Remarks by President of the European Council
Herman Van Rompuy
after his meeting with Prime Minister of the Czech Republic
Petr Nečas

Let me first of all say that I am very glad to be back in the Czech Republic as part of my "tour des capitales". Let me also thank Prime Minister Nečas for his hospitality here today. Later, I will also meet President Zeman at the Prague Castle. It is my third time in Prague since the beginning of my mandate.

Our meeting gave us an opportunity to discuss a number of issues that we will take forward in the coming months.

The economic and social situation in Europe remains our top priority. There are substantial, positive developments. Financial stability in the eurozone - a precondition for jobs and growth - has been restored. Competitiveness is increasing also in weaker economies. Exports are picking up. And fiscal imbalances - that is public deficits - have been reduced by more than half since 2008 all over the eurozone and the Union. This is encouraging for all countries in Europe. We are so dependent on one another, also in economic terms.

Still, despite these positive developments and our common efforts for growth-friendly fiscal consolidation, the crisis is dragging out. Especially, unemployment and youth unemployment are of grave concern.
That is why we have to work simultaneously on the short and long term. At our meeting of the European Council in March, all leaders agreed on our comprehensive strategy to tackle the crisis. It has four fundamentals:

One, restore and maintain financial stability.
Two, restore and maintain sound public finances.
Three, immediate direct action to fight unemployment - not least youth unemployment. We also did this in the Multiannual Financial Framework
Four, carry through structural reforms to ensure sustainable long-term growth and jobs. At European level this also includes deepening the single market. I commend the active support of the government of the Czech Republic and the Prime Minister in this regard.

Today, the Prime Minister and I also looked forward to the coming meetings of the European Council.

In May, we will also discuss energy, a field in which our Union faces several important challenges. We have to diversify our energy supply routes and enhance our access to reliable new sources of energy. We need to develop a predictable framework which gives certainty to those who want to invest in a modern European energy infrastructure. We should complete the Internal Energy Market by the end of 2014 - that's already next year, and I welcome the importance the Czech Republic attaches to this topic. We should explore how we can be more energy efficient. And we should tackle in a nuanced manner the challenge of high energy prices, which on the one hand encourage investments in energy infrastructure, but on the other hand hamper our competitiveness and have a huge impact on our citizens, especially the more vulnerable ones. I am sure that all Member States, including the Czech Republic, recognize that this is a real challenge, and that's why I decided to put this topic on the agenda of the May European Council.

In October, we will discuss the Union's Eastern neighbourhood, which I know is of particular interest and concern here. The Eastern Partnership was launched here in Prague at the first Eastern Neighbourhood Summit in May 2009 during the successful Czech presidency of the Council. It was a new beginning in the EU's efforts to develop stronger relations with its Eastern neighbourhood, while promoting political and economic reforms. I expressed today my gratitude to the Prime Minister, for this, and for the continued efforts to deepening this important partnership.

Later this year, we will have another Eastern Neighbourhood summit in Lithuania. We want to keep our level of ambitions high. I hope that when the time comes in November, we will have tangible results, in particular as regards Association Agreements with a number of our new partners.