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**Europe 2020: one year on, nine to go.  
Delivering a brighter future**

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'Europe 2020' Summit organized by the Lisbon Council

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Ladies and gentlemen,

Allow me to thank the Lisbon Council for its continuous support to our European agenda. When others had doubts about our proposals, the European Commission has been able to rely on the Lisbon Council's expertise and support in getting across the measures to tackle Europe's challenges.

It is a great pleasure to be here with you today at the Lisbon Council's "Europe 2020 Summit".

As you know, I have to attend lots of summits these days, including some that stretch through into the night. The last one ended only at 2.30 AM. The prospect of attending one – today - exclusively devoted to 'Europe 2020' constitutes a very good opportunity for me to make a forceful case for it.

It's a challenging time for Europe and also for the European Commission.

We are still fighting the worst financial crisis since the start of the European integration and its consequences in the Euro-zone in particular. The Commission has been at the forefront of developing a collective European response to the crisis, and there is still much to do.

As you know, we are in between two crucial European Council meetings that aim to reach agreement among European Heads of State and Government on a comprehensive response to the financial crisis as well as on strengthened economic governance.

We urgently need to draw a line under this crisis and build a strong and sustainable recovery in Europe.

We need banks that are able to lend and governments that are able to borrow; companies that are willing to invest and consumers who are willing to spend; bold reforms at a national level and enhanced cooperation and governance at a European level.

I am confident that we will succeed.

The crisis has given added urgency to the need for Europe to reform. A year ago we set out our ambitious goals for the European Union in the coming decade and laid them out in the "Europe 2020 Strategy".

Since then, we have translated those objectives into more focused initiatives and specific blueprints.

Our aim is simple: good jobs, higher living standards, and a better quality of life for all Europeans.

We need smart, sustainable and inclusive growth, and to help deliver it we have presented seven flagship 2020 initiatives, most recently our plans for a "resource-efficient Europe" that we launched in January.

The stakes could not be higher.

The world around us is changing fast and Europe needs to change too if it isn't to be left behind.

China now exports more in six hours than it did in a whole year in 1978. India has become the world's biggest exporter of IT services.

For the first time since the Industrial Revolution, over half of global economic activity now takes places outside the so-called West.

Europe cannot afford to be complacent. We need to finally deliver on the reforms we have pledged to do.

That is what our citizens and businesses demand from Europe. And that is what I demand from the EU institutions, including the Commission that I have the privilege to lead. That is also what I demand from Member States. And sometimes it takes a bit of time, but as we are witnessing right now, in the end they agree on what needs to be done.

I realize that many people dismiss Europe 2020 as another Lisbon Strategy, which failed to deliver on its promise to make Europe the most dynamic and competitive region in the world.

But believe me, Europe 2020 is different:

We have learned our lessons.

We have clear targets.

We have the seven flagship initiatives.

We have a strengthened governance structure, including the European Semester.

And above all, we have a new awareness that we can no longer duck difficult decisions. Now we have the understanding from Member States. I just have received news that the Council has agreed on our proposals for strengthened economic governance, specifically in the euro area, and I hope that the agreement of the European Parliament will follow. The consensus will be better than we had hoped for.

Europe 2020 shies away from overambitious claims and unrealistic deadlines and puts forward demanding but achievable goals. This is a test of our credibility that is very important.

This involves a new implementation mechanism embedded in a comprehensive integrated approach: Member States now commit to structural reforms in a concrete macro-economic and fiscal context and in the framework of strengthened economic governance for the euro area and for all European Union Member States.

Last but not least, the importance and relevance of Europe 2020 are now acknowledged by all Member States.

We definitely need their ownership, and that of their parliaments and other national stakeholders, to move forward with urgency.

Some analysts, you know, and some are probably here today, they fear that Europe could suffer a "lost" or "grim" decade.

It is our collective responsibility to make the next 9 years much brighter.

The latest forecast for 2011 is better than expected – and it is evident that it is easier to adopt and implement structural reforms when there is tangible growth.

Healthy economic growth is also a precondition for preserving and creating jobs across the Union - and this, in turn, helps launch and execute sustainable reforms.

For its part, the Annual Growth Survey that the Commission adopted earlier this year clearly articulates 10 actions for urgent action over the next 12 months, all anchored in 'Europe 2020'.

They are intended to promote fiscal consolidation, correct macro-economic imbalances, and ensure financial stability – all prerequisites for sound growth.

But they also aim to mobilize labour markets, create job opportunities, tap the potential of the Single Market, attract private capital and facilitate cost-effective access to energy.

Our overarching task is to prevent a vicious cycle of unsustainable debt, financial market disruption, and low economic growth.

In addition, we will soon put forward initiatives under the Single Market Act and set out by 2012 a number of growth-enhancing measures. I expect the proposals for the Single Market Act to be adopted by the Commission next month.

And from June onwards, we will start a challenging debate on the next Multi-annual Financial Perspectives - that is on the resources needed to achieve our goals defined in the Europe 2020 Strategy and on the value-added of action at the EU level. What I can say now on this is that there is consensus in the College of Commissioners that the next EU budget should be devoted to support our Europe 2020 goals.

Where does the new Pact for the Euro agreed by the Heads of States and Governments of the Euro Area last Friday fit into all of this?

The Pact makes a clear reference to Europe 2020 and elevates to the highest political level a set of concrete measures from our strategy in order to ensure their immediate implementation.

And it reflects the priority actions that we identified in the Annual Growth Survey earlier in January.

Competitiveness is an essential element for our economies. An economy must be competitive to grow. It must grow to create jobs. My priority is and always has been growth and jobs, which lie at the heart of the 'Europe 2020' strategy.

In line with Europe 2020, the Pact also acknowledges that while budgetary consolidation and structural reforms are essential for competitiveness, investment in the industries of the future - notably through research and innovation - are also vital. And it also recognizes the Commission's work on taxation and financial regulation. And indeed it puts the European Commission at the centre of these efforts.

I believe that the Pact will also constitute a significant push towards fair and sustainable growth in Europe.

Next month participating Member States are expected to translate the key areas of the Pact and the priorities put forward in the Annual Growth Survey into their national reform, stability and convergence programmes.

This is a very important fact. Because, let me be frank, until last Friday we had a perceived, no, in fact we had a real risk of duplication of mechanisms. Now it is clear that Community and intergovernmental methods are coming together around Europe 2020, with a solid and central role for the European Commission.

My message is clear: we are on the right track. To paraphrase Jacques Delors, the fire brigade of 2010 is being taken over by the architects – but apart from architects we also need le Genie civil, so to speak, engineers and craftsmen who make things happen on the ground. "From firemen to foremen" – this could indeed be a way of characterizing the change of phase, the change of gear we need at this stage.

Ladies and gentlemen,

I am well aware that you all realize what is at stake. The papers presented and discussed in the previous panel demonstrate an acute awareness of what needs to be done – and that it needs to be done quickly. And I am sure you understand that it is this sense of urgency that we need to convey.

There is no time to waste if we want to achieve what is necessary for Europe by 2020.

I realize that I am probably preaching to the converted. But we also have to reach out to those who are not yet convinced.

We need to go out and make the case for reform not just in Brussels but across Europe. Together, we need to foster a sense of ownership of the Europe 2020 Strategy among all stakeholders across the Union. You were right in your introduction, Ann, that the presentation of the Europe 2020 Strategy last year was perhaps somewhat low key. The financial and economic crisis was taking the headlines. But in all this we have kept the lines as set out. We have made the partnerships for our 2020 flagship initiatives. We need now to communicate.

And we need to show doubters that their concerns are best met by embracing the objectives enshrined in the Europe 2020 Strategy for growth and jobs. But not for any kind of growth. We need to take into account social issues and environmental sustainability and we need innovation. We need inclusive, green and smart growth.

I know I can count on think-tanks like the Lisbon Council, which was established to push forward economic and social reform in Europe, to reach out, raise awareness, foster open and frank debate and to make the case that there is no real alternative to reform to Europe 2020.

With that I look forward to an exchange of views and I thank you for your attention.