



EUROPEAN COMMISSION

Office of President José Manuel Barroso
Head of Cabinet

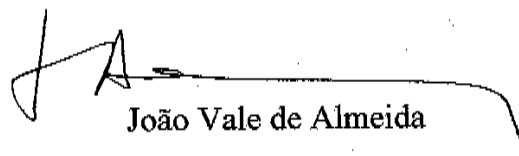
Brussels, 16 March 2006
D (2006) 550

Dear Christine,

Enclosed please find a letter from President Barroso, concerning the Spring European Council.

I would kindly ask you to forward this letter to to President Borrell.

Yours sincerely,



João Vale de Almeida

Mrs Christine Verger
Head of President's Office
European Parliament
Rue Wiertz
Brussels

José Manuel Durão Barroso
Presidente da Comissão Europeia

Brussels, 16 March 2006

Dear President,

Caro José,

Last week, the Commission completed its contributions to the Spring European Council, with the adoption of the green paper on energy. I am writing to you today to underline what I believe our main tasks will be when we meet this month in Brussels.

The Spring Council this year represents an important opportunity. Last year, we agreed to take a major new direction, with the renewed Lisbon strategy for growth and jobs. But by the same token, it meant a new responsibility for the European Union and its Member States to deliver real results. The National Reform Programmes and the Community Lisbon Programme have provided a new vehicle to take policy forward. We must now show how we are translating policy goals into concrete actions, and that we will redouble our efforts to boost growth and create jobs.

The Spring Council must send out a convincing message that we are set on a clear and consistent course which tackles the key challenges we face today. When we met at Hampton Court last October we recognised the need for a European dimension as never before in a globalised world. A series of key themes were picked out for special attention ahead of the European Council this month.

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Mr Josep Borrell Fontelles
President of the European Parliament
Brussels

This agenda has been taken forward by the European Commission with the help of expertise from authoritative figures. The results fit into the four priority areas presented by the Commission in the Annual Progress Report on the Lisbon strategy. They offer a frame which can show citizens where we intend to act, and help to explain some of the key measures we intend to take. But to be taken forward effectively, we need to reach sharply focused conclusions and agree a number of key actions which will act as milestones for the future.

The Commission has proposed a detailed set of targets and actions to mark the way forward. Taken together, these would have a real impact. But such tangible signs of progress are also important to the credibility of an exercise which depends for its success on the involvement of not only national authorities, but also of regional and local leaders, social partners, businesses, workers and consumers throughout Europe.

The Spring Council should look to make progress in all four areas:

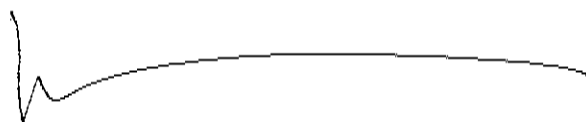
- We all know that knowledge and skills are central to the economy we need in the future. More investment in *education and research* is essential. Member States should each set a target for research spending by 2010, so that we can together reach our common objective of 3% of GDP devoted to R&D. But we also need a better return. This is held back by the gaps between the way education, research and innovation work in Europe – this “knowledge triangle” needs to be reshaped to maximise the quality of our investment. The European Institute of Technology outlined by the Commission last month should offer a flagship, an innovative approach to stimulate excellence and to carry the fruits of knowledge through to economic benefit. It would offer value added to our other efforts in this area, acting as a magnet for the very best and as a model for others. With the support of the European Council, the Commission intends to take this idea forward by making a concrete proposal later this year.
- All too often, the potential for growth is held back by unnecessary burdens. *Business potential* must be unlocked and SMEs freed to grow. For instance, a commitment to radical cuts in the time needed to set up a business would be a powerful signal to Europe’s entrepreneurs that change is in the air.
- Growth will bring jobs, but it is not enough on its own. Europe needs to respond to its ageing workforce by *promoting employment* for people of all ages. The growth and jobs agenda must open up opportunities to use the skills of workers, such as a clear commitment to bring opportunities for the young unemployed within 6 months.

- The Green Paper sets out the path to *Sustainable, competitive and secure energy* in Europe, with a comprehensive framework to move tackle the growing challenges facing energy in Europe. Pretending that the status quo is enough would be irresponsible. Energy is a global issue that needs a European response, and Europe has the opportunity to show global leadership through a common approach, articulated through a common voice.

We need to have the courage to show that we will not avoid difficult topics. The same is true for the Services Directive. The Commission intends to adopt a modified proposal at the start of April, based largely on the first reading of the European Parliament and also taking the Council discussions into account. This would represent a real step forward in terms of creating a genuine Internal Market for services. We expect the Spring Council to give this approach its support. This would be the best way to swiftly conclude the legislative process.

The Commission Annual Progress Report on growth and jobs was entitled "Time to move up a gear". I believe we are ready to take that step. I look forward to a debate in the Spring Council focused clearly on action – responding collectively to common challenges – which can show to European citizens how they can expect growth and jobs to be stimulated in the months and years to come. We need to underline our determination to meet citizens' expectations – as well as our recognition that in a globalised world, piecemeal national measures can never replace the European dimension essential for a dynamic, modern economy.

En un clima amig



José Manuel Barroso