



**EUROPEAN COUNCIL  
THE PRESIDENT**



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### **Remarks by President Herman Van Rompuy following the European Council**

First of all, we are greatly saddened by the news of the terrible earthquake that has struck the Van province in south east Turkey. My thoughts are with the injured and the families of the victims. I should like to convey my condolences to the people and the authorities of Turkey.

This European Council focussed on the economic growth and discussed the pressing matters related to banks in Europe and to the Eurozone.

The immediate economic challenges are serious: pressure on banks and on sovereign bonds, slowing economic growth, rising unemployment. We are taking political action on all those fronts, and will continue to do so at the Eurozone Summit this afternoon and its follow-up on Wednesday.

The Union must regain safe ground.

Stimulating growth is essential for that. A perspective of sustained economic growth can bring back confidence, create jobs and absorb debts.

That's why the European Council focussed first on how to boost our common growth agenda. The Single Market remains our best tool; it can achieve much more. We decided to accelerate those measures in the Single Market which will create jobs and growth in the short to medium term. For instance by making it easier for small and medium size enterprises to get credit and to hire employees.

# **P R E S S**

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Of course, fiscal margins are currently limited for most Member States. We therefore combine measures that bring deficits under control with policies that cushion growth.

Europe's trade and investment relations with our international partners are another element of growth. Today we discussed how to use these relations more strategically. In this context, we also prepared the Union's message to the G20 Summit at the beginning of November in Cannes, France.

Coming now to the urgent matters of the day, the European Council discussed the situation of the banks. Everybody agrees we need a coordinated scheme to recapitalise the banks and to improve their funding. Yesterday the Finance Ministers made good progress on the issue. They will be able to finalise the details next Wednesday in the ECOFIN Council and in the subsequent meeting of the 27 leaders, which I have decided to convene for Wednesday evening.

I also shared with the full European Council some of the elements under discussion in the Euro Summits of later today and Wednesday.

I am fully aware of all the sensitivities of the relationship between the 27 and the 17 member states, so my intention is to have this exchange of views if possible each time before the Euro Summit meetings.

We discussed in depth the strengthening economic convergence within the euro area and we agreed on a text in this respect:

"The European Council notes the intention of the HoSG of the euro area to reflect on further strengthening of economic convergence within the euro area, on improving fiscal discipline and deepening economic union including exploring the possibility of limited Treaty changes. The European Council recalls that any Treaty change must be decided by the 27. The European Council will revert to this issue in December on the basis of a report of the President of the European Council in close cooperation with the President of the Commission and the President of the Eurogroup".

In this particular case, it was even more important to talk also among the 27, because the Eurozone governance itself is on the agenda.

The reasoning is simple. It is normal that those who share a common currency must take some common decisions relating to that currency. In fact, one of the origins of the current crisis is that almost everybody has underestimated the extent to which the economies of the Eurozone are linked; and we are now remediating that. However, it is vitally important to safeguard the integrity of the single market among the 27. It gives the Union cohesion and is the very basis of our prosperity. So we must keep the links between the two types of decision-making as close as possible, in a spirit of trust. And that's why we decided today that the 27 leaders will also meet before Wednesday's follow-up Euro Summit.

Finally, we had - as always - a brief exchange on the developments in the world around us. Let me highlight two issues. Today's meeting coincided with the first free elections held in Tunisia: a major milestone in the Arab Spring. We also expressed our grave concern over the continuing brutality against the civilian population in Syria. If this repression does not come to an end, the European Union will impose further restrictive measures against the regime.

I am quite sure that these remarks have not answered some of your pressing questions..., we will continue our work at the level of the Eurozone in a few minutes.

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