

Check against delivery

**Speech by Yves Leterme,  
Prime Minister of Belgium  
European Parliament  
Wednesday, July 7<sup>th</sup> 2010**

Members of the European Parliament,

Three European teams in the semi-finals, a final with two European teams. Who would have believed that at the start of this World Cup? From halfway around the world, European footballers are giving their home continent a fine lesson in self-confidence and the desire to win.

Seen from the outside, Europe has everything it needs to be happy. The success of the European Union has helped extend peace and a democratic system of government across nearly all of Europe. The European Union has created unprecedented prosperity through its common market. But this Europe seems unable to find happiness – or not enough of it.

You too will almost certainly have noticed that in Asia energy, ambition, self-confidence and confidence in the future are nearly tangible. America still believes in itself, despite its problems. And holding the World Cup in South Africa is a powerful signal for and by Africa, a shot of adrenaline.

All too often, however, Europe seems to have lost its faith in the future. We must restore Europe's confidence and re-establish our ambitions for the European Union.

Our actions dovetail with those ambitions. Ambitions which you certainly share.

Getting Europe back on track is even more necessary since the rest of the world is not waiting around for us. *Panta rei* – everything is movement. If there is one constant in our world, it is ongoing, ultra-fast change – technological change, economic change, change in the balance of power in the world.

In this changing world, where new poles of economic and political power are emerging, Europe is facing major challenges. In fact, the five action lines of our presidency focus directly on those challenges.

The first challenge facing Europe is to re-establish **sustainable economic growth**. Doing so will require bolstering financial stability.

We must restore our financial and economic stability, bring back budgetary discipline without obstructing economic recovery, and re-establish annual growth of at least 2%.

We need growth to finance our social model, the special European social model to which we are still attached. We also need growth for our credibility in the world.

A banking crisis that was not of our own making has driven us into a harsh recession, from which we are struggling harder to emerge than other continents. The European Commission has proposed many initiatives to protect us from the financial adventurism which has had such devastating consequences for our Member States and our citizens.

We also want to see the new supervision system for financial institutions and alternative investment funds, including hedge funds, developed as quickly as possible.

Just this week, the Parliament, the Commission and the Council debated this matter at length. Today, you are going to adopt your amendments on supervision, but you are also providing an opportunity to continue the dialogue – and we appreciate that. Let's now join forces to adopt a text we have been awaiting for so long.

The Belgian Presidency was not involved in your debate yesterday because of the swearing-in of the newly elected Parliament.

In addition, the Commission recently announced a general package of 20 other proposals relating to financial services.

Working in close collaboration with Parliament, the Belgian Presidency will endeavour to define a road map to ensure these proposals are implemented by the end of 2011.

Furthermore, in October, the Task Force will be ready with its recommendations on the subject of bolstering budgetary discipline, the Stability and Growth Pact and economic governance. The recent crisis involving the euro demonstrated this quite clearly: a monetary union without any real economic coordination is wobbly. The Union needs economic governance now more than ever. The Task Force will therefore recommend more stringent monitoring of not just the budget policies of the EU Member States, but also the economic parameters used to assess the credibility of budgets submitted.

The Commission will then take whatever initiatives are needed to implement these recommendations. The Council and Parliament will immediately get down to work on this. This is a priority for the Belgian Presidency, and we will fully support efforts to ensure that these recommendations are deployed as quickly as possible.

As I said, our main challenge is re-establishing growth. In an era of globalisation, we must do more to ensure that Europe once again becomes a competitive and innovative economy. And that it becomes a low-carbon economy too.

The path that will take us there is the EU2020 strategy for innovation and employment. The Belgian Presidency will base its efforts on the Commission's flagship initiatives.

However, sustainable growth is not just a matter of parameters and economic figures. It is first and foremost a human endeavour. It can be assessed by what it contributes to the greatest number of people. As can be seen in many countries, there is no sustainable growth without **social cohesion** – which in turn is the second major challenge facing Europe and the second priority of the Belgian Presidency.

This is why Belgium fought to ensure that, in the EU2020 programme, the objective of fighting poverty be expanded to include the concept of social cohesion.

For this and for economic growth, we must get Europe back to work. We must increase the employment rate.

Ladies and gentlemen,

I would like to take a moment to touch on a topic close to my heart: our industrial foundation. It seems to me that Europe is missing shared industrial projects. Meaningful, inspiring projects, such as Ariane, high-speed trains and Airbus.

This is not about symbols and prestige. It is about promoting prosperity and creating jobs. Recently, I have been struck by economic analyses showing that countries with a strong industrial foundation withstood the crisis better than more service-oriented economies.

We must renew our industrial fabric. No so-called 'traditional' manufacturing sectors would necessarily be forced to move to low-wage countries or disappear altogether. But the same cannot be said of modes of production.

Through innovation and through high-quality, high-value-added production, European countries are already successfully saving efficient industry, with employees who are among the best paid in the world.

Ladies and gentlemen,

We won the telecoms revolution. But we have been less successful in information technology. We certainly must not miss the green revolution, not just research, but also – and above all – the production of green technology. Europe has excellent researchers. But the United States and China are faster when it comes to transforming researching findings into industrial output.

As a result, the Commission's flagship industrial initiative will be highly anticipated indeed. By the same token, we think the Council meeting in December – focusing on innovation – will be critically important.

With regard to growth and innovation, there is one specific issue we want to unblock during our Presidency: the European patent, which we've been awaiting for thirty years.

We must think of our businesses, especially SMEs. So much money and energy are wasted by our businesses because there is no single procedure applicable in the 27 EU Member States. This situation truly handicaps our operators in the face of international competition. By unblocking this matter, the Council and the European Parliament will have an excellent opportunity to show just how important they are.

**Protecting the environment and the climate** is a third major challenge facing Europe, and the third priority for our Presidency.

Sustainable growth is not possible unless we protect our planet – a planet which does not belong to us, but which we are borrowing from our children.

The European Union is a world leader in environmental protection legislation, in the fight against greenhouse gases, and in the targets it has set itself for further reducing greenhouse gas emissions.

However, this pioneering role is not enough, as became all too painfully obvious at the UN climate summit in Copenhagen last December. The European Union did not speak with a single voice, which meant that it – to use some more football terminology – sat on the bench while the others took decisions.

Consequently, the Union must much more actively examine what leverage it has for getting other major players – and polluters – on board an ambitious plan to protect our planet. Only in this way can the Cancun and Nagoya conferences yield concrete results.

I have already said that Europe looks like those people who others look at and say 'they have everything they need to be happy'. Looked at from the outside, the Union is very attractive, with its prosperity, its systems of solidarity, its humane forms of government. Naturally, it attracts many people from every continent, people who want to build a better life in Europe.

The vast majority come here with good intentions, in search of the 'modest miracle of a normal life' – as it was once so beautifully put at a conference on Afghanistan. Such immigration enriches our continent.

But others abuse our systems of freedom. International organised crime networks take advantage of our openness. Terror organisations abuse them for deadly attacks.

For this reason, our citizens' safety and efforts to guarantee their security and their freedom constitute a fourth major challenge for Europe.

More than ever before, the Union needs to become an area of justice, security and freedom. Accordingly, we intend to advocate the implementation of the Stockholm Programme drawn up by during the Swedish Presidency. Belgium attaches special importance to devising a common policy on immigration, asylum rights and effective measures for combating terrorism.

Our priority as regards cooperation in the criminal justice domain will be to press for the recognition of court rulings handed down in the Member States. In this connection a special effort will have to be made to create a European system for procuring evidence.

With respect to combating international terrorism, Belgium would like to reach a swift agreement with the USA that takes sufficient account of the need to protect data on public citizens while also containing effective measures for preventing terrorism.

And I am glad that here, apparently, an agreement may be possible tomorrow.

The Belgian Presidency will continue to build on the very valuable work done by the Spanish Presidency.

## **Ladies and Gentlemen, Members of the European Parliament**

This brings me, last but certainly not least, to the **fifth challenge** confronting the Union, **its role on the international scene.**

The challenges there are huge: combat climate change; help to preserve or restore peace; promote the spread of open government; combat international terrorism; prevent the spread of weapons of mass destruction; end gross violation of human rights in areas of conflict, with a special attention for the violence against women; draw up a coherent common energy policy; preserve and improve our market share.

As already mentioned, the Copenhagen Summit painfully demonstrated that being the world's largest trading bloc, that being rich and attractive and a self proclaimed role model of soft power does not buy us sufficient international bargaining power. The Union has to develop more leverage to bring others on board and create coalitions for the realisation of its objectives for peace, for sustainable development, for security, for free trade which is also fair.

This requires more than ever that the Union speaks with one voice and preferably with one mouth. The Lisbon Treaty provides the Union with new tools for this purpose.

These next six months, the Union will start the establishment of a European diplomatic service. This is one of the major challenges of our presidency.

We have to decide on the organisation and working of the External Action Service, and we have to adopt, with the Parliament, the financial and staff regulations. Belgium will do everything possible for a smooth and successful start of this External Action Service, which will enhance the visibility and the credibility of the Union.

Enlargement is another major element. The negotiations with the candidate states have to be pursued vigorously, and all candidates must be judged solely on their own merits, in accordance with the renewed consensus of the European Council of December 2006.

The negotiations with Croatia could enter their final phase under our presidency. With Turkey, they will continue their course. With Iceland, they will start. For the Former Yugoslav Republic of Macedonia, the presidency will endeavour to find an agreement for starting the accession negotiations.

Our Belgian presidency is the first one which takes fully place under the Lisbon Treaty. Belgium feels in honour bound to exercise it within the full respect of the letter and spirit of the Treaty, so as to create the right precedents.

Ladies and Gentlemen,

You are of course aware that elections have taken place in my country, that the negotiations on the formation of a new coalition will take some time, and that my government is a caretaker government.

I'd like to assure you that this will not at all impair the vigour and enthusiasm of our presidency. This twelfth presidency is supported by a large consensus in my country and by a long European tradition.

We have in our political world, as well on the federal as the regional level, in our diplomatic corps, and in our civil service a large number of men and women with a profound knowledge of the European Union.

The preparation has been very thorough, in close cooperation with the other member states of the trio, and with the European institutions.

Moreover, the government is supported by the European conviction of the population. The seven political parties taking part in the federal and regional governments represent 90 percent of the population. Belgium is one of the countries where the European idea, where the project of European integration still command a very large popular support.

And last but not least, we have carefully and deliberately embedded our presidency in the European agenda so as to set realistic goals and to promote them efficiently.

So I do not doubt our ability to conduct our presidency efficiently just as I do not doubt that the new government, when it is formed, will continue it smoothly and seamlessly.

Ladies and Gentlemen, Members of the Parliament,

As I made clear, a rotating presidency is part of an ongoing European process, it does not constitute an entirely new start.

Still, every presidency brings its own accents and the start is always a valuable occasion to refocus the attention of the population on the importance of the European Union, of the European ideals. The festivities which surround the start of our presidency demonstrate the wide support for those ideals.

From the King and the Royal House, to the concerts and dances in so many cities and villages, all communities and social classes took an enthusiastic part in celebrating the start of our twelfth presidency.

I especially want to express my appreciation for the meetings I could have these last days with representatives of this Parliament. I found those meetings very instructive and constructive, and my

government attaches the greatest importance to a close cooperation with the elected representatives of the member states.

I'd like to address a last word to those populations whom you represent. I'd like to exhort them to take example on the European football teams I mentioned, to believe in themselves, to have ambition for themselves, for their countries and for Europe.

Our Union must avoid two pitfalls, the pitfall of despondency and the pitfall of complacency.

There is no reason for despondency. We should not fear the new competition in an increasingly multi-polar world. On the contrary, we should rejoice in it.

For we ourselves helped to bring this new world about, by our efforts in favour of a more equitable distribution of resources and power worldwide.

As has been said, what is happening now is – and I quote - 'not the decline of the West but the rise of the rest'. We must throw ourselves into this competition with zest and confidence in ourselves and in all the assets we have.

Neither is there ground for complacency. We can certainly be proud of great achievements. We have systems of government which combine political and economic freedom with social solidarity and ecological responsibility. We offer many of our citizens a living standard which is among the highest in the world. But we cannot simply sit back and enjoy what we have. The rest of the world does not owe us a living, we have to work for it, we have to work harder for it.

Ladies and Gentlemen,

I do not think this Assembly needs convincing that, to get our Union and its member states in higher gear, we need 'more Europe'.

This objective of 'more Europe' is at the core of Belgium's European and international policy. My country has always favoured the 'méthode communautaire', the 'community method', and continues to do so wholeheartedly.

More Europe means, in the priorities and objectives of our presidency: endow the Union with a new financial regulatory structure; strengthen its economic governance; stimulate its return to sustainable growth; consolidate its social model; enhance its capacity of innovation; develop its diplomatic service.

I stand before you, the representatives of half a billion European fellow citizens, to ask for your cooperation and support for those ambitions of our presidency. The Treaty of Lisbon has, I am happy to say, strengthened the competences of this Parliament and, thus, made it more than ever a driving force for European integration.

I look forward to a fruitful cooperation between our Presidency and you all, Members of the European Parliament, in favour of the ambitions for Europe we share.

I thank you for your attention

Je vous remercie pour votre attention

Ik dank u voor uw aandacht

Ich danke Ihnen für Ihre Aufmerksamkeit