

**SPEECH BY THE PRESIDENT
DEMETRIS CHRISTOFIAS
ON THE MAIN RESULTS OF THE
CYPRUS PRESIDENCY OF THE COUNCIL OF THE EU AT THE
LUNCHEON WITH THE EU AMBASSADORS**

(Presidential Palace, 19 December 2012)

First of all, I would like to welcome you all here at the Presidential Palace for this luncheon to mark the conclusion of the first Cyprus Presidency of the Council of the EU, and wholeheartedly wish you all a Merry Christmas and a prosperous and healthy 2013. A New Year during which we will finally be free of recession and stagnation and will have overcome the burdens brought on by the crisis.

With the end of the first Cyprus Presidency, I would like to share with you some initial observations regarding this whole effort. This endeavour was undertaken, for the first time since acceding to the EU family, with a high sense of responsibility and honour, as well as with resolve and determination to do a good job.

Let me first express my sincere appreciation for the assistance and guidance we received from Member States, both before and during the Presidency. I wish to especially thank Poland and Denmark, who via our TRIO cooperation paved the way for the Cyprus Presidency.

As expected, taking into account the EU's socioeconomic situation while setting our priorities, our primary goal was to continue and reinforce the common effort towards exiting from the economic and social crisis – which unfortunately still continues – in order to return to the path of steady and dynamic growth.

I would like to assure you that during the last six months, the hard and consistent effort aimed towards restoring confidence in the European Union and safeguarding its ideals.

By strictly adhering to the role of “honest broker”, the exclusive goal was to work “*Towards a Better Europe*” for our citizens and especially the young generation, facing an uncertain future because of an economic crisis unprecedented in terms of depth and intensity.

It is important to underline that during all these months, the Presidency has faithfully followed the **Community method** respectfully while closely cooperating with the European Parliament. Cyprus has worked constructively and with complete respect for the competences and prerogatives of all EU Institutions, while fully representing the Council’s interest.

Before providing a brief overview of the main results of the Cyprus Presidency, allow me to address an important point stemming from my experience with the European scene during the last five years, but also from my more active involvement during the Presidency of the Council, these last six months.

I believe it is high time to turn for guidance to the founding principles of our Union. During these difficult times, I would like to mostly focus on the **principle of Solidarity**.

We ought to redefine this principle in order to provide it with a comprehensive meaning. Not for it to serve, as some might be concerned, with unrestrained lending to “the poor European south by the rich European north”, but to reassert, through transparent and best practices, that the word “*Union*” in the “*European Union*” is not devoid of content.

I honestly hope, that in time we shall all realize this particularly important dimension at the core of the institutional substance as well as for the future of the European Union and that we will all work together towards a ***Better Europe***.

The Cyprus Presidency has tried to set realistic and achievable targets, with the main dossiers having been defined by the current EU developments.

Regarding the main objective, working towards an agreement on the **Multi-annual Financial Framework**, the Presidency devoted great effort and energy towards this

end. From the very beginning, we were dedicated to the overall goal for a fair and efficient budget. A budget that would strive towards delivering growth and enhancing competitiveness across the Union, creating employment opportunities for the European citizens, especially for the younger generations. At the same time, respecting the efforts of Member States for reconciling fiscal consolidation with growth and the creation of jobs, the Cyprus Presidency emphasised “quality of spending”.

The Presidency exerted all its strength and is proud of the work and progress achieved during these very difficult negotiations on the MFF. At the November European Council it was realised that an agreement was possible. The Heads of States and Governments expressed their determination to reach an agreement in the beginning of 2013.

In parallel, the Cyprus Presidency achieved substantial progress on the common policies and programmes of the MFF, most importantly on **Cohesion Policy**, **Horizon 2020** and the **Common Fisheries Policy**.

Regarding the achievements of the Cyprus Presidency, I feel that we have risen to the challenge. Let me give you a brief summary of the important results of the Cyprus Presidency:

The June 2012 European Council paved the way for a genuine Economic and Monetary Union. One of the main successes of the Cyprus Presidency is the agreement reached in last week’s ECOFIN on the **Single Supervisory Mechanism**, after only three months of negotiations.

This agreement will enable the Council to negotiate with the European Parliament and represents a stepping-stone towards an integrated Banking Union.

Undoubtedly, enhancing economic governance is also of paramount importance for growth and stability in the EU. Although agreement has yet to be reached on the **Two-Pack Regulations**, the Presidency achieved significant progress for it to be concluded probably by early 2013.

I would like to note particularly the huge success of the Cyprus Presidency in bringing the lengthy negotiations on a **European Unitary Patent**, which have lasted over 30 years, to a successful conclusion.

This is a major historic breakthrough for the Union and a cornerstone for European Competitiveness, as it will provide a new momentum for innovation by significantly lowering the cost and complexity of acquiring a Europe-wide Unitary Patent.

The Cyprus Presidency also reached agreement with the European Parliament on four more very important legislative proposals: namely the **European Venture Capital Funds**, the **European Social Entrepreneurship Funds**, **Trans-European Energy Infrastructure** and the **Directive on Alternative Dispute Resolution for Consumers**, along with its complementary **Regulation on Online Dispute Resolution**. Furthermore, significant progress was achieved on the remaining legislative proposals, which will now be handed over to the Irish Presidency.

Another main Presidency goal was the completion of the **Common European Asylum System** by the end of 2012, as requested by the European Council. The Presidency inherited all pending legislative proposals for the completion of the Common European Asylum System and has achieved progress on all of them, with an agreement within reach.

Regarding **Schengen Governance**, thanks to the efforts of the Presidency together with the President of the European Parliament – and close friend of mine, Mr. Schulz – the examination of the five dossiers related to border issues is back on track after the postponement of the negotiations (in last June).

Moving on, the Cyprus Presidency struck an agreement with the European Parliament on the **2013 EU Budget** as well as the draft amending the 2012 Budget. This timely agreement means that the Union today can implement the many programmes and actions to the benefit of its citizens from the beginning of next year. It also means that the outstanding payments of 2012 will be met.

In the field of External Trade, also an essential source of growth for the EU, a very important step was taken with the Council's authorization to open negotiations on a **Free Trade Agreement between the EU and Japan**.

The negotiating directives foresee a free trade agreement that will provide for the progressive and reciprocal liberalisation of trade in goods, services and investment, as well as rules on trade-related issues and the elimination of non-tariff barriers.

It is noteworthy that according to the competent Commissioner, Mr. De Gucht, 400.000 additional jobs in the EU are expected to be created as a result of this deal.

One other strategic initiative and priority of the Cyprus Presidency is the **Integrated Maritime Policy**. I would like to underline that the adoption of a declaration on 8 October 2012 on a Marine and Maritime Agenda for growth and jobs, known as the "**Limassol Declaration**", constitutes a true milestone for blue growth.

Ladies and Gentlemen,

I should note that there were serious misgivings about the Cyprus Presidency both before July and thereafter. Cyprus' ability to successfully assume such a large and important undertaking was questioned. The economic crisis that prominently struck Cyprus at the beginning of its Presidency, and the problems that are still unfortunately faced due to the continuing Turkish occupation, have not been a distraction to the primary goal.

Cyprus worked tirelessly only for the common European good. Public statements after the last session of the European Council on 14 December, both by the European Council President Herman Van Rompuy and the President of the Commission, Mr. José Manuel Barroso, leave no room for misinterpretation regarding the significant successes of the Cyprus Presidency of the Council.

What the President of the European Parliament had said to me, prior to the Cyprus

Presidency, has proven true: “in the European Union there are no large and small Presidencies, but successful and non-successful Presidencies.”

Cyprus is proud and delighted of its positive contribution to Europe this last semester.

I want to highlight the decisive role played by the hundreds of civil servants both in Cyprus and in Brussels in achieving these very tangible and positive results of the first Cyprus Presidency of the Council. Headed by the Ministers of the Government, we had mobilized almost the entire state apparatus to reach this great goal.

Cyprus feels that it has been justified and is satisfied.

Ladies and Gentlemen,

Passing on the baton to the Irish Presidency, I would like to wish them the best of luck with the difficult job ahead of them and to assure them that they can find an ally in Cyprus.

Thank you very much.