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Chomhairle an Aontais Eorpaigh  
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## The 2013 Robert Schuman Lecture

### The Irish EU Agenda: Towards Stability, Jobs and Growth

Speech by the Taoiseach, Mr. Enda Kenny TD, to the

Lisbon Council Europe 2020 Summit

Brussels, 7 March 2013

CHECK AGAINST DELIVERY

Thank you.

I'm delighted, in fact honoured on behalf of Ireland to deliver this year's Robert Schuman Lecture.

At the outset let me congratulate the Lisbon Council on its ten-year anniversary.

I pay tribute to its Board its leadership, particularly Anne Mettler and Paul Hofheinz for the Council's invaluable work over the years.

Its foundation came shortly before Ireland's last EU Presidency in 2004 before which the Lisbon Council and Ireland's representatives here in Brussels made their first contacts.

Since then our partnership has been strong.

Across Europe and especially here in Brussels we continue to be inspired and guided by Schuman's work as a founding father of our Union.

He said, *"Europe will not be made all at once, or according to a single plan. It will be built through concrete achievements which first create a de facto solidarity."*

His work, his words, are not just an important part of our history, our identity as Europeans. Today they remind us that our Union is indeed a work in progress.

When he spoke of *"the modernisation of production and the improvement of its quality"* he was, of course, referring to coal and steel, but equally he could have been speaking of the many goods and services sourced and traded across the EU today.

His vision for Europe was a vision where living standards were raised, where through modernisation and cooperation we achieved peace, solidarity, we generated exports within our Union and to other parts of the world.

The words Schuman spoke in 1950 are still apposite today.

60 years on we see they reflect the principles and ideas that will guide our Union from its recent crisis to recovery, stability, jobs and growth.

Such outcomes being the essence of the current Irish Presidency.

2013 is a year of landmarks, anniversaries: It is the Lisbon Council's 10<sup>th</sup>, Ireland is 40 years a member of the EU, and we mark our 7<sup>th</sup> Presidency.

All of which occurs in the European Year of Citizens.

Ireland's EU membership is a story of transformation.

Today there are six-times the number of people in higher education than there were in 1973. Three-times as many women work outside the home.

We joined the then EEC trading mainly with our nearest neighbour, the UK. Today we export over 54 billion euro worth of goods right across the EU: that's over half our total exports. And the transformation has been more than economic and social. Schuman's ideals of peace and mutual respect saw the EU play an important role in the peace process on the island of Ireland.

The Lisbon Council, as I understand it, has always been concerned not alone with ideas and solutions but actual delivery. By delivery, I mean our Union and its members doing what has been promised, implementing what has been agreed.

Of the many challenges facing our Union in recent years is that of confidence. Market confidence. Consumer confidence. Business confidence. And of course, and critically, citizen confidence.

One of the ways to win and sustain such confidence is our leaders' demonstrated will to carry through the decisions taken.

The emphasis on delivery is entirely consistent with the Irish Presidency's message and its policy programme for stability, jobs and growth. Our Presidency is committed to working on a recovery for Europe that lasts and lives. Much like our commitment to our recovery at home.

Let me speak briefly about both recoveries and how and why they have much in common.

Firstly, Europe's recovery and our Presidency programme. Here in Brussels I speak to people who know better than most how our Union and its institutions work. You know the potential and the limits of what a Presidency can achieve in its six-months. Equally you know that a Presidency does not hold all the cards.

Rather it is a more complex, subtle leadership role that involves partnerships with fellow member states the Commission the President of the European Council the Parliament other institutions and stakeholders.

No Presidency can do everything. But each and every Presidency must do what it can.

A good Presidency should make sure it does specific things first and always with the current concerns of the people in mind and at heart. In this case we should ask, and constantly will, what we are doing create jobs, employment?

And because in Ireland we do and we will our Presidency priorities are all about jobs, work for our people.

A good Presidency is about creating and keeping the necessary momentum around the core issues. This means engaging directly at the highest political level and investing time and energy at official level from working groups upwards.

We're investing in relationships, as we have done in the years of preparation involving a strong programme of bilateral visits and visits to EU institutions.

That is what we are doing on the Multiannual Financial Framework, where there's full steam ahead in our work to secure the agreement of the Parliament.

Be assured that we are moving quickly on this.

Just last week I welcomed President Schulz to Dublin for discussions. President Barroso, from whom you have just heard, joined us for what was a very valuable meeting one that set a constructive tone for the months ahead.

I believe we are *ad idem*... In wanting the MFF agreed in good time. In wanting deals finalised and concluded as soon as possible on the legislation that will see one trillion euro of investment....that will facilitate the necessary jobs and growth.

We are applying momentum to crucial work on economic governance in financial services and Banking Union.

Already we have brokered an agreement on the so-called 'Two Pack'.

We have achieved a breakthrough on the Capital Requirements Directive or CRD 4.

And we intend to make substantial progress on Banking Union starting with adoption of the Single Supervisory Mechanism.

Each of these makes a big difference. above all in terms of the first core principle of our Presidency Stability.

As my fellow compatriot, Commissioner Geoghegan-Quinn said last year when giving this lecture, we need a European economy with solid foundations better able to cope with shocks and challenges.

One with the necessary structural reforms often debated here within the Lisbon Council.

In the same spirit we are working to ensure that the third European Semester process is the most effective and meaningful yet while being carried out with maximum democratic legitimacy.

EU-level discussions on fiscal policy, macroeconomic imbalances, financial sector issues and growth-enhancing structural reforms are taking place jointly during our Presidency; they will feed into national budgetary processes in the second stage.

In terms of growth and jobs, we are creating and sustaining momentum on trade.

Trade being another core priority for the Irish Presidency. A series of strategic trade partnerships for the Union could together add over 2% of GDP to the EU's GDP, or €275 billion. This is more than the GDPs of many member states, including Ireland.

It is also estimated that, together, these partnerships could lead to the creation of over 2 million new jobs across the EU.

It would bring relief, hope and not some little joy to our people at a time when 26 million of our men and women are unemployed.

So, in terms of a key relationship in this mix – that with the United States - the agreement last month to pursue negotiations on a comprehensive Transatlantic Trade and Investment Partnership is extremely significant. The Irish Presidency will ensure momentum on this as we seek to secure agreement on a negotiating mandate during our term in office.

I will be speaking with President Obama, personally, on this matter when I meet him in Washington shortly. Also, negotiations with Japan should start later this month. And those on Canada are very close to the line. Other important negotiations are either coming to the start or the finish line.

Growth and jobs will flow from the work we do and must continue to do particularly in terms of delivering our Single Market Act objectives. Which, of course, are and always have been so close to the heart of the Lisbon Council since its inception.

In this context, a good Presidency should look, equally, at all the legislation on the negotiating table as a bundle of shared and common objectives not as individual proposals to be seen and discussed in isolation.

We have been taking this approach using the headings of stability, jobs and growth.

Within these headings, we have sector-specific bundles we are prioritising:

A bundle of legislative measures aimed at promoting SMEs, including the COSME and Horizon 2020 MFF programmes for fast growing and innovative SMEs. We are also working on SME-friendly public procurement and accounting legislation, intellectual property and others.

A bundle in support of our objective of a Digital Single Market, which we believe will be a key driver of growth and jobs. On this, I will follow closely the Lisbon Council's project on Innovation Economics which is being launched at this Summit.

And a bundle aimed at youth employment from education and qualifications mobility through Erasmus For All to the Youth Guarantee on which we secured agreement last week.

The Youth Employment Initiative agreed at the last European Council is something Ireland has promoted and sought for a very long time.

For me, this is a key test of European leadership now – to confront youth unemployment head-on we can avoid the damaging scenario of a lost generation.

A good Presidency should also bring lessons and ideas from its own national story to bear, while of course never conducting a self-interested Presidency. Ireland's recovery has been in Europe's interest just as Europe's is in Ireland's.

Our stories elide more than ever before.

I spoke earlier of Ireland's transformation in its 40 years of membership. But we have also undergone radical reform and adjustment in the last five years. Ireland's crisis, evidence of which first appeared in late 2006, struck hard in mid-2008 lead to a serious crash.

Budget surpluses turned into double-digit deficits. Unemployment rose quickly from 4% to over 14%. Our banking system effectively collapsed. It had to be rescued at enormous cost to our citizens and with dramatic consequences for our national debt and indeed our national mood. All of this happened before the various European mechanisms we've now built were in place.

And yet, the Irish people responded to this with extraordinary resilience even though tough decisions and sacrifice were made and demanded year after year. My government entered office almost two years ago to the day.

The people gave us a resounding mandate to fix the economy, create jobs and achieve new and lasting growth. Two years on, thankfully, we're well on the road in our recovery programme with recent developments offering further encouraging signs.

Firstly, we are ahead on our deficit targets, we're on course to end our EU-IMF programme this year, our cost of borrowing on the markets is becoming manageable again, and we will be re-entering those markets fully.

Secondly, in our drive to make our debt more sustainable we have put an end to the promissory-notes arrangement around the now-liquidated bank that alone caused more than €30 billion of a hit to the Irish state and the Irish people.

Thirdly, while we are ending the bank guarantee in place since September 2008 we also sold a key, financial institution.

These, too, are signs of renewed and improved stability.

Fourthly – and to me, most significantly – for the first time since 2007 the number of people employed in Ireland has risen.

We have so much more to achieve here, but when the ultimate objective is jobs for our people such statistics generate hope and confidence.

To maximise such potential we have an Action Plan on Jobs, featuring hundreds of separate measures right across government which must be accounted for as in a score-board manner and on a regular basis.

At last we are becoming the kind of European economy we want to be and should be. An economy of real growth from real business. An economy that is today playing to its strengths in terms of winning both exports and investment – both now at higher levels than even achieved before 2007. An economy that is good for its people.

That's how I see the situation in Europe too. We have our immediate implementation work to do.

For us, our urgent agenda in the Presidency is to break the link between banks and sovereigns, while at the same time building a job-friendly and outward-looking Single Market for the 21<sup>st</sup> century.

As leaders we have done the talking. Now our people must see action, they must have the evidence and the confidence that Europe will deliver. Such evidence and action are vital for stability, credibility, jobs and growth.

I appreciate fully that in parallel, work has to continue on the optimum structures and arrangements for the Union and the eurozone in how they do their business. We will work closely with President Van Rompuy as he continues his work on the future of the Economic and Monetary Union.

We are actively facilitating discussions on his key themes in the relevant Council formations, chaired by Irish ministers. We will feed through reports from these to his June European Council meeting.

Within the European Council, our focus must remain on the tools and legal structures available to use now. More far-reaching steps are realistically a matter for beyond the Parliament elections, the appointment of the next Commission.

We are not in favour of any version or suggestion of an a-la-carte membership system and Treaty change is not an issue for the shorter-term. But we are engaging constructively and with a good degree of shared understanding and ambition.

I spoke already about what I believe makes a good Presidency in its short term in office.

I will leave it to others to assess our Presidency when it is over, but it is my hope that it will be a Presidency of results. That it will be a Presidency also of transition from crisis to recovery for the Union, held by a country which is itself recovering.

90% of world growth is forecast to come from outside of Europe in the coming years. In the medium to long term, I don't accept that should remain the case. We cannot and should not fall behind or hope that the rest of the world can carry us along.

We have to engage with the world more than ever before, win business and innovate more and more. We must do this together and allow each Member State to develop its own winning formula such as we in Ireland have in a variety of sectors.

The work we do within the Union is crucial and once again, I commend the Lisbon Council for its contribution to the debate.

Our Union is and must be about our people about their needs, their desires, their ambitions.

Today, all across our Union, each and all of those things is focused on one thing, work, the redemptive dignity of a job to go to.

We have listened to our people and in this matter of work and jobs... we have made it clear that we cannot, and will not, fail them.

It is in the dignity and the value of work that our people will start to re-engage with the WHY of Europe.

This why and how dreamt and declared by Robert Schuman in his Declaration 63 years ago.

Thank you.  
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