



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 16 November 2010

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CO EUR-PREP 44

NOTE

from:	The General Secretariat of the Council
to:	COREPER/General Affairs Council
Subject:	European Council (16-17 December 2010) - Annotated draft agenda

In accordance with Article 3(1) of the Rules of Procedure of the European Council, the President of the European Council, in close cooperation with the member of the European Council representing the Member State holding the six-monthly Presidency of the Council and with the President of the Commission, shall submit an annotated draft agenda to the General Affairs Council.

Delegations will find attached the annotated draft agenda submitted by the President of the European Council, setting out the main items the European Council is expected to address on 16/17 December 2010.

In the light of the final discussion to be held by the General Affairs Council within the five days preceding the European Council meeting, the President of the European Council shall draw up the provisional agenda.

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The President of the European Council intends to restrict the agenda to the items which will actually be examined by the European Council. The conclusions of the meeting will be brief and will focus on decisions and general policies approved by the European Council.

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I. ECONOMIC POLICY

Further to its conclusions of October 2010, the European Council will:

- decide on the outline of a permanent crisis mechanism to be established by Member States to safeguard the financial stability of the euro area as a whole and on a limited treaty amendment required to create such a mechanism;
- take stock of progress in the Council on the Commission's legislative proposals, including as regards how the impact of pension reform is accounted for in the implementation of the Stability and Growth Pact.

It will also hold a discussion on how spending at the European level can appropriately reflect the consolidation efforts made by Member States, whilst respecting the role of the different institutions and the need to meet Europe's objectives.

II. EXTERNAL RELATIONS

The European Council will be informed of ongoing work on the evaluation of the European Union's relations with its strategic partners, further to its conclusions of September 2010.
