European Council Remarks by European Parliament President Roberta Metsola 15th December 2022

It has been a difficult week in Brussels. Let me say that the information that we have received from the Belgian authorities indicates that there are serious suspicions of people linked to autocratic governments, trading in influence in a manner that we suspect is intended to subdue our processes.

We have worked in sync with the Belgian authorities to which I am extremely grateful. The intention was to subvert our processes. That was not allowed to happen. Those suspected have been arrested, interrogated and charged - as it should be.

But I must also say that while we can always look to increase deterrents, and transparency - and I will lead a strong reform process - there will always be some for whom a bag of cash is always worth the risk. It is essential that these people understand that they will get caught. That there will be consequences. That our services work and that they will face the full extent of the law.

That is the rule of law. That is how we respond and re-build trust.

Trust as we know takes years to build and moments to destroy. And it is this question of trust that also brings me back to the debate on the Schengen accession for Romania and Bulgaria.

It was so disappointing to see that last week, Council again dashed the hopes of millions of Europeans by choosing to delay, yet again, the accession of these two countries.

Except for the lifting of internal borders, Romania and Bulgaria are obliged to implement fully the Schengen acquis. Like other Schengen Member States, they bear full responsibility for the security and stability of external Schengen borders without enjoying its benefits.

Bulgaria and Romania successfully passed their respective 2011 Schengen evaluation processes. That was more than 11 years ago.

That is too long. There is historic momentum to fix this - if we do this, now.

Klaus Iohannis once spoke about the borders that we erect in people's minds that take much longer to dismantle. He was right. We are a Union with a proud history of tearing down walls and of bringing people together. We can do that again, if we have the courage to take political decisions that are the stamp of our generation to the construction of Europe.

We can make a difference in times that are becoming harder. People have faced nearly 300 days of war in Ukraine, inflation rising, unstable energy prices, struggling industries and painful household bills.

In order to address the socio-economic fall out, we need to return to growth and focus on Europe's competitiveness and our role as a global player.

This is true of our Transatlantic relationship. The United States 'Inflation Reduction Act' is, on the one hand, an effort to reconcile energy transition and energy security and, on the other hand, a sign of creeping protectionism. It openly discriminates against electric vehicles produced in the EU and complicates transatlantic cooperation regarding critical minerals and battery production.

My hope is that trade disputes can be avoided and that this protectionist US act will instead provide a platform for further US-EU leadership in climate action, energy security and for cooperation on the definition of common standards. Fighting climate change should be done together and not at the expense of each other's industrial base.

The EU should try to gain a competitive edge globally by sticking to its democratic values and pursuing its climate agenda. We should continue to insist on the fact that our way can work.

I am encouraged by the positive signals that came from the third ministerial meeting of the Trade and Technology Council. We have managed to move the conversation forward. We need to see discriminatory provisions addressed to the greatest extent possible.

And this applies for instance to electric vehicles. We now need to keep up the momentum. That is what the high-level task force on the Inflation Reduction Act was set up for. We do not have much time

We are asking for fairness, nothing more. The EU also subsidises electric carmakers, but we do not discriminate. We expect the same from the US in return.

The EU should avoid the slippery slope of who reaches the bottom of the protectionist race first.

We must speed up public investment in Europe, to serve as a bridge for real European solutions in the medium-term. But we need to have a level-playing field in the Single Market and globally. Our Green Deal must be a growth strategy.

Growth will also come from reforming our energy market. We must make it future-proof. And we must do this together. We must make it work, or else we will continue to outbid each other.

We will continue to support measures that facilitate gas storage filling for the next winter. We will continue to support joint purchases of supplies. And we must diversify our energy sources.

We must put in place a robust regulatory framework for the future. Already, the ongoing revision of the EU Gas regulation will align our rules with trade demand and green hydrogen transmission. The revision of our electricity market is expected for early next year. And I can tell you that the Parliament stands ready to provide input to help us build our energy resilience together.

The Parliament is and will remain a partner in discussions. The RePowerEU plan unveiled in May is becoming a reality. Just yesterday a deal was reached - as promised before Christmas. We can and we have shown that we will act fast when needed.

The longer the energy crisis goes on, the less justified is the use of article 122 as a legal basis for action.

Most of the Commission's proposals are of systemic impact - which is what we need - But the Parliament must be involved.

Take the discussion on the Price Cap - these have been going on for months and the Parliament could have added huge value. We have to work together.

The Euro zone's GDP growth has slowed this last quarter. We expect it to slow further. And an output contraction in the short-term looks likely. 2023 will be a challenging year. But our economic foundations are strong and we have done much better than expected this year.

Collectively, we must refrain from fiscal policies that fuel inflation and hit the vulnerable hardest. That is not to say, that there is no room for greater flexibility in some areas but it has to be balanced.

There is a need to review the EU economic governance framework. A proper and credible framework is necessary for sustainable fiscal policies. I am glad that the Commission is launching a debate with Member States and the European Parliament about this.

But we must move quickly. This must be done in 2023.

And in 2023 we will need to stand ever stronger with Ukraine. They will look to us again for political, humanitarian, military, energy and financial support.

We cannot allow fatigue to set in – that is what Russia is hoping for. They want to exhaust our systems and our patience. We must show the same resilience that we have asked of Ukrainians.

We need to finalise our next round of sanctions and ensure that the loopholes that still exist are closed.

Yesterday, we awarded our Sakharov Prize to the people of Ukraine - who were represented by President Zelenskyy. His words convinced us - as if we needed more proof - of the determination of Ukraine's bravery. And I praised the progress Ukraine is making in implementing the European Commission's seven recommendations for your country's application for European Union membership.

We can and we will keep supporting the people of Ukraine.

Finally, let me thank you, Petr, for the Czech presidency, for steering us through the past months and closing off a long list of difficult files, during a difficult time.

I warmly welcome the upcoming Swedish Presidency and I look forward to working with you, dear Ulf.

We still have a heavy load.

Each time we meet it seems to get heavier. But I am convinced that together, we have what it takes to overcome our differences and lead the European Union forward.

Thank you.