SPEAKING POINTS

President,
Honourable Members,

I am delighted to have the opportunity to discuss this week's European Council with you.

The European Union has done a great deal, since the beginning of this crisis, to stabilise the financial situation, but also to address the root causes
of the crisis and lay the ground for a return to growth. The recession in 2012 and the relative stagnation in economic activity forecast for 2013 remind us all that these efforts must be continued. We must in particular give absolute priority to implementing the measures which we have agreed.

This will be the main issue for this week's meeting. But Heads will also briefly take stock of the ongoing work on EMU, and will exchange views on the EU's relations with Russia.

Allow me to start by looking at the European Semester and the promotion of competitiveness, growth and Jobs. Effective management of the processes involved in European Semester 2013 is of course an important focus for our Presidency.

The Spring European Council will conclude the first phase of these processes. The key output is the guidance to Member States on the preparation of their Stability Programme Updates and National Reform Programmes.

I expect the European Council will reinforce strongly the five headline priorities of the Commission’s Annual Growth Survey, including in light of the Presidency Synthesis Report presented by the Tanaiste to the General Affairs Council on Monday. This synthesis reviews discussions within the Council on the Annual Growth Survey and is firmly supportive
of its orientation for actions by Member States supporting competitiveness, growth and jobs.

This means:

1. Pursuing differentiated, growth-friendly fiscal consolidation;

2. Restoring normal lending to the economy;

3. Promoting growth and competitiveness;

4. Tackling unemployment and the social consequences of the crisis;

5. Modernising public administration.

It is crucial that we keep up the momentum behind national-level reforms in these areas, underpinned by the goals of the Europe 2020 Strategy: supporting growth that is smart, sustainable and inclusive.

But we are well aware that there is a very real public concern about the merits of these policies, with some arguing that their social cost is too high, and that they are not working. Coming from Ireland, I am more than aware that fiscal consolidation policies have real and sometimes difficult effects. But if we want to return to sustainable growth, and create jobs, we have to continue to restore stability, and that includes putting our public
finances into order. And we must continue with structural reform, without which there can be no sustainable return to growth.

Substantial progress has and is being made towards achieving structurally balanced budgets. And this has to continue. At the same time we cannot - nor do we - ignore the impact being felt on employment levels, particularly amongst young people. That is why, as Presidency, we have attached such importance to the "Youth Guarantee" which has just been agreed by the Council. Securing consensus here was a key Presidency priority for us. While acknowledging that different Member States face different implementation issues, we expect that progress here will be supported by the 6 billion euro Youth Employment Initiative agreed by the European Council last month. This underlines that young people simply must have the prospect of meaningful work if we expect them to be able to realise their full potential within society.

We must also continue with the implementation of the measures contained in the Compact for Growth and Jobs. This means, in particular, EU-level actions that will support the more country-specific orientation of the European Semester process.

As you know, the Irish Presidency has placed particular emphasis on the single market and external trade agendas, highlighting priority measures that will have a real impact on the economy. There is, for example, very considerable growth potential which can be realised if we can deliver on
the combined SIngle Market Act I and II proposals. We need - together - to make progress on these proposals as quickly as possible.

Our work on the EU-US trade relationship has got off to a good start, and we will be working hard to get a formal Council mandate for FTA negotiations in time for the June Foreign Affairs Council.

The financing needs of the real economy must of course remain a further crucial focus in terms of EU-level actions supporting growth and jobs. This means restoring normal lending conditions and unlocking productive and growth-enhancing investments. I expect the EIB will continue to play a crucial role in this regard.

Let me now say a few brief words on Economic and Monetary Union. Since June 2012, work has been underway building on the report "Towards a genuine economic and monetary union" which was submitted by the President of the European Council in consultation with the Presidents of the Commission, the Eurogroup and the ECB. A number of key decisions have been taken and legislation is either under way or in the process of being finalised.

The European Council will take stock of this ongoing work. It will look particularly at progress towards a more integrated financial framework, and lay considerable emphasis on concluding the legislative process on the Single Supervisory Mechanism.
Finally the European Council will be assessing the European Union's relations with Russia. This is in line with President Van Rompuy's intention to ensure that the European Council regularly focuses on relations with our key strategic partners. This week's discussion will be open, without conclusions, and will be looking in particular at ways of making the relationship more productive.

President,
Honourable Members

I am very much aware that in this debate, you will also cover the issue of the MFF, on which you will be adopting your position later today. It is not for me to go into the substance of this issue now, but I do want to be clear on two points.

Firstly, we look forward to engaging fully with the Parliament on the MFF. There have already been extensive contacts between the Irish Presidency and the Parliament, including with Mr. Lamassoure, as Chair of the Budget committee and lead contact point on the MFF, Mr. Lehne as Chair of the Conference of Committee Chairs, and of course with President Schulz, with whom the Taoiseach has met twice together with President Barroso, in Dublin and here at the Parliament in Strasbourg. This intense engagement will continue.
Secondly, we are fully committed to concluding work on the MFF as soon as possible during our Presidency. We are fully aware that our institutions must work in very close cooperation if we are to deliver on this ambition. Europe now needs to show that it can get on with business. The public will not thank any of our institutions if, together, we cannot plan, legislate and deliver the programmes which bring Europe home to so many of our citizens, whether that be through Erasmus, CAP, or cohesion funding. This represents a very considerable burden of work. Our view is that this must not deter us, and that we need to manage it together if we are to succeed.

We will of course work, as always, in full respect of the respective roles and prerogatives of the institutions in order to achieve a positive outcome.

I look forward now to listening carefully to the views of the Parliament.