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BertelsmannStiftung



Royal Institute
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KINGDOM OF BELGIUM

Deputy Prime Minister
Minister of Foreign Affairs, Foreign Trade
and European Affairs

Conference on the future development of the European Union

Brussels, Palais d'Egmont, 28th of November, 2012



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Responsible:

Thomas Fischer, Bertelsmann Stiftung
Stefani Weiss, Bertelsmann Stiftung

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Agenda

03:00 - 03:15 pm

Welcome & Opening Remarks

Philippe de Schoutheete de Tervarent

Ambassador; Senior Associate Fellow, Egmont Institute

Guido Westerwelle

German Federal Foreign Minister

Didier Reynders

Belgian Deputy Prime Minister and

Minister of Foreign Affairs, Foreign Trade and European Affairs

03:15 - 04:30 pm

Roundtable Debate

“How can we make the European Union act more efficiently internally as well as externally and strengthen its democratic legitimacy?”

04:30 – 05:00 pm

Exchange of Ideas with Civil Society

05:00 – 05:45 pm

Debate with Herman Van Rompuy

President of the European Council

05:45 – 06:00 pm

Wrap-Up

Wolfgang Schüssel

*Supervisory Board Member, Bertelsmann Stiftung;
former Austrian Chancellor*

Conference Chair: Jacki Davis

06:00 – 06:45 pm

Cocktail Reception

Summary

During the conference, and as a follow up of the Report on the Future of Europe, high-level participants discussed the way ahead. Speakers included European Council President Herman Van Rompuy, seven EU Foreign Ministers (including, among the hosts, the German foreign minister Guido Westerwelle and the Belgian foreign minister Didier Reynders), Members of European Parliament, national parliamentarians and high-level representatives of Civil Society.



The European Union must draw the lessons from the crisis of the monetary union and from the consequences of the Lisbon Treaty limitations. In particular, leaders must make sure that the planned EU reforms are taken forward swiftly and based on broad consent. This is what many participants argued for at a high-level

conference that was organized by the Bertelsmann Stiftung, demosEuropa, the Egmont Institute, the King Baudouin Foundation, the German Foreign Office and the Belgian Ministry of Foreign Affairs.

The starting point of the debate at the Egmont Palace was the Report of the Future of Europe Group, which was developed by eleven European Foreign Ministers. This document advocates a wide-ranging political debate about the future of the European project. Strengthening the Economic and Monetary Union (EMU) has the "*absolute priority*," says the paper. However, this is not enough. The effectiveness of the EU as a whole needs to be strengthened. This includes taking decisive steps to strengthen the EU's capacity to act on the world stage. As the Report puts it: *„[a]t the end of a longer process, we need a streamlined and efficient system for the separation of powers in Europe which has full legitimacy“*.

1. Round Table debate: „We need a more federal approach“



„The long-term perspective is key, next to the short-term crisis solution“, argued German foreign minister **Guido Westerwelle**. He stressed the importance of a long-term vision for Europe, which must tackle two major challenges: the resolution of the eurozone sovereign debt crisis as the immediate priority, and the defense of European values in a multipolar, globalized world. Westerwelle advocated a pro-active, pro-European approach to build a „new European house“. „Europe is our life-insurance“, he claimed.



His approach was endorsed by Belgian foreign minister **Didier Reynders**, who argued for a „more federal approach“. In his view, federalist structures should not only be introduced in the EMU, but also in the European defense sector or in foreign policy. In his view a new convention or Treaty change is needed to enhance the European project.

Former Austrian Federal Chancellor Wolfgang Schüssel expressed his support for the Report of the Future of Europe Group. He stressed the importance of growth and jobs for the legitimacy of EU reform. In order to restore growth, Schüssel recommended to lift barriers in the internal market, develop free trade across the world and facilitate investment in the EU. He also spoke out in favor of a bold EU budget with genuine own resources.

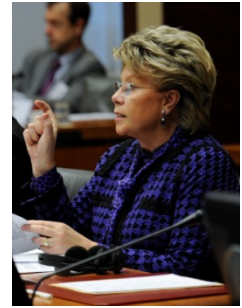
In the round table debate, MEP Hannes Swoboda (Socialist and Democrats) warned that unemployment was at the rise in the EU. He was skeptical vis-à-vis Treaty changes: „Unemployed do not need Treaty changes, they want jobs“, he stressed. He urged a more social Europe with rules on minimum expenditure for social policies.

Massimo D'Alema, former Prime minister of Italy, took a similar stance, emphasizing the risk of a break-up of the eurozone. „We do not need an abstract discussion of Treaty change, but an effective mechanism for solidarity“, he claimed. A number of other participants also argued that the reform process should not be started by Treaty change, but by concrete steps in favor of jobs and growth.



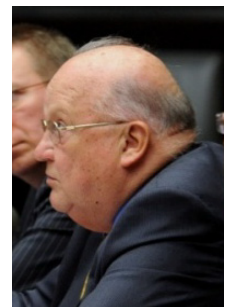
Foreign minister Urmas Paet from Estonia stressed that fiscal consolidation could not be avoided. He believed that „we are on the right track, but we must learn how to communicate better“. In his view, the EU must use the tools it has to tackle the crisis. The single market could provide more growth if properly developed, he said, for example in the energy sector.

EU commissioner **Viviane Reding** welcomed the Report of the Future of Europe Group as an „*important contribution*“. She also informed about new proposals of the European Commission on EMU reform. In this respect, Commissioner Reding argued for a mutualization of debt in the Eurozone. „*In the medium run, we will need something like Euro Bills or a Redemption Fund*“, she said. A number of participants, e.g. Foreign Minister Westerwelle, disagreed with that view saying this would give wrong incentives.



The Chair of the Foreign Affairs Committee of the Senate of Poland, **Włodzimierz Cimoszewicz**, raised another point: „*Europe must become more flexible, everybody cannot move in the same speed*“, he said. MEP **Jean-Luc Dehaene** (European People’s Party) argued in the same direction. He argued that to implement this, the EU should make use of the enhanced cooperation clause more often to progress: „*This is no threat, but a realistic chance*“.But he spoke

against a general model of the EU at different speeds. Some other speakers like the MEP Reinhard Bütikofer (The Greens) went into the same direction.



Regarding democratic legitimacy, a number of speakers stressed that the European Parliament is the parliament of the EU but also of the Eurozone. A euro-committee in the European Parliament would thus have to be designed very carefully. Portuguese Foreign minister **Paulo Portas** said that the European Parliament “*does not need more powers but more voters.*”

Short-term steps can help to improve the EU’s image across Europe. **MEP Elmar Brok** (EPP) insisted on the importance of „*faces*“ for Europe. With regard to European elections in 2014, the political parties should name top candidates for the presidency of the EU commission. This would make the elections more democratic and the choice more transparent, although the choice would „*not be perfect*“ yet in 2014, Brok concluded. As another short-term step, several participants in the debate pleaded for more cooperation on consular services in Member States’ embassies. This would be a very concrete result of European integration, with a direct impact on European citizens.





2. Exchange of Ideas with Civil society

While recognizing the efforts that have been undertaken so far, some civil society representatives were questioning the social effectiveness and sufficiency of the current reforms. According to Janis Emmanouilidis from Brussels think tank EPC, there is also a risk to see the pressure for reform diminish. *"The danger of an explosion of the euro is less now,"* he said, *"but there is a downside to this: we are now in danger of a loss of political will to act"*. He stated that citizens have to be more involved and that more transparency is needed in the decision-making process. Emmanouilidis argued in favor of a convention to bring in more actors and to keep the reform momentum alive.



Bernadette Ségol from the European Trade Union Confederation warned of an abstract debate on the EU institutions. In the view of many citizens, Brussels is responsible for wage cuts and benefit cuts. According to Ségol, the EU lacks a social dimension. *"If we turn one worker against another, if we put everybody in competition, we will not make a better Union, we will kill the Union"*, she warned.



Conny Reuter, Secretary-General of SOLIDAR, took a similar stance, arguing for a *"social Europe"* and for a monitoring of social consequences of EU policies.

Amnesty International and Transparency International raised new issues. They both argued in favor of more political and financial transparency in EU affairs. This would be important for the upcoming European elections in 2014 too, said the representative from Transparency International. In relation to this, she would like to know *"how the election campaign for a directly elected EU president would be financed"*.

3. Debate with European Council President Herman Van Rompuy: „The first real solidarity test“

“We are slowly leaving the existential crisis mode and moving into warmer waters.” It is by these words that **Van Rompuy** started his speech mentioning the November Eurogroup decision on Greece as an example of progress. Yet, much work still needs to be done, the European Council President warned. He stressed three points in particular:



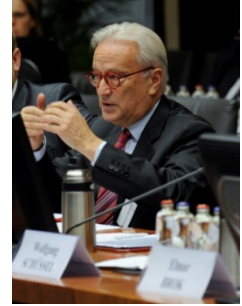
1. The EU must stick to its aim of becoming the most competitive region of the world whilst conserving social cohesion. To achieve this goal, the program countries will have to go through difficult times with austerity policies and deflationary effects. They will reap the fruits of these reforms at a later stage. The countries should sign reform contracts aimed at increasing growth and jobs.
2. To prevent external shocks, the program countries must be protected in a „bulletproof way“. This can be achieved with the help of a special eurozone budget.
3. We need a long-term plan to reinforce EMU developing the different “building blocks”. The new EMU must be completed by more democratic procedures. As a basic principle, the democratic control must be exercised at the level where decisions are taken. This means that the national parliaments have to be involved as well as the European Parliament

„The crisis is the first real solidarity test for the EU“, Van Rompuy stressed. To stand this test, more integration is needed. „We do not need a Political Union for its own sake, we should do what is needed“, he said.

Van Rompuy warned of the creation of a new, directly elected EU President. “You give this man or this woman a huge legitimacy. But if you keep the same competence for the top job, you organize the disappointment in advance“, he argued. It would be „even more absurd“ to elect the Council President, he said. „Because then you create a figure which is a real rival of the President of the European Commission, also directly elected. He has to create compromises among the leaders. And you give him a legitimacy even higher than of the participants in the Council. So how can he find at the end of the day compromise or consensus?“, Van Rompuy wondered.



The debate following Van Rompuy's remarks focused on solidarity. **MEP Bütikofer** claimed that most people in Europe did not recognize yet that they are in the same boat, and that solidarity was at work. **MEP Swoboda** said that, in his view, the support for Greece was not a symbol of solidarity.



4. Wrap-up: „Unity is key“

„Unity is key if we want to resolve the crisis. This means that we need the support of the civil society and to involve the social partners in solving the crisis if we want to succeed“, was the conclusion of **Schüssel**, representing the Bertelsmann Stiftung, after three hours of discussion. In his view, the following key points emerged during the conference:



- The EU should aim for Treaty change only in the medium term. It is realistic to first make full use of the existing Lisbon Treaty and to work on Treaty change after the European elections in 2014. The EU needs to deliver on its promises. Growth and jobs are crucial if the confidence of the citizens is to be restored.
- The European social model should be defended, which implies a well-established dialogue with the social partners even if each country has its own system. Youth unemployment must be tackled urgently.
- The European Parliament should play a substantial role in the resolution of the crisis and the future of the EMU. The European Parliament is to do so in close collaboration with the national parliaments.
- The EU needs flexibility. A multi-speed Europe to deepen integration, open to all Member States, is not to be a threat, but a welcome opportunity.

Impressions





Participant List

Asselborn, Jean	<i>Deputy Prime Minister and Minister of Foreign Affairs of the Grand Duchy of Luxembourg, Luxembourg</i>
Beger, Nicolas Jonathan	<i>Director, Amnesty international, Brussels</i>
Blusz, Krzysztof	<i>Vice-President, demosEUROPA – Centre for European Strategy, Warsaw</i>
Brady, Hugo	<i>Senior Research Fellow, Centre for European Reform, London</i>
Brok, Elmar	<i>Member of the European Parliament; Chairman of the Committee on Foreign Affairs, Brussels</i>
Bütikofer, Reinhard	<i>Member of the European Parliament; Co-Chair of the European Greens, Brussels</i>
Cimoszewicz, Włodzimierz	<i>Chairman of the Foreign Affairs Committee, Senate of Poland; former Polish Prime Minister and Foreign Minister, Warsaw</i>
Daems, Rik	<i>Member of Senate of the Kingdom of Belgium, Brussels</i>
D'Alema, Massimo	<i>Chairman of Italian Interparliamentary Committee on Security Services; President of Fondazione Italianeuropei, Italian Chamber of Deputies; former Prime Minister and Minister for Foreign Affairs, Italian Republic, Rome</i>
Davis, Jacki	<i>Moderator of the Conference</i>
de Schoutheete de Tervarent, Philippe	<i>Ambassador; Senior Associate Fellow, Egmont Institute, Brussels</i>
Dehaene, Jean-Luc	<i>Member of the European Parliament; former Prime Minister of the Kingdom of Belgium; Former Vice-Chairman of King Baudouin Foundation, Brussels</i>
Emmanouilidis, Janis A.	<i>Senior Policy Analyst and Head of Programme, European Policy Centre, Brussels</i>
Fischer, Thomas	<i>Executive Director, Brussels Office, Bertelsmann Stiftung</i>
Grabbe, Heather	<i>Director, Open Society Institute Brussels</i>
Gros, Daniel	<i>Director, Centre for European Policy Studies, Brussels</i>

Gualtieri, Roberto	<i>Member of the European Parliament; Vice-Chairman of the Committee on Foreign Affairs; Vice-Chairman of the Committee on Economic and Monetary Affairs, Brussels</i>
Klau, Thomas	<i>Head of the Paris Office and Senior Policy Fellow, European Council on Foreign Relations, Paris</i>
Kosinska, Monika	<i>Secretary General, European Public Health Alliance, Brussels</i>
Kuhn, Michael	<i>Temporary acting Secretary General, Commission of the Bishops' Conferences of the European Community, Brussels</i>
Leigh, Michael	<i>Senior Adviser, German Marshall Fund of the United States, Brussels</i>
Martonyi, János	<i>Minister of Foreign Affairs of Hungary, Budapest</i>
Maurer, Andreas	<i>Head, Brussels Office, Stiftung Wissenschaft und Politik/German Institute for International and Security Affairs</i>
Mittermaier, Jana	<i>Director, EU Office, Transparency International, Brussels</i>
Paet, Urmas	<i>Minister of Foreign Affairs of the Republic of Estonia, Tallinn</i>
Pinto, Diogo	<i>Secretary General, European Movement International, Brussels</i>
Portas, Paulo	<i>Minister of Foreign Affairs of the Portuguese Republic, Lisbon</i>
Rauws, Gerrit	<i>Director, King Baudouin Foundation, Brussels</i>
Reding, Viviane	<i>Vice-President; European Commissioner for Justice, Fundamental Rights and Citizenship, Brussels</i>
Reuter, Conny	<i>Secretary General, SOLIDAR; President, Social Platform, Brussels</i>
Reynders, Didier	<i>Deputy Prime Minister and Minister of Foreign Affairs, Foreign Trade and European Affairs of the Kingdom of Belgium, Brussels</i>
Rinkēvičs, Edgars	<i>Minister of Foreign Affairs of the Republic of Latvia, Riga</i>
Schäfers, Stefan	<i>European Programme Adviser, King Baudouin Foundation, Brussels</i>

Schüssel, Wolfgang	<i>Member of the Supervisory Board, Bertelsmann Stiftung; former Federal Chancellor of Austria, Vienna</i>
Ségol, Bernadette	<i>Secretary General, European Trade Union Confederation, Brussels</i>
Stetter, Ernst	<i>Secretary General, Foundation for European Progressive Studies, Brussels</i>
Swoboda, Johannes	<i>Member of European Parliament; President of the Group of the Progressive Alliance of Socialist & Democrats in the European Parliament, Brussels</i>
Tayart de Borms, Luc	<i>Managing Director, King Baudouin Foundation, Brussels</i>
Trenteseau, Marc	<i>Ambassador; Director General, Egmont Institute, Brussels</i>
Van Parijs, Philippe	<i>Professor & Director, Hoover Chair of Economics and Social Ethics, Université catholique de Louvain (UCL), Visiting Professor at Harvard</i>
Van Rompuy, Herman	<i>President of the European Council, Brussels</i>
Vandenhende, Stefan	<i>President, European Youth Parliament-Europolis Belgium, Ghent</i>
Venables, Tony	<i>Director, European Civil Society Action Service, Brussels</i>
Verhelst, Stijn	<i>Senior EU Researcher, Egmont Institute, Brussels</i>
Wates, Jeremy	<i>Secretary General, European Environmental Bureau, Brussels</i>
Weiss, Stefani	<i>Programme Director Europe's Future, Brussels Office, Bertelsmann Stiftung</i>
Westerwelle, Guido	<i>Minister for Foreign Affairs of the Federal Republic of Germany, Berlin</i>

Contacts

Bertelsmann Stiftung

Résidence Palace, Rue de la Loi 155, B-1040 Brussels

Phone: +32 (0) 2 280 28 30

E-Mail: stefanie.fraune@bertelsmann-stiftung.de

www.bertelsmann-stiftung.de/bruessel

demosEUROPA

Fundacja demosEUROPA - Centrum Strategii Europejskiej

ul. Mokotowska 23 lok. 8, PL-00-560 Warsaw

Phone: +48 22 401 70 26

Email: demoseuropa@demoseuropa.eu

<http://www.demoseuropa.eu>

EGMONT

The Royal Institute for International Relations

Rue de Namur 69, B-1000 Brussels

Phone: +32 (0) 2 223 41 14

Email: info@egmontinstitute.be

<http://www.egmontinstitute.be>

German Federal Foreign Office

Auswärtiges Amt, D-11013 Berlin

Phone: +32 (0) 2 280 28 30

<https://www.auswaertiges-amt.de>

King Baudouin Foundation

Rue Brederodestraat 21, B-1000 Brussels

Phone: +32 (0) 2 511 18 40

Email: info@kbs-frb.be

<http://www.kbs-frb.be>

Kingdom of Belgium

Foreign Affairs, Foreign Trade and Development Cooperation

FPS Foreign Affairs, Foreign Trade and Development Cooperation

Rue des Petits Carmes 15, B-1000 Brussels

Phone: +32 (0)2 501 81 11

<http://diplomatie.belgium.be>