



**EUROPEAN COUNCIL
THE PRESIDENT**



Brussels, 15 March 2013
EUCO 72/13
PRESSE 119
PR PCE 64

Remarks by President Herman Van Rompuy following the European Council

Last night we set the priorities for our economic policies for the year ahead. We reconfirmed our overall economic strategy. There was a broad consensus, and as I said, the discussion was serene and focused.

During this morning's working session, the main topic was the state of play of our relationship with Russia. This discussion was part of our regular exchange of views on our relations with strategic partners. In October we spoke for instance about China; later this year we will speak about the United States.

With Russia, our bilateral cooperation is extensive. Both we and they attach great importance to this strategic partnership. Today we had a fruitful discussion on common interests and challenges as well as on of the best way to take the EU-Russia relationship further. We must find solutions for our differences, respecting our rules and values. All colleagues agree we must act as coherently as possible to stand stronger.

This morning we also discussed the dramatic situation in Syria. We reaffirmed the European Union's full engagement in international efforts to bring an end to the intolerable violence. The question of the arms embargo was raised by some members of the European Council. We agreed to task our foreign ministers to assess the situation as a matter of priority already at their informal meeting next week in Dublin, and to develop common positions.

This morning the British Prime Minister gave a brief update to colleagues on preparations for the G8 summit in June.

P R E S S

Dirk De Backer - Spokesperson of the President - ☎ +32 (0)2 281 9768 - +32 (0)497 59 99 19
Preben Aamann - Deputy Spokesperson of the President - ☎ +32 (0)2 281 2060 - +32 (0)476 85 05 43
press.president@consilium.europa.eu <http://www.european-council.europa.eu/the-president>

A word on our work of last night. As you know, after yesterday's first working session, we reconvened with the 17 euro area leaders for a euro summit – the first one in over a year. This time it was not an emergency summit. Its purpose was in sync with the focus of this Spring European Council meeting: inspecting our economic fundamentals and the prospects for the months ahead – but specifically for the euro countries.

Our discussion was introduced by President Draghi of the European Central Bank. We looked at issues like credit access for companies as a key driver for growth, at competitiveness in all its aspects, at the functioning of the labour market especially for young people. On the question "where does growth come from", the answer was: confidence, credit and competitiveness. There is, on top of this, a need for a specific employment policy, making our growth more labour-intensive.

The four strands of our overall economic strategy apply of course fully to the countries of the euro area: financial stability; sustainable public finances; measures to fight unemployment – especially for the youth; and structural reforms for competitiveness and growth.

Yesterday we also talked about the work on the way toward a genuine Economic and Monetary Union. I briefed colleagues, all 27, on how I see the state of play. On budgetary matters, in fact the most important decisions on new rules have been taken. The main challenge is now implementation.

On banking policies, we made enormous progress last June and December – in particular with the decisions on a single supervisory mechanism for all banks in the eurozone. We must keep the pace to launch also a single resolution mechanism.

On economic policies, we identified last December possible new avenues to support economic reforms. Since then, my team and I have been consulting closely with all member states and the European Parliament on issues like contractual arrangements, and the social dimension of the Economic and Monetary Union.

We will come back to all of these questions – and their political ramifications – when I report back in June. This work on the architecture of the Economic and Monetary Union is a central part of our efforts to maintain financial stability in the eurozone.

So these were the issues of this Spring Council. As I said, our discussions took place in a consensual atmosphere: we share the same sense of direction, however difficult the circumstances. We will reconvene in June for orientations and decisions on national economic policies, and before that in May on energy amongst others.