Preparation of the European Council meeting (13-14 March 2008)

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During a discussion with the Council and the European Commission, MEPs discussed the agenda of the Spring European Summit to be held on 14 and 15 March 2008.

The President of the Council said the three priorities of the European Council: (i) give new impetus to the Lisbon Strategy, (ii) climate change and energy, including consideration of the third gas and electricity package, and (iii) strengthening the stability of financial markets, including through greater transparency, risk management and improvement of standards. The Chairman called for a common approach to be found as regards sovereign wealth funds.

The President of the European Commission gave priority to the practical realisation of the commitments in the Lisbon Strategy. While recalling that as many 6.5 million jobs were created in the EU in recent years, he stressed that more needed to be done to meet the challenges of rising prices and unemployment. He called for further attention on improving the quality of life, reducing poverty, as well as the problems of young people leaving school early. Warning against the dangers of protectionism, he felt the need to reassure those who feel threatened by an economic recession.

Stressing the need for a single market, especially for SMEs, the Commission President called for the establishment of a legislative act to remove barriers that prevent these companies to act and move freely within the Member States. He also stressed the commitment to rapidly reach an international agreement in the field of climate change and called for a political agreement on the internal market in energy and renewable energy to be found by the end of the year.

The positions expressed by the different political groups are summarised as follows:

- **EPP**: the President of the group stated that pursuing the Lisbon treaty for growth and jobs should be a priority. Further effort should be made to make it work in 2008-2010 as a way to address the challenges of globalisation, population ageing and climate change. He added that the main advantages of the EU in competing with emerging countries resided in research and innovation, supporting entrepreneurs, lifelong learning, and reform of the employment market. He said three major challenges must be met: (i) provide support to businesses, particularly SMEs, while reducing their administrative burden; (ii) meet the demographic challenge and better reconcile work and family life, attract skills and avoid Europe’s brain drain, (iii) meet the challenge of climate change by setting up an economy that respects the environment while strengthening the position of the EU in the field of green technologies.
- **PES**: the Group President focused on the Mediterranean Union project. He called for the strengthening the Barcelona Process but stressed that the undertaking had to be done within the framework of the European Union. He then listed a set of points for which efforts still need to be made, especially on a social level. He deplored the rise in insecurity even though the Lisbon Strategy has helped to lower unemployment and increase productivity. He also felt that corporate relocation, despite the growth in the internal market and EU competitiveness on an international level, was likely to undermine social trust. He also called for access to education for all young people irrespective of the wealth of their parents.
- **ALDE**: citing uncertainties which preoccupy the Europeans, the leader of the group stressed that the slowdown in economic growth, the impact of banking crises on GDP, the problems associated with migration, demography, terrorism and energy, were all challenges for the European institutions. He

expressed the need to implement the Commission's proposal on climate change as quickly as possible and encourage Member States to demonstrate a real commitment to reducing their energy consumption. The group's president also stressed the need to extend solidarity beyond the EU borders. Lastly, he called on the Council to increase the budget allocated to research.

- **UEN**: advocating finding the best ideas out of all proposals, the co-President of the group stressed that the main challenge for Europe was to reconcile economic growth and social protection, research, innovation and the fight against climate change. He stressed the need to help businesses, especially SMEs, to create jobs, but without compromising workers' rights. In addition, he deplored that the EU, despite its excellent universities, is seeing its researchers going elsewhere. He also mentioned the effects of U.S. financial crisis and the role of Russia faced with the problem of the security and supply of energy. He concluded that young people are the EU's most valuable asset.
- **Greens/EFA**: focusing on the problems of the working poor and jobinsecurity, the group's representative regretted that the Council and the Commission had failed to respond to a special request from the European Parliament to consider the issue of central minimum wages. On climate, she criticised those who considered that environmental policy should not interfere with industrial policy. Lastly, she noted the lack of a unified European policy on energy issues.
- **GUE/NGL**: while welcoming the Lisbon Strategy, the representative of the group insisted that the fight against poverty and social exclusion should be prioritised in the European social agenda.
- **IND/DEM**: criticising the recent jurisprudence of the Court of Justice, the President of the group proposed adding a new protocol to the Lisbon Treaty which would nullify the Court of Justice decision on the Laval case which ruled that Swedish Trade Union strikes were illegal. He also called for a consolidated Treaty.
- **NI**: the representative stated that intentions to reduce CO2 emissions by 20% and increase renewable energy use by 20% could have a negative effect on jobs and industry. She also stated that the EU should focus on attracting the "migration of brains" and concentrate on improving energy efficiency and research and development into nuclear energy.

On behalf of the **Council**, Janez Lenarcic recalled that the European Council would focus on giving new impetus to the Lisbon Strategy, climate change and financial stability. Similarly, he reassured the fact that the Lisbon Treaty does not challenge the European social model. For the energy/climate package, he said it was necessary to agree on key objectives to be achieved according to a specific timetable.

In conclusion, José Manuel Barroso, on behalf of the **Commission** welcomed the existence of a consensus for the continuation of the Lisbon Strategy, noting the different views expressed as regards the priorities to be followed. He acknowledged the need to protect the EU, without retreating to protectionism. He also argued that the goal of building a real energy policy and the fight against climate change did not prevent the realisation of a more socially inclusive Europe.