

Lisbon Council's Europe 2020 Summit den 27. februar 2012

Check against delivery - Check against delivery - Check against delivery

Ladies and gentlemen,

Let me start by expressing my appreciation for being here today at the second edition of the Europe 2020 Summit. I would also like to thank the Lisbon Council for organizing today's event in collaboration with the Danish Presidency. You have put together an impressive programme. By gathering such prominent experts from all the relevant policy areas, I feel fairly certain that we will have a constructive and informed debate about Europe's future.

The timing of the conference is also spot-on. The European Council will gather in just three days to discuss – among other issues – our topic for today: Creating growth and jobs in Europe. Simply put: Growth and jobs is without doubt the most burning topic in European politics today.

And it is the most burning topic for very evident reasons. With stagnating growth levels in many EU-countries, high levels of unemployment across the continent and unsustainable debt levels in a handful of Member States, social unrest and work stoppages in protest planned austerity measures have – regrettably – returned to the fore. This three-headed monster of too low growth, too high unemployment and too much debt has led many people to pose fundamental questions about the value of the European project. Indeed, it is both understandable and legitimate that questions are being asked of the EU in the current crisis. But I also believe that we are witnessing a lot of unbalanced reporting about the problems in the Eurozone. A seemingly endless stream of commentators, pundits and journalists are eager to grab the headlines in newspapers or on 24/7 news channels with bold pronouncements about the impending doom of the euro or the

approaching collapse of the EU. No wonder, if many European citizens feel uncertain about the way things are going or even skeptic about the whole idea behind the European project. The voices calling for careful deliberation, for compromise and for the need to shore up the European project do not get nearly the same amount of air-time as the doomsday prophets.

But I believe that some of these story-tellers might need to bite their tongue when we bear in mind the development and initiatives taken during the last couple of months in the EU. EU Member States are actually responding to the fundamental questions being asked. In fact, we are taking a range of important measures, including a quantum leap forward in the direction of stronger economic co-ordination and more integration. It is a leap – not based upon federal **desire** – but a leap based upon a **necessity** for “more Europe” that was very hard to imagine just six months ago.

This leap forward has been introduced in recent decisions and in the shape of the fiscal compact, which 25 Member States, including Denmark, will sign in just four days. It constitutes an important stepping-stone in our efforts to solve the crisis. It is a necessary instrument and safeguard to include in the European cooperation.

The fiscal compact will not solve all the economic challenges facing Europe. It is not an end in itself and it is not the all-embracing answer to the crisis. But it will, however, ensure greater fiscal discipline in the future, which is an important element in turning things around. The fiscal compact is also another concrete example of the enormous added-value, we derive from European integration.

That must be our basic consideration. That must also remain our fundamental answer to all those in the media and the public, who question the purpose of European Union today. Without the EU rules, procedures and working methods, which have been revised and fine-tuned during the past 60 years, the fiscal compact would never have seen the light of day. It would never have been possible to negotiate such an important inter-governmental agreement in such a short period of time without the solidarity, the unity of purpose and a deep-seated sense of shared destiny, which underpins the EU.

But my main message to you this afternoon – which I hope the panelists will agree to – is that our joint response to the economic crisis must walk on two legs. Fiscal discipline is a precondition for growth and employment. But growth is also a necessity for consolidation-not becoming a self-fulfilling prophecy of a

recession foretold. And both of these two agendas must be pursued in a robust and vigorous manner in order for them to mutually reinforce each other.

This dual strategy of consolidation and growth being each other's preconditions has been a central message from the Danish Presidency from day one. Consequently, I was pleased to note, that this was also one of the important messages coming out of the European Council in the end of January. At the European Council, a declaration on growth and job creation was adopted, which contains many necessary components in order to pursue a European growth-agenda. Now the Member States must ensure that the words of the declaration are translated into action quickly and comprehensively.

Likewise, I also warmly welcome the recent letter signed by 12 Member States with the title “A Plan for Growth in Europe”. The Danish Presidency shares the call in the letter for more robust European growth-measures. We also fully agree with the 12 Member States that it is a matter of great urgency that we address the crucial challenge of reigniting economic growth in Europe.

In line with the recommendations in the letter, the Danish Presidency will push forward on several fronts at the same time in order to build a stronger momentum for growth. Firstly, we will push for more home-made economic growth through a modernisation of the Single Market. The Single Market is one of the greatest achievements in the history of the EU, but there is still a large, unused potential in the Single Market. And now is the time – more than ever before – to unleash the full potential of the

Single Market in order to deliver the same economic results for Europe during the next 20 years.

To be more specific the Presidency will work hard to push through the 12 concrete initiatives aimed at improving the business climate in Europe. The initiatives include new European accounting rules and better access for companies to venture capital as well as more simple and flexible rules regarding public procurement. It will also include better online security for consumers and lower roaming charges, when people use their cell phones abroad.

Secondly, we will use the European Semester to call for structural reforms not only in the labour and product markets, but also in the public sector that can strengthen competitiveness and unleash resources for growth. Thirdly, we need to get more and better

bang for our buck in the EU by being more efficient in spending. Fourthly, we will work hard to redirect more funds from the future EU budget towards growth-enhancing areas where jobs will be created in the future. Areas like research, education, green technologies etc.

And fifthly, we will call on those Member States who have fiscal leeway to advance domestic investments and consumption to do just that. We will call on them to stimulate their economies more. We will discuss that issue in the context of the Convergence Programmes for each Member State within the European Semester. Finally, the external dimension must not be forgotten. We have to get much more out of our bilateral trade relations with strategic partners like the BRIC countries, Japan and the US. Hopefully, trade with these countries will evolve into a key growth-driver for Europe. We know it will not be easy. Take

Japan for example – we all know there will be difficult negotiation, also in the automobile sector to obtain agreement for an opening of negotiations. But we need to try because the pay-off could be substantial. !

It will probably not come as a surprise to you, when I say that the Danish Presidency considers the green agenda to be another key instrument in boosting Europe's economic growth. In fact, I believe that the EU should pursue the green agenda with the same kind of urgency and in the same kind of pro-active manner that the EU dealing with the economic crisis. The greening of our economies has as much to do with creating job and boosting growth as it is about increasing our energy independence and protecting the environment. That is the inherent beauty of the concept called “green growth”.

It is no secret that Denmark wants Europe to embark on a much more ambitious approach to green and sustainable growth. Let me therefore expand a bit on this issue tonight. The Danish position is the following. In recent years, the EU has taken the lead globally on the green agenda by developing a comprehensive energy and climate policy. But the time has come to speed up Europe's transition to a greener and more sustainable economy. Our first-mover advantage is gradually being eroded as our global competitors are discovering the importance of the green agenda.

Ladies and gentlemen, I have tried to make the case that the consolidation-agenda being pursued at the moment must be accompanied by a robust European growth agenda. With the fiscal compact, with the declaration on growth and job creation from the European Council and with the agreement to bring forward investments financed partly by structural funds, the EU is making

significant progress. More needs to be done, of course, not least in terms of implementing structural reforms at the national level.

So before I end, I would just like to stress that the Danish EU Presidency will do its utmost in the coming months to help Europe move forward. I can assure you that the Danish Presidency will work tirelessly in the Council, with the Commission and in close co-operation with the European Parliament to push for concrete results at the negotiating table to help Europe overcome the crisis. But we need the backing, support and active participation of our European partners to achieve this goal. Not just the 12 Member States, who signed the letter calling for “A plan for growth in Europe”, but all 27. At the end of the day, it is only by working together, by finding common solutions and by delivering tangible results – that Europe will be able to work its way through our

challenges. And achieving results remains the overriding objective of the Danish EU Presidency.

Thank you.

Check against delivery - Check against delivery - Check against delivery