



## A UNION OF GROWTH AND SOLIDARITY

### Key messages from 2011 State of the Union address

#### **Context**

- We are facing the greatest challenge in the history of our Union. The financial, economic and social crisis has resulted in a crisis of confidence and trust not seen in decades. Populist responses are putting into question the Union's greatest achievements, the euro, the single market and free movement of people.
- Yet there are solutions to the crisis. We can restore confidence and trust through united action. The time for piecemeal solutions is over. If we do not go for further integration, we risk fragmentation. It is about political will. It is the test for our whole generation.
- Today, we propose a European renewal. A renewal that will deliver a Union of Stability and Responsibility. A renewal that will deliver a Union of Growth and Solidarity.

#### **Paths to Growth**

- **The economy can only remain strong if it delivers growth and jobs.** Significant growth in Europe is not the impossible dream. We have done it before. We must do it again.
- First, those who have fiscal space available must explore it – but in a sustainable way.
- Second, all member states need to look at **structural reforms**.
- Together, we must tap the potential of **the Single Market**, exploit the benefits of **trade** and mobilise **investment** at the Union level.
- We need modern, interconnected infrastructures in energy, transport and digital, for which we have proposed a **Connecting Europe Facility**. In the coming weeks, the Commission will present proposals for **EU Project Bonds** and pilot projects to frontload some of the major infrastructure investments. We need to explore ways to reinforce the **EIB's** resources and capital base. We can get more growth out of the **structural funds** by increasing absorption capacity and by increasing co-financing rates to those countries with assistance programmes.
- We must hold on to our values of fairness, inclusiveness and **solidarity**.



- We can make a difference on **youth unemployment** by getting businesses, social partners and national authorities and the Union level working in a "Young Opportunities Initiative". The Council must finally approve the programme for the supply of food for the **most deprived persons**. And we need to boost the quality of **social dialogue** at European level.

### ***Global Responsibility***

- European action in the world is indispensable for us but also for the entire world. The world does not await the emergence of the G2.
- Europe supports the legitimate aspirations of our neighbours in the South as well as a closer integration with our neighbours in the **Eastern Partnership**.
- Europe will maintain its commitments to the **Millennium Development Goals**.
- For Europe to really count, we need a stronger Common Foreign and Security Policy. This is only credible with a joint security and defence dimension. The Commission is working towards a **single market for defence** and to develop Europe's defence industrial base.

### ***Conclusion***

- This crisis is a test of our willingness to act together.
- **Intergovernmental cooperation is not enough to get us out of this crisis**: it risks further renationalisation and fragmentation of Europe. That is why the European institutions were created in the first place.
- Now we need to stand together and all make the case for what the European Union has achieved. We need to mobilize to give a new momentum to Europe: a European renewal.