

**COUNCIL OF
THE EUROPEAN UNION****Brussels, 31 May 2000****9004/00****LIMITE****USA 12
PESC 271****NOTE**

From :	General Secretariat
To :	Delegations
Subject :	EU-US Summit, Queluz, 31 May 2000

Delegations will find annexed to this note the following documents, which were issued at the EU-US Summit in Queluz, on 31 May 2000:

- 1) EU-US Summit Declaration on South Eastern Europe
- 2) EU-US Summit Declaration on HIV/AIDS, Malaria and Tuberculosis in Africa
- 3) EU-US Summit Declaration on Biotechnology
- 4) EU-US Summit Declaration on WTO
- 5) EU-US Summit Declaration on Data Privacy

The Senior Level Group (SLG) to the Summit is also annexed.

EU U.S. SUMMIT STATEMENT ON SOUTHEAST EUROPE

The European Union and the United States are staunchly committed to working with the governments and people of Southeast Europe to build a secure, prosperous and democratic region. Creating stability throughout Southeast Europe is an essential element of a Europe whole, free and at peace. Achieving these goals will require greater steps towards political and economic reform by the countries of the region and our continued willingness to respond with stronger bonds to the rest of Europe and the transatlantic community.

The absence of democracy in Serbia remains the principal impediment to stability in Southeast Europe. We are determined to support democracy and freedom of expression in the Federal Republic of Yugoslavia (FRY) and condemn the escalating repression by the Belgrade regime. We will continue to work with democratic forces and to develop a comprehensive dialogue, not only with the democratic opposition, but also with Serbian civil society as a whole, in order to promote democratic change in the FRY. We reaffirm our support for free and fair elections as demanded by Serbian democratic political forces. Bringing internationally indicted war criminals to justice and the release of political prisoners remain priorities for both the EU and the U.S. We pledge to support a democratic FRY and hope, in the near future, to welcome it as a partner in the international community. Such a change will provide the opportunity for Serbia to reverse its economic decline and join its neighbours on the path to prosperity.

We reaffirm our support for the Government of Montenegro and our determination to further speed up our assistance to Montenegro. We agree on the desirability of finding ways of getting international financial institutions engaged in Montenegro.

We support and insist upon full implementation of Security Council Resolution 1244. We strongly support the efforts made by UNMIK and KFOR to achieve the goals set out in the Resolution. We note that UNMIK and KFOR have made significant progress towards creating a safer, more democratic and more prosperous environment in Kosovo, but that much work remains to be done. We will continue our support for the establishment of effective and impartial institutions of self-governance in Kosovo. The United States expressed its appreciation for the leading role the

European Union and its Member States are playing in the stabilisation and development of Kosovo, including funding the lion's share of reconstruction. They are also providing by far the largest share of resources devoted to security, budget support and humanitarian assistance in Kosovo. European Leaders expressed their appreciation for the participation and engagement of the United States in Kosovo and the Balkans.

We attach the utmost importance to the proper preparation of local elections in Kosovo this fall. These elections will provide democratically elected partners for UNMIK at local level. They will be a major step towards the establishment of self-government for Kosovo, as provided for in UN Security Council Resolution 1244.

We applaud Croatia's free and fair parliamentary and presidential elections earlier this year, which should offer hope to the people of Serbia and encourage democratic change. We fully support the efforts of the new Croatian government to deepen democracy and accelerate market reform, and welcome Croatia joining the Partnership for Peace as well as the European Union firm intention to negotiate a Stabilisation and Association Agreement. We also note the positive steps the new Croatian government has taken to advance implementation of the Bosnia Peace Accords.

We remain fully committed to fulfilling the goals and vision of the Stability Pact for Southeast Europe. We welcome the success of the recent Regional Funding Conference for Southeast Europe, where donors pledged significant assistance for regional reform efforts and high-priority infrastructure projects. We again applaud the leading role played by European countries and institutions in pledging the vast majority of resources required for these efforts. We are committed to the swift disbursement of assistance we have pledged, particularly for the "Quick Start" projects that are to be under way by March 2001 and which will improve transportation links, attract investment, reinforce human rights, fight crime and build a new spirit of cooperative security. We are encouraged that a number of these projects have already begun, including on transport infrastructure, improvement of power grids and enhancement of border crossings throughout the region. Additional projects will soon be underway.

We are also working to fulfil our commitment to provide Southeast European products greater access to our markets through trade preferences. We are simultaneously taking steps to support private domestic and foreign investment in the region, including the activities of the Stability Pact

investment compact and missions of the Business Advisory Council. Increased trade and investment remain crucial elements in creating long-term prosperity and growth.

The countries of Southeast Europe, however, must take the lead in determining their destiny. They must now fulfil their pledges to enact and implement the economic and political reforms needed to sustain their transformation and further their integration into the European and transatlantic mainstream. These include concrete measures to create a legal and administrative environment conducive to private enterprise, to eliminate barriers to trade and investment, to combat corruption and to solidify democracy and human rights throughout the region. We will work with the Stability Pact Special Coordinator to monitor their efforts and look forward to their initial reports on progress next month.

Working together, serious and sustained efforts can achieve the transformation we all want and the stability that the people of Southeast Europe deserve.

**EU-U.S. SUMMIT STATEMENT ON ACCELERATED ACTION ON HIV/AIDS, MALARIA AND
TUBERCULOSIS IN AFRICA**

Few challenges are more profoundly disturbing or more far-reaching than the collective threat posed to the citizens of Africa by three major communicable diseases: HIV/AIDS, malaria and tuberculosis.

While the scope of the threat is global, Africa bears a disproportionate share of the suffering caused by these diseases. This year alone, HIV/AIDS will claim more than two million lives in Africa while more than a million will be lost to malaria and tuberculosis. While there have been some notable positive developments in Africa, the devastating effects of these diseases threaten to reverse decades of development and to rob an entire generation of hope for a better future. This health crisis in much of Africa contributes to a vicious cycle of disease and poverty, eroding security and undermining social and economic development and poverty reduction.

We, the EU and the U.S., reiterate our commitment to combat HIV/AIDS, malaria and tuberculosis. Together with other countries and international organisations, we are already making a major effort. We acknowledge the extensive work being done in this field by many international organisations, such as WHO, World Bank and UNAIDS. But the scale of the problem requires new mechanisms to mobilize international opinion, resources and to take appropriate action to assist African countries.

We welcome the work done in the UN Security Council during the January 2000 U.S. Presidency. In the Cairo Declaration and the Action Plan of April 2000, the EU and African leaders pledged their commitment to pursue further action in this field. The renewal of the ACP-EU Partnership Agreement in June 2000 will highlight the need to work with the African, Caribbean and Pacific Partners on a comprehensive approach in the context of poverty reduction. We are looking forward to the G8 initiatives on communicable diseases and poverty at the upcoming Summit in Okinawa.

Today, at the EU-U.S. Summit, we agreed to join forces and to develop new mechanisms and partnerships in response to the threats posed by HIV/AIDS, malaria and tuberculosis. This will become part of our global agenda. We will work together to advance the following objectives:

International Partnerships

- Having reinforced our own commitment, we call upon others in the international community to join us in combatting HIV/AIDS and controlling malaria and tuberculosis in Africa.
- We will welcome and encourage initiatives aimed at developing international partnerships with the WHO, UNAIDS and other UN agencies, the donor community, governments in developed as well as developing countries, the pharmaceutical industry and civil society to develop new and co-ordinated international responses, sustain successful national health strategies, and improve access to drugs.
- We recognize the central role and responsibilities of governments in Africa in setting priorities and co-ordinating country efforts, and call upon our partners to support such national ownership.
- We will mobilize our diplomats and other representatives in each concerned country to work with national leaders and others to intensify co-operative actions, to share relevant information needed to encourage prevention, and to strengthen local capacity to deliver necessary health services and treatments for HIV/AIDS, malaria and tuberculosis.

Public Awareness

- We will co-operate to increase public awareness of the scope of the crisis and to propagate effective health and prevention measures. The roles of primary health care services and basic education are crucial, as are information and other disease-targeted campaigns.
- We call upon political leaders in Africa and elsewhere to encourage information and education campaigns, including on how to prevent mother-to-child transmission of HIV/AIDS. We welcome the success in some countries, where strong political leadership, openness to the issues, and flexible responses come together.

Drugs and Vaccines: Research and Accessibility

- Together with developing country partners and with industry, we will strengthen our research and development co-operation in the fight against these poverty-related diseases. In this respect, we call for enlarged partnerships aimed at speeding up research and development. We will explore new methods of evaluating drugs and vaccines, including strengthening capacity and training in those countries most impacted by these diseases.
- In order to make new drugs, vaccines and other public health intervention methods available faster, we will stimulate increased links between our respective research activities and co-ordinate research tasks.
- We will support the introduction of new financial, legal and investment incentives designed to make drugs and vaccines more accessible and affordable to countries in need. To this end, we will encourage partnerships and international initiatives, such as the Global Alliance for Vaccines and Immunization (GAVI), the Multilateral Initiative on Malaria, and the EU-ACP Vaccine Independence Initiative in Africa.

Resources

- The EU and U.S. will seek increased governmental and private resources dedicated to the fight against HIV/AIDS, malaria and tuberculosis, including through multilateral organisations and institutions. We acknowledge and encourage the important role of industry, NGOs and civil society.
- In the World Bank and regional development banks, we will support increased financial resources for basic health care systems needed to combat these diseases.
- We will support governments that undertake to improve their health systems with resources made available under the Highly Indebted Poor Countries debt relief initiative and through the implementation of the Poverty Reduction Strategies developed in consultation with civil society and international donors.

EU-U.S. SUMMIT STATEMENT ON BIOTECHNOLOGY

Given the importance of issues relating to the use of modern biotechnology, Presidents Prodi and Clinton decided in October 1999 to take new steps to address the full range of issues of concern in biotechnology both through reinforced high-level dialogue between administrations within the NTA framework and with input from civil society.

The European Union and the United States welcome the constructive steps already taken to enhance transatlantic dialogue on biotechnology issues over the past six months. We undertake to continue to engage constructively in this area in the future.

We are pleased to be able to launch today the EU-U.S. Biotechnology Consultative Forum of eminent persons from outside government. We are hopeful that this independent Forum will provide a venue for thoughtful discussion among experts and will contribute toward fostering better understanding of the many important issues involved. We look forward to its report at our next Summit.

With regard to trade in agricultural biotechnology products, the European Union and United States have begun high-level discussion on regulatory issues, including as an early priority, practical means to facilitate trade in accordance with regulatory requirements of the importing parties. We will report back on these discussions to the next EU-U.S. Summit.

EU-U.S. SUMMIT STATEMENT
ON A NEW WORLD TRADE ORGANISATION ROUND

Since the last EU-U.S. Summit in December, we have worked together in Geneva to rebuild confidence in the WTO and the multilateral system, with particular reference to developing countries. With our trade partners, we have agreed to a short-term package on market access for the least developed countries, an implementation work programme, and on the high priority to be accorded to effective delivery of technical assistance.

The EU and U.S. reaffirm their conviction that the early launch of an inclusive new Round of WTO trade negotiations would offer a major boost to global economic growth, employment and sustainable development, but must address in a balanced way the concerns of all WTO members.

The EU and U.S. pledge to build on the constructive work of the last six months to try to launch such a new Round during the course of the year. We have reiterated our common view that the WTO agenda should include the social issues of labour and environment, not as a matter of protectionism, but as a matter of social justice and sustainability.

EU-U.S. SUMMIT STATEMENT ON DATA PRIVACY

We welcome the significant progress made in the dialogue on privacy and the approval by the EU Member States of the safe harbour privacy arrangement. This arrangement is designed to allow U.S. organisations to comply with the requirements of the European Directive on Data Protection for transfers of data to third countries and to ensure that data flows are not interrupted. It must now be reviewed by the European Parliament before it can be formally adopted and implemented. Subject to this review, the remaining procedural steps are expected to be completed in July.

This arrangement provides a bridge between our different approaches to privacy in a way that enhances consumer confidence by protecting European citizens' privacy and keeps data flowing across the Atlantic. Both are key to the continued expansion of our information economies and the thousands of jobs they generate. The safe harbour accord also provides a welcome example of transatlantic cooperation. From the start, we adopted a constructive, problem-solving approach to the privacy issue that can serve as a model for cooperation in our relationship.

We have agreed to review participation in the safe harbour in the middle of 2001. Problems with the interruption of data flows during the implementation phase are not anticipated thanks to the flexibility offered by the Directive. On the issue of financial services, the EU and the U.S. recognise the particular economic importance of this sector and have agreed to continue their discussions with the aim of bringing the benefits of the safe harbour to the financial services sector as soon as possible.

Highlights of the Report of the Senior Level Group
EU-U.S. Summit
Queluz, 31 May 2000

In this millennium year, the European Union and the United States reaffirm their desire to continue to develop the New Transatlantic Agenda and so further reinforce relations between them, based on shared values and responsible partnership in promoting peace, stability, democracy and development throughout the world.

The full extent and depth of transatlantic relations far outweigh in importance our disputes, which nevertheless often receive greater media attention. We are determined that there should be a truer reflection of that reality. We recognise that, in a world of increasing interdependency, seemingly simple decisions, taken primarily for domestic purposes, can have an impact not only on our bilateral relations, but also multilaterally. Hence, we believe in the continuing value and relevance of the early warning mechanism, which we announced one year ago, as well as of our efforts to strengthen the multilateral trading system.

We remain firmly committed to the various understandings and agreements reached at the 18 May 1998 London Summit and, conscious of their importance, will continue to attach a high priority to the effective and prompt implementation of all their aspects.

During the Portuguese Presidency, the EU and U.S. have further strengthened their cooperation within the transatlantic dialogue. Building on the Lisbon March European Council and the April White House Conference on the New Economy, our leaders will exchange ideas at the Summit on innovation, information and growth, focussing on appropriate public policy responses, to ensure that the EU and U.S. benefit from progress and development in this exciting new era.

The clearest example of our cooperation is in the Balkans, where we have together sought to bring peace, democracy, stability and economic renewal to a region that has known so much violence. This will continue to be a priority for us, as emphasised in our joint Summit Statement on Southeast Europe. The U.S. recognises the leading role and effort the EU is putting into the rebuilding of Kosovo and the region. The Stability Pact will be a principal channel and tool for our efforts, but we will also work directly with countries and other organisations in the region to most effectively

promote our common goals. In the FRY, our work with civil society and opposition forces is particularly important. The first EU-U.S.-Russia trilateral ministerial meeting took place in Lisbon on 3 March. We have agreed that such valuable trilateral meetings should continue. The war in Chechnya has been and will continue to be the focus of ongoing joint efforts. We continue to urge the Russian government to carry out the provisions of the resolution on Chechnya adopted in April by the UN Commission on Human Rights, to bring the fighting to an end, to allow effective access to humanitarian organisations and to encourage political dialogue. We will try to bring forward the peace process in the Middle East - in full recognition of the necessary role the EU and U.S. will play in the future in the development of peaceful relations in that region. Our fruitful cooperation in promoting human rights and democracy, and in combating terrorism and the spread of weapons of mass destruction will continue.

Recognising the global threat posed by communicable diseases (HIV/AIDS, malaria, tuberculosis), particularly but not only in Africa, we are today committing ourselves in a joint Summit Statement to working together, in partnership with the countries concerned to increase efforts to combat and control these diseases, and to try to reduce, through effective and coordinated support, the suffering and death these scourges bring to millions of people.

As reflected in our joint Summit Statement on Biotechnology, we have taken new steps to address the full range of issues of concern, both through reinforced high-level dialogue between administrations within the NTA framework and with input from civil society.

The EU and the US reaffirm their intention to work together, and with their trading partners, to try to launch a new round in the course of this year. Bilaterally, we will seek to achieve further progress in mutual recognition (goods and services), and on a wine agreement and on regulatory cooperation. We welcome the significant progress now made in the dialogue on data privacy, as set out in our joint Summit Statement. We continue to attach a high priority to resolving expeditiously and in a similar cooperative spirit, other outstanding trade disputes and economic issues in order that they do not undermine our broader political and economic relationship.

The new powers of the European Parliament under the Amsterdam Treaty highlight the value of the increased activity of the Transatlantic Legislators' Dialogue.

Report of the Senior Level Group

EU-U.S. Summit

Queluz, 31 May 2000

Current Achievements

Since the Stability Pact was established, the EU and U.S. have worked closely with their Stability Pact partners to register a considerable package of achievements, including a regional Anti-Corruption Initiative, a regional Investment Compact, promotion of independent media in the region and a donor review process to identify regional priorities that would merit funding. Cooperating closely in the donor coordination process, chaired by the European Commission and the World Bank, the EU and U.S. participated actively in the successful Stability Pact Regional Funding Conference, organised in Brussels on 29-30 March, and in the various meetings of the Stability Pact and its Round Tables. We look now to the implementation of agreed Stability Pact projects and of the necessary reforms in the countries of the region needed to establish a lasting basis for economic development. To further support this process, the EU and the U.S. are developing programmes to provide significant additional market access to the countries of the region.

The Stability Pact is the framework for our engagement in the region, but we work also directly with the countries of Southeast Europe and with groups within those countries to promote our common goals. This is particularly important with respect to the FRY. Recognising the challenge the absence of democracy in Serbia poses to stability throughout Southeast Europe, we have sought, through dialogue with the Yugoslav democratic forces, to accelerate the democratic transition of the FRY, with both political support and direct assistance to those forces and civil society. We have striven to ensure that our sanctions apply maximum pressure to the Belgrade regime without penalising the people. Therefore, we are enhancing the effectiveness of our financial sanctions and have developed visa ban lists that target the regime. The EU has suspended the flight ban, a decision which the U.S. has supported. We have provided substantial technical advice and assistance to Montenegro, which is a beneficiary of the Stability Pact. We are exploring ways to provide assistance through international financial institutions to Montenegro. Following the election of the new President and Government in Croatia, we have sought to enable them to strengthen respect for human rights, democracy and the rule of law and to develop friendly relations with neighbouring countries, particularly Bosnia and Herzegovina.

Although large-scale fighting in Chechnya has receded and Russia has taken some steps to meet the concerns of the international community, the conflict remains a matter of concern for us and will be the focus of continuing joint efforts. In particular, we have urged Russia to follow through on commitments made to facilitate the return of the OSCE Assistance Group and to expedite the introduction of Council of Europe experts in the office of the Russian President's Special Representative for Human Rights. We have pursued our initiatives in relation to non-proliferation in the Russian Federation. We have urged Russia to provide us with legal protections included in the draft Multilateral Nuclear Environment Programme for the Russian Federation (MNEPR) agreement before any further assistance can be provided, and to honour its commitment made at the 15 March Barents-Euro Arctic Council meeting on the MNEPR agreement. Upon ratifying the Chemical Weapons Convention (CWC) in 1997, Russia assumed an obligation to destroy its chemical weapons (CW) by 2007. The EU and the U.S. have a mutual interest in assisting Russia in meeting its CWC obligations and in ensuring Russia's CW stockpile management. The EU and U.S. are actively contributing to the Russian CW destruction programme. However, in order to meet our common security interests, additional international assistance is required.

Jointly, we pressed the Ukrainian government to accelerate market reforms and to strengthen Ukraine's democracy. We welcomed efforts being undertaken by Ukraine's first reformist government. We also continued to press Ukraine to follow through on its commitment to close the Chernobyl nuclear power plant this year. We continued our cooperation efforts in Ukraine on HIV/AIDS, civil society projects, establishment of a Regional Environmental Centre, power sector reform and bank restructuring. We are working jointly to support these efforts for economic development and reform.

We have carried out demarches and issued a declaration against the violent suppression of the 25 March demonstration in Minsk. Our demarches in advance of the demonstration on 26 April resulted in it taking place without incident. We continue to support genuine negotiations between the Belarusian authorities and opposition under OSCE auspices and have urged the Belarusian authorities to meet the minimum necessary conditions for election observation presented by the OSCE Troika during its 4-5 May visits to Minsk.

The EU and U.S. welcomed the second session of Cyprus proximity talks, which took place in Geneva from 31 January to 8 February. We have fully supported, including through our special envoys, the third round of talks, scheduled to resume on 5 July in Geneva.

The Helsinki European Council's important decision granting candidate status to Turkey reinforced that country's intent to meet its political and economic reform commitments, including the conditions outlined in Helsinki, which will eventually lead it to implement a wide range of principles and values shared by the EU and the U.S.

We have reaffirmed the need for a just, lasting and comprehensive peace in the Middle East and our commitment to assist the parties in reaching it. We stressed our view that it is of the utmost importance for the parties to remain fully engaged in the negotiations and for all sides to refrain from violence and from unilateral acts that undermine the peace process.

The EU and U.S. have similar views in relation to East Timor. We have expressed concern about the difficult situation that prevails in West Timor and have encouraged Indonesian authorities to disarm pro-integration militias and to bring to justice human rights violators. We have carried out parallel demarches in Jakarta on the situation of refugees in West Timor.

We coordinated support for President Wahid and the Indonesian government efforts towards strengthening democracy and respect for human rights, and encouraging reform. We have stressed our support for a strong, democratic, united and prosperous Indonesia and welcome the efforts of the Indonesian government to solve internal conflicts through dialogue rather than through force of arms. In this context, we welcome the signing of a Joint Understanding on Humanitarian Pause on Aceh between the Indonesian government and the Free Aceh Movement (GAM) in Geneva on 12 May. We hope the agreement represents a first step towards resolving the problems in Aceh through dialogue rather than violence.

We have consulted and often worked closely together at the UN Commission on Human Rights, sharing concerns about the situation in a number of countries and territories, such as China, Cuba, Democratic Republic of Congo, FRY, Iran, Iraq, Sudan, Chechnya and East Timor, as well as on thematic issues. We have continued our discussions about various country-specific resolutions, as well as the use of the death penalty, where we recognise differences remain between us. We have

both pursued approaches to improve the human rights situation in China.

Common European Security and Defence Policy (CESDP) is a dimension of the Common Foreign and Security Policy, comprising the military and civil aspects of crisis management. Collective defence is not part of the CESDP. NATO remains the foundation of the collective defence of its members and continues to have an important role in crisis management. We have worked together to construct a strong and enduring approach to European security such that the CESDP will complement, not duplicate, NATO and will strengthen transatlantic security. Development of consultation and cooperation between the EU and NATO is of the utmost importance and must take place in full respect of their autonomous decision making processes. We welcome the developing close cooperation and consultation between the EU and non-EU NATO members as well as the EU and countries that are candidates for accession to the EU, which will be important for the success of CESDP. We have again committed ourselves to promote peace and stability in the Euro-Atlantic area.

We have consulted on non-proliferation and other issues related to the Korean Peninsula. We have each reviewed and updated our existing policies for promoting peace and stability on the Korean Peninsula to take account of developments. We have each shown our commitment to working with our regional partners on these issues, including by support for the engagement policy of the Republic of Korea. We therefore welcomed the announcement of the Inter-Korean Summit (12-14 June), which we hope will reinvigorate North-South dialogue. We welcomed the commitment by the Democratic People's Republic of Korea (DPRK) to freeze test-launches of missiles, while U.S.-DPRK talks continue, as a positive initial step towards meeting international concerns in this field. We have also provided significant food aid and other assistance to the DPRK. The U.S. is embarked on a process aimed at improving relations with the DPRK. The EU has continued to pursue its political dialogue with the DPRK.

The EU and U.S. participated actively in the 2000 Review Conference on the Non-Proliferation Treaty (NPT) in New York and reaffirmed that the NPT is essential in promoting international peace and security now and for the future. The Conference agreed on the importance of universal adherence to and compliance with the NPT, and reaffirmed the unequivocal commitment of all States parties to disarmament, safeguards and peaceful nuclear cooperation in accordance with the Treaty. We have each sought to convince India and Pakistan to take steps such as those outlined in UN Security Council Resolution 1172, including signing and ratifying the Comprehensive Test Ban

Treaty (CTBT), as part of a wider effort to maintain peace and stability in the region. We welcomed the recent ratifications of the CTBT and START II by the Russian Federation. We both have actively supported the Korean Peninsula Energy Development Organization (KEDO).

Recognising that cooperation and political will are the key elements of an effective strategy against international terrorism, we have continued to make efforts to ensure the implementation of UN Security Council Resolution 1267 as quickly as possible. We have actively discouraged those who seek to disrupt the Middle East Peace Process through terrorist acts. Both sides have stated, in contacts with third countries, the importance of the UN Convention on the Suppression of Financing of Terrorism.

EU-U.S. cooperation to implement the conclusions of the High Level Assistance Consultations is taking place in all relevant areas. Progress has been made especially in the areas of food security, as well as peace building and conflict prevention. A continuous exchange of information has taken place on humanitarian assistance in crisis areas (such as Kosovo, East Timor and Sierra Leone). High-level meetings took place on humanitarian issues in order to enhance our coordination, such as in response to the drought in the Horn of Africa and refugee support in West Africa and Chechnya.

In February, an informal EU-U.S. meeting of high-level officials took place on Justice and Home Affairs (JHA) issues in Brussels in the framework of the NTA task force meeting. There were several ad hoc expert meetings on the question of visas and on the Action Plans on Migration of the High Level Working Group. Regular exchanges continued within the EU's JHA Council structure (CIREA, CIREFI, the Council Working Group on criminal matters, the Council Working Group on mutual legal assistance, the Multidisciplinary Group, as well as on asylum and migration matters). In February, the U.S. participated, as an observer, in an interinstitutional conference on drug policy in Europe, organized by the EU to consider how to implement the EU drugs strategy (2001-2004); in May, the U.S. met the EU CFSP Drugs Group in troika format. In March, the EU and U.S. successfully co-sponsored several resolutions during the Commission on Narcotic Drugs in Vienna. We worked together in developing the World Anti-Doping Agency (WADA) in accordance with the Sydney Communiqué. The EU-U.S. coordinated information campaigns to counter trafficking in women in Hungary and Bulgaria, and information distribution is now taking place.

EU and U.S. officials held constructive and wide-ranging discussions at the May meeting in Brussels of the regular High-level Bilateral Consultations on the Environment.

The Regional Environmental Centre (REC) in Moscow has started on its work programme with a conference on sustainable development hosted by senior members of the Russian government. Progress has been made in establishing the REC in Kiev. The first meeting of the International Coordinating Committee for the RECs in the NIS was held in Tbilisi, Georgia on 23 - 24 May.

The EU and US participated together at a number of international environmental fora. The Biosafety Protocol was successfully adopted in Montreal in January and was opened for signature in May in Nairobi. Much technical progress through bilateral and multilateral meetings, workshops and informal exchanges of views has been made in the run-up to the sixth meeting of the parties to the Climate Change Convention (to be held in November 2000). The Intergovernmental Forum on Forests successfully concluded its Fourth Session in February 2000. In March, the World Water Forum hosted by the Government of the Netherlands helped to launch an international coordination effort to address transboundary water issues.

The EU-U.S. Task Force on Communicable Diseases has begun to bring together technical experts in speciality areas, such as HIV/AIDS, tuberculosis and anti-microbial resistance, to develop joint approaches to surveillance, response, research and related issues for cooperation. This effort will supplement and complement cooperation already underway between our development assistance programmes.

We have established an EU-U.S. Biotechnology Consultative Forum – composed of eminent persons from outside government – which will constitute an important step towards fostering better understanding of the many important issues involved. In addition, we have intensified discussions between our senior officials to determine the most effective means of addressing the biotechnology issues of concern to both sides, most of which relate to the use of modern biotechnology in food and agriculture.

We have found a solution on voting arrangements under the Madrid Protocol on the international registration of marks.

We have made progress in our negotiations of a mutual recognition agreement (MRA) on marine safety equipment and in the area of calibration, as well as in the field of regulatory cooperation. We notably identified the key outstanding issues with regard to the regulatory guidelines. We held a positive first session on mutual recognition in the area of services (architects, engineers, insurance). Work has continued in the other areas identified in the TEP Action Plan (biotechnology, environment, food safety, labour, competition, intellectual property rights and procurement).

We have made significant progress in our dialogue on data protection with the approval by EU Member States of a safe harbour privacy arrangement designed to allow U.S. organisations to comply with the requirements of the European Directive.

We have actively pursued our cooperation under the 1998 Science and Technology Cooperation Agreement in a wide range of research areas. A large number of joint research projects under the Framework Programme V have been launched. An implementing arrangement was signed for cooperation in digital libraries. Other new implementing arrangements - in addition to those on materials research and metrology – are being prepared in areas like non-nuclear and renewable energy research, earthquake engineering, earth sciences, food safety and e-learning. Cooperation on Global Disaster Information Networking (GDIN) is being explored as well as cooperation in the development of official statistics. The meeting of the Joint Consultative Group in February 2000 gave new incentive to our cooperation.

The Transatlantic Legislators' Dialogue (TLD) met in Brussels on 13 January. The Transatlantic Consumer Dialogue (TACD) met in Washington on 10-11 February. The Transatlantic Environmental Dialogue (TAED) met in Brussels on 10-13 May. Both the TACD and the TAED produced further sets of recommendations to Governments. At its mid-year meeting in Brussels on 22-23 May, the Transatlantic Business Dialogue (TABD) updated its recommendations for improving transatlantic trade and investment. In all these meetings, EU and U.S. officials participated actively. The TABD and the TAED will present their recommendations to the Leaders at the Summit. The Transatlantic Information Exchange Service held its third annual meeting on 6-7 April, with active participation by both sides.

Priorities for the coming six months

We continue to attach high priority to our cooperation in Southeast Europe, as witnessed by our joint Summit Statement. We will continue our efforts to develop a comprehensive dialogue with Serbian civil society at different levels, to apply international pressure on the Belgrade regime, and to encourage and support a democratic transition in Serbia. We will continue our active support of the democratically-elected government of Montenegro, in particular by promoting the engagement of international financial institutions and speeding up our own assistance. We will seek further ways to assist Croatia's development under its new democratically-elected government. We will continue to encourage steps toward social integration and further democratisation in FYROM and Albania. Through the Stability Pact mechanisms and our direct contacts with governments, we will support the implementation of reforms needed to promote good governance, democracy and human rights and the region's struggle against corruption.

We will cooperate on the prevention and tackling of organised crime in Russia, taking into account the EU's Action Plan for cooperation with Russia, as well as U.S. activities, in an attempt to avoid duplication and inconsistencies. Within the frameworks of the EU's Northern Dimension and the U.S.'s Northern Europe Initiative (NEI), we will look for new areas where we can cooperate, including, but not exclusively, public health issues. We will press Russia to complete negotiations of the MNEPR agreement to enable assistance in the critical area of nuclear waste clean-up in Northwest Russia. We will continue to exchange information regarding the appropriateness of food aid, taking into account the possible political implications and the potential impact of such food aid on agro-industry in Russia and neighbouring countries, and on the need to address agricultural reform. We will continue to press Ukraine to make further progress in political and economic reforms. We will continue to push the Ukrainian authorities to set a precise date for the closure of the Chernobyl nuclear power plant. At the same time, we will continue to support the reform and strengthening of the Ukrainian energy sector, notably in the task force on energy sector reform. The EU and the U.S. will press the Belarus authorities to create favourable conditions for free and fair parliamentary elections in October (improvement of the human rights situation, conduct of a substantive and result-oriented dialogue with the opposition, amendments to the electoral law, etc.).

We will continue to work closely together, including through our special envoys, to support the Cyprus proximity talks under the auspices of the Secretary General of the United Nations. We will support efforts to facilitate a comprehensive settlement consistent with relevant UN Security Council Resolutions.

We will remain in close contact, including through our special envoys, on issues related to the Middle East Peace Process. We will work together to further advance the multilateral track. We will work to ensure that the ad hoc Liaison Committee Meeting in Lisbon on 7 - 8 June is a success and will further contribute to the strengthening of Palestinian institutions. We will continue to support both parties throughout the final status negotiations in their efforts to conclude a comprehensive agreement by 13 September. We will, as before, also support and encourage the Syrian and Lebanese tracks. We will continue counter-terrorism assistance to the Palestinian Authority through our respective programmes.

We will continue our support for the development of nation-building and reconstruction, as well as the establishment of a democratic society and the rule of law in East Timor. Given the generally positive evolution of the situation in the territory, but the slow pace of reconstruction and lack of substantive progress in the process of national reconciliation, we are concerned that all donor contributions pledged at the Tokyo donors' meeting be disbursed and that UNTAET, UN agencies and the World Bank implement as a matter of urgency their programmes in East Timor. We expect the 21-23 June donors' meeting in Lisbon will reflect the international community's strong commitment to the viable future of East Timor.

We will continue to support the Government of Indonesia in its efforts to strengthen democracy, ensure respect for human rights, encourage reform of its military and judicial systems, enhance the rule of law and good governance, restore the vitality of its economy and solve its internal conflicts through dialogue rather than the use of force. We will also work together to help resolve the West Timor refugee problem.

In the light of the forth-coming inter-Korean Summit, we will encourage further steps towards the reconciliation between the two Koreas and will keep urging the DPRK to take the necessary steps to fulfil its non-proliferation commitments and to continue to intensify its dialogue with the international community.

We remain very concerned about the situation in a number of African countries, including in the Great Lakes and the Horn of Africa, where our special envoys have cooperated closely. We will continue to work closely together in the search to bring peace to war-torn areas, including Angola,

Ethiopia/Eritrea, in the Great Lakes region and Sierra Leone.

The promotion of peace, stability, democracy and respect for human rights will continue to be an issue of priority, including in our cooperation within international fora, such as the UN General Assembly. We are working together to prepare a positive, forward-looking, solution-oriented approach to the UN-sponsored World Conference Against Racism, Racial Discrimination, Xenophobia and Related Intolerance.

We will continue to work together closely to build a capacity for crisis management as envisioned in CESDP that strengthens transatlantic security ties, including through mechanisms and modalities to be agreed at the Feira European Council. In this respect, we underline the importance of the work being carried out in the EU towards developing the new and improved capabilities associated with its Headline Goal, as called for at the Helsinki European Council.

As agreed in our joint Summit Statement, we will join forces and develop new mechanisms and partnerships in response to the threats posed by HIV/AIDS, malaria and tuberculosis in Africa.

We will enhance our cooperation on efforts to curb the spread of weapons of mass destruction and will continue to cooperate closely on the preparation for a successful International Conference on Small Arms in July 2001 and ongoing consultations on the Organised Crime Convention and protocols to prevent the spread and destabilizing accumulation of small arms and light weapons. We will pursue further opportunities for cooperation. The EU and U.S. are ready to provide the Economic Community of West African States (ECOWAS) Secretariat with expert assistance for the effective implementation of the ECOWAS moratorium on export, import and manufacture of light weapons.

We will continue to support the aim of universal adherence to the NPT and of early entry into force of the CTBT and call on all States that have not yet done so to sign and ratify these treaties. Welcoming the establishment of nuclear weapon-free zones in various regions of the world, we will continue our support for the development of regional and international peace and security.

We will encourage all countries to become party to the UN Convention on the Suppression of Financing of Terrorism. We recognise the difficulties involved in implementing this convention and

we will actively continue to work to find effective means, within national legislation, to deny terrorists the ability to raise money and transfer funds across international boundaries.

We will continue our consultations on the reform of the UN and on seeking a solution to the problem of UN finances, including full and timely payment of obligations and development of a more equitable assessment scale, both for the UN regular and peacekeeping budgets. We will work with the Secretary General to support peacekeeping activities and to strengthen its police component.

We will continue our cooperation in the fight against money laundering and off-shore centres as well as against computer crime, in the spirit of the work carried out in the G7, with the view to developing concrete cooperation. We will actively continue our informal consultations on JHA issues within the framework of the NTA. The EU and U.S. will continue cooperation on the issue of child pornography on the Internet by hosting a joint expert-level meeting of computer forensic experts to discuss and assess best practices. We are continuing dialogue and cooperation on counter-narcotics efforts in Nigeria, SADC, Central Asia, the Caribbean and Latin America. In particular, we are mutually committed to fully implementing the recommendations of the joint counter-narcotics assessment mission to Nigeria last summer. We will consider joint or coordinated programmes in new countries to build upon our excellent coordination of information campaigns to counter trafficking in women.

A successful sixth meeting of the parties to the Climate Change Convention (to be held in November 2000) is a main priority in Transatlantic Environmental Cooperation in the second semester of 2000. In the run-up to COP6, the EU and the U.S. will continue intensive bilateral meetings to resolve their differences and contribute to a successful outcome. Common understanding and good cooperation between the EU and U.S are essential to ensure the finalisation, in South Africa in December 2000, of the future UNEP Convention on Persistent Organic Pollutants. Both sides will engage actively in the follow-up work necessary to ensure the successful operation of the Biosafety Protocol (Cartagena Protocol). To this end, we will actively cooperate at the meeting of the Intergovernmental Committee for the Cartagena Protocol in France in December 2000. We will work together as a priority to get the Central Asia (REC) up and running successfully. The four existing RECs in the NIS will meet in the autumn in Kiev to discuss work on public participation and report on their actions over the year. On forests, both sides will

ensure effective implementation of agreed Proposals for Actions and of the UNFF multi-annual work programme. We will follow up the March World Water Forum by participating in the 15-16 June meeting of donor countries in Washington.

We look forward to the report, which the EU-U.S. Consultative Forum will present to the December EU-U.S. Summit. We will continue our regular contacts between senior officials on biotechnology with a view to intensifying our cooperation on regulatory and other issues in this sensitive sector, including on how to facilitate trade flows for conventional and biotech (genetically modified) crop varieties approved in both the EU and U.S.

We both agree that cooperation within ICAO is the best forum for the establishment of new noise standards for aircraft.

We will seek to achieve progress in mutual recognition (goods and services), regulatory cooperation and early warning in the areas covered by the TEP Action Plan in accordance with the recommendations of the TEP Steering Group. We also attach importance to a proper implementation of the existing Mutual Recognition Agreement in all sectors covered.

On data privacy, subject to the review by the European Parliament, we aim to complete the remaining procedural steps for the Safe Harbour arrangement in July. We will continue our discussions in financial services in order to bring the benefits of safe harbour to this sector. Neither side anticipates problems with interruptions in data flows while they continue their good faith efforts to resolve these issues.

We will continue to work to reach an agreement on interoperability between the U.S. Global Positioning System and the planned European Galileo system.

We are determined to make progress on a new wine agreement and on implementation of the Veterinary Equivalence Agreement.

We are firmly determined to find solutions to our outstanding trade differences, including Foreign Sales Corporation, bananas, "carrousel" legislation, beef hormones.

We will continue to prepare the EU-U.S. Conference on Health and Safety at Work, which is scheduled to take place in San Francisco on 15 - 17 November. The EU-U.S. Working Group on Employment and Labour-related Issues, which is expected to meet in November in Brussels, will provide us with a further opportunity for a substantive exchange of views regarding our policy approaches on labour mobility and social exclusion.

The EU and the U.S. wish to participate in truly collaborative research, as one element of world-wide cooperation on research and education. Leading researchers in all fields should be able to work together and share their computer desktops despite the barriers of distance created by the oceans. In order to facilitate collaboration between researchers, we will aim to create a high bandwidth connection system to increase science and technology research. We will continue to work together to facilitate development of grids and accompanying tools, and will report on progress at future summits. We will promote intensive cooperation in the research aspects of the Global Disaster Information Network (GDIN), in particular its Mediterranean component (MEDIN). We are now preparing a number of implementing arrangements such as non-nuclear and renewable energy research, earthquake engineering, earth sciences, food safety and e-learning. We will strengthen our research cooperation on endocrine disrupting chemicals with a view to making coordinated calls for proposals. We will also enhance our joint action in order to face the risks of digital divide at national and international levels.

We will negotiate the renewal of the EU-U.S. joint agreement on education and training, with the intention of extending valuable cooperation in this field.

We will seek to strengthen our interaction with the Transatlantic Legislators Dialogue. We will continue to support the civil society dialogues and to encourage interaction among them. We will participate actively in the TABD Annual CEO Conference in Cincinnati on 16-17 November 2000, as well as continuing our dialogue with the TACD, TAED, and TALD.