



Remarks by President von der Leyen at the joint press conference with Angela Merkel, Federal Chancellor of Germany, on the beginning of the German Presidency of the Council of the EU

Brussels, 2 July 2020

Vielen Dank, liebe Angela!

Good afternoon to everybody here.

The launch of the German Presidency comes indeed at a very crucial time.

The next six months will, to a large extent, determine the future of the European Union.

During this time, we know that we will not only have to forge an agreement on NextGenerationEU and the seven-year budget of the European Union in the European Council.

But we will also have to ensure that this package is approved by the European Parliament and that the main elements of the NextGenerationEU are ratified by Member States' national parliaments.

So it is a huge time pressure, but it is the crisis that sets the pace.

Every day we lose, we will be seeing people losing their jobs, companies going bust, the weakening of our economies.

So every single day counts. Therefore we accept this time pressure.

To succeed in this gigantic task, it takes not only the good steer of the German Presidency – and we know that we can rely on that.

It also requires all Member States and stakeholders indeed to look beyond narrow interests and to focus on the benefits of our European Union.

We know that Europe can count itself lucky that, at this critical phase, we can rely on a Presidency with such a wealth of experience at European level.

Your experience, Angela, but also that of your team.

Because, after all, not only must we overcome the crisis, but rather we want to and we must also continue courageously along the path of modernisation within the European Union.

Because we all know that Europe's most significant challenges before the crisis will remain the same once this crisis is over.

These are the greatest challenges: Climate change.

Digitalisation, which we must promptly push ahead with.

And indeed, it is a matter of Europe's position in the world.

I am very pleased that the priorities of the German Presidency are fully aligned with the priority projects adopted by the Commission last autumn.

That's a very good start.

If I may raise some of these issues: Indeed, climate change is continuing apace. For us, that means that the investments that we are proposing to make now to get us out of this crisis represent not only a one-off opportunity but also a unique obligation to target these investments into cleaner, more efficient technologies so that we can in fact push forward a climate-friendly economy and politics and make major progress in this area

To do so we will present the first European Climate Law with the European decarbonisation targets for 2030 within this German Presidency. All of us together want Europe to be the world's first climate-neutral continent by 2050 and we will have to take many courageous steps in order to reach that goal.

The second major theme is digitalisation – which is self explanatory. During the crisis, we have all again felt to a greater degree just how vitally important digitalisation is for our society and for our economy. During the German Presidency, we will be presenting an omnibus Act to the platforms. And if we manage to do so in time – bearing in mind the delays encountered due to the COVID-19 crisis, we will also be presenting the Communication on artificial intelligence. I believe this would also be in line with the German Presidency.

And the third major theme: we need a more resistant and confident Europe. We also know that our greatest strength is the internal market. To that end, we need to further consolidate the internal market. It is essential that we secure the essential value chains for our industry. This is something we have also learned from this crisis

The Commission will indeed be presenting its proposals for the new Migration Pact during the German Presidency.

As you said, Angela, the German Presidency will also coincide with the decisive phase of the Brexit negotiations. I would strongly emphasise once again that we want an agreement – which is why we are urgently working on this – but not at any price. For us, this is about negotiating fair competitive conditions for our industry, our small and medium-sized enterprises, and about protecting the integrity of our internal market. This must be achieved by the agreement. At present, our positions differ quite considerably. We are far from sharing a common denominator with our British friends. We therefore need to work hard on this. However, alongside the negotiations, we also need to prepare ourselves for all other outcomes. And this is what we wish to work closely with the German Presidency on.

We will also be working hand-in-hand on external relations.

The destinies of Europe and Africa are linked.

We wish to strengthen our partnership to the benefit of both parties. I am delighted that the Europe-Africa summit will be taking place this autumn.

The United States is our long-standing partner and, moreover, it holds the G7 presidency. We will therefore be working together on the major international challenges.

With China, our relations are very complex. China is a negotiating partner, there is no doubt about that. But it is also a commercial competitor and we continue to see that it is also a systemic rival. These three aspects will continue to be critical, not only over the next six months.

This very short summary, which we can provide you with here on the basis of our long discussion, shows very clearly how decisive and action-packed the next six months will be.

For the EU, these are also the most crucial months for finding our way out of the crisis and putting the European Union on the right track for the coming decades.

I am very confident that we will be able to use this time very productively.

Together, the German Presidency and the European Commission can make a major contribution here, not only in helping Europe navigate its way through this crisis with strength and unity, but at the same time in making NextGenerationEU a catalyst for modernisation within Europe.

Dear Angela,

My entire College and I myself, of course, are greatly looking forward to intensive cooperation in a spirit of trust, and I know that we can count on you. We are extremely eager to start work with the German Presidency on all these important issues.

And thank you once again for this afternoon. We would have preferred to be with you in Berlin, but even from behind the screen, we were still able to retain our usual warmth and familiarity.

Many thanks!

Questions and answers

Q1 I have a question for both the President and the Chancellor. I would like to know what is your assessment of the risk that the EU runs in case of not reaching an agreement on the Recovery fund and the MFF in the month of July? Do you think it is a political risk or is there also a cost in the economic sense?

President von der Leyen: So we do have an unprecedented crisis and it needs an unprecedented answer. And what makes me positive on the success we will have in the very end is the fact that we saw in the Council that there is complete unanimity on the question 'Do we need an unprecedented answer?' Yes! And will it be the general construction that the European Commission had put forward, that is the principle that with the guarantees of the Member States, the Commission is enabled to raise money at the market and to channel this money through the European programmes in order to then have it in the Member States. And the second point where I am very positive on - and I think this is important also for the success - that there is complete unanimity in the approach that we want to take this opportunity of Next Generation EU – EUR 750 billion. That is an enormous responsibility and we want to take this opportunity to invest in modernising our Single Market and in our priorities – the European Green Deal and the digitisation. So of course there will be many, many details to be negotiated, being the size, or grants or loans, so this without any question. But this is a normal procedure that you have a proposal by the Commission, which is then validated and agreed by the Council, it goes through the European Parliament, and then will go through the national parliaments. So there will be changes, but the general construction is not challenged and that is a very good sign.

Q2 A question to both Presidents: It is a coincidence that two very powerful German women lead these negotiations about the Recovery Fund, and you know each other very well. Is that helpful or is it a hindrance with respect to the other 26? Are they maybe afraid of too much German?

[Chancellor Merkel: [...] The fact that it is two women makes me very happy. In Germany there was no female Chancellor before me and in Europe there had never been a female President of the Commission. In the past, it was always two men that did the job and now it is all down to two women. And we are very confident that we will succeed, aren't we, Ursula?]

President von der Leyen: Yes, indeed. The good thing is that we have known each other for a long time, we trust each other implicitly, and the good thing is that when two people know each other very well, they can be very frank and get right to the crux of the issues, and achieve a great deal. What always strikes me as one of the nicest things about Europe is that when you consider that we both have very different pasts, in terms of where we spent our childhood and how we grew up, we are both European to the core of our very being. And that is also the true beauty of Europe. Europe's diversity, and at the same time its common ground, the passion for the great European goal. I think that radiates between the two of us, and is the basis for deep trust in the other Member States. We must be up to the task ahead and it's a huge challenge, but I'm looking forward to the next six months.

Q3 Madam Chancellor, Madam President, I have a question on the rule of law. The German Presidency programme says that Germany is ready to support the Commission's proposal to link payments from the EU budget to the rule of law. But negotiations, which are starting now on the budget, are very complex anyway and time is pressing. Madam Chancellor, what do you think are the chances to get this topic into the budget negotiations? And Madam President, how do you intend to persuade countries like Hungary or Poland to agree to this?

President von der Leyen: The proposal of the European Commission indeed puts an emphasis on the question of rule of law, targeting the question that European funds are being used in an appropriate way, that is the mechanism behind it. And I think that this is very plausible to all of us that we want that in case that European funds are not being used in the proper way but misused, there is a mechanism that makes sure that, in the interest of all 27 Member States, we can prevent that and we can end such a situation. So I think this is something which is not targeting anybody but is in the interest of all 27 Member States, and therefore I think it has to be also an essential part of the package that will be concluded in the European Council.

Q4 I would like to follow-up on Hong Kong again. First for the Commission President: This week, the European Commission said that there would be serious consequences as a result of China's imposition of a new security law. Could you elaborate on what those serious consequences might be? And for the Chancellor: Will Germany follow Australia, UK and others in offering asylum to Hong Kong dissidents and will Germany review its extradition agreement with Hong Kong?

President von der Leyen: I think I can pick up the point that has been discussed before, that there are common interests, we have fields where we work very well together with China, for example on the topic of the European Green Deal or fighting climate change. But there are other topics indeed where we have a more complex relationship and where we are very critical, for example on the topic of the human rights. And indeed, the European Union is the biggest trading partner for China, so China also has a strong interest in Europe. And if we look at the numbers: One sixth of Chinese exports of goods go to Europe and China sells goods worth EUR 320 billion to Europe alone every year. And if you then look at Hong Kong, Hong Kong is still the most important hub for China's economic exchange with Europe, not least because of the city's, of course, special status and the

stability and the cosmopolitanism that this city has. So both sides – Europe's and China's sides – both sides should have a strong interest in ensuring that this level of cooperation at least continues. And therefore all these topics are always an integral part of Europe's policy to address the other burning issues in all trade and investment talks we do have, and we do have at the moment being of course these talks. So just everything is linked to everything else, if I may say so, and therefore, I think if Europe takes a confident and takes a united position, it will have a long-term effect on China.

[Chancellor Merkel speaking].

President von der Leyen: Thank you very much. Warm greetings from Berlin. We look forward to our cooperation in the weeks and months ahead.

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