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"How to bring Europe closer to its citizens"

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Dear Minister Plassnik, dear Minister Göncz,
Dear Landeshauptmann Pröll,
Ladies and Gentlemen,

It is a great pleasure to be at Stift Göttweig today and to discuss with you a question which is close to my heart: *how to bring Europe closer to its citizens?*

In March our leaders met in Berlin to celebrate the 50th anniversary of Treaty of Rome. Indeed, we can be proud of what has been achieved.

After the terrible experience of war a vast area of peace and stability has finally emerged across the continent. Democracy is firmly anchored throughout Europe. The Economic Community of Six in 1957 has become a Union of 27 – a surely historic triumph. In fact, EU enlargement is the most successful example of peaceful political change mankind has ever witnessed.

The common market of the EU with 490 million citizens and a common currency in 13 and soon 15 of our Member States contribute to our prosperity. The Schengen agreement has provided open borders to our citizens. Externally, the Union has become a world trade power and an important actor in international politics.

But Europe is far more. It shares a common destiny based on common values such as human dignity, freedom of conscience, thought and religion. We have therefore good reason to celebrate the 50th anniversary of European integration; 50 years of unprecedented peace, stability and prosperity on our continent.

But we also have to look forward both to the policies we need and how we design and implement them. I am convinced that the European Union we need is one in which our institutions and policies must respond better to the needs and aspiration of our citizens and in which our citizens play a key role in the European Construction.

As far as the policies are concerned, the Berlin Declaration clearly points out that many new challenges cannot be solved by our Member States on their own. They need a European policy response based on the spirit of solidarity.

Let me give you three examples:

Even as the Union we are only a small part of the globe, both in terms of surface and of population. And in the years to come our relative size in terms of GDP will be shrinking as emerging competitors experience faster rates in terms of economic and population growth. Our single

market and our single voice on trade policy are essential elements in our strategy to rise to the challenges of globalisation. The number and weight of problems whose solutions require a Europe-wide response will grow.

Climate change is an area where joint action is essential. The EU was a key player in the Kyoto protocol negotiations. It was the combined strength of our Member States under EU leadership that secured the final agreement. We now have made an additional commitment to cut emissions by at least 20% by 2020, and will go further if others will join us. The EU has also lead the way with an emissions trading scheme to reduce greenhouse gases in a cost effective way.

Energy is also a European challenge. Working together we will be better able to cope with high prices, renew and rationalise our infrastructure, reduce our dependency on imported hydrocarbons by pooling our resources to negotiate with our suppliers, drive forward research into alternatives and into improving our efficiency. Working together we can increase our energy efficiency by 20% by 2020, triple renewable energy use by 2020, and increase our annual energy research budget by 50%. The Union together is taking a clear global lead in this essential area.

These examples show that the European Union is the only answer to the many challenges of the 21st century.

The Berlin Declaration acknowledges the importance of regional and local authorities and the need for sharing tasks between the European, national, regional and local level.

This is an approach which we pursue in the context of regional policy for which I am responsible. In my trips around Europe's regions I am struck by the fact that people want to feel ownership of the policies which we put in place. They want to feel responsibility for them.

European regional policy involves people at the regional and local level because it is here that we find the expertise and experience necessary to identify problems and appropriate solutions. These stakeholders – local and regional authorities, businesses, universities, civil society organisations - are deeply involved in the design, implementation, and follow-up of the policy. The ownership that results greatly increases the effectiveness of what we do.

Niederösterreich is an excellent example for this. By the end of 2006, In as many as 1766 projects were approved and supported with EUR 390 million in the Objective 2 programme of Niederösterreich 2000-2006,. This led to tangible and intangible investments of close to EUR 1.2 billion creating a remarkable leverage effect of around 3:1. I am pleased that many of these projects have and will continue to enhance the competitiveness of Niederösterreich. I am thinking for example of the Regional Innovation Centre for Biotechnology in Krems or the initiative "Clusterland Niederösterreich".

I am very happy that we will continue our successful cooperation with Niederösterreich in the years to come. On 4 May 2007, the Commission approved the new regional policy programme 2007-2013 for Niederösterreich amounting to EUR 291 million (out of which EUR 146 million will be provided by the EU). Once again we have set ourselves ambitious targets: we want to create 1800 new jobs, out of which 200 in

the R&TD sector; connect additional 10.000 inhabitants to broadband internet; trigger additional investment of EUR 850 million (almost six times the Community assistance); install additional renewable energy capacity of 25 MW and decrease greenhouse gas emissions by 25.000 tonnes/year. But knowing your commitment to turn Niederösterreich into a model region for strategic competence and creativity in regional policy, I am sure that we will succeed.

But I would like to underline that the recognition of the important role of the regions is not only present EU regional policy. It is also emerging in an ever wider range of European policies. The Commission's Communication on Innovation of September last year stresses the fact that the main competence for fostering innovation lies at the regional level. We need partnerships between universities, companies and financial institutions; networks to disseminate good practices; and involvement of public bodies to act as catalysts in the process and to provide innovative services. Hence the regions must be closely involved in developing policies on innovation. Similarly the Commission's Communication on the Demographic Challenge of October stresses regional specificities and the need for regional responses.

I am convinced of the importance of establishing multi-level governance more clearly in the Union, allowing relevant actors at all levels to bring their expertise to the process of designing and implementing our policies across a wide range of areas. In doing so they would make a major contribution to making the Union more efficient, more transparent, and more democratic.

Let me finally draw your attention to another area where major efforts will be needed to bring Europe closer to its citizens – communication. Few people feel that they are well-informed about Europe. We the policy-makers must therefore improve the quality of our public debate and the transparency of our discussions. And we must also learn to listen to expectations and concerns expressed by our citizens.

When it comes to improving dialogue on European issues, however, it is not only in Brussels that we can decide how this should be organised. This will vary from country to country. But I am convinced of one thing – the communication must involve not just national authorities, but also local and regional authorities and civil society; not just national media, but local and regional newspapers, radio stations and television programmes. It is to local structures - media and authorities - that people turn most frequently for information and advice.

Ladies and gentlemen,

I started my speech by referring to the achievements of 50 years of European integration. We have good reason to celebrate this anniversary, but it is not a time to be complacent.

The months to come will be very important for the European Union. The declaration of Berlin has brought us closer to a Treaty settlement, but much remains to be done. The European Council on 21/21 June 2007 will adopt the mandate for discussion on a new Treaty which will take place in the framework of an Inter Governmental Conference to be held in the second half of 2007. Our joint objective is place the European

Union on a renewed common basis before the European Parliament elections in 2009.

In line with the subject of my reflections this morning, I hope that the connection between Europe and its citizens and regions will be firmly anchored in the final agreement.

We need institutions and processes that involve our citizens more. We need new forms of multi-level governance which draw on the expertise of all levels of government in designing and implementing policies. These will be essential steps to bring Europe closer to its citizens.

Thank you for your attention.