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THE PRESIDENT**



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**Herman Van Rompuy
President of the European Council
"Europe: a continent in a changing world"
Speech for the Foreign Policy and United Nations Association
of Austria**

Es ist eine große Freude und Ehre hier in Wien, eine unserer größten Kulturhauptstädte, zu sein. Vienna is indeed one of Europe's great cultural capitals, and of course an important diplomatic and governmental centre. Today this is thanks to the prominent presence of the United Nations and the OSCE, even if in the past it has been for other reasons... I can say this also as a citizen of a country which lived, not that unhappily, for 80 years under Austrian Habsburg rule – although it is a while ago, roughly from the birth of Carl Philip Emanuel Bach to the death of Wolfgang Amadeus Mozart... !

By way of introduction and before our exchange, I would like to share some experiences on European foreign affairs. Not on the theory, but on some very recent practice. The past two weeks saw in fact an unprecedented flow of top world leaders visiting Brussels, a flow I have rarely experienced in my good four years in office. In itself it is a sign of the importance the European Union has for many countries in the world – as an ally and a partner.

On 26 March (two weeks ago), President Obama was in town for the EU-US summit. Early last week, President Xi Jinping visited us. It was the first time in history a Chinese President paid a visit to the EU institutions. And right after that, we hosted about 70 African and European Heads of State or Government for the fourth-ever EU-Africa summit.... It was the biggest gathering ever in our Council building.

P R E S S

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Brussels is becoming a global diplomatic hub – like Vienna! And it is not over. In June we will welcome the leaders of G-7 in our premises.

Of course, for the most part, these meetings took place against the backdrop of the crisis around Ukraine. A matter of great concern, for peace and security on the European continent, reviving memories of a history which we had thought was over. Within the European Union, we have a strong and united position, established at the highest level.

Early March, a few days after the invasion of Crimea by Russia, I called an extra informal summit of EU leaders. Bringing 28 presidents and prime ministers together for a foreign affairs crisis meeting is not a decision one takes lightly. In fact, it only happened five times in fifteen years – for instance after "9/11", or to prepare the Libyan intervention. This time too, the stakes were high. The matter was again at the top of our agenda at the regular March European Council, little over two weeks ago.

As regards Ukraine, we took an important step. On 21 March, we signed the political parts of the Association Agreement with Ukraine. It was a strong way to recognise the aspirations of the people of Ukraine to live in a country governed by values, by democracy and the rule of law, where all citizens – and not just few – have a stake in national prosperity. We recognise the popular yearning for a decent life as a nation, for a European way of life. Last November, it was the refusal to sign that very Association Agreement with the European Union which triggered the Maidan movement – the “Euro Maidan”. A real democratic uprising by people who had had enough of how they were governed. A political and cultural shift. A clash of two political cultures.

With the Association Agreement – the remaining economic parts of which will also be signed soon – the European Union shows steadfast political support for the course the people of Ukraine have courageously pursued on the way to an open and inclusive democracy. Let me insist: it was their choice. It was neither imposed nor triggered by manipulation, provocation or violence. An Association Agreement does not come for free. The contracting country has to meet strict criteria and benchmarks. We are not offering unconditional loans, as Russia was.

We also decided a number of financial measures to assist the country: substantial macro-financial assistance and the temporary and unilateral removal of customs duties for Ukrainian exports to Europe. We will make this happen as swiftly as possible. The IMF package comes on top of this. All this will help Ukraine on its path of economic and social reform. It is not an easy road, certainly not in this time of turmoil and tensions. But – as I said to the Ukrainian Prime Minister during the signing ceremony – we hope that along this road, the Association Agreement can serve as a compass.

As regards Russia, all European leaders and the international community have strongly condemned Crimea’s illegal annexation as a disgrace in the 21st century. Early on EU leaders decided unanimously on sanctions in three stages. We are in stage two (visa ban, asset freezes). But we made very clear that failure to settle the crisis peacefully, and any steps by Russia to destabilise Ukraine, will have far-reaching consequences. And by that we mean consequences on relations in a broad range of economic areas. In the last European Council meeting we asked the Commission and the member states to prepare possible further targeted measures. It is a matter of being ready. There still is unrest in Ukraine, as recent events show, and it must not be exploited by any party.

Of course, sanctions are not a goal in themselves; they are a means to a goal. The objective is a negotiated solution, in respect of Ukraine's sovereignty and international law. This foreign policy crisis already has internal consequences for Europe – including positive ones. Strikingly, the last European Council decided to deepen the Union's energy policy, towards a 'energy union' of sorts. Indeed, we all want to decrease our dependency from Russian gas (which is on average 30%). Gas is used by Russia as a political instrument. We asked the Commission to come up with a concrete plan to avoid this energy risk, for instance by working more as a team on gas contracts.

As a matter of fact, after what happened in Crimea, we must rethink the EU-Russia relationship. We invested a lot in good relations with Russia the last decade (by supporting its WTO membership; the Partnership for Modernisation). We were ready to engage on a New Agreement. Unfortunately, Russia has other objectives and tries to restore a foregone world. But the past will never come back.

Meanwhile, as European Union we will also continue to strengthen our ties with Georgia and Moldova. At the March European Council, we decided to bring forward the signature of their full Association Agreements – to no later than June. The determination is there on their side, and it is also there on ours, including to withstand likely pressure from Russia not to sign.

On the Ukrainian situation, we are in close contact with the United States. The extra G7 meeting in The Hague – in the margins of the Nuclear Security Summit two weeks ago – was a good forum to coordinate positions. G7 leaders agreed to cancel their participation to the G8 in Sochi, and instead to convene for another G7 summit, to be held early June, in Brussels.

As I mentioned, we saw President Obama again two days later, at the EU-US summit in Brussels. Apart from Ukraine, we addressed many topics – from Iran to data protection to climate. Let me just mention two topics, that gain in urgency now.

- Energy security: for us it is important to see what we can do together with our American partners to reduce Europe's dependency on Russian gas.
- And transatlantic trade: together with President Obama we reconfirmed our shared commitment to an ambitious transatlantic trade deal.

In days like these, forging even stronger economic ties across the Atlantic is also a powerful political sign. A way to show our public opinions and the world who we are at heart: economies based on rules, societies based on values, and proud of being so. It also shows that the Atlantic doesn't belong to the past. The 'West' exists; not as in the Cold War, but as a driver for democracy. The Cold War was ideological and based on fear, obliging countries to make a choice. That world is no longer, once and for all.

I could continue with looking back at all these meetings of these past weeks, including that with the Chinese President a week ago, to give you an idea how the European Union today works in the world and is perceived by its partners. We are clearly beyond the EU being perceived as an entity dealing with economic matters alone – even if this remains still a very important part of our international relationships, not least with countries in Asia. We are negotiating with China a far-reaching investment agreement, a prelude for long-term objectives (including an Free Trade Agreement).

We are also clearly beyond the situation where our main foreign policy tool is EU enlargement – even if, indeed, enlargement has been our most successful foreign policy. The mere perspective of EU accession is helping our closest neighbours to become more stable, modern and democratic. This was particularly true since 1989, when the Iron Curtain came down.

One could say we are currently in the third post-Cold-War wave of enlargement. First, the wave of the Cold War “neutrals” (with this country, Austria, joining, together with Finland and Sweden); second, the wave of the ex-communist countries (like Poland, four of Austria’s neighbours); and the third wave is that of the Western Balkans. With the entry of Croatia as our 28th member state, last July, that wave is well on its way.

The Balkan enlargement means a lot to me; Austria is very interested, due to its historical and strong economic ties to the region. It is Europe’s way of acting on the fact that, as a Union, we have a special responsibility for peace and stability on the continent. The Western Balkans were the last war zone in Europe. Nobody wants to go back to the past. That is why Serbia and Kosovo are normalising their relations. The result of the last election is Serbia endorsed the country's choice for a European future, for peace and prosperity. And as the European flags at the Maidan in Kiev showed, the magnetic force of our Union is still at work.

European countries and the European Union as such are deeply involved in addressing global issues – be it the fight against poverty, climate change or nuclear proliferation. We are strong supporters of an international rules-based system, and work hand in hand with the United Nations. Among all these meetings of the past weeks, I should also like to mention – in the city which hosts the International Atomic Energy Agency as well as the Nuclear Test Ban Treaty Organisation – the Nuclear Security Summit in The Hague.

In my view it was a productive meeting. Reducing and securing weapons-usable nuclear material worldwide is a crucial objective. Progress has been made, but more can be done. The European Union is convinced that a multilateral approach is the best way to address this type of security challenge. All our countries take the risk of terrorism and other acts of sabotage very seriously. We are a leading actor in the field and I can say here we enjoy very close cooperation with the Atomic Energy Agency.

Being here in Vienna, I would like to highlight the role of UN organisations. The International Atomic Energy Agency, for example, has been instrumental in verifying Iran's nuclear programme and its past nuclear activities with the military dimension - we fully support the important work of the Atomic Energy Agency. The EU, especially High Representative Catherine Ashton, is leading negotiations on the Iranian nuclear issue. Diplomatic efforts are continuing – very recently here in Vienna - to reach a comprehensive solution that would ensure that Iran's nuclear programme be exclusively peaceful.

The European Union works with the United Nations in many of the world’s theatres. Together, we Europeans provide more than half of the world’s development and humanitarian aid, making a huge difference from Haiti to Afghanistan, or from Syria to the Horn of Africa and to the Sahel.

We continue, with the UN, to lead the global battle on climate change, keeping up our ambition in the run-up to COP 2015, and also by helping poor countries to achieve their climate goals.

As part of our ‘comprehensive approach’, we help countries to build statehood, security and the rule of law. As we speak, we have 7,000 men and women currently involved in sixteen civilian and military crisis management missions and operations, on three continents. Our most recent military operation was launched in the Central African Republic only last week. All these operations are conducted at request of concerned countries, in close cooperation with the United Nations, the African Union and other regional organisations.

I hope that this short glimpse at what the European Union is doing internationally – a short and somewhat arbitrary glimpse via my diary of these past weeks – gives you some new insights.

Of course, Europe is an economic player; together, our countries are the world's first economy, bigger than the US or than China and India combined. Now that we have left the euro crisis firmly behind us, we can focus again on a positive agenda of trade, thanks to negotiations with not only the US, but also with Canada and Japan (so in fact all members of the G7!).

Today I wanted to insist more on the European Union as a political player. As a global actor, defending our interests and standing up for certain values – be it on global issues like climate change, humanitarian and development aid, and our strong focus on democracy and human rights, in our own neighbourhood and beyond.. But also much more politically united than people think, as our, for some, unexpectedly strong response vis-à-vis Russia showed. We are ready to stand up for our values, also at a price.

I have not said much so far about the "mechanics" of our foreign policy (the role of the High Representative, the Foreign Ministers, the Presidents and Heads of Government in the European Council – and we can do so in the debate) but let me just say in conclusion that it has struck me in the past years, in all the discussions with leaders, that more and more national leaders perceive a common, European destiny in what happens to any or all of us.

For instance, and if I may exaggerate, if the relationship between Ukraine and the European Union was for a long time seen as a matter of interest to Poland alone, already last autumn (so before the latest events) every leader – from Portugal to the Netherlands or Austria – fully realised that what was happening in Ukraine was an issue of common concern. Likewise, the turmoil in the Arab world has made clear that developments in Tunisia or Egypt not only impact on the people of Italy, Malta or Spain, but on all European citizens. This realisation is new. And when I look to the future, I think we can build on this new sense of shared responsibility for Europe to play an even stronger role in our neighbourhood and in the world. *Ich danke Ihnen für Ihre Aufmerksamkeit.* Thank you.