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SPEECH BY THE PRESIDENT, MR JOSEP BORRELL FONTELLES PRESIDENCY CONCLUSIONS



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SPEECH BY THE PRESIDENT OF THE EUROPEAN PARLIAMENT, JOSEP BORRELL FONTELLES

European Council, 15-16 June 2006, Brussels

Ladies and Gentlemen, Heads of State and Government,

Once again I address the Council on behalf of the European Parliament.

I do so with concern at the state in which our European Union finds itself.

The Union is working normally on a day-to-day basis. It is 'business as usual' for usual business. However, the problems of size, legitimacy and efficiency afflicting the EU are more serious now than they were on the day after the Treaty of Nice was signed. They are also beginning to interact, creating a vicious circle.

To acknowledge this is not to succumb to the climate of Euro-pessimism. It does not mean being a 'crisis lover', Mr Barroso.

The 'period of reflection', begun a year ago, has ended without producing any consensus on the future of the Constitutional Treaty, nor has any plan B been found.

The ratifications have continued but, including Finland, have not reached 20. We recognise that some of the Member States which have yet to ratify, probably more than three, do not seem too eager to do so. And we know that neither France nor the Netherlands intend to vote again on the same text, either before or after their next elections.

And so, with the difficulty posed by ratification on the one hand and revision, and hence renegotiation, on the other, it seems imperative to wait.

As a result, you will decide to extend the period of reflection. Given the situation, this has to be done. But it is not enough to let matters drift. Reflection has to be matched by action.

It is necessary to wait, but it is urgent to act.

Parliament recognises that it is necessary to wait, but also knows that it is urgent to act.

We can keep waiting, but not indefinitely.

In the resolution it adopted yesterday, Parliament called for a clear proposal to be agreed on the future of the Constitutional Treaty by the end of 2007 and for a solution to be found before the next European elections in 2009.

This means acting on various fronts at the same time.

First, we must continue the ratification process. Second, we must preserve the institutional system that has been proposed. Third, we must develop more ambitious policies with the means that we have, until better ones are available.

This latter question depends above all on your political will.

What have we done in the last year?

Ladies and Gentlemen, Members of the Council,

We have all taken part in a rich and vibrant debate across the length and breadth of Europe, with our citizens and among our institutions, sponsored by the Commission, the European Parliament, governments, national parliaments and civil society.

Our citizens have sent us many messages, sometimes contradictory ones. Many suggestions have emerged in different ways from your various capitals, on which little consensus has been found.

We have heard the fears which were already evident during the referendums in France and the Netherlands.

Globalisation makes people afraid. Rightly or wrongly, 47% of Europeans now see it as a threat. In three years, the percentage of people who see it as an opportunity has fallen from 56% to 37%.

Successive enlargements make people worried. International competition is tough. Social security systems are under threat. Immigration and an ageing population present us with huge challenges. Energy is becoming more expensive, whiles supplies are less reliable. Identities feel threatened. Near to us are regions suffering from a dangerous instability. The terrorist threat is much greater today than when the Treaty of Nice was signed.

Yet we have heard little criticism of the institutional aspects of the Constitutional Treaty, which are essentially to be found in its first part.

What makes Europeans disenchanted is the fact that Europe is too present where it is not seen as useful or too absent where it is most needed.

Europeans can scarcely perceive the advantages of their Union. Europe is viewed less in terms of the benefits it brings, than the problems it creates or the solutions it fails to deliver. An enormous task still lies ahead if we are to educate our citizens.

Yet, in fact, I believe that, if we wanted to sum up the debates with our citizens, we would produce a new version of the Laeken Declaration.

Virtually everything we have said and heard during this year of reflection could already be found in the Laeken Declaration of December 2001 which was at the origin of the Constitutional Treaty.

By way of illustration, let me quote from it:

'Europe needs to shoulder its responsibilities in the governance of globalisation'.

'What citizens expect is more results, better responses to practical issues ... a greater EU role in justice and security, action against cross-border crime, control of migration flows'.

'Citizens also want results in the fields of employment and combating poverty and social exclusion, as well as in the field of economic and social cohesion.'

The problem is not the questions but the answers. Not the diagnosis, but the treatment.

Ladies and Gentlemen,

The European Parliament believes that the Treaty of Nice is not an adequate instrument to enable the EU to respond to the concerns and demands of its citizens. It is firmly convinced that we cannot move ahead with the enlargement process under the institutional framework that treaty provides.

You cannot keep adding floors to a building without making sure it has solid foundations. To recognise this is not to be against enlargement, but rather to reflect on the conditions needed to make it possible.

Enlargements and absorption capacity

One of the subjects most frequently debated during the last year has been enlargement. This is bound up with the question of 'absorption capacity', which is also on your agenda.

Enlargement and enlargements, with all the problems they pose, have been the major strategic achievement of European integration. As a Spaniard, I know this from my own experience.

They reinforce the political stability and economic prosperity of the European continent. They enhance our capacity to respond to globalisation and they make our dream of a Europe reunited by peaceful means a reality.

Banishing the legacy of Hitler, Stalin and the military dictatorships of southern Europe was a vital moral imperative.

Nevertheless, we also recognise that enlargements, the most recent as well as those to come, are a source of greater diversity.

The motto of the Constitution was 'united in diversity', yet it is legitimate to wonder just how much diversity is compatible with an effective Union.

Europe today is a microcosm. Incomes in one region may be between one and 20 times greater than in another. There are different histories, which produce different visions of the world and of Europe itself.

As a result, agreements based on unanimity are increasingly difficult. And when they can be reached, they are low-level agreements, which produce frustration rather than solutions.

Decision-making rules ill-suited to the Union's size lead to inefficiency and inefficiency leads to loss of legitimacy. The Union may lose the legitimacy it derives from the results it achieves. Eventually, European citizens may cease to acknowledge its right to act, even in those areas in which its added value would be greatest.

Any system has a limited capacity for growth. This depends on its ability to develop in a way that will ensure that greater size does not result in reduced efficiency.

This is why the European Parliament has said that further enlargement of the European Union after Romania and Bulgaria will not be possible under the Treaty of Nice.

This is one more reason why we need to break the constitutional deadlock and thus be able to deliver the European perspective we have held out to the Balkans.

We need to reform our institutional system to avoid a situation in which we have more and more Europeans, but less and less Europe.

We must ensure that Europe's geographical enlargement does not curb its political ambition.

The processes of enlargement and integration are not alternative options. They are complementary ones, but a balance must be maintained between them. For better or worse, Europe will be the outcome of the difference in speed between these two processes.

We know that citizens see an imbalance between Europe's size, which is continually expanding, its objectives, which are increasingly vague, and the instruments at its disposal, which are increasingly ill-suited to the task.

What is to be done?

Continuing the ratification process

First, we must continue the ratification process.

The European Parliament and the major European political parties call on the Council to give encouragement to the ratification process in those countries which have not yet completed it.

At some stage, we shall have to declare the process closed, count the number of ratifications and proceed accordingly.

Unanimity is necessary, but it is not the same thing if the number of countries failing to ratify is two, three, or more, or fewer than five.

Preserving the global agreement and institutional system of the Constitutional Treaty

The European Parliament reaffirms its opposition to any piecemeal application of the global agreement under the draft treaty and believes that the institutional system it proposes must be followed.

Parliament is happy to agree with the Commission that Nice is inadequate. Many of you have said the same. The leaders of the main European political parties have corroborated this view.

The Constitutional Treaty is not an aesthetic whim on the part of those who want to see a global approach to political Europe, contained in one all-embracing text.

It is born of the conviction that the Treaty of Nice does not offer 'a viable basis for the continuation of the European integration process'. The reform of that Treaty is one of the major achievements of the Constitutional Treaty. It will be very difficult to secure unanimous agreement on a different system. That is why, whatever revision is required, it is important to preserve this part of the Treaty.

A Europe of projects and a project for Europe

In the meantime, we need to do more and better with the instruments we have under the current Treaties.

Clearly, we need to make the positive effects of European policies more visible. Citizens judge the institutions on their results. Yet, as President Barroso acknowledged in Strasbourg, a Europe of projects is not an alternative to a project for Europe.

It is possible to do more and better with what we have? Without a doubt. The lack of economic policy coordination in Europe, the weakness of its actions at global level or in the field of judicial and police cooperation are not technical or institutional problems, but stem from a lack of political will. This will not be remedied by any text, even if we call it a Constitution.

This lack of political will has a particular impact on the problem of immigration, which is also on your agenda.

Allow me to make a few remarks on this subject, since it is a matter of pressing concern to which Parliament is devoting special attention.

Immigration: seven years after Tampere

Immigration is one of the great sociological challenges of our time. If we want to influence globalisation, especially in Africa, this must be one of our top priorities for action.

Yet, seven years on from Tampere, we have only made genuine progress in one of the four areas of the common immigration policy, namely in combating illegal immigration.

In the other areas (legal immigration, cooperation with third countries and integration of immigrants), we have made little or no progress. The unanimity rule is preventing decisions from being taken.

We need the instruments to apply our political will. This means qualified majority voting in the Council and the co-decision procedure with the European Parliament via the 'passerelle' provision provided for in Article 67 of the EC Treaty.

Immigration policy can not be viewed in isolation from development policy. Our efforts must be based on a partnership with the countries of origin, particularly those in sub-Saharan Africa. We must offer them more and better possibilities and require them to share responsibility, as already provided for in the Cotonou Treaty, if we wish to curb illegal immigration by methods other than repression.

I should like to mention two specific problems in the field of security and justice (where it is not 'imperative to wait' but 'urgent to act').

Police and judicial cooperation in criminal matters

Once again, as everyone recognises, it is the intergovernmental method which is holding us back. The Constitutional Treaty provided for this third pillar to be brought within the Community sphere.

However, under the current treaties, we have a 'passerelle' clause (Article 42 of the EU Treaty) enabling us to switch to the Community method. This means greater speed, more efficiency and increased democratic control. Parliament has been proposing this for some time.

I welcome the fact that a number of Member States and the Commission support this. I ask them to act on it, since it is not a question of partly anticipating the Constitutional Treaty, but rather of using a procedure already available to us.

The PNR (passenger name records) judgment

The new situation created by the judgment of the Court of Justice which, at Parliament's request, overturned a decision by the Council and Commission concerning the handing over to the US authorities of airline passengers' personal data, means that loyal cooperation is needed between our institutions

As we have seen, in the absence of this loyal cooperation, the courts end up overturning our decisions, leaving citizens to pay the price or the prestige of our Union to suffer.

This situation could have been avoided had use been made of the 'passerelle' provision linking the third and first pillars which I mentioned earlier.

Now, the Council and Commission must take the decisions which are urgently required. But we must work together - Parliament, Council and Commission - to achieve the next stage, namely a final agreement with the Member States after November 2007. We must not shrink from a debate which touches on the fundamental rights of citizens, nor must we shirk the role which parliaments must play in such a sensitive issue.

Under the United Kingdom Presidency, the loyal cooperation of which I spoke enabled us to reach a difficult agreement in record time, thanks to the co-decision procedure, on the retention of communications data.

On that occasion the Council agreed to adopt the framework decision on data protection without delay, a commitment it has not met.

I hope that the Council will adopt this framework decision and the PNR decision in parallel.

(I also hope that rapid progress will be made with the Fundamental Rights Agency, whose creation you called for in 2003. Parliament regrets that some Member States are opposed to granting the Agency competence under the third pillar.)

(I regret that the question of the Agency has been withdrawn from today's agenda.)

Finally, I should like to say something about the way in which interparliamentary dynamics work and on the symbolic marking of historical events on significant dates.

Parliamentary dynamics

Cooperation between the European Parliament and national parliaments has made great strides. Together we have created a parliamentary dynamism which can help encourage reflection, promote action and bolster the legitimacy of our Union.

Proof of this was offered by the interparliamentary meeting on 8 and 9 May, Europe Day, which was organised jointly with the Austrian Presidency.

A further such meeting will be held during the Finnish Presidency and we shall also make joint preparations for 2008, when the financial perspective is to be revised, with particular reference to the EU's own resources.

Any revision of the Constitutional Treaty must incorporate this parliamentary dimension. The time for negotiations between governments behind closed doors has gone. Progress in building Europe cannot be made without its citizens, in other words without greater involvement on the part of its parliaments. That is one of the main lessons to be drawn from this experience.

In this connection, the European Parliament supports the Austrian Presidency's proposal that the Council's deliberations as a legislative body should be made transparent.

I hope you will reach agreement on this.

Back to Messina?

The days ahead are full of symbolic dates which we should use to good effect. The fiftieth anniversary of the Treaty of Rome in 2007 will also mark the tenth anniversary of the Amsterdam European Council, when the first, unsuccessful, attempt was made to reform our institutions.

As you see, not all anniversaries are glorious ones.

The Commission is suggesting that we should look still further back, to Messina (seeking out the traces of the founding fathers fifty years on from the Treaty of Rome).

Messina in 1955 was undoubtedly an antidote to the failure of the European Defence Community, but it was not concerned solely with a common market.

To read the declaration again is to be surprised at the scale of its political ambition.

At that time, there was already a proposal for a common energy policy and for social policy harmonisation, as well as common rules on working time, a question on which our ministers again failed to agree a few days ago.

Under these circumstances, would we subscribe today to the objectives set yesterday by the Europe of Six? As we recall Messina we should not show less ambition than 50 years ago. To define the values and objectives of the Union, we already have the Constitutional Treaty, which you have endorsed.

Would a new declaration reaffirm them or would attempts to draft it involve us in further complex negotiations, reopening issues which it took so much to resolve?

In conclusion, I should like to quote the words written by Paul-Henri Spaak in his memoirs, entitled <u>Unfinished Struggles</u>: 'Each time difficulties arose, we drew on our shared beliefs for the imagination needed to overcome them'.

Do we 25, soon to be 27, share sufficient beliefs? Will we have the imagination needed to overcome today's difficulties?

Perhaps the problem was the context, rather than the text.

We should not use context as a pretext. Any texts we agree on will be valuable only for the shared beliefs they reflect and the political will we have to apply them.

Thank you for your attention.