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Statement of President Barroso at the XLIV COSAC Meeting

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

COSAC meeting

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Honourable Members, Ladies and Gentlemen,

It is always a pleasure to be among you and a great privilege to participate in your debates.

Allow me to start by looking back a few years. Europe has faced some major challenges. We have had to tackle the financial and economic crisis. We have faced a rapidly changing world, with challenges from demography to climate change. And we faced our own internal challenge with the need to settle the issues in the Treaty of Lisbon.

It is worth looking back at the negative referenda which derailed the ratification process of the European Constitution. This told us something. It told us that European citizens were worried, about their jobs, their pensions, their education, their quality of life and their environment. And they looked to the EU for answers. This was a double edged sword.

One of the conclusions we reached was a greater concentration on results, on where the EU could make a real contribution to the lives of its citizens. But another conclusion was about democracy, and about partnership.

This was the origin of the political dialogue between the national Parliaments and the European Commission. It was a pledge to listen more carefully to you and to the people you represent.

Ladies and gentlemen, today, I am very proud that over the past five years, we have turned the political dialogue into everyday practice. It is now a natural part of the EU's system of governance.

What really matters, especially in difficult times, is what the institutions mean for the people; whether they can identify themselves with them and stand behind them.

Under the current circumstances, what we need first and foremost is to show that there are answers to the problems Europe faces today. And for that, more than ever, we need your support, your determination and faith in Europe.

You know that I have been consistent in my efforts to intensify the political cooperation between the Commission and the European Parliament and that I have always been in favour of broadening and deepening the political dialogue with national Parliaments.

Because Europe is not only to be found in Brussels or in Strasbourg. Europe is not only in the texts of our Treaties or our history books.

Europe is an everyday reality in every corner of the EU.

This is why it is so important to strengthen the political relationship with national Parliaments, intensify our contacts, talk more often to each other and listen more carefully to what each of us has to say. This is why I keep repeating that European affairs should be given their rightful place in your work. Europe is not foreign policy; it has become part and parcel of your domestic policy.

This is why I am particularly glad to participate in your discussions today.

As you know, the Commission Work Programme 2011 will be adopted tomorrow (27 October). In the weeks to come Vice President Ševčovič and other colleagues will present this programme to several of your assemblies and representatives. This year, the preparation of our work programme followed the new procedures laid down in the revised Framework Agreement with the European Parliament.

Following my first State of the Union speech at the European Parliament, earlier this September, and my accompanying letter to President Buzek, there has been a series of meetings to exchange ideas. So quite naturally our work programme will show considerable convergence with the priorities identified by the European Parliament. I hope it also reflects a broader European political consensus as well.

I am aware how important it is for the COSAC to have an extensive debate on the Commission's Work Programme as an essential and recurrent part of its agenda. But I am also convinced that national Parliaments should somehow be involved in the strategic planning process. Your voice should not be heard only downstream but also upstream.

Allow me to make some suggestions. For instance, if at the summer COSAC you held a yearly general policy debate, your Contribution would come in time to feed into the preparations for the State of the Union speech and the work programme. National Parliaments would then be in a better position to help us build a real consensus on where the EU should focus its policy for the upcoming year.

Honourable members, Ladies and Gentlemen,

As I've already said in Strasbourg: over the last year, our interdependence was highlighted and our solidarity was tested like never before. And I believe that we have withstood the test. But our work is far from finished.

We are in a very important moment in our economic recovery. We all know that there are some strong signs of improvement. The EU economy will grow more this year than previously foreseen. But recovery is not yet firmly established, there is no room for complacency.

And we should not and we will not forget that behind all the numbers and statistics, there is a social reality: the daily struggle of millions of unemployed people, of families and communities trying their best to make ends meet.

Europe's economic policy has been transformed since the crisis, based around three pillars. First, a fundamental and comprehensive reform of our financial system. Second, a stronger approach to economic governance. And third, a new system to build lasting prosperity for tomorrow – the Europe 2020 strategy for smart, sustainable and inclusive growth.

Many of you have already been looking in detail at the building blocks on reforming our financial system. Key measures are already being put in place – such as on supervision. Others are on the table, and a few still have to come forward. But by the end of next year, we should have seen a revolution in our financial sector, putting it on sound foundations for the future. An essential prerequisite for the future health of our economies, put in place with a speed which matches or exceeds any comparable global partner.

Now to the question of public debt. From 2008 to 2010, the public deficit-to-GDP ratio in the European Union has more than tripled; the public debt-to-GDP ratio has risen accordingly by more than 10 percentage points. In just two years, the efforts European citizens have been making for almost two decades were wiped out.

This was an essential response to the crisis, the need for recovery plans, and the effect of falling tax revenues and higher welfare expenditure. But we can all see the consequences on public spending, and we saw how it exposed the frailties of our economic governance –and that this was an area where our rules had not kept pace with our interdependence.

We would never be able to build sound long-term economies on shaky foundations. That is why new economic governance is so important. In May, we put in place a stabilisation mechanism that did the job – the immediate pressure was contained. Now the Commission has proposed new tools for reinforced economic surveillance so as to be able to detect early and deal with asset bubbles, lack of competitiveness and other sources of imbalances. These proposals build on a strong consensus bolstered by the work of the Task Force set up by President Van Rompuy. Now we need to put the new rules in place.

While the media's attention has been mainly attracted by the debate concerning the renewing of the Excessive Debt procedure and sanction mechanisms, national Parliaments have voiced their concern about possible interference of the EU with their budgetary prerogatives.

I am glad that we could address these concerns. The “European semester for policy coordination” is a critical tool to bring national and EU efforts together. It means sharing information about fiscal situations, macroeconomic trends and major policy plans in a timely fashion. As such it reflects what the crisis has made so clear – that policy decisions in one Member State have a direct impact on the economies of others. Inter-dependence is a reality.

We do need a consistent and comparable approach to make such a system work – with action in areas like minimum standards for domestic fiscal frameworks or budgetary planning. But these should not undermine national prerogatives.

And as we develop economic governance, it goes without saying that this must go hand in hand with reinforcing its democratic legitimacy, with a closer and timely involvement of the European Parliament and of national Parliaments throughout the process.

Again, some suggestions and ideas: For instance, the meeting of the Chairpersons of European Affairs Committees, usually in February, could be an occasion for national Parliaments to have an input early in the process. In July, the Chairpersons could look at the recommendations the Council will have made for each Member State. We would welcome this kind of close and regular involvement for national parliaments.

Honourable members, Ladies and Gentlemen,

Europe needs to look ahead. It needs to work now on the economy we need tomorrow. This is precisely what the new Europe 2020 strategy is about. We see the future of the EU as a smart, sustainable, and inclusive Europe. Our common task is to guide our economy towards new sources of growth.

I say common task because change on this scale needs to be a common endeavour, and there is no link in the chain more important than national parliaments. We need your support and your ownership to promote, explain and implement the reforms we need.

And we need to start this work now. There is no time to lose. We need to frontload the most growth-enhancing structural reforms.

Europe 2020 offers a strong, co-ordinated, European framework of future-oriented measures. A framework that reduces the risk of unilateral measures that could erode the advantages of the Single Market; that helps new sources of growth, based on innovation and sustainability; that makes Europe more agile, more flexible and more resilient.

Flagship initiatives are currently bringing Europe 2020 to life.

The Digital Agenda, the first we have launched, accelerates the roll-out of high speed internet to match the faster connections of our competitors.

The Innovation Union flagship will deliver a real change on how and how much we innovate in Europe. From science and technology-driven innovation to boost the competitiveness of your industries, to new business models, to creative design and marketing.

Other initiatives cover jobs, industrial policy, tackling poverty and exclusion, youth and resource efficiency – a package that illustrates the breadth of what we must achieve if we are to get truly on the right path ahead. And an approach which gives us a common compass to chart the way forward for Europe.

I know that when we talk about partnership and working together, this can mean some questions about the dividing line between national and EU responsibility. For example, I am of course fully aware about the concerns some of you have expressed with regard to our proposal for a seasonal workers' directive. We will now analyse and discuss your respective – positive and negative - opinions in more detail before we will take a decision on our political reply. But I hope that you will see that in all our work to modernise the economy, our objective is to achieve the common goal of sustainable and inclusive growth, not to extend the boundaries of EU action.

At the heart of this is, of course, the single market. That's why, at my request, Mario Monti presented an expert report which identified 150 missing links and bottlenecks in the internal market, which we will address in a comprehensive and ambitious Single Market Act proposal.

Honourable Members, Ladies and Gentlemen,

At the heart of how Europe 2020 will work are the National Reform Programmes.

Only if you fully engage with your respective governments in the preparation of the National Reform Programmes will these be your National Reform Programmes in the true sense of the word. I strongly welcome the fact that many national Parliaments have already been closely involved in drafting them. The more difficult the necessary reforms, the more critical it is to have a consensus at national level.

One of the functions of the NRPs will be to monitor progress towards reaching national targets. National parliaments' role here is crucial. This would definitely help us not to repeat the mistakes of the past, and close the delivery gap that prevailed under the Lisbon strategy.

You could also collectively and on a regular basis critically examine the achievements of the strategy as such, for instance on the occasion of the already suggested yearly general policy debate at the COSAC.

However you wish to accompany Europe 2020, I look forward to seeing the results in the Commission within the framework of our political dialogue, to help our own process of policy development.

Honourable Members, Ladies and Gentlemen,

Our world is going through tremendous changes and a great deal of instability. To paraphrase recent words of Jacques Delors: we are once again going through a phase of historical acceleration.

We don't know its outcome, but we do know that unity makes us stronger. And I believe that we will succeed only if, whether acting nationally, regionally or locally we think European.

Thank you for your attention.