

**Parliamentary Secretary Hon. Dr. Ian Borg**

**addresses ITALIAN Senate**

***Rome – 28<sup>th</sup> September 2016***

Next January – in less than three months – Malta, the smallest European Union Member State, will be taking over for the first time, the Presidency of the Council of the European Union.

This will come at a time when the Union is facing serious unprecedented challenges. It will come at a time which is ‘make or break’ for our Union.

As you may imagine, the current situation in the Union – with the upcoming Brexit negotiations; the ongoing discussions on the relevance of the EU; the security challenges we’re facing; and the continuing efforts to address the challenges posed by migration, amongst other issues – adds to our pressures. We are aware that there is no room for complacency. We must deliver and we are cognisant of the fact that the onus is on us to lead a strong united front to face these challenges.

This doesn’t scare us.

Over the years we seem to have made a habit of being placed at the centre of very critical and delicate situations – and every time we have punched above our weight. During the first quarter of this year, our country registered a 5.3% growth in its Gross Domestic Product, the second highest in Europe, and the sixth quarter in a row when our economy has expanded by over 5%. We have also recorded our lowest ever unemployment rate, the lowest in Europe, where we have cut youth unemployment by two thirds, registered the highest employment growth in the EU for three years in a row, boosted female participation in the labour force by five points, and have secured the second lowest gender pay gap in Europe. We have managed to do all this while cutting income tax for three consecutive years, and recent figures have shown a marked rise in disposable income amongst Maltese families. At the same time, our books are in check, with a 1.6% fiscal deficit going down to 1.1%, and debt edging lower and closer to the 60% of GDP mark.

We will approach the Presidency of the Council with the same strong resoluteness and firm determination to attain the best possible results, which we have dedicated to our own economic success. Our aim is to bridge the gaps and be instrumental in addressing lacunas – like we did in the 2015 Valletta Summit on Migration when we managed to bring the EU and Africa together to strengthen cooperation and address the challenges of migration. Similarly, during the Commonwealth Heads of State Meeting held in Malta in 2015, we were significantly involved in helping build a consensus on climate change challenges ahead of the historic Paris Agreement on the matter.

However, whilst these experiences have undoubtedly been useful for us and augur well for our Presidency, we cannot dwell on the past. We must look at the future.

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Before I go any further into the preparatory processes that we've undergone in the run up to our Presidency, I would like to say a few words on my views (following the numerous meetings we've had these issues) on the UK issue and the future of our Union. These issues go hand in hand and cannot be seen independently from our Presidency.

The future of the EU post Brexit has dominated the agenda of the latest summit in Bratislava as well as the recent speech by President Juncker on the state of the Union and his letter of intent. Obviously, as an incoming Presidency we have followed these more closely given that we need to ensure that Council will work on these dossiers.

In this regard, as a government we are very pleased with the strong political message from the recent discussions that the Union (of 27) will fight to ensure that it remains strong and relevant, whilst acknowledging that it has shortcomings to address. On this last point, regarding our shortcomings, it is of particular significance that the Union is somehow realising that it needs to be closer to citizens.

It is obvious that the European Union needs further reform, not only in its rules but also in its attitude. Bringing Europe closer to its citizens and properly informing citizens of the Union's value to them are amongst the aims of Malta's Presidency of the European Council during the first half of next year,

It is also very encouraging to see that our Heads of Government seem to agree that the EU is the best possible platform to address common challenges that our continent is facing. This reinforces the message that European solutions are needed to European problems. Furthermore, the promotion of clarity in language used by the EU and the Brussels is also very important and welcome. We need to commit, as a Union, to engage with citizens using honest and clear language.

Finally, looking forward, whilst lauding the significance of what was agreed in Bratislava, I must emphasise that the Union must now work on implementation. This is crucial for the EU's credibility, both with our citizens and the rest of the world.

From our end, as a Government, we remain 100% committed to build on the momentum from Bratislava. This is why we have agreed with President Tusk to host an informal summit in Malta in February 2017 to monitor the implementation of our Bratislava Agreement, and why we are working very closely with the Italian Renzi Government to have another meeting in Italy in the margins of the commemoration event of the 60th Anniversary of the Treaty of Rome.

As for the Brexit issue, we have to wait for the UK to trigger Article 50 which would give way to a series of discussions for a future relationship outside the bloc.

From our end, as a Union, we have already made clear on several occasions that the UK cannot have access to all the benefits without a balancing number of commitments.

In this sense, our message to the UK remains the same. Whilst we are for the UK getting a fair deal, this cannot be more favourable than actual membership of the EU.

Having said that, I would also like to assure you that we are preparing as best we can to be able to cope with the scenario of the UK triggering Article 50, should that happen during our Presidency.

As President Tusk recently said during his visit to Malta, we feel that Malta has the right people for the job ahead.

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Our preparations started on the day we took office. The Deputy Prime Minister and I have been working relentlessly to be prepared as best as we can for every eventuality.

I would like to elaborate on our aims, as an incoming presidency, for the upcoming work of the Council and the European Union. As you may imagine, these are the result of an ongoing process that involved a lot of thinking and extensive consultations. Throughout this process, our aim was to ensure that we give a meaningful contribution to the EU whilst trying to bridge the gap between the Brussels bubble and the European citizen living in Valletta, Berlin, Paris, Rome, Madrid and other European Citizens.

In order to be able to do so, as I said earlier, we need to lead by example and communicate clearly and simply on what we want. This will hopefully enable us to regain citizen trust.

Let me start by outlining what we think the EU should focus on.

We think that Europe should be **Smart**. We need to ensure that in the times that lie ahead of us, we turn our challenges into opportunities. In this regard, the discussions following the Brexit vote last June have started a process to revitalize the EU, which we need to sustain.

We also want to see more **Solidarity** in Europe. Only if there is more solidarity can we effectively address the problems related to security and migration.

Europe also needs to be more **Dynamic**. It must tap into potential areas that may lead to long term growth in the European Union. This can only be done if we invest in our education systems, in our energy sector and in our strongest and most powerful asset – our single market.



Finally, but equally important, we want Europe to be **Inclusive**. Coming from the socialist family, this Government will push the EU not remain passive in front of challenges related to poverty and social exclusion.

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Well aware of the need to keep moving forward as a Union as well as the challenges we're facing, we now that we need to manage our work program diligently to make progress towards reaching these objectives we have set for our first every Presidency.

Therefore, while we will remain committed to work on ongoing and upcoming legislative initiatives, Malta will strive to give political impetus to areas we think are crucial for the European Union.

In this spirit, we have identified six overarching priority areas on which we will work when we are presiding over the Council of Ministers.

The first is Europe's **Neighborhood Policy**. Cognisant of the threatening effects of instability beyond Europe's borders, we will ensure that we do whatever is necessary in this in order to ensure democratic legitimacy and security in our neighborhood. This is crucial and very important if we want to make our citizens feel safe in Europe.

Closely related to this first priority area is **Security**. We must remain vigilant and ensure the security of our citizens. We must work together as a Union to address this challenge and not allow terror to reign once more, as it did following Nice, Paris, Brussels and all the other attacks.

**Migration** is a third priority area for us. Here our objective is to push for the swift implementation of measures that have already been agreed to, but also to ensure that this remains very high on the political agenda. We cannot afford to have a complacent EU that doesn't treat this subject with the urgency and importance it deserves. Our citizens are demanding action.

Fourthly, being a **maritime** continent, the sustainability and continuing development of the Maritime sector is important. In this area, we want the EU to ensure that it is tapping into all the opportunities that our seas and oceans are presenting. Thus, we will work for Council to give political guidance to the European Union through an integrated maritime policy that encompasses a number of areas. Amongst these will be marine environment, nautical tourism, the blue economy and many others.

The fifth priority area is the **internal market**. As I have already said, this is the Union's greatest asset. If we, as a Union, manage to fully exploit the Single Market and develop the Digital Single Market, we will bring tangible benefits to our economies, our businesses and our families. It is with this in mind and our conviction on the subject that we will ensure that we deliver as much as we can in this area, by working on the legislation already on the table emanating from the Single Market Strategy, the Capital Markets Union, the Energy Union and the Digital Single Market Strategy.

**Social inclusion** is another important priority area. As we've shown during the first three years of our legislature, as a Government, the social side of politics is something which we hold very dear. This is an area where we hope our national experiences can rub off on our European partners. Our work here will be guided mostly by the outcome of the current debates between the EU, social partners, civil society and citizens on the content and the role of the European Pillar of Social rights.

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As you can see, in terms of preparations we have left no stone unturned. Malta feels prepared and ready to go.

We are confident that Malta's Presidency will be a significant building block towards a more relevant Union and the revitalisation of the European Project.