

EUROPEAN COUNCIL THE PRESIDENT



Brussels, 29 June 2012 EUCO 133/12 PRESSE 318 PR PCE 115

The way forward for the European Council up to 2014

The European Council has, over the past two and a half years, devoted most of its time to fighting the crisis. This task is far from over. At the same time, we need to focus more on building a positive agenda to set orientations for a strong and dynamic Union.

The EU must face up to the scale of interdependencies between European economies and societies. The sovereign debt crisis has demonstrated clearly the impact events in one country can have on the Union as a whole. The same is true, for instance, for energy: a major power failure in one country can directly affect neighbouring countries. Relations with key partners also require a European perspective. Finally, growth and competitiveness require a common reflection.

The following major subjects, some of them recurrent and some more specific, will require the attention of the European Council over the coming two and a half years:

• The Union's <u>Multiannual Financial Framework</u> for the period 2014-2020 should be adopted before the end of 2012. This is an essential debate, as it concerns all European policies across the board. Beyond fixing the total amount of European financing over the next period, this negotiation entails fundamental choices: what are the investment priorities for the next generation, which policies best support growth, how to make the most of the resources?

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- Concerning the future of the <u>Economic and Monetary Union (EMU)</u>, there is wide-spread recognition that more integration is needed in the banking sector, in fiscal matters and in economic policy. The report on the future of the EMU contains the main building blocks and is to be followed by time-bound roadmaps for future work. Meanwhile, the European Council must ensure implementation of what has already been agreed. Euro Summits will continue to be held twice a year, and help consolidate the new governance architecture. Non-euro Member States will be fully informed of the work undertaken, to ensure the coherence of actions with the Union as a whole.
- As regards growth and employment, the new <u>Compact for Growth and Jobs</u> will provide a good framework for decisive action. The focus must remain on implementation, both for national measures and EU growth-supporting policies. The <u>European Semester</u> and the <u>Europe 2020 strategy</u> are key in this respect. A review of progress towards the five headline targets should take place in 2014, to ensure that work is on track for 2020. Deepening the <u>internal market</u> will remain a key objective over the coming years. The European Council will regularly monitor progress and press for the adoption of pending and future Commission proposals.
- The external aspects of the internal market are also highly relevant for growth. Thus, an in-depth discussion on <u>trade</u> is warranted early next year. Clear choices are needed to advance major ongoing bilateral and multilateral negotiations.
- The <u>digital agenda</u> and <u>innovation policy</u> take on growing importance. We should review developments, with a view to completing the digital single market by 2015 as agreed. Further progress in the Union's innovation policy will also bring great benefits for the European industry. Other measures to increase <u>industrial competitiveness</u>, in particular for the manufacturing sector, can be usefully examined at European Council level.
- The Union set itself the deadline to complete the internal market for <u>energy</u> by 2014 and progress towards this objective should be reviewed. In order to give an impulse to this key strategic sector, we could look ahead at priorities for energy security and interconnections. Coherence should be ensured with climate change objectives, also in view of Europe's international commitments.
- The European Council has in the past regularly kept developments regarding the space of <u>Freedom</u>, <u>Security and Justice</u> of the Union under review. There is a clear need to preserve the *acquis* and to move forward in the area of free movement, migration and asylum; the European Council is the appropriate forum for this discussion. In October 2012, we will take stock of the state of play on asylum matters.

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- Enlargement will remain on our agenda and the European Council will face important discussions on granting candidate status, or opening or closing accession negotiations. A credible European perspective will facilitate reforms and contribute to further stability, in particular in the Western Balkans. Furthermore, the European Council could discuss the effects of enlargement on the EU's functioning and institutions.
- The European Council will look at means to ensure the Union's position on the global scene. The preparations of <u>G8 and G20</u> summits will require its attention. Renewed impetus will also be given to relations with the EU's <u>key partners and regions</u>. We should focus on highly political issues on which guidance is needed at the highest level. Timing of these discussions will also depend on external events and the situation in the countries concerned. Matters for discussion could include relations with Russia and China and the transatlantic partnership.
- As regards Europe's <u>neighbourhood</u>, the developments in the Arab world and the Southern Mediterranean, as well as the Eastern Neighbourhood will be followed closely. We will also continue to address regional <u>conflicts and crisis situations</u>, putting our weight behind global efforts to achieve peace and stability. Syria will remain our immediate concern, but also Iran, Afghanistan or the Middle East Peace Process could require our attention.
- The European Council should also look at <u>defence</u>, in particular the development of European military capabilities. A changing strategic environment, constraints on defence budgets and the Lisbon Treaty's explicit call for advances in the Common Security and Defence Policy, all point to the need for a longer-term and more systematic cooperation in this area. An in-depth discussion could take place in the second half of 2013. It should take into account links to industrial policy, research & innovation and the internal market.
- On a final and more personal note, I should like to devote some time during one of the very last European Councils under my watch to a joint reflection on the future of the European idea. Public support for the European Union's actions is ultimately the ground on which we stand.

The programme set out above requires time and sustained effort. Therefore the intention is to convene, as a rule, six meetings of the European Council each year, and to promote the monitoring and follow-up of decisions on a more regular basis. The tasks before us are daunting, but with the right political will and energy and close cooperation between all governments and all EU institutions, they can and will be tackled.

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Tentative Work Programme of the European Council up to 2014

2012				
DATE	RECURRENT THEME	SPECIFIC THEME		
		Socio-eco	External	
18-19 Oct.	MFF, EMU, growth and jobs, JAI		Strategic partners	
13-14 Dec	[MFF], EMU, enlargement, SMA II			
2013				
DATE	RECURRENT THEME	SPECIFIC THEME		
		Socio-eco	External	
7-8 Feb.	EMU (implementation aspects)	Trade	Post Arab Spring	
14-15 March	European semester, growth and jobs, EMU(implementation)		Strategic partners	
30 May		energy	Strategic partners	
27-28 June	European semester, growth and jobs, JAI			
24-25 Oct.		innovation/digital agenda	Eastern Neighbourhood	
19-20 Dec.	enlargement	defence		

2014				
DATE	RECURRENT THEME	SPECIFIC THEME		
		Socio-eco	External	
Feb.		industrial competitiveness		
March	European semester, growth and jobs	EU 2020 targets (employment, R&D, climate, education, social inclusion)		
May			Strategic partners	
June	European semester, growth and jobs, JAI			
Oct.		The future of the European idea		

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