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**SPEECHES BY THE PRESIDENT, MR PAT COX
PRESIDENCY CONCLUSIONS**



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SPEECHES

**INTERVENTION OF THE
PRESIDENT OF THE EUROPEAN PARLIAMENT PAT COX
AT THE EUROPEAN COUNCIL
BRUSSELS, 12 DECEMBER 2003**

I wish, today, to congratulate the Italian Presidency for its success in taking forward a number of important issues: growth, border controls, effective multilateralism. I would like also, to pay tribute to the leadership shown by the Presidency, both at the political and at the diplomatic level, where Ambassador Vattani has played a leading role. Much progress has been recorded on codecision dossiers. I would highlight one in particular. Next week, the European Parliament will vote on the outcome of the *Eco-points* conciliation, a matter very much the concern of one Member State. We in the European Parliament, will be prepared to fast-track our procedures on the *Euro-vignette*, provided you are prepared to force the pace in Council.

EUROPEAN ACTION FOR GROWTH

The European Parliament, as I stated also when we met two months ago, is supportive of action designed to enhance growth, including initiatives for innovation and R&D, TENs and the "quick start programme".

I welcome the report from the Task Force led by Wim Kok and hope that it will inspire Member States to accelerate reform. There are some who believe that this is yet another in a series of 'alarm bell' reports, warning EU Member States of the risk of missing the goals set in Lisbon, and calling on them to bridge the gap between rhetoric and reform. The Task Force report does all of that but it, additionally, contains country-specific messages - not only on a 'naming-and-shaming' basis, but also on a 'naming-and-praising' basis.

This approach puts renewed pressure on slow reformers. The spread of "best practice" also encourages reform in a positive way, by driving home the point that reform initiatives do not have to be a 'leap in the unknown'. Fellow Member States have experiences from which others can draw constructive conclusions.

I hope the Task Force report will have proved useful when we come back to evaluating progress under the Irish Presidency. The fourth anniversary of the Lisbon agenda is drawing near - it would be good to be able to celebrate it by establishing that real and substantial progress has been made.

It is no secret that the Lisbon agenda is in difficulty - although I have not met anybody who is not in favour of it. Everybody is supportive, but I have noticed that actors tend to focus on different aspects. Some like to stress the *dynamic competitiveness*- and forget the *sustainability*; others emphasise *social cohesion*- and leave out *structural reforms*.

We must stop cherry-picking. We need a holistic approach and we need to embrace the full agenda. Economic reform is not the enemy of social solidarity, but rather the bedrock.

One part of the proposed conclusions I would like to highlight especially is the decision to direct a significant part of economic and social funding post-2006 to human capital investment and lifelong-learning.

I consider that we should assess - in relation to the next financial perspectives- the goals for our spending as well as evaluating whether the instruments used are adequate. If higher productivity and stronger growth is an over-riding goal, there is a solid case for spending our resources in a more growth-enhancing fashion.

JUSTICE AND HOME AFFAIRS

Broadly speaking, the European Parliament supports the creation of a European Borders Agency, which responds to the principle of solidarity between Member States and which can provide a clear Community added-value in a space where internal borders no longer exist.

I particularly welcome, in the time intervening since my last statement on this subject, the very real progress that has been made by the sectoral Council on individual legislative proposals. Practical and tangible results are what citizens expect, particularly in an area of immediate and direct relevance such as rules on asylum, return and illegal immigration.

There is still work to be done, and I recall in particular your self-chosen commitment to agree minimum standards on asylum and refugee status questions before the end of this year. These are delays that matter to citizens, and that cannot be explained away.

Interfaith dialogue

On 25 September, I signed, alongside President Schieder of the Council of Europe Parliamentary Assembly, a Declaration on the Charter of European Parties for a Non-Racist Society, recalling our shared commitment to, and the role of political parties in, fighting discrimination. We reaffirmed a common aim of building one Europe of values, in which all forms of intolerance and persecution, including those based on the grounds of race, colour, ethnic origin or nationality, cease to exist.

I strongly endorse the sentiments in the conclusions and join in the condemnation of all manifestations of anti-semitism, particularly violence against individuals or attacks on places of worship.

In the European Parliament, we attach great importance to the constructive initiatives taken by the Italian Presidency to encourage interfaith dialogue, as an instrument to foster peace, tolerance and social cohesion.

ENLARGEMENT

Like you, the European Parliament looks forward to the accession of ten new members on 1 May 2004, as the crowning achievement of our generation.

Parliament took careful note of the Commission Monitoring Reports presented on 5 November 2003, and urges the new Member States to show their determined resolve to overcome the outstanding difficulties which were highlighted, and to deliver on their part of our mutual contract of expectations, ensuring that the accession can proceed smoothly and as planned.

Bulgaria and Romania

The Monitoring reports of the Commission confirmed the differentiated progress in their membership preparations, of Bulgaria and Romania. The common objective of accession in 2007 is realistic, and we should not relax our commitment and determination to assist. Nor should we renege on the principle of 'own merits': a candidate state has the right to be assessed on its own merits irrespective of extraneous political considerations. Equally, our engagement requires full reciprocity of effort on the side of the candidates: we fully expect delivery on what has promised. It is no secret that certain sectors, particularly administrative and judicial capacity, still require especial care and attention.

Turkey

The progress made by Turkey in the last year, under the leadership of Prime Minister Erdogan, surely surpasses the efforts made by previous governments over four decades. We acknowledge and welcome the enormously positive impetus of the legislative reform under way. Turkey has come closer to satisfying the Copenhagen criteria and we should recognise that. The Commission has pointed to the lacunae, particularly in the area of implementation, and has shown what remains to be done.

The resolution of the conflict in Cyprus is not a pre-condition for Turkey - no new pre-conditions can be imposed after the Helsinki Summit. However it is an undeniable fact that the climate of our engagement with Turkey would be considerably improved were a solution to the Cyprus issue to be reached before 1 May 2004.

Cyprus

Whatever the outcome of the elections in Northern Cyprus on Sunday, we share the hope that the remaining window of opportunity can give all of the people of Cyprus the prospect of adhering to the area of peace, stability and prosperity that is the European Union. We should spare no effort to encourage the process.

Western Balkans

I visited the Western Balkan region in October this year and took great encouragement from what I perceived as a new and positive mood, consistent with the European vocation of all the states. We need to encourage and foment the movement towards Europe. We need to encourage the states to cooperate among themselves, not only in economic and trade terms, but in their common battle against organised crime. That new network of cooperative links and working towards shared objectives will itself prove a valuable preparation for membership. We need to encourage the efforts of, for example, Croatia and the former Yugoslav Republic of Macedonia, and acknowledge progress where it has been made.

Above all, we need to think about the strategic implications of the path outlined so well in our Thessaloniki meeting, and to factor in our European policy interest when we come to look at planning for the next years and at its financial and other implications.

There are good reasons for optimism and for believing in the power of the European Union to bring about a process 'creative reconciliation'. It is perhaps best symbolised by the recent gestures of reconciliation: first between the Presidents of Serbia and Montenegro and Croatia, and later between the Presidents of Serbia and Montenegro and Bosnia and Herzegovina. Nor should we easily forget that the European perspective can be destroyed by the rise of populist nationalism. The European perspective for those countries, after Thessaloniki, is no longer about ambitious declarations, but rather action plans and clear benchmarking of standards, and following the criteria which were established by the European Commission with the countries of Central and Eastern Europe.

Euro-Mediterranean Partnership

Last week, I inaugurated the first Euro-Med Parliamentary Assembly. This is a major step forward for the Barcelona process, and one which I believe will give a new democratic impulse to real, deep and cross-sectoral cooperation with our Mediterranean partners.

I would draw your attention to the active and positive participation of representatives of both the Knesset and the Palestinian Legislative Council. For the first meeting of the new Euro-Med Parliamentary Assembly, which will be held under the Irish Presidency but hosted by the Hellenic Parliament, I hope it will be possible for the President of the Council and the President of the Commission to attend.

FOREIGN POLICY

United States

I strongly welcome the Declaration on Transatlantic Relations and the high priority you have accorded to our partnership with the United States. You have our full support. Parliament is deeply committed to constructive dialogue, drawing strength from the common values which underpin the relationship.

In this context I wish to highlight one issue, on behalf of the Parliament. I wish to voice our particular anxieties about Guantánamo Bay. We are concerned about the violation of the fundamental rights of European Union citizens. But our concern at the lack of due process extends to all detainees:- it is morally indefensible to limit the expression of that concern to our own citizens. We want a fair trial for all prisoners.

It is precisely in a phase when we are deepening transatlantic relations that our candid friendship should not exclude our candid concerns. We should not be shy of putting the issue of Guantánamo on the agenda for the next EU/US Summit-level meeting.

Russia

It is very appropriate, I think, on the very day when Russia proudly marks its 'Constitution Day', that I record for this meeting that it is in our common interest that Russia observe the highest democratic and constitutional standards.

In the Parliament we have very deep anxieties: about the recent elections - free but not fair in the assessment of the Council of Europe observers -; about the freedom of the media, about the unresolved crisis in Chechnya; about high-level statements that Russia may not ratify the Kyoto Protocol (with the consequences for that international agreement that we are all aware of). Could I suggest in this regard that the Commission be mandated urgently to follow up on the Milan Kyoto Conference? Russian participation is indispensable if the Kyoto Protocol is to come into force.

It is right that we should deepen our economic cooperation on the basis of the St Petersburg Declaration. But a partnership implies a certain reciprocity and respect for the values at the core of our European enterprise, including the value of pluralist democracy and respect for fundamental freedoms.

Security Strategy and Defence

I pay tribute to the work you are doing today in the area of defence policy, and indeed to the three crisis operations successfully carried out in the framework of the ESDP. The emphasis on operational content, on the basis of complementarity and subsidiarity, is very welcome.

I also wish to stress the importance we attach to the adoption of the paper submitted the High Representative Javier Solana, as a major step towards clear prioritisation of our foreign and security policy interests and objectives.

EU/United Nations

For the European Parliament, a security strategy can only be developed on the basis of multilateralism and the United Nations system. We will welcome the UNSG Mr Kofi Annan on 29 January next, when he will accept on behalf of the United Nations, the Sakharov Prize, and mark the deaths of UN personnel killed in the performance of their duty. That day will also be the occasion for Parliament to adopt a strategy to outline its contribution to strengthening effective multilateralism. We strongly welcome the unprecedented joint EU/UN initiative on cooperation in crisis management.

IGC

This afternoon, the Inter-Governmental Conference will be convened, and I will have the opportunity to present views. The IGC is not a rubber-stamp: it has its own integrity and there are matters of substance and importance for Member States. I would ask you to find the European spirit to address all these issues, with a view to achieving an effective compromise, and not a lowest common denominator.

I would also make a plea - let us have no left-overs! Let us ensure that there are not so many red lines that they hide the black print underneath.

Let us, in this way, deliver a good Constitution for Europe.

**STATEMENT BY PAT COX, PRESIDENT OF THE EUROPEAN PARLIAMENT,
AT THE INTERGOVERNMENTAL CONFERENCE,**

12 DECEMBER 2003, BRUSSELS

At the outset, I would like to place on the record Parliament's appreciation of the very great efforts that you, Mr President, Mr Frattini and your colleagues in the Italian Presidency have made, in order to bring us to this decisive stage in the IGC. In the compromise proposals you have put forward at various stages, you have tried to keep as closely as possible to the results of the Convention, which, we all agreed, were the basis for the work of the IGC and which were signed up to by all of our governments, by representatives of all our parliaments and by the European Parliament.

The results of our work will require ratification in all Member States, with referendums in a significant number of our countries. To gain public acceptance of this project will require a sustained promotion of the positive benefits that the Constitution could bring:

- coherence in our external policies, more efficient decision-making in our legislative work,
- concerted action on issues of internal security, immigration and asylum,
- protection of our common values through the incorporation of the Charter of Fundamental Human Rights into the Treaty,
- a strengthened parliamentary dimension through national parliaments and the European Parliament playing a fuller role,
- democratic reforms for all our Institutions, and
- a re-direction of the EUs efforts to concentrate on areas where Europe working together brings added value to the actions of Member States.

I would ask you, the political leaders, to place greater emphasis on the positive aspects of the Constitutional Treaty, and perhaps a little less emphasis on perceived threats to national sovereignty. The red lines must not occlude the black ink, while accepting that the IGC is not simply a rubber stamp for the results of the Convention. It is our judgement that you will succeed in rekindling public enthusiasm, rather than ceding further ground to the Euro-sceptics.

The Treaty will have great value if it achieves a constitutional settlement. Perhaps I have not yet acquired the historical wisdom of President Giscard d'Estaing, and certainly not yet his longevity - *je ne suis pas parmi les immortels* -, so you will understand that I do not see that this Treaty must necessarily stand unchanged for 50 years, but at least we should not build in its own obsolescence. The problem with our past Treaties is that we have been obliged to start negotiating the next Treaty before we have finished ratifying the previous one. At the very least, we must avoid building into this Treaty the terms of reference for the next IGC.

Therefore, the European Parliament believes that there must be no open-ended rendez-vous clauses, while we accept that certain provisions may only come into force after several years, and should be accompanied by appropriate checks and balances. History has taught us that the leftovers from Maastricht were not really settled at Amsterdam, that issues unresolved in Amsterdam were not really settled in Nice, and that a Europe of 25, and soon more, needs a constitutional framework which will stand a reasonable length of time, so that we can then turn our attention to the real concerns of our electors - jobs, security and sustainable growth. Above all, we would be able to conclude this phase of permanent constitutional redesigning and tinkering.

You have invited me to participate in your work to bring the parliamentary view to your proceedings. With your permission, I would rather reserve detailed comments on specific issues where Parliament has a contribution to make until you arrive at those items on the agenda. Parliament has its own institutional stake, but it has a wider duty to advise you - no more than that - on specific issues which concern the general European interest.

You will certainly be having difficult discussions on both the areas to be covered by qualified majority voting, and the way that qualified majority voting is organised. Parliament's overall judgement will be formed in answer to the very straightforward question: does this solution enhance the Union's ability to deliver, or does it weaken it? We know that, at this stage of European integration, it is not possible to apply qualified majority voting in all cases, and we accepted as much when we endorsed the results of the Convention.

Further significant reductions in qualified majority voting, or making it easier to block decisions in the European Union, might provide a superficial assurance to public opinion in the Member States in the short-term; in the longer term, however, in the longer term, it risks undermining our capacity to act, and would exacerbate public frustrations about Europe's relevance and ability to address the real problems of our citizens.

I have to say that some of the compromise proposals from the Italian Presidency, particularly those which would involve recourse to the suspension of procedures by reference to the European Council - in the areas of civil and penal law - would cause a disturbance of what should be the normal institutional balance in law-making.

On one issue, there is a specific parliamentary concern: the provisions on the financing of the Union and its budget procedure. Parliament supports the balanced outcome of the Convention: Member States agreeing own resources, Council deciding the multi-annual financial perspective with Parliament's assent, and a simplified budgetary procedure.

Different ideas have come forward from ECOFIN and from certain national delegations. Some of these proposals would undermine parliamentary scrutiny of the budget, not simply compared with the Convention conclusions of 2003, but also compared with the budgetary treaty of 1975. They are based, in our view, on a misapprehension. Since our 1988 Interinstitutional Agreement on the multi-annual framework, our Institutions have successfully reached agreement on the budget each year.

The Budget has never in any year exhausted own resources.

Of the two branches of the budgetary authority, Parliament has exercised greater restraint on increasing expenditure than Council over the period 1988 to 2003 (an aggregate €21 billion for Parliament's discretionary areas, €33 billion for Council's), and, as we heard from the President of the Court of Auditors this week, the main budgetary problem that we have had is that we underspend each year by up to €15 billion, significantly less than the overall budget agreed by our Institutions. This underspending may be welcome news to the accountants in our national treasuries, but it is an illustration that we are not reaching our policy targets, whether it be on agriculture, the Structural Funds or in our external spending.

There is no evidence to suppose that the new budgetary proposals made by the Convention will lead to budgetary drift. On the contrary, shared responsibilities with Parliament and Council over the whole budget and over the multi-annual framework is the way forward. The ECOFIN alternative is a step backwards; it flies in the face of the budgetary evidence, the whole logic of the Constitutional Treaty, and our long-term efforts to democratise our work through increased parliamentary scrutiny. I do not reject out-of-hand some of the ideas contained in the most recent proposals, but I have to alert you to the depth of feeling in Parliament on this issue, because budgetary powers, the control of the purse-strings, go to the heart of parliamentary democracy, not only in Europe but also in all our Member States. I note that when we met with national parliamentarians from the Convention last week, there was a consensus that Parliament's rights, particularly in the budgetary procedure, must not be jeopardised.

My primary duty is clearly to defend Parliament's position, its political prerogatives, but also its efficiency. This Parliament, with its heavy legislative workload and its role of scrutiny on the budget and over the Commission, must also be a manageable body. This work can only be done by a Parliament, not a Congress of Peoples. 736 seats - in the Convention proposals and in the Italian compromise - is pretty well at the limits of what is organisationally operational for a working Parliament. You may well perceive that there is a need to look at the seat distribution, particularly to take account of the concerns of the smallest Member States, and perhaps to recognise the concerns of others about their representation in other Institutions, but this must not involve sacrificing the principle of degressive proportionality, nor should it add seats to what is already a very high total. This is not simply pleading from the Parliament; for the European project to work, the European Institutions must be efficient. Seats in the Parliament should not be used as a playing chip in a gambling saloon.

In the latest catalogue of points which the Presidency distributed yesterday, and for which, at the moment, there is no clear compromise, issues of great sensitivity for Member States arise.

Parliament's overriding wish is that you, in tackling these problems, recognise, as the Convention sought to do, that success of the European project requires recognising the diversity of Member States, but also their fundamental equality. The historic divisions in Europe must not be replaced by new divisions of big and small countries, of North and South, of East and West, or of new and old. All our Member States must feel equally at home in this new European edifice.

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There are some voices who now say that the Constitutional Treaty is not indispensable, or that if we do not achieve a result this weekend, this would not be a setback, merely a postponement. I disagree on both points.

Having recognised the imperative in Laeken, and set ourselves the objective in Thessaloniki, we would publicly acknowledge our lack of political resolve if we now postponed or abandoned our attempts to provide the European Union with an efficient institutional structure, capable of meeting the new challenges for the new Europe in the new century. Public opinion in the European Union already disenchanted with what is perceived as disagreement and disarray, and our partners in the rest of the world would draw their own conclusions from any setback.

I see no reason to believe that some of the more difficult issues that we face will suddenly become easier in the New Year. It is not as if those issues are new or require further debate. They now require our concentrated attention to reach solutions.

And I refuse the fatalistic pessimism of those who say "Better no Constitution than a bad Constitution". We all want a good Constitution - and provided there is a political will, and a genuine give-and-take in our discussions, we can achieve a good Constitution.
