



**COUNCIL OF
THE EUROPEAN UNION**

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COVER NOTE

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to : Delegations

Subject : **BRUSSELS EUROPEAN COUNCIL
14/15 DECEMBER 2006**

PRESIDENCY CONCLUSIONS

Delegations will find attached the Presidency Conclusions of the Brussels European Council (14/15 December 2006).

1. The meeting of the European Council was preceded by an exposé by the President of the European Parliament, Mr Josep Borrell, followed by an exchange of views. The European Council thanks Mr Borrell for the work he has accomplished during his tenure as President of the European Parliament.

2. The European Council warmly welcomes Bulgaria and Romania as members of the European Union on 1 January 2007. The accession of Bulgaria and Romania will mark the successful completion of the fifth enlargement.

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Pursuing reform: the Constitutional Treaty

3. As agreed by the European Council at its meeting in June 2006, the Union has followed a two-track approach. It has focussed on making best use of the possibilities offered by the existing treaties to deliver concrete results while preparing the ground for continuing the reform process. The Presidency provided the European Council with an assessment of its consultations with Member States regarding the Constitutional Treaty. The outcome of these consultations will be passed to the incoming German Presidency as part of its preparations for the report to be presented during the first half of 2007. The European Council reaffirms the importance of commemorating the 50th anniversary of the Treaties of Rome in order to confirm the values of the European integration process.

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I. ENLARGEMENT STRATEGY

4. As agreed at the June 2006 European Council and on the basis of the Commission communication on the enlargement strategy and its special report on the EU's capacity to integrate new members, the European Council held an in-depth debate on enlargement. The European Council agrees that the enlargement strategy based on consolidation, conditionality and communication, combined with the EU's capacity to integrate new members, forms the basis for a renewed consensus on enlargement. The EU keeps its commitments towards the countries that are in the enlargement process.
5. Enlargement has been a success story for the European Union and Europe as a whole. It has helped to overcome the division of Europe and contributed to peace and stability throughout the continent. It has inspired reforms and has consolidated common principles of liberty, democracy, respect for human rights and fundamental freedoms and the rule of law as well as the market economy. The wider internal market and economic cooperation have increased prosperity and competitiveness, enabling the enlarged Union to respond better to the challenges of globalisation. Enlargement has also enhanced the EU's weight in the world and made it a stronger international partner.
6. To sustain the integration capacity of the EU the acceding countries must be ready and able to fully assume the obligations of Union membership and the Union must be able to function effectively and to develop. Both these aspects are essential for ensuring broad and sustained public support, which should also be promoted through greater transparency and better communication.

7. The European Council confirms that the EU keeps its commitments regarding the ongoing accession negotiations. The recently enhanced rules governing the accession process provide for strict conditionality at all stages of the negotiations. The European Council agrees with the improvements suggested by the Commission concerning the management and the quality of the negotiations. Accordingly, difficult issues such as administrative and judicial reforms and the fight against corruption will be addressed at an early stage. Furthermore, the results of the political and economic dialogues will be fed into the accession negotiations. The pace of the accession process depends on the results of the reforms in the negotiating country, with each country being judged on its own merits. The Union will refrain from setting any target dates for accession until the negotiations are close to completion.

8. The European Council reaffirms that the future of the Western Balkans lies in the European Union. It reiterates that each country's progress towards the European Union depends on its individual efforts to comply with the Copenhagen criteria and the conditionality of the Stabilisation and Association Process. A country's satisfactory track-record in implementing its obligations under the Stabilisation and Association Agreements, including trade related provisions, is an essential element for the EU to consider any membership application.

9. The European Council stresses the importance of ensuring that the EU can maintain and deepen its own development. The pace of enlargement must take into account the capacity of the Union to absorb new members. The European Council invites the Commission to provide impact assessments on the key policy areas in the Commission's Opinion on a country's application for membership and in the course of accession negotiations. As the Union enlarges, successful European integration requires that EU institutions function effectively and that EU policies are further developed and financed in a sustainable manner.

Turkey

10. The European Council endorses the conclusions on Turkey adopted by the Council (GAERC) on 11 December 2006.

Croatia

11. The European Council endorses the conclusions on Croatia adopted by the Council (GAERC) on 11 December 2006.

Western Balkans

12. The European Council notes that the candidate country status of the former Yugoslav Republic of Macedonia was recognition of the country's reform achievements. The European Council calls for accelerating the pace of reforms in key areas and for the implementation of the priorities identified in the European Partnership in order to progress towards the goal of moving ahead in the accession process.
13. The European Council welcomes the launch of visa facilitation and readmission negotiations with all the countries of the region with a view to concluding the negotiations as soon as possible. The conclusion of such agreements will promote people-to-people contacts between the EU and the Western Balkan countries and will increase the opportunities for travelling, especially for the younger generation. Recalling the Thessaloniki Agenda, the European Council also acknowledges the importance the people of the Western Balkans attach to the perspective of visa free movement. Furthermore, the European Council underlines the desirability of promoting people-to-people contacts by also making available more scholarships for the students of the region.
14. The European Council welcomes progress made in the Central European Free Trade Agreement, which will be signed in Bucharest on December 19, and looks forward to a regional and inclusive trade agreement. The new CEFTA will be a substantial step forward both economically and politically.

15. Serbia remains welcome to join the European Union. Recalling its Declaration on the Western Balkans of June 2006, the European Council reaffirms its continued engagement with and support to Serbia's European course. In this context, it encourages the Serbian authorities to accelerate their efforts to meet the necessary conditions, notably full cooperation with ICTY. In view of Serbia's considerable institutional capacity, the European Council is confident that Serbia will be able to accelerate its preparations on the road towards the EU once the SAA negotiations are resumed.

II. AREA OF FREEDOM, SECURITY AND JUSTICE

16. The European Council took stock of the implementation of the Hague Programme and reiterated its commitment to the further development of the area of freedom, security and justice.
17. In that context the European Council discussed migration and the improvement of decision-making in the area of freedom, security and justice.
18. The European Council is conscious that, in the process of creating an area of Freedom, Security and Justice, the Union is faced with constant and growing expectations from citizens, who wish to see concrete results in matters such as cross-border crime and terrorism as well as migration. At the same time, more and more concerns are raised that responding to these expectations is difficult within the framework of existing decision-making procedures.
19. It was against this background, and in the context of the review of the Hague Programme, that the European Council, in its conclusions of June 2006, called upon the Presidency to explore, in close collaboration with the Commission, the possibilities of improving decision-making and action in the area of Freedom, Security and Justice on the basis of existing treaties.

20. Drawing upon the analysis and reflection carried out, notably in the Justice and Home Affairs ministers' meeting at Tampere in September, the European Council considers first of all that practical progress could be achieved by intensifying operational cooperation between competent authorities of the Member States. The European Council invites the Council to make progress in the light of the options that have been presented. At the same time, the European Council is convinced that the framework for pursuing the Union's policies aimed at enhancing the area of Freedom, Security and Justice will need to be genuinely strengthened in order to meet present challenges.

In this respect, the European Council reaffirms the principles acknowledged in the context of the Union's reform process. They constitute the most balanced basis for future work in the area of Freedom, Security and Justice. These principles will be taken into account when decisions regarding the continuing of the reform process are made.

A comprehensive European Migration Policy

21. The European Council underlines the importance of migration issues for the EU and its Member States. Addressing both challenges and opportunities of migration for the benefit of all is one of the major priorities for the EU at the start of the 21st century.
22. The European migration policy builds on the conclusions of the Tampere European Council in 1999, the Hague Programme of 2004 and the Global Approach to Migration adopted in 2005. It is based on the solidarity, mutual trust and shared responsibility of the European Union and its Member States. It is also based on respect for human rights and fundamental freedoms of migrants, the Geneva Convention and due access to asylum procedures. It requires a genuine partnership with third countries and must be fully integrated into the Union's external policies.

23. Events in 2006 and the progress made in implementing the Global Approach have demonstrated that migration needs to be addressed in a comprehensive manner and that efforts made so far now need to be strengthened. Future work should take into account the Commission's communications and broaden the scope of action to other policy areas and apply lessons learnt to other regions.
24. The European Council accordingly agrees on the following next steps to be taken during the course of 2007:
- a) strengthen and deepen **international cooperation and dialogue with third countries** of origin and transit, in a comprehensive and balanced manner. In particular:
- the partnership between the European Union and African and Mediterranean countries will be deepened by broadening dialogue and strengthening practical cooperation; this partnership will build in particular on the joint commitments made in the Ministerial conferences in Rabat and Tripoli in 2006 as well as on the work underway in the framework of the EU/Africa dialogue on migration and development, on the basis of article 13 of the Cotonou Agreement, and the Euromed process, including the Ministerial Conference on migration in 2007. In order to strengthen the migration dialogue, specific EU missions will be sent to key African countries during 2007,
 - the migration and development agenda will be intensified by increasing coherence between the Union's various policies, including their financial instruments, with a view to addressing the root causes of migration,

- Member States and the Commission will integrate migration and development issues in aid policies and programming, encourage the countries of origin and transit to incorporate migration issues in their national development plans, including poverty reduction strategies, and support capacity building for effective migration management, including through establishment of country-specific migration profiles. The new generation of regional and country strategy papers will fully incorporate, where relevant, the connection between migration and development. In this regard, the Commission's initiative for an EU Programme on Migration and Development in Africa provides a way to address this issue in the short and medium-term. Member States are also encouraged to enhance coordination and to develop joint programming,
- country-specific cooperation platforms on migration and development will be established to bring together the partner country concerned, EU Member States and the Commission as well as relevant international organisations to manage migration in a more coherent manner; the Commission is invited to consider capacity-building measures in favour of countries of origin and transit,
- a coherent EU follow-up to the September 2006 UN High Level Dialogue on International Migration and Development will be ensured; the EU will take a lead in placing migration and development issues on the agenda of the international community. The first meeting of the Global Forum on International Migration and Development in July 2007 in Belgium will be a vital step in this respect,
- measures will be taken to improve cooperation on return and readmission with third countries, including effective identification and documentation; special emphasis will be giving to the reintegration of returned migrants. Negotiations on EC readmission agreements need to be stepped up; to this end the Council should explore further ways and means by which Member States could support the Commission in its efforts to conclude such agreements at EC level and to ensure their effective implementation,

- stepping up concrete work along migratory routes in partnership with third countries in particular with a view to preventing and combating trafficking and smuggling of human beings, while ensuring effective international protection for persons who may need it as well as for vulnerable groups such as women and providing specific measures for unaccompanied minors,
 - while respecting the competences of Member States in this area, consideration will be given to how legal migration opportunities can be incorporated into the Union's external policies in order to develop a balanced partnership with third countries adapted to specific EU Member States' labour market needs; ways and means to facilitate circular and temporary migration will be explored; the Commission is invited to present detailed proposals on how to better organize and inform about the various forms of legal movement between the EU and third countries by June 2007,
 - the Global Approach will be applied to the eastern and south eastern regions neighbouring the European Union. The Commission is invited to make proposals on enhanced dialogue and concrete measures by June 2007;
- b) strengthen **cooperation among Member States in the fight against illegal immigration**, taking account of the Commission communication on policy priorities in this regard. In particular:
- measures against illegal employment will be intensified at Member State and EU level; the European Council invites the Commission to present proposals by April 2007 in this regard,
 - existing and new technological possibilities will be fully utilised to enhance border control and to allow persons to be identified reliably; in particular, the Commission is invited to report before the end of 2007 on how to improve access control, including on the feasibility of establishing a generalised and automated entry-exit system for this purpose. Applicable provisions on data protection will be respected in this regard,

- the Commission is invited to study the possibilities of developing policies for extended European solidarity in immigration, border control and asylum policies, taking into account the initiative made to this end;
- c) improve **the management of the European Union's external border** on the basis of the integrated border management strategy adopted by the Council in 2006. In particular:
- the capacity of Frontex will be rapidly enhanced in order for it to be able to meet the migration challenges at the EU's external borders next year, by ensuring adequate economic and personnel resources and their effective use, establishing procedures for emergency situations, strengthening operational means, reinforcing links with the Immigration Liaison Officer Network and completing the planned review of the Agency and its tasks in 2007,
 - Frontex is invited urgently to finalise its ongoing work on creation of a centralized record of technical equipment offered by Member States which could be put at the disposal of another Member State; and to report on the progress made to the Council by the end of April 2007. The Member States are invited to contribute actively to this process with national means and resources,
 - priority will also be given to examining the creation of a European Surveillance System for the southern maritime borders; Frontex is invited to establish as soon as possible, together with the Member States of the region, of a permanent Coastal Patrol Network at the southern maritime borders,
 - the efficiency of cooperation on search and rescue will be enhanced and work will be taken forward to assist in developing guidelines on the legal scope for action to be taken to counter illegal migration by sea,

- the European Parliament and the Council are invited to reach rapid agreement on the Regulation on the establishment of Rapid Border Intervention Teams in the first semester of 2007 and to study this model in other border-related functions, such as humanitarian assistance;

- d) develop, as far as **legal migration** is concerned, well-managed migration policies, fully respecting national competences, to assist Member States to meet existing and future labour needs while contributing to the sustainable development of all countries; in particular, the forthcoming Commission proposals within the framework of the Policy Plan on Legal Migration of December 2005 should be rapidly examined; Member States are invited to exchange information on measures taken in the areas of asylum and migration, in line with the mutual information mechanism established by the Council last October;

- e) promote **integration** and intercultural dialogue and the fight against all forms of discrimination at Member State and EU level, strengthen integration policies and agree on common goals and strategies; the Ministerial conference on integration to be held in May 2007 will be of particular importance in that respect;

- f) realise the **Common European Asylum System** by the end of 2010, starting with a preliminary evaluation of its first phase in 2007. The development of its second phase will be accompanied by a strengthening of practical cooperation in the area of asylum, in particular through the creation of asylum expert teams and the setting up of an asylum cooperation network; the possible creation of a European Support Office will also be examined;

g) make **adequate resources** available for implementing the comprehensive migration policy by full use of the substantial funds which are available if all the existing budget lines are brought fully into play and all possibilities available used consistently and coherently. In that respect the External borders, Integration, Return and Refugee Funds will bring important resources to underpin the comprehensive migration policy, as will the ENPI and the Development Cooperation Instrument (DCI). The EDF will also, in agreement with ACP partners, help address root causes of migration through long-term development policies, as well as by assistance to ACP partners in capacity building in the framework of the EU Governance Initiative.

25. The Commission is invited to report back on the implementation of the comprehensive migration policy in good time before the December 2007 European Council.

Schengen enlargement

26. The European Council endorses the conclusions reached by the Council (Justice and Home Affairs) on 4/5 December 2006 and looks forward to the lifting of controls at internal borders as of December 2007 and by March 2008 at the latest provided all requirements for applying the Schengen acquis have been fulfilled.

Crisis response

27. Taking note of progress achieved so far, the European Council recalls the importance of progressively building up European preparedness and response capacity to crisis and disasters based on assets that Member States make available and invites future presidencies to take work forward on all aspects and report regularly to the Council on the progress made.

III. INNOVATION, ENERGY AND CLIMATE CHANGE

28. As discussed at the informal meeting of Heads of State or Government in Lahti, **innovation** is crucial to Europe's ability to respond effectively to the challenges and opportunities of globalisation. Europe needs a strategic approach aimed at creating an innovation-friendly environment where knowledge is converted into innovative products and services. Strategic priorities for stimulating innovation at EU level have been defined by the Council (Competitiveness); progress made in delivering results will be monitored at future Spring European Council meetings within the framework of the Lisbon Strategy.
29. The European Council emphasises in particular the following:
- the Commission is invited to present a comprehensive Intellectual Property Rights (IPR) Strategy, in the course of 2007, addressing issues such as quality of the IPR system; due to the need for developing the patent system, the Commission is invited to present its communication on patents as soon as possible;
 - the Council and the European Parliament should, after having carried out a thorough examination of the Commission's proposal, move swiftly to adopt, in 2007, a decision to set up the European Institute of Technology;
 - the Commission is invited to rapidly make proposals for the setting up of the industry-led Joint Technology Initiatives, which are open also to SMEs, with a view to launching the most advanced ones in 2007;
 - the Commission is invited, in consultation with all relevant stakeholders, to propose action for the improvement of the working methods and overall resources of European standardisation bodies. Standards must be developed quickly enough to meet the needs of fast-moving markets, whilst ensuring interoperability.

30. Information and communication technologies are crucial for innovation and competitiveness; immediate priorities include the development of spectrum allocation models meeting all objectives, the fast promotion of advanced mobile services and to the extent possible a coordinated approach for the use of spectrum capacity becoming available as a result of digital switch-over. The 2008 Spring European Council will review the challenges of the next generation of internet and networks within the framework of the Lisbon Strategy.
31. In view of the extraordinary Social Summit held in October, the European Council calls for a comprehensive debate on flexicurity in order to promote flexibility combined with employment security, reduce labour market fragmentation and improve the functioning of the European labour market. It stresses the importance of raising labour productivity in Europe, inter alia by enhancing innovation and quality of working life. It welcomes the intention of the European social partners to contribute to the ongoing work on flexicurity before the Spring 2007 European Council. The Member States should also continue determined implementation of structural reforms and to take advantage of the current favourable economic environment to step up fiscal consolidation efforts.
32. The European Council recognises that there is a strong link between the EU's climate change policy and its energy policy as well as its jobs and growth and sustainable development strategies, and that all of these policies can and should be mutually reinforcing.
33. With regard to the development of the **Energy Policy for Europe**, and with reference to the conclusions of the 2006 Spring European Council, significant progress has been achieved especially on strengthening the coherence between its external and internal aspects and between energy policy and other policies. The informal meeting of Heads of State or Government in Lahti was an important step towards strengthening the consistency of the Union's energy messages to third countries.

34. The Union will work to ensure long-term security of energy supply through:
- improved cooperation with major producer, transit and consumer countries,
 - the realisation of an inter-connected, transparent and non-discriminatory internal energy market, with harmonised rules,
 - the development of cooperation to meet emergencies, in particular in the case of disruption of supply,
 - the extension of its internal energy market principles to neighbouring countries, in particular on the basis of the Energy Community Treaty and the European Neighbourhood Policy,
 - the development of domestic energy sources, including renewables, as well new energy technologies.
35. Energy efficiency and energy savings contribute concurrently to the main objectives of the European energy policy. The European Council therefore welcomes the Commission's Action Plan on energy efficiency and calls for priority measures to be taken rapidly.
36. The European Council endorses the setting up of a network of energy security correspondents in early 2007. This will be an important tool for collecting and processing existing geopolitical and energy related information. It will also provide an early warning tool to support the Union's overall strategy with the aim of ensuring the security of energy supply.
37. The Spring 2007 European Council is due to adopt a prioritised Action Plan as part of an overall Energy Policy for Europe. The external aspects of energy security will be included within the Action Plan. The European Council looks forward to the imminent presentation by the Commission of its Strategic Energy Review as part of the preparations for the adoption of that Plan. European energy and climate change policies will be discussed by the European Council on a regular basis in the future.

38. Given the urgent need for energy investments in the coming years, the upcoming Spring European Council will discuss an integrated approach for a secure, environmentally friendly and competitive energy policy. This would demonstrate the European Union's leadership in integrating climate change objectives into other sectoral policies and measures.
39. The challenge of **climate change** is assuming ever greater importance as its long-term consequences become clearer and new information from recent studies shows that the costs of inaction for the global economy will significantly outweigh the costs of action.
40. In this context, the European Council welcomes the outcome of the UN climate sessions held in Nairobi which includes important steps towards developing a broadly-based post-2012 agreement and addressing a number of immediate concerns on mitigation and adaptation requirements. It also notes with satisfaction the progress made in innovative financing initiatives to support a widespread shift to new and improved technology.
41. Bearing in mind the crucial role of a global carbon market and the need to provide long-term certainty, the European Council looks forward to the forthcoming revision of the Emissions Trading Directive, which should take effect at the start of the third trading period beginning in 2013. It confirms the crucial role and the long-term ambition of the EU Emissions Trading Scheme.
42. Reiterating that climate change is a global problem that requires global solutions and encouraged by the EU's recent meetings with third countries, the European Council will consider at its Spring 2007 meeting options for a global post-2012 agreement consistent with the EU's objective of a maximum global temperature increase of 2°C above pre-industrial levels.
43. In light of the political, economic and external impact of energy and climate change policies, the European Council looks forward to an integrated debate on these issues at its Spring 2007 meeting.

IV. EXTERNAL RELATIONS

44. The European Council welcomes the Progress Report on the implementation of the EU Strategy "**The EU and Africa: Towards a Strategic Partnership**", to reflect a step change in Europe's relationship with Africa, and calls for the implementation of the priority actions for 2007 identified in the report. The Progress Report outlines a comprehensive way forward for strengthening the EU partnership with Africa in consolidating peace, democracy and good governance, growth, investment in people and supporting broad-based sustainable development on the continent.

The European Council reaffirms its commitment to working towards a Joint EU-Africa Strategy to be adopted at the second EU-Africa Summit in the second half of 2007 in Lisbon.

The Council will continue to monitor progress towards the EU's commitments to Africa, including increasing EU aid to 0.56% of EU GNI by 2010, and ensuring that 50% of the additional aid goes to Africa, as set out in the Council Conclusions of 24 May 2005. The European Council also recalls the objective of reaching 0.7% of EU GNI by 2015, as set out in the Council Conclusions of 24 May 2005.

45. The European Council expresses its full support to the UN Special Envoy Martti Ahtisaari and his efforts in conducting the political process to determine **Kosovo's** future status. The future status settlement must promote a multi-ethnic and democratic society based on the rule-of-law with a future for all of its citizens and contribute to increasing regional stability. The settlement must also ensure that Kosovo can develop in a way which is both economically and politically sustainable, and set a vision which provides for the realisation of Kosovo's European perspective.

The EU stands ready to play a significant role in the implementation of the status settlement. The European Council emphasises the importance of taking forward the preparations for the future EU and international presence in Kosovo in coordination with other international actors. The European Council stresses the importance of clarity in the future status settlement, to allow for an timely and unified response from the European Union. In this context, the European Council emphasises the need to ensure the necessary funding for the EU's comprehensive engagement in Kosovo.

46. The European Council reaffirms its resolve to strengthen the **European Neighbourhood Policy** (ENP) in order to consolidate a ring of prosperity, stability and security based on human rights, democracy and the rule of law in the Union's neighbourhood. In this context, the European Council welcomes the recent adoption of the ENP Action Plans for Armenia, Azerbaijan and Georgia, as well as the jointly agreed ENP Action Plan with Lebanon and the progress in negotiations with Egypt. Referring to the latest Commission communication on the ENP, the European Council endorses the conclusions of the GAERC of 11 December 2006 and invites the incoming Presidencies and the Commission to take the work forward.
47. Encouraged by the prospects for closer cooperation and political dialogue with Central Asian States the European Council invites the incoming German Presidency to take forward the work on an EU strategy on **Central Asia** with a view to its adoption at the European Council meeting in June 2007.
48. The European Council stresses the importance of the multilateral trading system and the need for an ambitious, comprehensive and balanced agreement on the **Doha Development Agenda** and calls on key partners to act in the same spirit of constructive commitment in order to bring the negotiations to a successful close.
49. Measures have been developed with view to enhancing strategic planning, **ensuring coherence in the use of different external relations policy instruments**, improving coordination in international organisations, including the United Nations, and furthering cooperation between the EU institutions and between the latter and the Member States.

The European Council welcomes the progress made and invites the future Presidencies to take work forward together with the Secretary-General/High Representative and the Commission to ensure the continuity of the process.

Concrete steps to improve the coherent integration of development objectives are to be continued, along the lines of EU's Policy Coherence for Development commitments. The European Council is looking forward to the joint EU's Aid for Trade Strategy as an important component in fostering the trade and development agenda.

DECLARATION ON THE MIDDLE EAST PEACE PROCESS

The European Council noted with concern that the Middle East is faced with one of the worst crises in years. The Israeli-Arab conflict is at the heart of this crisis. The EU is committed to overcoming the current impasse in the peace process and to easing tensions in the broader region.

The ceasefire in Gaza is an important first step. Violations of the ceasefire must end and it should be extended to the West Bank. For the ceasefire to be meaningful and sustainable it must be consolidated through a political process. In this respect the European Council noted Prime Minister Olmert's address of 27 November. The EU welcomed the readiness of President Abbas and PM Olmert to resume dialogue, and urged them to meet soon. The European Council also invited the other members of the Quartet and the regional partners to intensify common efforts aimed at reinvigorating the peace process.

The European Council commended the efforts of President Abbas over the last six months to form a government of national unity. The EU stands ready to work with a legitimate Palestinian government that adopts a platform reflecting the Quartet principles. If such a government is formed, the EU undertakes: to resume partnership with the Palestinian government and encourage Quartet partners to do likewise; to continue, with other donors, providing financial support and to prepare, in cooperation with the new government, a long-term plan on capacity building, border management and unified and effective security forces, as well as a functioning administration.

The European Council called for the immediate release of the abducted Israeli soldier and commended efforts including by partners in the region to that effect. The European Council also called for the immediate release of Palestinian ministers and legislators detained in Israel.

The European Council noted the vital role played by the Temporary International Mechanism in providing essential relief to a large part of the Palestinian population since its launch in June 2006. The increased assistance provided by the Community Budget and by Member States bilaterally this year, and the contributions by other donors to the Mechanism are deeply valued. In view of the protracted deterioration of the socio-economic situation of the Palestinians, the European Council endorsed a further three-month extension of the mechanism until March 2007. The European Council calls for the release of Palestinian customs and tax revenues withheld by Israel.

The European Council reiterated the need for full and speedy implementation of the Roadmap. As a first step, the following priorities should be pursued, following a calendar agreed between the parties and monitored by the Quartet: full and speedy implementation of the Agreement on Movement and Access; full implementation of the Sharm-el Sheikh understandings, including the release of prisoners and resumption of security cooperation between the parties; parallel implementation by the parties of the obligations they have committed to under the first phase of the Roadmap.

These, though important, are only initial steps, and must lead to meaningful negotiations on the final status, the ultimate goal of which is an end to the occupation that began in 1967 and the creation of an independent, democratic and viable Palestinian state, living side-by-side with Israel and its other neighbours in peace and security. In that context the parties have to take concrete and immediate measures to put an end to all acts of violence, and to all activities which are contrary to international law, including settlement activities and the construction of the barrier on Palestinian land, that constitute an obstacle to the achievement of that goal. The EU will not recognise any changes to the pre-1967 borders other than those agreed by both parties.

The European Council invited the Quartet to stand ready to lead an effort by the international community to build on the outcome of successful negotiations between Israel and the Palestinians in order to reach a comprehensive settlement of the Israeli-Arab conflict, including peace agreements with Syria and Lebanon and full normalisation of relations between Israel and the Arab countries. This will require an inclusive approach involving all relevant actors; all need to engage constructively in the region to support these efforts. In accordance with the Roadmap, the Quartet, in consultation with the parties, should in due course convene an international conference to realise these goals.

DECLARATION ON LEBANON

The European Council is concerned by the deterioration of the situation in Lebanon, and underlines its determination to reinforce Lebanon's sovereignty, independence and territorial integrity. A solution to the current political deadlock should be sought only through dialogue and with full respect for the democratic institutions of the country. The European Council confirms its full support to the efforts of Prime Minister Fouad Siniora and the legitimate and democratically elected government, aimed at maintaining dialogue with all political actors in Lebanon and at tackling the important challenges it is facing, in particular fully implementing UNSC Resolution 1701 and reconstructing the country.

The European Council calls on all parties in the region to comply with the resolution, notably the arms embargo. It urges Israel to stop violations of Lebanese airspace by the Israeli Air Force.

The European Council unreservedly condemns the assassination of Industry Minister Pierre Gemayel and any attempt by internal or external forces to destabilise Lebanon through political assassinations or other terrorist acts. It expects those who committed such crimes to be identified and brought to justice. In this context, the European Council welcomes the endorsement by the Lebanese Council of Ministers of the draft status of the Special Tribunal for Lebanon in accordance with UNSCR 1664, and looks forward to the early completion of the remaining steps necessary for the establishment of the Tribunal.

The European Council reaffirms its support for the efforts aimed at the reconstruction and the prosperity of Lebanon. It reiterates the willingness of the EU to actively contribute, in close coordination with the Lebanese government, to the full success of the International Conference in support to Lebanon due to take place in Paris on 25 January 2007. The European Council recognises the need for urgent financial backing in order to lay a sound foundation for the future economic and social development in Lebanon.

The EU and its Member States by their prominent role in the new UNIFIL have demonstrated their commitment to the full implementation of UNSC Resolution 1701 with a view to reaching a long-term solution to the questions that led to last summer's confrontations. The European Council welcomes the recent report by the UN Secretary-General and his intention to consider the possibilities for a greater UN role on the Shebaa farms issue including the suggestion by the Lebanese Government to place the area under UN jurisdiction until permanent border delineation and sovereignty over them is settled. The European Council calls for the immediate release of the two abducted Israeli soldiers.

The European Council calls upon all Lebanese and regional actors to show responsible leadership and full respect for Lebanese democratic institutions. Syria must end all interference in Lebanese internal affairs and actively engage in the stabilisation of Lebanon and the region. Syria needs to do so to be in a position to develop normal relations with the international community, including with the EU. Syria should recognise, and cooperate with, the Special Tribunal for Lebanon.

DECLARATION ON IRAN

The European Council expresses its concern about the negative impact of Iranian policies on stability and security in the Middle East. The European Council underlines that Iran needs to play a responsible role in the region.

In particular, the European Council deplores Iran's failure to take the steps required by the IAEA Board of Governors and the UN Security Council, and agrees that this could only have negative consequences for relations between the EU and Iran.

The European Council reiterates its full support for efforts to find a negotiated solution to the nuclear issue and regrets that Iran has not engaged seriously with the far-reaching proposals presented to Iran by the High Representative on 6 June. These could serve as a basis for a long-term agreement, which would give Iran everything it needs to develop a modern civil nuclear power industry while addressing the concerns expressed by the IAEA Board and the UN Security Council.

In the absence of action by Iran to meet its obligations, the European Council supports work in the Security Council towards the adoption of measures under Article 41 of Chapter VII of the UN Charter.

The European Council expresses deep concern at the Iranian government's recent statements concerning the EU and individual Member States, as well as its threats towards Israel, and the continuing deterioration of human rights and political freedoms of its citizens. In this context, the European Council regrets that Iran cancelled the meeting of the EU-Iran human rights dialogue scheduled for December 2006.

The EU condemns any denial of the Holocaust as a historical fact, either in whole or in part, and therefore firmly rejects the underlying premise and the objectives of the conference on the Holocaust organised by the Iranian authorities.

The EU will keep all of these issues and its policies under close review and will calibrate its approach in the light of Iran's actions.

DECLARATION ON AFGHANISTAN

The European Council reaffirmed its commitment to the people and Government of Afghanistan and its strong political engagement in favour of the stability and development of the country. Afghanistan has made very significant progress since 2001, with the establishment of representative political institutions, a free media, building of security sector institutions, improvements in the health and education sectors, human rights and the status of women, the appointment of a functional Supreme Court and the decision to establish of an advisory panel for senior appointments. But Afghanistan is at a critical juncture. The Afghan Government, supported by the international community, is invited to take further urgent, coordinated, action.

The European Union is already playing a key role, having contributed €3.7 billion since 2002. Within the framework provided by the Afghanistan Compact and the 2005 EU-Afghanistan Joint Declaration, it is working to promote Afghan leadership, responsibility and ownership and to foster the development of a democratic, secure and sustainable Afghan State. The EU stands ready to intensify its efforts. The European Council welcomed the Commission's intention to remain strongly committed to assist reconstruction in Afghanistan over the 2007-13 period. The EU will work to ensure that its development assistance reaches Afghans in all parts of the country.

Security and development in Afghanistan are mutually inter-dependent. A stronger focus on governance and the rule of law should reinforce action in other areas. The Commission will build on programmes for rural development, the health sector and governance, including justice, and will support the Afghan National Police through the Law and Order Trust Fund (LOTFA). The Commission will also support financially some civilian activities conducted by Member States through Provincial Reconstruction Teams (PRTs). In addition, the EU will examine ways of strengthening its engagement, including by looking at opportunities and conditions for a potential civilian ESDP mission in the field of policing, with linkages to the wider rule of law.

The European Council called upon Afghanistan and Pakistan to deepen their relations and to cooperate closely to deal with insecurity in border areas.

Together with United Nations Assistance Mission in Afghanistan (UNAMA), NATO and other key actors, including the International Financial Institutions, the EU will work towards effective cooperation and coordination within the international community and with the Government of Afghanistan. The European Council underlined the importance of the Joint Coordination and Monitoring Board (JCMB) for the implementation of the Afghanistan Compact, and follows with interest the idea of establishing an international Contact Group.

DECLARATION ON AFRICAN ISSUES

Sudan

The European Council expresses its deep concern about the appalling security, humanitarian and human rights situation in Darfur, as well as the recent outbreak of violence in South Sudan, in violation of the Comprehensive Peace Agreement (CPA). The European Council reconfirms its full support to the CPA and calls on all parties to refrain from any actions that could jeopardise its effective implementation.

The European Council is alarmed at the escalation of violence within Darfur, which has a detrimental impact on humanitarian operations and has led to many humanitarian staff being evacuated. It calls for immediate cessation of hostilities, and underlines the obligation of all parties to respect human rights and international humanitarian law, the existing ceasefire accords and relevant UN Security Council Resolutions. The European Council expects the Sudanese authorities to fulfil its responsibility to provide effective protection to all the citizens from all violence and to put an end to impunity in Darfur.

The European Council welcomes the outcome of a Special Session of the Human Rights Council on the situation in Darfur and urges that the agreed assessment mission be appointed and dispatched as soon as possible.

The European Council welcomes the decision by the African Union (AU) Peace and Security Council on 30 November to endorse the conclusions of the High Level Consultations in Addis Ababa on 16 November. It strongly urges the Government of Sudan to give its unequivocal consent to the implementation of the UN support package for the AU Mission in Sudan (AMIS) in its entirety. The European Council calls on the Sudanese government in consultation with the UN and the African Union to pave the way for the implementation without delay. Time is of the essence in a dire humanitarian situation. Recalling UNSCR 1591 the European Council urges the government of Sudan to fulfil its obligations, and invites the Council to review the position at its next meeting. The European Council reiterates the EU's commitment to support peace efforts in Darfur. It will continue supporting AMIS, in close coordination with the UN and in burden sharing with other international partners. The European Council urges all international partners to fulfil their pledges of support to AMIS.

The Darfur Peace Agreement (DPA) is the only basis for a political process to achieve sustainable peace in Darfur. The European Council urges all parties to enter immediately into dialogue with the objective of making the DPA an all-inclusive peace agreement. It supports the Darfur-Darfur Dialogue and Consultation (DDDC) as a necessary complementary process to the political negotiations.

The destabilising effects of the Darfur conflict in the wider region, in particular in Chad and in the Central African Republic, are of great concern to the European Council. It reiterates that any further tension poses a serious threat to peace and the stability of the entire region. Underlining the importance of an international presence along the borders of Sudan, Chad and the Central African Republic, as set out in UN Security Council Resolution 1706, the European Council welcomes the recent UN technical evaluation mission to Chad and the Central African Republic and looks forward to its recommendations.

The Democratic Republic of the Congo

The European Council warmly welcomes the successful conduct of the first democratic elections in the Democratic Republic of the Congo (DRC) in more than 40 years and congratulates the Congolese people, all parties and candidates as well as the Independent Electoral Commission. It congratulates the new President of the DRC, Joseph Kabila, who is entrusted together with all political parties and the new Congolese institutions with the task of pursuing the stabilisation and the reconstruction of the DRC in a spirit of national reconciliation. It calls on all political players to engage constructively in this post-transition process.

The European Council recalls the substantial efforts the EU has undertaken in support of the DRC at political level as well as through ESDP instruments, the EU Electoral Observation Mission and the assistance provided through the European Development Fund and bilaterally by EU Member States. It highlights in particular the successful completion of Operation EUFOR RD Congo, whose timely and robust contribution provided deterrence and maintained peace during the electoral process. It also underlines the essential role of the United Nations and calls for the extension of the mandate of the UN peacekeeping mission in the DRC, MONUC, and for the development of an objective-based exit strategy.

The EU remains fully committed to continuing its support to consolidate stability and reconstruction. It is essential that the future cooperation will be based on the new authorities' strong commitment to good governance and to the strengthening of the rule of law. Appropriate flexible mechanisms will need to be developed with the new Congolese government to ensure effective coordination of support and political dialogue.

The European Council underlines the importance for the Congolese government to engage fully in the reform of the security sector. The EU continues to contribute in this field in a comprehensive and coherent way, building on the EUPOL Kinshasa and EUSEC RD Congo missions, through an enhanced ESDP engagement and increased support by the European Community and Member States. The EU has confirmed its readiness to assume a coordinating role in international efforts in the security sector, in close cooperation with the United Nations, to support the Congolese authorities.

The European Council recognises that a democratic and prosperous DRC is essential to the stability and development throughout the Great Lakes Region. It welcomes the progress achieved within the framework of the International Conference on the Great Lakes Region, and urges all the core participating countries to continue work to foster closer cooperation and dialogue within the Region.

Somalia

The European Council underlines the seriousness of the situation in Somalia and stresses the strategic importance of peace and stability in Somalia. It reconfirms the EU's support to the implementation of the Transitional Federal Charter through effective, broad based and representative Transitional Federal Institutions (TFIs). The EU remains committed to working for a political solution through an inclusive political dialogue. The European Council calls on the TFIs and the Union of Islamic Courts (UIC) to sustain the negotiation process initiated in June 2006 in Khartoum by the League of Arab States, and urges the parties to enter into substantive negotiations. The EU is ready to continue its assistance to this process.

The European Council urges the TFIs and the UIC to refrain from any action that could imperil the dialogue, and in particular, to respect the commitments made in the framework of the Khartoum talks. It calls on both parties to take immediate steps to reduce existing tensions and especially on the UIC to refrain from any measure aiming at expanding the territory under its control.

The European Council also calls upon all states, particularly those in the region, to seek a peaceful solution to the situation in Somalia, to refrain from acts which could endanger the cease-fire and the political process, and to fully observe the arms embargo.

The EU is working with international and regional organisations to promote peace and reconciliation in Somalia. The European Council welcomes the UN Security Council Resolution 1725 (2006) of 6 December, which authorises the establishment of a protection and training mission in Somalia, supporting peace and stability through an inclusive political process.

Côte d'Ivoire

The European Council expresses its concern at the delays in the implementation of UN Security Council Resolution 1721 and the continuing obstacles to the peace process in Côte d'Ivoire. It recalls that the Resolution, which sets the framework of the final extension of the transition, is binding on all Ivorian parties. It calls on all Ivorian parties to give full support to Prime Minister Konan Banny so that he has the real effective powers enabling him to implement the mandate entrusted to him to organise free and fair elections by 31 October 2007.

