



**EUROPEAN COMMISSION**

**José Manuel Durão Barroso**  
President of the European Commission

**Statement by President Barroso following the European Council meeting**

*Check Against Delivery*  
*Seul le texte prononcé fait foi*  
*Es gilt das gesprochene Wort*

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This European Council has made good progress on our European approach to energy policy and tax evasion and fraud. On both issues we know what we have to do, most of the proposals are already on the table. But indeed the pace of implementation has been too slow. What we need is the political will to act at the European level, and this European Council was important in that respect.

On energy and following the invitation of the President of the European Council, I presented at the beginning of the meeting different scenarios and policy recommendations. I'm happy with the reaction of the European Council and I can say that the conclusions reflect the Commission's objectives. The reality is that the global energy landscape is changing very quickly and not in Europe's favour. But we should not be resigned to that.

I really welcome the fact that there was a support for Commission approach for what I called a NO REGRETS scenario, with action in five areas:

- One: complete the internal energy market.
- Two: invest in innovation and infrastructure.
- Three: commit to greater energy efficiency.
- Four: exploit renewable sources more cheaply.
- Five: diversify supplies.

So we are making steps on what we could indeed call a European energy community.

There is no silver bullet to solve the strategic energy challenges that Europe faces. But there is much we can do if we act together through Europe. The status quo is not an option, which is why we really need to implement what has been agreed today.

Tackling tax evasion and fraud was the other issue on the meeting of European Council today. This is also about fairness, because we estimate €1 trillion lost each year to tax evasion and avoidance, the equivalent of a year's health spending across all member states.

This discussion didn't start today. In fact, as the President of the European Council said, some of these issues are already on that table. Five years ago the Commission has put forward proposals for instance in terms of saving, the Tax Savings Directive. The reality is that until now these discussions have been more or less blocked. We also discussed this in the European Council last June, and the Commission has presented an action plan and two specific recommendations on tax havens and aggressive tax planning last December.

But now we see there is a new momentum among our member states, and I think we should act based on this momentum.

So I'm pleased that some decisions have been taken today. Indeed there was a reference to a principle that I believe it is critically important – the principle of automatic exchange of information at European Union level. Quite frankly, I would prefer this to be more precise in the conclusions, but I have to recognise that there was progress in that area. And now finally, it was about time we have this mandate, as Commission, to negotiate with Switzerland, Liechtenstein, Monaco, Andorra and San Marino, to do it as soon as possible.

And so there is also a commitment of the European Council, in the light of these negotiations, and also noting the consensus of the scope of the revised directive on the taxation of the savings income, to call for its adoption before the end of the year. So we are making some progress in this area and this is certainly a positive development.

The reality is that citizens have high expectations that we will deliver a fairer tax deal for everyone. Today's globalised world is also changing in a way that we have to look at these issues in a much more attentive way. Next week's Country Specific recommendations that the Commission will present will highlight the scope for member states to improve their own tax systems. But beyond this, beyond what can be done at national level or European level, there is also the global level where the European Union should promote a global standard, namely in the G8 – we are going to be there representing the European Union next month in Northern Ireland -, but also in the G20, OECD and in many other international fora.

So from that point of view I believe that we could also achieve some progress on areas that are important, not only in terms of fairness but also for growth, for our competitiveness, namely the progress achieved on energy sector. I believe this is important to build this European energy community. .