2005 budget: section III, Commission

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In this strategy paper, the European Commission outlines its political and financial priorities for 2005.

This will be the guideline for the Commission's legislative programme and the allocation of resources. The top operational priority is the integration of the new Member States. Politically, the Commission wants to ensure that in the EU of 25 Member States and 450 million citizens competitiveness and cohesion are enhanced, security and European citizenship are guaranteed for a greater number of more mobile citizens, and that the Union will be able to take on more external responsibility.

The Annual Policy Strategy decision for 2005 is exceptional in that the current Commission will establish a framework to be considered by the next Commission. This decision will ensure consistency with the priorities for the post 2006 period covered by the new financial perspectives.

For 2005, the overriding priority is to make enlargement a success and shape the future of Europe. 2005 will be a key year for negotiations on the next financial perspectives, new programmes, such as structural funds, education and training etc. and, in all probability, the ratification of the new Treaty.

The Commission's work shall be determined by three priorities for 2005:

1) Competitiveness and cohesion : an upturn in growth will be the central policy objective of the Commission, striving constantly to improve the competitiveness of the European model while maintaining prosperity, employment, cohesion and environmental protection, as integral elements of the sustainable development agenda. The proper functioning of the enlarged internal market and the full implementation of the acquis are crucial in this context.

Particular emphasis should be placed on industrial policy; reducing the persistent gap between Europe and its main partners in terms of the effort put into research and the development of human and technological capital (including information and communication technologies, information society, lifelong learning and Erasmus Mundus); reinforcement of consumers' confidence in the field of transborder transactions and electronic trade; reducing disparities within the enlarged Union.

2) Security and European citizenship : the enlarged EU will require new effort to guarantee free and secure mobility, and must manage a land border of 6,000 km and a sea border of 85,000 km. The total of third-country nationals living in the EU exceeds 14 million, while around 1,5 million are arriving each year. Moreover, enlargement will accentuate the diversity of cultures and peoples, and will present a new challenge in the form of European citizenship as a new EU dimension.

Enlargement of the Union's territory and the increased population will require a greater effort and better coordination from the point of view of managing the new common borders, dealing with the increased mobility of individuals within this area and the need to ensure their security. In this field, the Commission has taken steps to create a European area of freedom, security and justice in accordance with the instructions given by the Tampere European Council in October 1999. This strategy will enter a second phase in 2005.

After 11 September 2001 and the devastating train bombings in Madrid, the European Union faced a mounting concern about the threat of terrorism, which has further sharpened this need for security. This was confirmed by the European leaders' summit on 25 and 26 March 2004 along with the decision of naming the first counter-terrorism coordinator and vowing to share intelligence better than in the past.

Moreover, for the purpose of protecting Europe's citizens from risks associated with natural disasters and environmental or epidemiological crises, the Union is being called upon more and more to assist or take over from the Member States when problems assume a pan-European dimension. To this end, the Commission manages a large number of programmes geared to protection, safety, public health, food safety, prevention and control, together with solidarity and crisis-management funds.

3) External responsibility and neighbourhood dimension : the Union's new dimension and the new external borders resulting from enlargement will make it necessary to put in place a stable, comprehensive political framework with the neighbouring countries of the south and the east. Once enlargement becomes a reality, the implementation of this second sphere of prosperity and stability will be the central external priority.

With this in mind, the Commission will implement a new EU neighbourhood policy and will strive to promote intra-regional cooperation. This new policy is aimed at neighbouring States which are not (with the exception of Balkan countries) candidates for EU accession. As far as the countries of the western Balkans are concerned, the stabilisation and association process will remain the policy cornerstone. Furthermore, in 2005, the Commission's external action will be geared to achieving further objectives, namely: contributing to the completion of the ongoing enlargement process, entailing preparation for the accession of Romania and Bulgaria. In addition, and in the light of decisions taken in 2004, the Commission will continue implementing the preaccession strategy with Turkey and might enter into an active phase of negotiation with Croatia. The Commission will be required to play a greater role in promoting sustainable development in line with Europe's international commitments, including the Millennium Development Goals, which will need to be reviewed in 2005. The Union's integrated commercial policy and its vital role in promoting development will lead it to take on greater responsibility in multilateral governance. Lastly, the Union's expansion will go hand in hand with increased international responsibility and will require even more coherence in its external actions, using all the instruments available. This increased coherence will allow the EU to better address Europe's challenges and threats as set out, inter alia, in the European security strategy and will include the establishment of appropriate crisis-management capacity combining civilian and military means, while ensuring that humanitarian aid remains independent from political considerations.