Address by John Perry, T.D.

Minister for Small Business, Republic of Ireland

at official inauguration of the new building of the

European Court of Auditors

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Ladies and gentlemen,

Let me start by thanking President the European Court of Auditors Vitor Caldeira for his invitation to this event. It is a great pleasure for me to speak here today on behalf of the Irish Presidency of the Council of the EU.

Today's event is a good opportunity to look back and to reflect on the significant institutional evolution of the EU in the last 35 years and also to consider where we stand as the EU now. In his address at the swearing in of the first Members of the Court of Auditors on the 25<sup>th</sup> of October, 1977, Mr Hans Kutscher, President of the Court of Justice, spoke of a European 'Community' above Member States, with its own sovereign powers called upon to act independently to "lay the foundations of an ever closer union among the peoples of Europe".

In that context, the European Court of Auditors can be described as the guardian of sound financial management of EU funds, aiming, as it does, to improve the financial management of EU spending and targeting of EU funds.
The first elected President of the European Court of Auditors back in November 1977 was also the first Irish Member, Mr Michael Murphy. Presiding over the formative years of the Court, he put in place robust and carefully designed structures that stood the test of time, and upon which the Court built its tasks and developed over the past 35 years.

Europe today is confronting challenges which were not necessarily those foreseen by its founders nor many of those who have contributed to its development. The key challenge facing our Union today is the scourge of unemployment, especially youth unemployment, with all the attendant loss of human potential. It brings with it also, risk of a sense of hopelessness among some, and with that of course a loss of confidence in the institutions of government, including the EU institutions.

The Court of Auditors of course, plays a key role in relation to the confidence of citizens in the EU institutions in more normal times, and perhaps that is even more important at this time of economic crisis. Most EU citizens have long understood that, in our collective interests, some decisions are made in Brussels, Luxembourg or Strasbourg, and that sovereignty is shared between us. They rightly demand accountability for those decisions as they do for decisions made closer to home, and that requires accountability for the expenditure of public monies in pursuit of the Union’s programmes and policies.

For this reason, I think it worth-while today acknowledging and applauding the work of the Court to improve EU accountability, an essential if not sufficient element for increasing public confidence in our Union.
It has been widely noted, including by the President of the Court, that the role which our institutions play, including in supporting coordinated action of Member States, is becoming more complex. Our Union is one of twenty seven, soon to be twenty eight, and Ireland has a strong preference for us to move forward together rather than in increasingly variable formats. However, that desire has to be balanced against different needs and circumstances: in the end, the Union has generally been able to find pragmatic solutions to situations where Member States' goals, or their readiness to integrate, differ.

But there is little doubt that this extra complexity makes understanding, for public and practitioner alike harder. Without understanding, suspicion thrives.

So the Court’s work has therefore never been more pertinent to public confidence.

And I think this importance is heightened at a time of scarce public funds as a result of the economic and financial crisis, which necessitates a greater focus on high quality spending.

This year Ireland is celebrating 40 years of membership of the EU and this coincides with our seventh of the Presidency of the Council of the European Union. Ireland has benefitted enormously from our membership of the Union and, despite any current difficulties, the last four decades have seen a real transformation in our standards of living and quality of life.

At the same time, the European Economic Community of nine Member States of 1973 is today a Union of 27 and we have been privileged to be part of the transformation of Europe that has occurred in that time.
During our first Presidency in 1975 the inaugural meeting of the European Council, at that
time still an "unofficial" EU Institution, was held in Dublin. Ireland oversaw the creation of
the European Regional Development Fund and the first Lomé convention. In 1979 the first
direct elections to the European Parliament took place and the European Monetary System
was established. In 1990 the European Council meetings during the Irish Presidency agreed a
common approach to German reunification and to relations with Central and Eastern
European countries after the collapse of the Iron Curtain. Ten new Member States joined the
EU when Ireland last held the Presidency in 2004.

Our approach to the Presidency this year is, of necessity, different to our previous terms in
office. This is partly because of changes to the institutional framework of the Union
following the introduction of the Lisbon Treaty.
One of the major changes is the significant reinforcement of the role of the European
Parliament and it is clear that in the post-Lisbon environment, the rotating Presidency plays a
key role in managing the relationship between the Council and Parliament.
As in the past, however, the Irish Presidency remains committed to working pragmatically
and constructively with all partners to advance the Union's agenda. As with its previous
Presidencies, Ireland is working to manage effectively the complex and busy agenda of the
Council and to serve as a fair and impartial office-holder.

Our approach to the Presidency has also been determined in no small measure by the need to
respond effectively to the continuing economic and financial crisis. The crisis has proved that
our economies are far more interdependent than we previously imagined. Common problems
require joint solutions. No European state can isolate itself from the effects of the crisis no more than a state can manage its way out of the crisis alone.

That is also why we chose Stability, Jobs and Growth as our key Presidency themes and we built our Programme around them. We are sparing no effort in delivering our objectives in those key areas.

We are broadly satisfied with the progress that Ireland is making as Presidency, but we do not underestimate the challenges that remain over the next seven weeks. We are intensifying our efforts now and remain firmly committed to ensuring that our seventh Presidency leaves a positive, strong and lasting legacy both for the EU and for Ireland.

One of our main priorities has been decisive action on unemployment, in particular on youth unemployment. I am glad we have managed to reach political agreement on the new Youth Guarantee. With the financial assistance of the Youth Employment Initiative it should contribute to solving the youth unemployment problem in Europe.

Ladies and Gentlemen,

The Single Market has been the engine driving growth in the EU economy over the last two decades and its full potential is still not yet realised.

The agreements we reached on the Accounting Directive and the Unified Patent Court will reduce the administrative burden on business and on small and medium-sized enterprises, in particular. One of our big challenges is to progress the Digital Agenda. We remain hopeful of reaching agreement on the main elements of the data protection package before the end of June, and of making solid progress on e-identification.
External trade is another major focus of our Presidency and we are working to advance trade agreements with key EU partners. Transatlantic Trade and Investment Partnership with the US is a major priority in this area. Our ambition remains to conclude a mandate for the start of EU-US trade negotiations by the end of June.

Since January we have been working intensively to drive the Banking Union legislation forward.

The Presidency has secured agreement on its two key elements: the Capital Requirements Directive and the Single Supervisory Mechanism. We are now making efforts to advance the Banking Resolution and Recovery proposals. We are committed to making strong progress on these and other financial regulation files over the coming two months. I am glad that we reached agreement with the European parliament on new Mortgage Credit Directive that will help avoid the sort of housing bubble which has proved so damaging to our economies.

Overall, we remain on track with most of our policy and legislative objectives. But we have a lot work to do and a lot more to deliver. The focus across all formations remains on delivering results that contribute to our core Presidency objective of delivering stability, employment and economic growth across the EU.

I can assure you that we remain both ambitious and optimistic that working closely with partners, we can deliver real results for Europe's citizens.
Ladies and gentlemen,

I referred earlier to one of the challenges that the EU continues face, that is to say, to explain to citizens what it is doing, and how they can have a stronger say in the affairs of the Union. During 2013, the European Year of Citizens, we are seeking ways to ensure that our citizens across the Union are genuinely engaged and involved in the debate about the future of the European Union. In Ireland we are organizing a series of dialogues with our citizens and encouraging a wider public debate about our membership of the Union and how it affects our lives.

If we talk about the EU in broader terms we have to address decisively public confidence in EU institutions and the risks this poses at both an EU and national level. The challenge of promoting public engagement in European issues is of particular importance as we look forward to the European Parliament elections next year.

Tomorrow we will mark the 63rd anniversary of Robert Schuman's Declaration in Paris. It is important not to lose sight of how much Europe has invested in our Union, and how much we have achieved and gained together as a result. The award of the Nobel Peace Prize last year was a fitting reminder to us of the context in which our progress has been made, and how our Union has been one of peace, reconciliation and democracy.

No less tomorrow than today, the Court of Auditors has a distinct and essential role in bolstering public confidence in the institutions that Europe has built over those 63 years. That confidence is central to our Union’s functioning, and not least because of that, I wish the Court all the best as you take forward your important work in this new building.

Thank you.