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National Parliaments: Key Partners in Setting the EU Agenda

Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort

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My generation has grown up in a Europe choked with barbed wire. As the Berlin Wall fell, Europe as a whole could finally aspire to freedom.

Mine would be the comeback generation; our main responsibility would be to stay on course, to make progress, to use the new opportunities for the common good. Yet this crisis has confronted us with a far greater challenge.

I hear disheartened voices spreading fear about the future of Europe.

But, crisis doesn't mean chaos or disaster. A crisis is an opportunity to make necessary changes. Our collective frame of mind plays a crucial role here. As President Barroso said in his State of the Union speech last week, there is much for Europe to be proud of, but we must have the courage to act to renew our Union.

As for the facts, they are clear: we have history. We have well established institutions. We have a treaty, laws and rules. We represent a one-fifth of global GDP. And we are working together through an open political process.

In this context, the **political dialogue** between the European Commission and national parliaments is very important.

The number of opinions the Commission has received from national Parliaments – whether on subsidiarity or the content of our proposals - has risen constantly over time. We have already received more than 400 this year alone. This is a huge increase. An increase which we consider to be a positive development.

Regrettably, as you yourselves have pointed out, this increase has also caused delays to our replies. You have also told us that you do not always consider our replies to be timely, exhaustive or fully satisfactory. We are committed to improve where we can, and in particular on the timing and on the level of detail of our replies.

However, as you know, there can always be situations where a written reply cannot be as explicit and definitive as many of you would like it to be. This may be because the institutions are in the middle of sensitive negotiations, or because it is still too early for the Commission to take a definitive position.

This is one of many reasons why our political dialogue can go and should go well beyond a written exchange of views, and beyond bureaucratic administrative processes.

Almost all the chambers which replied to the COSAC questionnaire stated that they have never continued the political dialogue with the Commission after receiving its reply. I think this should change in the future.

We are in contact; we meet; we communicate. This allows us to clarify misunderstandings; to get an accurate picture and a better understanding of each others' positions and reasoning. There is no better argument in favour of further deepening our political dialogue: by getting to know each other better, we also draw closer together [even if we don't always agree].

For example, recently, this approach proved useful when dealing with doubts some chambers expressed about delegated acts, in particular about their proposed duration and extent.

In our contacts, we confirmed our position that there are sufficient safeguards. At the end of the day, delegating to the Commission or not is the decision of the legislator, who can also revoke a delegation or object to any act. But of course, we are always ready to listen to any comment and engage in discussions about what is to be considered an essential element of a legal proposal.

However, it is important that our dialogue is not confined to institutional issues alone. Especially now.

We need to develop a common understanding of this crisis and of Europe's economic situation. We need to fully grasp our interdependence and its implications.

Considering Europe's prominent weight in the global economy, the stakes are high: we are dealing with a systemic crisis and trying to avoid a global recession.

Our Union is confronted with the most serious challenge in a generation. It is an economic challenge for families, businesses and communities across Europe. But it is also a political challenge, a fight for tolerance and reason in social and international relationships, a fight for European integration itself.

President Barroso's State of the Union address and the ensuing debate in the European Parliament last week made it crystal clear that the political focus for the immediate future must be on:

- restoring confidence in Europe;
- rebuilding stability and discipline;
- making solidarity real;
- and delivering growth and jobs.

The economic crisis in Europe has revealed structural deficiencies and long-term competitiveness problems. It has also shown how interdependent we are. Within the Union, some Member States have been lagging behind others. The result has been an accumulation of debts and deficits that were not sustainable in the first place, but which have been further aggravated by the financial crisis. This has led to even greater imbalances. The harmful effects are not limited to single countries, but to the Union as a whole.

Under these circumstances, we must first correct the excessive deficits and debts in a determined and sustainable way. We need to carry out long-overdue structural reforms – even when that takes political courage to drive change forward.

As national parliamentarians, you play a crucial role in ensuring momentum in this process; in holding governments to account. Responsible for driving national reform programmes; for rebalancing public finances; and for reaching rapid agreement on the most urgent matters.

In this context, let me recall that delay in delivery is at the heart of the current uncertainty in financial markets. Implementation of what we have already agreed is **absolutely essential**.

In the immediate future, the following actions are particularly pressing:

First, the implementation of the **package agreed on 21 July** by all euro area Heads of State and Government. It is an important package which includes measures to increase the flexibility and effectiveness of the EFSF.

A second urgent priority is the **6-pack on reinforced economic governance**. Last week the European Parliament approved the final version of the package. The Council should close the deal today. This strengthened economic governance will then provide a sound basis for the next European Semester in 2012.

Thirdly, Member States must now demonstrate that they are serious about the commitments made under the **Europe 2020** Strategy and the first European Semester.

A return to growth and job creation will require more than macro-economic tools. Targeted legislation and support measures at European and national level are also necessary. It is therefore more important than ever that **we get our political priorities right**.

The broad political consensus which emerged from the State of the Union debate provides a good foundation. It is on this basis that the Commission will finalise its Work Programme for 2012 [adoption 15 November]. Our focus will very strongly be on tackling Europe's competitiveness problem and driving growth and job creation.

Let me highlight **three main strands of initiatives**, which will all contribute to a solid foundation for long term sustainable growth:

The **internal market** was, is and will remain the single most important vehicle for growth and job creation in Europe. Our ambitious agenda for updating the single market will be pursued in 2012. Among possible new initiatives, let me just mention proposals to complete the **digital single market**, which in the Commission's view holds important untapped growth potential, not least for SMEs. We are also looking at initiatives to modernise the functioning of European infrastructure, including a further opening of the rail sector; and a comprehensive agenda to empower European consumers.

Secondly, the Commission will be making a final set of proposals to enhance transparency, stability and responsible behaviour in the **financial sector**. These proposals complete the ambitious overhaul of financial regulation, which the Commission has been proposing over recent years. A particular focus in these efforts will be on investor and consumer protection.

The third area that I would like to highlight concerns economic reforms to ensure the long-term **sustainability of our social model**. While most of the policy levers are mainly national, the Commission will continue to identify concrete areas where European action can provide genuine added value. We will also address challenges related to demographic ageing and public debt. On the revenue side, the Commission is looking at action to address the problems associated with tax havens and working on a revision of the VAT system, to put in place a more efficient collection system.

Finally, let me recall that in parallel to these efforts, the Commission is currently preparing the proposals for the next **multiannual financial framework**. These programmes provide support to research and innovation, regional development, infrastructure and employment – many of the key drivers of our economy. They are among the most important tools for enhancing growth at European level.

The EU budget is not large in comparison to national budgets, but it can have a powerful catalytic effect. We will modernise our programmes to simplify them and to make sure that they deliver value-added and real results on the ground. Reaching agreement on these proposals will be a top priority for next year.

We have also made important proposals to reform the way the EU is funded. These will help us to get away from the excessive focus on net contributions and to focus instead on what the EU budget can do for Europe's citizens.

Europe moves forward together, or not at all. Delivering results for our citizens requires hard work and a mutual commitment between national and European institutions. And it requires a continuous dialogue to ensure that decisions are firmly anchored. We need to recognise that the answers lie in working together, and challenging each other through our common institutions; not in a retreat into fragmentation and intergovernmentalism.

This year, we have put in place a new process, which allows us to have a more structured dialogue on major social and economic issues - the European Semester. But there are so many topics that we should discuss in depth. Just to name a few...

The Commission proposed a **financial transaction tax** last week, which will help to ensure that the financial sector makes a fair contribution to the costs of financial repair. We will also be coming with further proposals for stronger economic coordination and integration. As part of the emerging system of economic governance, the Commission will present options for the introduction of '**Stability Bonds**', or Euro-bonds as they are sometimes known. Much of this can – and should - be done with the treaty we have. But looking further ahead, we will also need to look at the possibility of further treaty change to open the way for further integration and strengthening of economic governance.

This is an enormous agenda for Europe, which can only be realised through an effective partnership with national parliaments. I can only repeat the invitation that the Commission has made to national parliaments on several occasions: it is not only about scrutinising our proposals thoroughly; it is also about shaping a shared vision of Europe.

We need to hear your views on what you consider to be the political priorities for the Union. We need to know what your perception of the common interest of Europe is. The debate organised at your last COSAC meeting in Budapest was just a first step in this direction.

I encourage COSAC to further develop this idea and make it a regular point on its agenda. The Commission is open to listening to you in the process of preparing its work programme.

Two years after the entry into force of the Treaty of Lisbon, there is no denying that national parliaments are at the heart of European politics, and that Europe is on the top of national political agendas. This is a very healthy development. And this makes it more important than ever that we exploit the full potential of our political dialogue and cooperation.

Thank you.