

**1. EUROPEAN COUNCIL**  
**AND**  
**COUNCIL OF THE UNION**

**A) EUROPEAN COUNCIL**

**Cardiff European Council**  
**15-16 June 1998**

## **An extract of the presidency conclusions: Cardiff European Council, 15 and 16 June 1998**

### **PRESIDENCY CONCLUSIONS**

(...)

#### **Agenda 2000**

50. Agenda 2000 is of fundamental importance for the future development of the European Union. The Union must make important choices about key policies and the medium term financial framework within which they will be developed. The European Council recognises that final agreement will need to be reached on the Agenda 2000 proposals as a whole.

51. Without prejudice to such a final agreement, the European Council considers that useful progress can already be identified in the light of the report from the Presidency and the Council.

#### **The Future Financial Framework**

52. A new financial perspective is essential for budget discipline, efficient expenditure and for an appropriate financial framework permitting the coordinated evolution of major categories of expenditure in accordance with the priorities defined for developing Community policies. There is broad agreement that it should be set for a seven-year period (2000 - 2006) with provision for adjustment at the time of the first enlargement. Without prejudice to the amounts to be identified for pre-accession aid, there is widespread support for maintaining the present categories of expenditure within the financial perspective. In line with the conclusions of the Luxembourg European Council, a clear distinction must be made in the presentation and implementation in the financial framework between expenditure relating to the Union as currently constituted and that reserved for the future acceding countries, including after enlargement.

53. The Inter-Institutional Agreement has worked well as a framework for the annual budget procedures. The approach to negotiating a new agreement should be governed by the principles that an appropriate balance of powers between the institutions should be maintained, that the new agreement should ensure strict budgetary discipline and that it should clearly implement dual programming and entry of pre-accession and accession-related expenditure. The Council should now begin a technical examination of the Commission's proposals with the European Parliament.

#### **Enlargement**

62. Noting that the Luxembourg European Council assessed the candidatures addressed in Agenda 2000 and took the decisions necessary to launch the overall enlargement process, the European Council welcomes the substantial progress made since Luxembourg in preparing for enlargement.

63. The Union's priority is to maintain the enlargement process for the countries covered in the Luxembourg European Council conclusions, within which they can actively pursue their candidatures and make progress

towards taking on the obligations of membership, including the Copenhagen criteria. Each of these candidate countries will be judged on the basis of the same criteria and will proceed in its candidature at its own rate, depending on its degree of preparedness. Much will depend on the efforts made by the candidate countries themselves to meet the criteria. All will benefit from strengthened relations with the EU including through political dialogue and tailored strategies to help them prepare for accession.

64. The European Council welcomes the Commission's confirmation that it will submit at the end of 1998 its first regular reports on each candidate's progress towards accession. In the case of Turkey, reports will be based on Article 28 of the Association Agreement and the conclusions of the Luxembourg European Council.

65. The European Council welcomes the launch of the Accession Process in Brussels on 30 March. It is an evolutionary and inclusive process. A productive further meeting of the Ministers for Justice and Home Affairs of the 15 Members of the European Union with their opposite numbers from the 10 Central and East European applicant states and Cyprus was held on 28-29 May. Further Ministerial meetings will take place as the need arises.

66. The European Council encourages the Commission to pursue rapidly the delivery of assistance within the Accession Partnership framework. Pre-accession aid will be increased substantially. In this context it endorses in general terms the legislative framework proposed by the Commission, and invites the Council to continue its work. The priorities for projects financed by these instruments should reflect the priorities for agriculture and the environment and transport established in the Accession Partnerships. Effective coordination between these instruments and Phare, as well as with operations funded by the EIB, EBRD and other international financial institutions will be essential. The European Council notes that the basis of funding for the countries included in the enlargement process was set out at Luxembourg.

67. Following the opening of accession negotiations on 31 March 1998 with Cyprus, Hungary, Poland, Estonia, the Czech Republic and Slovenia, the European Council notes that the screening exercises for seven chapters of the *acquis* have been completed. It also welcomes the opening of the analytical examination of the *acquis* with Bulgaria, Latvia, Lithuania, Romania and Slovakia.

68. The European Council also welcomes the Commission's communication of 4 March 1998 on taking forward the European Strategy to prepare Turkey for membership. It agrees that, taken as a package, this provides the platform for developing our relationship on a sound and evolutionary basis. The European Council invites the Commission to carry forward this strategy, including the tabling of any proposals necessary for its effective implementation. The Strategy can be enriched over time, taking into account Turkey's own ideas. The European Council further invites the Presidency and the Commission and the appropriate Turkish authorities to pursue the objective of harmonising Turkey's legislation and practice with the *acquis*, and asks the Commission to report to an early Association Council on progress made. Recalling the need for financial support for the European Strategy, the European Council notes the Commission's intention to reflect on ways and means of underpinning the implementation of the European strategy, and to table appropriate proposals to this effect.

69. The European Council welcomes the first meeting of the European Conference held in London on 12 March 1998, and its conclusions. The principles of participation in the Conference and its initial membership were agreed at the meeting of the European Council in Luxembourg.