# Conclusions of the European Council (19-20 March 2009)

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MEPs held a debate with the President-in-Office of the EU Council, the Czech prime minister Mirek Topolánek and Commission President, José Manuel Barroso, on the outcome of the European Council of 19-20 March 2009 in Brussels.

**Presidency of the Council**: the Czech Prime Minister recalled the main issues adopted by the Heads of State and Government:

- **economic crisis**: Europe's commitment to invest EUR 400 million to revive the European economy;
- **Lisbon Strategy**: confirmation of the objectives of the strategy and commitment to work together to find common solutions to promote a single voice at the G20 summit in London;
- **energy security**: financing energy infrastructure, including Nabucco pipeline;
- **climate change**: preparing for the Copenhagen summit with the launch of negotiations with Japan, China, India;
- **partnership in the East**: including Belarus in the partnership.

The President stressed that the main objective of the summit was to restore confidence in the financial system, adding that social protection in Europe had helped to protect those most affected by the crisis. In addition, he stressed that it was vital to improve regulation, an area where parliamentarians have a role to play. As regards the evaluation of the implementation of the economic stimulus plan, he said that the plan had been the subject of unfair criticism.

**European Commission**: paying tribute to the Czech Presidency, the President of the Commission welcomed the results achieved at the European Council:

- support for the Commission’s proposal to allocate EUR 5 billion to strategic energy projects and to broadband Internet;
- double the assistance package for financially distressed non-eurozone countries in Eastern Europe to EUR 50 billion in balance of payments support;
- provide 4% of EU GDP for automatic stabilisers to combat the global crisis and an extra EUR 75 billion for the IMF.

The President of the Commission stressed that the EU was approaching the Summit in London with a strong and coherent agenda, based on four pillars: (1) a coordinated economic stimulus; (2) ambitious regulatory reforms; and (3) a strong message against any form of protectionism; (4) a sustained commitment to the Millennium Development Goals (MDGs).

Commending the work of the High Level Group chaired by Mr de Larosiere, the President of the Commission called for a first reading agreement on measures for the regulation of the financial system, including hedge funds. Lastly, he recalled that the first priority was unemployment and that social dialogue was essential in this context.

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

- **EPP**: the Group's President welcomed the fact that common solutions have been found to the crisis. Underlining the need to preserve jobs, he stressed the need for cooperation and unity in order for

Europe to assert itself, considering that national solutions are no longer adapted to the current situation. He urged the Council to move faster on three key legislative issues (credit rating agencies, guidelines on regulatory capital and Solvency II). As regards the Copenhagen conference, he added that Europe should maintain its role as a leader to convince its partners to follow in its fight against climate change.

- **PES**: criticising the remarks of the Prime Minister on the response to the crisis, PES President blasted the policy to bail out banks. He felt that Europe should take responsibility to safeguard and create jobs by restoring the "Jobs Summit". He also stressed that the provision of 1.5% of GDP by the stimulus seemed insufficient for the Member States concerned.
- **ALDE, UK**: whilst welcoming measures such assisting European countries most affected by the crisis or the establishment of a financial supervision system, the leader of the group stressed the need to ensure financial commitments to reach their goals and to continue investment in renewable energy research. He welcomed the fact that governments had not chosen to respond to the crisis by protectionism.
- **UEN**: congratulating the work carried out so far by the Presidency, the representative of the Group did however make some criticisms, including insufficient funding for the Eastern Europe Partnership.
- **Greens/EFA**: the representative of the Group suggested that Europe be inspired by the work of Roosevelt in the aftermath of 1929 crisis by focusing on four elements: (i) developing better regulation and new regulations; (ii) strengthening the social fabric( (iii) work in cooperation by involving all levels of society and lastly; (iv) initiate a policy of major investments, especially for the green economy.
- **GUE/NGL**: the Group stressed the need to agree on how to overcome the crisis with a view to restoring confidence and financial stability. He regretted that those who create added-value have, in actual fact, little influence to resolve the crisis resulting in the loss of many jobs. He called for broad support to energy sector development and infrastructures.
- **IND/DEM**: the Group expressed pessimism about the future of the euro area. It stated that the single currency was part of the problem rather than the solution.
- **NI**: the member who spoke welcomed the European Council's postponement of decisions on revising the Lisbon strategy and on financing climate change. She highlighted that the EU should not make any new commitments on climate change until other countries such as the USA and China joined.

**Responses to Members**: the President of the Council reiterated his call for unity of the 27 Member States faced with the crisis and their intention to ensure that Europeans have the same social standards as before. He then stressed the important role of international institutions like the IMF, the World Bank and the G20. The President of the European Commission welcomed the cooperation with the Czech Presidency. He stressed the need for a common commitment and good collaboration between the three institutions to help Europe out of the crisis and thus meet with the citizens' aspirations.