

## **The Priorities of the Dutch Presidency of the EU, June 2004**

The European Policy Centre welcomed the Permanent Representative of the Netherlands to the European Union, HE Tom de Bruijn, to an EPC Breakfast Policy Briefing to discuss "The Priorities of the Dutch EU Presidency." The meeting was chaired by EPC Founding Chairman, Stanley Crossick. A question and answer session followed Ambassador de Bruijn's presentation. This is not an official record of the proceedings and specific remarks are not necessarily attributable.

### **Summary**

Outlining the priorities of the Dutch EU Presidency, the Permanent Representative of the Netherlands to the EU, Tom de Bruijn, said that despite the institutional changes in the EU over the coming months, his country was committed to stepping up the Union's work on core issues such as Justice and Home Affairs, five years after Tampere, the Lisbon Agenda, Better Regulation and the coming EU Financial Perspectives that will secure its financial planning until 2013.

### **Event Report**

Opening his presentation, Ambassador de Bruijn reflected briefly on the evolution of the EU Presidency more generally, before turning to the priorities of his own country at the head of the Union. He noted that the rotating presidency had had little importance in the early days of the EU, with the Commission as the guiding force. This had changed over time, particularly with the progressive series of enlargement of the EU. The discussions in the Convention toward a European Constitution had again put the role of the presidency in the spotlight. He was personally relieved to see the idea of team presidencies abandoned, because he felt that rotating presidencies could fulfil the fundamental objectives of ensuring continuity in EU politics and play the necessary external representative role. Teams would have likely led to "mess" in the European Union. Rotating presidencies had the added benefit of increasing ownership in the European project, not only for the government of the presiding country, but more importantly for its citizens.

### **Priorities of the Dutch Presidency**

The Dutch Presidency came at a time of extreme change in the European Union, with the European Parliamentary elections over the weekend and with a slowly disintegrating Commission and the review of the Council Secretary General Javier Solana and Deputy Secretary General Affairs Pierre de Boissieu imminent. These were the three "handicaps" he saw, which could potentially impede or at least slow down some of the legislative plans of the Dutch Presidency. The newly elected European Parliament would not be fully constituted to take up the functions of co-decision until the autumn, while key Commissioners had already left or were planning to leave during the final months of their tenure, taking up positions in their national capitals. While the decision on the new Commission President would be taken at the European Council meeting in the coming week, he or she then would have to establish his or her 'team' and it, in turn needed to be questioned and approved by the European Parliament.

The decision on the Constitution, scheduled for the European Council meeting on 17/18 June would also have an impact on the work of his country's presidency. He expressed confidence that an agreement would, however, be reached and that the Dutch Presidency would then have to prepare the practical work for its entry into force. The preparation for the institutional changes (Foreign Minister; diplomatic service...) would also fall under the Dutch responsibility.

### **Setting the Agenda**

Sketching out the agenda items up for discussion at the November and December Council meetings, Ambassador de Bruijn highlighted Justice and Home Affairs, the Lisbon Agenda, Better Regulation and the further enlargement of the EU as key areas of work under the Dutch Presidency.

The November Council meeting would be the first after the nomination and approval of the new Commission. Justice and Home Affairs (JHA) would be the main focus of this particular meeting, he said, as part of the five-year, post-Tampere review. The Dutch government had now "more or less" concluded a programme, which had been first discussed at the JHA Council meeting in Luxembourg on 8 June. The Presidency hoped to present the Council with a 5-year legislative work plan at the summit. These proposals would be based on the different 'hard' and 'soft policy' fields in the JHA realm, with the goal of setting realistic targets. A top priority would clearly be the fight against terrorism, he noted, based on the findings of the de Vries report. Additionally, the Dutch Presidency wanted to emphasize the development of a common asylum system. While there had been considerable progress in this specific area over the past year, the current proposal represented little more than minimum standards. He hoped that in the coming years a "forward-looking, real system" could be created.

The Ambassador was adamant that part and parcel of tackling the “chain of problems in immigration policy” was to put greater emphasis on integration policies. “While we don’t want to legislate on integration, we must find means to share best practices on a European level,” he said. On police cooperation, he noted that there had been too much focus on the legislative level and not enough on the sharing of information and intelligence as well as basic cooperation on the ground. “In the real world, people are much more comfortable working bilaterally. To have a functional European system, however, we must find ways to change attitudes so that multilateral work becomes accepted.” Work on these issues would be further elaborated in September and October.

### **Lisbon ahead of the mid-term review**

While the Lisbon Agenda had “a beautiful target,” implementation had been spotty at best and the Dutch Presidency was committed to facilitating the work on the mid-term review of ??? Presidency. With former Dutch Prime Minister Wim Kok’s report to be presented in October, Ambassador de Bruijn hoped a “head start” on specific issues addressed in the document might be possible. A clear focus would be on lifting the administrative burden on industries. This did not mean, that the presidency intended to “examine EU legislation and throw out what is not good,” it merely implied that legislation had to be reorganised to reduce the burden, making it as small as possible. Reflecting on the Dutch experience, he described an existing system, which measured the cost of legislative burden on different industries. This had yielded startling figures, up to €15m a year. “We want to develop a similar method for the European Union,” he said.

Specifically on better regulation, he noted that the presidency wanted also to examine existing legislation to recommend necessary improvements on a long-term basis, working closely with the outgoing Irish Presidency and looking ahead to the Luxembourg and British Presidencies. Innovation might also be another area of focus, he said, though this remained to be seen. This was an issue of prime ministerial interest in the Netherlands, with Mr. Balkenende as the chairman of the Dutch innovation platform.

### **The Future of EU enlargement**

The December summit would focus on the future enlargement of the European Union. Negotiations with Bulgaria and Romania were on course, with Bulgaria making particular strides. He was optimistic that even under the Irish Presidency, technical negotiations with Bulgaria would conclude, “so that we might be able to close the negotiations.” Matters with Romania were a “bit trickier” but the Netherlands were committed to soundly steering both countries into the Union by the final 2007 deadline.

Turkey would be the most difficult issue to tackle at the December summit, with the focus on the Commission’s report, which was to be issued in October. He praised the efforts of the Turkish government to achieve necessary reform noting, “under Erdogan the country has made tremendous progress and that is very impressive.” The Presidency would closely consult on the Commission’s report with the Member States in formulating its Council conclusions. “It is a very delicate issue,” he said “but we will work on two basic premises: fairness and sustainability of the decision.” This, he explained meant fairness in the light of past promises but an understanding that opening negotiations set the scene for years to come.

The application of Croatia for membership and the new round of interested applicants this might herald, would prompt the Dutch and following Presidencies to closely examine the previous enlargement and negotiation practices and procedures.

### **An honest broker on the Financial Perspectives**

Turning finally to the Financial Perspectives, Ambassador de Bruijn said the first round of discussions launched under the Irish Presidency would be continued. “It is clear that Member States are still far apart, but we have a commitment from Luxembourg that they will present a 7-year plan for multi-annual programmes. We want the guidelines and principles of the Financial Perspectives discussed now,” he said. He underlined that despite the Netherlands’ vested interest in achieving a reduction in the contributions; his country would “do its best at being an honest broker,” while in the presidency chair.

Chairman Stanley Crossick thanked the speaker for his particular mention of Better Regulation and regulatory convergence, subjects upon which EPC has done considerable work. Impact assessments were absolutely crucial in achieving progress in this area and the Commission needed to be given sufficient resources to undertake these. He was “delighted” that the issue of team presidencies had been dropped, “provided that the future role of the presidency is limited.” He also hoped that future summit ‘presidential conclusions would be substantially shortened to exclude all that was not discussed and include only that which was discussed.

### **Discussion**

In the question and answer session, audience members raised questions ranging from the future of CFSP under the Dutch Presidency, the integrative power of the Benelux and the price of social policies under Lisbon, to the Member State EU budget contributions and plans for a harmonised EU tax base. The following is a selection of questions asked.

Asked on the Dutch Presidency plans with regards to CFSP, Ambassador de Bruijn said the handover of control to the EU in Bosnia would hopefully be less of a concern, as this had been well prepared by the Irish, but noted that already there were discussions with NATO on how to organise the follow-up of this mission. His country's presidency would put particular emphasis on the EU-Asia relationship, with at least four major summits (ASEAN, Korea, India and China) planned over the course of the next six months. "This does not mean that it will be easy. The Burma question is particularly salient, though sensitive with respect to ASEAN and the weapons embargo will be a major issue with China," he said. "We are well prepared and we hope that at least on Burma we can achieve something in the run-up to the summit in October, to guarantee that the summit will take place."

Responding to a question on whether the Dutch Presidency would pursue the opinion advocated in the national parliament, that the EU should go ahead in its conclusion of negotiations with Bulgaria first, thus separating it from the outstanding questions in Romania, Ambassador de Bruijn said that his team would focus on the "ground realisation" of the necessary objectives, to be monitored in cooperation with other Member States. He acknowledged that the Dutch parliament wanted two treaties.

Responding to a question on whether the Dutch government supported the rebate proposal on the table with regards to EU Member State net budget contributions, Ambassador de Bruijn agreed. His government had been one of the signatories of the letter of six Heads of State and Government demanding to cap EU budget contributions at one per cent per capita GDP, because "in times when our economies are ??? ad heComisin oresusino in wth ou senin, we must learn to reprioritise our funds." He pointed to the fact that the Commission would present new legislative proposals in July on correctional mechanisms for net contributors, which "we support very much." Still, the "top priority of the Dutch government in the Intergovernmental Conference (IGC) is to stick to unanimity on the Financial Perspectives. We would be willing to move toward qualified majority voting, however, if a rebate is introduced."

Turning finally to a question on the Franco-German proposal on the harmonisation of the base rate for company taxes, and how this discussion might be pushed by the Dutch Presidency, he said that the Dutch government had been cautious to support the proposal. One had to make the clear distinction between the tax base and the tax level. Still, there was "much thinking" going on and the attitude of his government could also very well change in the near future. He was unsure on whether the current proposal could garner mass critical support, but said, "I wouldn't be surprised," as this had become a possible issue for enhanced cooperation.

Closing the meeting, Chairman Stanley Crossick added that there was too much emotive discussion about harmonising corporate tax rates when the first step was to harmonise the tax base, which was necessary and would take many years.