

Speech of the President of the European Parliament, Martin Schulz
at the European Council of 15 December 2016

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Dear ladies and gentlemen,

“Although one country has decided to leave, the EU remains indispensable for the rest of us. In the aftermath of the wars and deep divisions on our continent, the EU secured peace, democracy and enabled our countries to prosper. [...] The EU is not perfect but it is the best instrument we have for addressing the new challenges we are facing.”

I hope these words sound familiar to you, because this is what 27 of you declared solemnly at the end of the **Bratislava Summit**. You all agreed that you need the EU, that the EU is the only means to tackle the challenges we are facing in this century. This spirit should never be forgotten and should guide your actions for the years to come.

Ladies and gentlemen,

Until the UK's withdrawal process has been completed we remain a Union of the 28. I have stated on several occasions that this means that the UK remains a member that enjoys all rights and benefits of EU membership, but at the same time it also fulfils its duties and allows the other Members to advance their cooperation if they so desire.

The EU-27 will continue to hold strong on the common line of no-negotiation without notification. This because notification represents the first moment at which some official clarity can be provided by the British government to the whole process. **Brexit** is an evolving issue and it is for the UK to first outline what relationship it wants with the EU, not the other way round.

Having said this, I think that inside the EU certain fundamental principles have already been decided upon, and the 27 should be firm on them: we have decided that the four freedoms go together and that Brexit could not be a better deal than remaining in the EU.

The EP has begun working closely with the Commission on the matter and we have full trust that it is best placed to act as the EU's honest broker. The Commission has clearly grasped the need to involve the EP from the start, thereby increasing the chances of ownership and a successful conclusion of the withdrawal negotiation.

The three phase model that the Commission has chosen to base its work on is indeed the right one. It allows some quick clarity, through a rapid conclusion of the withdrawal agreement, while on the other hand allowing for an orderly, and gradual move towards the new relationship. The UK and the EU are, and will remain, closely connected and there are too many lives on the line for an erratic, quick and total separation.

Brexit has occupied the last year of my mandate quite intensively, before and after the referendum. I have never hidden that I would have preferred the UK to remain in the EU, but I urge you all to now work in a spirit of loyal cooperation along the broad guideline given by the electorate: an exit of the UK from the EU.

We cannot allow the Brexit process to become an emotional affair, nor should we turn it into a legal maze from which exit is extremely difficult. We must not feed populists' unfounded claims that the EU is the master of all evil. We must also use this moment to concretely reflect on what we want the EU to be in the future and to provide it with the necessary tools.

Brexit comes with dangers which we must avoid but also opportunities which we must seize.

Ladies and gentlemen,

One of the effects of Brexit was the new impetus this has given to go further in **defence cooperation**. I see many among you driving this initiative and this makes me optimistic that after many years of empty rhetoric, concrete actions are finally taken. I urge you to make sure that this momentum is now maintained.

This is not only a question of ambition, but also of strategy and simple logic, in a world in which we are encouraged to take ever-more responsibility for our European defence and in which our budgets are strained. According to recent estimates, we lose 100 billion Euro a year due to a lack of coordination of our policies. Vice-President Mogherini's Global Strategy fully responds to these challenges and I sincerely hope that you will endorse her proposals.

Two weeks ago, the Commission also presented its Defence Action Plan, which aims at strengthening the Single Market for defence and the European defence industry. A European Defence Fund is to support this effort with a proposed budget of up to 500 million Euro under the coming Multiannual Financial Framework.

But already, some are criticizing these initiatives as too bold or as threatening NATO. But let us stick to the facts: 500 million Euro sound like a lot of money, but compared to national defence budgets, it is really modest. And like NATO Secretary General Stoltenberg said after the Joint EU-NATO declaration made in Warsaw on 8 July, the EU and NATO aim for synergies. That is exactly what the European plans are providing for.

In an increasingly insecure world, Europe needs to maintain its close cooperation with our main Western partner, the US, while at the same time not alienating ourselves from our partners in the East.

We need to avoid escalating language on defence issues.

Ladies and gentlemen,

The need for a coherent and coordinated EU approach is dramatically visible in **Aleppo**.

The Syrian regime and its allies have been pursuing a strategy of total war. Aleppo is recaptured and war crimes are committed every day on vulnerable civilians.

How many times did we deplore the relentless bombing by Russia and the Syrian regime? How many times did we condemn indiscriminate attacks on civilian areas, including medical facilities? How many times did we see with consternation that all principles of international law have been breached?

The capturing of Aleppo is a game changer in the conflict. Now more than ever we have to urge all UN Security Council Members to abide by their international obligations and act in the name of humanity.

- Cessation of hostilities must be put in place to pave the way to a sustainable cease-fire;
- Full and safe access to humanitarian convoys must be guaranteed;
- Safe corridors to evacuate the wounded and most vulnerable people must be opened.

The EU more than ever has to define its role in this conflict. We can be an indispensable force for achieving peace in Syria and we have an “unmatched capacity for reconstruction”, as the UN Special Envoy Staffan de Mistura said recently in the European Parliament.

We need the will and the courage to finally use this capacity, as well as our position and political leverage to make a difference. And in the face of the atrocities we witness, a different way is sorely needed.

Ladies and gentlemen,

We need to make sure that our foreign policy remains credible and that we uphold the international legal order.

Two months ago, you held a “strategic policy debate on **relations with Russia**”. You discussed Russia’s disinformation campaigns, cyber-attacks, threats to our electoral processes in the EU and beyond, airspace violations, hostile actions in the Balkans and contentious reactions to the MH17 investigation. The European Parliament agrees: Russia’s strategy is to weaken the EU and the EU must react.

Since November, there are louder voices in the US that call to unconditionally lift sanctions. Let us be clear: EU policy is defined in the EU. And we have decided that as long as the Minsk agreements are not fully implemented, the EU “economic sanctions targeting exchanges with Russia in specific economic sectors” must be rolled over.

In parallel, we must continue our efforts to find a solution that will end the conflict in **Eastern Ukraine** as well as defend its sovereignty and territorial integrity.

It is in the interest of the civilians that have been suffering in the conflict area for over two years, it is in the interest of Ukraine and Russia, it is in the interest of the EU and the international legal order.

And it is important that we keep supporting **Ukraine** through political and economic cooperation: this was the original idea behind the historic EU-Ukraine Association Agreement. An agreement for which thousands of Ukrainians took to the streets at the Euromaidan. An agreement because of which Russia illegally annexed Crimea and supported a war in Donbas leading to the loss of thousands of soldiers and civilians, and 1.7 million displaced people.

The Association agreement recognises the European aspirations of Ukraine, a perspective for which Ukrainian citizens have sacrificed their lives. This is what the agreement symbolises, and this is why we must find a solution to the deadlock we are in since the Dutch referendum.

Of course, it is also necessary to take into account the message from the Dutch citizens. It is equally important to take into account the position of all the other citizens in the EU.

The Association Agreement is not necessarily a prelude to membership to the EU and neither does it commit the Netherlands to policies such as delivering security guarantees to Ukraine. These clarifications are welcome if they are required.

The European Parliament ratified the EU-Ukraine Association Agreement at the same time as the Ukrainian Rada, on 16 September 2014, with over three quarters of our House supporting this ratification. Now more than ever, we look forward to the full entry into force of the Agreement, and we trust you to clear the way by adopting the Decision.

Today, the European Parliament is voting on the suspension mechanism for visa free travel. Now that Ukraine has fulfilled all the required benchmarks for visa liberalisation, it is time for the Council to stop dragging its feet. Granting visa-free travel to the Schengen area for Ukrainian citizens would be another much needed message of support. The European Parliament has been ready to negotiate since September and we sincerely hope to finalise the agreement with the Council in January.

Ladies and gentlemen,

We have to be careful not to confuse visa-liberalisation, asylum and migration policies, even though they might sometimes overlap. Visa liberalisation is about short-term stays and visits of up to three months.

Asylum and migration policies on the other hand concern people that seek refuge or a new home. They concern people like Nadia Murad and Lamyia Haji Bashar, these two brave women who two days ago received the Sakharov Price for Freedom

of Thought in a very moving ceremony at the European Parliament. Since more than one year asylum and migration have become the deepest challenge for the European Union, a challenge we will only master if we help each other and stand together in solidarity.

It is deplorable that to this day this debate remains largely theoretical: we have moved from “flexible solidarity” to “effective solidarity”, but none of the solutions proposed so far were either flexible, effective, or had much solidarity at their heart.

Solidarity is no one-way street, and some among us here have to ask themselves the question whether sharing responsibility is not something that should be self-evident among close partners. Especially when these same partners already benefit from the others’ solidarity starting with major structural funds.

You have the choice: either the asylum and migration crisis will enter into history books as a moment of fundamental failure of EU policy, or as a moment in which the EU took a leap forward in showing the world that its values shine brightest when they are expressed in concrete action.

For years the European Parliament has been calling for a binding mechanism for the fair distribution of asylum seekers among all Member States; we have backed the Council decisions to relocate asylum seekers from Italy and Greece, because we believe this is only right. But what we really need is a leap forward and to finally have a comprehensive asylum and migration system consisting of:

- legal pathways of migration that prevent persons from seeking dangerous flight routes and hand themselves over to human traffickers;
- agreements with third countries that allow for an orderly initiation of such a resettlement request;
- annual targets of resettlement numbers that make a contribution to the global need for resettlement formulated at the UN High Level Meeting of September 2016 and that correspond to the capacities of the EU;
- a Common European Asylum System that deserves this name, that involves each and every member of our Union;
- reception conditions in the so-called “hotspots” that respect the human dignity of the asylum seekers and a rapid treatment of their applications.

The US and Canada have comprehensive asylum and migration systems in place - why don't we?

Ladies and gentlemen,

As long as poverty and conflicts are rife in this world, as long as climate change alters the living conditions of millions of people each and every day, migration is a phenomenon that is there to stay, whether we like it or not. It is no coincidence that it has found its way into the sustainable development agenda, in which the global community set itself ambitious targets until the year 2030.

We will not be able to successfully manage this phenomenon by ignoring it, nor by trying to isolate ourselves in building walls and fences around our countries in the hope that we can hide behind them.

To all of those who have blocked previous proposals and who have not participated in the relocation scheme, I want to say today: if you don't want to participate in the current schemes then present your reasons. If you do not believe in solidarity, then propose a viable alternative.

Ladies and gentlemen,

Anti-terrorism legislation is a good example on how decisive legislation can be agreed quickly if the political will is found.

Just last week two more crucial files moved ahead decisively in the European Parliament: agreement was found on the introduction of mandatory checks against relevant databases when EU citizens cross our external borders. This means that we can finally get hold of those EU citizens that for whatever reason decide to become foreign fighters, go to a war zone, and return as radicalised extremists. And once they are detected, then we will soon have the right framework in place to condemn them for what will be criminal acts such as receiving training to commit terrorism, traveling for terrorist purposes, as well as organising or facilitating such travel. It also reinforces the rights of the victims of terrorism.

However, with all progress made in this area, it is also here where we find a huge implementation gap.

I am surprised that eleven Member States have not even started preparations to implement the PNR Directive yet. I am even more surprised that after 8 years the Prüm Decision is not fully implemented yet. Just imagine how our chances of preventing terror attacks would improve if our secret services and our police shared information more effectively and more rapidly. And only think of the number of lives we could have saved if concrete action against radicalisation had been better coordinated.

Unfortunately, there is still a large focus on introducing ever-more instruments and on collecting ever-more data instead of just using the means we already have. And unfortunately, anti-terror legislation is still too much of a reactive exercise. We need to become proactive and launch a permanent threat assessment and monitoring as foreseen under Article 222.4 TFEU.

Ladies and gentlemen,

Our security agenda remains to be implemented, our asylum and migration system needs to be put in place, and our **economic, financial and social union** remains to be completed.

After the financial and economic crisis, we promised our citizens financial stability, and the protection of taxpayers' money. We have come a long way, and put in place institutions and mechanisms that will help the EU be more resilient, like the Single Supervisory Mechanism or the Single Resolution Mechanism.

However, our key policy initiative, the Banking Union is still incomplete without a European Deposit Insurance Scheme. I am aware that the issue is sensitive, but I am also aware that citizens are waiting to see whether the EU can protect them as well as it protected banks a few years ago.

As long as the Banking Union is incomplete, we remain vulnerable to financial shocks. What will you respond to the citizens if once again we have to save banks with billions of taxpayers' money or if depositors are put at risk? And it cannot be that eight years after the crisis we still talk about the collapse of the Eurozone when a political decision is taken in one of our Member States.

I, as one of the signatories of the Five Presidents Report, call on all of you to continue working on deepening the EMU, strengthening the single currency and I count on the Commission to adopt an ambitious White Paper in the coming spring. We then must all move forward quickly on that basis. This is not just about economics, this is about the EU as a whole.

Because Europe is about projects and initiatives that protect and improve our citizens' lives. Three other examples:

First, the fight against tax fraud and tax evasion. For too many years we have allowed our national budgets to be deprived of legitimate revenues. Where only a few benefit, this comes at a cost for the whole society. This is why the fight against tax fraud and tax avoidance is and will remain a priority for the European Parliament. Through legislative work, parliamentary scrutiny and Commission legal action such as in the Apple case we tighten our grip as hard as we can. We want to be a union of rules and not of tax rulings. To get there, we need you, the Member States. You are the ones that have to ensure that the European race-to-the-bottom approach comes to a halt. You are the ones that are now asked to deliver on the list of non-cooperative jurisdictions, public country-by-country reporting, and the Common Consolidated Corporate Tax Base.

Second, the completion of the internal market, especially our internal energy and our digital single market: Any further delay in ensuring a fully functioning internal energy market is harmful for our competitiveness, our energy security, our consumers and our environment. With the ratification of the Paris agreement, it is high time to finally switch to a competitive and sustainable low carbon economy, also because it will result in more jobs, investments and growth. If we want to be ready for the future, then this is not only an option, but an obligation.

The same goes for the digital single market. The digital world is profoundly changing our economy and fundamentally impacts the everyday life of our citizens. Here too Europe should have the ambition to lead this transformation. European success stories should be no one-hit-wonder, but the expression of a new entrepreneurial digital Europe. To allow for this, we need to bring down the barriers that still exist in

our internal market. We need unconstrained internet connectivity at affordable prices, no matter where you are - in cities, in remote rural areas, everywhere throughout Europe. Citizens should be able to “roam like they’re at home” and digital entrepreneurship should flourish regardless of the location.

Third, we need a fully-fledged EU-policy on youth. While we have been able to steadily decrease youth unemployment since it reached its peak in 2013, divergences remain huge in EU Member States. It is unbearable that in four of our Member States almost every second young person is neither in employment, education or training.

The European Parliament has reacted by fully supporting the frontloading of 6 billion Euros reserved for the Youth Employment Initiative under the current Multiannual Financial Framework. We have called for the continuation of the financing in 2016 but unfortunately we have not been heard. 2016 was lost in terms of committing to new projects. This is why the European Parliament welcomes the outcome of the negotiations of next year’s budget where half a billion Euros will be devoted to this important initiative.

We think that this financing should be continued until the end of the current financial programming period and it is now upon you to decide what support you want to give to the youngest members of our societies, to the ones our future relies on. We welcome the initiative for a European Solidarity Corps. But beyond that we need a more comprehensive approach on youth policy and greater resolve to implement it.

Ladies and gentlemen,

If the EU does not lack one thing, it is the diagnoses of where it is imperfect and incomplete. We all know its weaknesses.

But what it needs first and foremost is leadership to act on those diagnoses. To find solutions to address problems head-on and not wait for them to become too big, divisive or unmanageable. The EU needs leaders who follow their convictions, even though they may be unpopular to some parts of the electorate in the short-run.

Europe was built by statesmen such as Schuman, de Gasperi, Adenauer, Delors, Kohl and Mitterand - true leaders who had this courage. These politicians risked their own careers to defend a project they believed in. Today we know that history proved them right.

And why were they successful? Because they always sought the best outcome for their citizens even though the way was not always obvious. One must have courage and take some risks to guarantee peace through close cooperation, to defend democracy and a society of freedom and pluralism, to connect national economies for everyone’s greater prosperity and to form a community among those who not long ago were still enemies.

These politicians had a vision and they made it reality.

Today, in a more and more complex world, our citizens expect tangible results and I think that there is ample opportunity for you - heads of state and government present today - to deliver far-reaching solutions that history will count as your legacy to the world.

Ladies and gentlemen,

In working towards these solutions two central conditions have to be fulfilled:

First, the Brussels blame game has to stop. What we all do in Brussels can only become a success if everybody takes proper ownership. Stop pretending that all success is national and all failure European. Explain to our citizens how you managed to get things done, rather than blaming others for results that were not achieved. The gain of Brussels-bashing might be immediate, but the damages are long-lasting. They are so dramatic that if you continue this Brussels blame game the chances are high that sooner than you think there will not be any Brussels to blame anymore.

Second, strengthen democracy and accountability both at national and European level. Some try to picture national Parliaments and the European Parliament as competitors, when our respective action and prerogatives only produce synergies in making the EU decision-making process more transparent and democratic. Enhancing accountability therefore means, on one hand, that national Parliaments should be more involved and at an earlier stage, in particular in scrutinising their governments before they take decisions on their behalf in the Council.

It means, on the other hand, fully involving the European Parliament in all key decisions concerning the future of our Union. This is a question of democracy, but also one of producing the best results.

Take the UK settlement as an example: the negotiations carried out in the run-up to the Settlement agreed last February proved how the European Parliament can act as a loyal partner and can bring substantive contributions. Parliament, through its sherpas and its president, helped improve significantly the drafting and ultimately took ownership of the text.

In the very short term, there are at least three issues on which the EP urgently needs to be involved:

Firstly, the “migration compacts” that are currently being negotiated and already concluded without the involvement of the European Parliament. These compacts will constitute a key pillar for the future of our asylum and migration policy. They will be part of the decision on who will have the right to come to Europe, and who we are going to send back if they try to reach us illegally. Also, a parliamentary debate about the type of regimes with whom we conclude these agreements is not only a necessity but a question of principle.

Secondly, the Bratislava agenda that set in motion the process of reflection on how our future Union of the 27 should look like. In a time in which democracy is

challenged as never before, when citizens have the feeling that their voice is not heard, involving the only directly elected European institution in the debate about the future of the EU is the right thing to do. The European Parliament for its part is already working on three ambitious reports on the Future of the EU and we hope to adopt them before the 60th anniversary of the Treaty of Rome next year.

The very first article of the second landmark European Treaty, the Treaty of Maastricht 25 years ago enshrined: *“This Treaty marks a new stage in the process of creating an ever closer union among the peoples of Europe, in which decisions are taken as openly as possible and as closely as possible to the citizen.”*

Should the citizens not have a say on the future shape of their Union?

Thirdly, the UK withdrawal agreement is maybe the best illustration of the necessity to involve the European Parliament from day one: you are all well aware that for such an agreement our consent is needed. This consent will be much easier to obtain if we are properly included in its drafting. The European Parliament was very disappointed to see that in the first draft statement of the 27 Heads of State and Government on the Brexit negotiation process it is proposed to relegate the European Parliament to a secondary role. You will in no doubt be aware that at the time of the negotiations of the Lisbon Treaty ten years ago the Parliament was fully involved both at the Presidential and sherpa level. The same degree of involvement would have to be guaranteed now. If we are not adequately involved, we may not be able to give our consent. And in this situation the UK would face the hardest Brexit possible.

Ladies and gentlemen,

At my last speech as President of the European Parliament at a European Council meeting I cannot emphasise this point strongly enough: the involvement and participation of the European Parliament in all decisive steps this Union takes is essential for its future and even for its survival.

This is what I have fought for over the last twenty-two years. Not because I wanted to shine in the spotlight, but because I know that in these difficult times, times in which more and more citizens lose faith in representative democracy and turn to demagogues who promise a better future in nationalism, that in these times it is fundamental that we strengthen our democratic institutions in the best way we can.

If we fail to do so, we risk losing everything that was built on this continent after the Second World War and the fall of the Iron Curtain: a Union for peace and prosperity, based on the principles of freedom, equality and the Rule of Law.

I have called this Union the biggest achievement of our civilisation of the previous century, and I am still convinced that this is true.

Let us have the courage to fight for it.

Thank you for your attention.
