



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

from:	General Secretariat of the Council
to:	Delegations
Subject :	Plenary Session of the European Parliament : Report on the European Council (10 and 11 December 2009)

At the beginning of the meeting, Mr Färm (S&D, SV) addressed the question of observers to the European Parliament and considered that the Parliament should invite those who had already been elected in the Member States concerned to attend its meetings, as observers, on the basis of Mr David Martin's (S&D, UK) report adopted by the plenary on 25 November 2009.

Mr Buzek , President of the European Parliament, recalled that, for the time being, no legally binding decision had been taken concerning the additional members of the European Parliament and said that he had invited the Constitutional Affairs Committee to reflect on the decision of the European Council related to the revision of the treaties as regards the transitional measures concerning the composition of the European Parliament.

Ms Harms (Greens/EFA, DE) said that her political group considered that future observers should, where necessary, renounce their mandate as members of national parliaments before obtaining the status of observer.

Mr Audy (EPP, FR) considered that, according to Article 15 (6) TEU, Mr Van Rompuy should have presented the results of the European Council of 10-11 December 2009.

Mr Buzek recalled the transitional measures concerning the presidency of the European Council and that, for the future, the European Parliament would need to decide to whom the invitation to present the preparation / results of the European Council should be addressed.

Mr Reinfeldt, President of the European Council, delivered the speech set out in Annex I.

Mr Barroso, President of the Commission, delivered the speech set out in Annex II.

For the political groups, the following speakers took the floor:

- Mr Daul (EPP-ED, FR) congratulated the Swedish Presidency for its results and welcomed the conclusions of the latest European Council, notably on the financial and economic crisis, the Stockholm program and the negotiations in Copenhagen. He also considered that the European Union's targets in Copenhagen should be matched by commitments from its major partners.
- According to Mr Schulz (S&D, DE), the Lisbon Treaty did not constitute the end of the EU's institutional development, and he recalled the new prerogatives of the European Parliament following its entry into force. He congratulated the Swedish Presidency for its work and considered that on files such as climate change, tackling the financial crisis and establishing economic recovery plans, all the European Union institutions should work together.
- On the revision of Protocol (36) on transitional measures, Mr Verhofstadt (ALDE, BE) considered that the Parliament had to defend the principles of democratic election. He also thanked the Swedish Presidency for its work and hoped for a successful outcome in Copenhagen. On this issue, he suggested that the target of 30% reduction should be on the table from the outset and that a joint strategy between the US, China and EU should be put in place.
- Mrs Harms (Greens/EFA, DE) regretted that the EU was not playing more of a leading role in Copenhagen and requested that EU leaders come forward with a better offer.
- Mr Kamiński (ECR, PL) congratulated the Swedish Presidency for its results but regretted that foreign policy issues had not been adequately addressed.

He regretted in particular that the EU had not been tougher on Russia (in relation to Georgia) and considered that, if the EU wanted to be a key actor in the Middle East, it had to take a balanced position in relations both with the Palestinian Authorities and Israel.

- Mr Bisky (EUL/NGL, DE) regretted that the European Council had not sent a clear message on the future of the EU's social policy. He considered that a new political strategy was needed. He welcomed the European Council conclusions in relation to the global financial transaction levy and invited the Commission to put forward rapidly a proposal on this issue.
- According to Mr Borghezio (EFD, IT), the Swedish Presidency should have been more courageous when tackling the economic crisis and should have provided more support to SMEs. It should also have done more to tackle illegal immigration.
- Mr Madlener (NI, NL) criticised the Swedish Presidency in particular for its stance on Turkey, for not having followed the Swiss example and organised referenda in the Europe Union on minarets. He contested the existence of solid scientific evidence for climate change.

Taking the floor after the speakers on behalf of the political groups, Mr Reinfeldt referred to the good cooperation between Member States, European Parliament, Council and the Commission in order to achieve the objectives of the European Union. He reaffirmed the need to meet the 2° C limit on temperature rise and the agreed emission reduction targets and to secure the commitment of the other major political actors in Copenhagen.

Mr Barroso regretted the "self-defeating rhetoric" of some of the speakers on the Copenhagen negotiations and stressed the importance of a global deal covering all emissions' production. He also thanked the Swedish Presidency for its work.

Other speakers also congratulated the Swedish Presidency for its results and hoped that a successful outcome would be secured in Copenhagen. Other issues raised included the question of the own resources of the European Union, the transparency of the Council, economic and social cohesion, the consequences of the economic crisis, the need for the financial contributions from developed countries to fight climate change to be additional to existing aid commitments, the global financial transaction levy, and the European Council conclusions on the supervision of the financial markets.

At the end of the debate, Mr Reinfeldt drew attention to the fast-start finance package agreed at the most recent European Council. This was a strong incentive to other developed countries to offer similar commitments at Copenhagen. He thanked the European Parliament for its cooperation during the Swedish Presidency.

Mr Barroso referred to point 18 of the European Council conclusions on economic and social cohesion and welcomed the agreement reached by the European Council on the European Financial Supervisory authority although regretted the dilution of the Commission's proposal. He also stressed the importance of reaching an ambitious agreement in Copenhagen.

Speech by Mr Reinfeldt, President of the European Council

Mr President,

Members of the European Parliament,

I am grateful for the opportunity to address the European Parliament once again. At such a crucial point in time.

As we speak, representatives from 193 countries are gathered in a conference centre in Copenhagen. Talking. Arguing. Negotiating. Trying to meet the expectations of millions of people around the world.

In just two days, the UN climate conference will be over. Soon we will be looking back at a meeting that was crucial. Not only for the EU, but for the world.

Decisive for those who can't grow their crops because of lack of water.

Decisive for those who have lost their homes in tornadoes or floods.

Decisive for those who are vainly building walls against a sea level that rises each year.

We know what is at risk. So why is it so difficult to act? Is it because we fear any change of our way of life?

Still – we know that if we keep on using the world's resources the way we do – our way of life will no longer be an option. And we will face even more drastic changes. Have much greater things than our everyday comfort to fear.

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Mr President,

The fight against climate change has been on top of the agenda throughout the Swedish Presidency. At all our European Council meetings. In all our summits with the Union's major partners.

As you probably know, we adopted a comprehensive mandate at the October European Council. To keep the EU's leading position in the climate negotiations.

We agreed on a long-term goal for emissions reductions: 80 to 95 per cent by 2050.

We renewed our offer to reduce emissions: 30 per cent, provided that others make comparable efforts.

We agreed on emissions reductions for international transport.

And despite resistance from some corners, we put figures on the global financial need in developing countries to fight climate change.

Last week – after weeks of bilateral consultations – we took yet another step.

A collectively put together financial package. Earmarked for the “fast start” of climate action in developing countries. Offering 7.2 billion euros for the coming three years.

I know that this isn’t enough. Therefore I must say that while I’m satisfied that the European Council could agree to this step – the time is now ripe for other developed countries to join us.

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So what do we need to do in Copenhagen?

We need binding commitments to reduce greenhouse gas emissions. Not just from the developed countries but also from the developing countries. To ensure that global warming keeps below the two degree target that science tells us is necessary.

I have sat down with the Indian and Chinese leadership. I know what they say about this. Why should they agree to develop clean and green, when we have polluted the world for decades?

And that is one way of looking at it.

But the problem is this: the developed world cannot solve the problem alone. Emissions from the developing world are already starting to exceed those from the developed world.

That’s why we must work together to solve the problem. From our side, we can compensate for years of irresponsible behaviour. We can help finance climate action in the developing world. The European Union took its responsibility last week.

It’s not the form that matters in Copenhagen. It’s the substance.

We can be satisfied if we get a deal on emissions reductions. On financing. And a commitment to start immediate action.

And more importantly, we can start fighting climate change.

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Mr President,

Last year, we were suddenly faced with the most serious financial crisis since the 1930s. The ground was literally shaking under our feet.

Suddenly it became clear to us how interlinked the financial markets were. How interdependent we all were in finding a common response.

In the course of only a few months, governments in the EU adopted extraordinary support measures. A fast and impressive response – but it came with a price.

Our aggregated deficit in public finances now amounts to almost seven per cent of GDP.

Over three times more than last year. Twenty Member States are experiencing excessive deficit procedures.

So the follow-up to the economic and financial crisis has, quite naturally, been another main priority for us this autumn.

Let me briefly touch on what we have done.

At the end of October we agreed on a fiscal exit strategy. And at last week's European Council we agreed on principles for exiting from financial support schemes.

In addition, we agreed on a fundamentally new structure for financial supervision in Europe. When financial flows are international, supervision can no longer be national.

Now it's up to the European Parliament to agree to the final steps.

It was also clear to us that the bonus culture could not continue in the way in which people had become used to.

I'm pleased that the EU managed to convince the G20 to agree on far-reaching changes to this policy. The new rules will reinforce the need for a link between result and reward.

The economic and financial crisis hit us hard. But we have shown the ability to act and we have strengthened our resistance.

And once we have secured our recovery, the EU will stand stronger – thanks to the measures we have adopted.

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Mr President,

The Swedish Presidency took place during a period of institutional change.

When we took over on 1 July, this Parliament was newly elected.

We had not yet appointed a President of the European Commission. The outcome of the Irish referendum was uncertain. It was not clear whether the Treaty of Lisbon would be ratified by all Member States. It was not even clear whether it could enter into force during the Swedish Presidency.

Then the drama unravelled.

In close consultations with this Parliament, José Manuel Barroso was appointed President of the European Commission for a second term. The Presidency now had a stable counterpart in the Commission to work with.

The outcome of the Irish referendum was a victory for Ireland. It was a victory for European cooperation. It brought us one step closer to the Treaty of Lisbon.

But then the unexpected happened. At a late stage, the Czech President came with new conditions before he would sign.

We had to handle these requests in a way that did not trigger similar conditions from other Member States. We managed to do this at the European Council in October. And only a few days later the Czech President signed.

Immediately after the signature I started to consult my colleagues again. We had to agree on the high-ranking positions of President of the European Council and High Representative.

I'm not exaggerating when I say it was a relief when all preparations were finalised on 1 December. The Treaty of Lisbon could finally enter into force.

Now the EU will be more efficient. It will have better tools to fight climate change and influence the global economic agenda.

Now the new President of the European Council will ensure continuity. The High Representative will assure coordination in our external relations.

Now we will have a more democratic Union. With the greater involvement of the European Parliament and of our national parliaments.

A new era for the European Union has begun.

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Mr President,

When I stood here before you on 15 July, we were still in the throws of the financial and economic crisis. There was uncertainty on the transition to the new Treaty.

We didn't know whether we would manage to unite and encourage others to keep up the pace on the not so long – but very winding – road to Copenhagen

With the European Council meeting last week the Swedish Presidency has delivered on all of its five priorities:

A strong EU mandate for climate change.

Follow-up of the economic and financial crisis.

The EU Baltic Sea Strategy.

The Stockholm Programme for justice and home affairs.

Reinforcing the EU as a global actor including enlargement and the new external action service.

And as I said, with the Treaty of Lisbon in place, a new era has begun in the European Union.

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Mr President,

I would like to end by thanking all of you. The Presidency needed the help of the European Parliament in tackling the challenges we were facing. Thank you for giving us that help.

I would also like to thank the Commission, and especially José Manuel Barroso. I have probably spent more than a healthy amount of time with José Manuel this autumn. He has been of tremendous support to me.

Finally, I would like to thank the Member States – for their will to put aside differences and start compromising – with the best of Europe at heart. To find solutions that are not only of benefit to them – but to Europe as a whole.

Our unity is our strength.

Thank you.

Speech by Mr Barroso, President of the European Commission

During the past six months, we have seen a new Treaty come into force, ending almost a decade of debate and opening the door to new opportunities for the new enlarged EU. We have today seen the first evidence that the decisive action taken to stabilise the EU economy in the face of crisis is bearing some results.

As we enter the endgame in Copenhagen, we can be clear that the EU has been working hard to maintain the momentum it has championed towards decisive global action on climate change.

I would therefore like to pay a very sincere tribute to Prime Minister Reinfeldt and all the team of the Swedish Presidency for a highly successful Presidency. It is particularly important that the Swedish presidency has been so effective in managing the transition to the new treaty and achieving all its objectives.

We have seen the appointment of the first President of the European Council and of the first HR/VP of the Commission by the European Council. And we have seen the designation of the President of the next Commission by unanimity by the European Council and the election by the Parliament with a large qualified majority.

Last week's European Council was the first time that it has met as a fully-fledged institution. It was also the first time that the new HR and VP of the Commission Ashton has attended.

The new President van Rompuy will be fully in functions on January 1st. He is plenty of ideas about how to organise the European Council in the right way so that it can do its job effectively. I welcome all proposals to ensure consistency and continuity. I welcome ideas like more informal contacts, more intimate and frank discussions, and short and punchy conclusions.

There were several decisions, namely the Baltic Strategy, that may constitute an example for other areas.

On the economy, we are keeping the right balance between maintaining the stimulus and preparing our exit strategies. I was able to set the scene for our Europe 2020 strategy: I hope the Council will develop ownership of this debate namely through discussions in next meetings in February and in Spring European Council, to conclude at the June European Council, to give enough time for our discussions.

I reiterate here my offer to come to this Plenary when the Parliament to organises a specific debate on this very important issue. It is a very important issue, our Strategy 2020 for our future.

On the **Stockholm Programme**, the Commission's proposals have now been translated into an agreed approach for the next five years. I know that many in this Parliament share out determination to use this springboard to seize the opportunities of the Lisbon Treaty for a step change in EU action on freedom, security and justice. That was one of the major reasons why I decided to reorganise the portfolios for the next College in this area.

The European Council had a particular significance on **climate change**. In the past few years, the EU has developed a consistent approach on climate change. The impact of reduced emissions may only be felt in several decades time, but we are already taking concrete steps, giving our targets the solemn force of law. Some of our partners announced intentions by PRESS statements, we did by law, firmly applicable. The developed world must act, but it must also help the developing world to decouple growth and emissions.

I think it is right that the European Council last week centred on how we can put this global leadership at the service to an ambitious deal at Copenhagen. By promising help to developing countries not in some distant future, but already next year. By making clear that a deal must be comprehensive, and must have the verification mechanisms to make it stick. By maintaining our readiness to up our targets – but only if others put ambitious commitments on the table as well.

I think the European Council reached the right results:

- Finance: Successfully put together a fast-start finance package – bigger than expected, and critically, every MS involved. Of course, some have said this is not enough, but 7.2 billion Euros (more than 10 billion US Dollars) in the current circumstances and over three years is a serious commitment, and the money is guaranteed, not just an aspiration. Now for others to match it. And the European Council also agreed on longer term financing up to 2020.
- Action on climate has sometimes been a divisive point for the European Council. However, the atmosphere this time was different. There was a strong, shared sense that everyone had an interest in the EU pulling it weight. We should be getting the benefits from the investment we have made as the pioneers in this agenda. Let us hope that this determination holds firm under the pressures of the next few days.

What can we expect over the next few days?

PM Rasmussen will probably put forward a text today, but with a lot of the key numbers still left blank. The leaders' task will be to move this forward to a deal. This is why I am going to Copenhagen immediately after this debate.

We know that the atmosphere at the moment is not easy. We also all know that this is part of the usual rhythm of a top negotiation. However, the arrival of so many Heads of State and Government will also be a powerful driver to reach a deal. If that deal includes real commitments to cut emissions from both developed and developing countries; a clear commitment on financing to make this happen; and agreement on how this is to be applied and verified – if it includes the different elements on the Bali roadmap and can be seen to be in the right ball park to respect the 2 degrees limit, then it will be a major achievement.

The next few days will show whether the ambitions we have discussed in this Parliament so often are to be realised. As I said, I will be in Copenhagen later today, but already I sense that the compelling need for change is making the Copenhagen summit very special. There is a huge amount at stake. There is a balance to be found. But there is also a sense that today's generation know that there is a challenge, which cannot be avoided. Last week's European Council left the EU ready to meet the challenge and I hope that with European leadership we will reach success at Copenhagen.

Many thanks.
