President,
Honourable Members,

I very much welcome this opportunity to discuss with you the European Semester. This is a vital tool for helping us address current economic challenges, and is a high priority for the Irish Presidency. Recalling our Presidency’s focus on Stability, Jobs and Growth, we see an effective Semester process, along with Banking Union measures, as an integral part of securing stability in our Union.

This particular Semester is of course only the third such exercise. It began with the publication of the Commission's Annual Growth Survey last November, and it will now be for the Irish Presidency, working together
with the President of the European Council, to ensure that it is completed successfully and contributes to delivering on the wider objectives under the Europe 2020 Strategy. Our key objective as Presidency will be to ensure that all relevant Council formations work in a coordinated and consistent manner towards a thorough preparation of the March and June European Councils.

The European semester is of course not an end in itself. It is a coordination tool to help us reach a number of policy goals, in particular the five headline targets set in the Europe 2020 strategy for smart, sustainable and inclusive growth. The fact that the European Semester is primarily a means to an end is important. We cannot simply agree on policy guidance and then assume that our task is done. The Semester has to be implemented in the Member States and by the Member States. This is the only way that it will produce concrete results, even if we have to accept that these will sometimes take time.

The focus on implementation is all the more important as the whole Semester exercise becomes a regular and more familiar exercise. There is wide agreement on the current priorities, which have not changed from last year. Following the publication by the Commission of its Annual Growth Survey, the European Council confirmed the five priorities. These are differentiated growth-friendly fiscal consolidation, restoring lending to the economy, growth and competitiveness, unemployment and the social consequences of the crisis, and modernising public administration.
I know that this Parliament has been following this exercise particularly closely, and that you have consistently insisted on the need, in such a wide-ranging exercise, for policy coherence. The Irish Presidency is adopting an inclusive approach which draws on the views of many different Council configurations. Environment, telecommunications and transport ministers have already addressed the Semester in their December meetings. Their debates point to the need for a better integration of environmental and climate policies into economic decision-making, a strengthening of both the implementation and enforcement of the digital agenda and a willingness to exploit fully the various synergies between telecommunications, transport and energy.

The ECOFIN Council had an initial discussion on the Annual Growth Survey on 22 January and will now prepare their response. Several ministers reiterated that there is no contradiction between growth and consolidation. Work will continue in particular on restoring normal lending to the economy. The needs of SMEs, non-bank financing, and the impact on stability are among the issues which need to be addressed.

Work is continuing. The EPSCO, Education, Energy and Competitiveness Councils will debate the European semester in February. Based on their input, as well as that already received from other Council configurations, the Presidency will put together a synthesis report which will constitute a basis for policy guidance which is due to be adopted by the Spring European Council. I cannot of course predict now what will be the key messages of this report, but I can say that we will focus on the key topics,
and will not avoid - where necessary - more controversial issues, such as structural unemployment, poverty, or Europe's leadership in the area of technological development.

I want also at this point to underline the importance of the contribution of the Single Market to this year's exercise. We are very pleased that the Commission presented - for the first time - a report on the state of the Single Market in the context of the 2013 Annual Growth Survey. This is a particular priority for the Irish Presidency. We very much hope, working together with Parliament, to make swift progress on the remaining files of the Single Market Act I as well as take forward work on the Single Market Act II.

The issue of Single Market governance is an issue of considerable importance to the Council and to this House. The Presidency welcomes the contribution of the IMCO Committee, and Mr Schwab’s report before us today, to the debate on how we might improve governance to facilitate the speedy and effective implementation of Single Market legislation, particularly in the services area.

I congratulate this Parliament on the close interest you have taken in the European semester. I welcome the draft report from Ms Ferreira, on which you are due to vote tomorrow. Many of your priorities correspond to those of the Council and this Presidency. An obvious example is the Youth Guarantee Scheme, which as you know we hope to have agreed by Employment Ministers this month. Another area is the role of education in
providing the right skills for growth and jobs, on which we hope the Council will soon adopt conclusions.

The need to ensure greater democratic accountability in the Union is something which is of concern to the Irish Presidency. For my own part, I hosted an informal meeting of Ministers and State Secretaries for European Affairs in Dublin last month on the topic of “Strengthening Democratic Legitimacy and Accountability” with the participation of members of this House - Mr Verhofstadt, Mr. Brok and Mr Gaultieri - in the discussions.

I very much welcome your initiative last week to bring together National Parliamentarians and Members of this House to discuss the European Semester. It is clear from the wide-ranging nature of this initiative that both have a direct stake in the exercise.

Many of those participating last week stressed the need for national parliamentarians and MEPs to work together. I fully endorse this. Both have a role. We can only deliver on a successful European semester if both are involved. Both need to co-operate, and I can assure you that the Irish Presidency will continue to encourage close cooperation in this area.

President,
Honourable Members,
We still have quite some way to go in this year's European Semester exercise. For this reason I see this debate as an opportunity for me to hear your views and to see how these might be reflected in the further work over the next few weeks.

I thank you for your attention.