



**EUROPEAN COUNCIL
THE PRESIDENT**

**Brussels, 21 May 2010
PCE 102/10**

**Remarks by Herman Van Rompuy,
President of the European Council,
following the first meeting of the
Task force on economic governance**

Today we had the first meeting of the Task Force on economic governance. It was a very useful meeting. I could feel a sense of urgency and a spirit of cooperation around the table. Everyone shares the will to go forward together.

As you probably know, the Task Force consists of representatives of all 27 Member States -- mostly Ministers for Finance -, plus Commissioner Rehn from the Commission, President Trichet from the European Central Bank, Prime Minister Juncker from the Eurogroup and myself as chairman. All key actors are around the table.

Today was the start of a process. We did more than just identify the issues on the table. We have already found agreement on the four main objectives and also on the direction in which we will move forward for each of them.

I consider this as an important step upon which we can build at the forthcoming meetings.

Now, which are the four main objectives on which everybody agreed?

First objective: We should achieve greater budgetary discipline. In other words, we need to strengthen the Stability and Growth Pact and make it more effective.

Second objective: We need to find means to reduce the divergences in competitiveness between the Member States, at least when these divergences are too big. This is necessary to reach more even economic development within the European Union, and in particular, in the euro area.

Third objective: We need to have an effective crisis mechanism in order to be able to deal with problems such as those we see today in the Eurozone.

The fourth objective is linked to the third: We need to strengthen economic governance, in institutional terms, in order to be able to act more quickly and in a more coordinated and efficient manner.

These are the four central priorities on which we will move forward.

P R E S S

FOR FURTHER DETAILS:

Dirk De Backer - Spokesperson of the President - ☎ +32 (0)2 281 9768 - +32 (0)497 59 99 19
Jesús Carmona - Deputy Spokesperson of the President ☎ +32 (0)2 281 9548 / 6319 - +32 (0)475 65 32 15
e-mail: press.president@consilium.europa.eu
internet: <http://www.european-council.europa.eu/the-president/>

EN

The Commission contributed with an important Communication which contained a number of proposals. I, personally, have put some thoughts on the table as too have some Member States. Undoubtedly other Member States will follow suit with their proposals before the end of May. I welcome this active participation in our collective work very much.

On the basis of all this we will work on a comprehensive agreement. The Task Force we will meet twice more before the summer. Preparatory work will be done by a group of 'Sherpas'. We will present a Progress Report to the European Council of 17 June. What do we aim for?

Our agreement should result in stronger economic cohesion within the Union. This is vital for 27 countries with a common internal market and for a zone of 16 countries sharing a single currency.

Moreover, such cohesion is required in order to act in an effective and credible manner. The approach should be seen in the context of our considerable efforts to strengthen structural economic growth within the Union, as we are doing in the case of the EU 2020 strategy.

A final point: we all want to draw the lessons from this difficult period. In the past, corrective action was taken too late; the available legal instruments were not used sufficiently. That's why we need to act in a number of ways:

- in prevention and in correction;
- in the fields of the budget and of competitiveness;
- in the eurozone and in the European Union as a whole.

All Member States and all EU institutions need to work together on this.

I am deeply convinced that we can surmount this crisis. The measures we have taken for Greece (on 2 May) and in a broader framework (on 7 and 9 May) have proved that the European Union is able to act. We must now continue this work so that we avoid a repetition of these problems in the future.

Therefore, as I said previously, I am very glad that all members of the Task Force share the will to bring this about.

We are still planning to have our work ready before the European Council of October, instead of December.
