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Citation

Etienne, A. (2022). European Institutions migration policy impacted by the Arab Spring.

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European Institutions migration policy impacted by the Arab Spring

Anders Etienne

2294516

Bachelor Thesis



Bsc International Politics

Faculity of Social Behaviour and Science

Thesis Seminar: International Organisations and Complex Global Challenges

Supervisor: Janina Heaphy

February 11th, 2022

Word Count: 7667 words

Inhoudsopgave

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1. Introduction

In December 2010, massive protests break out in Tunisia, leading to waves of unrest in several states of the Middle East and North Africa (MENA) region. These initial and individual domestic conflicts have led to a regional pattern called the Arab Spring (Simon, 2014). The uprisings lead to a large migration flow. More than 20,000 Tunisian migrants arrive on the Italian island of Lampedusa in January and February 2011 compared to 1,700 Tunisians reaching Europe in the period 2000-2010 (Natter, 2017). This is one of the first visible effects of the Arab Spring. In 2015, 1.25 million asylum seekers are registered in Europe. This is seen as the peak of Europe's migration crisis and the biggest migration challenge since World War II (*Migration in Europe*, 2017). The flow of migrants into Europe between December 2010 and 2016 exposed shortcomings in the European Union's migration policy. The European Union had to adjust its migration policy due to this unprecedented migration flow (Carrera et al., 2012). The European Commission is the day-to-day administration of the European Union (EU) and shapes the overall strategy of the European Union. It also proposes new laws and policies while overseeing their implementation (*What the European Commission does*, 2017).

Further research is needed to find out whether the Arab Spring has influenced the migration policy of the European Commission, the executive arm of the European Union. To gain insight into this, European migration policy after the start of the Arab Spring will be examined. Also, the proposals and measures of the European Commission in response to the migration crisis will be examined. The research question that arises from this is therefore:

How did the Arab Spring impact the migration policy of the European Commission?

The purpose of the research is to show how the Arab Spring has affected the migration policy and how the policy of the European Commission has changed as a result of the Arab Spring. Although the uprisings during the Arab Spring take place in several countries, this thesis focuses on the countries Tunisia, Egypt and Libya in order to gain more insight in the Arab Spring. The Arab Spring is chosen as starting point because it is seen as the starting point of an unprecedented influx of migrants towards Europe. The so-called Turkey deal concluded by the European Council with Turkey on 18 March 2016 is chosen as the end point because after this, the migration flow is greatly reduced (Heck & Hess, 2017, pp. 44-47).

The literature review provides an overview of the existing literature on the influence of the Arab Spring on the migration policy of the European Commission. It also defines the potential gap in the literature to reinforce the importance of the research. The theoretical framework will outline the theoretical dimensions and two hypotheses will be presented. These two hypotheses will be tested by the research. The methodology will elaborate on what kind of research will be conducted. The results of the research are elaborated and interpreted. Answers to the hypotheses and implications of the research are also given. The conclusion briefly summarises the main findings, addresses the hypotheses and answers the research question. The limitations of the study are also indicated and recommendations for follow-up research are made.

2. Literature Review

The review of the literature on the origins of the Arab Spring in the countries of Tunisia, Egypt and Libya provides a guide to understanding the start of a migration flow towards Europe. Next, the different migration flows will be examined. Further, the migration policy of the European Commission will be examined by identifying the content of a number of European Union

treaties. Finally, a number of scholarly articles on the European response to the Arab Spring will be discussed.

2.1 Origins of the Arab Spring

The Arab Spring starts on 17 December 2010 in Tunisia. A 26-year-old street trader, Mohammed Bouazizi, set himself on fire in protest after his merchandise is confiscated by the police (Al Jazeera, 2021). He is fed up with corruption and unemployment in Tunisia. This event marks the beginning of the Arab Spring. In the days following Mohammed Bouazizi's death, many protests followed in Tunisia. The protests are directed against the corrupt president Zine El Abidine Ben Ali and his Destourian party, which has been in power for years (Schraeder & Redissi, 2011, pp. 5-7). Protests over discontent with high unemployment, repression and rising food prices quickly spread throughout the country (Butenschøn, 2015, p.125). The police try to put down the protests by force. When this fails, Zine El Abidine Ben Ali calls in the army. However, the army is **not prepared to shoot at its own** people. Zine El Abidine Ben Ali decides to flee the country. The protests in Tunisia, which ultimately lead to a revolution, are seen as the first domino to fall. The falling domino set off a series of protests and revolutions in other Arab countries such as Egypt and Libya. The revolution is eventually seen as the Jasmine Revolution (Schraeder & Redissi, 2011).

On 25 January 2011, protests break out in several cities in Egypt. These protests are strongly inspired by the successful Jasmine Revolution in Tunisia. The discontent among Egyptians is mainly caused by corruption, poverty, unemployment, government violence against the population, food shortages and limited freedom of expression under the government of Honsi Mubarak (Al Jazeera, 2011). During the night of 28 to 29 January 2011, Mubarak dismissed his government but refused to resign himself. This is to the great displeasure of the demonstrators. Mubarak appointed a vice-president, Omar Suleiman, the notorious head of intelligence in Egypt. Mubarak promise not to stand for re-election and say he would help with a gradual transition of power (Hafez & Ghaly, 2012). On 11 February 2011, Suleiman gives a speech announcing Mubarak's resignation. The president hands over power to the Supreme Council of the Armed Forces (SCAF) (Kienle, 2012, p. 535). The SCAF promises a transition to a democratically elected government. This eventually leads to the end of the protests and the revolution in Egypt.

On 17 February 2011, large protests break out in Benghazi against the dictatorial regime of Al-Gaddafi. The growing discontent of the protesters is linked to the corruption of Al-Gaddafi's regime, the deeply rooted patronage systems and the widespread unemployment among the Libyan youth (Al Jazeera, 2021). Al-Gaddafi lost control of key cities in Libya in late February 2011, and the military confrontation between his loyalists and the revolutionary forces gradually escalated into full-scale civil war. On 17 March 2011, the UN Security Council imposed a no-fly zone in Libyan airspace and announced that all necessary measures need to be taken to protect civilians from al-Gaddafi's forces. NATO airforces support the Libyan National Council in Benghazi (Al Jazeera, 2021). They declare themselves the legitimate representative of the Libyan people. The military confrontation between the two sides lasts until the last week of August 2011 when the troops of the revolutionaries invade the city of Tripoli. Al-Gaddafi's troops leave the city and seek their last refuge in Bani Walid, Sirte and other cities. After the liberation of Tripoli, fighting continued for two months until Colonel al-Gaddafi is captured on 20 October 2011 and killed in the city of Sirte (Al Jazeera, 2021). His death marked the end of 42 years of rule under Al-Gaddafi. Three days after Al-Gaddafi's death, the Libyan National Council declares Libya to be liberated (Al Jazeera, 2021).

Protests break out due to popular discontent in the MENA region. After the overthrowing of the governments in Tunisia and Egypt, new elections are organised. This does not help the political stability in the country. In Libya, which is physically connected to Tunisia and Egypt, the uprisings even lead to civil war. The course of the Arab Spring in the three countries shows similarities (Lynch et al., 2014). The events of the Arab Spring have profoundly changed the political landscape of the Arab States of Tunisia, Egypt and Libya. In the three countries, the timing of the uprisings is almost simultaneous and the countries share common characteristics such as leaders in power for long periods of time, corrupt governments and educated citizens, mainly young people who suffer from unemployment (Barakat & Fakih, 2021). The Arab Spring is also taking place in other countries of the MENA region such as Syria, Yemen and Bahrain.

2.2 Migration flows

Millions of people had to flee their homes as a result of the violence, armed conflicts and chaos that followed the Arab Spring protests (Bani Salameh, 2019, p. 247). Two routes can be distinguished in the post-Arab migration flow, namely the Mediterranean route and the Balkan route.

The Mediterranean route is the route across the Mediterranean Sea. Migrants depart mainly from Libya to the countries of Italy and Malta with the Italian island of Lampedusa being the main destination (Toaldo, 2015). The Balkan route is the overland route from the countries of Greece and Turkey. Migrants aim to move further into the European Union from the countries of Greece and Turkey to other European countries (Dockery, 2017; *Western Balkan Route*, n.d.). The Dublin Regulation plays a major role in this regard. The regulation states that the country where the refugee applies for asylum must process the asylum application (Regulation (EU) 604/2013).

2.3 Migration Policy of the European Commission

Since the focus is on the migration policy of the European Commission, the Dublin Regulation, the European Neighbourhood Policy (ENP), the Schengen Agreement and Global Approach to Migration and Mobility (GAMM) are important. These treaties are shaped by the European Commission and form a basis for the migration policy after the start of the Arab Spring.

The Dublin Regulation III (Regulation (EU) 604/2013) is a European regulation which determines which country is responsible for the processing of an asylum application. The country responsible for the asylum procedure is determined on the basis of certain criteria such as the place of first application, family relationships and entry conditions. The main purpose of the European regulation is to ensure that any migrant wishing to apply for asylum in a country in the Schengen area has rapid access to the determination of his status. The regulation prevents a migrant from making multiple asylum applications in different countries and has the overarching goal of speeding up and rationalising the processing of asylum applications (Maiani, 2016).

The ENP is a partnership between the European Union and 16 neighbouring countries to the east and south of the Union. The ENP entered into force in 2004 and was evaluated and relaunched in 2010 and 2011 (Seeberg, 2015). These 16 countries include Tunisia, Egypt and Libya. The ENP has three objectives. First, to improve stability in neighbouring countries such

as economic development. Second, to promote important EU values, such as good governance, democracy, the rule of law and human rights. Third, to facilitate cooperation at regional level through the Eastern Partnership and the Union for the Mediterranean (*European Neighbourhood Policy*, n.d.). The ENP is focused on the 'more for more' principle. This principle means that the European Commission provides financial support to partner countries that make reform efforts to promote their democratic transformation (Seeberg, 2015).

The Schengen Agreement guarantees the free movement of people, goods, services and money within the Schengen area. The Schengen Treaty is concluded between France, Germany and the Benelux countries on 14 June 1985. As time went by, more countries joined the Schengen Agreement. Thanks to free movement, every EU citizen can live, work and travel in an EU-country without being subject to border checks (*The Schengen Area and Cooperation*, 2020).

The GAMM is the overarching framework of the external migration policy of the European Union. It is a partnership with non-EU countries that addresses all aspects of mobility and migration issues in a comprehensive, balanced and integrated way (*Global Approach to Migration and Mobility (GAMM)*, n.d.). In 2011, the GAMM is evaluated. The European Commission identified the need to further strengthen the external migration policy and published a new approach to this end. The renewed GAMM focuses on four main priorities. Firstly, improving the organisation of legal migration and simplified mobility. Second, reducing and preventing irregular migration in an efficient but humane way. Third, strengthening the synergies between migration and development, and finally, strengthening international protection systems and the external dimension of asylum (*Global Approach to Migration and Mobility (GAMM)*, n.d.).

2.4 Literature

Assenburg (2013) discusses in his article the European response after the Arab Spring. The European Union has never had a significant influence in the neighbouring regions where the Arab Spring started while it has always embraced the Arab Spring. Assenburg (2013, pp. 55-59) mentions that the European Union has relied on its traditional instruments and frameworks and that the eurozone financial crisis and threat perceptions have undermined the willingness of member states to contribute to Arab transformations with mobility, market access and money. European Union support has also been unevenly welcomed in all regions, preventing the building of strong governments and rapid impact. The violent power struggle caused by the Arab Spring has exposed the European Union's weakness in effective conflict prevention and timely crisismanagement. A climate has emerged that resents democratic transformation and regional stabilisation (Assenburg, 2013, p. 60).

Seeberg (2015) in his article identifies the post-Arab Spring scenario in the MENA region and the policies of the European Union in relation to the changing reality. Authoritarian states in the MENA region have shown the ability to adapt to the new challenges (Seeberg, 2015, p. 42). Through their political reconfigurations, Arab states are seen as recombinant authoritarian regimes. This is a system of government that possesses the ability to rearrange and recombine discursive, regulatory and existing institutional arrangements to create recognisable yet distinctive solutions to changing configurations of challenges (Seeberg, 2015, pp. 43-44). The European Union has attempted to revive previous normative approaches, but has failed to develop coping strategies. Seeberg (2015) concludes that a European Union consensus is only a partial reality in relation to developments in the Arab Mediterranean states. This conclusion can be explained by the constant changes in the situations of different MENA states. The

MENA states all seem to prevent the European Union from adopting long-term strategies towards the Middle East.

Dandashly (2015, p. 39), by focusing on the importance of the domestic politics of the target countries, tries to understand the EU-policy in the aftermath of the Arab Spring. The European Union sees the domestic political changes in North Africa as an opportunity for democratic transition. However, the initial conviction to push for democratic reforms was quickly replaced by the European Union's concerns for stability and security. This shift in interpretation and the policy response to it are based on the domestic changes and increased instability in the countries of Tunisia, Egypt and Libya. The post-Arab Spring chaos in these countries has made security objectives a priority again for the European Union. Security concerns have been fuelled by an increase in irregular migration due to instability in North Africa. This increase in irregular migration has prompted the European Union to address it at the source by supporting the actions of domestic authorities to maintain stability in North African countries and shifting the focus to security considerations (Dandashly, 2015, p. 39). European Union engagement in Egypt, Tunisia and Libya has shown that socio-economic uncertainty and unique domestic circumstances with varying levels of domestic political instability have influenced the instruments used by the European Union and the prioritisation of objectives (stability in MENA countries over promotion of democracy). European Union relations are most advanced with Tunisia followed by Egypt and Libya. This was also the case before the Arab Spring. The European Union has adapted its instruments depending on the domestic politics of the country (Dandashly, 2015, p. 50).

Del Sarto (2016) focuses on the European Union's relations with its periphery. It questions the 'normative' conceptions of the European Union's international role in the literature on European studies. The European Union is conceptualised as a huge, composite and ever-expanding entity with no clear borders. The European Union as a kind of empire bridges the theoretical gap and provides a powerful explanation for the European Union's behaviour towards its environment. The European Union pursues a normative policy through the transfer of rules and practices beyond its borders (Del Sarto, 2016). This serves the security and economic interests of the European Union and its Member States. The European Union's normative-based behaviour is a strategy that maximises utility and also serves the construction of a normative identity. The European Union's response to the Arab Spring illustrates the argument whereby the concept of 'empire' solves the puzzle of seemingly inconsistent European Union policies (Del Sarto, 2016, pp. 224-226). After the Arab Spring, one might expect a paradigm shift in the European Union's attitude towards the MENA countries, at least in terms of promoting democracy. However, the European Union's response has not been consistent or coherent. First, the document states that the European Union's objectives are still security and stability. While the European Union saw the Arab Spring as an opportunity for democracy, as events unfolded, the European Union prioritised security considerations in response to the threat of instability in the MENA countries. Second, the use of instruments varied over time due to the domestic politics of the target countries.

Assenburg (2013), Seeberg (2015), Dandashly (2015) and Del Sarto (2016) unanimously indicate that the interests of the European Union are served without regard to the interests of the MENA countries. Although the European Union saw an opportunity to democratically reform the countries after the Arab Spring began, they have had to conclude that it has failed to do so. The conviction to push through democratic reforms is replaced by the European Union's concern about the political instability in the MENA countries and the resulting security threat.

Assenburg (2013), Seeberg (2015), Dandashly (2015) and Del Sarto (2016) are all critical of the policy pursued by the European Union during the Arab Spring.

The gap in the literature can be found in the fact that no one has specifically researched the impact of the Arab Spring on the migration policy of the European Commission. There has been research on the migration policy of the European Union and whether this has changed after the Arab Spring. This thesis does investigate the impact of the Arab Spring on the migration policy of the European Commission.

3. Theoretical Framework

After reviewing the literature on the subject and identifying the possible gap in the literature, two hypotheses can be formulated to answer the research question. The existing theories in international relations can provide guidance for this. Both hypotheses are derived from neoliberal institutionalism. Neoliberal institutionalism includes ideas from both constructivism and realism. Looking at both theories, they cannot explain the stability in the European Union while neo-liberal institutionalism can (Swisa, 2011, p. 133).

Neoliberal institutionalism emphasises the importance of material sources of power, affirms that the system is anarchic and that states act primarily out of self-interest (De Keersmaeker & Debare, 2012, pp. 640-641). An anarchic system means that there is no higher authority in the international system than states themselves (Wendt, 1992, p. 392). However, it also mentions the possibility of permanent cooperation, such as the European Union. Neo-liberal institutionalism considers the role of international organisations in international relations to be of great importance and points out that internal political actors can influence the actions of states in the international political arena. The international policy of a state is subject from within to all kinds of influences from political bodies, institutions and interest groups (De Keersmaeker & Debare, 2012, pp. 640-641). International organisations such as the European Union were originally set up by states to solve complex problems on a regional or global level. The European Union is an economic and political partnership between states (De Keersmaeker & Debare, 2012, pp. 639). International organisations have their own budgets, international officials and extensive administrations to solve complex problems and make their own policies (De Keersmaeker & Debare, 2012, p. 641). A multitude of different international organisations create many cooperative relationships between states and eliminate mistrust between states. Keohane and Nye (1977) call this 'complex interdependence'. Complex interdependence is a situation in which there is a certain degree of mutual dependence or reciprocity in relations between or among states (Keohane & Nye, 1997, p. 39). Cooperation relations play an important role in neoliberal institutionalism and the way they are regulated. Cooperation relations are seen as international regimes. Krasner defines international regimes as "sets of implicit or explicit principles, norms, rules and decision making procedures around which actor's expectations converge in a given area of international relations" (Krasner, 1982, p. 186). International regimes make agreements on certain issues such as international security or the economy. These agreements can be laid down in treaties but also in non-explicitly formulated rules that everyone abides by due to the complex interdependence of Keohane and Nye (1977) as explained above.

Migration policy is defined by Mathias Czaka and Hein de Haas as rules that aim to influence the migration behaviour of a target population in an intended direction (2013, p. 489). Non-migration policies can also influence the flow of migration. Examples include macroeconomic policies and welfare policies. In the study, despite the fact that non-migration policies also

influence migration flows, we will only address migration policy as defined by Mathias Czaka and Hein de Haas (2013). Migration policy is formed by immigration and emigration policy. Czaka and De Haas (2013) define immigration policy as the stated objectives of policy on paper. Immigration policy can be understood as rules that define national states or alliances of states with the aim of influencing the origin, volume, direction and internal composition of immigration flow. The rules can be interpreted as laws, regulations and measures (Czaka & de Haas, 2013, p. 489). There is also migration policy. These are policies set by countries such as Egypt, Tunisia and Libya and are countries of origin of migrants. Migration policies aim to influence emigration.

The first hypothesis is derived from neo-liberalism institutionalism and focuses on the economic implications of the European Commission's migration policy.

Hypothesis 1: The migration policy of the European Commission has become stricter because of economic implications.

The single market, free movement for people, goods, services and money, is the main economic engine of the European Union (*The EU, What It Is and What It Does*, 2021). The Single Market makes life easier for consumers and businesses, stimulating economic growth and employment, making it the beating heart and greatest achievement of the European Union. The European Union will have to continue to join forces in order to compete with other economies. This will make the European Union even more powerful on the world stage (*The Single Market Strategy*, n.d.). The European Union can only function without internal borders if there are adequate measures to control the external borders, to regulate migration policy, including asylum and immigration, and to combat crime (*Aims and Values*, n.d.).

The increased migration flow from the MENA countries, triggered by the Arab Spring, is putting pressure on the European Union's borders. The economic implications that have made the European Commission's migration policy stricter are concerns about the euro, freedom of movement (Schengen) and the single market. Jean-Claude Juncker, former President of the European Commission, stated in his speech on 15 January 2016:

Without Schengen, without the free movement of workers, without freedom of European citizens to travel, the euro makes no sense. And the same applies to the link between Schengen, freedom of movement and the internal market. If anybody wants to kill off Schengen, then ultimately what they are going to do is do away with the single market as well. (Macdonald, 2016)

The consequences of the Arab Spring, namely the migration flows, have a major impact on the European Union. The economic implications can be explained from the perspective of neoliberal institutionalism. Neoliberal institutionalism is based on the concept of complex interdependence (Keohane & Nye, 1977). Due to the large illegal migration flows, the economic implications come under pressure, which is described by neo-liberal institutionalism as complex interdependence. The cooperation between the member states in the field of the euro, Schengen and the common market can also be explained by neo-liberal institutionalism. This is because neo-liberal institutionalism assumes that states focus primarily on their individual absolute gains. The importance of cooperation is that it must produce absolute profit; relative profit is not very important to neo-liberal institutionalism (Powell, 1991). The hypothesis can thus be answered. The expectation is that migration policy has become stricter because of the economic implications.

The second hypothesis is derived from neo-liberal institutionalism and focuses on the security implications of the migration policy of the European Commission.

Hypothesis 2: The migration policy of the European Commission has become stricter because of security implications

The European Commission has joined forces in the field of security to protect Europe against terrorism and serious crime. The European Commission also cooperates with member states in the field of security in border control, disaster relief, civil protection and law enforcement (*Borders and Security*, n.d.). The European Commission strives to prevent and combat terrorism with the accompanying phenomenon of foreign fighters, to increase the competitiveness of the European security industry, to coordinate and improve the control of the external borders of the European Union and to better combat international organised crime through increased cooperation between police forces across borders (*Borders and Security*, n.d.).

There is no clear definition of the concept of security in international relations. In this research, the definition of security of Haftendorn is used. Haftendorn (1991) describes international security as international security, in contrast to national security, implies that the security of one state is closely linked to that of other states, at least of one other state. States are interdependent in their security affairs such that the security of one is strongly affected by the actions of the other, and vice versa. (p. 9)

The migration flows from the MENA countries, following the outbreak of the Arab Spring, have had a major impact on the security policy of the European Union. The security implications can be interpreted as border controls becoming overloaded, asylum applications increasing to such an extent that countries no longer want to and can no longer accept migrants, and external borders no longer being controllable due to the large numbers of migrants wanting to enter Europe. The large migratory flows may also include a number of terrorists who can carry out attacks and affect the security of Member States and the European Union.

The security implications can be explained from the perspective of neoliberal institutionalism. Neoliberal institutionalism assumes cooperation of states through international organisations such as the European Union (Swisa, 2011, p. 133). Neoliberal institutionalism believes that international cooperation can be useful because states can have common interests and benefit from making agreements on these (Debaere et al., 2014). This international cooperation can be in the area of a difficult issue such as security. The European Union can best address the issue of security because it represents the common interest of all member states (Lavenex & Schimmelfennig, 2009). Neoliberal institutionalism sees the European Union as more than an arena where each defends its own interests. States can bridge contradictions, as the European Union proves, because they are not only concerned with their own survival but also with other objectives such as creating prosperity and security for their citizens (Smith, 1996). The hypothesis can therefore be answered. The expectation is that the migration policy of the European Commission has become stricter due to security implications.

4. Methodology

The influence of the Arab Spring on the European Commission is a broad issue and can be examined in many ways. The research focuses on the consequences of the Arab Spring on the migration policy of the European Commission. In this study, a qualitative content analysis is conducted. A qualitative content analysis means that the meaning of sentences and/or words found in the data is investigated. This qualitative content analysis focuses on press releases of the European Commission, the State of the Union, fact sheet, speech, joint communication and the changes in the Schengen Convention, the ENP, GAMM and the Dublin Regulation in the years 2011 to 2016. The reason for analysing data from the European Commission for the study is that they ultimately made the migration policy and developed it themselves. Therefore, it was decided not to analyse other articles as these often summarise the migration policy made by the European Commission. Research from a direct source is always better than research from an indirect source.

A qualitative content analysis is chosen because the focus of this research is on the changes in the migration policy of the European Commission and on the economic and security implications. All data can be found online via the various websites of the European Union. The press releases are from the website of the European Council. The State of the Union, factsheet, speech and joint communication can be found on the website of the European Commission. The reason for using the press releases of the European Commission from the website of the European Council is that they are easy to find and well elaborated. The start of the Arab Spring on 17 December 2010 in Tunisia is the starting point of the research. The end point of the research is on 18 March 2016. This is the date that the European Union made a deal with Turkey to deal with the migration crisis. This deal is known as the 'EU-Turkey deal' (*EU-Turkey Statement*, 18 March 2016, 2016).

The two hypotheses mentioned in the theoretical framework can be transformed into two categories. The categories of the data are coded into two categories namely in the category of security and the category of economy. The economy category includes sentences and/or words that have to do with concerns about the euro, freedom of movement (Schengen) and the internal market. The category security includes the sentences and/or words that have to do with border controls, asylum applications, control and management of the external borders and terrorism. A coding scheme is used to code the data, which can be found in the appendix.

The press releases, speech, fact sheet and joint communication are analysed in terms of measures taken by the European Commission to solve the migration crisis. The analysis of the State of the Union provides support for the policy changes made by the treaties. The State of the Union is the annual speech by the President of the European Commission. It showes how the European Union is doing. It also outlines the main plans of the European Commission for the coming year. The speech is delivered during the first plenary session of the European Parliament of the new political year (*State of the Union Addresses*, 2020). The State of the Union Addresses will be looked at in the period 2011 to 2016 and compared with each other to see if there is a clear change with regard to the focus on the migration crisis and migration policy. The choice of the period 2011 to 2016 is because the State of the Union 2010 was already pronounced before the Arab Spring started. Also, the State of the Union 2014 is not analysed because it is not pronounced. At that time, the Barroso II Commission was outgoing and the newly appointed President of the European Commission Juncker had yet to compose

his new European Commission (State of the Union President of the European Commission, n.d.).

5. Results

In this chapter, results of the research are presented, interpreted and analysed for the two hypotheses separately, which is established in the theoretical framework. After the presentation and interpretation of the results, the implications of the research are stated and the two hypotheses are answered. The study can be seen below in the appendix.

The European Commission and member states of the European Union have seen the beginning of the Arab Spring as an opportunity to democratise the MENA countries in order to create more political stability in this region. They are falling back on existing mechanisms, such as providing financial support through increased budgets and the implementation of democracy. However, the European Commission lacks the influence and strategies to bring this about. Also, the often violent power struggles have revealed the weakness of the European Union in effective conflict prevention and crisis management. This has created a climate of reluctance among MENA countries to embrace democratic reforms and regional stabilisation. Also, the financial crisis prevailing in the eurozone since 2008 has undermined the European Union's readiness for Arab transformation. The European Commission hardly takes into account the expectations and needs of partner states. The changed political situation in several MENA countries has prevented the European Commission from devising a long-term strategy. As the events of the Arab Spring unfold, the European Commission, together with member states, is shifting priorities to security interests in response to the threat of instability from countries in the MENA region.

The Arab Spring has created a new economic and political reality. The political instability means that there is no interlocutor with the neighbouring countries to implement migration management. As a result, the European Commission has had to take measures in the area of economy and security. It has not been able to rely on existing mechanisms. Indeed, the European Commission cannot afford not to react to the illegal migration flow that threatens the security of the European Union.

5.1 Economic implications

The European Commission had to take a number of economic measures after the start of the Arab Spring in December 2010. It wants to protect the internal market by reducing illegal migration flows. The measures relate to economic support, such as financial support, and the adjustment and conclusion of treaties.

It is remarkable that in the State of the Union for the years 2011, 2012 and 2013, the economic crisis within the European Union is mainly discussed. The Arab Spring and the additional problems for the European Union are briefly discussed. In the State of the Union for 2011, the Arab Spring is briefly mentioned:

Let us also turn our attention to our southern neighbours. The Arab Spring is a profound transformation which will have lasting consequences not only for those peoples but also for Europe. Europe should be proud. We were the first to stand alongside those Tunisians,

Egyptians and Libyans who wanted democracy and freedom. Europe is supporting these legitimate aspirations, namely through our Partnership for Democracy and Shared Prosperity. The Arab Spring should give hope for peace throughout the region. (*The State of the Union 2011*, 2011)

In the Partnership for Democracy and Shared Prosperity, published in March 2011, the European Commission states that it wants to revise and adapt the 2004 ENP. This includes reforms and political dialogue, economic and social cooperation and development, trade-related issues and market and regulatory reform. This will provide an incentive for greater integration into European programmes and better market access. The European Commission also aims to strengthen cooperation between the states in the Schengen area.

In the press releases issued by the European Commission during the period 2011 to 2015, the problems of the Arab Spring and the associated illegal migration flows are mentioned. The European Commission wants to improve relations with the MENA countries in order to exploit the mutual economic benefits that migration can bring. By entering into dialogues and partnerships with MENA countries, the European Commission has sought to better manage migration on a European and global scale. With EU support, the European Commission seeks to promote economic growth and a democratic transition. An economic collapse would mean a political failure of the democratic transition. The European Commission uses a 'more for more' policy, meaning more democratic transition for more financial support to MENA countries and mutual accountability.

At the height of the migration crisis in 2015, the European Commission tried to reduce irregular migration flows with even more economic measures. In the 2015 press releases and State of the Union, the European Commission presented these economic measures. An important economic measure is the financial consequence or support for member states to join or refuse to help with the resettlement of migrants. For taking in one migrant, the member state will receive 6000 euros and for not participating, the member state has to pay 0.002% of GDP to the European budget. The European Commission also has plans to reform the Blue Card and create a 1.8 billion trust fund for stability and to address the root causes of migration in Africa. The European Commission also mentions in the data that there should be more solidarity between the Member States and to safeguard the Schengen Treaty, thus the internal market, and closer cooperation between Member States to manage the external borders.

The first hypothesis of the study states; the migration policy of the European Commission has become stricter because of economic implications. The hypothesis can be answered in the affirmative. The migration policy has become stricter after the start of the Arab Spring based on the qualitative content analysis. This showed that the European Commission took measures because of the economic implications.

5.2 Security implications

The Arab Spring has triggered large illegal migration flows that have affected the internal security of the European Union. The migration policy of the European Commission has proven to be inadequate. An appropriate response to the events of the Arab Spring is very complex. The European Commission must take security measures to guard the external borders and stop illegal migration.

In the joint communication 'A partnership for democracy and shared prosperity with the southern mediterranean' from the European Commission in March 2011, immediate security measures are presented to stop irregular migration flows from the MENA countries. The first migration flow arrives on the island of Lampedusa in Italy. The European Commission appealed to the External Borders Fund and European Refugee Fund and came to Italy's aid with operational measures and financial support for the Frontex joint operation Hermes. Frontex is a European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union. The aim of Operation Hermes is to identify the nationalities of migrants, gather information for analysis and prevent criminal activities at the external borders of the European Union.

In the messages issued by the European Commission during the period 2011 to 2015, it communicates a plan for a common migration policy. GAMM is also being revised and adapted. In the 2015 press releases and State of the Union, security measures are specifically named and measures presented. The year 2015 is also the culmination of the illegal migration flows that started after the start of the Arab Spring. The European Commission appoints an action plan against migrant smuggling, including guidelines for fingerprinting, a list of safe countries, addressing the external dimension of migrants and a temporary and permanent relocation mechanism for migrants. An operational plan for Frontex's Operation Triton should, in addition to border control, prevent terrorists from entering the European Union. The European Commission also mentions an integrated system of border management, the management of external borders, the return of illegal migrants to their country of origin and the establishment of a European Border and Coastguard Service which can intervene in Member States and require Member States to take measures to address the situation in case of vulnerabilities within a certain period of time. If the Member State is unable to do so, the European Border and Coastguard Service can intervene. The European Commission also states that it wants to adjust the way of applying for asylum and the Dublin system so that asylum applications are only processed by the first country of entry into the European Union. The European Commission also states that it wants to tackle and reduce illegal border crossings in the central and eastern Mediterranean and the Western Balkans route. This is also one of the origins of the Turkeydeal concluded between the European Council and the Turkish authorities on 18 March 2016. The European Commission contributed to the negotiations with the Turkish authorities. In exchange for financial support, Turkey must take back illegal migrants who have entered the European Union via the Balkan route and stop further illegal migration. The flow of illegal migrants to the European Union has been drastically reduced after this Turkey-deal.

The second hypothesis of the research is; The migration policy of the European Commission has become stricter because of security implications. The answer to the hypothesis is that through the qualitative research analysis it can be concluded that the migration policy of the European Commission has become stricter. This can be confirmed by the presentation of the results above.

The scientific implication for the research is that the European Commission has taken many economic and security measures to reduce illegal migration flows after the start of the Arab Spring, which has succeeded. As a result, more has become clear about the migration policy of the European Commission and the impact of the Arab Spring. The research has focused on the European Commission which has not been done before in the literature. The social implication is that the illegal migration flow has been a major problem in Europe and will continue to be so in the near future, but that the illegal migration flow has decreased after 2015. However, it has

become clear that European Commission is in the process of further shaping the migration policy and helping the MENA countries to rebuild.

6. Conclusion

The central question of this study is: How did the Arab Spring impact the migration policy of the European Commission? The following two hypotheses emerged; The migration policy of the European Commission has become stricter because of economic implications and the migration policy of the European Commission has become stricter because of security implications.

The first hypothesis can be upheld as a result of the qualitative content analysis. The migration policy of the European Commission has become stricter because of economic implications. After the start of the Arab Spring, the European Commission had to take economic measures to protect the European internal market against the resulting illegal migration flows. The economic measures include financial support. It has also taken measures such as the resettlement of migrants across Member States. The European Commission has also revised and amended treaties such as the ENP and GAMM. By taking the economic measures, the European Commission has ensured that the migration policy has become stricter and as a result the illegal migration flow has decreased.

The second hypothesis can be upheld as a result of the qualitative content analysis. The migration policy of the European Commission has become stricter due to security implications. The European internal security has been affected by the large illegal migration flows that have been triggered by the Arab Spring. The old migration policy of the European Commission proved to be inadequate and the European Commission had to come up with appropriate security measures to guard the external borders in order to reduce the illegal migration flows. A European Border and Coastguard Service was set up to manage the external borders and return illegal migrants to their countries of origin. By taking security measures, the flow of illegal migrants has decreased. Ultimately, the European Council reached an agreement with the Turkish authorities to close the Balkan route to irregular migrants, which significantly reduced the flow of irregular migrants after 2015. From this it can be concluded that by security implication the European Commission has made the migration policy stricter with the aim to reduce the migration flow.

The answer to the main question can be answered as a result of the research and the two hypotheses. The Arab Spring has influenced the migration policy of the European Commission. The research has shown that after the start of the Arab Spring, the European Commission took economic and security measures to protect the security and the internal market of Europe. In order to reduce the illegal migration flow that started. The literature shows that Assenburg (2013), Seeberg (2015), Dandashly (2015) and Del Sarto (2016) have all been critical of the European Union's policy after the start of the Arab Spring. They conclude that the European Union's policy has failed to democratically reform the MENA countries by not taking their interests into account. This has led to large migration flows that have had an impact on the European Commission's migration policy, making it in need of adjustment. The answer to the main question can be explained by neo-liberal institutionalism. Indeed, neo-liberal institutionalism assumes that states cooperate in international organisations with the aim of solving difficult issues such as security and migration policy. Such issues are also best solved by working together. States only cooperate when there are absolute gains to be made, which is the case with the European Union. The European Commission had to adjust its migration policy

in response to the Arab Spring, and it did so in consultation with the Member States. Ultimately, illegal migration decreased after 2015. The neo-liberal institutionalists can explain this because the fact that there is an absolute profit to be made for the Member States in economic and security terms ultimately led them to cooperate.

The limitations of the study are that it focuses only on the European Commission and not on other European Union bodies, and that it focuses on economic and security implications. While it can be assumed that these are the most important implications, other unforeseen implications may also be important. One suggestion for follow-up research would be to include the European Council and the European Parliament. They have also played a major role in changing and approving migration policies and also in addressing the migration crisis in Europe. It would also be interesting to look at what the European Commission has changed in the field of migration policy and the migration crisis since the Turkey-deal.

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Appendix

Category	Description	
Economy	Words or phrases on the euro, free movement (Schengen) and the internal market in relation to migration policy	
Security	Words or sentences regarding border checks, asylum applications, control and management of external borders and terrorism in relation to migration policy	

Joint communication from the European Commission to the European Council, the European Parliament, The Council, the European Economic and Social Committee and the Committee of the regions

Date: 8 March 2011

INTRODUCTION

The events unfolding in our southern neighbourhood are of historic proportions. They reflect a profound transformation process and will have lasting consequences not only for the people and countries of the region but also for the rest of the world and the EU in particular The changes now underway carry the hope of a better life for the people of the region and for greater respect of human rights, pluralism, rule of law and social justice – universal values that we all share. Movement towards full democracy is never an easy path - there are risks and uncertainties associated with these transitions. While acknowledging the difficulties the EU has to take the clear and strategic option of supporting the quest for the principles and values that it cherishes. For these reasons the EU must not be a passive spectator. It needs to support wholeheartedly the wish of the people in our neighbourhood to enjoy the same freedoms that we take as our right. European countries have their own experience of democratic transition. The European Union has a proud tradition of supporting countries in transition from autocratic regimes to democracy, first in the South and more recently in Central and Eastern Europe. While respecting what are primarily internal transformation processes, the EU can offer expertise - that of governments, the European Institutions (European Commission and European Parliament), local and regional authorities, political parties, foundations, trade unions and civil society organizations. There is a shared interest in a democratic, stable, prosperous and peaceful Southern Mediterranean.

We believe that now is the time for a qualitative step forward in the relations between the EU and its Southern neighbours. This new approach should be rooted unambiguously in a joint commitment to common values. The demand for political participation, dignity, freedom and employment opportunities expressed in recent weeks can only be addressed through faster and more ambitious political and economic reforms. The EU is ready to support all its Southern neighbours who are able and willing to embark on such reforms through a "Partnership for Democracy and Shared Prosperity". The commitment to democracy, human rights, social justice, good governance and the rule of law must be shared. The Partnership must be based on concrete progress in these areas. It must be a differentiated approach. Despite some

commonalities, no country in the region is the same so we must react to the specificities of each of them.

A "Partnership for Democracy and Shared Prosperity" should be built on the following three elements:

- democratic transformation and institution-building, with a particular focus on fundamental freedoms, constitutional reforms, reform of the judiciary and the fight against corruption
- a stronger partnership with the people, with specific emphasis on support to civil society and on enhanced opportunities for exchanges and people-to-people contacts with a particular focus on the young
- sustainable and inclusive growth and economic development especially support to Small and Medium Enterprises (SMEs), vocational and educational training, improving health and education systems and development of the poorer regions.

This Communication explains what the EU has done to address the short-term consequences of recent events in North Africa. It then spells out our approach to the longer term process of turning into reality the tremendous hopes that have been voiced in the region. It will be developed by listening, not only to requests for support from partner governments, but also to demands expressed by civil society. A radically changing political landscape in the Southern Mediterranean requires a change in the EU's approach to the region – the underlying themes of differentiation, conditionality and of a partnership between our societies are part of the ongoing review of the European Neighbourhood Policy on which we will present a joint Communication in April.

1. OUR IMMEDIATE RESPONSE

- Humanitarian aid (EUR 30 million)
- Facilitating consular cooperation and evacuation Frontex joint operations
- Drawing on the EUR 25 million EU External Borders Fund and European Refugee Fund
- High Representative/Vice President (HR/VP) visits to Tunisia and Egypt; international coordination meeting in Brussels Support for Democratic transition

Our first concern has been to respond rapidly and effectively to the immediate challenges of the evolving situation in our Southern Neighbourhood and to address and pre-empt the risks of further bloodshed and hardship.

EUR 30 million has been made available in humanitarian aid by the Commission to tackle the most immediate humanitarian needs in Libya and of displaced persons at the Tunisian and Egyptian borders. With this aid, we are providing medical and food aid, shelter and other necessities. Commission experts are on the ground and contingency planning is taking place to ensure a rapid response in case the situation deteriorates further. Vigilance is necessary as the humanitarian crisis threatens to escalate to neighbouring countries both in the Maghreb and sub Saharan Africa as people flee from Libya. The Commission will increase financial support if needs on the ground so require it and we encourage EU Member States to continue to respond in a similar fashion.

Close consular cooperation has been maintained between all Member States and the EU and appropriate EU mechanisms, including the Situation Centre in the EEAS, have been activated

to allow rapid exchange of information and most effective use of resources. The EU Civil Protection Mechanism (MIC) was activated on 23 February to facilitate the evacuation of EU citizens by way of an air and sea bridge. The EU Military Staff has been supporting this overall effort. The Commission is cooperating with international organisations (UNHCR, International Organisation for Migration, IOM) to help people who want to leave Libya get back to their home countries. Use of Common Security and Defence Policy (CSDP) instruments for strengthening the short-term action could be considered.

The Commission has mobilised its instruments to support Italy, and other Member States if needed, in case a massive influx of migrants from North Africa were to materialise. This response includes operational measures and financial assistance. The Frontex joint operation HERMES 2011 was launched on 20 February, with assets and experts from a number of Member States. If required, Frontex operations could be strengthened to help deal with possible new inflows. The Commission is ready to mobilise i.a. financial assistance from funds such as the External Borders Fund and European Refugee Fund which amount to EUR 25 million in total.

In Tunisia, EUR 17 million was allocated for immediate and short-term support for democratic transition and assistance to impoverished inland areas. This includes support to establish an appropriate legal framework for the holding of elections and for an EU Election Observation Mission in support of the work of the National Commission for Constitutional Reform and Elections. It also covers additional support for civil society. Further support for democratic reform will be provided through the Instrument for Stability. Following her visits to Tunisia and Egypt, the HR/VP convened an international meeting on 23 February providing the opportunity to compare notes with main partners and major International Financial Institutions (IFIs) on developments in the region. The meeting reconfirmed that the efforts of the international community must be closely coordinated and aligned with and guided by the priorities expressed by the Tunisians and the Egyptians themselves.

For Egypt, it would be premature to announce a support package until the authorities are ready to make a request for assistance and define priority needs. The EU is ready to mobilise support in line with those priorities when they are ready.

In Libya, the EU has been firm in its condemnation of the acts perpetrated by the Gaddafi regime. It immediately suspended negotiations of the EU-Libya framework agreement and all technical cooperation. In addition to the UN sanctions, on 28 February the EU adopted further restrictive measures such as an embargo on equipment which might be used for internal repression and autonomous designations under the travel restrictions and assets freeze. Additional measures have been proposed.

2. ADAPTING OUR APPROACH

- Reviewing and adjusting EU Neighbourhood Policy
- Moving towards advanced status in Association Agreements
- Enhancing political dialogue

The EU response to the changes taking place in the region needs to be more focused, innovative and ambitious, addressing the needs of the people and the realities on the ground.

Political and economic reforms must go hand-in-hand and help deliver political rights and freedoms, accountability and participation. The EU should be ready to offer greater support to

those countries ready to work on such a common agenda, but also reconsider support when countries depart from this track

This new approach, a "Partnership for Democracy and Shared Prosperity" represents a fundamental step change in the EU's relationship with those partners that commit themselves to specific, measurable reforms. It is an incentive-based approach based on more differentiation ("more for more"): those that go further and faster with reforms will be able to count on greater support from the EU. Support will be reallocated or refocused for those who stall or retrench on agreed reform plans.

More concretely, closer political co-operation means advancing towards higher standards of human rights and governance based on a set of minimum benchmarks against which performance will be assessed. A commitment to adequately monitored, free and fair elections should be the entry qualification for the Partnership. It also means closer cooperation in the context of the Common Foreign and Security Policy (CFSP) and more joint work in international fora on issues of common interest. The EU will continue to offer its commitment and support to the peaceful resolution of disputes within and between States in the region. The Partnership should be underpinned by enhanced political dialogue. The EU will step up bilateral political dialogue at all levels, as soon as local conditions allow, with a strong focus on human rights and political accountability.

Partner countries carrying out the necessary reforms can expect to resume negotiations on Association Agreements with the aim of achieving "advanced status" which allows for significantly strengthened political dialogue and increased links between the partner country and EU institutions. This will encompass deeper engagement on mobility and improved market access to the EU.

3. DEMOCRACY AND INSTITUTION BUILDING

- Expanding support to civil society
- Establishing a Civil Society Neighbourhood Facility
- Support Social Dialogue Forum

The EU is ready to support the democratic and constitutional reform processes. Judicial reform, enhanced transparency and the fight against corruption are of particular importance in this process, both to encourage foreign and domestic economic investment and to demonstrate to people a visible change in their daily lives. We are ready to make expertise available, through instruments such as twinning and TAIEX, to support capacity building with a particular focus on strengthening government institutions that can ensure the consolidation of change, including at regional and local level. Our expertise in electoral assistance will also be fully mobilised to accompany the electoral processes in Tunisia and, if requested by the authorities in Egypt.

A thriving civil society can help uphold human rights and contribute to democracy building and good governance, playing an important role in checking government excesses. A range of non-government (NGOs) and civil society organisations (CSOs) can provide much-needed support for the reforms and involvement in areas close to citizens' concerns such as human rights, the environment, social and economic development. This is an area where we should seek to maximize the assistance that Member States can offer at short notice to develop a platform for civil society, political parties, trade unions and associations. This could be set up

with EU funding and with the support of EU political parties, trade unions, foundations and relevant NGOs. Women have played an important role in the changes in the region and gender aspects will play an important role in future EU support.

The April review of the European Neighbourhood Policy will make proposals for the reinforcement of the EU's support to civil society organisations in our neighbourhood. This will include dedicated support for civil society (a Civil Society Neighbourhood Facility) aimed at developing the advocacy capacity of CSOs and increasing their ability to monitor reform and participate effectively in policy dialogues.

Social dialogue between trade unions and employers plays an important role in sustaining reform efforts. New trade unions and employers associations are now emerging. This provides an opportunity for more effective social dialogue. It should be supported through the EuroMediterranean Social Dialogue Forum which will facilitate exchange between the Mediterranean social partners on key employment and social issues and will support capacity building.

The EU is already supporting public administration reform aimed at streamlining and strengthening of basic policy processes, budget formulation and the capacity to raise domestic funding through efficient, fair and sustainable tax systems and administrations. With a view to supporting better the fight against corruption and illicit financial flows and to improving sound financial management, these programmes should also target transparency and accountability in public administration.

4. TACKLING THE CHALLENGES OF MOBILITY

- Conclude Mobility Partnerships
- Reinforce local Schengen cooperation
- Make full use of improvements in EU Visa Code

People-to-people contacts are important to promote mutual understanding as well as business, which will benefit the cultural and economical development of the entire Mediterranean region and the integration of migrants in the EU.

A key element in this is the strengthening of capacity building in the Mediterranean countries on borders/migration/asylum and more effective law enforcement cooperation to improve security throughout the Mediterranean.

Mobility Partnerships should be launched with partner countries. They aim to provide a comprehensive framework to ensure that the movement of persons between the EU and a third country is well-managed. They cover initiatives such as visa and legal migration arrangements; legal frameworks for (economic) migration; capacity building to manage remittances and for efficient matching of labour demands and needs, return and reintegration programmes, upgrading of the asylum systems to EU standards etc. In return for increased mobility, partners must be ready to undertake increasing capacity building and provide appropriate financial support for border management, preventing and fighting against irregular migration and trafficking in human beings, including through enhanced maritime surveillance; the return of irregular migrants (return arrangements and readmission agreements) and for enhancing the capacity and abilities of law enforcement authorities to effectively fight trans-border organised crime and corruption.

In the short-term, the Commission will work with Member States on legal migration legislation and visa policy to support the goal of enhanced mobility, in particular for students, researchers and business persons. Cooperation under Local Schengen Cooperation should be reinforced and full use should be made of practical improvements and flexibilities for visa applicants within the EU Visa Code, including the issuing of multiple entry visas to bona fide travellers and specific groups (such as researchers, students and business persons). The negotiation of short stay visa facilitation agreements with Southern Mediterranean Countries should be envisaged following a differentiated, evidence-based approach. Financial support will be provided, if needed. The Commission calls on the colegislators to adopt rapidly the Directives on third country seasonal workers and intracorporate transferees, which will also contribute to enhancing mobility to the EU.

In the long-term, provided that visa facilitation and readmission agreements are effectively implemented, gradual steps towards visa liberalisation for individual partner countries could be considered on a case-by-case basis, taking into account the overall relationship with the partner country concerned and provided that conditions for well-managed and secure mobility are in place.

5. PROMOTING INCLUSIVE ECONOMIC DEVELOPMENT

- Promote Small and Medium Size Enterprises (SMEs) and Job Creation
- Seek agreement of Member States to increase EIB lending by EUR 1 billion
- Work with other shareholders to extend the EBRD mandate to countries of the region
- Promote job creation and training

The unrest in several Southern Mediterranean countries is clearly linked to economic weaknesses. Many of the economies are characterised by an unequal distribution of wealth, insufficient social and economic reform, limited job creation, weak education and training systems which do not produce the skills needed on the labour market. as well as low level of regional trade integration.

There is a need for the countries of the region to re-invigorate their economies to deliver sustainable and inclusive growth, development of poorer regions and job creation. Small and medium size enterprises (SMEs) have a critical role to play in job creation. To thrive, they need a sound regulatory framework, conducive to business and entrepreneurship. The EU is ready to support this through policy dialogue and cooperation under the Euro Med industrial work programme. This should be accompanied by integrated employment and social policies, including matching of training initiatives and labour market needs, social dialogue, provision of social safety-nets and transformation of the informal sector.

The International Financing Institutions (IFIs) can contribute to this effort. Funding could come from the European Investment Bank (EIB) and, if other non-EU shareholders agree, the European Bank for Reconstruction and Development (EBRD). The EIB has been active in the region for over 30 years, its operations being implemented under the umbrella of the Facility for Euro-Mediterranean Investment and Partnership (FEMIP). FEMIP is active in nine countries in the Southern Mediterranean, focusing on investments in infrastructure and support for the private sector. In addition to accelerating the implementation and approval of projects currently in the pipeline, the EIB could provide around EUR 6 billion to the Mediterranean region in the coming three years if the Council approves the additional lending

envelope of EUR 1 billion which was recently proposed by the European Parliament. The Commission supports this increase in the lending mandate and calls on the Council to reach an agreement rapidly on the increase.

The Council is also invited to adopt the Commission proposal of May 2008 on EIB reflows. This would allow the EIB and other financial intermediaries to re-invest funds under FEMIP reflowing from previous financing operations in favour of the private sector. In the immediate future this arrangement would generate approximately EUR 120 million now and up to EUR 200 million by 2013.

The EBRD, not currently active in the Southern Mediterranean, could extend operations if the Bank's statutes were amended. If agreed by all shareholders this could allow an annual EBRD business activity of an initial EUR 1 billion to be reached with the Bank's existing resources. The Commission supports the extension of EBRD operations and calls on EU Member States and other shareholder governments to support it urgently.

These initiatives will not come at the expense of lending to other countries of operation in the Eastern neighbourhood for example

6. ENSURING MAXIMUM IMPACT OF TRADE AND INVESTMENT

- Adopt Pan-Euro-Mediterranean preferential rules of origin
- Approve rapidly agreements on agricultural and fisheries products
- Speed up negotiations on trade in services
- Negotiate Deep Free Trade Areas

Trade and investment are engines for growth and help to reduce poverty. They bring people together, securing ties between nations and contributing to political stability. However, for trade and Foreign Direct Investment (FDI) to deliver their potential, they must be embedded in a sound business climate, which, in turn, requires a strengthening of the rule of law and the judiciary, tackling corruption and overhauling administrative procedures.

The countries in the region are at different stages in their trade and investment relations with the EU. Some (Tunisia, Morocco, Egypt, Jordan) are relatively well advanced; others (Syria, Algeria, Libya) much less. The EU has free trade agreements with the whole of the region except for Syria and Libya. These agreements provide free market access for industrial products. The EU has recently upgraded preferential market access for agricultural and fisheries products, with Egypt and Jordan in particular, and several other agreements in this field are being negotiated or at the approval stage, for example, with Morocco. With Morocco, there has also been an exchange of offers to liberalise services, but the issue of labour mobility is a major stumbling block.

The EU's measures in support of trade and investment should best be calibrated to the situation in each country, including the pace and breadth of reforms more generally, also given the current level of volatility in the region.

In the short to medium term, the EU could set itself the following goals to.

• accelerate the conclusion and EU approval of trade liberalisation agreements, notably on agricultural and fisheries products with Tunisia and Morocco;

- launch negotiations on agreements on conformity assessment and acceptance of industrial products;
- accelerate on-going bilateral negotiations on the liberalisation of trade in services (including visa facilitation for persons from specific professional categories);
- conclude the single regional Convention on pan-Euro-Mediterranean preferential rules of origin in 2011. This should be accompanied by a rapid revision of the rules of origin themselves. A point of reference for these reforms is the recently adopted regime for GSP beneficiaries. The Commission calls on the Council to adopt urgently its pending proposals on the single regional Convention, after consultation with the European Parliament.

In the medium to long term, the common objective which has been agreed in both regional and bilateral discussions with Southern Mediterranean partners is the establishment of Deep and Comprehensive Free Trade Areas, building on the current Euro-Mediterranean Association Agreements and on the European Neighbourhood Policy Action Plans. They should form part of a broader comprehensive package in support of democratic and economic reforms. Negotiations should be started with countries that are clearly engaged in such a process of political and economic transformation. Beyond the mere elimination of import duties, these agreements should foster, in a progressive manner, closer integration between the economies of our Southern Mediterranean partners and the EU single market and would include actions such as regulatory convergence. Particular priority should be given to measures in areas such as competition policy, public procurement, investment protection, sanitary and phytosanitary measures.

7. ENHANCING SECTORAL CO-OPERATION

- Establish an EU-South Mediterranean Energy Community
- Launch an Agricultural/rural development support programme
- Increase participation in education programmes
- Develop the Internet and other communication technologies

The Southern Mediterranean is strategically important for the EU in terms of security of gas and oil supplies from some of the countries but also more broadly in terms of transit from the region and beyond. There is clear potential for building an EU-Mediterranean partnership in the production and management of renewables, in particular solar and wind energy, and in having a joined-up approach to ensuring energy security. Joint renewable energy investments in the Southern Mediterranean in line with the EU's 2050 decarbonisation scenario could offer the possibility of a new partnership provided that the right market perspective is created for electricity imports.

It is desirable to open a credible perspective for the integration of the Southern Mediterranean in the EU internal energy market based on a differentiated and gradual approach. In the mid to long term, this would mean establishing a form of 'EU-Southern Mediterranean Energy Community' starting with the Maghreb countries and possibly expanding progressively to the Mashreq. Extending the Energy Community Treaty with the Union's Eastern and South-Eastern neighbours, or building on its experience, this community should cover relevant parts of the EU's energy legislation with a view to promoting a real and reliable convergence of South Mediterranean partners' energy policies with EU policy.

Education should be a key focus of EU activities in the region. Tackling high levels of illiteracy is key to promoting democracy and ensuring a qualified workforce to help modernise the Southern Mediterranean economies. Exchanges at university level are valuable, and fuller use should be made of Erasmus Mundus, Euromed Youth and Tempus to increase substantially the number of persons from Southern Mediterranean partner countries participating in these programmes. Vocational Education and Training (VET) also has an important role to play in addressing disparities. This should include the identification of the key strategic components on an integrated VET policy by organising national debates with key stakeholders. Exchanges of best practices on programmes enhancing the skills of unemployed people should also be encouraged.

Tourism is a key component of GDP in many of the countries in the South Mediterranean. The EU should seek to extend its existing initiatives "European Destinations of Excellence (EDEN)", promoting sustainable tourism models and Calypso, promoting off-season tourism to these countries. The protection and promotion of cultural diversity is important and the EU is committed to further develop cultural initiatives with the South Mediterranean region.

Recent events in the Southern Mediterranean combined with rising food prices have demonstrated the urgency for the EU to help its partner countries to improve the efficiency and productivity of its agricultural sector and assuring the security of food supply. The Commission could support rural development through a new initiative – a European Neighbourhood Facility for Agriculture and Rural Development. The programme would build on EU best practice in developing rural areas. It would integrate investment support and building up of administrative capacities so as to facilitate the modernisation of the agricultural production aligned to EU quality and food safety standards. It could be developed in close cooperation with the FAO, World Bank and possibly EIB.

In the area of transport, cooperation should focus on modernising air traffic management and on improving aviation safety and security to create a Euro-Mediterranean Aviation Area. This will include extending the European Geostationary Navigation Overlay System (EGNOS) to the Mediterranean partners. Cooperation with the Mediterranean partners in the implementation of a Mediterranean Maritime Strategy should enhance maritime safety, security and surveillance.

The use of electronic communications technologies - on top of satellite broadcasting - greatly facilitated the wave of upheavals in the Mediterranean countries. The widespread use of mobile phones combined with social networking via internet - showed the importance of information society tools and technologies to the circulation of information. In countries where the circulation of information is partially restricted such tools can greatly contribute to the democratisation of societies and the creation of public opinion through the promotion of freedom of expression.

While some regulatory reforms have been undertaken, in many of the southern Mediterranean countries the regulatory environment is still insufficiently developed to exploit the full growth and productivity potentialities of the Information and Communications Technology sector. The main critical factors which remain to be addressed are the creation of truly open markets (which often remain quasi monopolies), the establishment of independent regulators, the creation of a level playing field and of competitive conditions for market players, efficient management of spectrum and safeguards of users' privacy and security.

Moreover, ensuring the security, stability and resilience of the Internet and of other electronic communication technologies is a fundamental building block in democracy. It is necessary to avoid arbitrarily depriving or disrupting citizen's access to them. Given the trans-border and interconnected nature of electronic communications technologies, including the Internet, any unilateral domestic intervention can have severe effects on other parts of the world. The Commission will develop tools to allow the EU, in appropriate cases, to assist civil society organisations or individual citizens to circumvent such arbitrary disruptions.

8. REGIONAL AND SUB-REGIONAL IMPLICATIONS

The dramatic events unfolding in the region may not be necessarily spread evenly across the region and effects of change may vary significantly. The regional dimension has taken on increased importance and regional cooperation will be important in mitigating negative spillovers.

Now, more than ever, changing dynamics in the region mean that urgent progress on the Middle East peace process is vital. The EU should also work in close co-operation with its partners in assisting political and social change in the region. Turkey in particular has a crucial role to play both as an important regional player and as a compelling case of multiparty democracy in a country with a predominantly Muslim population.

A fresh view of the regional situation demands that the positive elements of the Barcelona process together with those of the Union for the Mediterranean be integrated in a new approach. The regional co-operation which proved to be most effective was on projects that delivered concrete benefits – in environment, energy, in transport, in trade and in social dialogue.

Regional economic integration should be encouraged. The EU will support projects which promote freer trade between the countries of the region, regulatory approximation, a strengthening of economic governance as well as the infrastructures needed for increased regional trade.

The idea behind the establishment of the Union for the Mediterranean was a positive one — that of a high level partnership between the two shores of the Mediterranean. However we have to recognise that its implementation did not deliver the results we expected. The UfM needs to reform to fully realise its potential. It needs to work more as a catalyst bringing States, International Financial Institutions and the private sector together around concrete projects generating the jobs, innovation and growth that are so badly needed in the region. It should help create the right conditions for progress in the Middle East Peace Process. But, one should not be conditional on the other. Partner countries' participation in these projects could follow the principle of variable geometry depending on their needs and interests. The High Representative and the Commission are ready to play a bigger role in the Union for the Mediterranean in line with the Lisbon Treaty.

9. EU FINANCIAL ASSISTANCE

- Refocusing bilateral programmes of the European Neighbourhood Partnership Instrument
- Providing additional funding

Approximately EUR 4 billion is currently available for the period to the end of 2013 to support our Southern neighbours under the European Neighbourhood and Partnership Instrument. The largest part of this assistance is delivered through bilateral assistance programmes. While many of the programmes underway or in the pipeline address the three priorities in the 'Partnership', the magnitude of recent changes in the region requires an extensive screening and the possible re-focussing of EU aid, in discussion with partner countries.

We have already made clear to both Tunisia and Egypt that we are ready to consider carefully full re-focussing of our bilateral programmes for 2011-13 (respectively EUR 240 and EUR 445 million) to better meet the current challenges and to ensure that our response meets peoples' legitimate aspirations. More generally, throughout the region, programmes will be screened in close cooperation and partnership with the beneficiary countries. We call on Member States to follow a similar screening exercise for their bilateral programmes to achieve maximum impact of EU aid. Within the present budgetary situation, we also consider that the present events will require unprecedented efforts to achieve maximum co-ordination and consistency between Member States' efforts, as well as with the EU. We will also continue to seek maximum interaction and co-ordination with International Financial Institutions.

The screening and re-focussing of assistance is the first step in providing support to help partner governments to consolidate reform and socio-economic development. While no meaningful needs assessment is yet possible, the reform process will require considerable support. This will come from the current EU budget.

Specific attention will also be paid to the encouragement of private sector investment from the EU into the southern Mediterranean. To this end, the Commission will continue to leverage loans from the EIB's FEMIP as well as from other IFIs, through the Neighbourhood Investment Facility (NIF) which provides grant support for infrastructure investment and private sector development. In view of the considerable contribution by the Commission to the Neighbourhood Investment Facility, Member States are encouraged to contribute to replenishing this instrument.

Private foreign direct investment supported through such financial instruments should also benefit from strong investment protection provisions and the Commission will provide an information tool and develop an investment protection framework for European companies interested in investment in the southern Mediterranean.

Finally, macroeconomic assistance may be necessary for some countries which are likely to face short-term difficulties, resulting from the impact of the crisis on trade, investment and tourism flows as well as the disruption of domestic production. Should the IMF have lending programmes in place and provided that external financing needs are confirmed, the countries covered by the European Neighbourhood Policy would be eligible for EU Macro-Financial Assistance (MFA).

10. CONCLUSIONS

These are first proposals to build a new partnership to support change in the Southern Mediterranean. Immediate and short term help should be accompanied by longer term assistance when each country is ready to indicate what it needs from its EU partners.

The European Union in its dual dimension of a community of democratic member states and a union of peoples has had to overcome historical hurdles. This success story was possible when hope triumphed over fear and freedom triumphed over repression. This is why there is deep understanding in the EU for the aspirations of the peoples in the Southern Neighbourhood. The EU wants to support them in building real democracies and peaceful and prosperous societies. Each country and people will of course choose their own path and make their own choices. It is rightly for them to decide and not for us to seek to impose solutions. This Communication underlines the determination of the EU in supporting them on their journey to a better future.

State of the Union 2011

Date: 28 September 2011

Mr President,

Honourable Members,

Minister,

We must be honest and clear in our analysis of the state of the Union.

We are facing the biggest challenge in the history of our Union.

This crisis is financial, economic and social. But it is also a crisis of confidence. A crisis of confidence in our leaders, in Europe itself, and in our capacity to find solutions.

The roots of the crisis are well-known. Europe has not met the challenges of competitiveness. Some of our Member States have lived beyond their means. Some behaviours in the financial markets have been irresponsible and inadmissible. We have allowed imbalances between our Member States to grow, particularly in the euro area.

Tectonic shifts in the world order and the pressures of globalisation, have made matters even worse.

The result is clear: concern in our societies. Fear among our citizens for the future. A growing danger of a retreat into national, not to say nationalist, feeling.

Populist responses are calling into question the major successes of the European Union: the euro, the single market, even the free movement of persons.

Today we can say that the sovereign debt crisis today is, above all, a crisis of political confidence. And our citizens, but also people in the outside world, are observing us and wondering – are we really a Union? Do we really have the will to sustain the single currency?

Are the most vulnerable Member States really determined to carry out essential reforms?

Are the most prosperous Member States really ready to show solidarity?

Is Europe really capable of achieving growth and creating jobs?

I assert here today:

Yes, the situation is serious. But there are solutions to the crisis.

Europe has a future, if we restore confidence.

And to restore confidence we need stability and growth. But also political will, political leadership.

Together we must propose to our citizens a European renewal.

We must translate into deeds what was stated in the Berlin Declaration, signed by the Commission, by Parliament and by the European Council on the occasion of the 50th anniversary of the signature of the Rome Treaties. It was said then: 'Wir leben heute miteinander, wie es nie zuvor möglich war. Wir Bürgerinnen und Bürger der Europäischen Union sind zu unserem Glück vereint.' - 'Today we live together as was never possible before. We, the citizens of the European Union, have united for the better.' It is a declaration. And words count. This expression of will must be translated into everyday courage.

Working with our institutions, and not working against them, we can succeed.

For some, the main consideration is the need for stability. For others, it is growth.

I say we need both.

Some preach discipline. Others, solidarity.

We need both.

The time for piecemeal solutions is over. We need to set our minds on global solutions. A greater ambition for Europe.

Today we are at a turning point in our history. A moments when, if we do not integrate further, we risk fragmentation.

It is therefore a question of political will, a test for our whole generation.

And I say to you, yes, it is possible to emerge from this crisis. It is not only possible, but it is necessary. And political leadership is about making possible that which is necessary.

Honourable members,

Let me start with Greece is, and will remain, a member of the euro area. Greece must implement its commitments in full and on time. In turn, the other euro area members have pledged to support Greece and each other. As stated at the euro area Summit on 21 July: "We are determined to continue to provide support to countries under programmes until they have regained market access, provided they successfully implement those programmes."

That is why I created the Task Force for Greece.

We have just launched an action plan based on two major pillars:

- Around 100 viable and high-quality projects, investing in all Greek regions, to make the best use of Greece's remaining allocation of the structural funds.
- And a major drive to reduce bureaucratic procedures for European co-funded projects.

€ 15 billion remain to be spent in Greece from the structural funds. This will support the Greek economy with an urgent programme of technical assistance to the Greek administration.

A programme of \in 500 million Euros to guarantee European Investment Bank loans to Greek SMEs is already under way. The Commission is also considering a wider guarantee mechanism to help banks lend again to the real economy.

All of this represents a huge support to Greece's fight back and Greece will have to deliver concrete results. It must break with counter productive practices and resist vested interests.

But we have to be clear about this. This is not a sprint, but a marathon.

The task of building a Union of stability and responsibility is not only about Greece.

The economic outlook that we face is very difficult. We are confronted with the negative effects of an ongoing global re-assessment of risks. It is therefore our responsibility to rebuild confidence and trust in the euro and our Union as a whole.

And we can do this by showing that we are able to take all the decisions needed to run a common currency and an integrated economy in a competitive, inclusive and resource-efficient way. For this we need to act in the short, in the medium and the long term.

The first step is to quickly fix the way we respond to the sovereign debt crisis.

This will require stronger mechanisms for crisis resolution. We need credible firepower and effective firewalls for the euro.

We have to build on the EFSF and the upcoming European Stability Mechanism.

The EFSF must immediately be made both stronger and more flexible. This is what the Commission proposed already in January. This is what Heads of State and Government of the euro area agreed upon on 21 July. Only then, when you ratify this, will the EFSF be able to:

- deploy precautionary intervention;
- intervene to support the recapitalisation of banks,
- intervene in the secondary markets to help avoid contagion

Once the EFSF is ratified, we should make the most efficient use of its financial envelope. The Commission is working on options to this end.

Moreover we should do everything possible to accelerate the entry into force of the ESM.

And naturally we trust that the European Central Bank – in full respect of the Treaty – will do whatever is necessary to ensure the integrity of the euro area and to ensure its financial stability.

But we cannot stop there. We must deepen economic coordination and integration, particularly in the euro area.

This is at least as big a political task as an economic one.

Today, you will vote on the so-called "six-pack" proposals that we put in front of you and the Council one year ago. This "six-pack" reforms the Stability and Growth Pact and widens surveillance to macro-economic imbalances. We are now back very close to what the Commission originally put on the table. You have played a decisive role in keeping the level of ambition of these proposals, and I really want to thank you and congratulate you for that.

This legislation will give us much stronger enforcement mechanisms. We can now discuss Member States' budgetary plans before national decisions are taken. This mix of discipline and integration holds the key to the future of the euro area. Only with more integration and discipline we can have a really credible euro area.

Honourable members,

These are indeed important steps forward, but we must go further. We need to complete our monetary union with an economic union. We need to achieve the tasks of Maastricht.

It was an illusion to think that we could have a common currency and a single market with national approaches to economic and budgetary policy. Let's avoid another illusion that we can have a common currency and a single market with an intergovernmental approach.

For the euro area to be credible – and this not only the message of the federalists, this is the message of the markets – we need a truly Community approach. We need to really integrate the euro area, we need to complete the monetary union with real economic union. And this truly Community approach can be built how? In the coming weeks, the Commission will build on the six-pack and present a proposal for a single, coherent framework to deepen economic coordination and integration, particularly in the euro area. This will be done in a way that ensures the compatibility between the euro area and the Union as a whole. We do not want the euro area to break of course the great acquis of the single market and all our four freedoms.

At the same time, we can pool decision making to enhance our competitiveness. This could be done by integrating the Euro Plus Pact into this framework, in full respect of the national implementation competences.

For all of this to work, we need more than ever the independent authority of the Commission, to propose and assess the actions that the Member States should take. Governments, let's be frank, cannot do this by themselves. Nor can this be done by negotiations between governments.

Indeed, within the Community competences, the Commission is the economic government of the Union, we certainly do not need more institutions for this.

For a reason the Treaties have created supra-national institutions. For a reason the European Commission, the European Central Bank, the European Court of Justice were created. The

Commission is the guarantor of fairness. Moreover, the Commission, which naturally works in partnership with the Member States, is voted by and accountable to this House. The directly elected Parliament both of the euro area and of the European Union as a whole.

Honourable members,

It is also time to have unified external representation of the euro area. In accordance with the Treaty the Commission will make proposals for this purpose.

A Union of stability and responsibility built on this basis and with common approach will also allow the Member States to seize fully the advantages of a bigger market for the issuance of sovereign debt.

Once the euro area is fully equipped with the instruments necessary to ensure both integration and discipline, the issuance of joint debt will be seen as a natural and advantageous step for all. On condition that such Eurobonds will be "Stability Bonds": bonds that are designed in a way that rewards those who play by the rules, and deters those who don't. As I already announced to this house, the Commission will present options for such "Stability Bonds" in the coming weeks.

Some of these options can be implemented within the current Treaty, whereas fully fledged 'Eurobonds' would require Treaty change. And this is important because, Honourable Members, we can do a lot within the existing Treaty of Lisbon. And there is no excuse for not doing it, and for not doing it now.

But it may be necessary to consider further changes to the Treaty.

I am also thinking particularly of the constraint of unanimity. The pace of our joint endeavour cannot be dictated by the slowest. And today we have a Union where it is the slowest member that dictates the speed of all the other Member States. This is not credible also from the markets' point of view, this is why we need to solve this problem of decision making. A Member State has of course the right not to accept decisions. That is a question, as they say, of national sovereignty. But a Member State does not have the right to block the moves of others, the others also have their national sovereignty and if they want to go further, they should go further.

Our willingness to envisage Treaty change should not be a way or an excuse to delay the reforms that are necessary today but I believe that this longer term perspective will reinforce the credibility of our decisions now.

A Union of stability and responsibility means swiftly completing the work on a new system of regulation for the financial sector. We need well-capitalised, responsible banks lending to the real economy.

Much has been said about the alleged vulnerability of some of our banks. European banks have substantially strengthened their capital positions over the past year. They are now raising capital to fill the remaining gaps identified by the stress tests in summer. This is necessary to limit the damage to financial market turbulence on the real economy and on jobs.

Over the last three years, we have designed a new system of financial regulation.

Let's remember, we have already tabled 29 pieces of legislation. You have already adopted several of them, including the creation of independent supervising authorities, which are already working. Now it is important to approve our proposals for new rules on:

- derivatives;
- naked short selling and credit default swaps;
- fair remuneration for bankers.

These propositions are there, they should be adopted by the Council and by the Parliament. The Commission will deliver the remaining proposals by the end of this year, namely rules on:

- credit rating agencies;
- bank resolution;
- personal responsibility of financial operatives.

So we will be the first constituency in the G20 to have delivered on our commitment to global efforts for financial regulation.

Honourable members,

In the last three years, Member States - I should say taxpayers - have granted aid and provided guarantees of \in 4.6 trillion to the financial sector. It is time for the financial sector to make a contribution back to society. That is why I am very proud to say that today, the Commission adopted a proposal for the Financial Transaction Tax. Today I am putting before you a very important text that if implemented may generate a revenue of about \in 55 billion per year. Some people will ask "Why?". Why? It is a question of fairness. If our farmers, if our workers, if all the sectors of the economy from industry to agriculture to services, if they all pay a contribution to the society also the banking sector should make a contribution to the society.

And if we need – because we need – fiscal consolidation, if we need more revenues the question is where these revenues are coming from. Are we going to tax labour more? Are we going to tax consumption more? I think it is fair to tax financial activities that in some of our Member States do not pay the proportionate contribution to the society.

It is not only financial institutions who should pay a fair share. We cannot afford to turn a blind eye to tax evasion. So it is time to adopt our proposals on savings tax within the European Union. And I call on the Member States to finally give the Commission the mandate we have asked for to negotiate tax agreements for the whole European Union with third countries.

Honourable members,

Stability and responsibility are not enough on their own. We need stability but we also need growth. We need responsibility but we also need solidarity.

The economy can only remain strong if it delivers growth and jobs. That's why we must unleash the energy of our economy, especially the real economy.

The forecasts today point to a strong slowdown.

But significant growth in Europe is not an impossible dream. It will not come magically tomorrow. But we can create the conditions for growth to resume. We have done it before. We must and we can do it again.

It is true that we do not have much room for a new fiscal stimulus.

But that does not mean that we cannot do more to promote growth.

First, those who have fiscal space available must explore it – but in a sustainable way.

Second, all member states need to promote structural reforms so that we can increase our competitiveness in the world and promote growth.

Together, we can and must tap the potential of the Single Market, exploit all the benefits of trade and mobilise investment at the Union level.

Let me start with the Single Market.

Full implementation of the Services Directive alone could, according to our estimates, deliver up to € 140 billion in economic gains.

But today, two years after the deadline for implementation, several Member States have still not adopted the necessary laws.

So we are not benefiting from all the possible gains from having a true services liberalisation in Europe.

But we can also do more.

We must adopt what is on the table. We have adopted the Single Market Act in the European Commission. A number of key initiatives are ready.

We are close to having a European patent which would cut the cost of protection to 20% of current costs. I expect this is to be concluded by the end of this year.

Moreover, for the Single Market Act, we should consider a fast track legislative procedure. By the way, in many areas we should take a fast track legislative procedure because we are living in real emergency times. This will allow us to respond to these extraordinary circumstances.

And growth in the future will depend more and more on harnessing information technology. We need a digital single market, which will benefit each and every European by around €1500 per year − by using the possibilities of e-commerce to ending, for instance, mobile roaming charges.

An extra 10 % in broadband penetration would bring us between 1 and 1.5 % of extra annual growth.

In a competitive world we must be also well-educated with skills to face these new challenges. We must innovate. And we must act in a sustainable way.

We have already presented detailed proposals on innovation, resource-efficiency and how we can strengthen our industrial base.

Modern industrial policy is about investing in research and innovation.

We need to accelerate the adoption of our efforts to boost the use of venture capital to fund young, innovative companies across Europe.

Sustainable jobs will come if we focus on innovation and new technologies, including green technologies. We must see that "green" and growth go together.

For example, the renewables sector has already created 300,000 jobs in past 5 years in the European Union. The global green technology market will triple over the next decade.

We must focus our action on where it makes a real impact. Growth of the future means we must actively pursue also our smart regulation agenda, which will give a saving of \in 38 billion for European companies, particularly for SMEs. But Member States must also do their part in reducing the administrative burden.

But we also need investment. These reforms are important but we also need some kind of investment at European level.

A Union of growth and solidarity needs modern, interconnected infrastructures.

We have proposed for the next Multi-Annual Financial Framework (MFF) to create a facility to connect Europe – in energy, in transport, in digital.

This innovative part of our MFF proposal has to be seen together with another very important innovative idea: the project bond.

In the coming weeks the Commission will publish its proposals for EU project bonds. We are also proposing pilot projects, so that we can fund that growth. We can do it even before the MFF is adopted. In this way we can frontload some of the major infrastructure investments Europe needs.

The Union and its Member States should urgently consider how to allow our own policy-driven bank, the European Investment Bank to do more – and possibly much more – to finance long-term investment.

To do so, we need to explore ways to reinforce the EIB's resources and capital base so that it can lend to the real economy.

In the year 2000, there was € 22 billion of venture capital in Europe. In 2010 there was only € 3 billion. If we want to promote entrepreneurship we must reverse this decline and we need that support namely for SMEs.

We can also get more growth out of the Structural Funds, by increasing absorption capacity, using the Structural Funds to support macroeconomic performance. They are essential for innovation, for training and employment, and for SMEs.

I would also like to urge this House to adopt by the end of the year the proposals we made in August to increase cofinancing rates to those countries with assistance programmes. This will inject essential funding into these economies, while reducing pressure on national budgets.

Honourable members,

Reforms to our labour markets, public finances and pension systems require a major effort from all parts of society.

We all know these changes are necessary, so that we can reform our social market economy and keep our social model. But it is imperative that we hold on to our values – values of fairness, of inclusiveness and of solidarity.

Right now we need to give concrete hope to the 1 in 5 of our young people who cannot find work. In some countries, the situation of our young people is simply dramatic. I want to call on companies to make a special effort to provide internships and apprenticeships for young people. These can be supported by the European Social Fund.

By getting businesses, the social partners, national authorities and the Union level working in a "Young Opportunities Initiative", we can make a difference. This I believe is the most urgent social matter to respond to the anxiety of our young people that cannot find a job and it is much better to have an apprenticeship, a traineeship, than to be with that anxiety in the streets expressing that lack of confidence in the Union as a whole.

We must accelerate the most urgent parts of our Growth and Jobs Plan, Europe 2020. The Commission will focus on the situation of young people in each and every Member State in its Country-specific recommendations for next year.

I believe we must give our future a real chance.

Right now we also need to act to help the 80 million Europeans at risk of poverty. This means that the Council must finally approve our proposal to safeguard the programme for the supply of food for the most deprived persons. I would like to thank this Parliament for the political support it has given to our proposed solution.

Honourable Members,

Fifty years ago, 12 countries in Europe came together to sign the Social Charter. It was exactly in October 50 years ago. Today, that Charter has 47 signatories, including all our Member States.

To guarantee these fundamental values in Europe, I believe we need to boost the quality of social dialogue at European level. The renewal of Europe can only succeed with the input and the ownership of all the social partners – of trade unions, of workers, of businesses, civil society in general.

We should remember that our Europe is a Europe of citizens. As citizens, we all gain through Europe. We gain a European identity and citizenship apart from our national citizenship. European citizenship adds a set of rights and opportunities. The opportunity to freely cross borders, to study and work abroad. Here again, we must all stand up and preserve and develop

these rights and opportunities. Just as the Commission is doing now with our proposals on Schengen. We will not tolerate a rolling back of our citizens' rights. We will defend the freedom of circulation and all the freedoms in our Union.

Honourable Members,

The Commission's activities, as you well know, cover many other fields. I cannot discuss them all here, but they are mentioned in the letter which I sent to the Parliament's President and which you have all received.

Before I conclude, however, let me speak about the European Union's external responsibilities. I want to see an open Europe, a Europe engaging with the world.

European action in the world is not only the best guarantee for our citizens and for the defence of our interests and our values: it is also indispensable to the world. Today it is fashionable to talk of a G2. I believe the world does not want a G2. It is not in the interests of the Two themselves. We know the tension that bipolarity created during the Cold War. If we want to have a just world and an open world, I believe that Europe is more necessary than ever.

The rapidly-changing world needs a Europe that assumes its responsibilities. An influential Europe, a Europe of 27 - with the accession of Croatia soon to be 28. A Europe that continues to show the way, whether in matters of trade or of climate change. At a time when major events await us, from Durban to Rio +20, Europe must retain its position of leadership on these questions.

Let us also turn our attention to our southern neighbours. The Arab Spring is a profound transformation which will have lasting consequences not only for those peoples but also for Europe. Europe should be proud. We were the first to stand alongside those Tunisians, Egyptians and Libyans who wanted democracy and freedom. Europe is supporting these legitimate aspirations, namely through our Partnership for Democracy and Shared Prosperity.

The Arab Spring should give hope for peace throughout the region. Europe wishes to see a Palestinian State living in peace alongside the State of Israel.

Let us also turn our attention to our eastern neighbours. On Friday I shall take part in the Eastern Partnership Summit in Warsaw. I shall go there with the ambition to forge a closer political relationship and tighter economic integration between us and our partners in the region. The EU has extraordinary transformational power. It is an inspiration for many people in the world, and if those countries embark on a thorough process of reform we can help them. We can further political and economic ties.

Finally, let us not forget the most deprived of all and let us live up to our commitments in attaining the Millennium Development Goals.

We must also be realistic and recognise that, if Europe is to exert its influence fully, if Europe really wants to be a power, we must strengthen the Common Foreign and Security Policy. It must be credible. It must be based on a common security and defence dimension if we are really to count in the world.

Long gone is the time when people could oppose the idea of European defence for fear that it might harm the Transatlantic relationship. As you have noticed, today it is the Americans themselves who are asking us to do more as Europeans. The world has changed, the world is still changing fundamentally. Do we really want to count in the world?

Hence, at a time when defence budgets are under pressure, we must do more together with the means at our disposal.

The Commission is assuming playing its part: we are working towards a single defence market. We are using our under the Treaty with a view to developing a European defence industrial base.

Honourable Members,

Let us not be naive: the world is changing and if Europe is to count in the world and defend its citizens' interests we need the political dimension and the defence dimension to give us weight and a say in the world's future.

Honourable Members,

I conclude.

At the end of our mandate, in 2014, it will be exactly a century since the Great War broke out on our continent. A dark period which was followed by the Second World War, one of the most dramatic pages in the history of Europe and the world. Today such horrors are unimaginable in Europe, largely because we have the European Union. Thanks to the European vision, we have built a guarantee of peace in our continent through economic and political integration. That is why we cannot allow this great work to be placed in jeopardy. It was a gift from previous generations. It will not be our generation that calls it into question. And let us be clear: if we start to break up Europe, if we start to backtrack on Europe's major achievements, we will doubtless have to face the risk of fragmentation.

As I said, the root of the crisis we are now facing is a political problem. It is a test of our willingness to live together. That is why we have built common institutions. That is why we must safeguard the European interest.

The reality today is that intergovernmental cooperation is not enough to pull Europe out of this crisis, to give Europe a future. On the contrary, certain forms of intergovernmentalism could lead to renationalisation and fragmentation. Certain forms of intergovernmentalism could be the death of the united Europe we wish for.

Let us not forget that the decisions we take now, or fail to take, are going to shape our future. I feel hurt when I hear people in other parts of the world, with a certain condescension, telling us Europeans what we should do. I think, frankly, we have problems, very serious problems, but I also think we do not have to apologise for our democracies. We do not have to apologise for our social market economy. We should ask our institutions, but also our Member States, Paris, Berlin, Athens, Lisbon and Dublin, to show a burst of pride in being European, a burst of dignity, and say to our partners: 'Thanks for the advice, but we can overcome this crisis together'. I feel that pride in being European.

And pride in being European is not just about our great culture, our great civilisation, everything to which we have given birth. It is not pride only in the past, it is pride in our future. That is the confidence that we have to re-create among ourselves. It is possible.

Some say it is very difficult, it is impossible. I would remind them of the words of a great man, a great African, Nelson Mandela: 'It always seems impossible until it is done'. Let's do it. We can do it with confidence. We can do it, we can renew our Europe.

Thank you for your attention.

Press release: Stronger cooperation and mobility at the centre of the renewed EU migration strategy

Date: 18 November 2011

Brussels, 18 November 2011 – The EU needs to boost its relationships with non-EU States to better reap the mutual benefits migration can bring. Although migration is high on the European Union's political agenda, the Arab spring and events in the Southern Mediterranean in 2011 further highlighted the need for a coherent and comprehensive migration policy for the EU. That is why today the European Commission proposes to strengthen dialogue and operational cooperation with non-EU partner countries in the area of migration and mobility, deepening the proposals contained in the Communication on a Partnership and Shared Prosperity with the Southern Mediterranean, of 8 May. The new approach is detailed in a renewed 'Global Approach to Migration and Mobility' which places mobility of third country nationals at its centre and which makes partnerships more sustainable and forward-looking. Mobility of third country nationals across the external EU borders is important as it applies to a wide range of people, such as short-term visitors, tourists, students, researchers, business people or visiting family members and linked to visa policy.

"We are setting up a strategic policy framework for migration and development which is clear and consistent. The EU will be better equipped for migration governance at home and globally only if it further reinforces its dialogue and cooperation with partner countries. The new EU Global Approach to Migration and Mobility (GAMM) represents the strategic framework which is necessary to bring added value to the EU's and Member States' action in this area," said Cecilia Malmström, Commissioner for Home Affairs.

Priority will now be given to two main operational frameworks:

Firstly, Mobility Partnerships will be offered to the EU's immediate Neighbourhood and to Tunisia, Morocco and Egypt in the first instance. Mobility partnerships offer a concrete framework for dialogue and cooperation between the EU and non-EU countries. These partnerships are focused on facilitating and organizing legal migration, effective and humane measures to address irregular migration, and concrete steps towards reinforcing the development outcomes of migration. Concluding visa facilitation and readmission agreements are to be part of these partnerships.

For other countries, the Commission proposes to set up Common Agendas on Migration and Mobility that will constitute an advanced level of cooperation, based on a number of common recommendations, targets and commitments for dialogue and cooperation.

Migration and Mobility Resource Centers will be set up to provide resources and support to individuals and partner countries in the areas of skills and labour matching. The online EU Immigration Portal launched today will, in addition, help migrants to make more informed choices about migration and mobility towards the EU.

A Global Approach Report will now be prepared every two years, starting from June 2013, in order to monitor implementation and ensure progress.

Background

The new renewed Global Approach to Migration and Mobility (GAMM) will:

- Be more integrated with EU foreign policy and development cooperation. It is to be jointly implemented by the European Commission, the European External Action Service, including the EU delegations, and the EU Member States.
- Be better aligned with EU's internal policy objectives, notably the Europe 2020 Strategy but also employment and education policies. To ensure prosperity, Europe must become a more attractive destination in the global competition for talent.
- Place a stronger focus on mobility and visa policy.
- Complement the traditional three pillars of the Global Approach legal migration, irregular migration, and migration and development with a fourth pillar on international protection and the external dimension of asylum policy.
- Make EU action more migrant-centred, with the aim of empowering migrants and strengthening their human rights in countries of origin, transit and destination. Interregional migration outside the EU will also be addressed.
- Continue to pr ioritise EU Neighbourhood, EU-Africa Partnership and countries in the east;
- Identify the concerns and interests the EU shares with its partners and intensify cooperation. Since 2005, approximately 300 migration-related projects in non-EU countries have been funded by the European Commission, amounting to a value of € 800 million (see MEMO/11/801 for some concrete examples).

The original Global Approach to Migration was adopted in 2005 and was designed as a policy framework to address all relevant aspects of migration, in a balanced and comprehensive way, in partnership with non-EU countries.

It was evaluated in the first half of 2011 through a broad public consultation which confirmed its usefulness though also highlighted the need for stronger coherence with other policy areas and a better thematic and geographical balance.

Building on six years of experience, the Commission's proposals today also reconfirms the political priorities outlined in the Communications of 4 May ($\underline{\text{IP}/11/532}$ and $\underline{\text{MEMO}/11/273}$) and 24 May 2011 ($\underline{\text{IP}/11/629}$).

State of the Union 2012

Date: 12 September 2012

Mr President,

Honourable Members,

1. Analysis of the situation

It is an honour to stand before you today to deliver this third State of the Union address.

At a time when the European Union continues to be in crisis.

A financial and economic crisis. A social crisis. But also a political crisis, a crisis of confidence.

At its root, the crisis results from:

- Irresponsible practices in the financial sector;
- Unsustainable public debt, and also;
- A lack of competitiveness in some Member States.

On top of that, the Euro faces structural problems of its own. Its architecture has not been up to the job. Imbalances have built up.

This is now being corrected. But it is a painful, difficult, effort. Citizens are frustrated. They are anxious. They feel their way of life is at risk.

The sense of fairness and equity between Member States is being eroded. And without equity between Member States, how can there be equity between European citizens?

Over the last four years, we have made many bold decisions to tackle this systemic crisis. But despite all these efforts, our responses have not yet convinced citizens, markets or our international partners.

Why? Because time and again, we have allowed doubts to spread. Doubts over whether some countries are really ready to reform and regain competitiveness. Doubts over whether other countries are really willing to stand by each other so that the Euro and the European project are irreversible.

On too many occasions, we have seen a vicious spiral. First, very important decisions for our future are taken at European summits. But then, the next day, we see some of those very same people who took those decisions undermining them. Saying that either they go too far, or that they don't go far enough. And then we get a problem of credibility. A problem of confidence.

It is not acceptable to present these European meetings as if they were boxing events, claiming a knockout victory over a rival. We cannot belong to the same Union and behave as if we don't. We cannot put at risk nine good decisions with one action or statement that raises doubts about all we have achieved.

This, Honourable Members, reveals the essence of Europe's political crisis of confidence. If Europe's political actors do not abide by the rules and the decisions they have set themselves, how can they possibly convince others that they are determined to solve this crisis together?

Mr President.

Honourable Members,

2. The challenge – a new thinking for Europe

A crisis of confidence is a political crisis. And, the good thing is that, in a democracy, there is no political problem for which we cannot find a political solution.

That is why, here today, I want to debate with you the fundamental political questions - where we are now and how we must move forward. I want to focus on the political direction and the vision that shall inspire our policy decisions.

I will of course not list all these individual decisions. You are receiving the letter I addressed to the President of the European Parliament, and that sets out the Commission's immediate priorities. We will discuss them with you before adopting the Commission Work Programme later in the autumn.

My message to you today is this: Europe needs a new direction. And, that direction can not be based on old ideas. Europe needs a new thinking.

When we speak about the crisis, and we all speak about the crisis, have we really drawn all the consequences for our action? When we speak about globalisation, and we all speak a lot about globalisation, have we really considered its impact on the role of each of our Member States?

The starting point for a new thinking for Europe is to really draw all the consequences of the challenges that we are facing and that are fundamentally changing our world.

The starting point is to stop trying to answer the questions of the future with the tools of the past.

Since the start of the crisis, we have seen time and again that interconnected global markets are quicker and therefore more powerful than fragmented national political systems. This undermines the trust of citizens in political decision making. And it is fuelling populism and extremism in Europe and elsewhere.

The reality is that in an interconnected world, Europe's Member States on their own are no longer able to effectively steer the course of events. But at the same time, they have not yet equipped their Union – our Union —with the instruments needed to cope with this new reality. We are now in a transition, in a defining moment. This moment requires decisions and leadership.

Yes, globalisation demands more European unity.

More unity demands more integration.

More integration demands more democracy, European democracy.

In Europe, this means first and foremost accepting that we are all in the same boat.

It means recognising the commonality of our European interests.

It means embracing the interdependence of our destinies.

And it means demanding a true sense of common responsibility and solidarity.

Because when you are on a boat in the middle of the storm, absolute loyalty is the minimum you demand from your fellow crew members.

This is the only way we will keep up with the pace of change. It is the only way we will get the scale and efficiency we need to be a global player. It is the only way to safeguard our values, because it is also a matter of values, in a changing world.

In the 20th century, a country of just 10 or 15 million people could be a global power. In the 21st-century, even the biggest European countries run the risk of irrelevance in between the global giants like the US or China.

History is accelerating. It took 155 years for Britain to double its GDP per capita, 50 years for the US, and just 15 years for China. But if you look at some of our new Member States, the economic transformation going on is no less impressive.

Europe has all the assets it takes. In fact much more so than previous generations faced with similar or even greater challenges.

But we need to act accordingly and mobilize all these resources together.

It is time to match ambitions, decisions, and actions.

It is time to put a stop to piecemeal responses and muddling through.

It is time to learn the lessons from history and write a better future for our Europe.

Mr President,

Honourable Members,

3. Response to the situation – the 'decisive deal for Europe'

What I demand and what I present to you today is a Decisive Deal for Europe.

A decisive deal to project our values, our freedom and our prosperity into the future of a globalized world. A deal that combines the need to keep our social market economies on one hand and the need to reform them on the other. A deal that will stabilise the EMU, boost sustainable growth, and restore competitiveness. A deal that will establish a contract of confidence between our countries, between Member States and the European institutions, between social partners, and between the citizens and the European Union.

The Decisive Deal for Europe means that:

We must leave no doubt about the integrity of the Union or the irreversibility of the Euro. The more vulnerable countries must leave no doubts about their willingness to reform. About their sense of responsibility. But the stronger countries must leave no doubts about their willingness

to stick together. About their sense of solidarity. We must all leave no doubts that we are determined to reform. To REFORM TOGETHER.

The idea that we can grow without reform, or that we can prosper alone is simply false. We must recognise that we are in this together and must resolve it together.

This decisive deal requires the completion of a deep and genuine economic union, based on a political union.

a) Economic union:

Let me start with Europe's economy.

Firstly, we need growth. Sustainable growth

Growth is the lifeblood of our European social market model: it creates jobs and supports our standard of living. But we can only maintain growth if we are more competitive.

At the national level it means undertaking structural reforms that have been postponed for decades. Modernising public administration. Reducing wasteful expenditure. Tackling vested interests and privileges. Reforming the labour market to balance security with flexibility. And ensuring the sustainability of social systems.

At the European level, we need to be more decisive about breaking down barriers, whether physical, economic or digital.

We need to complete the single market.

We need to reduce our energy dependence and tap the renewable energy potential.

Promoting competitiveness in sectors such as energy, transport or telecoms could open up fresh competition, promote innovation and drive down prices for consumers and businesses.

The Commission will shortly present a Single Market Act II. To enable the single market to prosper, the Commission will continue to be firm and intransigent in the defence of its competition and trade rules. Let me tell you frankly, If it was left to the Member States, I can tell you they will not resist pressure from big corporations or large external powers.

We need to create a European labour market, and make it as easy for people to work in another country as it is as home.

We need to explore green growth and be much more efficient in our use of resources.

We have to be much more ambitious about education, research, innovation and science.

Europe is a world leader in key sectors such as aeronautics, automotives, pharmaceuticals and engineering, with global market shares above a third. Industrial productivity increased by 35% over the last decade despite the economic slowdown. And today, some 74 million jobs depend on manufacturing. Every year start-up firms in the EU create over 4 million jobs. We need to

build on this by investing in our new industrial policy and creating a business environment that encourages entrepreneurship and supports small businesses.

This means making the taxation environment simpler for businesses and more attractive for investors. Better tax coordination would benefit all Member States.

We also need a pro-active trade policy by opening up new markets.

This is the potential of Europe's economy. This is the goldmine that is yet to be fully explored. Fully implementing the Growth Compact agreed at the June European Council can take us a long way.

And we could go further, with a realistic but yet ambitious European Union budget dedicated to investment, growth and reform. Let's be clear. The European budget is the instrument for investment in Europe and growth in Europe. The Commission and this Parliament, indeed all pro-European forces, because most member States support our proposal, must now stand together in support of the right multi-annual financial framework that will take us to 2020. It will place little burden on Member States, especially with our proposed new own resources system. But it would give a great boost to their economies, their regions, their researchers, their students, their young people who seek employment, or their SMEs.

It is a budget for growth, for economic, social and territorial cohesion between Member States and within Member States.

It is a budget that will help complete the single market by bridging gaps in our energy, transport and telecoms infrastructure through the Connecting Europe Facility.

It is a budget for a modern, growth-oriented agriculture capable of combining food security with sustainable rural development.

It is a budget that will promote a research intensive and innovative Europe through Horizon 2020. Because we need this European scale for research

This will be a real test of credibility for many of our some Member States. I want to see if the same member States who are all the time talking about investment and growth will now support a budget for growth at the European level.

The budget is also the tool to support investment in our growth agenda, Europe 2020, which we need now more than ever before.

Europe 2020 is the way to modernise and preserve the European social market economy.

Honourable Members,

Our agenda of structural reform requires a major adjustment effort. It will only work if it is fair and equitable. Because inequality is not sustainable.

In some parts of Europe we are seeing a real social emergency.

Rising poverty and massive levels of unemployment, especially among our young people.

That is why we must strengthen social cohesion. It is a feature that distinguishes European society from alternative models.

Some say that, because of the crisis, the European Social model is dead. I do not agree.

Yes, we need to reform our economies and modernise our social protection systems. But an effective social protection system that helps those in need is not an obstacle to prosperity. It is indeed an indispensable element of it. Indeed, it is precisely those European countries with the most effective social protection systems and with the most developed social partnerships, that are among the most successful and competitive economies in the world.

Fairness and equity means giving a chance to our young people. We are already doing a lot. And before the end of the year, the Commission will launch a Youth Package that will establish a youth guarantee scheme and a quality framework to facilitate vocational training.

Fairness and equity also means creating better and fairer taxation systems.

Stopping tax fraud and tax evasion could put extra billions into the public purse across Europe.

This is why the Commission will fight for an agreement on the revised savings tax directive, and on mandates to negotiate stronger savings tax agreements with third countries. Their completion would be a major source of legitimate tax revenues.

And the Commission will continue to fight for a fair and ambitious Financial Transactions Tax that would ensure that taxpayers benefit from the financial sector, not just that the financial sector benefits from taxpayers. Now that it is clear that agreement on this can only happen through enhanced cooperation, the Commission will do all it can to move this forward rapidly and effectively with those Member States that are willing. Because this is about fairness. And fairness is an essential condition to make the necessary economic reforms socially and politically acceptable. And above all fairness is a question of justice, social justice.

Mr President,

Honourable Members,

In the face of the crisis, important decisions have been taken. Across the European Union, reform and consolidation measures are being implemented. Joint financial backstops are being put in place, and the European institutions have consistently shown that they stands by the Euro.

The Commission is very aware that in the Member States implementing the most intense reforms, there is hardship and there are – sometimes very painful – difficult adjustments. But it is only through these reforms that we can come to a better future. They were long overdue. Going back to the status quo ante is simply impossible.

The Commission will continue to do all it can to support these Member States and to help them boost growth and employment, for instance through the re-programming of structural funds.

Allow me to say a word on Greece. I truly believe that we have a chance this autumn to come to the turning point. If Greece banishes all doubts about its commitment to reform. But also if

all other countries banish all doubts about their determination to keep Greece in the Euro area, we can do it.

I believe that if Greece stands by its commitments it should stay in the Euro area, as a member of the European family.

Securing the stability of the Euro area is our most urgent challenge. This is the joint responsibility of the Member States and the Community Institutions. The ECB cannot and will not finance governments. But when monetary policy channels are not working properly, the Commission believes that it is within the mandate of the ECB to take the necessary actions, for instance in the secondary markets of sovereign debt. Indeed, the ECB has not only the right but also the duty to restore the integrity of monetary policy. It is of course for the ECB, as an independent institution, to determine what actions to carry out and under what conditions. But all actors, and I really mean all actors, should respect the ECB's independence.

Honourable Members,

I have spoken about the economic measures that we must implement as a matter of urgency. This is indispensable. But it is not sufficient. We must go further.

We must complete the economic and monetary union. We must create a banking union and a fiscal union and the corresponding institutional and political mechanisms.

Today, the Commission is presenting legislative proposals for a single European supervisory mechanism. This is the stepping stone to a banking union.

The crisis has shown that while banks became transnational, rules and oversight remained national. And when things went wrong, it was the taxpayers who had to pick up the bill.

Over the past four years the EU has overhauled the rulebook for banks, leading the world in implementing the G20 commitments. But mere coordination is no longer adequate – we need to move to common supervisory decisions, namely within the Euro area.

The single supervisory mechanism proposed today will create a reinforced architecture, with a core role for the European Central Bank, and appropriate articulation with the European Banking Authority, which will restore confidence in the supervision of the banks in the Euro area.

It will be a supervision for all Euro area banks. Supervision must be able to look everywhere because systemic risks can be anywhere, not just in so-called systemically relevant banks. Of course, this in a system that fully engages the national supervisors.

The package comprises two legal texts, one on the ECB and the other on the EBA, which go together. It is clear that this parliament will have a crucial role to play in the adoption of the new mechanism, and after that in its democratic oversight.

This is a crucial first step towards the banking union I proposed before this House in June. Getting the European supervisor in place is the top priority for now, because it is the precondition for the better management of banking crises, from banking resolution to deposit insurance.

In parallel the Commission will continue to work on the reform of the banking sector, to make sure it plays its role in the responsible financing of the real economy. That means improving long term financing for SMEs and other companies. It means rules on reference indices, so we do not again see the manipulation of bank interest rates affecting companies and mortgage holders alike. It means legislation to ensure that banks give a fair deal to consumers and another look at the structure of banking activities to eliminate inherent risks.

In all of this, the role of this Parliament is essential. The Commission endeavours to work in close partnership with you.

But there is a second element of a deeper economic union it is the move towards a fiscal union.

The case for it is clear: the economic decisions of one Member State impact the others. So we need stronger economic policy co-ordination.

We need a stronger and more binding framework for the national decision making for key economic policies, as the only way to prevent imbalances. While much has been done here, for instance through the six-pack and the Country-Specific Recommendations, further steps are crucial to combine specific conditions with specific incentives and to really make the economic and monetary union sustainable.

To deliver lasting results, we need to develop a fully equipped Community economic governance together with a genuine, credible Community fiscal capacity.

We do not need to separate institutions or to create new institutions for that. Quite the contrary: for this to be effective and quick, the best way is to work with and through the existing institutions: The European Commission as the independent European authority, and overseen by the European Parliament as the parliamentary representation at the European level.

And it is in such a framework that over time, steps for genuine mutualisation of debt redemption and debt issuance can take their place.

So economic reform coupled with a genuine economic and monetary union: these are the engines to get our boat moving forward.

The Commission will publish a blueprint for deepening the economic and monetary union still this autumn.

This blueprint will be presented to this House. Because these questions must be discussed with and by the representatives of the people

At the same time, it will inform the debate at the December European Council that will be prepared by the report that the President of the European Council, myself and the Presidents of the European Central Bank and the Eurogroup have been asked to present.

Our blueprint will identify the tools and instruments, and present options for legal drafting that would give effect to them, from policy coordination to fiscal capacity to debt redemption. And, where necessary – as in the case of jointly and severally guaranteed public debt – it would identify the treaty changes necessary, because some of these changes require modifications to

the Treaty. It will present a blue-print for what we need to accomplish not only in the next few weeks and months, but in the next years.

Mr President,

Honourable Members,

b) Political union:

Ultimately, the credibility and sustainability of the Economic and Monetary Union depends on the institutions and the political construct behind it.

This is why the Economic and Monetary Union raises the question of a political union and the European democracy that must underpin it.

If we want economic and monetary union to succeed, we need to combine ambition and proper sequencing. We need to take concrete steps now, with a political union as a horizon.

I would like to see the development of a European public space, where European issues are discussed and debated from a European standpoint. We cannot continue trying to solve European problems just with national solutions.

This debate has to take place in our societies and among our citizens. But, today, I would like to make an appeal also to European thinkers. To men and women of culture, to join this debate on the future of Europe. And I make this appeal to you. This is the house of European democracy. We must strengthen the role of the European Parliament at the European level.

And we need to promote a genuine complementarity and cooperation between the European and national parliaments.

This also cannot be done without strengthening European political parties. Indeed, we have very often a real disconnect between political parties in the capitals and the European political parties here in Strasbourg. This is why we have to recognise the political debate is cast all too often as if it were just between national parties. Even in the European elections we do not see the name of the European political parties on the ballot box, we see a national debate between national political parties. This is why we need a reinforced statute for European political parties. I am proud to announce that the Commission has adopted a proposal for this today.

An important means to deepen the pan-European political debate would be the presentation by European political parties of their candidate for the post of Commission President at the European Parliament elections already in 2014. This can be done without Treaty change. This would be a decisive step to make the possibility of a European choice offered by these elections even clearer. I call on the political parties to commit to this step and thus to further Europeanise these European elections.

Mr President.

Honourable Members.

A true political European Union means we must concentrate European action on the real issues that matter and must be dealt with at the European level. Let's be frank about this not everything can be at the same time a priority. Here, some self-criticism can probably be applied

Proper integration is about taking a fresh look at where is the most appropriate level of action. Subsidiarity is an essential democratic concept and should be practiced.

A political union also means that we must strengthen the foundations on which our Union is built: the respect for our fundamental values, for the rule of law and democracy.

In recent months we have seen threats to the legal and democratic fabric in some of our European states. The European Parliament and the Commission were the first to raise the alarm and played the decisive role in seeing these worrying developments brought into check.

But these situations also revealed limits of our institutional arrangements. We need a better developed set of instruments— not just the alternative between the "soft power" of political persuasion and the "nuclear option" of article 7 of the Treaty.

Our commitment to upholding the rule of law is also behind our intention to establish a European Public Prosecutor's Office, as foreseen by the Treaties. We will come with a proposal soon.

Mr President.

Honourable Members,

A political union also means doing more to fulfil our global role. Sharing sovereignty in Europe means being more sovereign in a global world.

In today's world, size matters.

And values make the difference.

That is why Europe's message must be one of freedom, democracy, of rule of law and of solidarity. In short, our values European values.

More than ever our citizens and the new world order need an active and influential Europe. This is not just for us, for the rest of the world it is important that we succeed. A Europe that stands by its values. And a Europe that stands up for its belief that human rights are not a luxury for the developed world, they should be seen as universal values

The appalling situation in Syria reminds us that we can not afford to be by-standers. A new and democratic Syria must emerge. We have a joint responsibility to make this happen. And to work with those in the global order who need to give also their co-operation to this goal

The world needs an EU that keeps its leadership at the forefront of development and humanitarian assistance. That stands by open economies and fights protectionism. That leads the fight against climate change.

The world needs a Europe that is capable of deploying military missions to help stabilize the situation in crisis areas. We need to launch a comprehensive review of European capabilities and begin truly collective defense planning. Yes, we need to reinforce our Common Foreign and Security Policy and a common approach to defense matters because together we have the power, and the scale to shape the world into a fairer, rules based and human rights' abiding place.

Mr President,

Honourable Members

- 4. Treaty change, 17/27 dimension and expanding public debate
- a) Federation of nation states Treaty change

A deep and genuine economic and monetary union, a political union, with a coherent foreign and defence policy, means ultimately that the present European Union must evolve.

Let's not be afraid of the words: we will need to move towards a federation of nation states. This is what we need. This is our political horizon.

This is what must guide our work in the years to come.

Today, I call for a federation of nation states. Not a superstate. A democratic federation of nation states that can tackle our common problems, through the sharing of sovereignty in a way that each country and each citizen are better equipped to control their own destiny. This is about the Union with the Member States, not against the Member States. In the age of globalisation pooled sovereignty means more power, not less.

And, I said it on purpose a federation of nation states because in these turbulent times these times of anxiety, we should not leave the defence of the nation just to the nationalists and populists. I believe in a Europe where people are proud of their nations but also proud to be European and proud of our European values.

Creating this federation of nation states will ultimately require a new Treaty.

I do not say this lightly. We are all aware how difficult treaty change has become.

It has to be well prepared.

Discussions on treaty change must not distract or delay us from doing what can and must be done already today.

A deep and genuine economic and monetary union can be started under the current Treaties, but can only be completed with changes in the treaties So let's start it now but let's have the horizon for the future present in our decisions of today.

We must not begin with treaty change. We must identify the policies we need and the instruments to implement them. Only then can we decide on the tools that we lack and the ways to remedy this.

And then there must be a broad debate all over Europe. A debate that must take place before a convention and an IGC is called. A debate of a truly European dimension.

The times of European integration by implicit consent of citizens are over. Europe can not be technocratic, bureaucratic or even diplomatic. Europe has to be ever more democratic. The role of the European parliament is essential. This is why the European elections of 2014 can be so decisive.

Before the next European Parliament elections in 2014, the Commission will present its outline for the shape of the future European Union. And we will put forward explicit ideas for Treaty change in time for a debate.

We will set out the objectives to be pursued, the way the institutions that can make the European Union more open and democratic, the powers and instruments to make it more effective, and the model to make it a union for the peoples of Europe. I believe we need a real debate and in a democracy the best way to debate is precisely in elections at the European level on our future and our goals;

b) 17/27 dimension

Mr President, Honourable Memberss

This is not just a debate for the Euro area in its present membership.

While deeper integration is indispensable for the Euro area and its members, this project should remain open to all Member States.

Let me be very clear: in Europe, we need no more walls dividing us!. Because the European Union is stronger as a whole in keeping the integrity of its single market, its membership and in its institutions.

No one will be forced to come along. And no one will be forced to stay out. The speed will not be dictated by the slowest or the most reluctant

This is why our proposals will be based on the existing Union and its institutions, On the Community method. Let's be clear – there is only one European Union. One Commission. One European Parliament. More democracy, more transparency, more accountability, is not created by a proliferation of institutions that would render the EU more complicated, more difficult to read less coherent and less capable to act.

c) Expanding public debate:

This is honourable members the magnitude of the decisions that we will need to make over time.

That's why I believe we need a serious discussion between the citizens of Europe about the way forward.

About the possible consequences of fragmentation. Because what can happen some times is to have, through unintended consequences, to have fragmentation when we do not want it.

About what we could achieve if leaders avoid national provincialism what we can achieve together.

We must use the 2014 election to mobilise all pro-European forces. We must not allow the populists and the nationalists to set a negative agenda. I expect all those who call themselves Europeans to stand up and to take the initiative in the debate. Because even more dangerous than the scepticism of the anti-Europeans, is the indifference or the pessimism of the pro-Europeans.

Mr President,

Honourable Members,

5. Conclusion: is this realistic?

To sum up, what we need is a decisive deal to complete the EMU, based on a political commitment to a stronger European Union.

The sequence I put before you today is clear.

We should start by doing all we can to stabilise the euro area and accelerate growth in the EU as a whole. The Commission will present all the necessary proposals and we have started today with the single supervisor to create a banking union, in line with the current Treaty provisions.

Secondly, we will present our blueprint on a deep and genuine economic and monetary union, including the political instruments, and this will be done still this autumn

We will present here again all proposals in line with the current Treaty provisions.

And thirdly, where we cannot move forward under the existing treaties, we will present explicit proposals for the necessary Treaty changes ahead of the next European Parliamentary election in 2014, including elements for reinforced democracy and accountability

This is our project. A project which is step by step but with a big ambition for the future with a Federation as our horizon for Europe.

Many will say that this is too ambitious, that it is not realistic.

But let me ask you - is it realistic to go on like we have been doing? Is it realistic to see what we are seeing today in many European countries? Is it realistic to see taxpayers paying banks and afterwards being forced to give banks back the houses they have paid for because they can not pay their mortgages? Is it realistic to see more than 50% of our young people without jobs in some of our Member States? Is it realistic to go on trying to muddle through and just to accumulate mistakes with unconvincing responses? Is it realistic to think that we can win the confidence of the markets when we show so little confidence in each other?

To me, it is this reality that is not realistic. This reality cannot go on.

The realistic way forward is the way that makes us stronger and more united. Realism is to put our ambition at the level of our challenges. We can do it! Let's send our young people a message

of hope. If there is a bias, let it be a bias for hope. We should be proud to be Europeans. Proud of our rich and diverse culture. In spite of our current problems, our societies are among the most human and free in the world.

We do not have to apologise for our democracy our social market economy and for our values. With high levels of social cohesion. Respect for human rights and human dignity. Equality between men and women and respect for our environment. These European societies, with all its problems, are among the most decent societies in human history and I think we should be proud of that. In our countries two or three girls do not go to prison because they sing and criticise the ruler of their country. In our countries people are free and are proud of that freedom and people understand what it means to have that freedom. In many of our countries, namely the most recent Member States, there is a recent memory of what was dictatorship and totalitarianism.

So Previous generations have overcome bigger challenges. Now it is for this generation to show they are up to the task.

Now is the moment for all pro-Europeans to leave business as usual behind and to embrace the business of the future. The European Union was built to guarantee peace. Today, this means making our Union fit to meet the challenges of globalization.

That is why we need a new thinking for Europe, a decisive deal for Europe. That is why we need to guide ourselves by the values that are at the heart of the European Union. Europe I believe has a soul. This soul can give us the strength and the determination to do what we must do.

You can count on the European Commission. I count on you, the European Parliament. Together, as Community institutions we will build a better, stronger and a more united Europe, a citizens' Union for the future of Europe but also the future of the world.

Thank you for your attention.

Factsheet: EU's response to the "Arab Spring": The State-of-Play after Two Years

Date: 8 February 2013

Introduction:

More than two years have passed since the dawn of the "Arab Spring", starting with the popular uprisings in Tunisia and Egypt. The situation in practically the whole of the Arab world remains highly fluid yet important differences have emerged among and between the countries and the regions. While overall significant progress has been made in promoting democratic reforms (e.g. holding of elections in line with democratic standards, strengthening of the role of civil society, increased freedom of expression and assembly) many obstacles still need to be overcome in order for these transitions to be successfully consolidated.

Outstanding security challenges remain, first and foremost the ongoing civil war in Syria with its evident risks of spill-over to neighbours, graphically illustrated by the hundreds of thousands of refugees who have flowed into neighbouring countries such as Iraq, Jordan, Lebanon and Turkey. Of concern are the internal security threats that Libya continues to face, (even as it

proceeds with the long process of state-building), and instability among some of its neighbours, highlighted by the ongoing conflict in Mali, as well as the recent terrorist attack on a strategic Algerian gas facility.

At the same time the social cohesion of some Arab countries undergoing transition risks being undermined by new forms of internal political polarisation, (between secular and Islamist forces, but also between and among affected groups such as women, young people, religious and racial minorities), as well as by a deteriorating economic situation.

EU support to stimulate sustainable economic growth is therefore crucial to the promotion of democratic institutions, provided that the countries of the region contribute to the promotion of a friendly environment for investment, jobs and growth. It should be underlined that economics has a deep connection with politics. An economic collapse would imply a political failure of the transitions. Therefore, EU support is more urgent than ever to help transitions move in the right direction.

Despite these difficulties and setbacks, it is important to recall that the transformations prompted by the Arab Spring have led overall to important democratic gains. Democratic elections have been held for the first time in several countries, non-governmental and civil society organisations are playing a more prominent role, freedom of expression and association have been strengthened and civilian control over the armies has increased. The checks and balances necessary to build deep democracy are progressively being introduced. These transitions will of course be difficult and will take time – measured in years instead of months – and setbacks may well occur. However, the long-term goal of a democratic and prosperous Southern Neighbourhood is one that requires not only constant commitment from the EU as well as its southern partners to ensure that reform promises are kept, but also strategic patience and timely support measures.

Parties that have Islam as a central point of reference have, through elections, made important gains in the legislative assemblies and in terms of control of executive bodies in several of the transition countries. Respecting the democratic choice of the people, the European Union has engaged in an intense dialogue with the new governments and extended its support on the basis that our relationship will going forward need to take account not only of their official programmes and policies but crucially of their emerging record while in government. EU engagement with all of our neighbours is firmly grounded on the basis of the incentive-based "more for more" principle and on "mutual accountability" as set out in the two joint Communications of 2011 issued respectively on 8 March (on the EU's "Southern Neighbourhood") and on 25 May (on a new revised European Neighbourhood Policy).

Support for political transition:

Almost from the very first days of the Arab Spring, EU leaders, including the President of the European Council Herman Van Rompuy, European Commission President Jose Manuel Barroso and High Representative of the Union for Foreign Affairs and Security Policy/Vice President of the Commission (HR/VP) Catherine Ashton made frequent visits to the region to express the EU's political commitment. For example, in May 2011, the HR/VP was one of the first to visit Libya after the revolution to discuss EU support with the new authorities and officially open the EU office in Benghazi. She subsequently opened the EU Delegation in Tripoli in November 2011. At the 5+5 Summit in October 2012, President Barroso, accompanied by the Commissioner for Neighbourhood Policy Stefan Füle, met the leaders of

all five Maghreb countries. An EU Special Representative (EUSR) for the Southern Mediterranean was appointed and has organised high-level EU Task Forces with Tunisia, Jordan and Egypt. These Task Forces have been important in developing potential synergies in the respective contributions to these countries of the EU, member-state governments, key international financial institutions and private sector investors.

Support for elections has been a key focus and the EU deployed full observation missions in Tunisia, Jordan, and Algeria. An Election Assessment Team was sent to Libya. The EU provided technical assistance to help the authorities organise elections in Tunisia, Libya, Egypt and Morocco and supported civil society organisations (CSOs) in raising public awareness and training domestic election observers. Beyond elections, the EU is providing extensive support to build democratic institutions.

The role of civil society is crucial in contributing to the democratic debate and to ensuring better public accountability. The Commission created the Civil Society Facility to support civil society in promoting reform and increased support to the Anna Lindh Foundation. The Commission is also providing financial support to the newly created "European Endowment for Democracy" to support emerging political/social movements and grass roots organisations.

Support for economic transition:

Over the past two years, the economic situation in several of the countries in transition has deteriorated markedly. A continued lack of improvement in the living standards of ordinary citizens risks becoming a serious threat to social cohesion and may well hamper the successful consolidation of democratic transitions. EU support to stimulate sustainable economic growth is therefore crucial to the promotion of democratic institutions, provided of course that our southern partners themselves help to create the right conditions for growth through rapid adoption of relevant economic and institutional reforms. In addition to the €3.5 billion already programmed for the period 2011-13, the EU is providing around €700 million in new grants for the Southern neighbourhood, in particular through the SPRING programme (Support for Partnership, Reform and Inclusive Growth) which provides additional funding to southern partners showing commitment to, and progress in, democratic reform.

The Task Forces have facilitated optimal coordination for future investment among the EU institutions, Member States, the EIB, EBRD and other IFIs. The private sector also played a key role with over 100 European business leaders present at the EU-Egypt Task Force last October in Cairo. The recent presentation in Tunis of the Economic Advisory Committee by Vice-President Tajani is another clear example of the added value of Task Force meetings and their follow-up.

The Council approved negotiating directives for Deep and Comprehensive Free Trade Agreements (DCFTAs) with Morocco, Jordan, Egypt and Tunisia in December 2011. Negotiations with Morocco are due to start in early 2013. Tunisia might be ready to launch negotiations later this year.

The EIB can now provide additional loans for up to $\in 1.7$ billion ($\in 1$ billion from the 'Mediterranean mandate' and up to $\in 700$ million for addressing climate change) and the enlarged EBRD mandate – as first proposed by the EU - allowed the mobilisation of $\in 1$ billion extra for activities in Egypt, Morocco, Tunisia and Jordan.

The Commission launched an agriculture and rural development (ENPARD) initiative to improve agricultural productivity. The EU is also financing programmes to boost SMEs and reduce unemployment. On transport, regulatory reform, building of networks, and maritime safety still require increased attention and may be the subject of a planned Union for the Mediterranean Ministerial meeting in 2013.

On energy, the EU has increased support for market reforms and regional integration and is backing the establishment of the Mediterranean Solar Plan together with the UfM. The Commission is consulting with Member States and partners on the establishment of a Mediterranean Energy Community, starting with electricity and renewables. On the environment, the EU has continued its support for cleaning up the Mediterranean through the Horizon 2020 initiative. The EU has also supported the draft Strategy for Water in the Mediterranean, pending political agreement by partners.

Development of people-to-people contacts:

The Commission launched in 2011 dialogues on migration, mobility and security aimed at agreeing mobility partnerships with Tunisia and Morocco. Advanced discussions are underway with Morocco and will continue in 2013 with a view to start negotiations. Preparatory discussions are still ongoing with Tunisia and were launched with Jordan at the end of 2012. Once mobility partnerships have been concluded, the next step will be to seek mandates from the EU Member States for negotiations on visa facilitation agreements and readmission agreements. Additional funding has been granted to Erasmus Mundus, Tempus and the European Training Foundation.

Enhancing regional cooperation:

The EU has renewed its engagement with regional organisations. The EU took over the Northern Presidency of the Union for the Mediterranean in 2012. The EU-League of Arab States Ministerial in November 2012 agreed a comprehensive political declaration and joint work programme. Last but not least, the EU has encouraged regional integration in the Maghreb, including through a joint Communication by the Commission and the High Representative. The Commission has also indicated its readiness to support initiatives launched in the 5+5 context.

The events taking place throughout the Middle East and Northern Africa since the beginning of the Arab Spring have taken on truly historic proportions which will not only shape the future of the entire region but also have repercussions far beyond the countries concerned. The EU is committed to provide long-term support to all Arab countries engaged in democratic transitions and will assist them in their efforts to overcome any short-term obstacles they are facing. The partnership with the governments emerging from the Arab Spring will develop on the basis of their respective records. In that context, the EU will continue to constructively engage with new political actors that emerged from or came to the fore via the Arab Spring. In order to help build and sustain vibrant democratic cultures in Arab countries, the EU will also continue supporting civil society and the work of relevant non-governmental organisations.

ANNEX:

State-Of-Play Country-by-Country

Algeria

After the entry into force of the EU-Algeria Association Agreement in 2005 and following a long period of internal debate, Algeria finally expressed its willingness in 2011 to engage more actively in the European Neighbourhood Policy. A first round of discussions on an Algeria–EU Action Plan took place on 17-18 October 2012. The next round of discussions is expected to take place in early 2013. The 7th meeting of the EU-Algeria Association Council was held on 6 December 2012. An agreement has been reached on tariff dismantling on agricultural and industrial products. A Memorandum of understanding on a strategic energy partnership is expected to be concluded in 2013. The EU has been active in a number of sectors: from basic services to economic growth, rule of law, sustainable development, energy and environment. €172 million has been allocated under the 2011-13 National Indicative Programme (NIP), focusing on youth, employment and civil society, in conformity with Algeria's most urgent priorities. In the framework of the SPRING programme (Support for Partnership, Reform and Inclusive Growth) that is tied to the delivery of on-going political and economic reform measures, Algeria was allocated €20 million in two tranches, the first €10 million supporting governance and the second €10 million tranche, linked to further progress in terms of democratic reform, supporting rural development.

On Algeria's request, the EU sent an EU Election Observation Mission (EOM) to observe the parliamentary elections that were held on 10 May 2012 in which the President's coalition emerged strengthened. National turnout increased by nearly 8% (to 43.16%) by comparison with the 2007 elections. 143 women were elected (approximately 1/3 of parliament). The EOM report underlined the need to improve transparency and to grant political parties systematic access to the national electoral list.

Bahrain

The EU has continued to monitor closely the situation in Bahrain and has, via different channels, expressed concern regarding the internal situation. In addition to a series of public statements, the HR/VP has had direct contacts with her Bahraini counterparts. Visits have been made to Bahrain by senior EU officials, who inter alia. visited a human rights activist in prison. The EU has called upon all sides to engage constructively in a process of genuine national reconciliation, without pre-conditions and in a peaceful manner. To date, initiatives undertaken in Bahrain – such as the implementation of the BICI report and the Crown Prince's recent offer of dialogue – have yet to succeed in creating the necessary conditions for reconciliation. The EU therefore calls for renewed initiatives in 2013, in response to the remaining challenges in the country, and has expressed its willingness to provide concrete support to this process through the provision of assistance and expertise. The EU is currently finalising preparations for a project that would have as its main objective to design training on human rights-related issues and to review national legislation to ensure compliance with international obligations.

Egypt

Since the first protests erupted in Tahrir square two years ago, the EU has consistently supported the movement for democracy and human rights in Egypt, calling for a peaceful and inclusive transition. A succession of high-level visits to Egypt has been made to underline and highlight this support, by inter alia. European Commission President Barroso and European Council President Van Rompuy, by HR/VP Ashton and Commissioner for Neighbourhood Policy Füle. One of the first foreign visits undertaken by the newly-elected President Morsi of Egypt was to Brussels which resulted in agreement to resume bilateral contacts through the structures of the EU-Egypt Association Agreement and a restart of negotiations on a new ENP Action Plan. At

the invitation of the government, the EEAS sent two electoral experts to assess the conduct of the Presidential elections in May-June 2012. The technical mission concluded that the elections had been fair and were held in a peaceful environment. Ahead of the parliamentary elections planned for the first semester of 2013, the EU has reiterated its offer to deploy, upon invitation of the Egyptian authorities, a fully-fledged EU Election Observation Mission (EOM).

In terms of financial support for the transition, the EU has already made available €449 million for the period 2011-2013. Furthermore, the EU, together with EIB and EBRD pledged an additional financial package of €5 billion during the EU-Egypt Task Force in November 2012. The €750 million EU contribution was composed of €90 million of assistance from the SPRING programme to support socio-economic reform measures, €163 million from the Neighbourhood Investment Facility and subject to the endorsement of an IMF arrangement, the EU may provide up-to €500 million Macro-Financial Assistance to Egypt with up-to €50 million in grants and up-to €450 million in concessional loans. The additional SPRING funds of €90 million are earmarked for supporting, in partnership with other donors (World Bank and African Development Bank) the government's socio-economic programme. In the framework of the Task Force, the EU and Egypt agreed to jointly explore how to deepen trade and investment relations, including the possible negotiation of a deep and comprehensive free trade agreement (DCFTA).

Jordan

King Abdullah II, partly in response to the winds of change blowing over the region in connection with the Arab Spring, initiated a broad process of political and economic reforms, including increased parliamentary control and oversight of the government as well as a new electoral law which, though not uncontroversial, ensured a broadly representative parliament via the recent elections that were seen by observers to be in line with democratic standards. In line with its commitment to support the reform processes in the Southern Mediterranean countries, the EU provided to Jordan an additional allocation of €70 million from SPRING. This was announced by HR/VP Ashton during the first meeting of the EU-Jordan Task Force held in February 2012, in effect doubling the amount of money available to Jordan from the EU's Neighbourhood programme for 2012. The additional financial envelope is made available in two tranches of 30 and 40 million, with the second tranche linked to progress achieved in terms of democratic reform. SPRING funding is used to support the electoral process, to assist in reforming the justice system, to support efforts targeting public finance management, education and social security, and to help develop the private sector and foster job creation. Following the invitation of the Independent Electoral Commission, the HR/VP decided to deploy a fully-fledged EU electoral observation mission (EOM) in view of the legislative elections that were held on 23 January 2013. The EU EOM will provide a comprehensive analysis of the elections and a set of recommendations, which can serve as a reference point for future electoral reforms. In the meantime, HR/VP Ashton already issued a statement jointly with Commissioner Füle congratulating Jordan on the successful conduct of these elections. In December 2012, the Dialogue on Migration, Mobility and Security with Jordan was launched. During the same month, the Protocol to the EU-Jordan Association Agreement was initialed, an additional tangible sign of our enhanced cooperation that will open new opportunities in a wide spectrum of fields. Jordan has played a vital role in providing hospitality to the increasing number of Syrian refugees fleeing the civil war. The EU is providing support through humanitarian assistance and long-term measures for an overall allocation of over €43 million, including a large contribution to UNICEF to cover the education costs of Syrian refugeechildren in Jordan, also benefiting local children in host communities.

Libya

EU-Libya relations derive benefit from the prominent role played by the EU and some of its member states during Libya's revolution, in support of the pro-democratic forces. In 2012, the first EU Head of Delegation arrived in Tripoli, together with permanent staff for all core functions. The EU Election Assessment Team (EAT), deployed in the country to cover the parliamentary elections, concluded that the electoral process had been efficiently administered and pluralistic and was overall conducted in a peaceful manner. The EU is actively supporting the authorities in a wide range of areas. A total amount of nearly €39 million was made available in 2011 for projects in public administration, democratic transition, civil society, health and education. This was in addition to the €80.5 million disbursed to provide humanitarian assistance during the conflict phase in 2011. The EU is providing at least an additional €68 million over 2012-2013 for additional sectors like security, technical and vocational education and training, economic development, migration and further support to civil society. Regarding security, the EU is presently preparing the deployment of a civilian CSDP border management mission to Libya. The EU is seeking to conclude a long term agreement with the new Libyan authorities in order to provide a framework for developing dialogue and cooperation. The EU is continuing discussions aiming at Libya's full participation in relevant regional cooperation schemes. In January 2013, Libya announced its intention to join the Union for the Mediterranean as observer.

Morocco

The EU-Morocco Association Agreement entered into force in 2000 and the first ENP Action Plan dates from 2005. Advanced status under the ENP was agreed by the EU-Morocco Association Council in October 2008. Negotiations for a new ENP Action Plan for the period 2013-2017 on the basis of the Advanced Status were concluded in November 2012 and the procedure for formal adoption is ongoing. As regards the proposed new EU-Morocco "Mobility Partnership", negotiations are advancing at a satisfactory pace and agreement on a political declaration is expected already sometime during the first semester of 2013. As regards trade issues, negotiations on liberalisation in the area of trade in services were continued in 2012, the issue will be taken up in the context of the future Deep and Comprehensive Free Trade Area (DCFTA) negotiations. A scoping mission for a future DCFTA took place in July 2012, with negotiations expected to start in early 2013. In the meantime, the agreement on liberalisation of trade in agriculture entered into force on 1 October 2012. Negotiating directives for a new Fisheries Partnership Agreement were adopted by the EU in February 2012 and, following preliminary technical talks, two rounds of negotiations have so far been held. Morocco remains the largest recipient of EU assistance in the ENP-south region with €580.5 millions earmarked for 2011-13 with a focus on social and economic development, environmental protection, institutional support (i.a. justice and human rights). Additional funding under SPRING amounted to €80 million, supporting a human rights programme and inclusive economic transition, targeting notably education, health and rural development.

Syria

After the start of the Syrian uprising in spring 2011 and the subsequent escalation of violence and human rights violations by the Syrian government against its citizens, the EU suspended bilateral cooperation with the Syrian government and froze the draft Association Agreement. Since then, the EU suspended participation of Syrian authorities in its regional programmes and the European Investment Bank (EIB) suspended all loan operations and

technical assistance to Syria. The EU thereafter initiated and progressively expanded a policy of targeted restrictive measures, including i.a. an arms embargo, an asset freeze and travel ban on members of the Syrian regime and an oil import embargo. In response, Syria suspended its membership and participation in the Union for the Mediterranean. The EU Delegation remained open until December 2012, when its activities were reduced to a minimum level for security reasons.

The initially peaceful mass protests in Syria developed rapidly into an intensive large-scale armed conflict leading to the death of more than 60,000 Syrians, according to UN estimates, and causing extensive damage to infrastructure and harm to the whole civilian population. The EU has repeatedly called for an end to the violence, for President Assad to step aside and for the launch of a political transition. The EU fully supports the Joint Special Representative of the UN Secretary-General and the League of Arab States, Lakhdar Brahimi, in his efforts to find a negotiated solution to the crisis. The EU has urged the UN Security Council to agree on UN action towards Syria. In the UN Human Rights Council, the EU achieved the convening of three Special Sessions on Syria and the adoption of respective resolutions. The EU strongly supported the mission of the International Commission of Inquiry on Syria, and efforts aimed at ensuring accountability for crimes committed during the Syrian conflict. The EU also provided material equipment to the UN Supervision Mission in Syria (UNSMIS) during its operations. The EU Foreign Affairs Council of December 2012 declared the National Coalition for Syrian Revolutionary and Opposition Forces as legitimate representatives of the Syrian people. The EU encouraged the Coalition to persist in its commitment to full inclusiveness and the principles of democracy and human rights.

The humanitarian disaster caused by the conflict in Syria has impacted millions of Syrians. According to UN-OCHA, 4 million Syrians are in need of assistance inside the country, in addition to the more than 700,000 refugees in neighbouring countries. The EU has so far allocated more than €400 million for humanitarian aid, approximately half of the sum coming from the European Commission and half from EU Member States. Beyond humanitarian aid, €100 million has also been provided by the European Commission through the different EU instruments to complement humanitarian aid by addressing longer term consequences of the conflict for the Syrian population (civil society, human rights defenders, refugees and internally displaced). The Commission aid is helping people within Syria approximately in the same volume as refugees, mainly in Lebanon and Jordan, and in close cooperation with UN agencies. The EU is the leading donor internationally. The EU has repeatedly urged the Syrian regime to allow humanitarian workers, agencies and organisations unhindered access to those in need.

Tunisia

The EU moved swiftly to support the transition in Tunisia. Political support is illustrated through regular visits (President Barroso, HR/VP Ashton, Commissioner Füle, other Commissioners, EP President), Council Conclusions and HR/VP declarations. In addition, an EU-Tunisia Task-Force was held in September 2011. Support has been also provided to civil society, to the preparations of the elections, including the deployment of an EU Election Observation Mission (EOM). Over the last two years, political contacts have been intense, with the Tunisian leadership keen to be seen as a close partner of the EU. In February and October 2012, Tunisian Prime Minister H. Jebali made visits to Brussels. A political agreement was reached on the text of the new ENP action plan towards a "Privileged Partnership" in November 2012. Resumption of negotiations on liberalisation of trade in agricultural and fisheries products is pending. Discussions with a view to a "Partnership for Mobility" on migration and security

issues are ongoing. Negotiations are being prepared for a Deep and Comprehensive Free Trade Agreement (DFCTA), for an agreement on Liberalisation of Air Transport Sector and for an agreement on Acceptance And Conformity Assessment for industrial products (ACAA).

Since the revolution, overall EU financial support for Tunisia has increased from €240 million for 2011-2013 to €390 million over the period 2011-2012. The EU financial and technical support is focused on the political and socio-economic reforms engaged in by the Tunisian government in order to provide a targeted response to the real needs and priorities of Tunisia. €100 million was provided through the SPRING programme to support political/governance reform and inclusive economic growth, notably targeting the reform of the justice sector, capacity building of civil society, support to the renovation of popular neighbourhoods and support to the implementation of the association agreement and to the democratic transition.

Support programmed under the ENPI in 2012 focused on economic recovery ("Programme d'Appui à la Relance - PAR II" of \in 68 million) as well as health and the fight against inequalities (\in 12 million).

Yemen

The Yemeni revolution started in early-2011 and resulted in protracted negotiations with former President Saleh to step down after a 33 year-long rule. These efforts eventually brought about the only negotiated transition towards democracy in the region to date, when the former President and representatives of the ruling and opposition parties signed the Gulf Cooperation Council Agreement and Implementation mechanism in November 2011. Elections took place thereafter, in February 2012, and can be considered as fairly successful. The EU is one of the leading supporters of this transition, both politically and financially, in close cooperation with the international community. The EU has been particularly responsible for the outreach to all factions and parties, to ensure a fully-inclusive process, particularly within the National Dialogue. HR/VP Ashton issued repeated statements in support of the transitional government, at the same time warning potential spoilers to not derail the transition. Much still remains to be achieved though before the next elections planned for 2014. The National Dialogue has not yet started. Delays in this process affect almost every other major reform attempt, as the outcome of the National Dialogue should guide the direction of these reforms. The EU's immediate response was given through assistance provided to support the political transition process by strengthening key electoral institutions to boost economic growth, and to improve basic service delivery. The EU's unwavering commitment to Yemen was also repeated at the Donor's Conference in September 2012 where the EU pledged €170 million to support Yemen and its people in tackling the many challenges it faces: humanitarian, security, governance, institution building and economic development. The EU remains one of the leading donors in Yemen.

State of the Union 2013

Date: 11 September 2013

Mr. President,

Presidency of the Council,

Honourable Members,

Ladies and gentlemen,

In 8 months' time, voters across Europe will judge what we have achieved together in the last 5 years.

In these 5 years, Europe has been more present in the lives of citizens than ever before. Europe has been discussed in the coffee houses and popular talk shows all over our continent.

Today, I want to look at what we have done together. At what we have yet to do. And I want to present what I believe are the main ideas for a truly European political debate ahead of next year's elections.

Honourable Members,

As we speak, exactly 5 years ago, the United States government took over Fannie Mae and Freddie Mac, bailed out AIG, and Lehman Brothers filed for bankruptcy protection.

These events triggered the global financial crisis. It evolved into an unprecedented economic crisis. And it became a social crisis with dramatic consequences for many of our citizens. These events have aggravated the debt problem that still distresses our governments. They have led to an alarming increase in unemployment, especially amongst young people. And they are still holding back our households and our companies.

But Europe has fought back. In those 5 years, we have given a determined response. We suffered the crisis together. We realised we had to fight it together. And we did, and we are doing it.

If we look back and think about what we have done together to unite Europe throughout the crisis, I think it is fair to say that we would never have thought all of this possible 5 years ago.

We are fundamentally reforming the financial sector so that people's savings are safe.

We have improved the way governments work together, how they return to sound public finances and modernise their economies.

We have mobilised over 700 billion euro to pull crisis-struck countries back from the brink, the biggest effort ever in stabilisation between countries.

I still vividly remember my meeting last year with chief economists of many of our leading banks. Most of them were expecting Greece to leave the euro. All of them feared the disintegration of the euro area. Now, we can give a clear reply to those fears: no one has left or has been forced to leave the euro. This year, the European Union enlarged from 27 to 28 member states. Next year the euro area will grow from 17 to 18.

What matters now is what we make of this progress. Do we talk it up, or talk it down? Do we draw confidence from it to pursue what we have started, or do we belittle the results of our efforts?

Honourable members,

I just came back from the G20 in Saint Petersburg. I can tell you: this year, contrary to recent years, we Europeans did not receive any lessons from other parts of the world on how to address the crisis. We received appreciation and encouragement.

Not because the crisis is over, because it is not over. The resilience of our Union will continue to be tested. But what we are doing creates the confidence that we are overcoming the crisis – provided we are not complacent.

We are tackling our challenges together.

We have to tackle them together.

In our world of geo-economic and geopolitical tectonic changes, I believe that only together, as the European Union, we can give our citizens what they aspire: that our values, our interests, our prosperity are protected and promoted in the age of globalisation.

So now is the time to rise above purely national issues and parochial interests and to have real progress for Europe. To bring a truly European perspective to the debate with national constituencies.

Now is the time for all those who care about Europe, whatever their political or ideological position, wherever they come from, to speak up for Europe.

If we ourselves don't do it, we cannot expect others to do it either.

Honourable Members,

We have come a long way since the start of the crisis.

In last year's State of the Union speech, I stated that 'despite all [our] efforts, our responses have not yet convinced citizens, markets or our international partners'.

One year on, the facts tell us that our efforts have started to convince. Overall spreads are coming down. The most vulnerable countries are paying less to borrow. Industrial output is increasing. Market trust is returning. Stock markets are performing well. The business outlook is steadily improving. Consumer confidence is sharply rising.

We see that the countries who are most vulnerable to the crisis and are now doing most to reform their economies, are starting to note positive results.

In Spain, as a signal of the very important reforms and increased competitiveness, exports of goods and services now make up 33% of GDP, more than ever since the introduction of the euro. Ireland has been able to draw money from capital markets since the summer of 2012, the economy is expected to grow for a third consecutive year in 2013 and Irish manufacturing companies are re-hiring staff.

In Portugal, the external current account, which was structurally negative, is now expected to be broadly balanced, and growth is picking up after many quarters in the red. Greece has completed, just in 3 years, a truly remarkable fiscal adjustment, is regaining competitiveness and is nearing for the first time in decades a primary surplus. And Cyprus, that has started the

programme later, is also implementing it as scheduled, which is the pre-condition for a return to growth.

For Europe, recovery is within sight.

Of course, we need to be vigilant. 'One swallow does not make a summer, nor one fine day'. Let us be realistic in the analysis. Let us not overestimate, but let's also not underestimate what has been done. Even one fine quarter doesn't mean we are out of the economic heavy weather. But it does prove we are on the right track. On the basis of the figures and evolutions as we now see them, we have good reason to be confident.

This should push us to keep up our efforts. We owe it to those for whom the recovery is not yet within reach, to those who do not yet profit from positive developments. We owe it to our 26 million unemployed. Especially to the young people who are looking to us to give them hope. Hope and confidence are also part of the economic equation.

Honourable members,

If we are where we are today, it is because we have shown the resolve to adapt both our politics and our policies to the lessons drawn from the crisis.

And when I say 'we', I really mean: 'we': it has really been a joint effort.

At each and every step, you, the European Parliament, you have played a decisive role through one of the most impressive records of legislative work ever. I personally believe this is not sufficiently known by the citizens of Europe, and you deserve more credit and recognition for this.

So let us continue to work together to reform our economies, for growth and jobs, and to adapt our institutional architecture. Only if we do so, we will leave this phase of the crisis behind us as well.

There is a lot we can still deliver together, in this Parliament's and this Commission's mandate.

What we can and must do, first and foremost, let's be concrete is delivering the banking union. It is the first and most urgent phase on the way to deepen our economic and monetary union, as mapped out in the Commission's Blueprint presented last autumn.

The legislative process on the Single Supervisory Mechanism is almost completed. The next step is the ECBs independent valuation of banks assets, before it takes up its supervisory role.

Our attention now must urgently turn to the Single Resolution Mechanism. The Commission's proposal is on the table since July and, together, we must do the necessary to have it adopted still during this term.

It is the way to ensure that taxpayers are no longer the ones in the front line for paying the price of bank failure. It is the way to make progress in decoupling bank from sovereign risk.

It is the way to remedy one of the most alarming and unacceptable results of the crisis: increased fragmentation of Europe's financial sector and credit markets - even an implicit renationalisation.

And it is also the way to help restoring normal lending to the economy, notably to SMEs. Because in spite of the accommodating monetary policy, credit is not yet sufficiently flowing to the economy across the euro area. This needs to be addressed resolutely.

Ultimately, this is about one thing: growth, which is necessary to remedy today's most pressing problem: unemployment. The current level of unemployment is economically unsustainable, politically untenable, socially unacceptable. So all of us here in the Commission – and I'm happy to have all my Commissioners today here with me - all of us want to work intensively with you, and with the member states, to deliver as much of our growth agenda as we possibly can, we are mobilizing all instruments, but of course we have to be honest, not all are at European level, some are at national level. I want to focus on implementation of the decisions on youth employment and financing of the real economy. We need to avoid a jobless recovery.

Europe therefore must speed up the pace of structural reforms. Our Country Specific Recommendations set out what the member states must do in this respect.

At EU level - because there is what can be done at national level and what can be done at European level -, the focus should be on what matters most for the real economy: exploiting the full potential of the single market comes first.

We have a well-functioning single market for goods, and we see the economic benefits of that. We need to extend the same formula to other areas: mobility, communications, energy, finance and e-commerce, to name but a few. We have to remove the obstacles that hold back dynamic companies and people. We have to complete connecting Europe.

I'd like to announce that, today, we will formally adopt a proposal that gives a push towards a single market for telecoms. Citizens know that Europe has dramatically brought down their costs for roaming. Our proposal will strengthen guarantees and lower prices for consumers, and present new opportunities for companies. We know that in the future, trade will be more and more digital. Isn't it a paradox that we have an internal market for goods but when it comes to digital market we have 28 national markets? How can we grab all the opportunities of the future that are opened by the digital economy if we don't conclude this internal market?

The same logic applies to the broader digital agenda: it solves real problems and improves daily life for citizens. The strength of Europe's future industrial base depends on how well people and businesses are interconnected. And by properly combining the digital agenda with data protection and the defence of privacy, our European model strengthens the trust of the citizens. Both with respect to internal and external developments, adopting the proposed legislation on data protection is of utmost importance to the European Commission.

The single market is a key lever for competitiveness and employment. Adopting all remaining proposals under the Single Market Act I and II, and implementing the Connecting Europe Facility in the next few months, we lay the foundations for prosperity in the years to come.

We are also adapting to a dynamic transformation on a global scale, so we must encourage this innovative dynamism at a European scale. That is why we must also invest more in innovation,

in technology and the role of science. I have great faith in science, in the capacity of the human mind and a creative society to solve its problems. The world is changing dramatically. And I believe many of the solutions are going to come, in Europe and outside Europe, from new science studies, from new technologies. And I would like Europe to be leading that effort globally. This is why we - Parliament and Commission - have made such a priority of Horizon 2020 in the discussions on the EU budget.

That is why we use the EU budget to invest in skills, education and vocational training, dynamising and supporting talent. That is why we have pushed for Erasmus Plus.

And that is why, later this autumn, we will make further proposals for an industrial policy fit for the 21st century. Why we mobilize support for SMEs because we believe a strong dynamic industrial base is indispensable for a strong European economy.

And whilst fighting climate change, our 20-20-20 goals have set our economy on the path to green growth and resource efficiency, reducing costs and creating jobs.

By the end of this year, we will come out with concrete proposals for our energy and climate framework up to 2030. And we will continue to shape the international agenda by fleshing out a comprehensive, legally binding global climate agreement by 2015, with our partners. Europe alone cannot do all the fight for climate change. Frankly, we need the others also on board. At the same time, we will pursue our work on the impact of energy prices on competitiveness and on social cohesion.

All these drivers for growth are part of our 'Europe 2020' agenda, and fully and swiftly implementing it is more urgent than ever. In certain cases, we need to go beyond the 2020 agenda.

This means we must also pursue our active and assertive trade agenda. It is about linking us closer to growing third markets and guaranteeing our place in the global supply chain. Contrary to perception, where most of our citizens think we are losing in global trade, we have a significant and increasing trade surplus of more than 300 billion euro a year, goods, services, and agriculture. We need to build on that. This too will demand our full attention in the months to come, notably with the Transatlantic Trade and Investment Partnership with the US and the negotiations with Canada and Japan.

And last but not least, we need to step up our game in implementing the Multiannual Financial Framework, the European budget. The EU budget is the most concrete lever we have at hand to boost investments. In some of our regions, the European Union budget is the only way to get public investment because they don't have the sources at national level.

Both the European Parliament and the Commission wanted more resources. We have been in that fight together. But even so, one single year's EU budget represents more money - in today's prices - than the whole Marshall plan in its time! Let us now make sure that the programmes can start on the 1st of January 2014. That the results are being felt on the ground. And that we use the possibilities of innovative financing, from instruments that have already started, to EIB money, to project bonds.

We have to make good on the commitment we have made in July. From the Commission's side, we will deliver. We will, for example, present the second amending budget for 2013 still this

month. There is no time to waste, so I warn against holding it up. In particular, I urge member states not to delay.

I cannot emphasise this enough: citizens will not be convinced with rhetoric and promises only, but only with a concrete set of common achievements. We have to show the many areas where Europe has solved problems for citizens. Europe is not the cause of problems, Europe is part of the solution.

I address what we have to do still more extensively in today's letter to the President of the European Parliament, which you will also have received. I will not go now in detail regarding the programme for next year.

My point today is clear: together, there is a lot still to achieve before the elections. It is not the time to thrown in the towel, it is time to roll up our sleeves.

Honourable Members,

None of this is easy. These are challenging times, a real stress test for the EU. The path of permanent and profound reform is as demanding as it is unavoidable. Let's make no mistake: there is no way back to business as usual. Some people believe that after this everything will come back as it was before. They are wrong, This crisis is different. This is not a cyclical crisis, but a structural one. We will not come back to the old normal. We have to shape a new normal. We are in a transformative period of history. We have to understand that, and not just say it. But we have to draw all the consequences from that, including in our state of mind, and how we react to the problems.

We see from the first results that it is possible.

And we all know from experience that it is necessary.

At this point in time, with a fragile recovery, the biggest downside risk I see is political: lack of stability and lack of determination. Over the last years we have seen that anything that casts doubt on governments' commitment to reform is instantly punished. On the positive side, strong and convincing decisions have an important and immediate impact.

In this phase of the crisis, governments' job is to provide the certainty and predictability that markets still lack.

Surely, you all know Justus Lipsius. Justus Lipsius is the name of the Council building in Brussels. Justus Lipsius was a very influential 16th century humanist scholar, who wrote a very important book called De Constantia.

He wrote, 'Constancy is a right and immovable strength of the mind, neither lifted up nor pressed down with external or casual accidents.' Only a 'strength of the mind', he argued, based on 'judgment and sound reason', can help you through confusing and alarming times.

I hope that in these times, these difficult times, all of us, including the governments' representatives that meet at the Justus Lipsius building, show that determination, that perseverance, when it comes to the implementation of the decisions taken. Because one of the

issues that we have is to be coherent, not just take decisions, but afterwards be able to implement them on the ground.

Honourable members,

It is only natural that, over the last few years, our efforts to overcome the economic crisis have overshadowed everything else.

But our idea of Europe needs to go far beyond the economy. We are much more than a market. The European ideal touches the very foundations of European society. It is about values, and I underline this word: values. It is based on a firm belief in political, social and economic standards, grounded in our social market economy.

In today's world, the EU level is indispensable to protect these values and standards and promote citizens' rights: from consumer protection to labour rights, from women's rights to respect for minorities, from environmental standards to data protection and privacy.

Whether defending our interests in international trade, securing our energy provision, or restoring people's sense of fairness by fighting tax fraud and tax evasion: only by acting as a Union do we pull our weight at the world stage.

Whether seeking impact for the development and humanitarian aid we give to developing countries, managing our common external borders or seeking to develop in Europe a strong security and defense policy: only by integrating more can we really reach our objectives.

There is no doubt about it. Our internal coherence and international relevance are inextricably linked. Our economic attraction and political traction are fundamentally entwined.

Does anyone seriously believe that, if the euro had collapsed, we or our Member States would still have any credibility left internationally?

Does everyone still realise how enlargement has been a success in terms of healing history's deep scars, establishing democracies where no one had thought it possible? How neighbourhood policy was and still is the best way to provide security and prosperity in regions of vital importance for Europe? Where would we be without all of this?

Today, countries like Ukraine are more than ever seeking closer ties to the European Union, attracted by our economic and social model. We cannot turn our back on them. We cannot accept any attempts to limit these countries own sovereign choices. Free will and free consent need to be respected. These are also the principles that lie at the basis of our Eastern Partnership, which we want to take forward at our summit in Vilnius.

And does everyone still remember just how much Europe has suffered from its wars during the last century, and how European integration was the valid answer?

Next year, it will be one century after the start of the First World War. A war that tore Europe apart, from Sarajevo to the Somme. We must never take peace for granted. We need to recall that it is because of Europe that former enemies now sit around the same table and work together. It is only because they were offered a European perspective that now even Serbia and Kosovo come to an agreement, under mediation of the EU.

Last year's Nobel Peace Prize reminded us of that historic achievement: that Europe is a project of peace.

We should be more aware of it ourselves. Sometimes I think we should not be ashamed to be proud. Not arrogant. But more proud. We should look towards the future, but with a wisdom we gained from the past.

Let me say this to all those who rejoice in Europe's difficulties and who want to roll back our integration and go back to isolation: the pre-integrated Europe of the divisions, the war, the trenches, is not what people desire and deserve. The European continent has never in its history known such a long period of peace as since the creation of the European Community. It is our duty to preserve it and deepen it.

Honourable members,

It is precisely with our values that we address the unbearable situation in Syria, which has tested, over the last months, the world's conscience so severely. The European Union has led the international aid response by mobilising close to 1.5 billion euros, of which €850 million comes directly from the EU budget. The Commission will do its utmost to help the Syrian people and refugees in neighbouring countries.

We have recently witnessed events we thought had long been eradicated. The use of chemical weapons is a horrendous act that deserves a clear condemnation and a strong answer. The international community, with the UN at its centre, carries a collective responsibility to sanction these acts and to put an end to this conflict. The proposal to put Syria's chemical weapons beyond use is potentially a positive development. The Syrian regime must now demonstrate that it will implement this without any delay. In Europe, we believe that, ultimately, only a political solution stands a chance of delivering the lasting peace that the Syrian people deserve.

Honourable members,

There are those who claim that a weaker Europe would make their country stronger, that Europe is a burden; that they would be better off without it.

My reply is clear: we all need a Europe that is united, strong and open.

In the debate that is ongoing all across Europe, the bottom-line question is: Do we want to improve Europe, or give it up?

My answer is clear: let's engage!

If you don't like Europe as it is: improve it!

Find ways to make it stronger, internally and internationally, and you will have in me the firmest of supporters. Find ways that allow for diversity without creating discriminations, and I will be with you all the way.

But don't turn away from it.

I recognize: as any human endeavor, the EU is not perfect.

For example, controversies about the division of labour between the national and European levels will never be conclusively ended.

I value subsidiarity highly. For me, subsidiarity is not a technical concept. It is a fundamental democratic principle. An ever closer union among the citizens of Europe demands that decisions are taken as openly as possible and as closely to the people as possible.

Not everything needs a solution at European level. Europe must focus on where it can add most value. Where this is not the case, it should not meddle. The EU needs to be big on big things and smaller on smaller things - something we may occasionally have neglected in the past. The EU needs to show it has the capacity to set both positive and negative priorities. As all governments, we need to take extra care of the quality and quantity of our regulation knowing that, as Montesquieu said, 'les lois inutiles affaiblissent les lois nécessaires'. ['Useless laws weaken the necessary ones'.]

But there are, honourable members, areas of major importance where Europe must have more integration, more unity. Where only a strong Europe can deliver results.

I believe a political union needs to be our political horizon, as I stressed in last year's State of the Union. This is not just the demand of a passionate European. This is the indispensable way forward to consolidate our progress and ensure the future.

Ultimately, the solidity of our policies, namely of the economic and monetary union, depend on the credibility of the political and institutional construct that supports it.

So we have mapped out, in the Commission Blueprint for a deep and genuine Economic and Monetary Union, not only the economic and monetary features, but also the necessities, possibilities and limits of deepening our institutional set-up in the medium and long term. The Commission will continue to work for the implementation of its Blueprint, step by step, one phase after the other.

And I confirm, as announced last year, the intention to present, before the European elections, further ideas on the future of our Union and how best to consolidate and deepen the community method and community approach in the longer term. That way, they can be subject to a real European debate. They will set out the principles and orientations that are necessary for a true political union.

Honourable Members,

We can only meet the challenges of our time if we strengthen the consensus on fundamental objectives.

Politically, we must not be divided by differences between the euro area and those outside it, between the centre and the periphery, between the North and the South, between East and West. The European Union must remain a project for all members, a community of equals.

Economically, Europe has always been a way to close gaps between countries, regions and people. And that must remain so. We cannot do member states' work for them. The responsibility remains theirs. But we can and must complement it with European responsibility and European solidarity.

For that reason, strengthening the social dimension is a priority for the months to come, together with our social partners. The Commission will come with its communication on the social dimension of the economic and monetary union on the 2nd of October. Solidarity is a key element of what being part of Europe is all about, and something to take pride in.

Safeguarding its values, such as the rule of law, is what the European Union was made to do, from its inception to the latest chapters in enlargement.

In last year's State of the Union speech, at a moment of challenges to the rule of law in our own member states, I addressed the need to make a bridge between political persuasion and targeted infringement procedures on the one hand, and what I call the nuclear option of Article 7 of the Treaty, namely suspension of a member states' rights.

Experience has confirmed the usefulness of the Commission role as an independent and objective referee. We should consolidate this experience through a more general framework. It should be based on the principle of equality between member states, activated only in situations where there is a serious, systemic risk to the rule of law, and triggered by pre-defined benchmarks.

The Commission will come forward with a communication on this. I believe it is a debate that is key to our idea of Europe.

This does not mean that national sovereignty or democracy are constrained. But we do need a robust European mechanism to influence the equation when basic common principles are at stake.

There are certain non-negotiable values that the EU and its member states must and shall always defend.

Honourable Members,

The polarisation that resulted from the crisis poses a risk to us all, to the project, to the European project.

We, legitimate political representatives of the European Union, can turn the tide. You, the democratic representatives of Europe, directly elected, will be at the forefront of the political debate. The question I want to pose is: which picture of Europe will voters be presented with? The candid version, or the cartoon version? The myths or the facts? The honest, reasonable version, or the extremist, populist version? It's an important difference.

I know some people out there will say Europe is to blame for the crisis and the hardship.

But we can remind people that Europe was not at the origin of this crisis. It resulted from mismanagement of public finances by national governments and irresponsible behaviour in financial markets.

We can explain how Europe has worked to fix the crisis. What we would have lost if we hadn't succeeded in upholding the single market, because it was under threat, and the common currency, because some people predicted the end of the euro. If we hadn't coordinated recovery efforts and employment initiatives.

Some people will say that Europe is forcing governments to cut spending.

But we can remind voters that government debt got way out of hand even before the crisis, not because of but despite Europe. We can add that the most vulnerable in our societies, and our children, would end up paying the price if we don't persevere now. And the truth is that countries inside the euro or outside the euro, in Europe or outside Europe, they are making efforts to curb their very burdened public finances.

Some will campaign saying that we have given too much money to vulnerable countries. Others will say we have given too little money to vulnerable countries.

But every one of us can explain what we did and why: there is a direct link between one country's loans and another country's banks, between one country's investments and another country's businesses, between one country's workers and another country's companies. This kind of interdependence means only European solutions work.

What I tell people is: when you are in the same boat, one cannot say: 'your end of the boat is sinking.' We were in the same boat when things went well, and we are in it together when things are difficult.

Some people might campaign saying: Europe has grabbed too much power. Others will claim Europe always does too little, too late. The interesting things is that sometimes we have the same people saying that Europe is not doing enough and at the same time that's not giving more means to Europe to do what Europe has to do.

But we can explain that member states have entrusted Europe with tasks and competences. The European Union is not a foreign power. It is the result of democratic decisions by the European institutions and by member states.

At the same time we must acknowledge that, in some areas, Europe still lacks the power to do what is asked of it. A fact that is all too easily forgotten by those, and there are many out there, who always like to nationalise success and Europeanise failure. Ultimately, what we have, and what we don't have, is the result of democratic decision-making. And I think we should remind people of that.

Ladies and gentlemen,

Mr President.

Honourable members,

I hope the European Parliament will take up this challenge with all the idealism it holds, with as much realism and determination as the times demand of us.

The arguments are there.

The facts are there.

The agenda has been set out.

In 8 months' time, voters will decide.

Now, it's up to us to make the case for Europe.

We can do so by using the next 8 months to conclude as much as we can. We have a lot to do still.

Adopt and implement the European budget, the MFF. This is critical for investment in our regions all over Europe. This is indispensable for the first priority we have: to fight against unemployment, notably youth unemployment.

Advance and implement the banking union. This is critical to address the problem of financing for businesses and SMEs.

These are our clear priorities: employment and growth.

Our job is not finished. It is in its decisive phase.

Because, Honourable Members, the elections will not only be about the European Parliament, nor will they be about the European Commission or about the Council or about this or that personality.

They will be about Europe.

We will be judged together.

So let us work together - for Europe.

With passion and with determination.

Let us not forget: one hundred years ago –Europe was sleepwalking into the catastrophy of the war of 1914.

Next year, in 2014, I hope Europe will be walking out of the crisis towards a Europe that is more united, stronger and open.

Thank you for your attention.

Speech: Commissioner Malmström on the Arab Spring, a common migration policy and a common asylum policy

Date: 30 April 2015

1. introduction

I am delighted to be here with you and meet such a sophisticated audience to talk about a number of key challenges facing the European Union.

I am really impressed by the great attention paid to Europe at Harvard and am especially happy to be part of the Kokkalis program working so closely with the Centre of European Studies.

Socrates Kokkalis's vision of helping new generations foster a peaceful and democratic future as well as develop open and prosperous societies, appeals to me greatly.

Today, I would like to focus on 3 key challenges for the EU:

The first is how to respond to the Arab Spring. Following the historic developments in the Arab world, the EU will need to bring about a serious change in its policies towards its Mediterranean neighbours.

The second challenge is the need for a common European migration policy. The EU is facing a declining labour force and needs to attract the rights skills and talent.

And the third challenge is the need for a common European asylum policy. The EU must ensure equal treatment of asylum seekers no matter where they apply and make sure all Member States shoulder their share of responsibility.

I will look at the possibilities of meeting these challenges in our globalizing world, amidst serious socio-economic circumstances and in a difficult political climate in Europe with increasing populism and rising nationalism.

2. Responding to the Arab Spring

So let's return to 17 December 2010, the day that Mohamed Bouazizi set himself on fire in the Tunisian town of Sidi Bouzid.

With his flames of protest against the economic conditions and police mistreatment, he inspired so many others in the Arab world to show their courage and take up the struggle for freedom, democracy, economic progress and respect for their rights, denied for so long.

He never could have imagined that within a month President Ben Ali would have fled the country, that after 30 days of peaceful mass protests in Egypt, President Hosni Moubarak would resign and that Colonel Khadaffi would no longer be in power after the NATO intervention in mid-March 2011.

For me, one of the most striking things was how different states reacted to these developments and towards people escaping the violence in Libya.

Tunisia, and to a smaller extent also Egypt, maintained an open door policy, admitting over half a million migrants together with over half a million returning nationals. These countries and their citizens made an enormous effort to host those fleeing the violence and give protection.

The EU response was very different: it did provide for substantial financial and logistical support to North African countries to get people back to their countries of origin, but at the same time the EU stepped up its security and border controls.

Despite the clear humanitarian need, no European State took any serious initiative to provide shelter on its own soil to those in need of international protection. This in spite of the Commission, together with the UNHCR, making a global plea for resettlement for 8000 refugees in acute need of protection. While the U.S. took several thousands, the European Union and Norway, took only 700.

The Arab Spring also caused tensions in the EU. Many migrants - most of them hoping for a better future in Europe - risked their lives when crossing the Mediterranean to the EU in rickety vessels. Around 1,500 people are believed to have drowned. Others arrived at the Italian island of Lampedusa and in Malta.

Malta was struggling to deal with the inflow and had to relocate a number of people in need of international protection. I therefore called on the other EU Member States to help the tiny island

But again, there was hardly any response. Member States remained largely silent. Only 300 refugees were relocated to other Member States.

Instead of solidarity among Member States, France and Italy quarrelled about possible risks for their internal security, with France even reinforcing controls at the internal border with Italy.

So, instead of reaching out and protecting, the EU Member States were inward-looking and security oriented.

In 2011, the EU missed a historic opportunity to demonstrate its commitment to the foundations it is built on. It is as if we'd said to them "It is wonderful that you make a revolution and want to embrace democracy but, by all means, stay where you are because we have an economic crisis to deal with here".

I very much hope that the EU will not miss the opportunity that is still before us.

The revolution may have started, but the process of the Arab Spring is still in its early stages.

When I visited Tunisia at the end of March last year, I was very impressed by the commitment and determination of the people to make this process into a success.

I believe the EU has a special responsibility. Respect for human rights and promoting democratic values are basic principles which the EU was founded upon.

And we are changing our policies:

- we are seriously stepping up our financial assistance (1 billion € extra on top of the 5.7 billion already available)
- we will assist in building democratic structures, in reforming the law enforcement agencies, the judicial system. We need to invest in education, especially of the youth.
- we will promote the mobility of people between these countries and the EU, including by issuing multi-entry visas to legal business people. Right now we are negotiating a so-called security and mobility partnership with Tunisia and Morocco which covers all elements of migration, asylum, border control, the fight against trafficking, legal migration and visa facilitation
- we will seriously increase the number of places we offer in a program called ERASMUS MUNDUS which will allow many more students to come to Europe to study and

- we will negotiate deep and comprehensive Free Trade Agreements.

So there is a much stronger engagement with the region now, but we will need to sustain this over time and constantly check whether our policies are an adequate response to these historical challenges.

We also will need to find ways to step up our efforts to support the courageous people who are defying dictatorships in other countries, with Syria as probably the most urgent case.

3. A need for a common migration policy

On the second challenge - the need for a common migration policy - I will limit myself to the issue of the highly skilled.

These are dramatic times in the EU as well: the economic crisis will be dominating for quite some time and more needs to be done to bring Europe back on the road to economic growth.

A precondition for growth is a sufficiently large workforce with relevant skills at all levels of the labour market. Attracting the right skills and talent also helps create jobs. With every engineer employed, an additional two or three jobs are created.

Here, the EU and the US are faced with comparable challenges: we both need to find sufficient skills and talent to keep our economy strong and competitive in an ever globalizing labour market.

As history tells us, only those countries that remain open towards admitting the best talent can keep up with international competition. Those who shut their borders will gradually fall behind.

I will not hide that I sometimes envy the American way of attracting the best and the brightest - not only here at Harvard - including highly skilled migrants. For these people you remain a magnet; your research budgets are higher, education possibilities better and career possibilities much more attractive.

Looking at the US's migration policies in economic terms, the figures are impressive. In recent years immigrant business owners generated over 10% (in 2000: an estimated \$67 billion of the \$577 billion) of US business income. In California, they accounted for one-quarter of all business income, and, in New York, Florida, and New Jersey, about one-fifth. One in four of your doctors is an immigrant, as are two in five medical scientists and one in three computer software engineers.

And the newly arrived can climb the ladder quickly, with former Harvard student and Korean born Jim Yong Kim now being appointed to become the next Chief of the World bank serving as a recent example.

Although the US experience cannot simply be transposed into Europe, Europe could certainly do with a serious inflow of highly skilled migrants, in part because Europe is facing a structural problem of demographic ageing with a declining labour force.

In the next 15 years, the working-age population will shrink by 12%! and the relation between the populations of working age to people over 65 will change from 4 to 1 today, to 2 to 1 in

2040. And not only that. We are also seeing many people, including well trained and highly skilled leaving the EU.

Although unemployment is high in parts of Europe, many countries face labour and skills shortages in specific sectors. Many high-skilled jobs are not filled today. Germany is currently lacking over 70 000 engineers!

This is hindering German companies, but also has serious consequences for the European economy. Recent AIRBUS orders were put in danger simply because of a lack of sufficiently qualified personnel.

Europe-wide we expect a lack of between 380 000 and 700 000 IT workers by 2015. The health-sector could see a shortfall of up to two million professionals by 2020!

Of course we need to concentrate our efforts first of all on getting unemployment down.

Unemployment is unacceptably high especially among immigrant populations and this clearly needs to be a priority. It is totally unacceptable that unemployment rates are at least 4 times as high among migrant youth. All our efforts for better integration will be useless if we can not bring down these figures quickly!

But if Europe really wants to have a knowledge based economy, if it wants to play a leading role in innovation and research, if it wants to be competitive in the global economy, it needs to do much more to attract the smartest and the brightest.

I therefore sincerely hope the EU Blue Card will help improve the attractiveness of the EU as a destination for highly qualified migrants.

We also need to attract more students and researchers to Europe. That is why I am looking at how we could amend the existing EU Directives on students and researchers.

4. Need for a European Asylum policy

Establishing a common European Asylum policy is the third challenge.

In 2011 the 27 EU Member States received 277 000 asylum claims.

Is this a lot?

If you judge it on the basis of the political turmoil it generated, you would think so.

There are those who give off the impression that Europe is a safe haven to large and ever-increasingly numbers of refugees. Different Member States are working to tighten their national asylum policies, making it harder for people to get the protection they need.

Still, as pointed out by the UN High-Commissioner for refugees, the number for Europe is still way below the 460 000 refugees of Dadaab, one single refugee camp in northeast Kenya.

There is a strong need for a common European asylum policy. As it stands, 90% of asylum seekers are taken in by only 10 Member States. That means that 17 countries could do much

more. If all Member States would help each other, we could share our responsibilities and, at the same time, help more people in need of international protection.

Equally, Member States differ very much in the way they assess asylum requests. In fact, the situation is extremely arbitrary. The recognition rates differ seriously: for Sudanese asylum seekers the rate is 2% is Spain, whereas it is 68% in Italy.

Such disparities are not acceptable in an EU where we have signed the same international conventions and unite around the same values.

The EU needs common high standards and stronger co-operation to ensure that asylum seekers are treated equally in an open and fair system - wherever they apply.

Negotiations on a common system are underway, but are moving slowly. These must be intensified, especially considering the repeated political commitment from the EU Heads of State and Government to have a common system by 2012. These negotiations are now underway. They are not easy but we have not given up on the prospect of having them finalised before the end of the year. When this is in place, we will have harmonised procedures, reception conditions and qualification rules in all 27 member countries.

5. Realism and populism

So, Europe needs to improve its relations with its neighbouring countries, it needs to establish a common immigration policy and it needs a common asylum policy.

But what are the prospects of getting there?

When President Obama took office in 2008, he was determined to pass a comprehensive reform of US immigration policies and was hopeful that this view was shared both by Republicans and Democrats;

Unfortunately, migration issues often play an important role in election times and it doesn't look like Republicans and Democrats will see eye-to-eye on this soon. Despite its importance for the US and the urgency, it may be difficult to make substantial progress before the next Presidential elections.

Getting migration reforms through will be difficult in the US; it may be even more difficult in the EU where 27 different countries have their say. Migration and related matters like integration dominate a part of the political agenda in many European countries as well.

We are in the middle of French presidential elections, we will have elections in Greece (6 May), in Austria and the Netherlands in September, in the Czech Republic in October and Romania in November. And the next German federal elections will be in October 2013.

In Europe, it is always election time it seems!

Moreover, the overall political climate in Europe has turned sour, some would even say toxic. We are seeing increasing nationalistic tendencies in several Member States.

We have not seen as many populist and xenophobic parties in European national parliaments since before the Second World War. They come up with simple solutions to complex problems, based on a false dichotomy of 'us' and 'them'. Too many governments are taken hostage by their clamorous rhetoric these days.

In times where the EU should be open to the world and have an active, demand-driven labor immigration policy, in times where we should live up to our international protection obligations, Europe seems on its way to increased protectionism and nationalism, shutting itself off from the world.

6. Policy response

The difficulty of presenting the message should not stop us from sending it.

As stated, our track record is not something to be very proud of. We will need to do better. We are all aware that the challenges facing the world are enormous; migration, but also the environment, our economic and financial constructions, poverty: in addressing these issues the 21st century can be the best or the worst century ever.

It will largely depend on whether we will be able to develop the right ideas in time and whether these ideas will be well received and acted upon by the decision makers.

For our relations with our Arab neighbours, I am hopeful. I do believe and hope that many European leaders will seize the second opportunity to help our neighbours and their citizens in their struggle towards democracy, economic development and the respect for human rights;

I am confident that we all realise that allowing these countries to fall back into authoritarian regimes would be a historic disaster. That said, the transitionary road in many countries will be difficult and long.

On migration and asylum policy, things may be more complicated.

Although we have now the Lisbon Treaty that provides that in most cases decision making will be by qualified majority, we will still need a favorable political environment and public support to take the necessary decisions.

Here I am seriously concerned.

We will need true European and national political leadership to inform our citizens about reality and about the policies needed.

Politicians in Europe need to show courage to do this, even if this could affect their ratings in the short run. It also means they have to stop accusing 'the EU' of being the cause of all evil, that they stop blaming migrants, that they stand up and refuse to let populist rhetoric dictate the agenda, that they clearly distance themselves from any xenophobic and discriminatory tendencies.

But I am also hopeful. The challenges are great, but so is the commitment of the new generation to find solutions. I am convinced the new generation of young and determined people will find

the answers to the many challenges this world is faced with and help construct a truly strong Europe.

I meet so many people like you here today who do realise that - looking back at history - a united Europe is the only way towards prosperity, the only way to safeguard countries from repeating the historical cruelties and the human suffering that have dominated this part of our world way too often.

I am convinced that there are many who stand ready to construct a new agenda for Europe. An agenda built on human values, on a constructive and open partnership with our neighbors and with the confidence that we can build a stronger Europe in which all countries take their share of responsibility.

For me, I will continue to dedicate my time and energy to looking for those who want to work together on this positive agenda, who are committed to give a true meaning to the words human solidarity.

I am ready to take any questions. Thank you for your attention.

Press release: European Commission makes progress on Agenda on Migration

Date: 27 May 2015

Two weeks after presenting the European Agenda on Migration, the Commission is today adopting the first proposals of its comprehensive approach to improving the management of migration.

Following the terrible loss of life in the Mediterranean last month, European leaders made a firm commitment to solidarity amongst Member States to address the common migratory challenges. With today's proposals, the Commission is turning words into action and setting out immediate and long-term responses to the migration challenges that Europe faces.

First Vice-President **Frans Timmermans** said: "Today the Commission is matching words with action. Solidarity goes hand in hand with responsibility. This is why our proposals include the strong requirement that asylum rules are properly applied, and that Member States do everything they should to prevent abuse. Everyone who needs sanctuary should find it in Europe. But those who have no justified claim should be quickly identified and returned to their home country. This is essential for migration policies to be well accepted in society."

High Representative/Vice-President **Federica Mogherini** said: "Two weeks after adopting our Agenda, we present today concrete proposals for its implementation, with one main aim: quickly save lives and provide protection in the EU for people in need, be they at sea, in the EU or in third countries. For this reason, we are intensifying our cooperation with countries of origin and transit and with countries hosting refugees, not only to support asylum and migration capacities, but also to tackle the root causes that force people to escape and migrate: poverty, wars, persecutions, violations of human rights and natural disasters. I have discussed these objectives yesterday with Ministers of Development, in the context of our reflection on new sustainable Development Goals, and I have exchanged views once more with the UN Secretary General Ban Ki Moon on the comprehensive steps we want to take."

Migration, Home Affairs and Citizenship Commissioner **Dimitris Avramopoulos** said: "Today, the Commission has shown that it can act quickly and resolutely to better manage migration. The relocation and resettlement schemes, together with the strengthening of Triton and Poseidon and the Action Plan to fight smugglers, respond to the most urgent challenges we are confronted with. At the same time, we are launching the public consultation on the revision of the Blue Card Directive, a consultation that we hope will bring us valuable input for turning this instrument into a true business card for the Union in the global competition for talents and skills."

Today, the European Commission is presenting several different and concrete measures to respond to the current migration challenges:

- Relocation: Emergency response mechanism to assist Italy and Greece: The European Commission is proposing to use the emergency response mechanism under Article 78(3) of the Treaty on the Functioning of the European Union. This provision, which is being activated for the first time, will be used to set up an emergency relocation scheme to assist Italy and Greece. This scheme will apply to Syrian and Eritrean nationals in need of international protection that arrived in either Italy or Greece after 15 April 2015 or that arrive after the mechanism is launched. A total of 40 000 persons should be relocated from Italy and Greece to other EU Member States based on a distribution key (see Annex 1 and 2) over the next 2 years − corresponding to approximately 40% of the total number of asylum seekers in clear need of international protection who entered these countries in 2014. The Commission is ready to do the same if other Member States − such as Malta − also face a sudden influx of migrants. Member States will receive €6,000 for each person relocated on their territory.
- Resettlement: The Commission has adopted a Recommendation asking Member States to resettle 20 000 people from outside the EU, in clear need of international protection as identified by the UNHCR, over 2 years, based on a distribution key (see Annex 3). Member States who participate in the scheme will be entitled to financial support, with the EU making €50 million available in 2015-16.
- An EU Action plan against migrant smuggling: The Plan for 2015-2020 sets out concrete actions to prevent and counter migrant smuggling. Actions include setting up a list of suspicious vessels; dedicated platforms to enhancing cooperation and exchange of information with financial institutions; and cooperating with internet service providers and social media to ensure internet content used by smugglers to advertise their activities is swiftly detected and removed.
- Guidelines on Fingerprinting: For the EU's common asylum system to work effectively, migrants need to be systematically fingerprinted upon arrival. The Commission services have published guidelines for Member States setting out a best practices approach for fingerprinting newly arrived applicants for international protection. "Hotspot" teams from EASO, Frontex and Europol will work on the ground to swiftly identify, register and fingerprint incoming migrants and assess those who are in need of protection.
- A public consultation on the future of the Blue Card Directive: The Commission wants to improve the existing EU Blue Card scheme, which aims to make it easier for highly skilled people to come and work in the EU but is currently scarcely used. The public consultation invites stakeholders (migrants, employers, governmental organisations, trade unions, NGOs, employment agencies, etc.) to share their views on the EU Blue Card and how it can be improved.

The Commission also takes note of a new Operational Plan for Operation Triton. The new Operational Plan for the reinforced Joint Operation Triton sets out the new number of assets: 10 maritime, 33 land and 8 air assets, and 121 human resources. The Operational Plan also extends the geographical area of Triton southwards to the borders of the Maltese search and rescue zone to cover the area of the former Italian Mare Nostrum operation.

Background

On 23 April 2014, in Malta, Jean-Claude Juncker presented a five point plan on immigration, calling for more solidarity in the EU's migration policy as part of his campaign to become European Commission President.

Upon taking office, European Commission President Jean-Claude Juncker entrusted a Commissioner with special responsibility for Migration to work, in coordination with First Vice-President Timmermans, on a new policy on migration as one of the 10 priorities of the Political Guidelines, the political programme based on which the European Parliament elected the Commission.

Based on a proposal by the European Commission, in a European Council statement of 23 April 2015, Member States committed to taking rapid action to save lives and to step up EU action in the field of migration. A European Parliament Resolution followed a few days later.

On 13 May 2015, the European Commission presented its European Agenda on Migration, which sets out a comprehensive approach that will improve the management of migration in all its aspects.

EU Action Plan: Communication from the Commision to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

Date: 27 May 2015

Introduction

The European Agenda on Migration, which was adopted by the European Commission on 13 May 2015, identified the fight against migrant smuggling as a priority, to prevent the exploitation of migrants by criminal networks and reduce incentives to irregular migration. The Agenda set the goal to transform migrant smuggling networks from 'low risk, high return' operations into 'high risk, low return' ones.

The European Agenda on Security, adopted by the Commission on 28 April 2015, also singled out cooperation against the smuggling of migrants inside the EU and with third countries as a priority in the fight against organized crime networks.

This Action Plan against migrant smuggling sets out the specific actions necessary to implement the two Agendas in this area, and incorporates the key actions already identified therein.

Ruthless criminal networks organize the journeys of large numbers of migrants desperate to reach the EU. They make substantial gains while putting the migrants' lives at risk. To maximize their profits, smugglers often squeeze hundreds of migrants onto unseaworthy boats – including small inflatable boats or end-of-life cargo ships - or into trucks. Scores of migrants drown at sea, suffocate in containers or perish in deserts. Over 3 000 migrants are estimated to have lost

their lives in the Mediterranean Sea in 2014, according to the International Organisation for Migration $\underline{1}$ (IOM). Around 1 700 are thought to have drowned in the first four months of 2015. The human rights of migrants are often gravely violated through abuse and exploitation.

Irregular migration by sea, in particular along the Central and Eastern Mediterranean routes, has increased exponentially over the past year with almost 225 000 migrants in 2014 - nearly three times as many as in 2013. So have the risks that the migrants are exposed to when crossing the Mediterranean. Other migratory routes, for instance in the Western Balkan region, have seen similar increases in 2014 - with the highest ever level of irregular migrants entering the EU recorded since 2007

Smugglers treat migrants as goods, similar to the drugs and firearms that they traffic along the same routes. They shift swiftly the smuggling routes to adapt to the security situation in transit countries or to law enforcement responses. They also misuse procedures for legal entry and stay. For instance, bus companies have openly advertised to nationals of Kosovo the possibility to abuse benefits systems and return assistance in the EU.

Migrant smuggling is a highly profitable business, with criminal networks thriving on the low risk of detection and punishment. While data on profits obtained by smuggling networks globally are not available, isolated cases show that these are substantial. In just one incident involving the cargo vessel Ezadeen intercepted on 1 January 2015 by the Joint Operation Triton with 360 migrants on board, smugglers are believed to have earned EUR 2,5 million.

II.A stronger European response to migrant smuggling

Strong cooperation at the EU level, as well as with third countries of origin and transit, strategic partners, international organisations and civil society, is essential for disrupting the activities of smugglers, bringing them to justice and seizing their assets.

This first EU Action Plan sets out concrete actions to counter and prevent migrant smuggling, while ensuring the protection of the human rights of migrants. It is based on a multidisciplinary approach, involving actors and institutions at local, regional, national and international level. It covers all phases and types of migrant smuggling, and all migratory routes.

The Action Plan should be seen in the broader context of EU efforts to address the root causes of irregular migration, in cooperation with countries of origin and transit, and prevent the loss of lives caused by smugglers and traffickers. It should also be seen in connection with on-going work to establish a Common Security and Defence Policy (CSDP) operation to systematically identify, capture and dispose of vessels used by smugglers.

Smuggling networks can be weakened if fewer people seek their services. Therefore, it is important to open more safe, legal ways into the EU. Also, efforts to crack down on migrant smuggling must be matched with strong action to return the migrants that have no right to stay in the EU to their home countries. An effective return policy is a strong deterrent, as migrants are less likely to pay a high price to smugglers to bring them to the EU if they know that they will be returned home quickly after reaching their destination.

This Action Plan focuses on migrant smuggling. Trafficking in human beings, a different yet interlinked crime, is being addressed at the EU level under a separate strategy

The implementation of actions foreseen in this plan will start immediately and will be made in coherence with other related strategies at EU level. Additional actions to fight migrant smuggling will be undertaken over the next years to target this rapidly changing crime.

1.Enhanced police and judicial response

To transform migrant smuggling into a high-risk and low-profit operation, it is essential to disrupt the business model of criminal groups and bring the perpetrators to justice. This requires enhancing the capacities of Member States to investigate and prosecute migrant smuggling networks and the ability of EU Agencies to provide support. It also requires stronger coordination between law enforcement and judiciary structures in the EU and a multi-agency approach.

The Commission will make, in 2016, proposals to improve the existing EU legal framework to tackle migrant smuggling, which defines the offence of facilitation of unauthorized entry and residence, and strengthen the penal framework. It will seek to ensure that appropriate criminal sanctions are in place while avoiding risks of criminalisation of those who provide humanitarian assistance to migrants in distress.

Identifying, capturing and disposing of vessels

To prevent and clamp down on migrant smuggling by sea, systematic efforts will be undertaken to identify, capture and dispose of vessels intended to be used by smugglers. A list of suspicious vessels likely to be used in the Mediterranean will be set up. This will include, for instance, registered vessels at the end of their lifetime and foreseen for scrapping. The relevant EU Agencies and the Member States' authorities should set risk criteria for identifying such vessels and ensure that they are systematically monitored, by using Eurosur and the capacities of all agencies.

After securing the safety of people, boats used or intended to be used by smugglers should be systematically towed to land or disposed of at sea. The Commission and the relevant EU Agencies, in particular Frontex, will provide to the Member States financial and technical support to tow boats to the shores and scrap them. These efforts should be seen in conjunction with the establishment of a CSDP operation to contribute to the disruption of migrant smuggling networks.

Depriving smugglers of their profits

Proactive financial investigations to seize and recover criminal assets, and taking action against money laundering, are crucial for weakening the criminal networks involved in migrant smuggling. The EU should step up cooperation with Financial Intelligence Units and other relevant networks on financial flows in the area of migrant smuggling.

As set out in the European Agenda on Security, law enforcement must have the capacity to turn the spotlight on the finance of organised crime groups involved in the smuggling of migrants. Targeting money connected with migrant smuggling rings should become a priority for the National Asset Recovery Offices and the Camden Asset Recovery Inter-Agency Network (CARIN). The Commission, with the support of relevant EU Agencies, will initiate cooperation with financial institutions, such as banks, credit transfer service providers, and credit cards issuers on tracing assets connected with migrant smugglers. Moreover, the EU should step up significantly its cooperation with third countries, to enable the tracking and confiscation of crime proceeds in the countries of origin and transit of migrants.

Enhancing operational cooperation against migrant smuggling

A single point of contact on migrant smuggling should be established in each Member State to enhance operational cooperation, coordination and the sharing of information with each other and with EU Agencies.

The Commission will set up a Contact Group of EU Agencies on migrant smuggling, to strengthen operational cooperation and information exchange between the relevant EU Agencies.

In parallel, the capacities of EU Agencies to address migrant smuggling will be enhanced. Eurojust should set up a thematic group on migrant smuggling to strengthen and formalise cooperation between national prosecutors and enhance mutual legal assistance.

Support for capacity building to help Member States' law enforcement authorities reduce migrant smuggling is crucial, as is the use of Joint Investigation Teams and the provision of mutual assistance in cases of migrant smuggling. Eurojust can make a strong contribution through the financing of Joint Investigation Teams and support for mutual legal assistance in criminal matters.

The Commission, with relevant EU Agencies, in particular CEPOL and Europol, as well as the European Judicial Training Network, will map training needs at EU and national level to enable a better targeting of capacity building. This should include tailor-made training for judiciary, law enforcement, border guards and consulate authorities on cross-border cooperation to counter migrant smuggling. The Fundamental Rights Agency will develop the fundamental rights dimension, in particular as regards the protection of smuggled migrants.

The actions against migrant smuggling under the EU Policy Cycle for organised and serious international crime will be stepped up, including cross-border cooperation on document fraud, sham marriages, and other forms of abuse of legal entry and residence procedures.

Specific actions

- •Revision of EU legislation on migrant smuggling by 2016
- •Establishment of list of suspicious vessels and monitoring of these vessels
- •Support to Member States for towing to shore boats intended to be used by smugglers or disposing of them at sea
- •Launching cooperation with financial institutions to step up financial investigations
- •Establishment of a single point of contact on migrant smuggling in each Member State
- •Setting up of a Contact Group of EU Agencies on migrant smuggling
- •Creation of a Eurojust thematic group on migrant smuggling
- 2.Improved gathering and sharing of information

Gathering and sharing information on modus operandi, routes, economic models of smuggling networks, on links with trafficking in human beings and other crimes, and on financial transfers, is crucial for targeting it effectively.

At present, knowledge and information about migrant smuggling are sporadic, because of the underground and rapidly changing nature of this crime. The networks' modus operandi depends largely on the region and the circumstances of the migrant who is paying. Obtaining region-specific information is crucial. The criminal organisations involved in migrant smuggling may be active both in legitimate and illicit businesses, although lack of research and evidence obscures our understanding of these links.

The capacities of EU Agencies to collect, exchange and analyse information on migrant smuggling should be reinforced. Full use should be made of the risk analyses on migrant smuggling routes produced by Frontex. As part of the immediate actions announced in the European Agenda on Migration, Europol's Focal Point on migrant smuggling and its Joint Operational Team (JOT) MARE should be strengthened, to make it the EU information hub for cases of migrant smuggling by sea. Within the framework of JOT MARE, an ad hoc operational team should be deployed to enhance the information collection and operational capabilities. Frontex and the proposed new CSDP operation EUNavFor MED should be closely associated with the team, in particular through effective information-sharing arrangements.

Enhancing information gathering and exchange in third countries

The EU Delegations' capacities in the field of migration should be reinforced, through the deployment of European migration liaison officers in key countries. These should be embedded in the existing Network of Immigration Liaison Officers (ILOs) and connected with relevant

EU Agencies. The Commission will evaluate, in 2016, and consider a possible revision of the existing EU legislation on ILOs to enhance their ability to obtain and share relevant information.

Cooperation with Interpol regional bureaus in key African countries should be strengthened, to enhance exchange of police information on migrant smuggling. The Africa Frontex Intelligence Community (AFIC) should be further developed as a platform for information-sharing and joint analysis with third countries. The launch of similar platforms in other key regions should be considered.

Ensuring full use of available tools to gather information

The EU should further develop monitoring of pre-frontier area for early identification of smugglers and prevention of irregular departures of migrants, including through the use of Frontex tools, such as Eurosur. The potential of using satellite imagery following the agreement signed by Frontex and the EU Satellite Centre Sat Cen should be fully exploited. EU IT systems (e.g. SIS II, VIS) and the European Document Fraud Network should be used to improve risk analysis and enable identification of irregular entry and stay through 'look-alike', falsified or forged documents, or nationality swapping.

Cooperation between relevant EU networks and agencies, and Interpol, should be strengthened. The upgrading and broader use of tools that enable the exchange of information on fraudulent identify and travel documents, such as Interpol's Dial-Doc and Frontex' Reference Manual for frontline border guards and law enforcement officers, should be considered.

The Hotspot approach launched by the European Agenda on Migration should enable EU Agencies to provide substantial support on the ground to frontline Member States, to target migrant smuggling. Europol, in cooperation with Frontex and Eurojust, should deploy joint mobile teams to provide on-the-spot operational and information support to the frontline states. Trained debriefing and screening teams would be deployed more broadly to interview migrants upon arrival at the EU external borders. The resulting concentration and fusion of information should help with the investigations.

Moreover, standard procedures for gathering information about facilitation of irregular migration at an appropriate stage during the asylum determination process, in full respect of EU and international humanitarian rights and refugee law, should be developed, based on the pilot project carried out by the European Asylum Support Office.

The Commission will develop recommendations for Member States' law enforcement authorities regarding the collection of information on smuggling from apprehended irregular migrants, in full respect of fundamental rights. These will be included in the handbook on return, which the Commission will present in 2015.

Monitoring of internet content and development of knowledge-base

Smugglers use the internet to attract migrants. Europol will support national authorities to detect and, where appropriate, request the removal of internet content used by smugglers, in accordance with national law. In this respect, closer cooperation with internet services providers and social media should be established. Eurojust will play an important role to facilitate the exchange of best practice and identify challenges regarding the collection and use of e-evidence in investigations and prosecutions related to migrant smuggling, with the necessary safeguards. Conducting research and risk analysis on links between smuggling and other crimes is essential for closing the knowledge-gap in this area, in particular on trafficking in human beings, severe labour exploitation, drugs and other commodities, terrorism. The connections between migrant smuggling and financial crimes should be closely examined, in cooperation with the Financial Action Task Force.

The Commission will extend the existing Eurostat regular collection of crime statistics to include data on migrant smuggling, with the support of relevant EU Agencies.

Specific actions

- •Deployment of European migration liaison officers in key EU Delegations
- •Evaluation, in 2016, and possible revision of EU legislation on Immigration Liaison Officers
- •Strengthening of JOT MARE as EU information hub on migrant smuggling
- •Further development of Africa Frontex Intelligence Community
- •Enhanced monitoring of pre-frontier area with full use of Eurosur
- •Stepping up Europol support for detecting internet content used by smugglers
- •Including migrant smuggling data within the regular Eurostat collection of crime statistics
- 3.Enhanced prevention of smuggling and assistance to vulnerable migrants

Raising awareness of the risks of smuggling and of irregular migration is crucial for preventing prospective migrants, including people in more vulnerable situations such as children, from embarking on hazardous journeys, also from transit countries. Evidence gathered from migrants confirms that smugglers use social media platforms widely to share information on the services they provide. It is, therefore, important to develop a counter-narrative in the media, including social media, to uncover their lies, with the involvement of diaspora communities in the EU. The Commission will launch information and prevention campaigns in key countries of origin or transit for migrants, in cooperation with the EEAS and the countries concerned, after assessing the impact of the campaigns that it finances currently in Ethiopia and Niger. These will also provide potential migrants with information about their rights, and about opportunities to enter the EU legally.

Assistance to vulnerable migrants

The EU should step up efforts to provide smuggled migrants, in particular vulnerable groups such as children and women, with assistance and protection. The Commission will launch a consultation, in 2016, and impact assessment on the possible revision of Directive 2004/81/EC $\underline{9}$ on residence permits issued to victims of trafficking in human beings and to smuggled migrants cooperating with authorities.

Helping business operators prevent migrant smuggling

Prevention measures should target businesses most affected by smuggling. Establishing partnerships with business operators in the sectors most at risk -transport and shipping - is crucial for enabling them to take adequate measures.

The Commission will develop, by 2017, a handbook on prevention of migrant smuggling, including, possibly, codes of conduct for drivers and operators of merchant and fishing vessels. This will present best practices on promoting security measures and adequate controls by public institutions and business operators to prevent clandestine migration. The Commission will also explore the development of guidelines on migrant smuggling for border authorities and consular services.

Enhancing the effectiveness of return as a deterrent to smuggling

To deter potential migrants from trying to reach the EU by using smugglers' services, it has to be made clear to them that they will be returned swiftly to their home countries if they have no right to stay in the EU legally. For the moment, smuggling networks exploit the fact that relatively few return decisions are enforced to attract migrants (39.2% of return decisions were carried out in 2013).

The effectiveness of the EU system to return irregular migrants or those whose asylum applications are rejected must be enhanced, in full respect of the standards and safeguards that ensure a dignified and humane return, in line with the EU Return Directive. As announced in the European Agenda on Migration, and on the basis of the ongoing evaluation to be concluded

this year, the Commission will propose to amend the Frontex legal basis to strengthen its role on return.

The Schengen Information System (SIS) should be better used to enforce return decisions. The Commission will evaluate the SIS in 2015-2016. In this context, the Commission will explore the possibility and proportionality to introduce return decisions issued by the Member States in SIS, to enhance their traceability. This would make it possible for Member States' authorities to see if an apprehended irregular migrant is subject to a return decision in another Member State. The Commission will also consider making it obligatory for Member States' authorities to introduce all entry bans in SIS, to enable their enforcement EU-wide – under the current SIS legal framework this is optional. Having all entry bans introduced in SIS would help prevent the re-entry into the Schengen area of irregular migrants that were subject to an entry ban issued by a Member State through another Member State.

To ensure that returns are sustainable, the Commission will provide technical support to countries of origin or transit for migrants, to help improve their capabilities to integrate the returnees. The EU should also make stronger efforts to convince third countries to take back their nationals that are irregularly present in Europe, which is an international obligation. The Commission will propose the opening of negotiations on EU readmission agreements with the main countries of origin of irregular migrants, where necessary. A specific obligation regarding readmission exists in the Cotonou Agreement with the ACP countries 11.

To reduce incentives for irregular migration and the exploitation of migrants, the Commission will take stronger action against the employment of irregular migrants. It will enhance the implementation of sanctions for employment of irregular migrants, by improving detection and stepping up inspections. Together with Member States, the Commission will identify targets as regards the number of inspections to be carried every year in the economic sectors most exposed to illegal employment such as the construction, agriculture and horticulture, housework/cleaning and catering and hospitality services sectors.

Specific actions

- •Information and prevention campaigns in third countries on risks of smuggling
- •Launch of consultation, in 2016, and impact assessment on possible revision of EU Directive 2004/81/EC on residence permits
- •Development of handbook on prevention on migrant smuggling by 2017
- •Development of guidelines for border authorities and consular services
- •Evaluation of the EU legal framework on SIS to explore ways to enhance effectiveness of return and reduce irregular migration
- •Proposals to open negotiations on readmission with main countries of origin of irregular migrants
- •Define targets as regards the number of inspections to be carried every year in the economic sectors most exposed to illegal employment
- 4.Stronger cooperation with third countries

Close co-operation with third countries along the entire smuggling route is essential for targeting migrant smuggling and for ending impunity through effective investigation and prosecution. This should be seen in connection with persistent EU efforts to address the root causes of irregular migration, in cooperation with countries of origin and transit. The focus should be on support on border management, youth and employment, mobility.

The EEAS and the Commission will launch or enhance the bilateral and regional cooperation frameworks with relevant partners focusing on practical measures to address smuggling of

migrants, including through the Rabat, Khartoum, Budapest and Prague Processes, the ACP-EU Dialogue, the EU-Africa Migration and Mobility Dialogues and the Malta Summit devoted to migration. Where needed, specific Working Groups – such as the one planned on Niger-will be put in place. Full use should be made of political dialogue mechanisms under the Cotonou Agreement between African, Caribbean and Pacific states and the EU, and the European Neighborhood Policy, as well as relevant multilateral frameworks. Cooperation between the EU and Turkey, which share a common challenge regarding irregular migration, is crucial.

The EU should encourage partner countries to become Parties to the UN Convention on Transnational Organised Crime and the UN Protocol on Smuggling of Migrants by Land, Sea and Air. The Commission will provide funding for projects supporting third countries in enacting legislation in line with the Protocol.

Providing capacity building to third countries

As weak law enforcement capacities hamper exchange of information and co-operation, as well as the investigation and prosecution or smuggling offences in third countries, the transfer of skills and resources is essential.

The Commission and the EEAS will enhance financial and technical assistance to third countries, to support the development of national and regional strategies against migrant smuggling, anti-corruption policies that address the smuggling of migrants, as well as the setting up of integrated border management systems. This should include risk analysis, joint border control and border patrolling, increased security of passports, ID and other travel documents, and should enhance the capacity of border authorities to detect fraudulent identity documents. The reinforcement of CSDP missions and operations, such as EUCAP Sahel Niger and EUCAP Sahel Mali, on border management, will help achieve these objectives. Effective coordination between the various EU tools must be ensured and enhanced as required, including through joint programming and EU Trust Funds.

The Commission will provide substantial funding to help strengthen third countries' police and criminal justice responses to smuggling. This will seek to enhance the capacities of individual countries, as well as fostering cooperation between them, through information exchange, joint regional training and joint investigations. The Commission will also provide financial and technical support for starting or improving the collection, sharing and analysis of data on migrant smuggling between countries of origin, transit and destination.

Increasing coherence and impact of EU action in third countries

Acting together, combining funds, expertise and respective strengths will help amplify the impact of EU action against migrant smuggling abroad. Improving the coherence between the external actions of the EU, Member States and relevant stakeholders is a precondition for maximizing impacts and avoiding duplication.

EU cooperation and coordination on migrant smuggling should be established in priority third countries of origin and transit, by bringing together regularly the Networks of ILOs, European migration liaison officers, EU Agencies' Liaison Officers, Member States' diplomatic representations, CSDP missions and operations, international organisations such as IOM, UNHCR, UNODC or Interpol. Such platforms should also enable full alignment between EU internal and external policies addressing migrant smuggling.

Joint or coordinated planning of EU and Member State support to third countries on migrant smuggling, based on a mapping of actions in key countries and regions, should enable an optimal use of resources.

Specific actions

•Launching or enhancing bilateral and regional cooperation frameworks

- •Funding of projects to support third countries set up strategies on migrant smuggling, step up police and judicial responses, develop integrated border management
- •Setting up of EU cooperation platforms on migrant smuggling in relevant third countries and regions
- •Optimising the use of EU funding through joint or coordinated planning

Pressrelease: Refugee Crisis: European Commission takes decisive action

Date: 9 september 2015

Delivering on the European Agenda on Migration from May, the European Commission is today putting forward a comprehensive package of proposals which will help address the refugee crisis.

Delivering on the European Agenda on Migration from May, the European Commission is today putting forward a comprehensive package of proposals which will help address the refugee crisis that EU Member States and neighbouring countries are facing, including by tackling the root causes making people seek refuge in Europe. The new set of measures will alleviate pressure from Member States most affected − notably **Greece, Italy and Hungary** − by proposing to **relocate 120,000 people in clear need of international protection** to other EU Member States. This number will be on top of the 40,000 that the Commission proposed in May to relocate from Greece and Italy and for which the decision by the Council is still to be adopted. Today's measures will also help those Member States faced with a growing number of asylum applications by enabling a swifter processing of asylum applications though a **common European list of safe countries of origin**. The Commission has today outlined the main actions for **making return policy more effective** and has proposed a €1.8 billion **Trust Fund** to help tackle the root causes for migration in Africa. Finally, the Commission and the EU external action service are also **addressing the 'external dimension' of the refugee crisis**.

European Commission President **Jean-Claude Juncker** said: "We Europeans should know and should never forget why giving refuge and complying with the fundamental right to asylum is so important. It is time we started putting in place the building blocks of a truly European migration policy, as we called for back in May. The measures we are proposing today will ensure that people in clear need of international protection are relocated swiftly after arriving – not just now but also for any crisis in the future. If ever European solidarity needed to manifest itself, it is on the question of the refugee crisis. It is time to show collective courage and deliver this European response now."

Today, the European Commission has presented the following concrete measures to respond to the current refugee crisis and to prepare for future challenges:

1. An emergency relocation proposal for 120,000 refugees from Greece, Hungary and Italy: following the sharp increase in illegal border crossings in the Central and Eastern Mediterranean, but also on the Western Balkans route, over the last few months, urgent action is needed. The Commission proposes to relocate 120,000 people in clear need of international protection from Italy(15,600), Greece (50,400) and Hungary (54,000). The relocation would be done according to a mandatory distribution key using objective and quantifiable criteria (40% of the size of the population, 40% of the GDP, 10% of the average number of past asylum applications, 10% of the unemployment rate). It applies to nationalities of applicants with an EU-wide average recognition rate of 75%

- or higher[1]. This comes in addition to the Commission's proposal from May to relocate 40.000 people in clear need of international protection from Italy and Greece to other EU Member States, thus bringing the total proposed number up to 160,000. The relocation will be accompanied by €780 million EU budget support for participating Member States, including a 50% pre-financing rate to ensure that governments on national, regional and local level have the means to act very swiftly. A temporary solidarity clause: If − for justified and objective reasons such as a natural disaster − a Member State cannot temporarily participate totally or in part in a relocation decision, it will have to make a financial contribution to the EU budget of an amount of 0.002% of its GDP. The European Commission will analyse the reasons notified by the country and take a decision on whether or not they justify the non-participation of a country in the scheme for a maximum of up to 12 months. In case of partial participation in the relocation, the amount will be reduced in proportion.
- 2. A Permanent Relocation Mechanism for all Member States: As announced in the European Agenda on Migration, the Commission is proposing a structured solidarity mechanism which can be triggered any time by the Commission to help any EU-Member State experiencing a crisis situation and extreme pressure on its asylum system as a result of a large and disproportionate inflow of third country nationals. Such future emergency situations would be defined by the Commission based on the number of asylum applications in the last 6 months, per capita as well as the number of irregular border crossings in the last 6 months. The same objective and verifiable distribution criteria will apply as in the emergency relocation proposals. The permanent mechanism will also take into account asylum seekers' needs, family situation and skills. The temporary solidarity clause will also apply here.
- 3. A common European list of Safe Countries of Origin: following up on the European Agenda on Migration and the European Council Conclusions of 25-26 June, the European Commission is proposing a Regulation to establish an EU common list of safe countries of origin. Such a European list will allow for swifter processing of individual asylum applications from candidates originating from countries considered to be safe across the EU, and for faster returns if the individual assessments of the applications confirm no right of asylum. Following discussions with and current practices by Member States, the Commission proposes to add Albania, Bosnia and Herzegovina, Republic of Macedonia, former Yugoslav Kosovo, Montenegro, Serbia and Turkey to the EU list of safe countries of origin. These countries fulfil the common criteria of the Asylum Procedures Directive 2013/32 for a country to be considered safe; they are members to major international human rights Treaties; and the majority have been designated as a candidate country by the European Council, fulfilling the so-called "Copenhagen criteria" (guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities). Other countries can be added in future following a thorough assessment by the European Commission.
- 4. Making return policy more effective: to improve the return policies of Member States, the Commission has issued a common Return Handbook and an EU Action Plan on Return. The Commission has presented an EU Action Plan on Return which defines the immediate and mid-term measures to be taken by Member States to enhance voluntary return, to strengthen the implementation of the Return Directive, to improve information sharing, to strengthen the role and mandate of Frontex in return operations, and to create an integrated system of return management. In parallel, the Commission has adopted a Return Handbook which offers national competent authorities practical instructions when carrying out returns of those migrants who do not have the right to

- stay in the European Union. It will serve as the main training tool in standards and procedures for experts applying the <u>Return Directive 2008/115</u>.
- 5. Communication on Public Procurement rules for Refugee Support Measures: Member States have to satisfy adequately and speedily the most immediate needs of asylum seekers for housing, supplies and services. Today's Communication provides guidance for national, regional and local authorities on how to ensure compliance with EU law while procuring these services in a simple, speedy and non-bureaucratic manner
- 6. Addressing the external dimension of the refugee crisis: The external dimension is a key component in the efforts of solving this crisis. Renewed efforts are being devoted to support diplomatic initiatives and find political solutions to the conflicts in Syria, Iraq, and Libya. The EU is providing assistance to the population in Syria − in particularly to internally displaced person − and financial support to neighbouring countries hosting the highest number of refugees from Syria, such as Jordan, Lebanon, Turkey. So far, €3.9 billion have been mobilised to this end. Fight against organised crime responsible for human smuggling is another priority, notably with the launch of the naval operation EUNAVFOR MED. Some 17 readmission agreements and 7 mobility partnership agreements have also been signed as part of our cooperation with third countries. The EU will also deepen the existing high-level dialogues on migration with key partners − such as the Rabat and Khartoum processes with African countries and the Budapest process with East and Central Asia, as well as the upcoming Conference in early October and Summit in Valetta on 11-12 November.
- 7. A Trust Fund for Africa: Today, the European Commission has allocated €1.8 billion from the EU's financial means to set up an 'Emergency Trust Fund for stability and addressing root causes of irregular migration in Africa'. The aim is to improve stability and address root causes of irregular migration flows in the regions of the Sahel, Lake Chad, the Horn of Africa, and the North of Africa. It will support these regions to develop better socio-economic opportunities and migration management policies. The European Commission is expecting Member States to pitch in too and match our ambition. Spain, for example, has already confirmed its participation.

The flip side to showing solidarity with frontline Member States is also that everyone must show responsibility in applying the common EU rules. To this end, the Commission is also this week stepping up **infringement procedures** where necessary to enforce the rules and is implementing a **'HotSpot' approach** in frontline Member States to assist them in applying common EU asylum rules (See MEMO/15/5597).

Next Steps:

The extraordinary Home Affairs Council on migration on 14 September will be the next opportunity for Member States to discuss and adopt the Commission's legislative proposals. The emergency relocation mechanisms presented by the Commission in May and September need to be adopted by the Council (by qualified majority voting), in consultation with the European Parliament, while the permanent solidarity mechanism and the European list of safe countries of origin have to be adopted jointly by the European Parliament and the Council (using the ordinary legislative procedure). The Trust Fund proposal is submitted to Member States with the objective of completing the necessary procedures in time for the Valletta Summit in November, where the EU will meet with key African countries to discuss migration and the refugee crisis.

Background

The European Commission has been consistently and continuously working for a coordinated European response on the refugees and migration front:

On 23 April 2014, in Malta, **Jean-Claude Juncker** presented <u>a five point plan on immigration</u>, calling for more solidarity in the EU's migration policy as part of his campaign to become European Commission President.

Upon taking office, European Commission President **Jean-Claude Juncker** entrusted a Commissioner with special responsibility for Migration to work, in coordination with First Vice-President **Timmermans**, on a new policy on migration as one of the 10 priorities of the Political Guidelines, the political programme based on which the European Parliament elected the Commission.

Based on a proposal by the European Commission, in a European Council statement of 23 April 2015, Member States committed to taking rapid action to save lives and to step up EU action in the field of migration. A European Parliament Resolution followed a few days later.

On 13 May 2015, the European Commission presented its European Agenda on Migration, setting out a comprehensive approach for improving the management of migration in all its aspects.

On 27 May 2015, the European Commission already came forward with a first package of implementing measures of the European Agenda on Migration, including relocation and resettlement proposals, and an EU Action plan against migrant smugglers.

On 25-26 June, the European Council agreed to move forward on the proposals made by the European Commission in the European Agenda on Migration, focusing on relocation and resettlement, returns and cooperation with countries of origin and transit.

On 20 July, the Justice and Home Affairs Council agreed to implement the measures as proposed in the European Agenda on Migration, notably to relocate people in clear need of international protection from Italy and Greece over the next two years, starting with 32,256 in a first step, and to resettle 22,504 displaced persons in clear need of international protection from outside the EU.

State of the Union 2015

Date: 9 September 2015

Dear Mr President,

President of the Council,

Honourable Members of the European Parliament,

It is an agreeable duty for me – and not only a duty, but also a pleasure - as President of the European Commission, for the first time in my short life, to address this House on the State of our European Union. As Prime Minister of Luxembourg I gave a speech on the state of the

nation on very many occasions - twenty, I believe. After the speech, I was always assured that the tone and the rhetoric were very good - opinions differed about the content - but that it was too long. The same will happen to me today in this House.

I was not able to prepare the speech under normal circumstances, for reasons which some of you may be able to guess. But I will make every effort to bring it to a good end.

This address is required by the Agreement, the Framework Agreement that governs relations between the European Parliament and the European Commission. This Agreement provides that the President of the Commission must report to Parliament in the first half of September on the achievements, accomplishments and work carried out over the past year and on what is planned for the Commission - i.e. also in this House - in the coming months.

This is about setting priorities for the work ahead for the European Commission, and therefore also in part for the European Union. And to that end, I have sent letters to the President of the European Parliament, Martin Schulz, and to the Prime Minister of Luxembourg in his capacity as the Chair of the Council Presidency, setting out the priorities for the European Commission. And I have also (a) made this letter available to this House and (b) appended to the letter a presentation of the implementation of the ten priorities for the Commission's work. I will not deal with all of these matters here today. I would refer you - and I admit that this is impolite, but none the less necessary - to the written details which the Commission, under my signature and that of the First Vice-President, Frans Timmermans, has forwarded to the President and to the Presidency of the Council, and I would refer you also to the accompanying documents, which are intended to make the letters easier to understand.

I am the first President of the European Commission to come into office not in a roundabout way but directly, after an election and a confirmatory vote by the European Parliament.

"Our European Union is not in a good state. There is not enough Europe in this Union. And there is not enough Union in this Union."

I made it clear right from the outset – even at my hearing address here in the European Parliament on 14 July last year - that the Commission, which I have the honour to chair, would be a more political Commission and therefore the President of the European Commission would also be a more political President because of the procedural, democratic way in which he was appointed.

When I say political, I expressly mean political in the noble sense of the word.

We are engaged in politics, not politicking. I do not like that expression to describe what we do. We are - all of us, you and I - politicians.

When I say political, that does not mean that we would like to politicise everything. But I would like to state that I am of the firm opinion that this is not the time for business as usual.

"Please do not pay attention to how often I use the words 'sustainable', 'economic', 'financial' or 'fiscal'. Now is not the time for what are very often empty expressions."

So I would sincerely ask you not to pay attention to how often I use the word 'social'; my heart exudes the social. Please do not pay attention to how often I use the words 'sustainable',

'economic', 'financial' or 'fiscal'. Now is not the time for what are very often empty expressions. This is the time for honesty. The time has come for more honesty in Europe. And that is why this is a speech about the great, open, momentous questions facing the European Union. That is what I will focus on. Although I am not by nature a pessimist, our European Union is not in a good state.

"This is the moment for honesty. Time has come for more honesty in Europe. That is why this is a speech about the great, open, momentous issues facing Europe."

It makes no sense for the President of the Commission to gloss over things when addressing the representatives of European democracy, i.e. the representatives of the peoples of Europe. The European Union is not in a good state. There is not enough Europe in this European Union. And there is not enough Union in this European Union. We have to change this. And we have to change this now, by common endeavour. That is what is demanded by the mandate which we received from the European electors. That is also what is demanded by the remit which I received from this House.

[Interruption from floor]

I do not know why you are becoming nervous when you are speaking about the European Union. You can interrupt me from time to time. I will not at each time respond to what you are saying, because what you are saying is worthless.

THE REFUGEE CRISIS: THE IMPERATIVE TO ACT AS A UNION

Mr. President, Ladies and Gentleman, whatever work programmes or legislative agendas say: The first priority today is, and must be, addressing the refugee crisis. Since the beginning of the year, nearly 500,000 people have made their way to Europe. The vast majority of them are fleeing from Syria, the terror of the Islamic State in Libya or dictatorship in Eritrea. The most affected Member States are Greece, with over 200,000 refugees, Hungary, with more or less 150,000, and Italy, with 120,000. The numbers are impressive. For some they are frightening. But now is not the time to take fright. It is time for bold, determined, concerted action by the European Union, by its Member States and by its institutions. The first of all the matters before other considerations is the matter of humanity and human dignity. And for Europe it is also a matter for historical fairness. We Europeans, we are all Europeans here.

This is not a time to take fright. It is a time of humanity and of human dignity. We Europeans, all of us, we should remember well that Europe is a continent where nearly everyone has at one time been a refugee.

Our common history is marked by millions of Europeans fleeing from religious or political persecution, from war, from dictatorship, from oppression. Huguenots fleeing from France in the 17th century. Jews, Sinti, Roma, many others fleeing from Germany during the Nazi horror of the '30s and the '40s of the last century. Spanish republicans fleeing to refugee camps in southern France at the end of the 1930s after their defeat in the Civil War. Hungarian revolutionaries fleeing to Austria and elsewhere, everywhere in Europe, after their uprising against communist rule was oppressed by Soviet tanks in 1956. Czech, Slovak citizens seeking exile in other countries, including mine, after the oppression of the Prague Spring in 1968. Hundreds of thousands were forced to flee from their homes after and during

the Yugoslav wars. That was at the end of the last century. Not centuries ago; at the end of the last century, in the last decade of the 20th century.

Have we forgotten that there is a reason there are more McDonalds living in the United States than in the entire population of Scotland? That there is a reason the number of O'Neills and Murphys in the U.S. exceeds by far those living in Ireland? Have we forgotten that 20 million people of Polish ancestry live outside Poland, as a result of political and economic emigration after the many border shifts, forced expulsions and resettlements during Poland's so often painful history?

Have we really forgotten that after the devastation of the Second World War, 60 million people were refugees in Europe? That, as a result of this terrible European experience, a global protection regime – the 1951 Geneva Convention on the status of refugees – was established to grant refuge to those who jumped the walls in Europe to escape from war and totalitarian oppression? We Europeans should know and should never forget why giving refuge and complying with the fundamental right to asylum is so important. A fundamental right to asylum is one of the most important international and European values. We should not forget that.

I have said in this House, and elsewhere, in the past that we are too seldom proud of our European heritage and our European project.

Yes, in spite of our fragility, our weaknesses, our self-perceived weaknesses, today it is Europe that is sought worldwide as a place of refuge and exile.

It is Europe today that represents a place of hope, a haven of stability in the eyes of women and men in the Middle East and in Africa.

This is something, I have to say this here, to be proud of and not something to fear.

Europe today, Ladies and Gentlemen, in spite of many differences amongst the Member States, is by far the wealthiest place and the most stable continent in the world. Those who are criticizing Europe, European integration, the European construction, the European Union, have to admit that this is the place of peace and this is a place of stability and we should be proud of this.

Europe is a continent where nearly everyone has at one time been a refugee."

We have the means to help those fleeing from war, terror, oppression. I know that many now will want to say that this is all very well, but Europe cannot take everybody. It is true that Europe cannot house all the misery of the world. But let us be honest and put things into perspective.

There is certainly an important and unprecedented number of refugees coming to Europe at the moment. However, they still represent just 0.11% of the total EU population. In Lebanon, by comparison, refugees represent 25% of the population in a country which has only one fifth of the wealth we enjoy in the European Union. Who are we that we are never making this kind of comparisons? Who are we?

Let us also be clear and honest with our often worried citizens: as long as there is war in Syria and terror in Libya, the refugee crisis will not simply go away.

We can build walls, we can build fences. But imagine, without being demagogic, for a second if it were you, your child in your arms, the world you knew torn apart around you. There is no price you would not pay, there is no wall you would not climb, no sea you would not sail, no border you would not cross if it is a war or the barbarism of the so-called Islamic State that you are fleeing. We are fighting against the Islamic State. Why are we not ready to accept those who are fleeing the Islamic State? We have to accept these people on the European territory. It is high time to act to manage the refugee crisis. Because there is no alternative to this.

There has been a lot of finger pointing, not enough fingerprinting, but too much finger pointing in the past weeks. Member States have accused each other of not doing enough or doing the wrong thing. And more often than not, fingers have been pointed from national capitals towards Brussels. Brussels is always accused if Member States are failing. If Member States are not doing their job, Brussels, the Commission, the European Parliament is accused of not doing their job.

We could all be, not all, the majority of this House, myself and my Commission, angry about this blamegame. But I wonder who that would serve. Being angry does not help anyone. Blaming others does not help the refugees and the migrants. And the attempt of blaming others is often just a sign that politicians, policy-makers, sometimes law makers are overwhelmed by unexpected events.

Instead, we should rather recall what has been agreed that can help in the current situation. It is time to look at what is on the table and move swiftly forwards.

We are not starting anew. Since the early years of this century, the Commission, not mine, the one of José Manuel Barroso, has persistently tabled legislation after legislation, to build a common European asylum system. And the Parliament and the Council have enacted this legislation, piece by piece. And the last piece of legislation entered into force just in July 2015, two months ago.

Across Europe we now have common standards for the way we receive asylum seekers, in respect of their dignity, for the way we process their asylum applications. And we have common criteria which our independent justice systems use to determine whether someone is entitled to international protection.

But these standards, honourable Members of Parliament, need to be implemented entirely and respected everywhere in Europe in practice. And this is clearly not the case. Before the summer, not after the summer, before the summer, the Commission started a first series of thirty-two infringement proceedings to remind Member States of what they had previously agreed to do. There's a matter of credibility. We are doing, we are legislating, and we are not implementing. It's a matter of credibility that Member States are implementing and respecting commonly agreed international and European laws. A second series of infringement proceedings will follow in the days to come.

Common asylum standards are important, but they are not enough to cope with the current refugee crisis. The Commission, the Parliament and the Council said in the spring that we

need a comprehensive European Agenda on Migration. We proposed this as the Commission in May. And it would be unfair to say that nothing has happened since then.

We have tripled our presence at sea. 122,000 lives have been saved since then. Every life lost is one too many, but many more have been rescued that would have been lost otherwise – an increase of 250%. We should be proud of that performance. 29 Member States and Schengen associated countries are participating in the joint operations coordinated by Frontex in Italy, Greece and Hungary. 102 guest officers from 20 countries; 31 ships; 3 helicopters; 4 fixed wing aircrafts; 8 patrol cars, 6 thermo-vision vehicles and 4 transport vehicles – this is a first measure of European solidarity in action, even though more will have to be done.

We have redoubled our efforts to tackle smugglers and dismantle human trafficker groups. Cheap ships are now harder to come by, leading to less people putting their lives in peril in unseaworthy boats. As a result, the Central Mediterranean route has stabilised at around 115,000 arriving during the month of August, the same as last year. We now need to achieve a similar stabilisation of the Balkan routes, which has clearly been neglected by all policymakers.

The European Union is also the number one donor in the global efforts to alleviate the Syrian refugee crisis. Around 4 billion euros have been mobilised by the European Commission, that means by you too, and Member States in humanitarian, development, economic and stabilisation assistance to Syrians in their country and to refugees and their host communities in neighbouring Lebanon, Jordan, Iraq, Turkey and Egypt. Indeed, just today we launched two new projects to provide schooling and food security to 240,000 Syrian refugees in Turkey. And by the way, I would like to applaud the efforts of Jordan, of Turkey, and of Lebanon. These countries, by far poorer we are, they are making efforts. We should applaud them and we should recognise, both in moral, and in financial terms

"I call on Member States to adopt the Commission's proposals on the emergency relocation, altogether, of 160,000 refugees."

We have collectively committed to resettling over 22,000 people from outside of Europe over the next year, showing solidarity with our neighbours. Of course, this remains very modest, too modest by comparison to the Herculean efforts undertaken by Turkey, Jordan, Lebanon, who are hosting over 4 million Syrian refugees. But I am encouraged that some Member States are showing now their willingness to significantly step up our European resettlement efforts. This will allow us very soon to come forward with a structured system to pool European resettlement efforts more systematically. It has to be done, and it will be done.

Where Europe has clearly under-delivered is on common solidarity with regard to the refugees who have arrived on our territory.

To me, it is clear that the Member States where most refugees first arrive – and at the moment, these are Italy, Greece and Hungary – cannot be left alone to cope with this enormous challenge.

This is why the Commission already proposed an emergency mechanism in May, not now, back in May, to relocate initially 40,000 people seeking international protection from Italy and Greece.

And this is why today we are proposing a second emergency mechanism to relocate a further 120,000 people from Italy, Greece and Hungary. This has to be done in a compulsory way. I call on Member States to adopt the Commission's proposals on the emergency relocation, altogether of 160,000 refugees, at the Council of Interior Ministers on 14 September. We are not talking about 40,000, we are not talking about 120,000: it is 160,000. That is the number Europeans have to take in charge and have to take in their arms. And I really hope that this time everyone will be on board. No poems, no rhetoric. Action is what is needed for the time being. What is happening to human beings - we are talking about human beings, we are not talking about numbers, human beings coming from Libya and Syria today - could easily be the case in Ukraine tomorrow. Are we making selections? Are we distinguishing between Christians, Jews, Muslims?

Europe has made the mistake in the past of distinguishing between Jews, Christians and Muslims. There is no religion, no belief, no philosophy when it comes to refugees.

Ladies and Gentlemen, winter is approaching. Do we really want to have families sleeping in railway stations in Budapest and elsewhere? In tents, cold tents during the night? On shores in Kos? We are in charge, in the winter period, of those who had to flee their countries for the reasons I have mentioned. Of course, relocation alone will not solve the issue. It is true that we also need to separate better those who are in clear need of international protection and are therefore very likely to apply for asylum successfully and those who are leaving their country for other reasons which do not fall under the right of asylum.

This is why today the Commission is proposing a common EU list of safe countries of origin. This list will enable Member States to fast-track asylum procedures for nationals of countries that are presumed to be safe. The presumption of safety must in our view certainly apply to all countries, which the European Council unanimously decided, meet the basic Copenhagen criteria for EU membership – notably as regards democracy, the rule of law, and fundamental rights. It should also apply to other potential candidate countries in the Western Balkans, in view of their progress made towards candidate status. I am of course aware that the list of safe countries is only a procedural simplification. It cannot take away, and I would act strongly against that, the fundamental right of asylum for asylum seekers coming from Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Kosovo, Montenegro, Serbia, and Turkey. But it allows national authorities to focus on those refugees which are much more likely to be granted asylum, notably those from Syria. And this focus is very much needed in the current situation. A list of safe countries is not taking away asylum rights from those people coming from the countries being listed. That is important. It is important. We are not neutralising the Geneva Convention. Asylum is a right. The countries being on the list of safe countries have to know that if they are taken off of this list because fundamental rights would not be assured, ensured, in these countries, they are losing their chance to join the European Union. These two things are going together, politically. Safe list, yes, but it is time we prepare a more fundamental change in the way we deal with asylum applications and notably the Dublin system that requires that asylum applications be dealt with by the first country of entry.

We need more Europe in our asylum policy. We need more Union in our refugee policy. A true European refugee and asylum policy requires solidarity to be permanently anchored in our policy approach and our rules

This is why, today, the Commission is also proposing a permanent relocation mechanism, which will allow us to deal with crisis situations more swiftly in the future. More swiftly in the future, that means more swiftly than in the past. A common refugee and asylum policy requires further approximation of asylum policies after refugee status is granted. Member States need to take a second look at their support, integration and inclusion policies. The Commission is ready to look into how EU funds can support these efforts.

And I am strongly in favour of allowing asylum seekers to work and to earn their own money whilst their applications are being processed. Labour, work, being in a job is a matter of dignity. Those who are working are finding back the dignity they had before they were leaving. So we should do everything to change our national legislation in order to allow refugees, migrants to work since day one of their arrival in Europe.

A united refugee and asylum policy also requires stronger joint efforts to secure our external borders. Fortunately, in the European Union we have given up border controls between Member States of the Schengen area, to guarantee free movement of people, a unique symbol of European integration. And this Schengen system will not be abolished under the mandate of this Commission. But the other side of the coin to free movement is that we must work together more closely to manage the external borders. This is what our citizens expect. The Commission said it back in May, and I said it during the election campaign together with Martin, together with Guy, Ska and José, and I am thinking also of Alexis not here today

"We will propose ambitious steps towards a European Border and Coast Guard before the end of the year."

We need to strengthen Frontex significantly and develop it into a fully operational European Border and Coast Guard system. That is certainly feasible. But it will cost money. The Commission believes this is money well invested. This is why we will propose ambitious steps towards a European Border and Coast Guard before the end of the year.

A truly united, European migration policy also means that we need to look into opening legal channels for migration. But let us be clear, this will not help in addressing the refugee crisis we are currently in. But if there are more, safe and controlled roads opened to Europe, we can manage migration better and make the illegal work of human traffickers less attractive. Let us not forget, we are an ageing continent in demographic decline. We will be needing talent, talent coming from everywhere in the world. Over time, migration must change from a problem to be tackled to a well managed resource. To this end, the Commission will come forward with a well designed legal migration package in early 2016. This is highly important. Migration has to be legalised. It is not sufficient to protest against illegal immigration, we have to organise legal ways to Europe.

A lasting solution will only come if we address the root causes, the reasons why we are facing this important refugee crisis. Our European policy must be more assertive. Foreign policy must be more assertive. We can no longer afford to be ignorant, disunited with regard to war or instability right in our neighbourhood. We have to find a solution. Maybe that we are too weak for achieving this to the Libyan problem. We have to address in a more solution-orientated way the Syrian crisis.

"Our European policy must be more assertive. Our foreign policy must be more assertive. (...) I call for a European diplomatic offensive to address the crises in Syria and in Libya."

I call for a European diplomatic offensive to address the crises in Syria and in Libya. We need a stronger Europe when it comes to foreign policy. I am very glad that Federica Mogherini, our highly determined High Representative - she is "High" because she is highly determined - has prepared the ground for such an initiative with a diplomatic success in the Iran nuclear talks. And I would like to congratulate Federica for that extraordinary performance.

In order to facilitate the work of our High Representative, Federica, the Commission today is proposing to establish an emergency Trust Fund, starting with €1.8 billion from our common EU financial means to address the crises in the Sahel and Lake Chad regions, the Horn of Africa, and the North of Africa. We want to help create lasting stability, for instance by creating employment opportunities in local communities, and thereby address the root causes of destabilisation, forced displacement and irregular migration. I expect all EU Member States to pitch in and match our ambitions. We need this emergency Trust Fund, in order to prevent future crises.

And we need higher developments aid budgets. I do not like to question development aid, cooperation budgets. It is abnormal that Member States of the European Union are reducing their budgetary efforts when it comes to aid development. They have to be increased.

I do not want, Mr. President, to create any illusions that the refugee crisis will be over any time soon. It will not. And we have to know that. But pushing back boats from piers, setting fire to refugee camps, or turning a blind eye to poor and helpless people: that is not Europe.

Europe that is the baker in Kos who gives away his bread to hungry and weary souls. Europe is the students in Munich and in Passau who bring clothes for the new arrivals at the train station.

That's those at the Munich rail station applauding and welcoming refugees. The Europe I want to live in is illustrated by those who are helping. The Europe I don't want to live in is a Europe refusing those who are in need.

The crisis is stark and the journey, of course, is still long. I am counting on you, in this House, the House of the European democracy, and on all Member States to show European courage going forward, in line with our common values and history.

A NEW START FOR GREECE, FOR THE EURO AREA AND FOR THE EUROPEAN ECONOMY

Mr President, Honourable Members, and in many cases dear friends,

I realise that I have already overrun the time normally allowed for the President's State of the Union speech, but given the state of the Union I need more time. So I would like to say a few words about Greece, a subject very close to my heart.

The debate we had, which revolved around Greece's problems - which are also our problems - was a difficult one because, as I never ceased to point out to the Greek Prime Minister at the time, there are 19 democracies in the euro area, not just the Greek one.

Public opinion, the views of parliament, the whole range of different beliefs are also reflected in the parliamentary debates in the 18 other democracies which together form the euro area.

I saw how the Commission was often fiercely attacked by some Member States for getting involved in the search for the solution - if I may call it that, even though there is still no definitive solution to the Greek problem. I would like to reiterate here something which I said when I appeared before you for the first time, namely that it is the duty of the European Commission to defend the general interest. Failure to tackle the situation in Greece would have been an unpardonable weakness on the part of the Commission, a mistake with multiple repercussions.

"I would like to see the programme we agreed being respected by every Greek government, past, present and future."

We have paid a high price: I in particular have been personally attacked by those who always claim to know better than the Commission and the European Parliament. But I was not prepared to leave the solution to the Greek problem to the Brussels bureaucrats, even though they have done an extraordinary job - truly extraordinary, even during the holidays. I did not want to leave it solely to what is popularly (and stupidly) referred to as the Brussels bureaucracy

So we got involved – Frans Timmermans, Vice-President Dombrovskis, Pierre Moscovici and others – in solving the problem we were confronted with.

Some might choose to say that the Commission and its President should not have said that a Grexit was not an option. But this is not an acceptable choice. We had to say at every opportunity that Grexit was not an option, otherwise it would have happened. And I told Mr Tsipras and the Greek authorities that they should not interpret this as meaning that they would be rescued come what may. I told Alexis Tsipras that I was not a magician who would pull a rabbit out the hat if things didn't work out. He knew, he had to know and he did know that Grexit was an option but not one to be spoken of publicly. So in this case we did what we had to do and I have always thought, as you well know, that the Greek problem was not just one of consolidating public finances, not just a problem of structural reforms - important as these undoubtedly are - but also a problem of the growth prospects of this country which the European Union should be happy to count as one of its members. I have not appreciated the comments over recent months to the effect that Greece should leave the euro area or leave the European Union or that it was not a country to be taken seriously. Greeks, and particularly Greeks on low incomes, are hard-working people, people who are doing everything to ensure that their country can prosper. We should acknowledge the efforts of the Greek nation more than we have done to date.

I would like to see the programme we agreed being respected by every Greek government, past, present and future. If the rules we agreed on jointly are not respected this time round, the reaction of the European Union and the euro area will be different. This time the agreements must be implemented.

This programme includes 35 billion euro which the Commission is making available to relaunch economic and social growth in Greece. I hope that this offer – which is not a charitable donation – will be accepted by all the stakeholders in Greece.

Obviously, the solution we found for Greece does not mean that the crisis is at an end. While there are 23 million Europeans without work in the Union as a whole and over 17 million unemployed in the Eurozone the crisis is far from over.

The crisis will be over once Europe has returned to full employment. I sometimes wonder why a continent as rich as Europe would depart from this general rule which should be universally followed. The young of today and the adults of tomorrow have a right to full employment. Let us not abandon this goal of making Europe a continent proud of its triple A social rating. We must therefore do everything we can to return Europe to full employment. It is not impossible if we really want it.

"The President of the euro group, and he alone, should represent the euro zone."

It requires us to remain committed to the virtuous triangle of budgetary consolidation - which is essential and irreplaceable - structural reform and investment. We have presented a 315 billion euro investment plan to Parliament and the Council. It is in the process of being applied in detail and at a general level.

I believe that all Europe's political leaders, its economic actors, businesses, CEOs and trade unions must stand up and fight for a Europe of growth. This investment plan unfortunately bears my name, for the sake of convenience. We have chosen to call it the Juncker plan, so that there will be someone to blame if it fails. But I do not want it to fail. I want all economic and social players, all political actors to get involved in implementing this investment plan, which is a plan for Europe, for jobs and for growth.

"The European Parliament must remain the Parliament of the euro zone."

However, all this will not be enough. We will have to determine which path, road or avenue to take. This is why we have proposed the Five Presidents' Report for achieving closer economic and monetary union. I'm saying Five Presidents because I made the decision that the President of the Parliament would be personally involved in writing the report, not during a moment of autobiographical weakness but for reasons of principle. However, the Parliament remains a parliament and we would be deluding ourselves to think that the future of Europe and of European economic union could be decided without the direct and immediate involvement of the European Parliament. Consequently, it was my decision to include President Martin Schulz in our work. He presented his personal views – not all of which I liked – however, he also incorporated into the inter-institutional discussions the views so often expressed by our Parliament, in particular the views of our friend, Othmar Karas – whose report quite rightly bears his name – according to which the presence of the European Parliament in the construction of economic and monetary union should be stronger than ever before.

Yes, Europe needs economic governance. This is something I'm not saying for the first time today: I first said it in 1991 when I was a young Minister for Finance, together with Nicolas Schmidt, overseeing the Intergovernmental Conference on Economic and Monetary Union. There were four people arguing in favour of economic governance: Jacques Delors (who remains a role model), Pierre Bérégovoy, whose passing I still mourn, Philippe Maystadt, who is always at hand to tell us what we need to know, and myself, still here as I am something of a permanent fixture. The four of us were in favour of economic governance in Europe. We wanted to introduce rules in the treaties for economic governance of the euro

area. Those who today are calling for the immediate application of economic governance ('wirtschaftspolitische Steuerung' in German) did not listen to us then. Welcome to the club, it was proposed 25 years ago.

"We intend to propose a European pillar of social rights during the first half of 2016."

By way of achieving closer economic and monetary union, we will be proposing a common deposit guarantee scheme. I believe such a system is needed. This will probably, in fact certainly, take the form of a reinsurance scheme, not a fully integrated system, but European savers and depositors will need additional security, and this they shall have. I wish to see a European Treasury set up. Of course, this will need to be discussed in detail as it is merely a name devoid of any specific content. However, it seems clear to me that the euro area now needs a European Treasury which will be supported by resources from the European Stability Mechanism.

Regarding tax policy, tax policies and the lack of coherence in European tax policy, the Commission will have the opportunity to ensure that the principle of exchanging tax related information is swiftly adopted by the Council. I stand by the same convictions I had aged 17 or 18 (which some believe I turned my back on briefly), namely that profit should be taxed in the country in which it is generated. The Commission will make sure this common-sense principle is applied across Europe. Just as we need to defend this simple rule which has proven its worth and which, when broken, has laid bare its faults. The rule must have its value restored across Europe, whereby the same work, in the same place, is paid the same amount. This is an age-old rule which needs to be reinvigorated. Under the oversight of the Commissioner for Social Affairs, Marianne Thyssen, we intend to propose a European pillar of social rights during the first half of 2016. The European Union is not just about the currency, the Greek situation or Ukraine, the European Union is also about establishing a common foundation of social values which we must, and will, adopt together

"The European Union is also about establishing a common foundation of social values which we must, and will, adopt together."

I wish to quickly add that, in my opinion, the European Parliament must remain the parliament of the euro area. Let's not prolong this discussion. Yes, I believe that international representation of the euro area must be improved. It is not right that within the Bretton Woods institutions, in particular the International Monetary Fund, Europe is seen as a chicken coop, a farmyard, where everyone runs in whatever direction they think best. The President of the Eurogroup alone should represent the euro area. Within the International Monetary Fund, we should be represented by one voice. The country-specific recommendations made by the Commission and Council must be more closely followed by the Member States of the euro area. We have reduced the number of recommendations per country proposed to the Council. It does not make sense to require Member States to carry out 20 reforms over the course of a year. This is not credible. It's idiotic, it's stupid. Consequently, we have agreed on fewer reforms for each Member State. However, these must be carried out. The reforms proposed by the Council must be taken on board at national level.

A FAIR DEAL FOR BRITAIN

I would like to say a word on the United Kingdom. Because when campaigning I was advocating a fair deal with Britain and I am totally convinced that we will have a fair deal

with Britain. I have established in the structures of the Commission a specific special group for the negotiations with Britain, under leadership, by the way, of a British citizen who is a European. That is not a contradiction. I was hesitating between Jonathan Faull and Nigel Farage and then I made the choice, I took Jonathan Faull, and Nigel of course will be his greatest supporter because the one is British and the other is British and European so you have to come together and you will of course

Of course the United Kingdom and the British government and the British policy makers are right when they criticise the European Union for being too bureaucratic for this overdose of regulation. It is the programme of my Commission to bring down this regulation. And under the leadership of the First Vice-President Frans Timmermans we are doing everything we can do in order to make sure that the regulation in the European Union will be a better one. But better regulation does not mean destruction, it does not mean no rules, it does not mean that the European Union should stand away from everything which has to be organised in a proper way in Europe. We have launched the Digital Single Market.

"When campaigning I was advocating a fair deal with Britain and I am totally convinced that we will have a fair deal with Britain."

We have launched the Energy Union. We are, step by step, progressively completing the internal market, because the internal market is not complete. We are taking initiatives after initiatives in order to promote entrepreneurship in Europe. These are all requests of the British government, and more largely than that, of the British policy-makers. The problem is that this cannot be requested from this Commission, because this Commission is doing exactly that. And I would like our British friends to support the initiative of the Commission in that very field.

TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP

The same is applying to the need we do see to conclude as many trade agreements with leading nations in the world, including the Transatlantic Trade and Investment Partnership. I am in favour of the TTIP treaty. But I am not in favour of giving up European standards, European principles. As in the case of Britain, the freedom of movement of workers cannot be touched. The same applies to the Transatlantic Partnership Agreement. We have our basic values, we have our principles, and these principles cannot be given up during these negotiations with the United States. And I am strongly in favour, as is Cecilia Malmström, the excellent trade Commissioner we have, of a maximum of transparency. But I am against developing publicly negotiation positions of the European Union. We are weak. And we are the weaker ones – the more we are telling those we are negotiating with what we do intend to do if our positions will not be accepted, the weaker we are. We are international negotiators. I am in favour of transparency but I am also in favour of seriousness. Negotiations have to be conducted in a serious way.

"I am in favour of TTIP. But I am not in favour of giving up European standards, European principles."

UNITED ALONGSIDE UKRAINE

I should have one word, one paragraph, one speech on Ukraine. We are supporting the democratic efforts of the now President of Ukraine. We have to support this man, because he

has the courage of action. And in this country this is not an easy thing to be done. And those who are doubting about our involvement, our engagement, in the Ukrainian case will be proven wrong, because we have offered to President Poroshenko in so many talks all the need Ukraine was asking for and we will continue in that way.

"I will do everything to enable the European Council to give visa-free right to travel to Ukrainian citizens. If the conditions are fulfilled, it has to be done."

We were lending 3.41 billion euros in three Macro-Financial Assistance programmes to Ukraine. We were helping to broker a deal that will secure Ukraine's winter gas supplies and we are advising our friends there on the reform of the judiciary. I will do everything to enable the European Council to give a visa-free right to travel to Ukrainian citizens. If the conditions are fulfilled, it has to be done. As Guy Verhofstadt was saying months ago in this House the Maidan rallies were not only about democracy, about the Membership of the European Union. People there, and people living in Ukraine now, they don't want to have a country where corruption is playing a role. The Ukrainian democrats want a corruption-free country, and so we have to attend to them in that very field.

I would like to say, because I am very attentive, and I have these things on my radar all the time, to our Eastern Member States notably the Baltics, that the security and the borders of EU Member States are untouchable. And I want this to be understood very clearly in Moscow. The Member States of the Baltics and other countries have to know that solidarity is not an empty word. We are there now, and we will be there if ever this is needed. The Baltics, Poland and the others — mainly Poland and the Baltics. The Baltics and Poland are very important members of the European Union and they should not think that we would not be there if in any way their security and borders would be in danger. We have as obligation to protect if needed the security of everyone.

[Interruption from floor]

I don't know if you mentioned the Luxembourgish army, when you are saying army. The Luxembourgish army is an excellent army. 771 soldiers, defence Minister included. The Luxembourgish army will not be of great help. But others can be, if needed.

I am wondering myself why I like your interruptions, but I like them because these are inspiring, because they are reminding me what I should have told you before. I will never forget the meeting I had before being appointed with Nigel Farage and his group. It was very sportive, open and frank and involved humour. That is, by the way, the only quality we are sharing, humour. That is something, yes.

Could I have the permission of the President of the Parliament to distribute the text on climate change? Because that is important. I am running out of time now and have already been speaking for 72 minutes and 15 seconds.

"The security and the borders of EU Member States are untouchable. I want this to be understood very clearly in Moscow."

[Interruption from floor]

Ok. I have new friends. Those sitting in the middle of the Parliament are starting to become tired. But those sitting there, they want me to continue.

[Interruption from floor]

The European Parliament, Mr President, is the place where you can meet everyone. Union in diversity

UNITED IN LEADERSHIP IN ADDRESSING CLIMATE CHANGE

I would, Mr President, like to say a few words, given the time constraints we have, on climate change. The text of my speech will be distributed to a larger public in the next coming hours. I simply wanted to say that I do think that we have to be very ambitious, as the European Union, on our way to Paris. I do think that we are doing major efforts, probably not enough, but more efforts, huge efforts than others are delivering. We are tackling the root causes of the next migration wave, in the next coming decades.

We must address in a proper way the climate change problems because tomorrow morning we will have climate refugees. We have to know that. We should not be surprised, astonished if the first climate refugees are coming to Europe. We have to act now because we don't have time to lose. And that's why I want the European Union and the Member States to be as ambitious as possible on our way to Paris. But I would like to say here that I do think that the European Union will not sign just any deal. Europe's priority has to be to adopt an ambitious, robust and binding global climate deal. That's a European duty and we have to fight for that and we have to raise the voice against those within our Member States who are not sharing that view. Europe is not neutral when it comes to climate change. Europe has to be an example, a model for the others.

"We should not be surprised, astonished if the first climate refugees are coming to Europe. We have to act now because we don't have time to lose."

"The European Union will not sign just any deal. Europe's priority has to be to adopt an ambitious, robust and binding global climate deal. That's a European duty and we have to fight for that and we have to raise the voice against those within our Member States who are not sharing that view."

CONCLUSION

So there we are, Mr President, Ladies and Gentlemen: not the State of the Union in its entirety, but I did not want to present you with a whole litany on the European Union. Let me say it again, at the end of a speech which, despite being severely cut down, is still admittedly too long, I believe that the European Union is not in good health, but I also believe that it is not my job merely to criticise the state of the European Union. We have also carried out a number of reforms over the past year – to my mind important ones. We - that is, the Commission - adopted a European Agenda on Migration. I do not accept the claims that the Commission has been idle in the field of migration. Just this morning I heard on German television German Ministers, from Bavaria, criticising the absence of the Commission. Yes, I was on holiday. But, of my ten days' holiday, I spent four days working on Greece and three days on migration. The Commission had put forward its proposals in May, don't forget. We are not discovering a problem that we found out about in May. Other people are just discovering now, thanks to some terrible images, that there is a problem. We already knew.

"If I had to summarise the message of my State of the Union speech, it would be: Europe needs more solidarity and courage."

We have adopted a number of top-up measures for the single market, especially in the field of energy and in connection with capital markets. I wanted to do it with my colleagues at the Commission, whom I cannot thank enough for the excellent relations we have established. Good relations cannot be taken for granted. Those of you here who have been Prime Ministers know that there are limits to agreement within an administration. In the Commission we enjoy great friendship, collective responsibility and rapport. I am proud of the Commission that I have the honour to preside over, proud that during the first months of our term of office we have been able to send the two legislators great projects of legislation, regulation and content that were part of our programme, were part of the ten priorities on the basis of which I was elected – and I am still proud of that fact – by this assembly. All is not well, we don't live in an ideal world, and the world would be a better place if we ourselves were better; and so it is to this task that we must apply ourselves. I know that Europe has its weaknesses, but I know how much weaker the continent would be if the European Union did not exist. So, Europeans, do not give up. Let us continue the fight!

Press release: Refugee Crisis: European Commission reports on progress in implementation of priority actions

Date: 14 October 2015

Refugee Crisis: European Commission reports on progress in implementation of priority actions

Ahead of the European Council of 15 October, the Commission has today put on the table a Communication describing the State of Play of the implementation of the priority actions under the European Agenda on Migration. This Communication to the European Council sets out the progress made on the operational measures, budgetary commitments and actions to implement EU law that were proposed by the Commission and endorsed by Heads of State and Government on 23 September.

European Commission President Jean-Claude Juncker said: "As Europe's leaders, we came together three weeks ago to agree on a concrete list of steps we need to take, and to take urgently. The Commission has lived up to all its commitments. We have dedicated more money to the refugee crisis — with our amending budget already adopted by both co-legislators. We have sent our experts to Greece and Italy to make the hotspots and relocation scheme function, and pushed all Member States to properly apply the EU's common asylum rules. We have seen concrete results, but we still need Member States to do more. Noble words need to be followed by concrete actions back home."

Concerning **operational measures**, the hotspot approach proposed by the Commission is now starting to function, with Migration Management Support Teams fully operational in Lampedusa, Italy, and being rolled out in Greece. This has allowed for the <u>first relocations</u> of asylum seekers to take place, as well as a number of return flights for irregular migrants with no right to stay. The Commission has also worked with Member States to operationally prepare for resettlement of people in need of international protection directly from third countries, and the first Syrian refugees have already been resettled to Italy, the Czech Republic and Liechtenstein – which, as a Schengen Associated State, participates in the scheme. To allow

these schemes to function effectively, Member States must swiftly respond to the call for national experts to support the work in the hotspots, notify the Commission of their reception capacities, and identify the national contact points who will coordinate relocations with Greece and Italy as well as national resettlement efforts.

In terms of **budgetary support**, the Commission has already <u>proposed amendments</u> to its 2015 and 2016 budgets, boosting the resources devoted to the refugee crisis by €1.7 billion. This means that the Commission will spend €9.2 billion in total on the refugee crisis in 2015 and 2016. In an accelerated procedure, both the European Parliament and Member States in the Council have given their approval to the Commission's amended budget for 2015. Member States must now deploy national spending to match, as recognised by Heads of State and Government on 23 September. A large number of Member States still need to match EU funding for the UNHCR, World Food Programme and other relevant organisations (€500 million), the EU Regional Trust Fund for Syria (€500 million) and the Emergency Trust Fund for Africa (€1.8 billion).

Member States must also ensure proper **implementation of EU law**. The Common European Asylum System is based on helping people in need of international protection and returning migrants who have no right to stay on EU territory. These rules have to be properly applied. The Commission has not yet received replies to the 40 warning letters it sent to Member States in September, in addition to the 34 already pending cases, on potential or actual infringements of EU asylum legislation on 23 September.

The Commission is also working intensely with Greece, with a dedicated team working under the leadership of the Commission's Director-General of the Structural Reform Support Service on the ground to ensure that Greece's reception capacities are improved, and that conditions will be met for the **reinstatement of Dublin transfers to Greece** to be recommended by the European Council by the end of 2015. In addition, the Commission is currently finalising an Opinion on the proportionality and necessity of temporary reintroduction of border controls by Germany, Austria and Slovenia. The Commission will continue to closely monitor the situation, and believes that full implementation of the agreed priority actions will allow **a return to a normally functioning Schengen system** in the months to come.

The **external dimension** is key to tackling the root causes of current migratory and refugee flows to the EU. Additional financing and diplomatic efforts are one part of the solution. EU diplomacy is actively engaged in seeking political solutions to the crises in Libya and in Syria, in support of UN led processes. In addition, the EU Action Plan against Migrant Smuggling is being implemented, and preparations are ongoing with African partners to prepare for successful conclusions to the Valletta Summit on Migration which will take place on 11-12 November. More effective returns are being facilitated by negotiations on readmission agreements or the increased implementation of existing agreements, such as the one with Pakistan. Turkey and the Western Balkans are pivotal partners. The detailed Action Plan on Migration handed by President Juncker to President Erdoğan on 5 October set out a series of concrete measures to work on together. The Commission is now in active discussions with the Turkish authorities in order to finalise the Action Plan. In addition, the recently adopted Declaration at the High-level Conference on the Eastern Mediterranean – Western Balkans Route paves the way for increased cooperation with partners in our immediate neighbourhood.

Background

The European Agenda on Migration set out by the Commission in May 2015 set out the need for a comprehensive approach to migration management. Since then, a number of measures have been introduced – including the adoption of two emergency schemes to relocate 160,000 people in clear need of international protection from the Member States most affected to other EU Member States, and the endorsement of the Commission Action Plan on Return.

On 23 September, the European Commission presented a set of priority actions to implement the European Agenda on Migration to be taken within the next six months. This included both short term actions to stabilise the current situation as well as longer term measures to establish a robust system that will bear the test of time.

The list of priority actions set out the key measures immediately required in terms of: (i) operational measures; (ii) budgetary support and (iii) implementation of EU law. The list was endorsed by the informal meeting of Heads of State and Government of 23 September 2015.

Pressrelease: A European Border and Coast Guard to protect Europe's External Borders

Date: 15 December 2015

A European Border and Coast Guard to protect Europe's External Borders

The European Commission is today adopting an important set of measures to manage the EU's external borders and protect our Schengen area without internal borders. Today's proposals will help to manage migration more effectively, improve the internal security of the European Union, and safeguard the principle of free movement of persons. The Commission is proposing to establish a European Border and Coast Guard to ensure a strong and shared management of the external borders. To further increase security for Europe's citizens, the Commission is also proposing to introduce systematic checks against relevant databases for all people entering or exiting the Schengen area.

European Commission First Vice-President Frans **Timmermans** said:"In an area of free movement without internal borders, managing Europe's external borders must be a shared responsibility. The crisis has exposed clear weaknesses and gaps in existing mechanisms aimed at making sure that EU standards are upheld. Therefore, it is now time to move to a truly integrated system of border management. The European Border and Coast Guard will bring together a reinforced Agency, with the ability to draw on a reserve pool of people and equipment, and the Member States' authorities, who will continue to exercise day-to-day border management. The system we propose will allow for an identification of any weaknesses in real time so that they can be remedied quickly, also improving our collective ability to deal effectively with crisis situations where a section of the external border is placed under strong pressure."

European Commissioner for Migration, Home Affairs and Citizenship, Dimitris **Avramopoulos** added: "The current migration and security challenges know no borders, and require a truly European approach. Where Frontex used to be limited to supporting Member States in managing their external borders, the new Border Agency will go beyond this. What we are creating today is more Europe: to manage our external borders, to step up returns of irregular migrants, to allow our asylum system to function properly for those in need and to strengthen checks at the external borders of the European Union. The Border

Package we are presenting today will increase security for our citizens and ensure high standards of border management."

A European Border and Coast Guard

The European Border and Coast Guard will bring together a European Border and Coast Guard Agency built from Frontex and the Member States' authorities responsible for border management, who will continue to exercise the day-to-day management of the external border.

The new European Border and Coast Guard will have:

- A rapid reserve pool of border guards and technical equipment: The Agency will be able to draw on at least 1,500 experts that can be deployed in under 3 days. For the first time the Agency will be able to acquire equipment itself and to draw on a pool of technical equipment provided by the Member States. There will no longer be shortages of staff or equipment for European border operations. The new Agency's human resources will more than double that of Frontex, to reach 1,000 permanent staff, including field operatives, by 2020.
- A monitoring and supervisory role: A monitoring and risk analysis centre will be established to monitor migratory flows towards and within the European Union and to carry out risk analysis and mandatory vulnerability assessments to identify and address weak spots. Liaison officers will be seconded to Member States to ensure presence on the ground where the borders are at risk. The Agency will be able to assess the operational capacity, technical equipment and resources of Member States to face challenges at their external borders and require Member States to take measures to address the situation within a set time-limit in case of vulnerabilities.
- The right to intervene: Member States can request joint operations and rapid border interventions, and deployment of the European Border and Coast Guard Teams to support these. Where deficiencies persist or where a Member State is under significant migratory pressure putting in peril the Schengen area and national action is not forthcoming or not enough, the Commission will be able to adopt an implementing decision determining that the situation at a particular section of the external borders requires urgent action at European level. This will allow the Agency to step in and deploy European Border and Coast Guard Teams to ensure that action is taken on the ground even when a Member State is unable or unwilling to take the necessary measures.
- Coast Guard surveillance: National coastguards will be part of the European Border and Coast Guard to the extent that they carry out border control tasks. The mandates of the European Fisheries Control Agency and the European Maritime Safety Agency will be aligned to the new European Border and Coast Guard. The three Agencies will be able to launch joint surveillance operations, for instance by jointly operating Remotely Piloted Aircraft Systems (drones) in the Mediterranean Sea.
- A mandate to work in third countries: The Agency will have a new mandate to send liaison officers to and launch joint operations with neighbouring third countries, including operating on their territory.
- A stronger role in returns: A European Return Office will be established within the Agency to allow for the deployment of European Return Intervention Teams composed of escorts, monitors and return specialists who will work to effectively return illegally staying third country nationals. A standard European

- **travel document for return** will ensure a wider acceptance of returnees by third countries.
- Guaranteeing Internal Security: The Agency will include cross-border crime and terrorism in its risk analysisand cooperate with other Union agencies and international organisations on the prevention of terrorism, in full respect of fundamental rights.

Systematic checks of EU citizens at external borders

To increase security within the Schengen area, the Commission is proposing a targeted modification of the Schengen Borders Code to introduce **mandatory systematic checks of EU citizens** at external land, sea, and air borders. Obligatory checks on EU citizens will be introduced against databases such as the Schengen Information System, the Interpol Stolen and Lost Travel Documents Database and relevant national systems, in order to verify that persons arriving do not represent a threat to public order and internal security. The proposal also reinforces the need to verify the **biometric identifiers** in the passports of EU citizens in case of doubts on the authenticity of the passport or on the legitimacy of the holder. Checks will now also be **mandatory when exiting the European Union**.

In principle, since controls on documents and persons can be carried out in parallel, authorities should be able to consult relevant databases without delaying border crossings. The rules provide for flexibility in cases where systematic checks could have a disproportionate impact on the flow of traffic at the border. In such cases Member States can, based on risk assessments, decide to carry out targeted checks at some land and sea borders crossings. The risk assessment shall be communicated to the Agency, which can assess the way the exception is applied in its vulnerability assessment.

The systematic checks in the databases are done on a 'hit/no hit' basis. This means that if the person does not present a risk then the check is not registered and no further processing of their data happens. Using the databases in this way means that personal data rights are only impacted to a very limited extent, and justified by the security objectives.

Background

The establishment of a European Border and Coast Guard, as announced by President Juncker in his State of the Union Speech on 9 September, is part of the measures under the European Agenda on Migration to reinforce the management and security of the EU's external borders. The European Agenda on Migration adopted by the Commission in May 2015 set out the need for a comprehensive approach to migration management. This objective has also been signalled by the European Parliament and endorsed in the clear orientations set out by the European Council on 23 September and 15 October.

In response to the recent tragic attacks in Paris and the growing threat from foreign terrorist fighters, the Commission has swiftly taken action to accelerate work and implementation of measures under the European Security Agenda. Today's proposal responds to the need to reinforce security controls at the EU's external borders, as called for by Interior Ministers on 20 November.

Press release: Commission presents Recommendation for a Voluntary Humanitarian Admission Scheme with Turkey for refugees from Syria

Date: 15 December 2015

Commission presents Recommendation for a Voluntary Humanitarian Admission Scheme with Turkey for refugees from Syria

Ahead of the European Council, the European Commission has today presented a Recommendation for a voluntary humanitarian admission scheme to create a system of solidarity and responsibility sharing with Turkey for the protection of persons displaced by the conflict in Syria to Turkey.

The scheme should be flexible to take into account the sustainable reduction of numbers of persons irregularly crossing the border from Turkey into the European Union as a result of Turkey's actions. Member States are invited to participate in the scheme on a voluntary basis taking into account their capacities. The scheme presented today will only apply to persons who have been registered by Turkish authorities before the EU-Turkey meeting on 29 November.

European Commission President Jean-Claude **Juncker** said: "Being a great continent comes with great responsibilities. Today we are recommending that our Member States offer temporary protection to vulnerable people fleeing violent conflict in Syria, in line with their individual capacities. This scheme will help establish a fair sharing of the responsibility for the protection of displaced Syrian refugees in Turkey. Turkey is a key partner in our efforts to support these unfortunate people in a dignified way. Many of these people are already being given protection by Turkey, and some will now be protected by the European Union. We agreed with Turkey to reduce together the human misery which comes with irregular migration and to bring order into migratory flows to the European Union."

If the irregular flows into Europe through Turkey are successfully reduced, Member States are invited to admit from Turkey persons in need of international protection who have been displaced by the conflict in Syria. Schengen associated states are also invited to participate. Given the unpredictability of the migration flows within the region, the number of persons to be admitted will be regularly determined taking into account the processing capacity of the UNHCR, the overall numbers of displaced persons staying in Turkey, including the impact on these numbers of the sustainable reduction of irregular border crossings from Turkey into the EU. A review clause and monitoring mechanism provides for the suspension or adaptation of the scheme if there is no substantial reduction in irregular border crossings from Turkey to the EU.

Distribution among participating States should be based on absorption, reception and integration capacities, as well as population size, GDP, past asylum efforts and national unemployment rates. The persons benefiting from this scheme should be granted subsidiary protection or an equivalent temporary status, for no less than one year.

The Commission is proposing an expedited process where Member States would admit persons in need of international protection based on a recommendation by the UNHCR following a referral by Turkey. Identity, security and health checks will be carried out, and candidates' vulnerability and existing family ties will also be assessed. A standardised admission procedure should take place prior to the admission, and should be a collaborative effort between Member States, Turkey, the UNHCR, and the European Asylum Support Office (EASO). While individual Member States should take the final decision on admission, participating States should cooperate through common processing centres and mobile teams working in Turkey.

The admission procedure should be concluded as soon as possible, at the latest within six months.

To prevent secondary movements within the European Union, candidates will be informed of their rights and obligations before admission and will receive cultural orientation support before they leave Turkey. Participating States would also commit to take back persons they have granted protection on their territory, in the case of secondary movements by these persons.

In addition to Turkey, Jordan and Lebanon are the other two major refugee hosting countries in the region. It is essential that a comprehensive approach is taken which should also include further specific measures of support for Jordan and Lebanon. The Commission will work with the Member States, the authorities in Jordan and Lebanon and the UNHCR to develop innovative partnerships, including with the private sector, to address the needs of refugees in the region. The implementation of this scheme should form part of this comprehensive approach and once started would allow the existing resettlement efforts to focus on Jordan and Lebanon.

Background

Turkey is currently hosting more than two million persons displaced by the conflict in Syria. Over 750,000 asylum seekers and economic migrants have crossed into the EU from Turkey in 2015.

Humanitarian Admission is an expedited process by which countries admit displaced persons, based on a limited set of criteria, from third countries to provide them with protection. It is an alternative approach to resettlement which is a more resource intense process which usually takes around 12 months to complete.

When today's proposals for a voluntary admission scheme with Turkey take effect, the resettlement efforts under the July Recommendation may be focused primarily on Jordan and Lebanon.

On 15 October the Commission presented to the European Council a Joint Action Plan negotiated with Turkey by First Vice-President Timmermans to jointly manage the Syrian refugee crisis. The Council endorsed this Action Plan, and convened an EU-Turkey Summit on 29 November which activated the Action Plan and re-energised the EU-Turkey relationship. The European Union has committed to increasing political engagement with Turkey, providing Turkey with significant financial support, accelerating the fulfilment of the visa liberalisation roadmap and re-energising the accession process with Turkey. The proposed humanitarian admission scheme is an important flanking measure of the mutual commitments contained in the Joint Action Plan with Turkey.

On 24 November the Commission proposed a legal framework – a Refugee Facility for Turkey – to coordinate and streamline financial actions to deliver support to Syrians under temporary protection in Turkey and their host communities.

Press release: Commission proposes temporary suspension of Sweden's obligations under the EU relocation mechanism

Date: 15 December 2015

Commission proposes temporary suspension of Sweden's obligations under the EU relocation mechanism

The European Commission has today proposed to grant Sweden a one-year suspension from its obligations under the EU relocation scheme, in view of the unique strain on its capacities created by the sharp increase in applications for international protection. The number of applications has increased year-on-year by 60%, and monthly applications doubled between August and September 2015, with a further 60% increase in October 2015.

Commissioner for Migration, Home Affairs and Citizenship Dimitris **Avramopoulos** said: "Our Swedish friends are in a unique situation and we must take into account the exceptional increase in asylum applications that they are facing. The Commission has proposed to the Council to grant Sweden a one-year suspension of its obligations, to allow its asylum and reception system to recover from the exceptional burden it is under."

The Relocation Schemes adopted by the Council in September 2015 provide for the possibility for a Member State to request the temporary suspension of its obligations in the case of a sharp shift of migration flows creating an emergency situation and a sudden inflow of third country nationals.

Eurostat figures confirm such a sharp increase of asylum applications in Sweden. From 1 January to 31 October 2014, Sweden received 68,245 applications for international protection, while for the same period in 2015 it received 112,040 applications. The number of monthly applications in August 2015 was 11,735, which more than doubled to 24,261 in September 2015, and increased by a further 61% to 39,055 applications in October 2015. Sweden has the highest number of applicants for international protection per capita in the EU. This situation has practical consequences on the ability of the Swedish asylum system to cope with the applications being received and to guarantee the reception conditions required under the Common European Asylum System.

Under the EU Relocation Scheme, the Council may adopt provisional measures for the benefit of Member States facing an emergency situation, based on a proposal by the Commission, and after consulting the European Parliament. Today's proposal by the Commission falls within this context, with Sweden facing an emergency situation characterised by a sudden inflow of third country nationals creating severe problems for its asylum system.

Background

On 13 May 2015, the European Commission presented its European Agenda on Migration, setting out a comprehensive approach for improving the management of migration in all its aspects.

On 27 May 2015, the European Commission already came forward with a first package of implementing measures of the European Agenda on Migration, including relocation and resettlement proposals, and an EU Action plan against migrant smugglers.

On 9 September 2015, the Commission proposed a new set of measures, including an emergency relocation mechanism for 120,000 refugees, as well as concrete tools to assist Member States in processing applications, returning economic migrants, and tackling the root causes of the refugee crisis.

On 14 September, Home Affairs Ministers adopted the Decision to relocate 40,000 people in clear need of international protection from Italy and Greece.

On 22 September, Home Affairs Ministers adopted the Decision to relocate 120,000 people in clear need of international protection from Italy and Greece and other Member States directly affected by the refugee crisis.

Pressrelease: Commission presents Recommendation for a Voluntary Humanitarian

Admission Scheme with Turkey for refugees from Syria

Date: 15 December 2015

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State of the Union 2016

Date: 14 September 2016

Mr President.

Honourable Members.

President of the Council,

Dear colleagues,

A year ago, in September 2015, during my speech on the State of the European Union, I noted that the State of the Union left something to be desired. I said at the time that in our Union there was neither enough Europe nor enough union.

A year later, this is still true despite the progress achieved. Currently, the European Union is not in the best of shape.

Much has not changed for the better. Some things suggest that we have an existential crisis in the European Union on our hands.

There are too many areas where we fail to agree, whether immediately or after deliberation, and too few where we cooperate in a spirit of solidarity.

All too often, priority is given to exclusively national interests. Let us be clear: European integration cannot be forced through at the expense of nation states. The crowbar is no tool for unifying Europe. Europe must not become a melting pot — a colourless, uniform magma of integration. Diversity is Europe's lifeblood. Despite what is often said, it is not the Commission's aim to steamroll nation states. We are not nihilists — nor anti-religious for that matter — nor are we wreckers or destroyers. We are constructive and looking not for more Europe but, where needed, for a better Europe.

Europe is not heading towards nationalisation. Europe will not and must never become a single state.

All too often, however, cracks and rifts appear, the easy path of fragmentation is pursued where the demanding effort of union is needed. This creates an opening for rampant populism, where cooperation is impossible. Populism solves no problems. On the contrary, it creates them. We must guard against this.

It is high time we took an honest look at where we are.

Unemployment in Europe is still too high despite the creation of 8 million new jobs since 2013 and a constant rise in employment. However, there is still social injustice. For this

reason, we must work quickly on the fundamental European Pillar of Social Rights. And this we will do — with energy and determination.

There is not enough social Europe. This we must change.

Public debt in the Union is still too high although we have managed to bring the deficit down to 1.9 % from an average of 6.3 % in 2009. The Stability Pact is having an effect. However, it must not become a 'flexibility pact' but must be applied in an intelligent, flexible way that neither slows nor prevents growth.

Taking stock of where we are also means facing those watching us from afar.

Our friends and partners throughout the world, who all deeply regret Brexit, are asking with concern whether the decision taken by the United Kingdom marks the start of the unravelling of the European Union. Let me say here and now: we respect and, at the same time, regret Britain's decision. However, the continued existence of the European Union is not under threat. We would appreciate the British making their move to leave as soon as possible so as to put an end to the steadily growing uncertainties and so that we can restructure our relationship with the United Kingdom, which must remain friendly. Part of this restructured relationship will involve allowing free access to the internal market only to those committed to the free movement of people and workers. There will be no internal market à la carte.

Our partners are increasingly asking us whether the European Union is still willing and able to strike trade agreements with the rest of the world.

We are the largest trading power in the world. We have trade agreements in place with over 140 countries across the globe. I am not a blind fanatical free trader but I am in favour of not disregarding the impact of trade agreements on employment. Trade means more work. And more jobs. 30 million jobs in Europe are dependent on exports. One in seven jobs in Europe depends on our exports to other parts of the world. An extra one billion euros in the volume of export trade creates an additional 14 000 jobs in Europe. This is, above all, why I am pushing for the trade deal with Canada. It is the best, most forward-looking trade agreement we have ever negotiated.

The guarantees we need can be specified and any concerns alleviated in the various parliamentary ratification procedures. However, there can be no renegotiation with Canada.

Our international partners — currently the USA and China in particular, but in the near future also India and Japan — are taking us to task on climate change. The Paris Agreement on climate change is a legally binding global agreement and would not have been reached were it not for the European Union. We were at the forefront, the instigators, calling on others, at times rather high-handedly, to take action. And now? The Americans and Chinese are ratifying the agreement. And where are we? I must insist that we have to ratify the Paris Agreement, for only a few EU countries have done this so far.

Delaying, let alone drawing out the ratification process makes us a laughing stock and damages our international credibility.

Our partners on the outside and millions of Europeans here at home no longer understand our decision-making processes and how we work with one another.

We are not the United States of Europe. The speech I am giving here can in no way be compared to the State of the Union speech given by the American President. Europe is more complex and multidimensional than any political entities of a similar size — which is also why many people do not properly understand it.

It is because of Europe's past — its dreadful past — that we have become what we are.

But that is no reason to make things more complicated or incomprehensible than they already are.

Giving a speech committed to Europe here at the European Parliament takes little courage. It is in your national parliaments that committed speeches on Europe are needed from everyone. Saying 'yes' out loud in Brussels, but acting at home as if you were not at the table where joint decisions were taken is incomprehensible, illogical and inconsistent. European citizens must no longer be taken for fools. They must be looked in the eye. People are tired of the feuding between the institutions, they are put off by the ludicrous, petty jealousies between the Member States and the institutions, and they hate the constantly repeated misrepresentations, half-truths and lies. People expect tangible results from Europe and expect them to be implemented promptly.

Mr President, dear colleagues,

I am therefore proposing a positive agenda of concrete European actions for the next 12 months.

Because I believe the next 12 months are decisive if we want to reunite our Union. If we want to overcome the divisions between East and West which have opened up in recent months. If we want to show that we can be fast and decisive on the things that really matter. If we want to show to the world that Europe is still a force capable of joint action.

We have to get to work.

I sent a letter with this message to President Schulz and Prime Minister Fico this morning.

The next 12 months are the crucial time to deliver a better Europe:

a Europe that protects and preserves the European way of life; that empowers our citizens, and defends at home and abroad; and a Europe that takes responsibility.

A EUROPE THAT PRESERVES OUR WAY OF LIFE

I am convinced the European way of life is something worth preserving.

I have the impression that many seem to have forgotten what being European means.

What it means to be part of this European Union, of this Union of Europeans.

To remember why European nations chose to work together.

To remember why crowds celebrated solidarity in the streets of Warsaw on 1 May 2004, the date of accession of this great Polish nation. Because Poland is a great nation.

To remember why the European flag waved proudly in Lisboa, Oporto, Madrid and Sevilla, welcoming the young democracies of Spain and Portugal in our sphere of solidarity and freedom.

To remember that Europe is a driving force that can help bring about the unification of Cyprus — something I am supporting the two leaders of Cyprus in. It has to be done and it has to be done now.

Above all, Europe means peace. It is no coincidence that the longest period of peace in written history in Europe started with the formation of the European Communities.

70 years of lasting peace in Europe. In a world with 40 active armed conflicts, which claim the lives of 200 000 people year after year.

Of course we still have our differences. Sometimes we fight. But we fight with words. And we settle our conflicts around the table, not in trenches.

An integral part of our European way of life is our values.

The values of freedom, democracy, the rule of law.

We Europeans can never accept — never — Polish workers being harassed, beaten up or even murdered on the streets of Essex.

We Europeans stand firmly against the death penalty.

And we Europeans also believe in independent, effective justice systems. Effective justice systems support economic growth and defend fundamental rights. That is why Europe promotes and defends the rule of law everywhere in Europe.

Being European means the right to have your personal data protected by strong, European laws. Because Europeans do not like drones overhead recording their every move, or companies stockpiling their every mouse click. This is why Parliament, Council and Commission agreed in May this year a common European data protection regulation. In Europe, privacy matters.

Being European also means a fair playing field.

This means that workers should get the same pay for the same work in the same place. And this is why the Commission stands behind our proposal on the posting of workers directive. The internal market is not a place where workers can be exploited or subjected to lower social standards than others. Europe is not the Wild West, but a social market economy without social dumping.

A fair playing field also means that in Europe, consumers are protected against cartels and abuses by powerful companies. And that every company, no matter how big or small, has to pay its taxes where it makes its profits.

I promised you that my Commission would fight against tax evasion. And many of you didn't believe me but that is what we are doing. We are delivering. This Commission is delivering on the fight against tax evasion.

Being European also means standing up for our steel industry. We already have 37 anti-dumping and anti-subsidy measures in place to protect our steel industry from unfair competition. But we need to do more, as overproduction in some parts of the world is putting European producers out of business and the noble European steelworkers out of work. This is why I was in China twice this year to address the issue of overcapacity. This is also why the Commission has proposed to change the lesser duty rule.

We call on all Member States and on this Parliament to support the Commission in strengthening our defence instruments.

We should not be naive free traders, but be able to respond as forcefully to dumping as the United States of America are doing.

A strong part of the European way of life that I want to preserve is our agricultural sector. The Commission will always stand by our farmers, particularly when they go through difficult moments as is the case today. Last year, the dairy sector was hit with a ban imposed by Russia. This is why the Commission mobilised €1 billion in support of milk farmers to help them get back on their feet. Because I will not accept that milk is cheaper than water.

Being European, for most of us, also means the euro. During the global financial crisis, the euro stayed strong and protected us from even worse instability. The euro is a leading world currency, and it brings huge, often invisible economic benefits. Euro area countries saved €50 billion this year in interest payments, thanks to the European Central Bank's monetary policy. €50 billion extra that governments can and should invest into the economy, €50 billion that can be used for debt reduction. By the way: the 'Five presidents' report' on the deepening of the euro area describes an ambition the Commission is still sticking to.

I wish all this was recalled more often — everywhere in Europe where elected politicians take the floor.

A EUROPE THAT EMPOWERS

The European Union should not only preserve our European way of life but empower those living it.

We need to work for a Europe that empowers our citizens and our economy. And today, both have gone digital.

Digital technologies and digital communications are going into every aspect of life.

All they require is access to high-speed internet. We need to be connected. Our economy needs it. People need it.

And we have to invest in that connectivity now.

That is why today, the Commission is proposing a reform for our European telecommunications markets. We want to create a new legal framework that attracts and enables investments in connectivity.

Businesses should be able to plan their investments in Europe for the next 20 years. Because if Europeans invest in new networks and services, that is at least 1.3 million new jobs over the next decade

And connectivity should benefit everyone.

That is why the Commission is proposing to fully deploy 5G across the European Union by 2025. This has the potential to create a further 2 million jobs in the European Union.

Everyone benefiting from connectivity means that it should not matter where you live and how much you earn.

So we propose today to equip every European village and every city with free wireless internet access around the main centres of public life by 2020.

As the world goes digital, we also have to empower our artists and creators and protect their works. Artists and creators are our crown jewels. The creation of content is not a hobby. It is a profession.

I want journalists, publishers and authors to be paid fairly for their work, whether it is made in studios or living rooms, whether it is disseminated offline or online, whether it is published via a copying machine or hyperlinked on the web.

The overhaul of Europe's copyright rules we are proposing today does exactly that.

Empowering our European economy means investing not just in connectivity, but in job creation.

The €315 billion investment plan for Europe, which we agreed here, has already raised €116 billion in investments in its first year of operation.

Over 200 000 small firms and start-ups across Europe got loans. Thanks to the European Fund for Strategic Investments.

And now we will take it further. Today, we propose to double the duration of the fund and to double its financial capacity.

With your support, we will make sure that our European Investment Fund will provide a total of at least €500 billion — half a trillion — of investments by 2020. And we will work beyond that to reach €630 billion by 2022. Of course, with Member States contributing, we can get there even faster.

Alongside these efforts to attract private investment, we also need to create the right environment to invest in.

European banks are in much better shape than 2 years ago, thanks to our joint European efforts. Europe needs its banks. But an economy almost entirely dependent on bank credit is

bad for financial stability. And it is bad for business, as we saw during the financial crisis. That is why it is now urgent we accelerate our work on the capital markets union. The Commission is putting a concrete roadmap for this on your table today.

A capital markets union will make our financial system by far more resilient. It will give companies easier and more diversified access to finance. Imagine you run a start-up and your bank refuses you a loan. Right now, the options are very limited. The capital markets union will offer alternative, vital sources of funding to help start-ups get started — business angels, venture capital, market financing.

To just mention one example — our proposal on securitisation has been on the table of the colegislators for almost a year now. It has the potential of freeing up $\in 100$ billion of additional finance for European businesses. So let us please speed up its adoption.

Our investment plan worked better than anyone expected inside Europe, and now we are going to take it global.

Today we are launching an ambitious investment plan for Africa and the neighbourhood which has the potential to raise €44 billion in investments. It can go up to €88 billion if Member States pitch in.

This will complement our development aid and help address one of the root causes of migration. With economic growth in developing countries at its lowest level since 2003, this is crucial. The new plan will offer lifelines for those who would otherwise be pushed to take dangerous journeys in search of a better life. It has to be done.

As much as we invest in improving conditions abroad, we also need to invest in responding to humanitarian crises back home. And, more than anything, we need to invest in our young people.

I cannot and will not accept that Europe is and remains the continent of youth unemployment.

I cannot and will not accept that the millennials, Generation Y, might be the first generation in 70 years to be poorer than their parents.

Of course, this is mainly a task of national governments. But the European Union can support this effort and their efforts. We are doing this with the EU youth guarantee that was launched 3 years ago. The Commission enhanced the effectiveness and sped up delivery of the youth guarantee. More than 9 million young people got a job, traineeship or apprenticeship because of the EU. And we will continue to roll out the youth guarantee across Europe, mainly as far as apprentices are concerned, improving the skillset of Europeans and reaching out to the regions and young people most in need.

The European Union can also contribute to helping create opportunities for young people. There are many young, socially minded people in Europe willing to make a meaningful contribution to society and help show solidarity

The word 'solidarity' appears 16 times in the treaties.

Our European budget is living proof of financial solidarity.

The euro is an expression of solidarity. Our development policy is a strong external sign of solidarity.

And when it comes to managing the refugee crisis, we have started to see solidarity. I am convinced much more solidarity is needed. But I also know that solidarity must be voluntarily. It must come from the heart. It cannot be forced. It cannot be imposed.

I am urging the Slovak Presidency to bridge the divergences and differences between those who are reluctant to integrate refugees in their societies and those who are convinced — as I am — that a fair share in relocation and resettlement is of the essence.

I am asking for a strong and immediate action both from Greece and the European Union to protect unaccompanied minors. Without protection of these children, the European Union is betraying its historic values.

In the same spirit, the Commission is proposing today to set up a European Solidarity Corps. Young people across the European Union will be able to volunteer their help where it is needed most, to respond to crisis situations, like the refugee crisis or the recent earthquakes in Italy.

I want this European Solidarity Corps up and running as soon as possible.

And by 2020, to see the first 100 000 young Europeans taking part.

By voluntarily joining the European Solidarity Corps, these young people will be able to develop their skills and get not only work but also invaluable human experience.

A EUROPE THAT DEFENDS

Mr President,

Ladies and Gentlemen,

President of the Council.

A Europe that protects is a Europe that defends itself. At home and abroad.

We must first defend ourselves — and this is an absolute priority — against terrorism.

Since 2004, Europe has seen more than 30 terrorist attacks, 14 of them in the last year alone.

Just as we have stood shoulder to shoulder in grief, so must we stand united in our response.

In the face of the worst of humanity, we have to stay true to ourselves, to our values and to our democratic, plural, open and tolerant societies. We must show terrorists that they stand no chance when they try to attack those values.

But this tolerance of ours cannot come at the price of our security.

That is why the Commission has prioritised security from day one. We have criminalised terrorism and the return of foreign fighters across the EU, we have cracked down on the use of firearms and on terrorist financing, we have worked with internet companies to get terrorist propaganda offline and we have fought radicalisation in Europe's schools and prisons.

But more needs to be done.

We need to know who is crossing our borders.

That is why we will defend our borders with the new European Border and Coast Guard Agency. Frontex already has over 600 officers on the ground in Greece at its borders with Turkey, and over 100 in Bulgaria. The EU institutions and the Member States should now work very closely together to quickly help set up the new agency. I want to see at least 200 extra border guards and 50 extra vehicles deployed at Bulgaria's external borders by October.

We will defend our borders, as well, with strict controls, adopted by the end of the year, on everyone crossing them. Every time someone enters or exits the EU, there will be a record of when, where and why.

By November we will propose a European travel information system — an automated system to determine who will be allowed to travel to Europe. That way we will know who is travelling to Europe before they even get here.

Border security also means that information and intelligence exchange must be prioritised. To that end, we will reinforce Europol — our European agency supporting national law enforcement — by giving it better access to databases and the additional resources it needs. Here too, we need to equip ourselves with the means to achieve our goals.

A Europe that protects also defends its own interests beyond our borders.

The facts are plain: the world is getting bigger. Every day. And every day Europe's population and economy are getting smaller.

If we wish to maintain our status and influence in the world, we need to be clear that it is only together that we are, and will remain, a force to be reckoned with.

Still, even though Europe is proud to be a soft power, this is not enough in our complex and increasingly dangerous part of the world.

Take the conflict raging in Syria. It has immediate consequences for Europe. But where are the Union and its Member States in the negotiations on a settlement?

Federica Mogherini, our High Representative and Commission Vice-President, is doing a fantastic job — and I am not the only one who thinks so.

But she needs to become a true European foreign minister; a focal point for all diplomatic services to pool their forces in order to achieve leverage in international negotiations. That is why I am calling today for a European strategy for Syria. Federica should have a seat at the table when the future of Syria is being discussed.

Ladies and gentlemen, Europe needs to toughen up. Nowhere is this truer than in our defence policy.

Europe can no longer afford to piggyback on the military might of individual countries.

Together we have to take responsibility for protecting our interests.

Over the last decade we have engaged in over 30 civilian and military EU missions. But without a permanent structure we cannot act effectively. We now need a single EU headquarters.

We should also move towards common military assets — in some cases owned by the EU — in full complementarity with NATO. More European defence does not mean less transatlantic defence and solidarity.

From a purely economic point of view, pooling our military resources is clearly justified. The lack of cooperation in defence matters costs Europe between €20 billion and €100 billion per year, depending on the areas concerned.

Shouldn't we do something about this? It is time to act.

For European defence to be strong, the European defence industry needs to innovate. That is why before the end of the year we will propose a European defence fund, to turbo-boost research and innovation.

The Lisbon Treaty enables those Member States who so wish to pool their defence capabilities in the form of permanent structured cooperation. I think the time has come to make use of this possibility.

A EUROPE THAT TAKES RESPONSIBILITY

Mr President,

The last point I want to make is about our collective responsibility.

I call on all EU institutions and on all of our Member States to shoulder more responsibility.

We have to stop repeating the same old refrain that success is national, and failure European. Otherwise, our common project will not survive.

Europe needs to be explained better. I have asked each of the Commissioners to visit national parliaments over the coming weeks to discuss the state of our Union.

Since the beginning of my mandate, the Commissioners have made over 350 visits to national parliaments. And I want them to do this even more now. Because Europe can only be built if it is properly understood and thus better explained. It can only be built with the Member States, never against them.

The Commission which I have the honour to lead seeks to be a political Commission — something which raises doubts of all kinds.

This means that, first and foremost, it must be a Commission which listens to the people, to the European Parliament and to the Member States.

And we do listen to our fellow citizens and want to listen even more closely. I have sometimes read that I am imprisoned in the Berlaymont building and never talk to those we claim to govern. Those who think I sit there, overpaid, and neither see nor listen to anyone, could not be more wrong. In the course of a long political life, I have talked to the people every day, and I continue to do so. It is the duty of all of us.

As I told you, the Commission has withdrawn 100 proposals in its first 2 years of office, has reduced the number of initiatives it has put forward by 80 % compared with the past 5 years and has launched a thorough review of all existing legislation.

Because it is only by focusing on areas where Europe can provide real added value that we will be able to make Europe a place where subsidiarity and solidarity are in harmony.

A political Commission is also one that corrects technocratic mistakes as soon as they are made.

The Commission, the Parliament and the Council have jointly decided to abolish mobile roaming charges. It is a promise we will keep. That is why I have withdrawn the draft proposal produced this summer by our departments.

It was clearly well intentioned and was not technically wrong. But it missed the point of what was promised. And you will see a new, better draft over the coming weeks. When you roam in Europe, you should feel at home.

Finally, taking responsibility also means being accountable to voters. That is why I will propose to change the — in my view ridiculous — rule that Commissioners must step down when they wish to run in European elections.

Prime ministers and ministers in our Member States do not stop doing their job when they run for re-election. Nor should Commissioners.

If we want a responsible Commission which is close to the people, we should encourage Commissioners to make a date with democracy and universal suffrage.

CONCLUSION

Mr President,

I am as young as the European project, which turns 60 next March — actually slightly older.

I have lived this project. I have dedicated my life to it.

Out of conviction and without wavering.

My father believed in Europe because he believed in the stability of the continent, workers' rights and social progress.

As someone who was forced to go to war against his will — and against the will of his country — he understood only too well that peace in Europe was precious — and fragile.

I believe in Europe because my father taught me those values.

But what are we teaching our children now? What will they inherit from us? A Union that is unravelling in disunity? A Union that has forgotten its past and has no vision for the future?

Our children deserve better, ladies and gentlemen.

They deserve a Europe that preserves their way of life, defends them and protects them.

It is time that we — citizens, institutions and governments — all took responsibility for building that Europe together.

I know all too well that, when it comes to the future of Europe, there is sometimes a struggle between naive optimists and out-and-out pessimists.

I would say that Europe has a mission at home and abroad. But somewhere between the pessimism that sees only problems and decline and the rose-tinted optimism, there lies will. The will of those who do not give up or bemoan their lot, but focus on the fate of those who will follow us.

I call on this will, which was shown by our predecessors.

I call on our will to overcome differences and disagreements.

History will not remember our names. But we will be judged according to the strength of our will. And the strength of our convictions. Both must be absolute.

History will not remember us. But it will remember our mistakes. Let us not be guilty of mistakes that would destroy the European dream.

Obrigado. Bedankt. Mille grazie.