



A New Start for Europe: My Agenda for Jobs, Growth, Fairness and Democratic Change

Political Guidelines

for the next
European Commission

Jean-Claude Juncker

Candidate for
President of the European Commission

Strasbourg, 15 July 2014

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Over the past years, Europe suffered the worst financial and economic crisis since World War II. Unprecedented measures had to be taken by the EU institutions and national governments to stabilise Member States' economies, consolidate public finances and prevent the results of decades of European integration from being undone. The worst was avoided. The internal market and the integrity of the Euro zone were preserved. Slowly but surely, economic growth and confidence are now returning to Europe.

However, the crisis has taken its toll. More than 6 million people lost their job during the crisis. Youth unemployment has reached record highs. Several of our Member States are still far away from sustainable growth and adequate levels of investment. In many countries, trust in the European project is at a historic low.

The measures taken during the crisis can be compared to repairing a burning plane whilst flying. They were successful overall. Yet mistakes were made. There was a lack of social fairness. Democratic legitimacy suffered as many new instruments had to be created outside the legal framework of the European Union. And, after spending several years concentrating on crisis management, Europe is finding it is often ill-prepared for the global challenges ahead, be it with regard to the digital age, the race for innovation and skills, the scarcity of natural resources, the safety of our food, the cost of energy, the impact of climate change, the ageing of our population or the pain and poverty at Europe's external borders.

As we enter the new legislative cycle following the European Parliament elections in May 2014, **the time has come for a new approach.**

As candidate for President of the European Commission, I see it as my key task to rebuild bridges in Europe after the crisis. To restore European citizens' confidence. To focus our policies on the key challenges ahead for our economies and for our societies. And to strengthen democratic legitimacy on the basis of the Community method.

After having campaigned as the lead candidate of the European People's Party for Commission President ahead of the European Parliament elections – next to Martin Schulz for the Party of European Socialists, Guy Verhofstadt for the Alliance of Liberals and Democrats for Europe Party and the European Democratic Party, Ska Keller and José Bové for the European Green Party, and Alexis Tsipras for the Party of the European Left – I was proposed by the European Council as candidate for President of the European Commission on 27 June 2014. With this proposal, the European Council took account of the result of the European Parliament elections – in which my party won the largest number of seats –, after having held appropriate consultations with representatives of the European Parliament.

For the first time, a direct link has thereby been established between the outcome of the European Parliament elections and the proposal of the President of the European Commission. This follows long-standing calls from the European Parliament echoed and repeated over several decades. It has the potential to insert a very necessary additional dose of democratic legitimacy into the European decision-making process,

in line with the rules and practices of parliamentary democracy. It also is a unique opportunity for a fresh start.

After the confrontations of the election campaign, we now need to work together. In spite of our differences, there is a large convergence of views on the main priorities to be tackled at European level. And I want to work with all of you to build a broad consensus, across the EU institutions, on what we need to deliver for Europeans. And then follow words with action by delivering on what we have agreed.

This is why, after having exchanged views with all political groups of the newly elected European Parliament, I propose to renew the European Union on the basis of **an Agenda for Jobs, Growth, Fairness and Democratic Change**. An agenda that concentrates on the areas where the European Union is able to make a real difference.

My agenda will focus on **ten policy areas**. My emphasis will be on concrete results in these ten areas. Beyond that, I will leave other policy areas to the Member States where they are more legitimate and better equipped to give effective policy responses at national, regional or local level, in line with the principles of subsidiarity and proportionality. **I want a European Union that is bigger and more ambitious on big things, and smaller and more modest on small things.**

The ten policy areas to be tackled under my Agenda for Jobs, Growth, Fairness and Democratic Change are the following:

1. A New Boost for Jobs, Growth and Investment

My first priority as Commission President will be to strengthen Europe's competitiveness and to stimulate investment for the purpose of job creation. I intend to present, within the first three months of my mandate and in the context of the Europe 2020 review, **an ambitious Jobs, Growth and Investment Package**.

I do not believe that we can build sustainable growth on ever-growing mountains of debt – this is the lesson learnt in the crisis that we must now heed. I also know well that it is mainly companies that create jobs, not governments or EU institutions. However, I do believe that we can make much better use of the common EU budget and of the European Investment Bank (EIB). We must make use of these public funds available at Union level to stimulate private investment in the real economy. We need smarter investment, more focus, less regulation and more flexibility when it comes to the use of these public funds. In my view, this should allow us to **mobilise up to € 300 billion in additional public and private investment in the real economy over the next three years**.

For this, the investment environment has to be improved and fund absorption needs to be strengthened. The preparation of projects by the EIB and the Commission should be intensified and expanded. New, sustainable and job-creating projects that will help restore Europe's competitiveness need to be identified and promoted. To make real projects happen, we also have to develop more effective financial instruments, including in the form of loans or guarantees with greater risk capacity. A further increase in the EIB's capital should be considered.

The focus of this additional investment should be in **infrastructure, notably broadband and energy networks as well as transport infrastructure in industrial centres; education, research and innovation; and renewable energy and energy efficiency**. A significant amount should be channelled towards projects that can help get the younger generation back to work in decent jobs, further complementing the efforts already started with the **Youth Guarantee Scheme**, the implementation of which must be accelerated and progressively broadened.

The **mid-term review of the Multiannual Financial Framework**, scheduled for the end of 2016, should be used to orient the EU budget further towards jobs, growth and competitiveness.

As regards the use of national budgets for growth and investment, we must – as reaffirmed by the European Council on 27 June 2014 – respect the **Stability and Growth Pact**, while making the best possible use of the flexibility that is built into the existing rules of the Pact, as reformed in 2005 and 2011. I intend to issue concrete guidance on this as part of my ambitious Jobs, Growth and Investment Package.

Jobs, growth and investment will only return to Europe if we create **the right regulatory environment and promote a climate of entrepreneurship and job creation**. We must not stifle innovation and competitiveness with too prescriptive and too detailed regulations, notably when it comes to small and medium sized enterprises (SMEs). SMEs are the backbone of our economy, creating more than 85% of new jobs in Europe and we have to free them from burdensome regulation. This is why I intend to entrust the responsibility for better regulation to one of the Vice-Presidents in my Commission; and to give this Vice-President a mandate to identify, together with the Parliament and the Council, “red tape” both at European and at national level that could be swiftly removed as part of my Jobs, Growth and Investment Package.

2. A Connected Digital Single Market

I believe that we must make much better use of the great opportunities offered by digital technologies, which know no borders. To do so, we will need to have the courage to break down national silos in telecoms regulation, in copyright and data protection legislation, in the management of radio waves and in the application of competition law.

If we do this, we can ensure that European citizens will soon be able to use their mobile phones across Europe without having to pay roaming charges. We can ensure that consumers can access services, music, movies and sports events on their electronic devices wherever they are in Europe and regardless of borders. We can create a fair level playing field where all companies offering their goods or services in the European Union are subject to the same data protection and consumer rules, regardless of where their server is based. **By creating a connected digital single market, we can generate up to € 250 billion of additional growth in Europe in the course of the mandate of the next Commission**, thereby creating hundreds of thousands of new jobs, notably for younger job-seekers, and a vibrant knowledge-based society.

To achieve this, I intend to take, within the first six months of my mandate, **ambitious legislative steps towards a connected digital single market**, notably by swiftly concluding negotiations on common European data protection rules; by adding more ambition to the ongoing reform of our telecoms rules; by modernising copyright rules in the light of the digital revolution and changed consumer behaviour; and by modernising and simplifying consumer rules for online and digital purchases. This should go hand-in-hand with efforts to boost digital skills and learning across society and to facilitate the creation of innovative start-ups. Enhancing the use of digital technologies and online services should become a horizontal policy, covering all sectors of the economy and of the public sector.

3. A Resilient Energy Union with a Forward-Looking Climate Change Policy

Current geopolitical events have forcefully reminded us that Europe relies too heavily on fuel and gas imports. I therefore want to reform and reorganise Europe's energy policy into **a new European Energy Union**. We need to pool our resources, combine our infrastructures and unite our negotiating power vis-à-vis third countries. We need to diversify our energy sources, and reduce the high energy dependency of several of our Member States.

I want to keep our European energy market open to our neighbours. However, **if the price for energy from the East becomes too expensive, either in commercial or in political terms, Europe should be able to switch very swiftly to other supply channels**. We need to be able to reverse energy flows when necessary.

And we need to strengthen the share of renewable energies on our continent. This is not only a matter of a responsible climate change policy. It is, at the same time, an industrial policy imperative if we still want to have affordable energy at our disposal in the medium term. I strongly believe in the potential of green growth. **I therefore want Europe's Energy Union to become the world number one in renewable energies.**

I would also like to significantly enhance energy efficiency beyond the 2020 objective, notably when it comes to buildings, and I am in favour of an ambitious, binding target to this end that continues the current energy efficiency pathway. I want the European Union to lead the fight against global warming ahead of the United Nations Paris meeting in 2015 and beyond, in line with the objective of limiting any temperature increase to a maximum of 2 degrees Celsius above preindustrial levels. We owe this to future generations.

4. A Deeper and Fairer Internal Market with a Strengthened Industrial Base

Our internal market is Europe's best asset in times of increasing globalisation. I therefore want the next Commission to build on the strength of our single market and to fully exploit its potential in all its dimensions. We need to complete the internal market in products and services and make it the launch pad for our companies and industry to thrive in the global economy, also when it comes to agricultural products.

I firmly believe that we need to maintain and reinforce a strong and high-performing industrial base for our internal market, as it would be naïve to believe that growth in Europe could be built on the basis of services alone. **We need to bring industry's weight in the EU's GDP back to 20% by 2020, from less than 16% today.** This should ensure that Europe maintains its global leadership in strategic sectors with high-value jobs such as the automotive, aeronautics, engineering, space, chemicals and pharmaceutical industries. To achieve this, we need to stimulate investment in new technologies, improve the business environment, ease access to markets and to finance, particularly for SMEs, and ensure that workers have the skills industry needs.

A continuing priority is to finish fixing the problems of our banking sector and to boost private investment. I have been a strong supporter of the development of **stricter controls on banks** through a Single Supervisory Mechanism and a Single Resolution Mechanism with a Single Resolution Fund that will be built up progressively. My Commission will be active and vigilant in ensuring that we implement the new supervisory and resolution rules fully, making European banks more robust so that they can get back to lending to the real economy.

Over time, I believe we should complement the new European rules for banks with a **Capital Markets Union**. To improve the financing of our economy, we should further develop and integrate capital markets. This would cut the cost of raising capital, notably for SMEs, and help reduce our very high dependence on bank funding. This would also increase the attractiveness of Europe as a place to invest.

Free movement of workers has always been one of the key pillars of the internal market, which I will defend, while accepting the right of national authorities to fight abuse or fraudulent claims. I believe that we should see free movement as an economic opportunity, and not as a threat. We should therefore promote **labour mobility**, especially in fields with persistent vacancies and skills mismatches. At the same time, I will ensure that the **Posting of Workers Directive** is strictly implemented, and I will initiate a targeted review of this Directive to ensure that social dumping has no place in the European Union. **In our Union, the same work at the same place should be remunerated in the same manner.**

We need more fairness in our internal market. While recognising the competence of Member States for their taxation systems, we should step up our efforts to **combat tax evasion and tax fraud**, so that all contribute their fair share. I will notably press ahead with administrative cooperation between tax authorities and work for the adoption at EU level of a Common Consolidated Corporate Tax Base and a Financial Transaction Tax. The proposed reinforced Union rules against **money laundering** should be adopted swiftly, and with an ambitious content, notably when it comes to the identification of beneficial owners and improving customer due diligence.

5. A Deeper and Fairer Economic and Monetary Union

Over the next five years, I want to continue with the reform of our Economic and Monetary Union to preserve the stability of our single currency and to enhance the convergence of economic, fiscal and labour market policies between the Member States that share the single currency. I will do this on the basis of the "Four

Presidents Reports” and the Commission’s Blueprint for a Deep and Genuine Economic and Monetary Union, and always with Europe’s social dimension in mind.

The crisis has only been paused. We must make use of this pause to consolidate and complement the unprecedented measures we have taken during the crisis, simplify them and make them more socially legitimate. The stability of our single currency and the solidity of public finances are as important to me as social fairness in implementing necessary structural reforms.

I want to launch **legislative and non-legislative initiatives to deepen our Economic and Monetary Union** during the first year of my mandate. These would include a stability-oriented review of the “six-pack” and the “two-pack legislation” (as foreseen in this legislation); proposals to encourage further structural reforms, if necessary through additional financial incentives and a targeted fiscal capacity at Euro zone level; and a proposal for a more efficient external representation of our Economic and Monetary Union.

In the medium-term, I believe we need to re-balance the way in which we grant conditional stability support to Euro zone countries in difficulties. In the future, we should be able to replace the “**troika**” with a more democratically legitimate and more accountable structure, based around European institutions with enhanced parliamentary control both at European and at national level. I also propose that, in the future, any support and reform programme goes not only through a fiscal sustainability assessment; but through a **social impact assessment** as well. The social effects of structural reforms need to be discussed in public, and the fight against poverty must be priority. I am a strong believer in the *social* market economy. It is not compatible with the social market economy that during a crisis, ship-owners and speculators become even richer, while pensioners can no longer support themselves.

6. A Reasonable and Balanced Free Trade Agreement with the U.S.

Under my presidency, the Commission will negotiate a reasonable and balanced trade agreement with the United States of America, in a spirit of mutual and reciprocal benefits and transparency. It is anachronistic that, in the 21st century, Europeans and Americans still impose **customs duties** on each other’s products. These should be swiftly and fully abolished. I also believe that we can go a significant step further in recognising each other’s **product standards** or working towards transatlantic standards.

However, as Commission President, I will also be very clear that **I will not sacrifice Europe’s safety, health, social and data protection standards or our cultural diversity on the altar of free trade**. Notably, the safety of the food we eat and the protection of Europeans’ personal data will be non-negotiable for me as Commission President. Nor will I accept that the jurisdiction of courts in the EU Member States is limited by special regimes for investor disputes. The rule of law and the principle of equality before the law must also apply in this context.

I will insist on **enhanced transparency towards citizens and the European Parliament** – which will, under the EU Treaties, have the last word on the conclusion of the agreement – during all steps of the negotiations.

7. An Area of Justice and Fundamental Rights Based on Mutual Trust

Our European Union is more than a big common market. It is also a **Union of shared values**, which are spelled out in the Treaties and in the Charter of Fundamental Rights. Citizens expect their governments to provide justice, protection and fairness with full respect for fundamental rights and the rule of law. This also requires joint European action, based on our shared values.

I intend to make use of the prerogatives of the Commission to uphold, within our field of competence, our shared values, the rule of law and fundamental rights, while taking due account of the diversity of constitutional and cultural traditions of the 28 Member States. I intend to entrust a **Commissioner with specific responsibility for the Charter of Fundamental Rights and the Rule of Law**. This Commissioner will also have the responsibility of concluding the **accession of the Union to the European Convention of Human Rights**, which is an obligation under the EU Treaty.

Discrimination must have no place in our Union, whether on the basis of nationality, sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation, or with regard to people belonging to a minority. I will therefore maintain the proposal for a directive in this field and seek to convince national governments to give up their current resistance in the Council.

Data protection is a fundamental right of particular importance in the digital age. In addition to swiftly finalising the legislative work on common data protection rules within the European Union, we also need to uphold this right in our external relations. In view of recent mass surveillance revelations, close partners such as the United States must convince us that the current safe harbour arrangements really are safe if they want them to continue. The U.S. must also guarantee that all EU citizens have the right to enforce data protection rights in U.S. courts, whether or not they reside on U.S. soil. This will be essential for restoring trust in transatlantic relations.

Combating cross-border crime and terrorism is a common European responsibility. We need to crack down on organised crime, such as human trafficking, smuggling and cybercrime. We must tackle corruption; and we must fight terrorism and counter radicalisation – all the while guaranteeing fundamental rights and values, including procedural rights and the protection of personal data.

As citizens increasingly study, work, do business, get married and have children across the Union, **judicial cooperation among EU Member States** must be improved step by step: by building bridges between the different justice systems, by strengthening common tools such as Eurojust; by making progress on new tools such as the European Public Prosecutor's Office which is designed to tackle criminal fraud which damages the EU budget; and by mutual recognition of judgements, so that citizens and companies can more easily exercise their rights across the Union.

8. Towards a New Policy on Migration

The recent terrible events in the Mediterranean have shown us that Europe needs to manage migration better, in all aspects. This is first of all a humanitarian imperative. I am convinced that we must work closely together **in a spirit of solidarity** to ensure that situations such as the one in Lampedusa never arise again.

On the basis of our shared values, we need to protect those in need through a strong **common asylum policy**. The newly agreed common asylum system has to be fully implemented, and divergences in national implementation removed. I also intend to explore the possibility of using the European Asylum Support Office to assist third countries and Member States authorities in dealing with refugees and asylum requests in emergency situations, where appropriate on the ground in a third country that is particularly concerned.

I want to promote **a new European policy on legal migration**. Such a policy could help us to address shortages of specific skills and attract talent to better cope with the demographic challenges of the European Union. I want Europe to become at least as attractive as the favourite migration destinations such as Australia, Canada and the USA. As a first step, I intend to review the “Blue Card” legislation and its unsatisfactory state of implementation.

I also believe that we need to deal more robustly with **irregular migration**, notably through better cooperation with third countries, including on readmission.

I will entrust **a Commissioner with special responsibility for Migration** to work on this together with all Member States and with the third countries most concerned.

Last but not least, we need **to secure Europe’s borders**. Our common asylum and migration policies will only work if we can prevent an uncontrolled influx of illegal migrants. We therefore need to step up the operational capacities of the European border agency FRONTEX. A budget of just EUR 90 million a year certainly does not equal the task of protecting Europe’s common borders. We need to pool more resources amongst Member States to reinforce the work of FRONTEX and put European Border Guard Teams into action for quick deployment in FRONTEX joint operations and rapid border interventions. This is the joint responsibility of all EU Member States, North and South, which needs to be taken up in a spirit of solidarity.

We also need to apply and vigorously enforce our new common European rules to penalise **human traffickers**. Criminals who exploit the pain and needs of people in distress or suffering from persecution need to know: Europe is on guard and will bring them to justice at every turn.

9. A Stronger Global Actor

We need a stronger Europe when it comes to foreign policy. The Ukraine crisis and the worrying situation in the Middle East show how important it is that Europe is united externally. There is still a long way to go.

I believe we cannot be satisfied with how our common foreign policy is working at the moment. We need better mechanisms in place to anticipate events early and to swiftly identify common responses. We need to be more effective in bringing together the tools of Europe's external action. Trade policy, development aid, our participation in international financial institutions and our neighbourhood policy must be combined and activated according to one and the same logic.

The **next High Representative for Europe's Foreign Affairs and Security Policy** will have to be a strong and experienced player to combine national and European tools, and all the tools available in the Commission, in a more effective way than in the past. He or she must act in concert with our European Commissioners for Trade, Development and Humanitarian Aid as well as for Neighbourhood Policy. This will require the High Representative to more fully play his/her role within the College of Commissioners. To make this possible, I intend to entrust other external relations Commissioners with the task of **deputising for the High Representative** both within the work of the College and on the international stage.

I also believe that we need to work on a stronger Europe when it comes to **security and defence matters**. Yes, Europe is chiefly a 'soft power'. But even the strongest soft powers cannot make do in the long run without at least some integrated defence capacities. The Treaty of Lisbon provides for the possibility that those Member States who wish to can pool their defence capabilities in the form of a permanent structured cooperation. This means those Member States who wish to can engage in joint EU missions in crisis zones if needed, as would have been necessary from the start in Mali or in South Sudan. Member States should also create more synergies in defence procurement. In times of scarce resources, we need to match ambitions with resources to avoid duplication of programmes. More than 80% of investment in defence equipment is still spent nationally today in the EU. More cooperation in defence procurement is therefore the call of the day, and if only for fiscal reasons.

When it comes to **enlargement**, I fully recognise that this has been an historic success that brought peace and stability to our continent. However, the Union and our citizens now need to digest the addition of 13 Member States in the past ten years. The EU needs to take a break from enlargement so that we can consolidate what has been achieved among the 28. This is why, under my Presidency of the Commission, ongoing negotiations will continue, and notably the Western Balkans will need to keep a European perspective, but **no further enlargement will take place over the next five years**. With countries in our Eastern neighbourhood such as Moldova or Ukraine, we need to step up close cooperation, association and partnership to further strengthen our economic and political ties.

10. A Union of Democratic Change

The proposal and election of the President of the European Commission in the light of the outcome of the European Parliament elections is certainly important, but only a first step in making the European Union as a whole more democratic. A European Commission under my leadership will be committed to filling the special partnership with the European Parliament, as laid down in the Framework Agreement of 2010, with new life. **I want to have a political dialogue with you, not a technocratic one.**

I intend to always send political representatives to important trilogue negotiations and I expect the Council to do the same.

I am also committed to enhanced **transparency when it comes to contact with stakeholders and lobbyists**. Our citizens have the right to know with whom Commissioners and Commission staff, Members of the European Parliament or representatives of the Council meet in the context of the legislative process. I will therefore propose an Inter-institutional Agreement to Parliament and Council to create a mandatory lobby register covering all three institutions. The Commission will lead by example in this process.

I also intend to review **the legislation applicable to the authorisation of Genetically Modified Organisms**. To me, it is simply not right that under the current rules, the Commission is legally forced to authorise new organisms for import and processing even though a clear majority of Member States is against. The Commission should be in a position to give the majority view of democratically elected governments at least the same weight as scientific advice, notably when it comes to the safety of the food we eat and the environment in which we live.

The relationship with **national Parliaments** is of great importance to me, notably when it comes to enforcing the principle of subsidiarity. I will explore ways to improve the interaction with national Parliaments as a way of bringing the European Union closer to citizens.

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If elected Commission President, my Agenda for Jobs, Growth, Fairness and Democratic Change will serve as the starting point for the Union's annual and multiannual programming. For this, we will also be able to draw on the 'Strategic Agenda for the Union in Times of Change', as adopted by the European Council on 27 June 2014, and on the orientations that will be given by the European Parliament in the months to come.

I believe that Europe's policy agenda must be shaped in close partnership between the European Commission and the European Parliament, and in cooperation with the Member States. **Political prioritisation as the basis for a better, more focused Union will only work if it is done in partnership between the Union institutions and the Member States, in line with the Community method.**

The role of the President of the Commission is to defend the general European interest. This involves working with everyone – whether in the euro or not, whether in the Schengen agreement or outside, whether supportive of deeper integration or not. My firm conviction is that we must move forward as a Union. **We do not necessarily all have to move at the same speed** – the Treaties provide for that and we have seen that we can work with different arrangements. Those who want to move further, faster, should be able to do so. This is particularly important in the Euro zone, where we need to continue to strengthen the foundations of the euro through deeper integration. And this should be done in such a way as to preserve the integrity of the single market and to protect the rights of those outside the Euro zone. As in any family, there will be tensions and disagreements from time to time. I made clear throughout my campaign that I am ready to listen to the concerns of every Member State and to help find solutions.

I intend to refocus the work of the new Commission on the basis of my Agenda for Jobs, Growth, Fairness and Democratic Change and its ten priorities. I intend to organise the new Commission in a way that reflects these ten priority areas and ensures swift and effective delivery on all of them.

I will do my utmost to ensure **a gender-balanced choice of leading personnel in the Commission, both at political and at administrative level**. Gender balance is not a luxury; it is a political must and should be self evident to everybody, including to the leaders in all capitals of our Member States when it comes to their proposal for the choice of members of the next Commission. This is in itself a test for the commitment of the governments of Member States to a new, more democratic approach in times of change.

On the basis of my Agenda for Jobs, Growth, Fairness and Democratic Change and its ten priorities, I am today seeking election by the European Parliament. The larger the majority that supports me and my agenda today, the stronger will my hand be in forming the next Commission, and the more effective I will be in delivering swiftly on this agenda.

“This time it’s different” was the European Parliament’s motto for the election campaign. Let us jointly show that we are able to make this promise a reality. That together we are able to really change and renew Europe. And that we will jointly work to re-gain citizens’ trust in the European project. I will do my utmost to make this difference.



Jean-Claude Juncker

