

## WEDNESDAY, 7 APRIL 2010

IN THE CHAIR: MR BUZEK

*President*

*(The sitting was opened at 14.35)*

### 1. Resumption of the session

**President.** – I declare resumed the session of the European Parliament adjourned on Thursday 25 March 2010.

### 2. Statements by the President

**President.** – Ten days ago in Moscow, more people died at the hands of terrorists. We share the pain of the victims' families, and hope that those responsible for these attacks will be found quickly and tried. The European Parliament condemns and has always condemned acts of violence of this sort.

Today marks the 70th anniversary of the issue of the order by Stalin to shoot over 20 000 Polish Army officers. They were prisoners of war, and were being held captive following the aggression of the USSR against Poland in September 1939. During the last parliamentary term, Members had the opportunity to watch the film 'Katyń', which tells the story of these events. Last Friday, it was broadcast for the first time on Russian public television. For the first time, the Prime Ministers of Poland and the Russian Federation are paying tribute to the victims of the crime in Katyń together, today, 7 April. This important step on the road to Polish-Russian reconciliation, and also on the road to reconciliation in the East, is also a signal to the whole of Europe and is the next stage of the reconciliation of the Eastern and Western parts of our continent, which we all want.

*(Applause)*

I would also like to inform you that the European Commission will be represented by Mr Šefčovič at today's plenary sitting. Mr Barroso is unable to attend, today, for important family reasons.

### 3. Approval of the minutes of the previous sitting

**President.** – The Minutes of the sitting of 25 March 2010 and the documents which were adopted are available for viewing. The Minutes have been approved.

**Francesco Enrico Speroni (EFD).** – *(IT)* Mr President, you have remembered the victims of the attacks in Russia.

Only recently terrorist attacks also took place in Iraq, Afghanistan and Pakistan, countries which – like Russia – are outside the European Union. I think it is only right that we remember those victims too.

**President.** – You are right, Mr Speroni. I agree. With these introductory words, we in the European Parliament also refer to events of this kind which are happening throughout the world. We remember all victims with great pain. We also sympathise with the victims' families and friends, and with the countries where these things happen. However, this was an exceptional case, because such things have not happened in Russia itself for a long time. This is why I mentioned it. However, you are absolutely right, Mr Speroni. We should remember that every week, throughout the world, there are many very depressing cases of this kind. This is why our work in Europe, in the European Union, makes so much sense, and this is why we can be glad that it has been possible to solve many of these problems in our Europe, although we still have not solved them all. Thank you, Mr Speroni, for pointing this out to me. Thank you very much.

### 4. Conclusions of the European Council meeting (25-26 March 2010) (debate)

**President.** – The next item is the statements by the Council and the Commission: Conclusions of the European Council held on 25-26 March 2010.

**Herman Van Rompuy**, *President of the European Council*. – Mr President, honourable Members, dear colleagues, today I report back to you on the first formal meeting of the European Council that I have had the honour to chair.

As you know, that meeting had on its agenda our economic strategy for Europe 2020, and our strategy for global negotiations on climate change. That agenda was supplemented by having to deal urgently – for the second time in two months – with the situation in Greece and related questions concerning the eurozone. Allow me to start with the latter point.

How, in what circumstances and by whom financial support should be provided, if needed, to the Greek Government, was the subject of much debate in the run-up to the European Council. Indeed, prior to our meeting, there appeared to be a wide divergence of views. This is really not unusual in the history of the Union, certainly when so much is at stake – the key point is that we reached agreement. The Union's capacity to find a compromise remains intact. It is fundamental to our existence.

In the event, a large number of bilateral contacts between Member States and myself, the conclusions of the meeting of the eurozone ministers on 15 March, proposals by the Commission on loans by the Member States and intense negotiations between France and Germany helped pave the way to finding a compromise acceptable to all.

I convened and chaired a meeting of the heads of state and government of the eurozone countries and presented to them a draft statement which, after being amended, was accepted unanimously.

The parts of the text for which the European Council is competent were discussed and agreed by the European Council itself. The European Central Bank also agreed.

In the statement, we reaffirm that all euro-area members must conduct sound policies in line with the agreed rules and should be aware of their shared responsibility for the economic and financial stability of the area.

We fully support the efforts of the Greek Government and welcome the additional measures announced on 3 March, which are sufficient to safeguard the 2010 budgetary targets. Those measures were requested by the informal European Council of 11 February.

On the basis of the mechanism of solidarity we put in place, we stand ready, should market financing prove insufficient, to step in and provide support through a European-led operation of bilateral loans from the euro area Member States, in cooperation with the International Monetary Fund.

The mechanism respects the Treaties and meets with overall agreement of the Member States, of the Commission and of the Central Bank. Consequently, the Greek Government has not needed to request any financial support, though we will continue to monitor very closely the situation.

Let me just say that the IMF participation initially gave rise to some apprehension on the basis that it could appear to be external support for a euro area unable to solve its own internal problems. Upon reflection, however, the view prevailed that the International Monetary Fund is, after all, financed to a significant degree by European money, so why should European countries not be able to draw upon its facilities? We have set up and financed the IMF for this very purpose and it would be strange not to make use of it and its expertise. Close cooperation with the IMF appeared therefore to be acceptable, certainly in an operation consisting of a majority of bilateral euro-loans.

Two further aspects of the statement have given rise to much comment.

First, the European Council wants to draw lessons from this crisis. That is why it created a Task Force under my authority. That Task Force will be established in close cooperation with the Commission and include representatives of the Member States, the rotating presidency and the European Central Bank. It will present its conclusions before the end of this year. The European Council will take the final political decisions. I intend to give a high priority to this work. The Greek case highlighted the limitations of the current fiscal surveillance mechanism in the euro area. We must explore all possible ways to reinforce fiscal discipline and propose a framework for crisis resolution. A strengthening of our mechanisms is essential. What legal texts may eventually require amendment is an open question that must be explored, while remaining aware of the different procedures that would be required to amend the various legal instruments.

The Task Force has to deal with two aspects of the problem, revealed by the recent crisis: responsibility – how to prevent such budgetary indiscipline happening again – and solidarity – how to avoid improvisation, if a financial crisis eventually happens again in a Member State.

The Greek case has also highlighted the need to look at the issue of divergences of competitiveness inside the eurozone and the Union, on which we began a discussion that will be pursued in June and is an aspect of the eurozone economy to which we have paid insufficient attention. Without more economic convergence, we will jeopardise the common currency and the common market. This discussion is crucial. Budgetary discipline is not sufficient. Behind budgetary problems lie economic problems.

The second item giving rise to comments was the paragraph in which we stated that 'we commit to promote a strong coordination of economic policies in Europe. We consider that the European Council must improve the economic governance of the European Union and we propose to increase its role in economic coordination and the definition of the European Union growth strategy.'

Some have commented on the fact that the French version of this statement refers to '*gouvernement économique*' instead of 'governance'. Let me make it very clear that there is no divergence here in what we are seeking to achieve. We want to make full use of the European Council as the body in which we can coordinate both Union and national instruments to improve our economic performance. The European Council is neither the executive nor the legislative power of the Union. The mission of the European Council, according to the Treaty, is to give impetus and guidelines to the political direction of the Union. This applies also to economic policy. That indeed is what the bulk of the European Council meeting focused upon when we turned to examine the Europe 2020 strategy.

Here, I can report steady progress, which we will pursue further at the June European Council. Based on the proposals of the European Commission – and I would like to pay tribute at this point the work of President Barroso, – we have already identified five key targets on which our efforts should focus:

First, bringing the employment rate up to 75%, notably through the greater participation of youth, older workers, low-skilled workers and the better integration of legal migrants;

Second, improving the conditions for research and development, in particular with the aim of bringing combined public and private investment levels in this sector to 3% of GDP;

Third, reaffirming, and integrating into our economic strategy, the climate change targets that we have already committed to achieve by the year 2020;

Fourth, improving education levels, in particular by aiming to reduce school dropout rates, and by increasing the share of the population having completed tertiary or equivalent education;

Finally, promoting social inclusion, in particular through the reduction of poverty.

More work needs to be done on these targets, in particular by developing appropriate indicators – and Member States now need to set their national targets, which will be differentiated according to national situations. Some of these targets are reflected in EU legislation, whilst others are not of a regulatory nature, but represent a common endeavour to be pursued through a mix of national and EU level action.

The last two of these five targets – education and social inclusion – gave rise to some comment. They do, of course, represent key aspects of what has been called the 'European model' of society, where market forces are tempered by social commitment, and indeed by environmental awareness. However, some have pointed out that education is a national or indeed, in many states, a subnational or regional responsibility. That is true – and there is no intention whatsoever to change that fact. What it does represent is the need for all levels of government to work together on our common strategy, with each taking responsibility for their part in our common effort.

As regards social inclusion and the reduction of poverty, some have said that this is an outcome, not a means. It will be the result of our efforts, not an instrument. Although I understand that argument, social inclusion is a competence of the Union according to the Lisbon Treaty, and it is also a key instrument for improving our overall economic performance, as well as for securing public support for what we want to achieve. It corresponds to the profound aspiration of peoples for fairness in our economy. We ignore it at our peril.

Besides identifying these five targets – on which further work will be necessary – the European Council underlined that rapid progress is required on strengthening financial regulation and supervision, both within the Union, where the European Parliament has important work before it concerning financial regulation, and in international fora such as the G20, to ensure a level playing field at the global level.

Progress is particularly needed on issues such as capital requirements; systemic institutions; financing instruments for crisis management; increasing transparency on derivative markets; considering specific

measures in relation to sovereign credit default swaps; and implementation of internationally agreed principles for bonuses in the financial services sector. The Commission will shortly present a report on possible innovative sources of financing, such as a global levy on financial transactions or on banks. We have to find solutions so that a new financial crisis cannot happen again, but we also have to address the moral crisis that was at its root.

The European Council went on to have a discussion on climate change and on how to refocus our efforts after Copenhagen. A global and comprehensive legal agreement remains the only effective way to reach the agreed objective of staying below a 2°C increase in global temperatures. We agreed to remain ambitious and constructive in the international negotiations, but we agreed also that a stepwise approach should be followed, building on the Copenhagen accord. The pledges made on emission reductions are insufficient to meet the crucial target of 2°C. The negotiations need a new dynamic. The next meeting, in Bonn, should set the road map for taking the negotiations forward. COP-2 in Cancun must produce concrete decisions and must address remaining gaps. The Union and its Member States will implement their commitment to provide EUR 2.4 billion annually over the 2010-2012 period for fast-start financing, and we remain committed to jointly mobilise USD 100 billion per year by 2020 to help developing countries fight climate change.

In this context, we had a discussion on how to address key partners in the world introduced by the Vice-President of the Commission/High Representative Cathy Ashton, whose pertinent analysis was well received.

We will raise these issues not only within the United Nations process, but also in other settings in order to help build the necessary momentum. We will pursue internal work as well. We will hold a dedicated European Council debate on energy policy, and on how to shift towards an efficient, low-carbon economy, exploring all its aspects, including security of supply.

Mr President, honourable Members, I can conclude that the European Council has made clear progress and has avoided huge and damaging pitfalls that could have set us back a long way.

Curiously, some have suggested that my own role in this process was merely that of a spectator whilst others have accused me of being a power-grabbing dictator. Let me assure you that I am neither. The permanent President of the European Council has to be a facilitator and a builder of consensus in an institution that can only work by finding the necessary and sufficiently ambitious compromises.

I had hoped that my start as permanent President of the European Council would have been easier. The two coming years will be difficult. I am fully aware that the worst of the recession is over, but not the problems.

We reacted efficiently in dealing with the initial financial crisis, but it is often more difficult to stay united and act consequently once the storm is over. This means there can be no 'business as usual' over the coming two years. That will also be the case for the European Parliament.

**Maroš Šefčovič**, *Vice-President of the Commission*. – Mr President, last month the European Council had to deal with an important agenda under very demanding circumstances. After intensive and earnest debate, it not only agreed on the essence of the Commission's proposals for the Europe 2020 strategy on growth and jobs but it also decided on a mechanism to ensure financial stability in the euro area capable of providing financial support to Greece, should the need arise.

But let us be frank. There were not many people who would have predicted this outcome. Given the stakes, there were important divergences of opinion between the Member States up to the very beginning of the European Council, both on the short-term issue of the financial stability mechanism but also on the medium-term issue of the Europe 2020 strategy. Let me explain briefly how the solution has been achieved and what this means from the Commission's point of view. I will start with the financial stability mechanism and then move on to the Europe 2020 strategy.

Regarding the financial stability mechanism, the truth is we were moving in uncharted territory. But let us be frank about another point as well. Whilst it was necessary to map out the new response to a new challenge, it was unthinkable not to provide a response. The question was not whether there would be a response. The question was what the response could and should be. As I said, there was no initial consensus among the Member States in this respect. Discussions had been going on for quite some time but had not come to a conclusion before the meeting – neither on the principle nor on the details of the mechanism.

This is why the Commission, and more specifically President Barroso and Commissioner Rehn, took the initiative, through a mixture of consensus-building work and public advocacy, to help Member States come

together around our shared interests. On the one hand, the Commission was at all times working very actively with euro-area Member States in designing an adequate mechanism. In particular the Commission ensured that any mechanism should be placed in a Community context. On the other hand, in the 10 days before the European Council, the Commission repeatedly pressed for a decision for such a mechanism based on two key principles: stability on the one hand and solidarity on the other. If you remember our debate before the European Council: these are the two principles all of you have been calling for.

You all know that it took sustained work and complex negotiations to achieve the solution that ultimately proved acceptable. In its essence it is based on the euro-area mechanism advocated by the Commission whilst providing for participation by the IMF as well. With this we now have a workable mechanism in place and ready to use. It is a prudent safety net. This is what we needed and this is what we have got.

The Commission is satisfied with the final shape of the mechanism. It may not be perfect. It is surely unprecedented, although designed in full respect of the Treaties. And its core features retain the essentials. The institutions keep the role of triggering the mechanism. The right arrangements have been made to involve the IMF, within the framework of the euro area.

At the same time the European Council announced the task force to look deeper into mechanisms for dealing with this sort of crisis. Its particular format is explained by its complex remit, which is rooted in a long-term perspective, making provision for a wide-ranging discussion of all possible options, not excluding possible Treaty changes. Such fundamental debate is of course important and, this being said, already this spring the Commission will bring forward measures to improve coordination in the euro area. For this we will be using the new opportunities already provided by the Lisbon Treaty. The Commission knows that Parliament shares its view that it is much better to anticipate the need for coordination ahead of time and to have the right mechanisms already in place when needed.

Let me now turn to the discussion of the Europe 2020 strategy. We have already discussed here the urgency with which we should action, the need to galvanise society to change our approach, and the essential role of the EU in obtaining a successful transformation of our economy.

Delivery will require a collective effort by all stakeholders at all levels. We all know that strong, clear messages give something for people to rally around, and this is why the concrete targets and the flexible initiatives proposed for these strategies are so important. They exemplify our shared European ambition and provide a point around which collective efforts can be shaped. We know that, if we collectively manage to achieve them, Europe will boost its competitive edge, Europe will preserve its way of life, and Europe will strengthen its position as a global player. Therefore it is also very important to underline that this will be a test of how far the Member States are prepared to commit to national action in pursuit of common goals.

Following this European Council, we now have precise figures agreed for employment, research and development, as well as climate and energy. The Commission also believes that the case for an education target has been accepted, and that we can be confident that concrete goals will be set in this respect as well – along the lines the Commission has proposed – we hope already in June.

I would like to say a word about the target that was most intensively discussed, meaning the one on action against poverty. You are aware that a number of Member States remain to be convinced that setting a target against poverty is a task for our Union. The Commission's view on the matter is also very clear.

First, anyone who has read the Treaty provisions on social policy knows that it is quite wrong to say that this matter should be reserved for the Member States alone.

Second, the Commission rejects suggestions that there can be no meaningful target here. We will continue to refine the clear and methodologically sound approach we have advanced. The Commission is confident that a consensus can be built around it between now and June.

Third, we always need to be conscious of the risk that our Union could be perceived as being more concerned about banks and businesses than about workers and families. The Commission is determined to ensure that this is not the case. A target against poverty would send a powerful signal that the EU is about opportunities for everyone in society, even the most marginalised and the most vulnerable people. And, as the Commission has repeatedly stated, the issue of poverty cannot be resolved through an employment policy alone. Employment policy is of overwhelming importance, but it can never reach out to all sectors of society. What about children? How are you going to treat pensioners? What kind of solutions are we looking for if it comes to the marginalised communities?

Therefore I can assure you that the Commission will be keeping up the pressure to keep a target against poverty as a top priority. In doing so, we will of course respect the distribution of competences as provided for in the treaties. Our flagship initiatives are all construed in a way that means that European Union-level action complements those actions by the Member States. Europe 2020 is not about one level acting at the expense of the other. It is about making all levels work well and together as a whole.

Over the next few months, the debate will increasingly switch to the Member States level, as the EU-wide targets are translated into national targets. I would like to ask you to participate fully in this debate, explaining that this is not about a centrally imposed diktat. This is about a common approach to common problems, and a creative way of using the European dimension to encourage Member States to stretch that little bit further in their efforts to reform their economies.

A final word on the other issues which have been discussed during the European Council.

Over dinner, the European Council discussed the forthcoming G20 summit on the basis of introductory comments by President Barroso. As you know, not all the EU Member States have a seat of their own in the G20. The Commission has been acting and is determined to continue to act as the trustee of the general European interest. Now, as the immediate impact of the financial crisis fades, the G20 faces the challenge of keeping up its momentum for a joint approach to the policy issues that need to be addressed if the world wants to come out of the crisis in a better shape.

In the Commission's view, the European Union must continue to act as a driver for this ambition. The forthcoming Toronto summit must provide a clear message from the G20 on an exit strategy to support recovery – one where all major economies play their part. It should also underline again how concluding the Doha Round would be a huge boost for the world economy. Most importantly, it must drive on with financial market reform: we need to keep up pressure on our international partners to deliver the timely and consistent implementation of the G20 commitments.

In this respect, it was emphasised that our message will be strongest if we can say that the EU has done its homework. That is why before Toronto we should aim to have agreement on the key financial services regulation files still outstanding, namely the files on alternative investment fund managers and on bank capital, the famous CRD III. And of course it is essential to agree on the supervision package so the authorities can be up and running from 2011. The Commission has never hidden its disappointment at the degree to which the Council proposed to cut back the powers of the authorities, putting their effectiveness at risk. You are now in the process of debating the package, which gives the opportunity for a collective rethink, also bearing in mind the experience of the past couple of months.

President Barroso also addressed the burden of bank repair and reaffirmed the Commission's sympathy for novel instruments, including levies on banks to feed resolution funds. Moreover, he spoke about derivatives, in particular about the problem of naked credit default swaps on sovereign bonds. He stressed that the Commission is looking into this closely and considering what new measures are needed on short selling, over and above the structural reform of derivatives markets that we are already pursuing through legislation we will present to you in June and later this year.

The European Council also devoted attention to climate change, endorsing the main messages set out in the Commission's communication. Member States agreed that this remains right at the top of our list of challenges. This means keeping up the momentum of international efforts – and you know that this is not always easy. But we have the right springboard. We have the track record of action inside the EU. And the European Council reaffirmed the EU's commitment to fast-start financing to help developing countries.

What we now need is to be determined and consistent. Determined in going out and making our case with key partners worldwide, explaining why we cannot let our ambition slip. The Commission acknowledges that Parliament is already engaged in this effort. As you know my colleague Commissioner Connie Hedegaard has already embarked on a programme of outreach.

We must be consistent in our commitment to an effective international agreement, if the other most important players are ready to take part. We need to cement the advances made in the Copenhagen Accord.

In summary, the Commission has provided strong input into this European Council, the first formal meeting under the successful chairmanship of the permanent President of the European Council, Herman van Rompuy. I would like to congratulate him for his successful chairmanship through these very difficult waters and in the complicated circumstances.

We look forward to the intensive work of the next months, especially between now and the European Council in June, with you in this House and the Spanish Presidency in the sector Council formations. This work must set the course for a dynamic and focused EU ready to meet the challenges of the decade ahead.

**Corien Wortmann-Kool**, *on behalf of the PPE Group*. – (NL) Mr President, President Van Rompuy, Commission Vice-President Šefčovič, the European Council was dominated by the problems in the euro area and the EU 2020 strategy that aims to put Europe back on the path of growth and jobs for our citizens. All the Heads of State or Government agreed to strengthen the European economic governance structure and commit themselves to much stronger coordination of economic policy in Europe. This seems promising. It could even be an historic moment in European integration, but for the time being it is mainly promising. The way this is fleshed out in coming months and years will be key. After all, as far as our citizens in the European Union are concerned, promises do not count. The only things that matter to our citizens are the results.

President Van Rompuy, on behalf of the Group of the European People's Party (Christian Democrats), I wish to compliment you on your commitment. You have got off to a strong start as the first permanent President of the European Council, and it is you who has the important task of further transforming the European Council into a body with actual political commitment to economic management of the European Union. Therefore, we are looking forward to the results from you and your task force, and we are convinced that your commitment and persistence will make you equal to the task. The urgency is great, and decisiveness and energy are the order of the day. I hereby challenge you to come and discuss the results produced by the task force in this House, too, and to enter into a debate with us in this regard. The scale of the task is great; that is why it is so important that you work together with the European Commission, and also with the European Parliament as the representative of the citizens of the European Union.

We expect you both to fully respect our institutional role and to involve us actively in matters, and not only after the event but also beforehand, in the development of the proposals. For example, the PPE Group is looking forward to the proposals of the European Commission on greater economic coordination in terms of monetary policy. In this regard, our group sets store by a tightening of the budget guidelines in the Stability and Growth Pact and the strengthening of their preventive effect. We also expect the European Commission to play a very active role in the further development of the EU 2020 strategy. We challenge the Commission to make full use of the instruments given to it by the Treaty of Lisbon, particularly in assessing the efforts of the Member States. After all, it is abundantly clear to the PPE Group and other groups in this House that the open method of coordination should give way to binding commitments and a healthy mix of positive incentives and sanctions where necessary, and we expect you both to lose no time in coming forward with convincing proposals.

Finally, on the subject of Greece, our group Chair, Mr Daul, has commended the Council on its decision on a new mechanism for lending Greece a hand if necessary with the involvement of the International Monetary Fund (IMF). Solidarity and responsibility rightly take centre stage in this plan. Yet the situation is still worrying, and so I wish to reiterate once more that solidarity works both ways. Greece will have to abide by its agreements by actually implementing the reform plans. Can Greece restore confidence on the financial markets? This will be crucial to resolving the crisis.

**Hannes Swoboda**, *on behalf of the S&D Group*. – (DE) Mr President, I would like to start by thanking Mr Van Rompuy for the eagerness of his communication with Parliament, which is a good sign of his personal commitment. What you actually had to tell Parliament – which relates to decisions taken by the Council, not by you personally – is deeply disappointing for us. Let us look, primarily, at Greece. If you look at the comments in the media, for example in the *International Herald Tribune*, it is quite rightly being said that, while Greece does now have the strict conditions of the IMF, it does not have the latter's good credit. That is down to the Council. Mr Bini Smaghi – thus someone from the European Central Bank, in any case – says that from his point of view, it is more democratic to solve problems through closer collaboration in Europe than through a technocratic body such as the IMF.

If you look at the market, you will see that it has reacted. I do accept that its reaction in relation to the euro was somewhat more positive, but in relation to Greece things have not got better, they have got worse. The message that has come from the Council is not a positive one. The Council is always keen to delay issues and discussions and proposals. It is like being on the Titanic – the ship hits the iceberg and then people say, 'OK, let us set up a task force to consider how we can prevent collisions like this in future', or 'let us have an intensive discussion about next week's menu' just after the disaster has taken place. That is not a solution. The Council must find solutions. It is not your fault, it is the fault of the Heads of State or Government, who are not prepared to get to work on these solutions and who are not prepared to seize upon new ideas – like

those, for example, that have been put on the table by Europe's social democrats – that are based on both pillars, which is to say on stability, but also on solidarity. Of course, solidarity does not simply start when something has gone wrong – real friends warn each other in good time when something is going wrong. It is therefore also unfair to treat Greece in this way now, after having stood by and watched it for years, actually well aware that something was wrong, and to say now, after the event, 'You cannot count on our solidarity now'. That is why the outcome of the Council in relation to Greece is completely unsatisfactory.

The situation with Europe 2020 is similar. The Commission's proposals had their downsides, but they also had their positive sides. We were not exactly thrilled, because we felt that several elements were missing. What does the Council then do to Europe 2020? It tears several parts from it. You have just mentioned five points, but the context – the idea that Europe 2020 will mean that the economic issues, the social issues, the environmental issues will also be dealt with – is getting lost, or at least we see a risk of that happening.

When I hear – the Vice-President confirmed this – that some Heads of State or Government are asking 'Are we supposed be working on poverty? Are we supposed to be fighting poverty?' – is it not grotesque that poverty and inequality are rising in Europe today? Then there are Heads of State or Government who say 'This is not a matter for us'. How, in that case, can you face the citizens, if social justice, specifically, is not dealt with as a key subject? I therefore agree with you and the Vice-President of the Commission that we need to insist that the fight against poverty – whatever the criteria – and reducing poverty must remain our goals. That is really important to us in the Group of the Progressive Alliance of Socialists and Democrats in the European Parliament.

(Applause)

Mr Van Rompuy, you mentioned that this was your first formal European Council meeting. You will have a second European Council in June. I wish you every success for that European Council. It will not be easy, given that certain elections are taking place, associated with which is a very real fear that perhaps parties will be coming into power that are even less inclined towards close cooperation in Europe. I wish you all the best, though, and I hope that the Heads of State or Government do not leave you hanging as they did at your first formal European Council. Whenever you need help and support, come to this House – in particular, come to the Group of the Progressive Alliance of Socialists and Democrats in the European Parliament. We will give you hope again that Europe can still be a good thing!

**Guy Verhofstadt**, *on behalf of the ALDE Group*. – Mr President, I would like to make two remarks on last month's Council. The first concerns the mechanism which the Council decided on for Greece and about which I have serious doubts. I hope that I am wrong, but I do not think that it can work for the simple reason that it is a system of bilateral loans and not a system – a European solution – under which a single loan is made by the European Commission to Greece, which was the initial idea.

(Applause)

If you look at the markets, it is very apparent at the moment that they do not believe in this system. This did not start yesterday, but a week ago now. Last Monday – one week ago – there was already an issue surrounding Greek bonds being at an interest rate of nearly 6%. That is 300 base points higher than the lowest interest rate in the European Union, which is 3%. Since there is now a discussion inside the European Union between different Member States about what the interest rate applicable to the bilateral loans should be, that even increased yesterday to 400 base points, which is 4%.

That is not the way to help Greece. Greece has to take the measures which are necessary, but not with bilateral loans. That mechanism is not in fact helping Greece, but punishing it at the moment.

It is absolutely necessary that the European Commission return as fast as possible to its initial idea of a European loan, issued by the European Commission. Then you will automatically have lower interest rates than those on the markets today, because there will be this guarantee from the European Commission and the European institutions. That is the only way to help the Greek Government achieve its targets.

At the same time, the Greek Government naturally has to stop its internal struggles. If there are differing points of view with regard to intervention by the International Monetary Fund, and should such discussions continue, then interest rates will also automatically increase.

My second point is that what we need now is more than merely a mechanism for Greece or other countries. What we need now is a courageous European Commission coming forward with a package of economic reforms and monetary reforms, and we need those as fast as possible. What we need now is a package of the



magnitude which we had in the past from Jacques Delors, who at a certain moment came forward with a package of European economic and monetary union, or the internal market, to solve the problems. We need that now. We need a courageous package. Only the European Commission can do this. The Council cannot do it – not even the President of the Council. It is the Commission which has the right of initiative, and it is the Commission who must now come forward with a real package.

(Applause)

My group feels that three main elements are needed in that package. The first is the creation of a European Monetary Fund, which is absolutely necessary and was an idea also floated by Mr Schäuble, the German Minister for Finance. We need that fund as fast as possible, in order to increase the effectiveness of the Stability Pact.

The second thing we need, as soon as possible, is for the European bond market to lower interest rates for all the countries in the European Union. That is not a punishment for the biggest country, Germany. On the contrary, you can have a system in which Germany pays lower interest rates than today because we can have a liquidity premium attached to the European bond market in the future. The technical means to do this exist and can be made applicable.

The third thing we need is a bolder 2020 Strategy. I fully support what Mrs Wortmann-Kool said a few moments ago about our needing a stronger governance method. It is not through the open coordination method that we will fulfil our goals. What we need is a method with sticks and carrots, as Mrs Wortmann-Kool put it, with not only the Member States, but also the Commission, in the driver's seat.

Colleagues, we have to think about something: if the Council does not in the coming months do what is necessary in terms of a bolder 2020 Strategy, then what can we as the European Parliament do? What we can do is: in the coming weeks Parliament has to agree to the broad economic guidelines and to give an opinion on them. Well, if the Council has not come forward, supported by the Commission, with a bolder 2020 Strategy, then I see no need to approve those broad economic guidelines. First of all, there must be a bold proposal, which I hope will be on the table in June, and then we can do our job and approve this bolder approach and the broad economic guidelines.

**Rebecca Harms**, *on behalf of the Verts/ALE Group*. – (DE) Mr President, ladies and gentlemen, I must admit, when I heard Mr Van Rompuy's speech, I asked my neighbour, Mr Lambsdorff, to pinch me, because I had the feeling that either I was not in the real world or the President of the European Council must not be. I say this because, in my view, the only positive that resulted from the most recent summit was the fact that an end was put to the very ignoble bickering between Paris, Berlin and Brussels – also involving the ECB – in connection with the questions of whether there would be any help granted to Greece at all, how Greece could be helped, whether there was a need for a European Monetary Fund and whether or not the IMF should be called in. Ultimately, the result was the horse-trading that Mr Verhofstadt has already very ably described.

I also do not understand how you can say that what was agreed at the summit is already helping Greece, as the interest rate that Greece has to pay today – I have just checked this again – is not 6%, but 7%. The rate thus went up immediately after the Council's decision. How it is possible to pull the wool over people's eyes about European solidarity as much as clearly happened in the Council, I simply cannot understand.

I also think that a very strange, subliminal signal was sent to Greece there, as what was described during and after the Council meeting, during and after the summit, as a safety net really is no safety net at all. If it were a net, it would have to bear weight. Yet when it comes to Greece, it was agreed that the country's situation must reach rock bottom before Brussels would be ready to actually help. In Germany there was a feeling, when Chancellor Merkel came back from Brussels, that she wanted to show the Greeks what it is like to be at rock bottom before she would be willing to actually help them. We get the impression that this is more a case of teaching a harsh lesson, but we do not get the impression that teaching harsh lessons is what could help the European Union at the moment.

(Applause)

This very negative energy towards Greece goes hand in hand with the decision not to get involved in solving the problems in Greece. Everything that now has to happen in terms of budgetary consolidation, what areas have to be cut back in terms of public debt, how public services have to be made more efficient, how tax evasion has to be combated, how the corruption in Greece is to be tackled, is being left to the IMF, while Brussels refuses to get involved. This behaviour, to my mind, is not right.

We need to be clear, one more time, what Greece actually teaches us – namely that we are being brought face to face with the weaknesses in our Treaties, and those in the Treaty of Maastricht in particular. If I analyse these weaknesses, I do not reach the conclusion that we should be mutually agreeing not to get involved at this point. Instead, I conclude that more mutual responsibility and more solidarity must be accompanied by mutual intervention. The time has simply come – in addition to what Mr Verhofstadt had to say about Eurobonds and the mechanisms for financial support – when we need to talk about the next reform steps. Mr Van Rompuy, if your task force – in Germany it is constantly referred to as an *Arbeitsgruppe* or working party, which sounds a little more restrained – kicks this much-needed reform into the long grass, I actually foresee nothing other than a crisis for Europe as a whole heading our way after the Greek crisis. It is inescapable that we must coordinate our economic policy, our tax policy, how we draw up our public budgets, how we ensure competitiveness, with each other much more and that we must assume joint responsibility. Yet the summit failed to secure all of this and I believe it also failed to provide rudimentary undertakings.

When it comes to Europe 2020 – the climate – if we are to take this as the proof of success or failure, what is Connie Hedegaard actually supposed to take to Bonn in May? Is she supposed to go empty-handed? Does she actually have to go to Bonn with what she is being given to bring to the table? It is embarrassing! It is once again the time for Lady No – Chancellor Merkel – to strut her stuff. It is so embarrassing that the already weak socio-political goals that Mr Barroso put forward have been watered down once again by Germany, by Chancellor Merkel.

There has thus been so much negative energy from Germany! I have read that many Members found themselves wishing that they had Helmut Kohl back when this was happening. I have to say, I was not one of them. There is a somewhat different memory that I still have of the Kohl years, and then, too, Europe was not everything. What I would like to see is for the political knowledge in Europe's capitals that it is necessary to join forces in these days of globalisation and the global crises to finally be converted into a common policy.

Mr Verhofstadt, I am happy to accept your call for more work on Europe 2020. So far, after all, three groups in this House have worked exclusively on this.

**Timothy Kirkhope**, *on behalf of the ECR Group*. – Mr President, the crisis in Greece of course dominated the headlines following the European Council but the meeting itself also took important first steps in the Europe 2020 initiative. My group, the ECR, wants the euro area to succeed for those who choose to be its members. It is now vital for the European economy as a whole that any instability does not damage trade and the wider European economy.

Of course not all our Member States have yet chosen or will ever choose to join the single currency. The current crisis illustrates why many, including the British Conservative Party, reject membership of the euro with the inevitable one-size-fits-all interest rate policy and exchange rates set by factors that may have nothing to do with domestic economic realities. Certainly the current crisis has revealed some of the underlying problems with the present design of the eurozone. However, in seeking to address these problems, the crisis must not be used as a pretext for extending further the powers of the European Union.

We have already heard dangerously loose talk about the need for more European economic governance. Such a centralisation of power in Brussels is not the solution and would not be acceptable. Greece needs our support and encouragement but asking foreign taxpayers, especially in countries outside the eurozone, to pick up the bill is difficult. Ultimately of course only the Greeks themselves can sort out the problems of the Greek public sector debt and we wish them well in their efforts to find their way out of the crisis.

Turning to the Europe 2020 initiative, we welcome the first tentative steps taken by the Council. We must never forget, as we deal with the current economic and financial crisis, that we were facing enormous economic challenges even before the crisis struck, such as the growth of China and the Far East and our increasing energy insecurity. Our long-term economic prospects depend upon a thorough modernisation of the European economy so that we can thrive in the increasingly competitive global marketplace.

We do not support all aspects of the initiative. Some areas where innovation is required, such as agriculture, have been largely ignored, but we strongly support the broad thrust of the programme and the continued development of the single market in particular. We believe that successful competitive businesses are the central pillar of our economic life; they provide economic prosperity, essential to create jobs and to generate the resources on which so much else depends.

There is a danger that, whilst we all talk about reducing burdens on business, we constantly vote here for specific items doing the opposite, so all the institutions of the European Union, including our own, must

play their part. The Commission needs to avoid making proposals which will be a burden on industry and we in this Parliament must show responsibility and exercise self-restraint. Many targets set as part of Europe 2020 will be reviewed at the June meeting.

Let me close today by expressing my hope that support in the European Council for economic freedom and reform will be substantially reinforced in the weeks ahead – I hope also, perhaps, helped by a new Conservative Government in the United Kingdom.

**Lothar Bisky**, *on behalf of the GUE/NGL Group*. – (DE) Mr President, it is a good thing that the Heads of State or Government were able to agree an emergency package, but this is hardly a really European solution. The German Government has, for tactical electoral reasons – with regard to North Rhine-Westphalia – gone quite far down the road of populism. The agreement, then, was hanging by the thread of the conversation between Chancellor Merkel and President Sarkozy. It is no package to cover the citizens. The objective of the funding mechanism is to consist, and I quote, of ‘incentives for the fastest possible return by the financial market to setting high-risk prices’. Economic policy coordination is to be built on the failed principles of the Stability and Growth Pact. The State and the citizens are to make savings, while the financial markets – the banks – are to evaluate whether enough savings have been made. I regard that as a dubious procedure. In the EU there is currently an unemployment rate of 10% – the highest since 1998. Over 20% of under-25-year-olds are out of work. There is a need to say very specifically where we want to make savings. Otherwise, I fear the worst.

Why has the Council not agreed on an increase in the cohesion and structural funds or an immediate prohibition on trading credit derivatives? Why has it postponed agreement on specific targets to combat poverty in the EU indefinitely? I am not saying, incidentally, that they have done so deliberately, but to all intents and purposes the postponement will endure indefinitely. I consider that to be a scandal in this, the European Year for Combating Poverty. June this year is much too late.

**Nigel Farage**, *on behalf of the EFD Group*. – Mr President, we are in the presence of a great man today – the President of Europe. He is a man so important that he is beyond criticism, beyond reproach; he is the king of the modern political class. He is the modern-day Zeus, and he intends to rule us from Mount Berlaymont – and woe betide anybody that questions his authority or questions his dignity, as they will face severe punishment!

Indeed, in my case, the last time we met and I had one or two things to say, Parliament imposed the maximum possible fine! I am told that if I say anything which upsets you, then the microphone will be cut off. Well, what price free speech, what price democracy?

You have come back to us today and now, with the approval of Mr Sarkozy and Angela Merkel, you are the head of a new economic government for 500 million people and you have launched your 10-year plan – your wish list. I just wonder whether you have remembered what happened to the last 10-year plan, which was launched in 2000. It was launched in this Parliament to much acclaim and it was a total and utter crippling failure, even before the global recession hit.

In fact, all centralised EU plans fail. Just look at the disastrous, ruinous common fisheries policy. Now your beloved euro has failed; it has failed politically at its first major hurdle. You were not able to come up with a plan at that Summit, and you cannot bail out Greece without the International Monetary Fund coming in to save, at least for the moment, your euro dream.

And yet, Mr Van Rompuy, your plan seems to be that we are losing, we are failing, but let us have more of the same; let us have more Europe; let us have more failure! What really matters is the loss of democracy. You have not been elected. You are not accountable and there is no mechanism for the peoples of Europe to remove you. It was Zeus who kidnapped Europa, and my fear is that you are kidnapping our democracy. You are only here because the Lisbon Treaty went through without the British people being given the referendum that they were promised. As far as we are concerned this is unfinished business. People fought and died so that we could be an independent self-governing democratic nation that was able to hire and fire its leaders. No one who believes in democracy would accept the post of President of the European Union.

**Barry Madlener (NI)**. – (NL) Mr President. Mr Farage, again you have spoken on behalf of a great many Europeans who do not like this Europe, for which I thank you.

This debate is a big sham. The new bogus President Herman Van Rompuy, who was appointed in back rooms, has congratulated President Barroso and the Commission on the financial rescue of Greece. Of course, this

again boils down to Dutch taxpayers having to dig deeply into their pockets once again. Let us not forget that Greece has been deceiving the countries of Europe with falsified figures for many years. Mr Van Rompuy, you say that you have forced Greece to take tough measures. Tough measures: an increase in the retirement age from 61 to 63 years? Most working Europeans can only dream of such things; indeed, the Dutch Government is even looking to increase this age from 65 to 67 years. Greek workers are taking retirement at 63 and we have to foot the bill.

What has happened to all the tough language of the Group of the European People's Party (Christian Democrats)? The Dutch Christian Democratic Appeal (CDA), as represented by Mrs Wortmann-Kool: a couple of weeks ago, her party was still saying that not a cent of Dutch taxpayers' money would go to Greece. Fine words also from Angela Merkel: not one cent towards Greek pensions. Yet what are we seeing now? They have changed their minds; they have buckled. Apparently their words were worth nothing. Now the Greeks, with their falsified figures, are already receiving financial support, and who is next? Portugal, Spain, Hungary, you name it. Even the Group of the Alliance of Liberals and Democrats for Europe of Mr Verhofstadt and, indeed, of Mr van Baalen from the Dutch People's Party for Freedom and Democracy (VVD) is now promising soft loans to weak countries and a European Monetary Fund. Mr van Baalen, why are you not contradicting Mr Verhofstadt? This is voter deception, pure and simple: in the elections you promised less Europe but we are only getting more. It is your own group that is advocating this. Ladies and gentlemen, the European Union is not the solution to the problems but the cause.

**Herman Van Rompuy**, *President of the European Council*. – (FR) Mr President, ladies and gentlemen, I will be fairly brief. There are some basic truths of which I must remind you. The first truth – and I have heard it now and again here, but not enough for my liking – is that the problems we have to address first appeared in a country with budgetary irregularities. These must be corrected. Steps must be taken to prevent them ever occurring again.

We must, therefore, start with the basics: budgetary orthodoxy. That is why we created the Stability and Growth Pact in the past. Some people are arguing for sanctions, penalties and a show of toughness. However, we had this Stability and Growth Pact, but I would point out that it was of no help to certain countries.

The Greek Government has taken some measures, some courageous measures that I applaud. They were laid down in the informal Council statement of 11 February. We asked Greece to take some measures. It has taken them; it has shouldered its responsibilities. Now they must be carried out, and I fully understand the delicacy and difficulty of the circumstances under which the Greek Government must proceed. Nevertheless, they must be carried out.

The Greek Government is convinced that the famous spreads will narrow only if the results of this entire policy of budgetary discipline are visible. It is convinced of that. The basic truth, therefore, is that we must start by tackling the very root of the problems in order to solve them; in other words, the budgetary problems of one country and of other countries.

Secondly, the Greek Government has shown itself to be in complete agreement with the conclusions of the European Council. We can force people to be happy, but they were in agreement. I witnessed their agreement before, during and after the meeting. Thirdly, they have not yet asked for financial support. They repeated that again yesterday. These are the three basic truths of which I am keen to remind you.

Next – and it is Mrs Wortmann-Kool who requested this – we will, along with the President of Parliament and others, ascertain how we can work with Parliament during the period in which the task force is operational.

Regarding the task force, I agree with those who say that it must be ambitious. I do not take examples from the past. History never repeats itself and certainly not in the same way. This important task force must be very ambitious. We must learn every lesson there is to learn from the crisis that we have experienced. We must draw every consequence there is to draw from it.

We must be far more preventative. We must be very preventative not just in budgetary terms, but also with regard to the economic policy implemented. This is not in order to take the place of national governments in implementing economic policy: in the final analysis, of course, they are the ones that are ultimately responsible! However, we can be preventative in a way that does not endanger the single currency – the euro – or the common market, the internal market. Let us not endanger them! That responsibility is incumbent on the EU. To each, their own responsibility. We must, therefore, also be more preventative in economic terms.

I am keen to remind you – it was not mentioned during the speeches – that the problem of competitiveness is a fundamental one. We have more than just budgetary problems: underlying the budgetary problems, there are economic ones. We must tackle them because, if we do not, we will – I repeat – endanger the common market.

We will, therefore, think about all of that. In that respect too we must, as I have just said, learn every possible lesson as regards coordination, supervision, and certain new mechanisms that must be put in place. I have heard here in this House several ideas that are altogether valid and respectable, which we must study.

Just because I am not discussing their content, it does not mean that I have forgotten them or that the task force will forget them. I am keen on quite a few of the ideas that are circulating and that have emerged here this afternoon. We will discuss them openly in the task force. As I have just said, we will ascertain how we can work with Parliament in the period during which the task force is operational.

As regards the 2020 strategy, ladies and gentlemen, I believe that the European Commission has really grasped the essence of our European social model. There are economic objectives, environmental objectives and social objectives. The excellent concept of a socially and environmentally corrected market economy is, therefore, one of our objectives, our targets.

We have decided on the five targets, amongst which is social inclusion; it is a competence of the European Union under the Treaty. We have decided on social inclusion and, amongst other things, the fight against poverty. I assure you that, when we discussed the five objectives on Friday morning, they were not called into question, and we will also come here in June with the quantifiable and quantified objectives for the five of them. I ask those who are impatient to be patient a little while longer – until June – but we will indeed reach the goal that we have outlined.

I personally, and President Barroso – I say this out of kindness – even more so than I, have fought to include these five objectives in the European Union's programme and to keep them there. There have been disagreements of course, but I believe that we have convinced our colleagues – in the Ecofin Council, which I attended, in the General Affairs Council and in the European Council – that this balance between the social, the economic and the environmental should be maintained in the approach to the 2020 strategy. If it has not already been refined, I can assure you that it will be in June.

There is also the whole problem of financial regulation, of which some people have rightly reminded us. There is a tendency to forget very quickly. However, we must continue to work on it. Parliament has a major role to play in terms of financial regulation. However, at the G20 we reached agreement on an entire programme, because there are some measures that can only be decided at global level. In this regard, I hope – and we will do everything to make this possible – that the EU's voice, a strong and united voice, will be heard.

The G20 worked hard at the start of the crisis. It is necessary to work hard following a recession. The crisis is still not quite over, but the recession is over. However, as I said in my introductory address, it is far harder to reach agreements when things are going a little better than when we are in the midst of the storm, surrounded by problems.

The G20, aided by its creator, the European Union, therefore has a very important programme in June in Toronto and, in the second half of the year, in South Korea.

I really think then that we have had a European Council that has avoided the worst – and that is sometimes an objective in politics too – and which has laid the foundations for a solidarity mechanism. I repeat that Greece has made great budgetary efforts, is not asking for anything today and has declared itself in agreement with this mechanism.

We have decided on an economic strategy with five objectives; not sixty, but five. We will implement them at national level. In June all the Member States have to present their plans for the coming years. We will assess the situation. I really think that we have laid the foundations for future action.

The task force is, let us say, the embodiment of wisdom. How can all that be improvised? To those who are impatient, I say that by the end of the year, and we do not have long to go, we have only nine months – but a great deal can be achieved in nine months, would you not agree? – we will try to have completed the ambitious task of doing everything we can to prevent the crisis that we have experienced from ever happening again.

(Applause)

**President.** – Thank you, Mr Van Rompuy. Thank you for your straightforward reply to the remarks which were made. There were critical remarks, which we all heard. They are necessary in such a discussion. We are talking about a matter of the greatest importance. We are not only talking about how to get out of the crisis or how to help a country – a member of the euro area – which is in trouble, but also about how to develop in the next 10 years. It is, therefore, a key issue. On top of this there are matters relating to climate. So I would like to thank you once again, Mr Van Rompuy, for a quick answer to some of these matters. The task forces will, of course, discuss these issues systematically with the three European institutions, so that we can develop a common strategy. The European Parliament is fully ready for this.

**Maroš Šefčovič, Vice-President of the Commission.** – Mr President, I also want to react to the initial discussion.

I would like to thank Parliament for its many excellent ideas, for its very good proposals and also for the constructive criticism we receive in this House, because it helps us further in our work.

Both the President of the European Council and I have been very open in describing how difficult the situation was at the European Council. We have been very open about the differences and divergences of opinion in looking for solutions to Greece's situation and on the EU 2020 strategy, and we have both said that we might have wished for better solutions.

However, at the same time, we have to operate in the real world, where there are very often conflicting ideas, and always have to seek compromises. That is what we did, and in the end we achieved the best solution we could under the circumstances.

I do not think we are doing any of us a good service if we belittle what we have achieved, because we have a solution for Greece and we have a solution for the eurozone. We are in very close contact with the Greek authorities and with the international community, and if there is a need and a request from Greece, then I am sure the whole eurozone and the Commission would mobilise and come to the rescue of that country. So we have the mechanism, we have the means, and we are ready to use them if it comes to it.

I would like to thank Members of Parliament for their support for the EU 2020 Strategy. I can only agree with the President of the European Council that we are very optimistic about the future of this strategy and about reaching a political agreement on the targets. This is because the leaders in the European Union know that those targets are very important for the preservation of the European way of life. They know that if we achieve them, then we can guarantee that Europe will in 10 years' time be one of the global leaders on the world stage, with a very competitive economy and with the strong social policies we have in Europe today.

Therefore, the discussion we are having at this point is how to better motivate the Member States and how to better calculate the targets so they are more precise and better monitored in the future. I am sure that with the help of Parliament we can achieve those goals, and can achieve a positive outcome at the June European Council.

I would also echo one particular element of President Van Rompuy's remarks, which concerns the preparation for the G20. We in the EU can only do so much. We can coordinate, and do better within our European framework. However, it is very clear that if we want to move out of the crisis and to live in a better world in the future, then we need global coordination, especially when it comes to such important matters as macroeconomic stability, economic policy and measures in the very sensitive financial field.

That is exactly what the EU is planning to do, and the Commission will come forward with the appropriate proposals shortly. I am sure that we will have a very fruitful debate on those proposals very soon.

**Gunnar Hökmark (PPE).** – Mr President, first of all I would say to those of us who would like to invent new institutions, new rules and new funds, I do not think we can solve the problems that have come from not respecting rules by creating new rules. We need to respect the rules we have. One of the big lessons to be learnt from this crisis is that we should never have allowed the deficits to emerge as we have let them do.

Secondly, we – all of us – allowed this, because we softened the rules, and I know who was in the lead in softening them up. If I might be critical, I prefer ambitious reforms before ambitious ambitions. I think that there is a bit too much talk about ambitions and too little talk about action. When there is talk about action I note that the Commission and sometimes the Council talk about what Member States should do rather than what we could do together in the European Union.

I welcome a task force, but we should not waste too much time because we know a number of the concrete actions that we should take: decrease and eliminate red tape; ensure that we invest more at European level

on research and science; change the budget so that it allows for more growth and innovation; ensure that we can advance further with the knowledge economy by implementing the Services Directive and expanding the Services Directive to new areas; ensure that we have mobility in the labour market; ensure that we develop the financial markets to make them more stable, but not protectionist – because I would like to say to the Commission that creating new protectionism regarding financial markets does not help the European economy. If we destroy opportunities for a transatlantic capital market, it does not help Europe. So we know what to do. It would be good to have a task force but it would be even better without it.

**Gianluca Susta (S&D).** – (IT) Mr President, ladies and gentlemen, I listened with interest to the introduction by the President of the Council and the Vice-President of the Commission, and I have to say that I am not convinced by the conclusions.

I am not convinced by the conclusions of the March European Council, because we are witnessing a decline, among some leading figures of European contemporary history, of the Community ideal and method. It is this that concerns us given what is happening in the world; rather, certain aspects concern us.

The Greek affair is merely an illustration of what Europe ought to be, but is in reality not yet. Therefore, we call on the European Commission, on the Vice-President, who is standing in here for the President, and on the President of the Council, to adopt a strong political initiative, a legislative initiative: the Commission must set the agenda, and the Council must ensure that we do not trail in the wake of governments whose power and incisiveness is too often curbed by imminent electoral issues – yesterday in France and Italy, tomorrow in the United Kingdom and Germany – which paralyse the action of governments.

Your role must be not only that of a facilitator, Mr Van Rompuy, but of a driving force behind this Europe, and we appeal to your democratic and pro-European sensibility to ensure that this new impetus will bring benefits for this Europe. It is no longer enough to set objectives; we need to define instruments. We agree on the objectives, just as we agreed on the Lisbon Strategy.

What are the instruments, though? Do we want to end up with a federal budget – and to call it that – which equates to at least 2% of GDP? Do we want to bring into play Eurobonds, European investments and treasury bonds so that we can politically enhance this Europe, without which we will go nowhere?

In essence, we need to know whether we are succeeding in defining the new Europe and whether we are succeeding in defining – through a new relationship between the European political forces within and outside this Parliament – the real distinction, the real boundary that exists within today's Europe between conservatives and progressives, between those who want a more politically integrated Europe and those who, instead, want only an enlarged single market.

**Lena Ek (ALDE).** – Mr President, there are two key words that are devastatingly missing in the Council conclusions, and they are 'transparency' and 'courage'.

Firstly on economic governance: if we do not have the courage and the transparency to work with the true facts, with true statistics and the truth, and act accordingly among friends within the European Union, we will end in chaos.

We have known this for years. When Mr Van Rompuy says we have to learn lessons: we have learned the lessons in debates in plenary in this Chamber for years and years and years. What we need now is action on statistics, otherwise, in Biblical terms, we will build our decisions – our house – on sand, and we know that this is not sustainable.

We also know that those who violated the Growth and Stability Pact are eurozone countries. That makes it even more urgent to be true and bold, transparent and to have courage.

As many speakers said, we also have to move away from open coordination methods. It is a secret coordination method today. What we need are open, binding targets and carrots and sticks for states to implement what is decided.

Then on sustainable and inclusive growth: we know that 'sustainable' should mean environmentally friendly; it should mean socially inclusive. Why be so afraid of growth? We need economic growth and we need it spelt out in the conclusions of Europe 2020.

On climate, this road map and this way of talking: we will end up going round in circles. One thing that is immediately needed is energy efficiency. Find the courage to put forward the proposals on energy efficiency. We know it creates jobs and competitiveness.

Finally, on the role of Parliament: consulting is not enough. When we talk about bottlenecks, when we talk about flagship projects, we are talking about codecision and that needs much more than consulting.

**Derk Jan Eppink (ECR).** – (NL) Mr President, Mr Van Rompuy is at the podium; as leader of the Belgian delegation in the European Conservatives and Reformists I should like to welcome him to this House.

I wish to ask something about the EU 2020 strategy. I agree with you that the big question over the next 10 years will be whether or not Europe can survive. The issue is – and this is an American saying that I have probably quoted once or twice – ‘Are we at the table or are we on the menu?’ This applies to us all. I also have a specific question, therefore, regarding an idea that has been raised a number of times, namely that of a North Atlantic free trade area between the European Union, the United States and Canada. This is not a revolutionary idea, nor was it my idea. It was Chancellor Merkel’s – from 2007, I think – and I can find no trace of it. It concerns the ambition of looking outwards to create open markets at a time when protectionism is rearing its ugly head. It is only open markets, innovation and competitiveness that can strengthen our economy, not subsidies or European Funds. Therefore, I would ask you to look outwards and to include this aspect, too, in the EU 2020 strategy, as that is the only thing that can save us. If not, we shall become the Bruges of the globalised world.

**Nikolaos Chountis (GUE/NGL).** – (EL) Mr President, the value of the decision by the European Council which we are debating was seen yesterday: following a statement by an unnamed member of the Greek Government, a news agency stated that Greece did not want any involvement on the part of the International Monetary Fund. A new orgy of speculation, with borrowing rates hitting historic highs. The plan failed. The markets you refer to prefer the International Monetary Fund as the supervisor of Greece and other European economies.

With this decision, you are making the International Monetary Fund the guardian of the European Union, the guardian of the eurozone. By deciding to involve the International Monetary Fund illegally – and which Treaty and which article makes provision for it to be involved in internal matters? – you are imposing a stricter Stability Pact at the expense of the weaker economies and weaker social groups. What solidarity mechanism was set up, given that a mechanism for coercion and pressure was already in the offing?

Apart from Greece, Spain and Portugal are taking harsh anti-grassroots measures so as to avoid the same fate and, as a result of this, poverty is increasing, unemployment is increasing, growth is slowing and the recession is getting worse.

Social dumping has become the only competitive tool in the European Union. This is not the Europe of solidarity and cohesion.

**Mara Bizzotto (EFD).** – (IT) Mr President, ladies and gentlemen, economic policy coordination, growth, employment, innovation, social inclusion: those are the slogans of the new 2020 strategy, that is, the one which, after the Lisbon Strategy, is supposed to guide Europe towards the end of the crisis that is weakening Europeans’ spending power and spirits.

Ten years after the first bout of Lisbon hysteria, unfortunately this is the new recipe that is in danger of turning into a slimming cure for the European economy. Examining the key points of the new strategy, we cannot really see any specific innovations. If we have not yet realised, the EU of the next decade will be the same Europe of which we are today lamenting the failure.

The 2020 strategy is disastrous because of the disastrous *modus operandi* of this Europe, which wants to imitate the planning-driven dirigisme and the statism that for a long time dominated national policies and which penalised spontaneously productive forces and local entities. Today, in fact, Europe prizes Brussels’ power and hinders the more direct and effective action of its decentralised bodies.

Taking my cue from an opinion of the Committee of the Regions, I note that a truly innovative strategy should, above all, reverse the balance of power between the centralised and the decentralised levels. This is what Europe needs: real subsidiarity and real federalism.

European history forewarned us of the following sentence: state-controlled centralism destroys wealth and social welfare when its aim is not to support the economy, but to mould its character.



All talk aside, what the peoples, young people and small and medium-sized enterprises – in other words, 99% of Europe's productive fabric – want, is not impractical European strategies for growth, but decentralisation and freedom from the orders of the political and bureaucratic elites.

**Martin Ehrenhauser (NI).** – (DE) Mr President, Mr Swoboda, you talked of solidarity and about how you should not wait until a crisis breaks out before you inform good friends about a problem. For me, that gives rise to the question of why you did not inform your socialist friend in Greece of the problem in advance. Did you actually not know anything about the financial imbalance in Greece?

In addition, for me, the question of responsibility also quite naturally arises in this connection. Who is responsible for the fact that Greece has delivered inaccurate budget figures? There is a need here for clarification and, above all, complete transparency. This is because only then can these people actually be made responsible, only then can it be guaranteed that the existing ground rules, too, will ultimately be stuck to.

However, there is always talk of new ground rules and solutions. These have been on the table for some time already! The problem is that, under pressure from the banks and the lobbyists, politicians have left these solutions full of as many holes as a Swiss cheese. That is why independence is so very important in politics.

**Jean-Pierre Audy (PPE).** – (FR) Mr President, Mr Van Rompuy, Mr Šefčovič, firstly, on the question of form, Mr Van Rompuy, it was customary for the President of Parliament to take the floor, but, in the minutes, in the record, there is no mention of a speech being made by him.

Was he not invited, or is this an error in the minutes? I wanted to know your thoughts.

I also wanted to say to you again how much Parliament – or, at least, some of us – appreciate your being able to come here and prepare for the European Council meetings, instead of sending the Council, which is not a member of the European Council.

You said that you were not a dictator; you are a democrat of distinction. You are not a spectator; you said, 'I am a facilitator'. Mr Van Rompuy, be a political actor, and come and look for political support here; we will give it to you.

I should now like to discuss a variety of subjects, the first of which is agriculture.

I should like to thank you, Mr Van Rompuy, for having corrected, together with the Heads of State or Government, an unfortunate omission in the European Commission document, since the latter did not mention agriculture, and you were right to add one of the European Union's main historic policies, namely agriculture, which is a factor in the well-being of the European people.

Secondly, I do not believe that the 2020 document instils enough ambition in the European Union as a global actor, especially when it comes to international trade. As representatives on the international stage, we shall have to demand reciprocity for our partners. I am pleased that, together with President Obama, we have obtained reciprocity in relation to the EADS project for supply aircraft.

I also suggest, Mr Van Rompuy, that you combine your political influence with that of President Buzek so that we may invite President Obama to come and address our European Parliament. If he cannot come, then perhaps his Vice-President, Joe Biden, can.

I should like to conclude by proposing that we introduce, now that we have decided on European solidarity, a macroeconomic and financial information system for the public sector – at Member State and European Union level – that is certified by the Court of Auditors, so that we may have a reliable set of data at European Union level.

**President.** – I was invited to the European Council meeting to give an introductory speech, which is available on the internet – I can send it to you by e-mail as well. I hope it will be taken into account; I presented the position of the European Parliament, of course. We had a discussion on the same day about the crisis in Greece and some other points. Generally, it was a presentation of the position of the European Parliament. I spoke for about 15-20 minutes on the most important points. You can read it; I will send it to you.

Regarding the United States, I shall be leaving for there in two weeks' time, so it will be possible also to talk about your proposal.

**Pervenche Berès (S&D).** – (FR) Mr President, President of the European Council, I have four comments.

The first concerns the mandate of the working group that has been entrusted to you with regard to the excessive deficit procedure and the crisis: do not settle for that agenda because, if you do, you will overlook our needs.

What we need today is economic governance. What that means, no one yet knows. We have been trying to find out for 10 years, but the time has come to clarify this point, and if we concentrate too much on crisis management, we will overlook the crucial debate, which is to know how, with a single currency, we can carry out intelligent joint action.

This intelligent joint action is not just a question of responsibility or solidarity, as you said; rather, it is a question of the added value that comes from sharing a currency that does not just boil down to a monetary union, but which must also be an economic union, and where the only tool that we have had available until now – the Stability and Growth Pact – is insufficient, since it has never been a growth pact, and it is a pact that has not permitted the euro area to fulfil its potential.

It is also a pact that has not prevented the existence of, or increase in, competitive differences among the economies of the euro area. No matter what reform of the Treaty you think up, no matter what reform of the Stability and Growth Pact you envisage, you will not address the problem of the competitive differences of the economies with those tools.

New tools therefore have to be invented; this is how you must approach the mandate.

I would add that, for years now, we have been saying that we need coordinated timetables, harmonised economic forecasts and shared diagnoses in order to decide on the economic strategies of the Member States of the euro area. That is the issue at stake in the debate and in the mandate that you have today.

As regards the European Parliament's role in this whole affair, my proposal to you, and my proposal to my fellow Members here in the European Parliament, is that, in a spirit of healthy competition among institutions, we set up our own group of wise men with high-quality, expert, independent individuals who can make an important intellectual contribution to this debate, which is a critical one for the future of the euro area and, hence, of the European Union.

**Malcolm Harbour (ECR).** – Mr President, I want to address my comments to Mr Van Rompuy as one chairman to another.

I have noted, as chairman of the Committee on the Internal Market, that the one thing that is clearly absent from the targets are any targets for the Member States to complete the internal market, which should be the centre-piece of economic reform and growth.

There are a few warm words about reducing bottlenecks, but I notice that the great flagship initiatives we heard about have been relegated almost to the bottom of Mr Van Rompuy's list. They have sunk almost without trace in this communiqué.

Why are we not focusing on things that we can actually get a grip on? We have a framework of rules in place. We are working on implementing those, which I am pleased about. However, I once again agree with my friend Mrs Berès: how about some competition between our institutions? My committee is taking more political action on completing the internal market than anything we have seen here today or anything we have heard from the Council.

I would invite Mr Van Rompuy to come and meet my committee and to come and talk about some of our initiatives. We have Mr Monti's report coming, and there will be a report from my committee. Let us compete together, but for heaven's sake let us get to grips with something on which we can really deliver, instead of having a whole lot of vague targets, which is what I see in this proposal.

**Georgios Toussas (GUE/NGL).** – (EL) Mr President, the decisions by the European Council highlight once again the fact that the European Union is an imperialist, transnational union of capital. Approval of the guidelines for the Europe 2020 strategy and the 'alleged' Community economic support mechanism are two sides of the same coin.

They signal a 'rally' of new, harsh, permanent, anti-grassroots measures against the working class and the grassroots class in 2010, 2011 and 2012 and so on indefinitely, regardless of the level of public debt and the deficits of the Member States of the European Union. All possible means are being used to reduce the price of labour and increase the degree of exploitation, in a bid to increase the profitability of capital.

The decisions by the European Union and the bourgeois governments of its Member States move in this direction. The opposing positions developing within the European Union and between the European Union and other imperialist centres and unions, such as the International Monetary Fund, are connected to the escalating competition between the capital which they represent.

The working and grassroots classes are setting their own single fighting front against the single EU strategy of capital and of the bourgeois governments of its Member States, in order to achieve radical change and satisfy the modern needs of the working, grassroots family.

**Frank Vanhecke (NI).** – (NL) Mr President, it is stating the obvious to say that the 2020 objectives do indeed merit consideration; most of them, at least. If a European incentive is useful to some Member States for internal political purposes, to help them take the necessary measures, I cannot see any problem with that. Yet what is quite astounding, especially on the part of the Council President, is that the whole eurocracy is barely, if at all, noting that its whole former master plan and the whole Lisbon Strategy have been a complete and utter blunder – rhetoric in its purest form – and that, in fact, there is nothing to indicate that it will be any different this time round. On the contrary, we are hearing pleas for a rush ahead, including the establishment of a European Monetary Fund and an even more federal Europe. I do not think this is the path to be taking; quite the reverse. Allow me to remain very sceptical when it comes to the totality of European policy being placed even further into the hands of the eurocrats who have made a fine mess of it up to now.

I should like to ask the President of the European Council to show the Dutch language rather more respect than he has done up to now.

**Marietta Giannakou (PPE).** – (EL) Mr President, it is a fact that economic union did not follow monetary union. However, economic union would possibly mean doing away with different political views and different political factions.

In the present case, the decision taken on Greece in terms of the involvement of the International Monetary Fund was, of course, accepted by the Greek Government, but it raises underlying questions. In a way it signals the fact that the Union itself is unable to address, not the problem of Greece, but similar problems that might arise in the future.

Mr President of the Council, I agree with you, of course, that there is a moral crisis, of that there can be no doubt. There is a crisis of values, which has been uncovered by the global economic crisis. The European Union should take appropriate steps here. The European Commission and the European Council should pass more general decisions in order to prevent the same thing happening again in future.

Of course, the conclusions of the Council in terms of addressing poverty, social solidarity, the knowledge society, research, training and combating climate change are very important. However, we need to look at all this, especially research and competitiveness, in light of the decisions taken in 2000 and in light of the failure of the European Union as regards the Lisbon guidelines, which are obviously a failure on the part of the Member States to apply that policy. At the same time, on the other side of the Atlantic, and in China and Japan, the issues of research and the knowledge and information society are rapidly taking centre stage.

In one way, I think that we have taken a step forwards. However, the conclusions of the task force will help us to take definitive, final and purely European decisions, because that it is the only way we can move forward and address any new international crisis.

**Kathleen Van Brempt (S&D).** – (NL) President Van Rompuy, you will not be surprised that both I and my whole group are very disappointed with the results the Council has produced. You said in your reply a little while ago that the Council is keenly aware of the balance of the Commission proposal in economic, ecological and social terms, but the results show a rather serious neglect of that balance. You have indeed achieved results in the areas of labour market and research and development. You have preached the status quo on climate policy. The 2020 objectives have long been accepted in this Parliament and in the various European institutions. In my view at least – and this is actually a real disgrace – you have failed to respect the objectives on poverty, based on the fallacy that further consideration is needed. You have tended to gloss over the disagreement that undoubtedly surrounds this social objective in the Council. I think this is most lamentable, and indeed it is a slap in the face for the 80 million poor in the European Union.

To your credit, you have always played your role with both modesty and ambition. Modesty in that you are absolutely not presumptuous in the role of President of the European Council, and ambition in that you say your role mainly consists in developing a long-term strategy and rolling that out over the coming years.

Well, this will be your test: the EU 2020 strategy and the objectives in all those possible areas. You have your resit in June. You have our support, but this strategy does need to contain clear objectives on poverty.

**Othmar Karas (PPE).** – (DE) Mr President, Commissioner, Mr Van Rompuy, I have two preliminary remarks to make. First of all, as an Austrian MEP, I would like to offer my truly heartfelt thanks for the fact that you paid a visit to Austria over the last two days and also engaged with the national parliamentarians, who have already had the opportunity to discuss this project. Secondly, I would like to offer Mr Reul's excuses. This was his speaking time, but he had to go to committee, as we had several jobs to do at the same time.

When it comes to today's debate, first of all I want to say to the Council, yes, a solution was reached at this Council. Yet the Heads of State or Government lacked the courage to opt for a purely European solution. With such a solution, we would not have needed to involve the IMF. The criteria when it comes to money are clear. Yet we – Europe – must take action ourselves if we have problems within the European Union. We need more European solutions.

My second point concerns Europe 2020. Europe 2020 is not an objective. It must be an instrument to achieve our objectives, including as a consequence of the economic and financial crisis. This Europe 2020 lacks the projects, the clear instruments and, at the moment, the political will to have these objectives become reality.

My third point, Mr Van Rompuy, is that the Treaty of Lisbon is not enough, and that more intergovernmental collaboration is needed. However, we do not want intergovernmental collaboration based around President Sarkozy and Chancellor Merkel, without the European Parliament and without the citizens. What we have achieved with the Treaty of Lisbon must not be brushed aside, even when tackling future issues.

**President.** – Othmar Karas is, of course, from Austria, but he was talking on behalf of Herbert Reul.

**Juan Fernando López Aguilar (S&D).** – (ES) Mr President, President of the European Council, I have two messages: one of concern, and one of demanding encouragement for the work that lies ahead.

Concern over the inadequate nature of the response and that it be genuinely European in scale; concern about the involvement of the International Monetary Fund and the recourse to bilateral loans.

Concern that the response has not been effective enough, with the short-term effect that the Greek debt has increased. Also, however, concern for the lack of understanding of the fundamental problem, which we here in Parliament have underlined.

Moreover, the Greek problem is a problem for the euro area and, by extension, the entire European Union: the deficit and, consequently, the debt have rocketed as a consequence of the financial rescue plans, which have been extremely expensive. Therefore, austerity must not put at risk either the investment necessary for economic recovery or the financing of essential reforms.

That is why the second message is of demanding encouragement: because the essential reforms must go hand in hand with a strategy whose importance must not, clearly, diminish in the eyes of Europeans. Let us, therefore, place the emphasis on renewing the European model that is so important to us: education, yes, and the knowledge society. In addition, however, a commitment to high-quality employment and, above all, egalitarian employment that will better prepare us to face the future, without neglecting the fight against poverty.

That is why I am calling on you, Mr President of the European Council, to make a commitment that the Council and the Commission will be ambitious in the 2020 strategy – in which this House must also be involved – and measure up to their responsibilities, because it is clear, whatever the case, that Parliament will measure up to its responsibility to the European public, which looks to us.

**Danuta Maria Hübner (PPE).** – Mr President, we cannot anticipate crises and nor will we be able to prevent another one from happening in the future. We are in pretty good company on this, if that is any consolation. However, our punishment should be to learn the lessons that the crisis has given and to use all the opportunities it has generated. For this we – the European Parliament, the European Commission and the Council – have no other choice but to work hand in hand and to convert those lessons into the wise, smart and truly European policies that citizens need.

I am convinced we do not have the luxury of being patient, and a sense of urgency should be with us all the time. There is a high risk that the financial and real economic crisis might turn into a public-debt crisis. That is why there is nothing more urgent today than to find a new source of economic, social and political energy

to start growing in a sustainable way. The new Treaty makes it clear where that energy should come from: Europe is much more than the European institutions and national governments. Its tasks are shared between the European, national, regional and local levels of governance, and I believe that we can re-energise Europe by taking seriously its multi-level governance system to provide EU 2020 delivery mechanisms.

The regional and local levels of European governance are important co-owners of Europe's future. They are capable of harnessing not only the growing number of policy tools which they have at their disposal, but also the enthusiasm of all the partners which Europe needs: business, academia and civil society. They are also able to translate common European goals into their own territorial growth and job strategies.

Europe will only be able to do its job if we truly understand that European tasks and responsibilities must be shared in a well-orchestrated way between European, national, regional and local levels of governance. Engaging local and regional Europe into the pursuit of common European objectives within the EU 2020 framework enlarges Europe's potential and our chances for growth.

**Anni Podimata (S&D).** – (EL) Mr President, a fortnight ago, the Heads of State or Government decided to set up a new European solidarity mechanism to support economies with serious economic difficulties, such as Greece, and to safeguard the stability of the eurozone. This was, without doubt, an important decision which we hoped, and we still hope, will put an end to the image of fragmentation and cacophony which has prevailed in the Union recently, with the painful consequences for the cost of borrowing to Greece and for the stability and cohesion of the eurozone as a whole which we are all familiar with.

However, over and above the uncontested political significance of the decision, speculative attacks have, unfortunately, continued – and even increased – over the last 24 hours, fed by certain ambiguities surrounding the support mechanism – which, Mr President of the Council, must be cleared up post-haste – and by rumours of unknown origin and purpose, of which various versions are circulating, the most recent version, which appeared in Greece the other day, being that there has been a call for the agreement of 25 March to be renegotiated.

As you know, the Greek Government has denied these rumours. However, you too should expressly and categorically state here in this House if the question of renegotiation of the agreement of 25 March has been raised by the Greek side over the past two weeks. You must also have the will and strength to ask those Heads of State or Government who had the key roles and final word in formatting the final agreement to respect the letter and spirit of it, instead of making unfortunate statements about the rate of borrowing which will be imposed on Greece if it asks – which it has not done and does not intend to do – for the support mechanism to be activated.

**José Manuel García-Margallo y Marfil (PPE).** – (ES) Mr President, I am going to try to say two new things on the subjects with which the European Council has been dealing: the 2020 strategy and the regulation of the financial markets.

As regards the 2020 strategy, all of us here have been saying for quite some time that one of the reasons for the relative failure of the Lisbon Strategy was that there were not enough tools to oblige Member States to honour their commitments. Now the Commission and the European Council are coming to us with a proposal that is more of the same: a weak agreement that makes reference to Articles 121 and 136 of the Treaty.

The President-in-Office of the Council began the Spanish Presidency by saying that he was aware of this weakness and that he wanted more: that he wanted to strengthen economic governance. I ask you now, Mr President of the European Council: 'Where are the courtly gallantries? The deeds of love and high emprise, In battle done?' What has happened to these intentions?

As regards financial regulation, I have one piece of bad news and two of good news. The bad news is that the Council has decided to delay the regulation of alternative investment funds – known as casino capitalism – at precisely the time when these funds have been partly responsible for the speculation on the Greek economy.

The first piece of good news is that the 2020 strategy talks about obliging financial institutions to put money aside to pay for some of the plates they smash; or, as President Obama would put it, to avoid Main Street having to pay for the damage caused by Wall Street. The second is that for the first time the Council is singling out the systemic institutions to which it wishes to pay particular attention.

These two things feature in the reports that Parliament is currently debating. They do not feature in the agreement that the Council reached in December. I would like to see the Council taking these two ideas up

again, because then we will be much closer to playing ball. Believe me, Mr President, I am really keen to play ball with the Council that you are chairing.

**Csaba Óry (PPE).** – (HU) I would like to make two remarks. The first may appear to be technical in nature, but in fact is more than that, and the second point goes to the substance of the matter. I see from the review that the employment directives are an integral part of the 2020 strategy, which the Council is seeking to adopt in June. This seems patently impossible, however, since we have not even received the draft text. They promised it will be ready by the end of April. Even at the pace of a forced march, Parliament will not be able to render its opinion until September at the earliest. How could a June adoption be possible? Or – a different question – how will Parliament's stance be taken into account in that case? So, although we are ready to cooperate here and would like to work together, for that to happen, the rules that are binding on Parliament also need to be taken into consideration.

As regards the substantive parts, it is to be welcomed that the Council seeks to promulgate the directives on employment and the economy in a closer reciprocal relationship, but as I say, if this is to happen, we should be able to start working with the Council. In any event, the ideas seem too general for the moment. The 75% employment level is nice enough, as are the '20/20/20' targets with regard to climate change, and the 10% and 40% objective regarding education, but how, with what and from what will these targets be met, and what about supervision, what will happen to those who do not meet these targets, and what about those who meet them only on paper, in other words, who do not submit accurate figures? We have experienced such things with regard to the implementation of the Lisbon Strategy.

Finally, I wish to express my delight that the cohesion policy will at last be put forward as well, as an important area linked to the 2020 strategy. I would have one suggestion in this regard, however: in any event, quantitative objectives ought to be set – as this was indicated in relation to the fight against poverty – and some sort of index should be developed in order to enable us to track progress or, for that matter, delays.

**Seán Kelly (PPE).** – (GA) Mr President, there is much that I would like to say on this subject but I do not have the time. Therefore I will speak about the moral crisis.

Mr Van Rompuy said that the Council discussed the moral crisis, but he did not elaborate; I would like him to do so.

As an example, in my own country the Anglo-Irish Bank and Irish Nationwide have played financial ping-pong so that auditors could not discover the true state of their finances. What has happened? The CEO of Irish Nationwide has ridden off into the sunset with millions in his back pocket while taxpayers have had their wages reduced dramatically. Two weeks ago the management of the Anglo-Irish Bank got an increase in wages while taxpayers had EUR 40 billion and growing added to their bill over the next number of years.

Unless the perpetrators of these bad deeds are brought to heel, both individually and institutionally, not only will history repeat itself, Mr Van Rompuy, but it will repeat itself in exactly the same way as it occurred in the first place.

(GA) I would like him to speak a little about this crisis.

**Kriton Arsenis (S&D).** – (EL) Mr President, many people are saying that it is not Greece, it is not the eurozone, it is the European Union that will ultimately be judged on these developments in times to come.

Following the Council decision in March, no European country is at risk of bankruptcy. However, I agree with my fellow Members who proposed more standard institutional instruments, not only to address and prevent the bankruptcy of countries, but also to protect the Member States from the repercussions of occasional crises.

Greece is not asking for help, it is taking measures: the deficit has been reduced by 4% thanks to harsh measures which the people of Greece are heroically enduring, because they want to change the situation in Greece once and for all. By May, the Greek Parliament will have approved radical changes in taxation, insurance and the labour market.

We should not be surprised if Greece emerges from this crisis stronger and free from the debts of the past. But who knows what battle awaits Europe?

**Norica Nicolai (ALDE).** – (RO) Unfortunately, a huge number of us are unaware that a new spectre is looming over Europe, namely, that of populism. We forget that, as a form of political governance, this may

be one of the causes of the moral crisis which we are all talking about, underlying the economic crisis. However, this is about us and the political parties we belong to.

President Van Rompuy, you spoke about budgetary discipline. Judging from the past, having too many rules can frequently cause shortcomings just as much as having too few rules. I believe that we could be much more flexible and could review the Stability Pact, because we do not have a vision of the future European model. It fails to take account of the reality and demographic situation which we are facing and about which we have heard no mention in the EU 2020 agenda. I believe that this matter will have to give us some food for thought because we should not allow a new design for the European social model to fail like the Lisbon Agenda has done. A second failure will deal a crushing blow to cohesion and inclusion in the European Union.

**David Campbell Bannerman (EFD).** – Mr President, my French is not very good – *pardonnez-moi* – but I do understand that the French word ‘*gouvernement*’ means government in English. I thought that was easy to understand. However, it does not seem to be easy for the British Labour Government or for President Van Rompuy. They seem to think it means governance, which is defined as the action or manner of governing.

That is just dissembling, since the reality is that the EU Council’s agreement to improve economic EU *gouvernement* means the action of ruling and directing the affairs of a state. The truth, then, is that the Council has handed yet more powers over to the EU, including powers over the UK economy, which is the single most important issue to the British people today.

When will people be told the truth? We are heading for an EU superstate, and Britain will have to pay to rescue those in the euro area – even though it is not, thankfully, a member of the euro itself.

**Franz Obermayr (NI).** – (DE) Mr President, the Europe 2020 strategy has ambitious goals and specific figures. Apart from the fact that we were a long way from achieving these goals even with the Lisbon Strategy – for example in the research and development rate – the question must be raised of whether many of these goals make sense. The Europe 2020 strategy, for example, aims to increase the number of academics considerably. Clearly we do need highly qualified human resources, but experts are observing that what is needed is well-trained specialists, not an explosion in numbers of university graduates who then can hardly find a job, or who can only find an inappropriate one.

There is considerable contradiction within the specifications of goals. On the one hand, the budget is to be consolidated, whilst, on the other hand, there is to be massive investment. It will be an interesting balancing act to see how this will be resolved.

When it comes to the regions, studies have clearly shown that the Treaty of Lisbon and the Lisbon Strategy were successful where the regions were systematically involved and not where a centralised approach was taken. This will also be an important point to note when implementing Europe 2020.

**Monica Luisa Macovei (PPE).** – Mr President, two matters: first, accountability, which is vital to solve this situation in Greece. The Commission needs to clarify the flow of information with Greece. The Commission must report to Parliament in detail about the macroeconomic information received from Greece, as well as the methodology applied and the exact time when the Commission was provided with each category of information and statistical data. The Commission must clearly indicate where institutional and personal responsibility rests. Someone is accountable and must be made accountable. This is an issue which is different from supporting Greece.

Secondly, as recognised by the Greek Prime Minister and emphasised by the public perception recorded in Eurobarometer in 2009, corruption was a key factor leading to Greece’s economic situation. It is time for the Commission to put in place an anti-corruption policy for all Member States and also to establish a mechanism to prevent and combat corruption – again, in all Member States.

**Maroš Šefčovič, Vice-President of the Commission.** – Mr President, I wish to thank the honourable Members for their speeches, questions and proposals. I would like to answer telegraphically some of those questions.

I agree with those MEPs who have been calling for respect for the rules. I am sure that, if we respected them better, we would not be in this situation. We work very hard on agreeing the rules, so once we have them we definitely should respect them. The Commission will do its utmost to enforce them even better in the future.

When it comes to the division of labour – what the Commission and what the Member States should do under the EU 2020 strategy – we now have a quite detailed description of the level on which the EU should act, and on what level the Member States should act. We will elaborate a bit further on this when we come forward with a concrete proposal on how to deliver and put in place the flagship projects. This will be quite detailed. It will be a measure-by-measure description. I can assure you that it is the Commission's utmost ambition to deliver on this very important strategy.

Part of this, of course, involves getting rid of unnecessary barriers and better using the potential of the single market, and using what Europe can offer in a much more efficient and better way. We will be doing this at the level of the Commission, but at the same time we also expect input from the Member States as to where they see that the single market could be used better and where they see that there are barriers still in place which we should work on to erase.

When it comes to economic governance and better economic coordination, we intend to use fully the Lisbon Treaty provisions and will be coming forward with initial proposals in this area this spring.

When it comes to governance and EU 2020, we are looking for an adequate balance in how to motivate the Member States in a positive way, and at the same time how to ask for better, stronger, efforts from their side. We believe that this time we have found an adequate method and that its delivery should be much better than it was before. We will, of course, be working on monitoring and evaluations, together with Parliament, so will have a very good opportunity to discuss this in detail.

When it comes to transatlantic cooperation, the Commission is committed to further advancing the Transatlantic Economic Council and its work. At the same time, we are also committed to the Doha Round because we believe that the conclusions of the Doha Round will open new doors for improved world trade and for improved situations in developing countries.

A lot of Members spoke on the issue of Greece. Here again I would like to underline that we have created a eurozone mechanism – with the IMF, but it is still a eurozone mechanism, and we have to stress that. This was the best solution we could find under very challenging circumstances.

When it comes to another argument that I have heard, which is that EU 2020 is too much on the side of *dirigisme*, I cannot agree. We are trying to find a way to mobilise and activate the different levels through which we can achieve the most efficient actions and the best possible course of events. We would like to do this in a complementary way, so that each level supports the others.

When it comes to SMEs, the heart of the strategy, and what we are hearing from them, is that they are asking us for is a level playing field across Europe and for a reduction in the administrative burden. That is exactly what we would like to achieve.

When it comes to the agriculture, this has certainly been present in the European 2020 strategy from the outset, but we should not view EU 2020 as an exhaustive list of everything we should do in the future or an exhaustive list of how we should treat agriculture in the future.

Very soon we will have a very important debate on the budget review, and that would be the right moment to discuss the future not only of agriculture, but also of other policies, in greater detail.

**President.** – This is a crucial debate for us, so it is necessary to sit here and discuss further.

**Herman Van Rompuy**, *President of the European Council.* – (FR) Mr President, ladies and gentlemen, I shall be very brief following on from what was said by the Vice-President of the European Commission. There are just a few points that I wish to stress.

Firstly, the famous mechanism put in place for the Greek crisis, as it has been called over the last few weeks and months, unfortunately. Many of you have called for more Europe. That is a worthy argument, but we must work within the framework of the Treaty of Lisbon. The Treaty of Lisbon is very clear. It does not include so-called bailout clauses. It did not foresee this kind of situation.

Therefore, we must find something. Having demanded that the Greek Government assume responsibility – which it has done, and it has taken some measures – we must invent a financial aid mechanism that respects the letter and the spirit of the Treaty of Lisbon. That is why the European Commission has proposed a mechanism of bilateral loans managed by the Commission. That is why many Member States, including the Dutch Parliament, have demanded that the International Monetary Fund intervene.



It is not just one or two governments that have demanded this; many more have requested it. Why? Because they have paid money into the International Monetary Fund in recent times so that it can actually fulfil its task of providing timely financial assistance. Indeed, Europe has contributed a very large amount.

As Belgian Prime Minister, I contributed on behalf of my country something in the region of EUR 5 billion, and thus certain members – their parliaments and governments – have questioned why we cannot draw on these financial resources that have been made available to the International Monetary Fund in order to help a European country, after the effort made by the European countries.

Therefore, something had to be found, an exchange in kind, something creative that respects the Treaty. As for those who are calling for more Europe, the first thing they have to do is to work – I repeat – in the spirit of the Treaty of Lisbon. The mechanism is, of course, a compromise mechanism, and it is one that had to be found because other mechanisms were not provided for in the Treaty of Lisbon.

Ladies and gentlemen, the Greek Government has not asked for the two-week-old agreement to be reviewed; it has not done so at all. Moreover, the Greek finance minister said this very clearly yesterday. He did not, I repeat once again, request financial assistance. He hopes that once the results of his efforts are visible, the spreads will decrease.

Therefore, making all kinds of statements and spreading all kinds of rumours is very harmful to Greek taxpayers, because not only does it not help anyone, it is also to the detriment of those who have to endure a number of measures because action was not taken quickly enough in their country previously.

As for economic governance, Mr Šefčovič spoke about this; let us be very clear, the European Council works within its remit laid down in Article 15 of the Treaty. It gives guidance and it defines the main policy guidelines to be followed, but it is not an executive power, it is not a legislative power. Therefore, it is certainly not a government in the constitutional sense of the word. It does, however, coordinate, monitor, provide a certain impetus and, as the Treaty clearly states, give guidance. That is the political sense of economic governance, but it should certainly not be understood in the constitutional sense of the word.

There is a great deal of work to do. Some people have asked me: have penalties been applied or are they envisaged for failure to observe certain economic- or employment-related directives? Well, in such cases, the Treaty has to be changed, it has to be amended. Penalties may be applied only where they are provided for by the Treaty. The Treaty does not provide for this. Should we discuss this within the task force? If some people wish to put proposals on the table, they will be discussed, but penalties cannot be imposed that run counter to the Treaty of Lisbon.

As far as a free-trade area between the United States, Europe and others is concerned, right now I believe that the main job to be done is the one that Mr Lamy and others are embarking on, that of making the Doha Round a success. I believe that that is the top priority. He has sounded the alarm, and rightly so. A major protectionist movement has certainly been avoided in Europe. We have avoided that, but we must do more, we must go further.

In fact, we face some very great challenges in three areas. There is the climate challenge, for which there is the Copenhagen Accord, but the promises made in terms of reducing CO<sub>2</sub> emissions are not enough to meet the few objectives that were laid down in the Copenhagen Accord – in other words, the objective to ensure that the temperature does not exceed the pre-industrial level by more than two degrees.

As well as the climate challenge, there is the challenge for international trade and the challenge for international financial regulation; some of you rightly spoke about this. We therefore have an extremely important international agenda, and Europe must play a very major role at the G20 and within other bodies so that progress is made at an international and global level.

Why not include the internal market in the five objectives? Indeed, the internal market is an instrument, and it must be regulated via a large number of these objectives. In the area of research and development and in others, we must use all the resources of the internal market. We must develop it further, but it is not an end in itself. It is an instrument, but an important one. We are keenly awaiting Professor Monti's suggestions on how to improve the internal market, but it is an extremely important asset. Just as there is the common currency, there is the common market. It must be developed further to help increase growth and employment.

Some of you have asked, 'What is the point of all this?' Well, the point is to have sufficient economic growth so that we can finance our social model properly, and it is also to serve a European Union that wants to play

a role in the world but which cannot do so without being a greater economic force. We cannot play a role in our world if we are not really a great, a very great, economic force.

(NL) Since Mrs Van Brempt asked me this question, I should like to reply in Dutch. I am talking to her empty seat, but I shall say it anyway: I do not really understand why she thinks this a disgrace. It is the very first time the fight against poverty has been included in five key objectives, and yet we are told that it is a disgrace, that we have not gone far enough and that we must take a resit. It is the very first time. I am pleased, therefore – proud, even – that we and the Commission joined battle on this and were able to include the fight against social exclusion and against poverty in these five key objectives. Of course, we need to identify the right indicators, and this is not such an easy task; it is much harder than many people think. To reiterate, I by no means feel the need to turn up for a resit in June. In that month we shall be continuing to implement what we decided on 25 March in the usual way. I am very pleased, therefore, that we have broken with the past and made poverty a top priority in the European Union.

(FR) Mr President, I shall confine myself to these few comments and observations.

Although I have not responded to all the comments, I repeat, it is not because I have not listened, but because we are short of time.

Many of the speeches consisted of comments, not questions. I have therefore noted them, and I will give them some thought.

In any case, I thank you for your important and interesting contribution to this debate on a subject that is crucial for the European Union, namely this strategy relating to what we call 'employment and growth', the 2020 strategy.

**President.** – I am quite sure that not only Ms Van Brempt but also at least 300 other colleagues are listening in their rooms, because there is the opportunity to listen to the debate there.

At least eight committees of the European Parliament work directly with the 2020 Strategy, and the rest indirectly, so we are highly committed and we are open for further discussion, cooperation and preparing details on how to organise it. This is a very important discussion for all of us.

Thank you very much for coming, thank you both for such a deep and broad discussion on this topic, Mr President of the European Council and Mr Vice-President of the Commission, and thank you, colleagues, for the discussion.

#### **Written statements (Rule 149)**

**Elena Băsescu (PPE), in writing.** – (RO) It is important for the European Parliament to engage in positive cooperation with the Commission and Council. In this respect, I welcome today's debate on the conclusions of the European Council meeting (25-26 March 2010). Particular attention was focused, among the topics discussed, on the 'Europe 2020' economic strategy, as well as on the preparation for the international climate change negotiations. I think that we are all affected by the problems in the euro area, as the euro's stability is of paramount importance to the whole of the European Union. The European Council will play a more important role in coordinating at national and European level instruments intended to boost Member States' economic performance. Against this background, solutions relating only to budgetary problems are inadequate, as these problems are closely linked to economic problems. I support the European Council's objectives of raising the level of employment, especially through policies aimed at supporting young people. The conditions for increasing investments in research and innovation must be improved. Realistic objectives must be set not only in this area, but also when it comes to setting climate change targets. The European Commission must put forward as soon as possible specific measures intended to implement the projects aimed at reducing poverty across the whole European Union.

**Sebastian Valentin Bodu (PPE), in writing.** – (RO) The Spring European Council summit has been so dominated by Greece's economic problems that, if conclusions had not been documented in writing after the meeting, many of us would not have even known that the Europe 2020 strategy and many other topics were discussed as well. However, this information has certainly not reached the European man in the street yet, who is under the impression that Greece completely dominated the whole spring summit. Without being cynical, we can say that this whole global crisis during the last two years has produced one cloud with a silver lining at European Community level: a strategy and future vision which will avert any huge economic slump in the future, set out a new direction for the EU27's development and, by implication, make Europe more competitive. However, it is vital that the Spring Council's noble conclusions on the Europe 2020

strategy go beyond good intentions. The European Union is a complex body, made up of distinct, individual countries which have been united institutionally. However, they respond in different measures to the guidelines set out by the European Union's Council. Consequently, setting clear targets for each Member State would probably yield more results than leaving it to their discretion to take the necessary action to implement the strategy.

**Cristian Silviu Buşoi (ALDE), in writing.** – The outcome of this Summit is far from responding effectively to Greece's needs. Mr. Van Rompuy says the EU's capacity to reach consensus remains intact and so it is, but unfortunately there is only consensus on the lowest common denominator! The solution proposed is everything but a European one. In order to have a real European response we should have had a European framework for helping Greece out of its debt crisis, instead of doing it through bilateral loans. Moreover, I'm afraid that the credibility of the whole euro area may suffer if the IMF is to intervene, not to mention the fact that apparently the Greek government has stepped back on IMF intervention since the IMF conditions could lead to social and political unrest in the country. What's really worrying me is that markets have simply not reacted very positively to this solution, as interests proposed to Greece by the markets remain around 7% or even slightly above, which is unfavorable for Greece. Nevertheless, I welcome the setup of the task force which I hope will come with more ambitious proposals so that the economic and fiscal sustainability of the Eurozone is effectively ensured in the future.

**Kinga Göncz (S&D), in writing.** – (HU) I welcome the fact that at the most recent meeting of the European Council a compromise was outlined regarding the European Union's economic programme covering the period to 2020 and on providing aid to Greece. The economic growth set as a target in the strategy is at the same time a prerequisite for emerging from the labour market and social crisis. It is to be welcomed that the European Council is devoting a great deal of attention to increasing employment not only among young and older workers but also among the low skilled. Increasing employment among the targeted groups must go hand in hand with the acquisition of skills that have market value, as well as with fostering lifelong learning. I also agree with the Hungarian Government's efforts to get us to think, in the fight against poverty, about quantitative regional cohesion goals instead of poverty-related objectives, since those living in poverty and particularly in severe poverty within the EU live in clearly defined geographical regions. This would allow harmonisation of the handling of poverty and of the complex problems of underdeveloped regions. At the same time, it is important that when the objectives of the 2020 strategy are adopted, the decision-makers have available accurate data as regards the level and proportion of poverty in society. Although the handling of the economic crisis and the EU 2020 strategy set out the direction to be followed, the request raised by the Visegrad countries is entirely understandable, namely, that the debate on this matter should not determine the long-term monetary perspective after 2013. Debating the latter will require longer negotiations, and it is impossible to foresee how much financial room for manoeuvre circumstances in 2012-2013 will afford the EU.

**András Gyürk (PPE), in writing.** – (HU) The final document of the March Council meeting – very properly – devoted special attention to the question of climate change. This is all the more welcome because the failure of the Copenhagen Summit has created uncertainty with regard to climate policy. Flexibility mechanisms, primarily the quota trading systems, are likely to remain important instruments for the European Union's climate protection efforts in the future. Their functioning today, however, is still marked by contradiction. Last year, for example, a major tax fraud was perpetrated in the UK in the course of a quota transaction. Not long ago, it came to light that the quotas sold by the Hungarian Government found their way unlawfully back into the EU's emission trading system. With the mediation of offshore companies, there was an attempt in effect to use emission rights twice. These are just two examples showing that the system of emission rights is not working smoothly. Abuses are damaging in particular to those actors who are making true efforts to mitigate environmental damage. Learning from negative examples, we need to put an end as soon as possible to the legal loopholes that lurk in the quota trading system. The European Commission must take steps against the use of permits without real performances, in bad faith, or for other than their intended purpose. In addition, we need to create full legal harmony between international and EU climate protection regulations. With a view to all these goals, it would be useful to strengthen the EU's supervisory procedures as well. Effective climate protection regulation will continue to require flexibility mechanisms. Flexibility cannot, however, mean unpredictability and cannot create opportunities for abuse.

**Cătălin Sorin Ivan (S&D), in writing.** – (RO) The conclusions from the European Council meeting which took place on 25 and 26 March 2010 certainly highlight the major ambitions which Member States have for the forthcoming period up until 2020. I noticed in particular the consistent objectives in terms of boosting investment in research and development and reducing gas emissions, which are backed up by figures and

commitments. It goes without saying that political will is a fundamental requirement for ensuring that these objectives are turned into policies which also deliver results. With this in mind, we must all make efforts. On the other hand, I would like to condemn the postponement of setting quantifiable targets for reducing the school dropout level and increasing the number of university graduates, as well as for reducing social exclusion, all the more so as 2010 is actually the European year dedicated to this issue. Even if the speed of decision-making remains slow due to numerous factors, greater efficiency must be demonstrated when it comes to implementation so that this new strategy is a success and not a repeat of the Lisbon Strategy.

**Krzysztof Lisek (PPE), in writing. – (PL)** In view of processes which are taking place in Europe, such as the demographic decline in the indigenous population and the economic crisis, a well-thought-out strategic action plan has my full support. The Europe 2020 strategy should enable us to be effective in the fight against the effects of these detrimental phenomena, to make our continent ready for the challenges of the next decade in an environment of global competition. I am counting on a good information campaign among the citizens of Member States, to help them use the powers conferred on them by the Treaty of Lisbon and influence first the planning, and later the realisation, of the strategy by involvement at regional and lower levels and in smaller local communities. I agree that the strategic priorities themselves – sustainable growth, a knowledge-based and innovative economy, investment in education of the citizens and building a society free of economic divisions and poverty – have been specified well. I also think this should be followed by the speedy development of mechanisms for putting these priorities into practice and the establishment of a timetable for this. I am counting on good and comprehensive cooperation in this area. I would like to stress that the Europe 2020 strategy must take account of the huge differences in the level of development and in the potential of different regions. If we forget suitable adaptation of the timetable and means of achieving the strategic objectives to the characteristics of individual parts of the EU, I am afraid our work may not bring the result we expect.

**Marian-Jean Marinescu (PPE), in writing. – (RO)** I welcome the outcome of the European Council, especially the important decision made to support Greece, in cooperation with the IMF. This is an important step towards strengthening European solidarity. Greece is not the only State in the euro area facing financial problems. Structural reforms and restoring macroeconomic stability through reallocating budget resources to support sustainable growth are more pertinent than direct aid. The European Union needs a new, medium-term strategic vision for growth and development, combined with the prudent collection and redistribution of financial resources. Two fundamental reforms need to be added – the reform of the CAP and the reform of the cohesion policy, two budget items absorbing a large volume of resources. Increasing employment, boosting competitiveness and productivity, along with exceptionally productive investments in research and innovation are the main measures for halting the decline and kick-starting sustainable growth, which are key objectives in the Europe 2020 strategy.

**Rareș-Lucian Niculescu (PPE), in writing. – (RO)** I would like to welcome the fact that the text detailing the European Council's final conclusions referred to the particularly important role played by the cohesion policy and common agricultural policy in ensuring the EU's competitiveness. The common agricultural policy in particular – a topic which is currently the subject of heated debates prior to the forthcoming reform of this area – is a special subject because of its importance. It is not only more than 12 million European farmers but consumers as well who are expecting specific results after the CAP has been reformed, which will have a positive impact on their standard of living and the quality of food being eaten, on the one hand, and on the competitiveness of Europe's agriculture and food industry, on the other hand. The European Union is duty-bound to take into account the hopes which its citizens have pinned on the future CAP when implementing its future policies.

**Rovana Plumb (S&D), in writing. – (RO)** The EU 2020 strategy must be based on expanded coordination of economic and environmental policies in order to generate eco-efficient economic growth and higher employment. The transition to a clean economy generating green jobs will only be achieved through changing production, consumption and transport models and will entail major investments from budgetary, private and fiscal sources. I believe that this must involve an intelligent, green process which will be given priority at every level – local, national and European – and will help improve the welfare of all citizens so that the European Union becomes a leading player in an increasingly globalised economy.

**Joanna Senyszyn (S&D), in writing. – (PL)** The 2020 strategy which has been adopted by the European Council is not acceptable to me as a socialist. It lacks a clear statement of a strategic objective (combating poverty) and does not contain measures for achieving this goal. Poverty affects 80 million (20%) of Europeans, and 17% have such low incomes that they cannot meet their basic needs. This is not only an economic problem, but is also a violation of human rights. Poverty causes loss of health, restricted access to education,

homelessness, discrimination and social exclusion. According to a report of the European Commission published in 2008, one in five (19%) Poles lives below the poverty line, with 26% of children living in poverty (the highest level in the Union).

We need a long-term strategy for fighting poverty as an integral part of EU policy. In accordance with the proposals of my political group, the strategy should be assisted by reform of the common agricultural policy. It is essential to ensure food security to all EU citizens in all of its aspects (physical and economic access to food which meets high health and quality standards). The 2020 strategy will be a valuable document for EU citizens only on condition that social objectives are included. Therefore, I am asking the Commission and the Council to: 1. recognise the fight against poverty as a principal, strategic objective; 2. establish and precisely quantify particular objectives relating to the systematic curtailment of poverty; 3. elaborate and adopt (at the June summit) specific indicators of poverty; 4. specify dates for the realisation of individual partial objectives.

**Nuno Teixeira (PPE)**, *in writing*. – (PT) On 25 and 26 March decisions were made in the European Council on issues that will have a considerable impact on the lives of thousands of Europeans, especially those who share the euro. Even at a time of economic crisis, which is becoming much more serious in countries such as Greece, the Heads of State or Government of the euro area have reached agreement regarding financial assistance for that country. These Member States have demonstrated solidarity with Greece and determination to reinforce the stability of the currency by undertaking to provide bilateral loans in the event that the country is unable to resolve the problems with its public finances by other means, specifically intervention by the International Monetary Fund. In addition, over the next 10 years the new Europe 2020 strategy will have to capitalise on the previous Lisbon Strategy, showing the public tangible results especially as regards the promotion of employment without further putting off structural reforms. Territorial cohesion must be an integral part of this strategy, along with other key issues such as a continued commitment to knowledge and innovation, sustainable economic progress and social inclusion. The European Union has formalised its support for this strategy and the Member States' commitment to it must be absolute.

**Silvia-Adriana Țicău (S&D)**, *in writing*. – (RO) I welcome that during the European Council meeting held on 25 and 26 March the EU made a firm commitment for the first time to increase energy efficiency by 20% by 2020, while also reaffirming its commitment to cut polluting emissions by 20%, compared with the 1990 level. The biggest challenge the EU is currently facing is the dramatic rise in unemployment. In February it reached a rate of 10%, taking the number of unemployed above 23 million, marking a rise of 3.1 million compared with February 2009. The economic crisis has hit both the public and private sectors, with thousands of European companies going into liquidation and millions of employees losing their jobs. The fall in the number of employees and companies has a powerful impact on the budgets allocated for public expenditure, as well as on European citizens' quality of life. Nevertheless, the EU must set out the course of action for its development and provide the necessary funding. The European Union must invest in education, research and in an ambitious, sustainable industrial policy, enabling it to remain competitive globally. The EU also needs to invest in health care, agriculture, and transport and energy infrastructures. I call on the Commission to table a legislative initiative for setting up a European fund for developing the transport infrastructure.

**Jarosław Leszek Wałęsa (PPE)**, *in writing*. – (PL) Ladies and gentlemen, the last European summit was an attempt to develop a new strategy for the euro area and for coming out of the economic crisis. European leaders were agreed that it is necessary to strengthen economic policy in Europe by defining future common guidelines and developing an early-warning system for Member States facing economic difficulties. The consequences of the world financial crisis are a good opportunity for Europe to strengthen its internal integration and cooperation. Now is the time to make use of the undoubted benefits of European integration and take the European project up to a new, higher level. The summit had optimistic and promising significance. However, we need to be careful that this attempt to develop another economic strategy for Europe does not end up like the Lisbon Strategy, which was supposed to transform Europe into the most dynamic knowledge-based economy, but was a spectacular failure. Thank you.

**Iuliu Winkler (PPE)**, *in writing*. – (HU) In half a year, the European Union has moved from a hopeful situation to almost complete disunity. Six months ago, the entry into force of the Treaty of Lisbon inspired optimism and hope. Only half a year later, the Greek crisis has put the EU before a dramatic situation. In spite of an increasing number of alarm signals, everyone is waiting, although this sounds trite, for national protectionism to get out of hand, which may have potentially disastrous results. I am convinced that the Member States that are in difficult situations do not need cynical advice. Greece's situation is not unique; the EU will have to face other similar shock effects. The solution lies in increasing EU solidarity, effective coordination and achieving strong economic governance. As a representative of the European People's Party (Christian

Democrats) and a Romanian Hungarian politician who obtained his mandate as an expression of political solidarity, I believe that the only way out of the crisis is through solidarity among northern, southern, western and eastern Member States – that is, among all of us.

**Artur Zasada (PPE), in writing.** – (PL) The situation of the Greek economy has, undoubtedly, aroused much emotion. Its catastrophic condition is both the effect of the world crisis and the result of the neglect of the government in Athens. It is because of the failure to carry out serious reforms and an interpretation of macroeconomic data which was too casual that Greece is, today, on the brink of bankruptcy. Greece is going to feel the effects of today's economic collapse for many years to come. Therefore, it was with great interest that I studied the proposed forms of support which the Council intends to give to Greece. I am glad that Greece can count on help, but this should be linked to immediate and radical reforms of public finances. Our reaction to the crisis in Greece must be a clear signal to other Member States which are struggling with similar problems that robust internal reforms are the route they must take to lift themselves out of the crisis.

**Zbigniew Ziobro (ECR), in writing.** – (PL) The conclusions of the European Council meeting on 25-26 March 2010 contain a decision which talks about an intention to strengthen the coordination of Member States' economic policy by better use of the instruments provided for in Article 121 of the Treaty on the Functioning of the European Union.

The economic crisis, especially at the beginning, led to the appearance of numerous examples of protectionist practices, which quite often caused doubts from the point of view of EU principles of competition.

Will stronger coordination of the economic policies of Member States and the proposed better use of the instruments established in Article 121 of the Treaty on the Functioning of the European Union prevent a repeat of similar practices in the future? If so, how?

## **5. Dates of forthcoming sittings: see Minutes**

## **6. Adjournment of the session**

*(The sitting was closed at 17.10)*