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ADDRESS BY THE HON TONIO BORG, DEPUTY PRIME MINISTER AND MINISTER FOR FOREIGN AFFAIRS, DURING PUBLIC DIALOGUE ORGANISED BY THE MALTA-EU STEERING AND ACTION COMMITTEE (MEUSAC) AND THE CZECH EMBASSY, ON THE CZECH PRESIDENCY'S PROGRAMME AND MALTA'S REACTIONS, PERSPECTIVES AND PRIORITIES – FLORIANA – THURSDAY, 15TH JANUARY 2009

Excellencies,
Distinguished Guests

The Czech Republic is the second among the Member States joining the European Union in 2004 and 2007 to assume the EU Presidency. The Czech Presidency comes at a challenging moment for it is not the Presidency that makes the agenda, but it is often the agenda that makes the Presidency. The six-month period of the Czech Presidency coincides with one of the most crucial periods for the Union.

Globalisation is accelerating making the choice between economic interdependence and competition more difficult to manipulate. The world is being faced with an ever-increasing demand for energy, yet with an ever-increasing pressure to combat climate change. The illegal migration flows seem never to stop, or at least diminish, when at the same time Europe is facing negative demographic trends. The European financial system requires to be stabilized and the European economy boosted, whilst at the same time the EU's competition rules must continue to be respected. The repercussions of the Georgian crisis need to be reconciled with the call for new European security architecture. The agenda is indeed heavy.

The three Es representing the three priorities under the motto 'Europe without Barriers', chosen by the Czech EU Presidency, are significant not only because they address the short term challenges of the Union, but also because they are decisive for Europe's success in the 21st century.

The first E refers to the economy and how to increase European competitiveness. Having a prevalence of small and medium sized enterprises and having no resources except the human resource as the motor of our economy, Malta understands fully well how crucial it is to continue to fulfill the Lisbon Strategy Agenda and the structural reforms that go with it. Thanks to enlargement the EU has become the largest single market in the world, serving 480 million people with a total Gross Domestic Product (GDP) of more than 12 trillion euros. We have the largest share of world export; we are the greatest industrial producer and attract most investment. Yet when it comes to competitiveness, the EU still has outrun our American and Asian friends. This is why it is so crucial to reinvigorate the Lisbon Strategy to make Europe the world's most competitive knowledge-based economy in the world by 2010. We believe that it is important to continue developing human capital through education, research and innovation, to continue to curtail the administrative burden, and to support SMEs, which account for two-thirds of EU's economic growth. This has become even more important now when in the present times the SMEs are the most vulnerable to the current world's financial and economic crisis.

We are glad to see an added impetus to dismantle the remaining barriers of the four basic freedoms of the Union's internal market in order to unleash the economic potential of Europe's economy in these particularly hard times. We equally look forward to the stabilization of the financial markets. The intention of the Czech Presidency to continue on the work which has already started is welcome. It is important to keep our future prosperity in focus and we await in earnest the Czech Presidency's implementation of the European recovery plan that has been approved by the European Council of 11-12 December 2008 in line with the Commission Communication of 26 November. This is based on an effort equivalent in total to around 1.5 % of the European Union Gross Domestic Product (GDP). It envisages the initiation of priority action to enable our economies to adjust more rapidly to current challenges. The Czech Presidency has a particular role to play here in seeing that the Union's institutions adopt the necessary decisions, including where appropriate, as regards the regulatory framework, in full compliance with the current financial perspective and within a very near timetable.

Speaking about the European Council of 11-12 December I cannot put aside the historic agreement reached there, between EU Heads of State and Government, on the ambitious targets of the energy/climate change package. The package introduced three targets – the three 20s – for it seeks to reduce greenhouse gas emissions by 20 %, to have 20 % of the EU's total energy consumption made up of renewable energy and to achieve 20 % saving through energy efficiency by 2020. The timing is appropriate for it gives a positive

signal to the world that environment is at the heart of the EU's priorities. It sets an example of true commitment for the rest of the world. Moreover it strengthens the Union's negotiating position in the forthcoming Copenhagen Conference of the Parties under the United Nations Climate Change Convention in December 2009.

It is timely but to a certain extent dictated by the world's priority, that the second E of the Czech UE Presidency is energy. The EU has an ambition to lead the world in the efforts to tackle climate change. The challenge is great for it comes at a time when the energy sources are becoming precariously scarce and when the increased demand for energy is often played upon by international politics. In seeking European solutions to these problems the Czech EU Presidency will be taking through the commitment reached at last December's European Council. This commitment has been the right balance between environmental considerations, the EU's competitiveness and security of supply. It is with satisfaction that we note that the Czech EU Presidency does not stop there. It plans to address very concretely the challenge of interconnecting European energy networks and enhancing a functioning energy market. Up to this day, we are unable to send energy to that part of the EU, where it is needed, whenever we need. An interconnected energy infrastructure of all EU Member States is a *sine qua non* to a genuine energy market functioning on the basis of demand and supply. It is in the interest of everybody to pay attention to investment into the energy transmission infrastructure. And the Czech EU Presidency will be tackling this issue at the same level as the enhancement of our capacity to create renewable energy resources, for it is agreed that a pan-European transmission network complements the creation of renewable energy sources.

We note with satisfaction the comprehensive way by which the Czech EU Presidency has taken on board the energy/climate change challenge. In the context of the constant risk of volatility in prices of global commodities including oil, gas and lignite coal, of the large combustion plant Directive as well as the auctions of CO2 emission permits, the scenario of shutting down significant energy capacities in Europe is real. Looking deeper into diversification assumes greater importance. We welcome the efforts of the Czech EU Presidency to meet a number of transit or supplying countries including those from the Caspian region.

The third E of the Czech EU Presidency priorities refers to Europe in the world. Europe's responsibility is such that it has no choice but to act in a way commensurate with its role as a global player. The recent Georgian crisis has shown that the Union has indeed global responsibilities which it can shoulder with considerable effect and through timely intervention.

The EU's involvement in the Middle East remains an ongoing priority. Nonetheless, the EU's responsibility in this delicate period assumes even greater relevance days before an incoming new US administration. In the next few months, particular emphasis should be placed on the role of the EU in monitoring implementation of agreed commitments, its role within the Quartet and that as a principal regional contributor. The EU's contribution to positively influencing the situation on the ground, providing encouragement to the negotiations process and in addressing relations with other partners and players should also receive special attention.

Malta continues to believe that it is crucial that the EU intensifies its efforts to nurture and enhance its relations with the Arab World, notably by developing a political dialogue with the Arab League in the wake of the Ministerial meeting held in Malta in February 2008. Consultations between the Commission and the Arab League Secretariat have been encouraging. Malta is pleased to be hosting the EU-Arab League Liaison Office in Malta as an embodiment of its long-held European vocation. It is also fully supportive of Egyptian efforts to host a second Ministerial meeting during 2009, as a follow-up to the Malta meeting. Malta hopes that this endeavour will receive the Presidency's fullest support. Such an event should be regarded as a further step in the direction of an enriched and pre-emptive dialogue with the Arab world that should ultimately lead to a Summit at the appropriate juncture.

We also look forward to the strengthening of the EU's policy vis-à-vis its eastern partners in the context of the Eastern Partnership as agreed at the European Council. With regard to our southern neighbours, we also expect bilateral work to be taken forward on the dossiers pertaining to the countries of North Africa, within the framework of the European Neighbourhood Policy. On the multilateral level, the reinvigorated Union for the Mediterranean should produce the required stimulus through the elaboration of concrete projects, serving to add visibility and to inject renewed impetus to the Process. We must aim for a balanced and sustained approach with both our eastern and southern neighbours.

With regard to Libya, it is of great satisfaction to note that talks on a framework agreement are now under way; we hope that the pace of these negotiations will be a consistent one, enabling steady progress to be registered during the next six months.

Over the past few years, situated as we are in the centre of the Mediterranean, we have experienced the tragic loss of lives of several migrants in their desperate attempt to reach European territory by boat. There should be a renewed emphasis on awareness campaigns in countries of origin focusing on public information and/or education campaigns on the risk of illegal migration,

particularly on the dangers of falling into the hands of traffickers and smugglers. We also need to address the root causes of mass movements of people - mass poverty, conflict, famine and the proliferation of failed states, come to mind. Intensified efforts are required to combat the illegal activities of unscrupulous traffickers who exploit the plight of fellow human beings for their own gain. I believe greater pressure should be applied to ensure that governments in countries of origin live up to their responsibilities in this sphere.

The endless influxes of illegal immigrants arriving in EU territory in particular through the southern borders, has stretched the financial and human resources of Member States like Malta to the limits. The increased number of illegal immigrants is putting extreme pressure on the accommodation capabilities as well as the social fabric of the Maltese islands. While appreciating the efforts by the previous French Presidency, it is essential that in the overall migration debate, the focus on illegal migration remains as clear as ever during the Czech Presidency. Legal migration is a positive factor but cannot be successful without effectively tackling illegal immigration. One must ensure that the thrust of past initiatives is maintained, while at the same time finding alternative solutions and innovative modalities to deal with the impact of illegal migration on countries of destination and transit.

Malta welcomes the adoption of the European Pact on Immigration and Asylum as a very positive step forward and is particularly satisfied that the EU is recognizing the need for effective solidarity and burden sharing with Member States, such as Malta, who are faced with specific and disproportionate pressures on their national asylum systems. It is now important to ensure that the momentum built over the last months is maintained in 2009 aimed at implementing the key provisions of the Pact within the shortest possible timeframes. Indeed, while appreciating the comprehensive nature of the Pact, a number of points can certainly be identified as priorities for Malta. These include the relocation of beneficiaries of protection, the establishment of a European Asylum Support Office, the effective return of illegal migrants through the conclusion of Readmission Agreements and effective border controls through the strengthening of FRONTEX.

Beyond our neighbourhood, the EU's relations with the United States remain pivotal against the backdrop of the evolving international situation marked by a number of emerging challenges, not least the dramatic financial crisis that has impacted on the lives of our citizens. Pursued individually, our strategies, valid as they may be, are bound to be less effective. Our dialogue must remain open and frank, notwithstanding the divergences that may crop up from time to time. This relationship should continue to mature in a spirit of equal partnership underpinned by recognition of reciprocal strengths and experiences which

make a combination of efforts much more robust, ultimately enabling us to aim higher in pursuit of common goals.

We agree to continue the Enlargement Strategy as this is vital for the Union's credibility, with or without the Lisbon Treaty. The Thessaloniki Agenda of 2003 entitled "Moving towards European Integration" remains Europe's agenda for the Western Balkans. We share the view that accession negotiations with Croatia should be speeded up in order to finish the accession process by the end of 2009. We also share the concerns on the situation in Bosnia and Herzegovina where the political system is adding to ethnic tensions. We welcome the thrust that the Czech EU Presidency intends to give in the area of implementation of the visa liberalization roadmaps so as to facilitate contact with the EU for the citizens of the Western Balkans. We are also not averse to speeding up the progress in Turkey's accession negotiations.

Distinguished Guests,

The European Council of 11-12 December 2008 has re-affirmed that the Treaty of Lisbon is considered necessary in order to help the enlarged Union to function more efficiently, more democratically and more effectively in international affairs. We have put legal guarantees in order for Ireland to be able to seek ratification of the Treaty by the end of the term of the current Commission. The solution found is an inclusive one.

During the past fifty years, through European integration, we have learned that peaceful balancing of interests is possible.

The Lisbon Treaty is a historical project that will determine the functioning of the EU for the next decades. If the Lisbon Treaty is to succeed, it is important that it has overall support. The Treaty reflects the European belief that democracy represents both its present and its future. We are just at the start and not the end of the process. Let not this opportunity escape us.

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