



**Programme of the
Netherlands Presidency
of the Council of the
European Union**

1 January – 30 June 2016

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Introduction

The European Union is being severely put to the test. It is facing a huge influx of people who have fled war and oppression. Geopolitics appears to be making a comeback, and within the EU itself, the threat of fragmentation looms. Terrorists are attacking our way of life, in an attempt to spread fear and sow divisions in our societies. There are no quick and easy ways to resolve these issues. As the next holder of the Council Presidency, it is incumbent on the Netherlands to help the EU find common solutions in these turbulent times. The challenge is to remain focused on important long-running issues, even when current events appear to require all our attention. Unity and resolve are needed at all levels. The effective combination of European and national measures will form an important basis for those solutions.

Today's challenges require effective decision-making and broadly supported solutions. In many cases they require a range of interconnected measures, in both the short and the long term. This is by no means an easy task, but when the EU member states join forces and show the collective political will to rise above individual interests, the Union can be highly effective. That effectiveness is not a thing of the distant past. In recent years, too, the member states and the institutions have proven capable – under the pressure of various crises and in a wide range of policy areas – of setting the necessary changes in motion from within. Together we have taken on formidable challenges and charted a course that focuses more on the essentials and the foundations of the Union.

This Union of 28 member states is not perfect, but it provides essential tools to tackle today's challenges. Against this background, the following **three basic principles** will be key during the Presidency: a Union that focuses on the essentials, a Union that creates innovative growth and jobs, and a Union that connects with society.

Focusing on the essentials means the European Union must concentrate on what is important to its citizens and businesses. Specifically, this means solutions must be found to the major challenges of our time, as outlined in the European Council's Strategic Agenda. During its Presidency, the Netherlands will endeavour to keep the Council on course in implementing the Agenda. To this end, it has identified four priorities that will be examined in further detail in the first part of this Presidency programme.

After a deep economic crisis, more and more financial and economic indicators are thankfully showing a positive trend. It is vital that we perpetuate this trend, and give European citizens the prospect of **sufficient jobs and innovative and sustainable economic growth**. After all, one of the main things that citizens are entitled to expect of the EU is a concerted focus on economic prosperity. This focus informs the four priorities of the Netherlands Presidency programme and the priorities of the Council configurations, which will be considered in the second half of this document.

In the light of the challenges and tensions described above, it is crucial to focus on **making connections** during the Netherlands Presidency. First of all, that entails making connections between member states, because mutual solidarity forms the basis of European cooperation. Even when times are tough, member states must collectively take responsibility. In this way we can stand up for each other and be stronger together. Another important connection, however, is that between the European Union and its citizens. Many people in Europe's capitals and households are critical of the EU, but many also realise that no European country can face today's challenges alone. In Europe we are stronger together, and ultimately there is more that unites us than divides us. The EU must ensure that it is sufficiently decisive, but also ensure that citizens recognise and acknowledge the approach it has elected to take. The Netherlands will place itself at the service of the Council over the next six months with this goal in mind.

This is the Netherlands Presidency's national programme looking ahead to the coming six months. It naturally ties in closely with the trio programme presented by the heads of government of the trio comprising the Netherlands, Slovakia and Malta on 16 December 2015.

PART I

Priorities of the Presidency

The Netherlands Presidency will focus on the following priorities:

1. a comprehensive approach to migration and international security;
2. Europe as an innovator and job creator;
3. sound, future-proof European finances and a robust eurozone;
4. forward-looking policy on climate and energy.

A comprehensive approach to migration and international security

Extra focus is needed on the *approach to migration and international security*, in view of the fundamental changes over the past five years in the EU's immediate vicinity. Internal and external security are inextricably linked. The increased influx of people seeking a safe haven makes it abundantly clear that a common border, asylum and migration policy is needed. The migration crisis has revealed various shortcomings in the European area of freedom, security and justice that require action. The current priority is to control Europe's external borders effectively, improve the initial reception of refugees in Europe and in the region, and share the burden fairly. The countries of the Western Balkans and Turkey are also being severely affected by the current migration crisis. More regional collaboration is needed with these candidate member states and potential candidate member states to face up to this challenge.

Because internal and external challenges are increasingly interwoven, instability outside the EU often entails greater risks inside the EU, to which it will have to find a response. This requires a stronger link between internal and external policy, effective and integrated use of the EU's broad range of instruments, and active diplomatic efforts on the part of the High Representative and the member states. Conflicts and human rights violations are major factors in instability, and are causing long-term challenges in the area of security, the humanitarian situation and socioeconomic development. The current migration issue is a consequence of this. The important thing is to address the political and economic root causes of migration and find the right approach to people smuggling, return and border control.

Instability outside the EU increases security risks, including terrorism, cyber security and hybrid threats. With a common foreign and security policy the EU can take an active and united stance relative to the world around it, and find a suitable response to the increasingly interwoven internal and external challenges it faces. The attacks in Paris highlight the need for effective counterterrorism measures. This means, among other things, that the agreements on the exchange of data and cooperation between security services must be fully implemented. Ultimately, stability outside Europe's borders, strict control of our borders and security within those borders will require a comprehensive policy that addresses problems both inside and outside the EU. The Netherlands is determined to contribute to the speedy elaboration and implementation of the migration package presented by the Commission, and the early completion of the strategic review of EU foreign and security policy.

Europe as an innovator and job creator

Under the pressure of the crisis, the EU has lost sight of its role as an innovator and creator of jobs in Europe, despite the fact that it has good prospects of creating a stable and innovative socioeconomic context for its citizens. Its key strength in that respect is the single market, which is the largest in the world and – as the driving force behind European cooperation – unites the member states. Now that Europe's economy is picking up, it is the collective responsibility of the Council and its members, the Commission and the European Parliament to maintain that upward trend. Creating structural, innovative growth and jobs therefore remains the second key priority in the Union.

That means implementing existing agreements in *all* member states, stimulating innovative entrepreneurship, strengthening new services and sectors with high potential, jointly investing in research and concluding future-proof, balanced trade agreements with third countries. Fleshing out the Digital Single Market Strategy and the Single Market Strategy for goods and services into specific proposals is important to promote innovation in all sectors of the European economy. Businesses must be given room to innovate and create jobs. Synergy can be achieved in the areas of knowledge and innovation by investing jointly, at EU level, in international cooperation and competitiveness. This will lead to innovative growth, jobs, and solutions to societal challenges. Modern, high-quality education in the member states is also indispensable for a strong economy, as it helps provide people with the necessary skills for the future.

At the same time, the European Union must proceed at full speed with modernising, simplifying and – where possible – reducing legislation so that EU laws really work for citizens, businesses and local governments. Unnecessarily complicated rules must be simplified, the administrative burden reduced, and the impact of legislation assessed to ensure it does not hamper innovation. Innovative growth and jobs also means *good* jobs. Free movement of goods and services must be viewed in conjunction with free movement of workers: economic freedoms must not be abused to create sham employment arrangements that allow employers to save money to the detriment of their employees. Better protection for posted workers will enhance the fundamental freedom of free movement of workers within the Union.

Sound, future-proof European finances and a robust eurozone

The third priority concerns the Presidency's focus on *sound, future-proof European finances and a robust eurozone*. After a deep crisis, recovery has now set in. Structural reforms and sound fiscal policy are bearing fruit and many member states are gradually finding their way to economic recovery and rising employment. This growth is bolstered by the improved global conditions, including low oil prices and the boosting of investment through measures such as the EFSI. Nevertheless, stagnating growth in emerging markets poses a risk to this positive trend. Putting member states back on the road to structural economic growth and maintaining stability in the EMU will require constant attention. The EU member states must therefore press ahead with structural reforms and coordinated economic policy. In this way we can guarantee healthy public finances in modern economies. Agreements made within the EMU must be complied with, so that we can work towards a strong eurozone for public authorities, businesses and citizens alike. The importance of sound European finances also extends to the European multiannual budget. The Netherlands will therefore launch initiatives to start a debate on a new and reformed multiannual budget.

Forward-looking policy on climate and energy

As a fourth priority, the Netherlands will emphasise the close cohesion among the issues of climate change, energy, the environment and sustainability. Economic goals and the responsible use of natural resources and energy can be brought together in a *future-proof model for sustainable growth*. The EU can boost this approach by stimulating innovative sectors that contribute to a transition to a circular economy that uses natural resources sustainably. This ties in with the Commission proposal on a circular economy and its intention to present a proposal for achieving the Sustainable Development Goals (SDGs) within the EU and beyond. The Netherlands will press strongly for the further development of a European Energy Union: strengthening the energy supply, creating an internal energy market, making the EU less energy-dependent, boosting research and innovation in the area of renewable energy, and setting out a future-proof climate policy. The Paris Agreement that was reached at the 21st Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change (UNFCCC) on 12 December 2015 will form an important point of departure for these efforts.

Finally

Events in the recent past have repeatedly shown that the Union – the European Commission, the European Parliament and the member states as members of the Council – is able to take the necessary steps to tackle major issues. With its experience and unifying strength as a bridge-builder, the Netherlands as holder of the rotating Presidency is committed to keeping the European Union on course, particularly at the current time.

Staying on course together is essential: peace, security, prosperity and democracy are achievements that are often taken for granted. But these achievements all require attention and effort to safeguard them for the future. An effective European Union – focusing on the essentials, on innovative growth and jobs and on making connections – is the best instrument to safeguard those achievements for our continent.

PART II

Council configurations

The Netherlands Presidency will focus on the essentials as laid down in the Strategic Agenda and Commission's Political Guidelines, which also form the basis of the trio Presidency programme. With 23 new initiatives, 27 REFIT proposals and 28 proposed repeals, the Commission's Work Programme is clear evidence of its focus on the essentials. These documents serve as a guiding light for the EU as envisaged by the Netherlands: a Union that focuses on the essentials, uses innovation to create growth and jobs, and connects with the European people. The Netherlands will actively address these areas in the various Council configurations.

General Affairs

Alongside the regular tasks of the General Affairs Council, the Netherlands Presidency will press ahead with the Interinstitutional Agreement (IIA) on Better Regulation and the discussion on the Multiannual Financial Framework (MFF). A second dialogue to promote and safeguard the rule of law will also be held. The transparency of the decision-making process will also be discussed. Discussions of the rule of law, the European Semester and better regulation will also consider factors associated with better governance.

The Luxembourg Presidency concluded the negotiations on the **Interinstitutional Agreement (IIA) on Better Regulation**. The Netherlands Presidency will table the implementation of the measures agreed in the IIA, including key provisions on annual programming, in the General Affairs Council. This means the provisions of the IIA will need to be developed and applied, both within the Council itself and in its work with the Commission and the European Parliament.

The Netherlands Presidency will attempt to steer discussions at an early stage on the new **Multiannual Financial Framework** (MFF), aimed at potential reforms to the European budget and effective use of EU resources, looking ahead to the period after 2020. On 28 January 2016, the Netherlands Presidency will hold a conference to launch discussions about the new Framework. It will examine the MFF's set-up and financing, the degree of flexibility desired, and the negotiating process itself. The discussion will continue at ministerial level at the informal GAC in April.

The Netherlands Presidency will work to ensure an open dialogue on the **rule of law** that helps foster a new culture which allows improvements to be made in this area in the member states. The second dialogue on the rule of law will take place in the Council during the Netherlands Presidency, following a seminar in Strasbourg in February on the rule of law and current political issues. An essential element of ensuring respect for the rule of law is the protection of **fundamental rights** as laid down in the EU **Charter of Fundamental Rights**. The Netherlands will devote specific attention to this during its Presidency by holding a seminar on the Charter's application in member states' legislative and policy processes.

The Netherlands Presidency will also work to achieve greater and active **transparency** in European decision-making by putting it into practice within the existing frameworks, and by including transparency in the GAC agenda.

Partly in the framework of the Better Regulation initiative, the Netherlands Presidency will work on the **EU Urban Agenda**. These efforts will culminate in the conclusion of the Pact of Amsterdam. The Agenda's aim is to better align EU policy and legislation with urban practices so that cities can contribute more to maximising the potential for jobs and growth in Europe.

With regard to EU **cohesion policy**, the Netherlands Presidency will place several specific issues on the agenda: simplification, evaluation of the results of the Partnership Agreements, and the Operational Programmes for the 2014-2020 period. The Presidency will also address the development of the Smart Specialisation Strategy, which is about focusing on a specific region's strong points and innovative potential. This is a key component of a modern cohesion policy aimed at specific and measurable results.

Foreign Affairs (including Defence, Trade and Development)

Under the Treaty of Lisbon, in the area of external policy the rotating Council Presidency supports the High Representative of the Union for Foreign Affairs and Security Policy, who chairs the Foreign Affairs Council in all its manifestations except Trade. The FAC's agenda is determined to a large extent by current developments.

The Netherlands Presidency will focus its efforts on contributing to a safer, more just and future-proof world. The Union's strategic context has been changed by globalisation and the growing **instability around its borders**. To the east, this is characterised by geopolitical tensions resulting from the failure to respect the principles of international law and territorial integrity. To the south, conflicts and human rights violations are major factors in the instability affecting the region, and are causing challenges in the area of security, the humanitarian situation and socioeconomic development. The current migration issue is a consequence of this.

Because internal and external challenges are increasingly interwoven, instability outside the EU often entails greater risks inside the EU. This requires a stronger **link between internal and external policy**, effective and integrated use of the EU's broad range of instruments, and active diplomatic efforts on the part of the High Representative and the member states.

The Netherlands Presidency attaches particular importance to strengthening the **Common Foreign and Security Policy (CFSP)**, including the Common Security and Defence Policy (CSDP). The EU has a vital interest in effective joint external action and in pursuing a CFSP that enables it to respond effectively to today's considerable security challenges. The Netherlands firmly believes in taking an

integrated approach to complex issues like the migration crisis, terrorism and cyber security. In this connection the Netherlands will also work to improve the EU institutions' working methods when it comes to external policy. Promoting **human rights** worldwide is a further priority for the Netherlands Presidency.

The Netherlands' efforts with regard to the EU's external policy will help foster the development of a new **Global Strategy on Foreign and Security Policy**, which is expected to be presented to the European Council in June 2016.

Defence

The European Council's Strategic Agenda is aimed at effective joint action in the world. A stronger Common Security and Defence Policy is in the interest not only of the EU but also of NATO and the individual member states. The Netherlands Presidency will therefore endeavour to ensure that the themes of security and defence are firmly embedded in the new Global Strategy on Foreign and Security Policy, the **enhanced CSDP** and the future of European defence cooperation. Once the new strategy has been adopted in June 2016, the Netherlands hopes to see the High Representative translate it into concrete goals and adequate civil and military capabilities. The Netherlands Presidency wishes to narrow the distance between the various bottom-up EU defence cooperation initiatives and top-down EU security policy. To this end it will continue to raise the matter of giving defence cooperation a more binding character. Lastly, the Netherlands' efforts will also be geared to speeding up political and other decision-making.

The Netherlands Presidency is in favour of strengthening the **European defence market and industry**. An open, transparent and well-functioning defence market, to which SMEs, as well as major players, have access, and a competitive defence industry, are vital prerequisites for a stronger CSDP. During the Presidency the Netherlands will also support the EDA in the context of research and technology, an area in which the Preparatory Action for CSDP-related Research should offer new opportunities.

Trade

During the Netherlands Presidency the European trade agenda will be dominated by the negotiations on the EU's bilateral free trade agreements (FTAs), including with the US (Transatlantic Trade and Investment Partnership; TTIP), the follow-up to the 10th Ministerial WTO Conference, and the EU Regulations on trade in conflict minerals and in torture instruments. When chairing the Foreign Affairs Council (Trade), the Netherlands Presidency will facilitate the Commission's efforts in regard to the FTA negotiations and will work constructively with the European Parliament on concluding the legislative processes currently under way. The negotiations on the **FTA between the EU and the US**

(**TTIP**) are a subject of public interest in the European Union. Given the European Council's ambition of concluding the negotiations quickly, the Netherlands Presidency will work to move the process forward efficiently, while paying due regard to the public debate surrounding the agreement. It is also possible that the negotiations on the **EU-Japan FTA** will be finalised during the Netherlands Presidency, that a start will be made on the launch of negotiations with **Australia** and **New Zealand**, and that the Commission will be given a mandate to modernise the existing FTA with **Mexico**. The European Commission is also expected to issue a proposal during the Netherlands Presidency to give **China** market economy status, possibly subject to certain conditions.

The 10th **WTO** Ministerial Conference took place in December 2015. The EU will start translating the agreements made there into specific measures during the Netherlands Presidency. What is more, the Netherlands wants to be a galvanising force in the post-Nairobi debate on the future and role of the WTO in the multilateral trade system.

In terms of legislative matters, the Netherlands will work to arrive at a Council position on the European Commission proposal for a regulation aimed at promoting lawful, responsible trade in **minerals from conflict and high-risk areas**. The Netherlands will then launch trilogue talks between the Council, the Commission and the European Parliament. Towards the end of the Luxembourg Presidency the trilogue on the amendment of the Regulation concerning **trade in torture instruments** began. The Regulation controls the trade in goods that could be used for the purpose of torture and executions. The Netherlands will endeavour to complete the trilogue.

Development

The Netherlands Presidency's efforts in the area of development cooperation will be geared primarily to the migration crisis, where preparations for the World Humanitarian Summit, to be held in Istanbul on 23 and 24 May 2016, could play an important role, the implementation of the Sustainable Development Goals and preparations for the formal start of negotiations on future relations with the African, Caribbean and Pacific Group of States ('the ACP countries'). Lastly, the Presidency will initiate further decision-making on the 'aid and trade' agenda at EU level.

The **migration crisis** requires a coordinated response, integrating different policy areas and EU instruments. Partnerships with third countries will be vital. The Netherlands will work to ensure a continued focus on the external aspects of migration, including reception in the region, efforts to tackle the root causes and humanitarian aid. In this context, too, the Netherlands will push for a strong European voice at the World Humanitarian Summit.

The **Sustainable Development Goals** together form an international agenda for poverty reduction and global development up to 2030. The Netherlands Presidency will work to promote strict monitoring and early incorporation of the 2030 Agenda into the EU's internal and external policy.

The expiry, in 2020, of the Cotonou Agreement is a logical moment for the EU and the ACP countries (79 countries in Africa, the Caribbean and the Pacific Ocean) to reappraise their relations. Preparations for formal negotiations, starting in 2018 at the latest, are in full swing. The Netherlands Presidency will press for an open, informed discussion and will contribute to a thorough internal evaluation of the 'Cotonou acquis', and ensure that the ACP countries are included in the debate at an early stage.

Finally, the Netherlands Presidency will endeavour to further shape the **synergy between aid and trade** at EU level. The EU's broad range of instruments, including trade policy and development cooperation, mean it can make a major impact as a global player. For this reason the informal FACs on Trade and Development will be scheduled consecutively and feature a combined session for both trade and development ministers.

The Netherlands Presidency will table **international corporate social responsibility** and enhancing the sustainability of global value chains at this combined session. The conference which the Netherlands held at the end of 2015 will provide valuable input for this debate.

Economic and Financial Affairs

Creating optimal conditions for lasting economic growth and prosperity in the Union and a shock-resistant eurozone will remain crucial during the Netherlands Presidency. The Economic and Monetary Union (EMU) is in fundamentally better shape than before the crisis, but it can and should be strengthened further. In this regard the Netherlands Presidency will focus on making the best possible use of the current EMU framework, with particular emphasis on reforms and fiscal consolidation and deepening the single market. The Five Presidents' Report offers pointers for the development of the EMU.

The Netherlands Presidency will aim to further strengthen and streamline the European Semester, as proposed by the European Commission. During the Netherlands Presidency, debates on member states' performance and implementation of recommendations will be included on the agenda. An explicit opportunity to share best practices will also be provided. This initiative can help bring about a stronger European Semester and is consistent with efforts to strengthen the implementation of country-specific recommendations and promote structural reforms and

better governance in the member states. The Netherlands Presidency intends to extend the existing practice of using the recommendations for the eurozone. If the outcomes of these discussions are included in the national part of the Semester, the challenges facing the entire euro area can ultimately be better reflected in national policy.

The Five Presidents' Report considers among other things the strengthening of the **EMU's external representation** in the IMF. The discussions will continue during the Netherlands Presidency, with a focus on the benefits of more coordination between eurozone members and the importance of continuing collaboration with the EU member states.

The Commission has recommended a Council Recommendation on the establishment of National Competitiveness Boards. The Council will start considering this recommendation during the Netherlands Presidency. The Netherlands Presidency will also seek improvements to the functioning of the Stability and Growth Pact (SGP) and supports steps towards a simpler and more transparent SGP. It also favours making the Pact simpler. Over the coming year the Commission will launch a broad consultation and in mid-2016 an expert group will be set up to explore the legal, economic and political preconditions for the long-term proposals in the Five Presidents' Report.

As part of the completion of the **Banking Union**, a proposal on a European deposit insurance scheme and a communication on the extra measures needed to complete the Banking Union were presented by the Commission in autumn 2015. The Netherlands Presidency will include this proposal on the Council's agenda, and will endeavour to ensure that the extra measures required to complete the Banking Union are developed further.

On 30 September the Commission presented its Action Plan on Building a **Capital Markets Union**. The Capital Markets Union supplements the third pillar of the Investment Plan for Europe and is intended to provide a stimulus to Europe's capital markets so they function more effectively for the real economy. The Action Plan includes two regulations on securitisations, which the Netherlands Presidency might be able to complete. A proposal to revise the Prospectus Directive was also presented at the end of 2015.

A number of other important issues will require attention during the Netherlands Presidency. Agreement has already been reached in the Council on the Commission's proposal on **bank structural reform**, which is intended to help address the problem of banks that are 'too big to fail' and deals with the question of how far banks should separate their high-risk trading activities from ordinary utility

banking activities (like providing loans). Trilogue negotiations will therefore begin as soon as the European Parliament has determined its position. In addition, the Commission is expected to put forward a legislative proposal at the start of 2016 for a framework for the recovery and resolution of central counterparties (CCPs). Trilogue negotiations on the revision of the European directive on institutions for occupational retirement provision (IORP) are also expected to start during the Netherlands Presidency.

Tax

On 17 June 2015 the Commission presented an action plan to reform the **corporate tax** system in the EU. It includes a series of initiatives designed to end tax avoidance, ensure the sustainability of revenues and strengthen the internal market for business. The Netherlands Presidency will prioritise action against tax evasion and tax avoidance, including increasing transparency in efforts to tackle corporate tax avoidance, based on the package of measures agreed as part of the OECD's Base Erosion and Profit Shifting (BEPS) project in October 2015. During the Netherlands Presidency the Commission will come forward with a proposal for the conversion of OECD BEPS measures into European legislation. The Netherlands Presidency will also see further discussion on the inclusion of a minimum effective taxation clause in the Interest and Royalties Directive.

In the first half of 2016, the Commission will publish an **action plan for a more effective VAT regime**, including VAT on cross-border transactions within the EU. In the context of the digital single market, an action plan for an efficient and fraud-proof **VAT regime** is also expected in 2016, including a proposal on VAT rates and e-commerce. The Netherlands Presidency will address these matters if the timing of the publication permits.

The question of a **Financial Transaction Tax (FTT)** may be discussed again during the Netherlands Presidency if the leading group of member states that have opted for closer cooperation in this area agree on a proposal for a directive.

EU budget

In the Council the Netherlands Presidency will table the question of the **budget system** and the need to endow it with greater transparency, predictability and consistency. The focus will be on finding practical solutions that can be achieved within the framework of existing legislation. The Netherlands Presidency will also seek a clear EU budget calendar setting out predetermined steps in the budget process to be carried out at predetermined times during the year.

Justice and Home Affairs

A Europe without internal borders needs common solutions in the area of justice, security, asylum and migration. The current European migration problem affects every member state and demands a decisive European solution. The threat of terrorist attack requires even better cooperation on security and investigations. The Netherlands Presidency will strive to achieve a common European approach.

The Netherlands Presidency will endeavour to take forward and help implement the **European Agenda on Migration** presented in May 2015 and the Commission's additional proposals as announced in its Work Programme for 2016. The Netherlands Presidency is looking to take steps resulting in a fair distribution of the first asylum seekers to arrive and the processing of applications for asylum, and the further improvement of the security of Europe's external borders. In addition, in the medium term, migrants' prospects in the regions in which they are initially received must be improved, in order to break the existing model of high-risk onward travel. The Netherlands Presidency will aim to address the various challenges arising in this area by means of an integrated European approach. This will include the successful implementation of the recent decisions on the relocation of 160,000 asylum seekers, the effective functioning of hotspots, and steps to foster operational cooperation between member states. The legislative proposals on a relocation mechanism and a European list of safe countries of origin will also feature prominently during the Presidency.

In recent months several measures have been agreed in relation to the external dimension, such as the action plans on people smuggling and return. The Netherlands will take forward the discussion in the Council on the Commission's **border management package**, which was presented in December and includes a stronger mandate for Frontex. The European Council of December 2015 called for a Council Position on this important issue during the Netherlands Presidency. The Commission also announced measures in its Work Programme to improve migration management, focusing on resettlement, a revision of the Dublin system and legal migration.

In the light of the current complex security situation and in the context of counterterrorism, the implementation of the **EU Internal Security Strategy** 2015-2020 is also of key importance, as is the implementation of the package of measures adopted after the attacks in Paris in January. A coordinated European response is required in view of the transnational nature of cyber crime and cyber security issues, terrorism and organised crime, including human trafficking. This applies equally to preventive action on

radicalisation. Working on the basis of existing instruments, the Netherlands Presidency will focus specifically on fostering effective operational cooperation and further improvements to the exchange of information, while maintaining data protection safeguards. The Netherlands Presidency will seek to take forward the implementation of the European security strategy for 2016. It will also address the proposal to amend the framework decision on terrorism, improved rules on firearms and a proposal for a European Criminal Records Information System for third-country nationals. The efforts of the Netherlands Presidency will focus particularly on putting the instruments for improvements to counterterrorist measures into place as quickly as possible, in view of the great importance attaching to them.

Finally, the Netherlands Presidency will seek to advance a number of ongoing legislative matters that are the subject of negotiations in the Council and the trilogue. These relate to contract law, legal aid and the EU's accession to the Convention for the Protection of Human Rights and Fundamental Freedoms.

Employment, Social Policy, Health and Consumer Affairs

The Netherlands Presidency considers a level playing field to be a priority for the Employment, Social Policy, Health and Consumer Affairs Council (EPSCO). It therefore sets great store by the **labour mobility package**. According to the Commission's 2016 Work Programme, the package will comprise a communication on cross-border labour mobility as well as a proposal for a targeted revision of the Posting of Workers Directive, and the revision of regulations on social security coordination. The aim of this last revision will be to combat abuses through better enforcement.

The Netherlands Presidency will press for work-related cancer to be combated by expanding workers' protection against a wider range of carcinogens. This will involve amending the **Carcinogens Directive**.

The Netherlands Presidency will also encourage member states to share knowledge on **poverty reduction**.

Besides these priority issues, the Netherlands Presidency will also focus on issues that are already on the agenda or will be raised in the near future. These include gender equality and economic independence, the Semester, the European Accessibility Act, the 'pillar of social rights' and the Directive on gender equality in other settings than the workplace. The **New Skills Agenda for Europe** will also be presented to this Council.

In the area of public health, the EU plays an important role in the **market access of pharmaceuticals and medical**

devices. The Netherlands Presidency will examine the question how new innovations could reach patients faster at a socially acceptable cost. The Presidency will also strive to reach agreement with the European Parliament on the two regulations concerning medical devices and in-vitro diagnostic medical devices. The Netherlands urges health and agriculture ministers to collaborate more closely in fighting antimicrobial resistance and will therefore put the subject on the Council agenda during the Netherlands Presidency. The Netherlands also believes it is important that access to innovative, affordable medicines be safeguarded. It will therefore endeavour during its Presidency to strengthen voluntary cooperation among member states on medicine pricing issues, and will explore flexible forms of market access that should give patients better access to promising new drug treatments.

There has been a delay in developing criteria for identifying substances as **endocrine disrupters**. The Netherlands Presidency considers it important to address the risks that these chemicals pose to humans, animals and the environment and will aim to prevent any further delay.

Finally, the Netherlands Presidency will strive to achieve a stronger common approach to **improving the quality of foodstuffs** at EU level by organising a conference and putting the issue on the agenda of the informal Council meeting. A level European playing field for food producers will promote the development of innovative, healthy foods and make it easier for consumers to make healthy choices.

Competitiveness

Internal market

The economic benefits of a better functioning single market could amount to over €651 billion a year, or 5% of European GDP, making the single market the EU's most valuable asset and one of the main instruments to propel Europe's economy forward.

The Netherlands Presidency welcomes the **Single Market Strategy** on goods and services presented on 28 October 2015, including a comprehensive single market strategy encompassing improved implementation and enforcement of existing legislation (especially the Services Directive), a clear focus on service sectors with high economic potential (such as construction, business services and retail) and strengthening of the principle of mutual recognition (particularly in the service sectors mentioned). The Netherlands Presidency will also pursue measures to remove the remaining barriers for services in order to strengthen the single market. This includes more ambitious implementation of the Services Directive and following up on the country-specific recommendations on

the single market made in the framework of the European Semester. The Netherlands Presidency aims to address the Strategy in the Competitiveness Council, so that the Council can give political direction to the development of the main initiatives announced and provide input for the European Council.

For the Union as a whole, boosting confidence in the digital economy and promoting innovation across the entire economy are essential drivers of robust economic growth. The Netherlands Presidency therefore looks forward to seeing concrete proposals based on the **Digital Single Market strategy** presented in May 2015 to enable businesses and individual citizens to derive maximum benefit from advances in the digital sphere. The main themes in this area include cross-border e-commerce, modernising copyright, simplifying VAT, reviewing the telecoms regulatory framework and fostering the free flow of data.

The Regulatory Fitness and Performance Programme (REFIT) is part of the Better Regulation agenda. The Commission plans to scrutinise a substantial package of existing legislation over the coming year. The Netherlands Presidency welcomes the inclusion of **better regulation** in the Commission's Work Programme. Improving regulation is an ongoing process, and therefore requires continuous attention. The Netherlands Presidency will put better regulation on the agenda in the Competitiveness Council, and special attention will be paid to sectoral reduction targets and the importance of future-proof European legislation.

Research

Making Europe more innovative will be the central theme of the Competitiveness Council's work on research during the Netherlands Presidency. This emphasis ties in with the Commission's agenda for a Union of jobs, growth and competitiveness. The informal meeting of ministers will focus on creating the right conditions for, and the importance of investment in, **research and innovation**.

The results of the evaluation of the **Seventh Framework Programme for Research and Technological Development** will enable the Council to emphasise the positive impact of investment for our future. For Europe to have the best research and business climate, legislation must be research- and innovation-friendly. This also ties in with the Commission's ambition, as expressed in its 2016 Work Programme, to improve Europe's investment and innovation climate and simplify access to European research funding from the Horizon 2020 programme. The impact of investment on science and society can be magnified by improving the dissemination of and access to scientific knowledge (i.e. by practising open science and

promoting open access), making the results of publicly funded research publicly available.

Space

The Commission's Work Programme includes a commitment to a Space Strategy for Europe. The Netherlands Presidency intends to anticipate this by including **Space** on the Council agenda. These could include improving the uptake of satellite data.

Transport, Telecommunications and Energy

In 2015 the European Commission presented a framework **strategy for a European Energy Union**. The aims of the Energy Union are to ensure a more affordable energy supply, reduce the EU's energy dependence, and establish a future-proof climate policy. To implement the strategy, the Commission has proposed revising the Energy Labelling Directive. The strategy is likely to be elaborated further over the coming year. For instance, key proposals will be put forward on redesigning the electricity market in order to enhance the flexibility of the energy system, the coordination of supply security policy, the integration of sustainable energy in the market, and regional cooperation. The Commission will also publish proposals to strengthen security of supply in Europe. The Netherlands Presidency will strive for progress on the above-mentioned proposals, focusing especially on the redesign of the electricity market and regional cooperation – both essential building blocks for the Energy Union.

The transport agenda will focus on the contribution that transport, logistics and mobility can make to the Juncker Commission's plan for jobs, economic growth and investment. The Netherlands Presidency will prioritise efforts to make the sector more competitive by focusing on a well-functioning market, innovation, investment in infrastructure and smart legislation. It is expected that negotiations with the European Parliament on the proposals under the market pillar of the **Fourth Railway Package**, on the regulation on market access and financial transparency of **port services** and the directive on technical requirements for inland waterway vessels will be concluded under the Netherlands Presidency.

From the **Aviation Package** that was presented on 7 December the Netherlands Presidency will put the communication on an Aviation Strategy for Europe on the agenda for the ministerial European Aviation Summit on 20 and 21 January 2016. The Package includes proposals on revising the EASA regulation, legislation on drones and mandates for negotiating air transport agreements with, for instance, six Gulf States, Turkey and ASEAN. The Netherlands intends to table these proposals at the formal Transport Council. Finally, preparations need to be made for the next session of the Assembly of the International

Civil Aviation Organization (ICAO), which will discuss a **global emissions trading scheme** for aviation in September/October 2016. The Netherlands will also take up the expected proposals on professional qualifications in inland navigation and a legislative package on safety rules and standards for passenger ships. The latter will be issued in the context of better regulation (REFIT).

The theme of the transport part of the joint ministerial meeting of environment and transport ministers on 14 and 15 April 2016 will be **'smart mobility'** (cooperative and automated driving). The Netherlands believes that various issues, including liability and safety standards, must be considered at international level. It hopes to make progress towards European harmonisation in the area of self-driving vehicles. By cooperating at this early stage of development it should be possible to prevent a patchwork of rules and regulations from developing in the EU.

The digital single market is the most important issue to be discussed by the Telecommunications Council, in particular the revision of the regulatory framework for telecom companies. A modern regulatory framework will strengthen competition, competitiveness and investment in the **telecommunications sector**. Other issues to be discussed include internet governance, the review of the wholesale market for roaming and the use of the 700 MHz spectrum band.

The Netherlands Presidency will work either to conclude negotiations on the proposed **Network and Information Security Directive** or to implement the adopted legislation. In addition, the Netherlands Presidency will strive to conclude talks on the directive concerning accessibility of government websites. Finally, the Netherlands looks forward to the eGovernment action plan announced in the Digital Single Market Strategy.

Agriculture and Fisheries

Agriculture and fisheries are vital to the European economy and to global food security. The world faces the challenge of having to feed at least nine billion people by 2050. Solutions may be sought in climate-smart agriculture and **reducing food waste** throughout the production and supply chain, both in Europe and beyond.

The Netherlands Presidency will hold an exchange of views on member states' experience with the most recent **Common Agricultural Policy** reform with a view to the future of the CAP after 2020. The Netherlands Presidency will also urge the Commission to take action in the shorter term to simplify the CAP to alleviate unnecessary regulatory burden on farmers. Current market conditions in a number of sectors, including dairy and pig farming, are cause for concern and will have our constant attention.

The Netherlands Presidency will also address the tackling of **antimicrobial resistance**. A One Health approach is needed, with closer cooperation between health and agriculture ministers. The Netherlands Presidency will organise a ministerial conference on this issue.

The Netherlands Presidency will also address the imbalance between **patent law and plant breeders' rights**, which is impeding open access to genetic sources. Such access is vital to plant breeding.

With regard to fisheries legislation, the Netherlands Presidency will aim to achieve more in-depth sustainability as agreed in the framework of the new **Common Fisheries Policy**. Priority will be given to concluding agreements on multiannual plans for sustainable fish stock management and expanding the landing obligation to prevent food waste. These issues, too, must be seen in both the European and the wider global context: clean oceans are essential for global food security. The Netherlands Presidency therefore wishes to take steps in the areas of Blue Growth and food security.

Finally, there will probably be discussion of the evaluations of the European Court of Auditors and the European Commission of EU **forest policy** and EU efforts to tackle the **trade in illegally harvested timber**. Based on this, the Netherlands Presidency will strive for a more effective, coherent approach that will also strengthen efforts to halt deforestation.

Environment

The Netherlands Presidency wishes to ensure that measures in different policy areas reinforce each other where possible and that both economic objectives and responsible use of resources and energy are incorporated in a future-proof model for sustainable growth. The Netherlands Presidency sees the Commission's proposal 'Next steps for a sustainable European future', which will ensure Europe's economic growth and social and environmental sustainability beyond 2020, as a key initiative in this regard. As chair of the Environment Council, the Netherlands will also seek to encourage thinking at EU level on the implementation of the 2030 sustainable development agenda.

The **outcome of COP21, the Paris Agreement** and its further consequences will be a matter of great interest during the Netherlands Presidency. The European Council plans to further discuss the outcome of COP21 and the implementation of the European climate and energy package up to 2030 in March; this will be prepared by the Environment Council.

In July 2015, negotiations started on the Commission proposal to revise the EU emissions trading system (ETS). In the second quarter of 2016 the Commission is expected to propose new national targets for further **CO₂ emission reduction in non-ETS sectors** (effort sharing decision). The Netherlands Presidency will strive for concrete progress in these negotiations, with a view to implementing the European contribution to global climate change efforts (minimum 40% reduction in 2030 compared to 1990 levels) in EU policy and legislation.

A circular economy is based on responsible use of resources and obtaining raw materials from waste, through reuse or recycling. It is a way of achieving economic growth that does not deplete our natural capital or involve major dependence on natural resources, and that does not create mountains of waste. An EU-wide movement towards a circular economy could create new opportunities for innovation, growth and jobs and boost Europe's competitive position. The new **Circular Economy Package** will be discussed by the Environment Council during the Netherlands Presidency.

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In the context of better regulation the Netherlands Presidency will also strive to improve and simplify EU environmental legislation, in particular by promoting the British-Dutch-German 'Make It Work' initiative. In this initiative, a coalition of member states and the Commission aims to identify opportunities for improving the implementation, consistency and coherence of EU **environmental legislation** so that it will be **better able to deal with future challenges**. Work is being done with the Commission to modernise reporting obligations. To this end, the Commission announced in its 2016 Work Programme that it will publish a communication, setting out a strategy and ambitions for monitoring and reporting obligations in environmental policy. The Commission also intends to perform a fitness check of all the reporting obligations in EU environmental law. In elaborating 'Make It Work' the Netherlands will focus attention on alternative ways of steering developments besides legislation, taking as its example the Dutch Green Deal approach.

The Netherlands Presidency will advance ongoing business, including the amendment of the NEC Directive on the reduction of national emissions of certain atmospheric pollutants, and take up new issues, such as the Fitness Check of the Birds and Habitats Directives, and preparations for the next session of the Assembly of the International Civil Aviation Organization (ICAO), which will discuss a global emissions trading scheme for aviation after the summer of 2016.

The theme of the joint informal meeting of environment and transport ministers on 14 and 15 April 2016 will be

innovative technology and policy for **smart and green transport solutions**. Besides the joint meeting, the environment and transport ministers will also meet separately. The environment ministers' meeting will explore how innovation could be stimulated in order to achieve CO₂ emission savings of 60% in the EU by 2050. Their findings could contribute to the transition to zero-emission transport, revised CO₂ standards for vehicles after 2020 and post-2020 policy on transport fuels, including biofuels.

Education, Youth, Culture and Sport

In the area of education the Netherlands Presidency will align its efforts with the Strategic Agenda, which gives priority to employability and the development of knowledge and skills. One key focus of attention is the modernisation of higher education and vocational training.

The European Commission announced a **new Skills Agenda** in its 2016 Work Programme. The new agenda, which will be discussed by this Council, will promote investment in skills development so that workers are better equipped to deal with the changing labour market and society. The Netherlands Presidency will also address the mutual recognition of qualifications, which will support vocational training and higher education and help realise the full potential of digital jobs.

With regard to culture, media and the creative industries the Netherlands Presidency will strive for a debate and Council conclusions on the infrastructure and platforms required for European **digital heritage** (such as Europeana, the digital repository of European cultural and academic institutions).

The Netherlands welcomes the Commission's plan, in the framework of the Digital Single Market Strategy, to **review the Audiovisual and Media Services Directive** in 2016 and will strive to move the debate forward. Promoting the circulation of European audiovisual productions will be spotlighted.

Furthermore, the Netherlands Presidency will seek to encourage debate on the role of education in the **reception and integration of migrants** and the role of education and youth work in combating **youth radicalisation**. This will be coordinated with the conclusions of the Luxembourg Presidency, current developments and any Commission initiatives. Discussion of the contribution of youth work is in line with the Commission's priorities concerning young people's inclusion and participation in society. The issue of social participation by young people with mental disorders will also be addressed. It is important to discuss this issue not only with sector stakeholders, but to take a broader perspective that also encompasses the interests of public health.

The Netherlands Presidency will put the **integrity of sport** on the agenda, based on the EU Work Plan for Sport 2014-2017. The focus will be on preparing and organising major international sports events, in particular how this can be done with positive social, economic and sustainable returns that will generate public support. The Presidency will work closely with the sport sector.

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