

Brussels, 17 December 2005

Statement by Commission President José Manuel Barroso on the Financial Perspectives For 2007-2013

I welcome the fact that the Member States have now reached a deal. This is a very important political signal for Europe. Europe has avoided paralysis. Europe is on the move again. The cost of not having an agreement would have been enormous.

The Commission has been fighting Europe's cause. This was a tough negotiation in which we have worked for an enlarged, modern, open European Union. For the EU to move forward as whole.

This agreement is not everything that the Commission wanted. But we have worked very actively to help the Member States strike the best deal possible in the circumstances. In fact, this deal is a significant improvement on the earlier proposals of the UK Presidency.

The Commission has worked loyally with the UK Presidency. We do not always agree, but I would like to thank Prime Minister Blair for our cooperation. The Commission proposals were decisive for making a deal possible. The outcome includes all the main proposals that I made to Prime Minister Blair, notably

- A significant increase - around 15 billion € - in overall spending, reinforced by increased flexibility which turns "virtual money" into money that can be actually spent.
- More money for the new Member States - over 5 billion.
- The change to the British rebate in the light of enlargement.
- Largely common rules for all Member States on how the money is spent.
- A Globalization Adjustment Fund.
- A comprehensive review clause.

The comprehensive revision clause I proposed already in June is a key part of the deal. I welcome this. The Commission will look at all aspects of the budget from 2008 onwards, without taboos. The review clause provides the opportunity to reinforce the open, modern, enlarged EU that we want - the ever better Union.

It is true that the Commission had asked for more. But it is also fair to say that this deal is better than the proposals we discussed over the last few weeks. But I fear there is still an imbalance between the tasks given to the EU, and the funds provided to deliver them.

We will have to tell citizens openly that the savings agreed by the Member States have consequences. With this budget, there are a number of things that cannot be done. But we will also tell citizens that the Commission will continue to defend goals that reach further than this budget.

The deal agreed unanimously by the 25 leaders of the 25 Member States reflects a political reality. But it does not take away our ambition to improve it - the revision clause will be an opportunity to do just this.

In any event, today is not the end of the road. In fact, the future budget is not yet agreed. The next step will now be the negotiation of an agreement between the European Parliament, the Council and the Commission. This needs to be done soon, taking on board the views of the European Parliament.

Solidarity and fairness are at the core of the EU. The citizens of Europe can count on the Commission to continue to fight Europe's cause and ambition.