

## Living up to reputation<sup>©</sup>

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In the early hours of the Saturday morning at this year's June European Council in Brussels, a compromise was reached - a long-awaited and a much needed compromise. Although one might find the word compromise described by some authors as negative if not even a sign of weakness, I believe the agreement achieved by the leaders of the European Union under a resolute German stewardship is in many ways a significant one. The path that has led to mutual understanding this time was quite often difficult. However, the European Union is no stranger to challenges. Looking back, history shows that most of the challenges the Union has been facing have been resolved by its most powerful political tool – a compromise. And each time the European Union has come out even stronger.

When we were celebrating the 50th anniversary of the Rome Treaty in Berlin this year, there were Heads of State or Government from twenty-seven members standing in front of the "Brandenburger Tör". Fifteen of those celebrating did not even exist or were under totalitarian regimes at the time the Rome Treaty was signed. This alone attests to the fact that in five decades the European Union has not only made immense progress but has also had an overall positive influence on the development of the European continent and wider. It is indeed a success story.

In 2004, Slovenia became part of the European success story. By setting the country on the course towards European integration quite early after independence and international recognition, Slovenia has made the most of the European perspective as an incentive for political, structural and economic reforms. Two and a half years after the largest enlargement in the Union's history, Slovenia has been the only new member state to fulfill the necessary Maastricht criteria and join the Euro-zone and is currently in the process of entering the Schengen area. With this in mind and the Presidency of the European Union only a few months away, Slovenia is committed to carrying out this task well – above all for the benefit of the common European idea, and also in order to live up to the expectations expressed by the member states when enlargement took place three years ago.

The new members have strengthened and enriched the European Union. Thus, while dismissing any second thoughts about the correctness of that decision, Slovenia wishes also to encourage other countries, especially in the Western Balkans, to proceed on their European path. The prospect of membership remains the strongest motivation for their stabilisation and implementation of reforms. Nevertheless, any further enlargement should not draw new division lines in Europe. The European Union must keep an open horizon. Therefore it should continue to develop strong bonds to its neighbours in the East and in the South. A certain proportion of the benefits of the integration process also has to be shared with those countries.

Providing the mandate given by the European Council is successfully carried out and the institutional issue – which has been overshadowing everything else for quite some time in one way or another – safely secured, the European Union will be able to focus on other very topical issues as well. There are various global and individual challenges in almost every member state – achieving global competitiveness, energy security, protection of the environment, tackling climate change, etc. On the other hand, some member states have already come up with solutions and good practices for some of those challenges. While the differences in views may require additional effort to find a balanced solution, it is, indeed, the diversity that should make the European Union stronger. This is one of the Union's most valuable resources, a quality hard to find anywhere else in the world, and one that should be exploited to its full potential.

One of the issues that are becoming more and more important for Europe – during the Slovenian Presidency and beyond – is energy security. The European Union should upgrade and integrate its energy policy. I believe that bio-fuels have a unique role to play in these efforts. They are the only direct substitute for oil in the field of transport that is available on a significant scale. Other technologies, such as hydrogen, have enormous potential. In light of this, Slovenia has included in its Resolution on National Development Projects for the Period 2007–2023 a project on sustainable energy and hydrogen technology, which among others includes the establishment of renewable energy sources, hydrogen economy infrastructure and new generation vehicles. However, hydrogen as well as some other technologies are still far away from large-scale viability and will require major changes to vehicles and the fuel distribution system. On the other hand, bio-fuels can indeed be used today.

While ensuring the security of energy supply we must bear in mind that these endeavours must go hand in hand with the protection of the environment and more resolute pursuit of Europe's ambitious goals to cope with climate change. Yet again, the production and use of bio-fuels leads to greenhouse gas savings. They may not be the cheapest way to get greenhouse gas savings, but they are one of the few measures – alongside improvements in vehicle efficiency – offering the practical prospect of large-scale savings in the transport sector in the medium term.

It is becoming increasingly evident that climate change will have a considerable impact on international security. Slovenia strongly believes that in order to avoid disasters resulting from climate change on a large scale, it is necessary to act now and act on the global level. The participation of all countries is vital. Targets set by the European Union to reduce greenhouse gas emissions by 20% until 2020 compared to 1990 – or even by 30% if also other major emitters are willing to adopt this objective – are a step in the right direction.

These are only two examples where the European Union could and should do more by exploiting its diverse potentials. Nonetheless, the basis for everything that the European Union in some ways already is today – and it is determined to become in the future – is knowledge. The Lisbon Strategy, which comes up for a review and will be renewed during Slovenia's Presidency, set out to make Europe, by 2010, the most competitive and the most dynamic knowledge-based economy in the world. Hence, a knowledge-based society is not a viable prospect only for Slovenia but the whole European Union. Europe's cooperation in the field of science and technology goes back to the times of the Coal and Steel Community. Still, the current situation in Europe is quite contradictory. There is vast knowledge available; unfortunately however, too few companies and enterprises are capable of translating this knowledge into viable products, services, and solutions. In putting knowledge into practice Europe is lagging behind other parts of the world, such as the USA and Japan. The Seventh Framework Program on research, technological development and demonstration activities represents the future of research. It reflects the fact that the European Union is intensely aware of the significance of knowledge for economic growth and development. Environments which facilitate and encourage creativity are successful. They absorb creativity, rewarding it and regard fresh ideas and knowledge as a comparative advantage. One of our key goals should be to create a European Union of various environments that nurture, attract and retain creative people. At the same time we need an economy free of administrative barriers which, while respecting the already mentioned high environmental standards, will be able to make products containing more knowledge and higher added value.

There are interesting times ahead of the European Union – full of global and individual challenges which require our response. Yet, I firmly believe these are opportunities ready to be seized by us – members of the European Union – to live up to the reputation of a European success story, and ensure its continuation for decades to come.