Preparation of the European Council (11-12 December 2008)

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Ahead of the European Council of 11 and 12 December 2008, Members discussed the three major themes in the agenda, namely, the climate change/energy package, the response to the economic crisis and progress on the Treaty of Lisbon.

Council: on the Lisbon Treaty, the President of the Council, Jean-Pierre Jouyet, said the work done in Ireland had led to three conclusions: the risk of Ireland being marginalised in the EU, Ireland's full participation to the European Union being desirable and a solution to be proposed by Ireland, taking into account the concerns expressed in the referendum.

As to the **economic crisis**, he stated that the EU had already responded by bringing forward proposals. The European Social Fund, the Globalisation Fund, structural funds and the European Investment Bank would all be crucial in finding a response. It would also be essential funding for SMEs who bore much of the economic crisis.

On the **energy and climate change package**, he stressed the importance of reaching a deal under the French Presidency in order to be prepared for Copenhagen Conference.

European Commission: President Jose Manuel Barroso welcomed the rapid and coordinated EU response to address the conflict in Georgia, the unprecedented financial crisis and the sudden economic downturn. He focused on three priorities: (i) enact decisive measures towards economic recovery, (ii) show that Europe has the means to become the first low-carbon global economy; (iii) establish a roadmap for the implementation of the Lisbon Treaty.

Concerning the implementation of the EUR 200 billion recovery package to boost the economy, the President of the Commission called upon the vigilance of the European Parliament and invited members to explain EU action to the citizens. He also called for a change to the EU budgetary framework to allow unspent appropriations to pay for environmentally friendly energy projects. He stated that the European Council would be crucial to reaching an agreement on climate change legislation but Parliament's role was vital too. As well as its democratic input, Parliament was indispensable in building the necessary cross-party and cross-border consensus.

Most of the **political groups** stressed the need for an agreement on the climate package and supported the Commission proposals on the economic crisis.

- **EPP**: the Group's president welcomed the Commission's recovery plan and underlined that the economic and social cohesion had to remain the key priority. He added that another priority was to prevent the EU getting into a downward spiral of recession. On the energy and climate package, he then called on those involved to do everything to do their utmost to find a satisfactory agreement.
- **PES**: warning that 25 million people would be unemployed by 2010 if the EU did not act, the President of the Group stressed the importance of coordinated action in the fight against the current financial problems, and proposed that the Member States invest 1% of GDP every year until 2011, based on a list of priorities and a timetable.
- **ALDE**: the leader of the Group invited the Commission and Council to acknowledge the urgency of the financial crisis. As regards the energy/climate package, he said that the longer the EU waited, the higher the costs were likely to be. He also reported an incident in Mumbai whereby after the

attacks an EU Consul told MEPs that he could only help citizens of his own country. The leader of the Group interpreted this as evidence of a dysfunctional Europe.

- **Greens/EFA**: the representative of the Group was sceptical about the ambitious nature of the "energy/climate" package in the context of the economic and financial crisis. She referred particularly to the compromise on CO2 emissions from cars as well as negotiations on emission trading. In view of the UN conference on climate in Poznan, she asked if the Commission really had a plan to revive European ecology.
- **UEN**: the President of the Group welcomed the Commission's proposal on economic recovery which has paradoxically brought the UK government closer to the EU. On the Lisbon Treaty, he predicted that the Irish government would find a solution that would require the other Member States to act in a spirit of tolerance and understanding.
- **GUE/NGL**: the representative of the Group criticised the strategy of the Irish Prime Minister as regards the Lisbon Treaty. She stressed that the concerns of workers' rights, public services, neutrality and democracy were shared by millions of workers and families across Europe.
- **IND/DEM**: the Group considered that the lack of discussion regarding Ireland on the Lisbon Treaty did not allow the Parliament to adopt a common position. He noted that in countries where the people had been able to express their views, the answer was negative.
- **NI**: the member who spoke expressed concern that the summit, instead of focusing on the economic crisis, devoted all its efforts to subjugating the will of the Irish people.

Responses to MEPs: reiterating the call for European solidarity, the **President of the Council** welcomed the Commission's work, particularly as regards strengthening the financial architecture, recalling that four Directives were drafted in September. He said that the priorities were to restore confidence and boost employment levels. He also noted that the sense of EU membership had changed due to the financial crisis and that attachment to the euro had strengthened.

Regarding the energy/climate package, he took account of the concerns expressed as regards energy security. On the Lisbon Treaty, he emphasised the need to advance whilst taking into account the demands of Ireland. Lastly, he referred to the issues raised by the terrorist attacks in India. He announced the forthcoming adoption of clear guidelines to update the European Security Strategy.

The **President of the Commission** welcomed support for the economic recovery plan. He considered employment to be a key issue. The Commission will also ensure that new stability and convergence programmes are implemented in a coordinated manner by the Member States.