

Speech by President Jean-Claude Juncker at the opening plenary session of the Ideas Lab 2018 "Europe – Back on Track" of the Centre for European Policy Studies

Dear Joaquín,

Ladies and Gentlemen,

It is a great pleasure to be with you today for your annual conference.

I had the pleasure to know and to work with Joaquín for almost as long as I have been in politics. That is a long moment.

We were both – that was a special period – Ministers for Labour at the same time in the 1980s. He was in government in 1986 when Spain took its rightful place in our Union. And we later worked closely together – he as a Commissioner for Economic and Monetary Affairs and myself as the President of the Eurogroup. That was not always a pleasure because we had many controversial debates, but at the very end he lost. But he is a convinced European and a proud Spaniard, always ready to stand up for our Union, and he did it again and again.

[Europe: Back on track]

There are plenty of reasons for us to be positive today, just as the title of your conference is suggesting.

It is not so long ago that our Union was in danger of sleepwalking from one crisis to another without waking up.

This was the alarm call in fact we needed.

Since then we have slowly but surely turned the page from this so-called "polycrisis". And we have been able to do so by being united and by delivering on things that matter.

This has been my priority since the day the Commission took office.

We have already delivered 80% of the initiatives – 368 out of 460 to be precise – that we said we would when we took office.

We had some luck along the way but we also made our own luck. When faced with the wake-up call, Europe's leaders and institutions came together. We chose unity.

Together, we chose to rally around a common positive agenda and renew our vows to our Union of solidarity.

And the results start to speak for themselves.

Every economy in our Union is now growing healthily. Employment is at an all-time high, unemployment at a 9 year low.

Business and consumer confidence are at their highest levels this century. Investment is now picking up.

But it is not just about numbers and figures. We have also made steps forward together that many thought unthinkable even in 2014.

We saw this with 25 countries taking part in the historic launch of Permanent Structured Cooperation in defence – the Sleeping Beauty of the Lisbon Treaty – at the end of last year.

The European Union has also stepped up on the world stage. We are now the driving force of global free and fair trade. With like-minded partners such as Canada and Japan we are helping each other grow, while setting standards that uphold our common values.

Together the EU and Japan already account for a third of the world's GDP. The new agreement could increase our exports to Japan by a third and save EU companies EUR 1 billion in custom duties every year.

At the same time, it will enshrine gold standard protection when it comes to food safety, regulatory standards and environmental protection.

We have also shown that we are a Union of solidarity. In 2016 alone, we offered asylum to three times as many refugees as the U.S., Australia and Japan combined. That is what some are calling the European fortress – three times more than the U.S., Australia, and Japan combined. And thanks to our pro-active, European approach, we were able reduce arrivals to our shores by 63% in 2017.

[Road to Sibiu and beyond]

There are many other examples I could choose to show how Europe is indeed back on track.

But my message today is that we cannot slow down. Europe must now press the accelerator. We still have a lot to do.

Between now and next summer when Europeans take to the polls, we must deliver on the reform of the Economic and Monetary Union, secure our borders, overhaul our asylum system, get back to Schengen, complete the Digital Single Market, bring the Western Balkans closer to our Union.

If we achieve this, our end destination will be a more united, democratic and stronger Union at 27. By the time European leaders meet at a special summit on Europe Day 2019 in Sibiu, Romania, and there we must be able to show our

citizens that this new Union of 27 works for them.

The Commission will be full steam ahead until the very last day of our mandate. And starting tomorrow, European leaders will meet 19 times in the next 18 months to tackle the issues that matter the most to our Union.

[A European budget for tomorrow]

And since we are on the eve of the first of those 19 meetings, I want to touch on the importance of tomorrow's discussions, in particular on the new Multiannual Financial Framework.

I see it an opportunity for Europe's leaders to send a clear message that Europe is not only back, but that it really means business.

Every seven years, Europe has to decide on a new budget for our Union. It is time for decisions.

It is about deciding what kind of Europe we want, about what we want our Union to be able to deliver.

First we must agree on our priorities, and then we can talk about numbers, about figures. It should not be the other way round. And if we have ambitious goals, then our budget should be equally ambitious.

Last week, we spelled out in black and white the choices that the European Union faces.

Let me give you a concrete example. When we ask Europeans what their top priority is, securing our borders consistently comes out as the first or second answer.

So we must decide now how to deliver on that. We could for instance choose to maintain the European Border and Coast Guard as it is. Or we could upgrade it so it has more staff, more tools, a bigger role in returns. Alternatively, we could transform it into a fully-fledged border management system with 100,000 EU staff.

Each of those options are debated and are discussed, but each of those options comes at a price.

The first of those options, maintaining the system we have, would need an 8 billion euro investment, in the next period of seven years. The second, upgrading the border control, would need between 20-25 billion euro. And the third, having 100,000 EU staff would need 150 billion euro. We must decide what it is we want to achieve. And then we must come back to the resources we need to do this.

And to do that, we need Member States to change the way they think about the European budget – a budget that only accounts for around 2% of public spending in Europe.

There is unanimity in the Council. We have those who do not want to pay more

and we have those who do not want to receive less – that is the only piece of unanimity we have in the Council. But these two things are not really swimming in the same direction.

So the logic has to change. We need a budget that matches our ambitions. For instance, we want to be world leaders in renewable energy and get ahead of the curve on new technologies. If we want our Union to have a role in that, we must give ourselves the tools we need to make it happen.

The next budget will have to be large enough to manage new priorities and at the same time plug the gap left by the United Kingdom's withdrawal. That may mean that some pay more. We have to be honest enough to say this now, before the debate will start.

And on the same note, Member States must know the value of the budget as well as they know the cost of it.

We can all be net beneficiaries. European money invested in one country, or one region, has of course a value far beyond one border.

Tomorrow will not be a time to make final decisions. But it will be an important moment to show our willingness to swiftly agree on an ambitious and flexible and simplified budget for our future.

As I said earlier, Europe must now go full steam ahead. Delays on our journey are not an option. For the last budget, a slow agreement proved very costly.

At this time, back in December 2013, the fact that we were not able to agree earlier costed 5,000 research jobs for every single month that we did not agree. And it could cost up to 600,000 Erasmus places in 2021 if we are not agreeing on the budget before that date. But everyone, all the Prime Ministers are saying that we have to increase the number of those being in the Erasmus+ programme. We have to bring the money where our lips are.

[Conclusion]

Too often in Europe we talk about challenges and we forget about opportunities. Equally, we spend too much time discussing intentions rather than results.

Now that Europe continues to regain its strength, we have a once in a generation opportunity to build a stronger, more united and more democratic Union we collectively deserve.

We should grasp this opportunity with courage and with boldness. This is a time for action, not only for discussion.

Last September, when delivering the speech on the State of the Union at the European Parliament, I spoke of a Union of equals, a Union which is open to the Western Balkans. A Union with an enlarged euro area, Schengen space, Banking Union. A Union which stands up for fairness in the labour market and that is more accountable and able to take decisions in a quicker and more effective way.

This Union, the one I am speaking of, is not abstract. We can deliver on it now – without Treaty changes. This is why I set out a Roadmap to Sibiu and why leaders also agreed on an agenda to get us there.

We are now fully focused on making sure Europe stays on this track. We must take it stop-by-stop, starting tomorrow. But just as those who set out on this journey 60 years ago, we must never lose sight of where we want to go.

Let us go together.

Thank you.