

Bijlage I

HD Speech by Professor Jerzy Buzek President of the European Parliament to
the December European Council
Brussels - 16/12/2010

Dear Presidents,
Dear Chancellors,
Dear Prime Ministers,
Dear Friends,

I would like to start by congratulating the success of the outgoing Belgian Presidency which took office at a difficult time for the European Union. First and foremost I would like to pay tribute to Prime Minister Yves Leterme. I would like to thank you for your engagement. You were faced with the need to manage the economic crisis, to respond to its impact on employment and the single currency, while at the same time negotiating the EU's Budget for 2011. The citizens' initiative was also a significant achievement during your Presidency, something we can all be proud of.

Prime Minister, your tireless work, in close cooperation with the European Commission, has helped to pave the way for a solution to next year's EU budget. A solution which the European Parliament adopted yesterday. We managed to find a deal which is acceptable to all the EU institutions, including of course the EU Member States. Excellencies I would like to thank you all for your efforts.

I would like to also pay a special tribute to President José Manuel Barroso and the European Commission, for the serious efforts they have made to bring our institutions together.

For the European Parliament, the assurances which the Commission has given in three areas have been especially important.

First, we strongly welcome the Commission's commitment to prepare a full report on the cost of "non-Europe" and to include an assessment of European Added Value in future legislative proposals and impact assessments.

Second, the Commission's intention to shift budget priorities towards the new policies set out in the Lisbon Treaty, and to reflect the priorities of the EU 2020 project, is very positive.

Third, we strongly endorse the Commission's undertaking to present a legislative proposal on Own Resources by the end of June next year, in parallel to the Multiannual Financial Framework.

Dear Colleagues,
The negotiations on the 2011 Budget, which were the first under the provisions of the new Treaty, have also laid a positive foundation for next year's discussion on the Multiannual Financial Framework.

I am delighted that, on the proposal of the Belgian Presidency, the following four Council Presidencies - the Hungarian, Polish, Danish and Cypriot Presidencies - have agreed to involve the European Parliament closely in the work of creating the next MFF, as foreseen in the Lisbon Treaty.

Dear Colleagues, Heads of State and Government,
We will be a constructive and responsible partner in these discussions.
At the same time, President Barroso has agreed to activate the new arrangements provided for in Article 324, by which the Presidents of the three institutions - the Parliament, Council and Commission will meet to discuss how we can best cooperate in the budgetary field, while fully respecting the right of initiative of the European Commission.

Dear Friends,
One of the lessons we need to learn from the dialogue we had over the 2011 Budget, is that in the EU we sink or swim together. In today's difficult economic times which require a hard headed approach to

our public finances, a common philosophy should guide us as usual. While European solidarity is what makes us strong, it must be matched by a real sense of responsibility by all of us.

Responsibility is at the heart of the proposals for the revision of the Treaty we are discussing today. This proposal is a sign of both solidarity and responsibility. Solidarity to Member States in difficulty, but also responsibility by those countries to conduct the difficult reforms which are necessary, and to keep public finances in good order.

Dear Colleagues,

Do we need a treaty change? We have always used changes to the Treaty to make progress in Europe. The primary objective, perhaps even the greatest task our generation of European leaders is facing, is to secure a stable future for our currency - the euro.

We have not yet fully discussed this issue in the European Parliament but, if a treaty change would facilitate that task, I think that the European Parliament could be prepared to support the use of the simplified revision procedure of the Treaty to amend Article 136 (as allowed by Article 48), provided that this change is exceptional, specific and highly focussed on the creation of a permanent European Stability Mechanism.

To my knowledge, today, the Parliament would not be willing to accept any change going beyond that. We know that the proposed timetable of just three months for the adoption by the European Council of this Treaty change is extremely tight. The European Commission, the European Central Bank and the European Parliament will be asked to give their opinions within this timeframe. I would hope that it could be possible to deliver an opinion in time.

The European Parliament is able and willing to be a responsible partner in finding a joint solution to the serious problems we face today.

The Parliament hopes that the new mechanism will complement the new framework of reinforced economic governance, which we hope will provide effective and rigorous economic surveillance and coordination so that we can avoid another crisis arising in the future.

Dear Friends,

Once the necessary change has been made to Article 136 it will be important to adopt the legislation to create the European Stability Mechanism in good time for it to enter into force in 2013.

For the European Parliament it is important that this legislation reflects and respects the Community method. Only today the Parliament has passed a resolution dealing precisely with this issue. I would recommend it to your attention.

The Parliament hopes that the European Stability Mechanism will complement - and form part of - the new framework of reinforced economic governance. This should provide effective and rigorous economic surveillance and coordination, so that we can avoid another crisis arising in the future.

The issue of the ESM is just one of several interlinked questions which arise from the issue of how we improve the organisation of the eurozone. We need more than ever to resolve the tension which exists between economic governance and monetary union. Our economic governance has to be improved if monetary union is to work effectively.

Let me turn to the hotly debated issue of Eurobonds.

Prime Minister Jean-Claude Juncker and Finance Minister Giulio Tremonti raised it recently. The European Parliament has argued that Eurobonds should not be ruled out as a potential tool. We need a serious debate on this issue, this is closely connected to some other issues which we have started to discuss recently. For example, should the capital of the ECB be increased? Or should we create a more systemic facility to buy up government debt? Should we establish a European Monetary Fund? These and other questions require our serious consideration. In my opinion, all of them need to be addressed together in our discussions since they are fundamentally linked.

However, we should not lose sight of the bigger picture. While we take the time to stabilise the euro, and put into place mechanisms which will help the European Union function better, we have to remember that new economies and new competitors are growing in strength as we speak.

Dear Friends,

We need more than ever to access the collective power of the Union as whole so that we can address the central challenges of our time. This is our joint responsibility.

Thank you.