309/CFSP.

MOLDOVA

On 23 February 2004, the Council adopted Common Position 2004/179/CFSP²¹ renewing sanctions against those in the leadership of the Transnistrian region in Moldova who were deemed responsible for preventing progress in arriving at a political settlement of the conflict in Transnistria. The Common Position renewed the sanctions until 27 February 2005. It prolonged the existing visa ban on the Transnistrian leadership, whilst maintaining the possibility of amending the list of persons subject to the ban as well as of lifting the ban in the light of future developments.

On 26 August 2004, the Council adopted Common Position 2004/622/CFSP²² amending Common Position 2004/179/CFSP concerning restrictive measures against the leadership of the Transnistrian region of the Moldovan Republic.

SMALL ARMS AND LIGHT WEAPONS

On 22 December 2004, the Council adopted Decision 2004/901/CFSP²³ amending Decision 1999/730/CFSP implementing Joint Action 1999/34/CFSP with a view to a European Union contribution to combating the destabilising accumulation and spread of small arms and light weapons in Cambodia. The terms of reference for the Project Manager were adapted accordingly.

²⁰ OJ L 196 of 3.6.2004.

²¹ OJ L 55 of 24.2.2004.

²² OJ L 279 of 28.8.2004

²³ OJ L 379 of 24.12.2004.

ESDP

a) Civilian aspects

- EU Police mission in Bosnia and Herzegovina (EUPM)

On 23 February 2004, the Council, upon a proposal by High Representative SOLANA, adopted Decision 2004/188/CFSP²⁴ appointing Mr Kevin CARTY as Head of Mission/Police Commissioner of EUPM as of 1 March 2004. Mr CARTY was Assistant Commissioner in charge of the Dublin Metropolitan Region since February 2003. His appointment followed the death of the first EUPM Head of Mission/Police Commissioner, Sven FREDERIKSEN, on 26 January 2004.

- European Union Police Mission in the former Yugoslav Republic of Macedonia (EUPOL, Proxima)

On 10 February 2004, the Political and Security Committee adopted Decision 2004/190/CFSP²⁵ on the acceptance of non-acceding third States' contributions to the European Union Police Mission in the former Yugoslav Republic of Macedonia (EUPOL "Proxima").

On 5 July 2004, the Council adopted Decisions 2004/809/CFSP, 2004/810/CFSP, 2004/811/CFSP²⁶ concerning the conclusion of the Agreement between the European Union and the Swiss Confederation, Ukraine, the Kingdom of Norway, respectively, and on 19 July 2004, the Council adopted Decision 2004/812/CFSP²⁷ concerning the conclusion of the Agreement between the European Union and Turkey, on the participation of the above mentioned countries in the EU Police Mission (EUPOL "Proxima") in the former Yugoslav Republic of Macedonia.

On 30 November 2004, the Political and Security Committee adopted Decision 2004/846/EC²⁸ concerning the appointment of Mr Jürgen SCHOLZ as the Head of Mission of the EU Police Mission in the former Yugoslav Republic of Macedonia (EUPOL Proxima) from 15 December 2004.

²⁴ OJ L 58 of 26.2.2004.

²⁵ OJ L 60 of 27.2.2004.

²⁶ OJ L 354 of 30.11.2004.

²⁷ OJ L 354 of 30.11.2004.

²⁸ OJ L 367 of 14.12.2004.

- EU Rule of Law Mission in Georgia

On 30 June 2004, the Political and Security Committee adopted decision 2004/540/CFSP²⁹ concerning the appointment of Ms Sylvie PANTZ as Head of Mission of the EU Rule of Law Mission in Georgia, in the context of ESDP, EUJUST THEMIS.

On 22 November, the Council adopted Decision 2004/924/CFSP³⁰ approving an Agreement with Georgia on the status and activities of the EU Rule of Law Mission in Georgia.

- European Union Police Mission in Kinshasa (DRC) regarding the Integrated Police Unit (EUPOL Kinshasa)

On 9 December 2004, the Political and Security Committee adopted Decision 2004/931/CFSP³¹ concerning the appointment of Mr Adílio CUSTÓDIO as the Head of Mission of the EU Police Mission in Kinshasa (DRC) from the day the mission was launched.

b) Military aspects

- On 21 September 2004, the Political and Security Committee adopted Decision 2004/732/CFSP³² on the acceptance of third states' contributions to the European Union military operation in Bosnia and Herzegovina.

On 24 September 2004, the Political and Security Committee adopted Decision 2004/733/CFSP³³ on the appointment of General Sir John REITH as EU Operation Commander for the European Union military operation in Bosnia and Herzegovina.

On 29 September 2004, the Political and Security Committee adopted Decision 2004/739/CFSP³⁴ on the setting-up of the Committee of Contributors for the European Union military operation in Bosnia and Herzegovina.

²⁹ OJ L 239 of 9.7.2004.

³⁰ OJ L 389 of 30.12.2004.

³¹ OJ L 396 of 31.12.2004.

³² OJ L 324 of 27.10.2004.

³³ OJ L 324 of 27.10.2004.

³⁴ OJ L 325 of 28.10.2004.

On 25 November 2004, the Council adopted Decision 2004/803/CFSP³⁵ on the launching of the European Union military operation in Bosnia and Herzegovina (“ALTHEA”).

On 20 December 2004, the Council adopted Decision 2005/44/CFSP³⁶ concerning the conclusion of the Agreement between the European Union and the Swiss Confederation on the participation of the Swiss Confederation in the European Union military crisis management operation in Bosnia and Herzegovina.

- On 12 July 2004, the Council adopted Joint Action 2004/570/CFSP³⁷ on the European Union military operation in Bosnia and Herzegovina. Admiral Rainer FEIST, Deputy Supreme Allied Commander for Europe (D-SACEUR), was appointed EU Operation Commander. EU Operational Headquarters were to be located at the Supreme Headquarters of Allied Powers in Europe (SHAPE). Major General A. David LEAKEY (UK) was appointed EU Force Commander. The EU Special Representative was to promote overall EU political coordination in BiH. Common costs of the EU military operation were to be administered by the "ATHENA" mechanism (contributions by Member States on a GDP-based key). Financial reference amount for the common costs of the operation: EUR 71,7 million. Non-EU European NATO members and Canada were able to participate in the EU military operation if they so wished; countries which were candidates for accession to the EU could be invited to participate in the operation in accordance with the agreed modalities; potential partners and other third states could also be invited to participate in the operation.

³⁵ OJ L 353 of 27.11.2004.

³⁶ OJ L 20 of 22.1.2004.

³⁷ OJ L 252 of 28.7.2004.

- EUROPEAN DEFENCE AGENCY

On 12 July 2004, the Council adopted Joint Action 2004/551/CFSP³⁸ establishing an Agency in the field of defence capabilities development, research, acquisition and armaments - to be known as the European Defence Agency - following the political agreement it had reached on 14 June in Luxembourg. The agency would aim at developing defence capabilities in the field of crisis management, promoting and enhancing European armaments cooperation, strengthening the European defence industrial and technological base and creating a competitive European defence equipment market. The Council also approved the European Defence Agency's general budget for 2004. The total budget was set at EUR 1 925 748.

On 13 September 2004, the Council adopted Decision 2004/658/CFSP³⁹ on the financial provisions applicable to the general budget of the European Defence Agency. The Decision sets out the principles and rules to be applied to the Agency's general budget, including annuality, financial actors, management procedures, revenue and expenditure, procurement procedures, control, audit and presentation of accounts.

On 24 September 2004, the Council adopted Decision 2004/676/EC⁴⁰ concerning the Staff Regulations of the European Defence Agency.

On 24 September 2004, the Council adopted Decision 2004/677/EC⁴¹ concerning the Rules applicable to national experts and military staff on secondment to the European Defence Agency.

³⁸ OJ L 245 of 17.7.2004.

³⁹ OJ L 300 of 25.9.2004.

⁴⁰ OJ L 310 of 7.10.2004.

⁴¹ OJ L 310 of 7.10.2004.

- ATHENA

On 23 February 2004, the Council adopted Decision 2004/197/CFSP⁴² establishing a mechanism to administer the financing of the common costs of European Union operations having military or defence implications.

This mechanism, called "Athena", is intended to offer a more permanent basis for the financing of operations and reduce the time necessary for the EU to start financing the common costs of an operation.

On 28 April 2004, the Representatives of the governments of the Member States, meeting within the Council, adopted Decision 2004/582/EC⁴³ concerning privileges and immunities granted to ATHENA.

On 22 December 2004, the Council adopted Decision 2004/925/EC⁴⁴ amending Decision 2004/197/CFSP establishing a mechanism to administer the financing of the common costs of the European Union operations having military or defence implications (ATHENA).

- Rules applicable to national experts and military staff on secondment to the GSC

On 8 March 2004, the Council adopted Decision 2004/240/EC⁴⁵ amending Decision 2003/479/EC concerning the rules applicable to national experts and military staff on secondment to the General Secretariat of the Council.

EUROPEAN SATELLITE RADIO-NAVIGATION SYSTEM

On 12 July 2004, the Council adopted Joint Action 2004/552/CFSP⁴⁶ on aspects of the operation of the European satellite radio-navigation system affecting the security of the European Union.

The purpose of the Joint Action was that in the event of a threat to the security of the European Union or of a Member State arising from the operation or use of the system, or in the event of a threat to the operation of the system, in particular as a result of an international crisis, the Council, acting unanimously, would decide on the necessary instructions to the European GNSS Supervisory Authority (SA) and the concession holder of the system.

⁴² OJ L 63 of 28.2.2004.

⁴³ OJ L 261 of 6.8.2004.

⁴⁴ OJ L 395 of 31.12.2004.

⁴⁵ OJ L 74 of 12.3.2004.

⁴⁶ OJ L 246 of 20.7.2004.

MIDDLE EAST PEACE PROCESS

On 17 May 2004, the Council adopted Common Position 2004/493/CFSP⁴⁷ extending the validity of national permits for certain Palestinians temporarily received by EU Member States for a period of six months. The measure concerned a group of Palestinians in respect of whom a Memorandum of Understanding had been reached between the Palestinian Authority and the Government of Israel as of 5 May 2002 concerning the peaceful evacuation of the Church of the Nativity in Bethlehem and who had agreed to be transferred temporarily to EU Member States.

On 2 November 2004, the Council adopted Common Position 2004/748/CFSP⁴⁸ extending the validity of national permits for certain Palestinians temporarily received by EU Member States for a further period of 12 months.

MEDITERRANEAN REGION

On 5 November 2004, the European Council adopted Decision 2004/763/2004⁴⁹ amending Common Strategy 2000/458/CFSP on the Mediterranean region in order to extend the period of its application until 23 January 2006.

SECURITY AGREEMENT

On 26 July 2004, the Council adopted Decision 2004/843/CFSP⁵⁰ concerning the conclusion of the Agreement between the European Union and the Kingdom of Norway on security procedures for the exchange of classified information.

SUDAN

On 9 January 2004, the Council adopted Common Position 2004/31/CFSP⁵¹ concerning the imposition of an embargo on arms, munitions and military equipment on Sudan. The Common Position consolidated the embargo on arms, munitions and military equipment, including the transfer of military technology, imposed by Decision 94/165/CFSP⁵² with other measures, notably certain humanitarian exemptions.

⁴⁷ OJ L 181 of 18.5.2004.

⁴⁸ OJ L 329 of 4.11.2004.

⁴⁹ OJ L 337 of 13.11.2004.

⁵⁰ OJ L 362 of 9.12.2004.

⁵¹ OJ L 6 of 10.1.2004.

⁵² OJ L 75 of 17.3.1994.

On 10 June 2004, in order to allow for the exemptions to the arms embargo also for the Africa Union-led Ceasefire Commission in Darfur, the Council adopted Common Position 2004/510/CFSP⁵³ amending again Common Position 2004/31/CFSP.

ZIMBABWE

On 19 February 2004, the Council adopted Common Position 2004/161/CFSP⁵⁴ amending and extending targeted sanctions against Zimbabwe provided for by Common Position 2003/115/CFSP, in the light of a continued deterioration in the human rights situation.

Extended for 12 months, the sanctions take the form of an embargo on the sale, supply or transfer of arms and technical advice, assistance or training related to military activities, and an embargo on the sale and supply of equipment that could be used for internal repression in Zimbabwe.

They also include a travel ban on persons who engage in serious violations of human rights and of freedom of opinion, of association and of peaceful assembly in Zimbabwe, and a freezing of their funds, financial assets and economic resources. The list of persons subject to these measures has been updated.

⁵³ OJ L 209 of 11.6.2004.

⁵⁴ OJ L 50 of 20.2.2004.

ACTES JURIDIQUES PESC 2004

LISTE THÉMATIQUE

DATE	OBJET	BASE JURIDIQUE	RÉFÉRENCE J.O.
AFGHANISTAN			
28.06.2004	Prorogation M. Francesco VENDRELL comme représentant spécial	art. 14, art. 18 § 5, art. 23 § 2	2004/533/PESC L 234 (03.07.2004)
AFRIQUE			
26.01.2004	Prévention, gestion et règlement des conflits; abrogation de la position commune 2001/374/PESC	art. 15	2004/085/PESC L 021 (28.01.2004)
BALKANS OCCIDENTAUX			
22.12.2004	Renouvellement des mesures définies à l'appui d'une mise en œuvre effective du mandat du TPIY	art. 2, art. 23 § 2	2004/900/PESC L 379 (24.12.2004)
15.11.2004	Renouvellement des mesures définies à l'appui d'une mise en œuvre effective du mandat du TPIY	art. 2, art. 23 § 2	2004/767/PESC L 339 (16.11.2004)
11.10.2004	Renouvellement des mesures définies à l'appui d'une mise en œuvre effective du mandat du TPIY	art. 15	2004/694/PESC L 315 (14.10.2004)
26.07.2004	Accord entre UE et BiH sur les procédures de sécurité pour l'échange d'informations classifiées	art. 24, art. 38	2004/731/CE L 324 (27.10.2004)
26.07.2004	Nomination M. SAHLIN comme Représentant spécial dans l'ARYM	art. 14, art. 18 § 5, art. 23 § 2	2004/565/PESC L 251 (27.07.2004)
12.07.2004	Prorogation Lord Ashdown comme Représentant spécial en Bosnie-Herzégovine	art. 14, art. 18 § 5, art. 23 § 2	2004/569/PESC L 252 (28.07.2004)
28.06.2004	Prorogation M. Søren JESSEN-PETERSEN comme représentant spécial ARYM	art. 14, art. 18 § 5, art. 23 § 2	2004/531/PESC L 234 (03.07.2004)
28.06.2004	Renouvellement des mesures définies à l'appui d'une mise en œuvre effective du mandat du TPIY	art. 2, art. 23 § 2	2004/528/PESC L 233 (02.07.2004)
30.03.2004	Renouvellement des mesures définies à l'appui d'une mise en œuvre effective du mandat du TPIY	art. 15	2004/293/PESC L 094 (31.03.2004)
10.02.2004	Mesures restrictives à l'égard d'extrémistes dans l'ARYM	art. 15	2004/133/PESC L 039 (11.02.2004)
26.01.2004	Nomination de M. JESSEN-PETERSEN comme représentant spécial dans l'ARYM	art. 14, art. 8 § 5, art. 23 § 2	2004/086/PESC L 021 (28.01.2004)
BIELORUSSIE			
13.12.2004	Mise à jour Position Commune 2004/661/PESC	art. 15	2004/848/PESC L 367 (14.12.2004) + rectificatif L 5 (07.01.2005)
24.09.2004	Mesures restrictives à l'encontre de certains fonctionnaires de Biélorussie	art. 15	2004/661/PESC L 301 (28.09.2004)
BIRMANIE			
25.10.2004	Mesures restrictives supplémentaires, modification Position Commune 2004/423/PESC	art. 15	2004/730/PESC L 323 (26.10.2004)
26.04.2004	Mesures restrictives à l'encontre de la Birmanie/du Myanmar	art. 15	2004/423/PESC L 125 (28.04.2004)
CAUCASE DU SUD			
28.06.2004	Prorogation M. Heikki TALVITIE comme représentant spécial	art. 14, art. 18 § 5, art. 23 § 2	2004/532/PESC L 234 (03.07.2004)
COTE D'IVOIRE			
13.12.2004	Mesures restrictives à l'encontre de la Côte d'Ivoire	art. 15	2004/852/PESC L 368 (15.12.2004)

DATE	OBJET	BASE JURIDIQUE	RÉFÉRENCE J.O.
IRAQ			
26.11.2004	Constitution d' une équipe d'experts en vue de l'organisation éventuelle d'une mission intégrée de l'Union européenne agissant dans les domaines de la police, de l'État de droit et de l'administration civile en Iraq	art. 14, art. 26	2004/909/PESC L 381 (28.12.2004)
19.07.2004	Modification de la Position Commune 2003/495/PESC	art. 15	2004/553/PESC L 246 (20.07.2004)
LIBERIA			
22.12.2004	Mise à jour de la Position Commune 2004/137/PESC	art. 15	2004/902/PESC L 379 (24.12.2004)
29.04.2004	Nouvelles mesures restrictives	art. 15	2004/487/PESC L 162 (30.04.2004)
10.02.2004	Mesures restrictives à l'encontre du Liberia; abrogation de la position commune 2001/357/PESC	art. 15	2004/13//PESC L 040 (12.02.2004)
LIBYE			
14.10.2004	Levée des mesures restrictives	art. 15	2004/698/PESC L 317 (16.10.2004)
LUTTE CONTRE LE TERRORISME			
17.05.2004	Mise à jour de la position commune 2001/931/PESC et abrogation de la position commune 2004/309/PESC	art. 15 et 34	2004/500/PESC L 196 (03.06.2004)
02.04.2004	Mise à jour de la position commune 2001/931/PESC et abrogation de la position commune 2003/906/PESC	art. 15 et 34	2004/309/PESC L 099 (03.04.2004)
MOLDAVIE			
26.08.2004	Mesures restrictives à l'encontre des dirigeants de la région de Transnistrie	art. 15	2004/622/PESC L 279 (28.08.2004)
23.02.2004	Mesures restrictives à l'encontre des dirigeants de la région de Transnistrie	art. 15	2004/179/PESC L 055 (24.02.2004)
NON-PROLIFERATION			
22.12.2004	Lutte contre l'accumulation et la diffusion déstabilisatrices des ALPC au Cambodge	art. 6, art. 23 § 2	2004/901/PESC L 379 (24.12.2004)
02.12.2004	Contribution de l'Union Européenne à la Communauté économique des Etats de l'Afrique de l'Ouest (CEDEAO) dans le cadre du moratoire sur les ALPC	art. 3, art. 23 § 2	2004/833/PESC L 359 (04.12.2004)
22.11.2004	Soutien à l'Organisation pour l'interdiction des armes chimiques (OIAC)	art. 14	2004/797/PESC L 349 (25.11.2004)
22.11.2004	Contribution de l'UE lutte accumulation et diffusion ALPC dans au Cambodge	art. 23 § 2	2004/792/PESC L 348 (24.11.2004)
22.11.2004	Contribution de l'UE lutte accumulation et diffusion ALPC dans le S-E de l'Europe	art. 6, art. 23 § 2	2004/791/PESC L 348 (24.11.2004)
22.11.2004	Contribution de l'UE à la destruction des munitions pour ALPC en Albanie	art. 6, art. 23 § 2	2004/790/PESC L 348 (24.11.2004)
17.05.2004	Soutien aux activités de l'AIEA pour son programme de sécurité nucléaire et dans le cadre de la mise en oeuvre de la stratégie de l'UE contre la prolifération des armes de destruction massive	art. 14	2004/495/PESC L 182 (19.05.2004)
PESD			
22.12.2004	Modifiant décision 2004/197/PESC créant un mécanisme de gestion du financement des coûts communs des opérations de l'UE ayant des implications militaires ou dans le domaine de la défense (ATHENA)	art. 13 § 3, art. 28 § 3	2004/925/EC L 395 (31.12.2004)
20.12.2004	Participation de la Confédération suisse à l'opération militaire de gestion de crise menée par l'UE en Bosnie-Herzégovine (opération ALTHEA)	art. 24	2005/44/PESC L 20 (22.01.2005)
09.12.2004	Nomination de M. Adílio CUSTÓDIO comme chef de la Mission de Police de l'UE à Kinshasa (RDC), EUPOL "Kinshasa"	art. 23 § 3	2004/931/PESC L 396 (31.12.2004)
09.12.2004	Création Mission de Police de l'UE, EUPOL "Kinshasa"	art. 14, art. 25 § 3, art. 26, art. 28 § 3	2004/847/PESC L 367 (14.12.2004)
09.12.2004	Nomination du chef de la mission de police de l'UE dans l'ARYM (EUPOL Proxima)	art. 25 § 3	2004/846/EC PROXIMA/2/2004 L 367 (14.12.2004)
06.12.2004	Mission de Police de l'Union Européenne	art. 9 § 1, art. 23 § 2	2004/837/PESC L 360 (07.12.2004)

DATE	OBJET	BASE JURIDIQUE	RÉFÉRENCE J.O.
25.11.2004	Lancement de l'opération militaire de l'UE en Bosnie-Herzégovine (opération ALTHEA)	art. 17	2004/803/PESC L 353 (27.11.2004)
22.11.2004	Conclusion de l'accord entre l'Union européenne et la Géorgie relatif au statut et aux activités de la mission «État de droit» de l'Union européenne en Géorgie, EUJUST THEMIS	art. 24	2004/924/PESC L 389 (30.12.2004)
22.11.2004	Prorogation Mission de Police de l'UE dans l'ARYM (EUPOL Proxima)	art. 14, art. 25 § 3 art. 26, art. 28 § 3	2004/789/PESC L 348 (24.11.2004)
22.11.2004	Prorogation mandat Mission de Surveillance de l'Union Européenne	art. 14	2004/794/PESC L 349 (25.11.2004)
22.11.2004	Prorogation mandat Chef de la Mission de Surveillance de l'Union Européenne	art. 23 § 2	2004/795/PESC L 349 (25.11.2004)
03.11.2004	Modification contributions d'Etats tiers à l'opération militaire de l'UE en Bosnie-Herzégovine	art. 25 § 3	2004/822/PESC BiH/5/2004 L 357 (02.12.2004)
19.10.2004	Nomination chef commandement de l'UE à Naples pour l'opération militaire de l'UE en BiH	art. 25 § 3	2004/821/PESC BiH/4/2004 L 357 (02.12.2004)
29.09.2004	Etablissement du Comité des Contributeurs pour l'opération militaire de l'UE en BiH	art. 25 § 3	2004/739/PESC BiH/3/2004 L 325 (28.10.2004)
24.09.2004	Nomination du Commandant de l'opération militaire de l'UE en BiH	art. 25 § 3	2004/733/PESC BiH/2/2004 L 324 (27.10.2004)
24.09.2004	Statut des agents de l'Agence européenne de défense	art. 3 § 3 pt 3.1. action commune 2004/551/PESC	2004/676/CE L 310 (07.10.2004)
24.09.2004	Régime applicable aux experts et militaires nationaux détachés auprès de l'Agence européenne de défense	art. 11 § 3 pt 3.2. action commune 2004/551/PESC	2004/677/CE L 310 (07.10.2004)
21.09.2004	Contributions d'Etats tiers à l'opération militaire de l'UE en Bosnie-Herzégovine	art. 25 § 3	2004/732/PESC BiH/1/2004 L 324 (27.10.2004)
13.09.2004	Décision du Conseil portant dispositions financières applicables au budget de l'Agence européenne de défense	art. 14	2004/658/PESC L 300 (25.09.2004)
13.09.2004	Modification de l'Action commune 2004/523/ PESC, EUJUST THEMIS	art. 14, art.25 al. 3, art. 26	2004/638/PESC L 291 (14.09.2004)
19.07.2004	Participation de la Turquie à EUPOL Proxima	art. 24	2004/812/PESC L 354 (30.11.2004)
12.07.2004	Opération militaire de l'UE en Bosnie-Herzégovine	art. 14, art. 25 § 3, art. 26, art. 28 § 3	2004/570/PESC L 252 (28.07.2004)
12.07.2004	Aspects de l'exploitation du système européen de radionavigation par satellite	art. 14	2004/552/PESC L 246 (20.07.2004)
12.07.2004	Création de l'Agence européenne de défense	art. 14	2004/551/PESC L 245 (17.07.2004)
05.07.2004	Participation du Royaume de Norvège à EUPOL Proxima	art. 24	2004/811/PESC L 354 (30.11.2004)
05.07.2004	Participation de l'Ukraine à EUPOL Proxima	art. 24	2004/810/PESC L 354 (30.11.2004)
05.07.2004	Participation de la Confédération Suisse à EUPOL Proxima	art. 24	2004/809/PESC L 354 (30.11.2004)
30.06.2004	Nomination du chef de la mission Etat de droit de l'UE en Géorgie, dans le cadre de la PESD, EUJUST THEMIS	art. 25 § 3	2004/540/PESC THEMIS/1/2004 L 239 (09.07.2004)
28.06.2004	Mission Etat de droit menée par l'Union européenne en Géorgie, EUJUST THEMIS	art. 14, art.25 al. 3, art. 26	2004/523/PESC L 228 (29.06.2004)
17.05.2004	Soutien par l'UE à la mise en place de l'unité de police intégrée en RDC	art. 14	2004/494/PESC L 182 (19.05.2004)
28.04.2004	Décision des Représentants des Gouvernements des Etats membres, réunis au sein du Conseil, concernant les privilèges et immunités accordés à ATHENA	Titre V	2004/582/CE L 261 (06.08.2004)
08.03.2004	Régime applicable aux experts et militaires nationaux détachés auprès du secrétariat général du Conseil	art. 28 § 1	2004/240/CE L 074 (12.03.2004)

DATE	OBJET	BASE JURIDIQUE	RÉFÉRENCE J.O.
23.02.2004	Mécanisme de gestion du financement des coûts communs des opération ayant des implications militaires ou dans le domaine de la défense (ATHENA)	art. 13§3, 28§3	2004/197/PESC L 63 (28.02.2004)
23.02.2004	Nomination du Chef de la Mission/commissaire de police de la MPUE, M. Bartholomew Kevin Carty	art. 23 § 2 action commune 2002/210/PESC	2004/188/PESC L 58 (26.02.2004)
10.02.2004	Acceptation de contributions d'Etats tiers autres que les Etats adhérents à la mission de police dans l'ARYM (EUPOL "Proxima")	art. 25, al. 3	2004/190/PESC PROXIMA/1/2004 L 60 (27.02.2004)
26.01.2004	Mission de police de l'UE dans l'ARYM (EUPOL "Proxima"): financement des indemnités journalières	art. 14	2004/087/PESC L 021 (28.01.2004)
PROCESSUS DE PAIX AU MOYEN-ORIENT			
02.11.2004	Accueil temporaire de certains Palestiniens par des États membres de l'UE	art. 15	2004/748/PESC L 329 (04.11.2004)
28.06.2004	Prorogation M. Marc OTTE comme représentant spécial Processus de Paix	art. 14, art. 18 § 5, art. 23 § 2	2004/534/PESC L 234 (03.07.2004)
17.05.2004	Accueil temporaire de certains Palestiniens par des États membres de l'UE - Modification de la Position commune 2002/400/PESC	art. 15	2004/493/PESC L 181 (18.05.2004)
RÉGION DES GRANDS LACS			
28.06.2004	Prorogation M. Aldo AJELLO comme représentant spécial	art. 14, art. 18 § 5, art. 23 § 2	2004/530/PESC L 234 (03.07.2004)
RÉGION MÉDITERRANÉENNE			
05.11.2004	Modification et prorogation stratégie commune 2000/458/PESC	art. 13 § 2	2004/763/PESC L 337 (13.11.2004)
RUSSIE			
22.11.2004	Protection physique d'un site nucléaire de la Fédération de Russie	art. 14	2004/796/PESC L 349 (25.11.2004)
SECURITE			
26.07.2004	Accord entre l'UE et le Royaume de Norvège sur les procédures de sécurité pour l'échange d'informations classifiées	art. 24, art. 38	2004/843/PESC L 362 (09.12.2004)
SOUDAN			
10.06.2004	Embargo sur les armes	art. 15	2004/510/PESC L 209 (11.06.2004)
09.01.2004	Embargo sur les armes	art. 15	2004/31/PESC L 6 (10.1.2004)
ZIMBABWE			
19.02.2004	Renouvellement des mesures restrictives	art. 15	2004/161/PESC L 050 (20.02.2004) Addendum: L 57 (25.02.2004)