



**An assessment of the Belgian Presidency of the Council of the European Union  
(1 July– 31 December 2010)**

**“Joining forces for a Europe in action”**

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On 31 December 2010 Belgium’s term as President of the Council of the European Union will come to an end and the torch will be passed to Hungary. It was the 12<sup>th</sup> time that Belgium held the Council Presidency. As the Union was faced with numerous critical challenges, Belgium opted for a pragmatic and targeted approach: the programme of the Presidency aimed to achieve the greatest possible concrete results in various high-priority fields of action, in function of the legislative agenda of the Council and the European Parliament. The smooth collaboration between the European Institutions was also of special concern since only with a properly functioning machinery, the Union can take effective decisions.

***Implementation of the Treaty of Lisbon***

For the Belgian Presidency, it was of great importance to ensure that the innovations of the Treaty of Lisbon which came into effect one year ago, were subject to full implementation and compliance and would be put to maximum use. The Presidency therefore functioned completely within the framework of the Treaty and the changes that it brought to the exercise of the rotating presidency, particularly at the level of the European Council, which has become a fully fledged institution with a permanent president, as well as at the level of the Council for Foreign Affairs which is now chaired by the High Representative.

Another important issue was the approval of the budget for the Union for 2011 according to the new budgetary rules of the Treaty. After an unsuccessful conciliation between the Council and the Parliament in November, the Belgian Presidency ultimately managed to negotiate an agreement that led to the approval of the 2011 budget by both legislative bodies, thus preventing a situation of having to apply provisional twelfths not to mention a paralyzing institutional confrontation.

The Belgian Presidency also managed to reach an agreement before the year’s end with the Parliament about the elaboration of the European Citizens’ Initiative, an innovation of the Treaty of Lisbon that is highly visible for citizens. From now on, subject to the collection of a sufficient number of signatures and according to certain rules, citizens will be able to petition the Commission to consider legislative proposals.

***Fighting the economic crisis – working on sustainable economic growth***

In light of the increasing pressure on the euro zone, a reinforcement of the economic governance of the Union was the leading priority. Under the Belgian Presidency the Council took a first, far-reaching step in the direction of a better coordination of economic policy with the introduction of

a “European semester”, a reorganisation of the calendar regarding economic policy coordination so that, from 2011 onwards, the member states will submit their annual budget plans together with their structural reform plans for a joint European review during the first semester.

In the wake of the worldwide banking crisis, increased supervision and regulation of the financial sector was a priority. Under the Belgian Presidency the Council and the European Parliament reached an agreement on the establishment of European agencies for oversight of banks, insurance companies and the financial markets. They also decided to establish a European Systemic Risk Board (ESRB) that should be capable of issuing advance warning of potential crises in the financial system. The supervisors and the Board will become operational starting from 2011. In addition, several important legislative breakthroughs were forced with the approval of the Council and the Parliament of the directive on alternative investment fund managers (this includes “hedge funds”) and the revision of the regulation on credit rating agencies.

Making the Union more resilient towards the future also means carrying out structural reforms in the long-term. The presidency gave priority attention to the implementation of the “Europe 2020” strategy for growth and jobs which was launched by the European Council of June 2010. Firstly, the Council adopted integrated guidelines for the economic and employment policy. These guidelines form the framework for the implementation of the Europe 2020 Strategy by the member states in these areas. In addition, the Presidency provided for an initial discussion by the Council of the so-called flagship initiatives, launched by the Commission, on digitisation, youth mobility, innovation, industrial policy, new skills and jobs and combating poverty, as well as initiatives on reinforcing the internal market and the new trade strategy. This now clears the way for legislative proposals in all of these fields.

The Presidency also worked on a number of concrete issues on behalf of corporations, employment opportunities and consumers. For example, after a blockage of over 10 years, there is finally new momentum providing a perspective on an affordable linguistic arrangement for the EU-patent, a crucial dossier for the sectors geared towards innovation, and consequently, for the EU’s competitive position in the world. Another breakthrough was the directive on late payments on which an agreement was reached between the Council and the Parliament. This directive establishes aspects such as the time frames within which governments must pay invoices and how much penalty interest can be charged.

### ***Towards a more coherent European external policy - EU enlargement and common trade policy***

A second core task of the Belgian Presidency was to contribute to a more coherent external European policy by demonstrating the full application of the Treaty of Lisbon in the area of foreign policy as well.

In this regard, the transition towards the establishment of the European External Action Service (EEAS) was an absolute priority. Building further on the efforts of the Spanish Presidency, early on in the Belgian Presidency it was possible to win the approval for the basic decision on the establishment and functioning of this European diplomatic service. With regard to the remaining instruments (concerning personnel, budget and financial regulation) which were necessary for the functioning of the service, an agreement was reached with the European Parliament in October, so that the service could be formally launched on 1 December. At the request of the High Representative and on her behalf, Belgium provided additional support during this transition period.

In December the Council also approved Council conclusions regarding a communication of the Commission aimed at a further improvement of European action in the area of 'disaster response' (in the EU as well as in third countries) in terms of both efficiency and effectiveness as well as coherency and visibility. This communication will be further transposed into a number of legislative initiatives.

With regard to the enlargement dossiers the Belgian Presidency set out to be an "honest broker". A number of important results were achieved. On 27 July the accession negotiations were officially opened with Iceland. With Croatia, five negotiation chapters were provisionally closed; at an upcoming accession conference on 22 December additional chapters are expected to be provisionally closed. The Commission was invited by the Council to submit its opinion on the membership application of Serbia. Good progress was made with Turkey in the preparation of opening the 'Competition' chapter for negotiation. In December the Council adopted conclusions on the status of the preparations in all candidate member states and in the countries that have a prospect of accession. One of the results was that on 17 December the European Council decided to grant Montenegro the status of candidate country.

The Belgian Presidency was inventive in searching for ways to improve the 'external representation of the Union'. In Cancún, but also within a number of multilateral organisations, we ensured that the various parties not only spoke with one single voice but also formed an integrated negotiation team whereby the European Commission and the Presidency jointly sat behind the EU-flag and consistently negotiated as a single team. We feel that this should be a model for the future.

Under the Belgian Presidency, the Foreign Affairs Council (in the Trade formation) reached an agreement on the signature and provisional application of a free-trade agreement between the EU and South Korea. The signature took place during the summit meeting between the EU and South Korea on 6 October in Brussels, in the margin of the ASEM-Summit. This is the most ambitious trade agreement ever concluded by the Union. Furthermore, the Presidency also reached an agreement to start negotiations on a free-trade agreement with Malaysia and with China on the protection of geographical indications. In follow-up to the European Council of September, which called for urgent measures to be taken to promote trade with Pakistan and in this way to contribute to its economic recovery after the devastating floods, the Presidency succeeded in November in concluding an agreement within the Council on the application for an exceptional trade regime for preferential measures for the hard-hit country.

Progress was made at the multilateral level as well, such as the completion of the negotiations on an Anti-Counterfeiting Trade Agreement (ACTA) and an agreement between the EU and Russia on the Russian accession to the World Trade Organization.

### ***Climate, environment and energy***

Under the impulse of the Presidency, the Union managed to establish a unanimous and coherent European position for the biodiversity conference COP10 in Nagoya (from 18 to 29 October) and the climate conference COP16 in Cancún (from 29 November to 10 December), two important occasions to take worldwide action to combat loss of biodiversity and climate change. At the same time, special attention was also paid to the effectiveness of the EU-action in a multilateral context. The efforts led to a successful result in Nagoya and to tangible steps forward in Cancún.

In addition, work was also carried out on the propagation of the climate theme in other sectors including greener transport and energy. An important result was an agreement among the member

states on the revision of the Eurovignette-directive, after the issue had been blocked for two years. The directive allows the member states to recover the costs of air pollution and noise pollution caused by road freight traffic by imposing tolls on trucks.

With regard to the environment, the Presidency reached agreement between the Council and the Parliament on the revision of the directive on the restriction of the use of hazardous substances in certain electrical and electronic devices. With regard to the regulation on the ban of the use of biocides, an initial agreement was reached within the Council.

### ***A more social Europe***

The European year for Combating Poverty and Social Exclusion was highlighted through numerous debates and conferences; ultimately, a declaration of the Council was also approved.

The Council also placed clear social and employment opportunity accents in the management of the “Europe 2020” Strategy and the reinforcement of the economic governance of the Union (cf. supra). Thus, the Council adopted conclusions on the governance of the European employment strategy in the context of the Europe 2020 Strategy and the “European semester” and also approved two important recommendations, on one hand about the “Joint Assessment Frameworks” as a tool for analysis and monitoring for the Employment Guidelines, and on the other hand about the assessment of the National reform programs regarding employment in the context of the European semester.

In the area of healthcare, the Belgian Presidency was able to reach an agreement between the Council and the Parliament on the directives on combating counterfeit medicines and regarding transborder health care.

### ***Justice, home affairs, asylum and migration***

The Presidency strove to achieve the greatest possible progress in a number of legislative proposals which form part of the asylum package, in accordance with the target of realising a Common European Asylum System by 2012. In this context, the first legislative breakthrough in an asylum dossier in years was achieved, specifically, by reaching a political accord between the Council and the Parliament on the “long-term residents” directive, whereby refugees and others entitled to international protection can obtain the status of long-term residents in the EU and in this way receive treatment in a number of economic and social areas that is equivalent to that of EU-citizens. This agreement can now be ratified by a vote in Parliament and adoption by the Council.

With regard to the fight against human trafficking progress was achieved through the agreement on the draft framework decision that brings the European legislation into line with the Council of Europe.

With regard to the external dimension of the fight against terrorism, the Council approved the mandates for the renegotiation by the Commission of agreements with the United States, Canada and Australia on providing passenger data. In response to current events, the Council also devoted attention to an integrated approach to air freight security and to a better exchange of information between member states on the announcement of threats levels.

In the area of Justice, the Belgian Presidency reached an agreement within the Council on the proposed regulation to establish closer collaboration between member states that choose to do so

regarding legislation on divorce (“Rome III”). With regard to the draft directive on the right to information in the context of criminal procedures (“letter of rights”) and on the directive regarding the sexual exploitation of children and child pornography, the Council was able to take a position geared towards negotiation with the Parliament.

The Belgian Presidency was also able to achieve tangible progress in a number of other matters, equally groundbreaking in their own area. Thus, agreements were reached in matters such as bringing construction products onto the market, improving the rights of bus passengers and consumers, administrative collaboration between the member states in fiscal matters, transborder traffic safety, the allocation of unused funds for the recovery plan on energy, labelling of textile products, food information for consumers and the fishing quota 2011.

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