

The priorities of the Hungarian Presidency of the EU

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Summary

Péter Györkös, Permanent Representative of Hungary to the EU, outlined the priorities of the forthcoming Hungarian EU Presidency in 2011 at an EPC Breakfast Briefing. The major issue is to exit the crisis and design a new form of economic governance, which is likely to involve amending the Lisbon Treaty. The second is to implement the Stockholm Programme on Justice and Home Affairs, including taking a positive approach to Europe's Roma population. The third will be to press forward with EU enlargement, including to the Western Balkans and Turkey and to strengthen relations with immediate neighbours.

Full Report

Péter Györkös, Permanent Representative of Hungary to the EU, said hosting the EU Presidency was an historic opportunity for Hungary. Hungary was third of the first 'trio' of EU Presidencies, following Spain and Belgium, and part of the process to increase Europe's potential to serve its citizens' interests.

Settling the economy

It is clear that the "number one issue" when it assumes office on 1 January 2011 will be to exit from the crisis, generating sustainable growth and job creation, he said. The EU has learned the lessons of the crisis and the need to secure fiscal stability, economic surveillance, new economic governance and create a new institutional set-up and the legal conditions to make this work. Fortunately the Europe 2020 strategy is the roadmap to help overcome the difficulties in the incoming decade.

Last September the European Commission suggested a legislative package for a set of new financial regulations to establish solid supervision and for a legally-based form of European economic governance. There is now broad consensus among European Council Members that the December Summit will take a decision for Treaty-change, he said, and put in place the general features of a permanent financial mechanism after the short-term measures finish in 2013.

This will require a treaty amendment, and it will be a major challenge for the Hungarian EU Presidency to get this through by mid 2011. It requires agreement in the March European Council meeting and then securing the European Parliament's approval in time for it to be ready for adoption at the end of Hungary's Presidency.

Turning to his government's vision for 2011, Mr Györkös said it would be the first Presidency to use the European Semester, a procedure that aligns the processes under the Stability and Growth Pact with the broad economic policy guidelines. The cycle starts in January with the European Commission's Annual Growth Survey, which reviews the economic challenges for the EU and the euro area. This will be presented to the European Parliament.

Member States will submit their Stability and Convergence Programmes and their National Reform Programme. On the basis of these, the European Commission will decide whether

the tasks to ensure financial stability, and prevent structural imbalances are best managed at the EU- or Member-State level.

The Europe 2020 Strategy is the common tool Member States will use to boost employment, enhance competitiveness and social inclusion, with five headline goals, and seven flagship initiatives to help for Member States to meet these by 2020, said Mr Györkös.

The Single Market Act will also be high on the agenda with the aim of focusing on the 15 to 20 most urgent aspects so legislative work on these can be completed by the end of 2012.

The EU budget for 2011 will also bring challenges, he said, and the principle objective will be to seek the right balance between traditional policies and developing new ones. The next multiannual financial framework will have to be tailored to future needs, and cohesion and other policies looked at in a broader structural way: this was the intention of the Commission's recent Fifth Cohesion Report and the recent report on the Common Agricultural Policy.

One of the challenges facing the Hungarian EU Presidency concerns the creation of an efficient common energy policy, with a special European Council meeting at the beginning of February dedicated to energy policy and innovation. A renewed European 2020 energy efficiency action plan is on the horizon, and the Presidency will be holding political discussions to prepare for a low-energy roadmap, including renewable energy. On climate change, the Hungarian Presidency is waiting to see the outcome of the Cancun Summit, and will implement any decisions taken there.

A Union close to its citizens

This is another priority for the Hungarian Presidency. First, it will continue with the Stockholm Programme to deliver results in the field of justice and home affairs. This touches on issues close to Member States sovereignty and spells out the Union's values. The European Commission will deliver its first assessment on the implementation of the Charter of Fundamental Rights, which entered into force with the Lisbon Treaty.

At an informal Justice and Home Affairs council in January, there will be a discussion on the internal security strategy, as well as on the enlargement of the Schengen area bringing in Romania and Bulgaria, provided they meet the necessary criteria. The Presidency will also deal with a dossier on migration and asylum, and the creation of a common European asylum system.

In addition the Presidency will focus on getting closer to the 12 million European citizens who are Roma, and the 700,000-800,000 who live in Hungary, and will attempt to harmonise national efforts to support them. A meeting of Roma in Budapest is planned for April, and a synthesis report will be presented to the European Council during the second half of the Hungarian Presidency, with the aim of reaching a structured approach to this issue.

Responsible enlargement and a globally engaging Europe

The new institutions set up as a result of the Lisbon Treaty should help Europe to be more effective on the global scene. However, the EU must not forget its immediate neighbours: countries in the Western Balkans, and he hoped for a statement from the European Council on the relevance of this region for the future of the Union.

Moving on to enlargement, the Hungarian Permanent Representative believed it was feasible to conclude accession negotiations with Croatia before next July, adding that the Croatian model of enlargement will touch all countries in the region as they have all been through similar negative experiences over the last two decades.

Hungary will continue accession negotiations with Turkey, and is trying to convince its European partners to open more benchmarks. It also foresees proceeding with accession negotiations with Iceland.

There will be moves to reinvigorate the Eastern Partnership so that it reflects the specificities of countries it encompasses, with a Summit in Budapest in May aimed at strengthening relations between the Union and the six eastern partners.

Mr Györkös said that while it difficult to forecast what the EU would look like by the end of 2010, Hungary was fortunate in being the last member of an excellent trio and to being followed by Poland which will secure consistency and continuity in its operations.

Discussion

Asked about the Presidency's priority for science and technology, Mr Györkös said that the Competition Council was preparing a Summit on innovation on 1 February. The Hungarian EU Presidency will try to achieve a fair balance between research and innovation. On the issue of a European Patent, he said the parties involved were still seeking a solution, as the problem is not just about property rights but also about language regimes and national sovereignty.

Questioned about the Danube Strategy and sub-regional cooperation, the Hungarian Permanent Representative said this was an important macro regional strategy along the same lines as the Baltic and Adriatic initiatives. It recognises that there needs to be a level between the EU and a Member State, with better coordination of policies for Europe and the region.

On enlargement, he was aware of the complexity of the issues as it is important to show that enlargement is an asset for Europe in a globalised world. As the Western Balkans is a heterogeneous region, one needs to take a step-by-step approach to achieve quality-based enlargement.

On the institutional consequences of the failures of the EU Budget discussions, he was confident that the Belgian Presidency would succeed in getting an agreement between the Council and the European Parliament. The European Commission is looking for a way out of the *impasse* and the other institutions will start work as usual on 1 January 2011.

Asked about introducing bank levies, Mr Györkös said this is an issue for Member States, and not necessarily one that the Presidency can decide on, although it can promote discussion if it arises.