



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Economic and Monetary Affairs

22.12.2009

NOTICE TO MEMBERS

Subject: Hearing with Olli REHN, Commissioner-designate for Economic and Monetary Affairs

Please find enclosed the written answers sent by Olli REHN.

The Secretariat

ANSWERS TO EUROPEAN PARLIAMENT
QUESTIONNAIRE FOR COMMISSIONER -DESIGNATE
Olli REHN
(Economic and Monetary Affairs)

General competence, European commitment and personal independence

- 1. What aspects of your personal qualifications and experience are particularly relevant for becoming Commissioner and promoting the European general interest, particularly in the area you would be responsible for? What motivates you? Which guarantees of independence are you able to give the European Parliament, and how would you make sure that any past, current or future activities you carry out could not cast doubt on the performance of your duties within the Commission?**

I have devoted most of my professional life to European integration, as a scholar, a politician and a public servant. I am deeply convinced of the purpose of the European peace project, which has resulted in an unprecedented period of peace, stability and welfare on the European continent. It has been a great honour and a humbling experience to be allowed to give a contribution to this vocation. I look forward to continue working for these aims. The project is never finished, and it is constantly confronted with new challenges.

I began my European activity by leading the Finnish delegation in the European youth conferences on security and human rights in 1985-87. After being elected a Member of the Parliament of Finland in 1991, I chaired the Finnish Delegation to the Council of Europe and was a member of the Economic Affairs Committee of its Parliamentary Assembly. I worked as the special adviser for policy coordination to the Prime Minister of Finland in 1992-93 when Finland climbed out of its worst economic recession. I was a Member of the European Parliament in 1995-96, being a full member of its Budget committee and a substitute member of the Economic and Monetary Affairs Committee, the Budgetary Control Committee and the Institutional Affairs Committee as well as a Bureau Member of my political group. This experience has strengthened my belief that the democratic legitimacy of European policies has to be built on a strong partnership between the Commission and the Parliament.

In the course of 1998-2002, I served as the Head of Cabinet of Commissioner Liikanen, and was a member of the Commission's internal steering groups for Agenda 2000 and the Lisbon strategy. Since July 2004, first as the Commissioner for Enterprise and Information Society and then as the Commissioner for Enlargement, I have been able to witness the fundamental

transformations that a European perspective can inspire.

In terms of European experience, both successes and setbacks of the Commission, especially during the years I worked for it, have given me perspective on serving Europe well as a Commissioner, both in terms of portfolio responsibility and as a Member of the College. I look forward to working for Europe again, with strong motivation and determination, as well as with modesty before the major challenges Europe is facing.

In my work as a Commissioner, I have done my utmost to fully respect the obligations foreseen in the Treaties for independence and integrity, impartiality and availability. I will continue to follow these principles, as defined in paragraph 3 of Article 17 of the Treaty on European Union and in Article 245 of the Treaty on the Functioning of the European Union as my guiding values in my forthcoming tasks as well. I commit myself to uncompromisingly comply with the ethical standards set out in article 245 TFEU and the Code of Conduct for Commissioners, as well as any possible update thereof.

I have completed and made accessible to the public my Declaration of interests foreseen by the Code of conduct for Commissioners. I commit myself to update it regularly in case of changes.

I will avoid any situation which could put in question my independence, impartiality and availability to the Commission, and I will refrain from holding any other public office and from engaging in any other professional activity, whether paid or unpaid. Should a situation involving a possible conflict of interests in the performance of my official duties nevertheless emerge, I would obviously immediately inform the President of the Commission of the possible existence of such circumstances.

Management of the portfolio and cooperation with the European Parliament and its committees

2. How would you assess your role as a Member of the College of Commissioners? In what respect would you consider yourself responsible and accountable to the Parliament for your actions and for those of your departments?

My experience is that collegiality is central for the Commission to work. The fact that all Commissioners contribute to decisions and share responsibility for the initiatives ensures the inclusion of the greatest variety of insights. As a result, the Commission initiatives should reflect a truly European interest and be thoroughly considered and well argued.

I want to reinforce the partnership between the European Parliament and the Commission to drive the common European interest. I have found the European Parliament to be of decisive support and guidance when working as the Commissioner for Enlargement.

As the executive branch of the Union, the Commission is accountable to the European Parliament. I assume political responsibility for actions in my field of competence, without prejudice to the principle of collegiality of the Commission, and in full respect of the powers and the role of the President of the Commission.

The European Union has reached its most significant achievements during those periods when the Parliament and the Commission have worked for common objectives. To foster this accountability, I will ensure the EP of the same degree of dialogue and of access to information that I myself would have asked for when I was amongst you.

By this I mean regular contacts and dialogue, including participation in meetings of the Committees when invited to attend or on my own initiative, as well as the provision of full, timely and clear information, and last but not least, taking into account the Parliament's views as a major element in the decision-making process. This will essentially require a common anticipative approach in our relations to search for and agree upon common objectives.

The Directors-General of the Commission are accountable to their respective Commissioners for ensuring that policy guidelines and implementing rules are carefully and thoroughly implemented within the Directorates-General. I have built a relationship with my services based on loyalty, trust, competence and transparency, and shall continue to do so.

Consequently, I expect my Directors-General to keep me posted on both policy and management issues. To achieve this, I shall draw up mission statements and clear rules for working arrangements and information channels as soon as I have taken up office, as required in the Code of Conduct for Commissioners. Working arrangements with the DGs in my current portfolio have proven sound, and thus I intend to apply a similar kind of approach in my next portfolio.

3. What specific commitments are you prepared to make in terms of enhanced transparency, increased cooperation, and effective follow-up to Parliament's positions and requests for legislative initiatives, also in the light of the entry into force of the Treaty of Lisbon? In relation to planned initiatives or ongoing procedures, are you ready to provide Parliament with information and documents on an equal footing with the Council?

In line with my answer to the previous question, I would like to stress my belief in the partnership between the Parliament and the Commission. Trust, transparency and partnership should be the foundations of the relation between the two Institutions. This will contribute to the legitimacy and accountability of our work, as well as to efficiency and good governance.

The Lisbon Treaty further strengthens the partnership of the Commission and the Parliament. Maximum use should be made of those provisions and possibilities, for the benefit of the European interest and the European citizens.

I look forward to building a close partnership with the Committee on Economic and Monetary Affairs, based on regular and open dialogue, exchange of information and good personal relations. I intend to attend committee meetings not only on invitation, but I would wish to be able to attend the committee on my own initiative as well, when developments make that necessary. I shall work with other relevant Committees for my portfolio in the same spirit.

In my work with the Parliament in general, I am fully committed to wholly implement the provisions of the Framework Agreement, which will only gain in weight and importance with the strengthened decision-making powers of the European Parliament.

Policy-related questions

4. What are the three main priorities you intend to pursue as part of your proposed portfolio, taking into account, where relevant, the financial, economic and social crisis and concerns related to sustainable development?

The first and foremost priority for me as the prospective Commissioner for Economic and Monetary Affairs must be growth and jobs, in the context of macroeconomic stability. This is what our citizens need and ask most urgently, and this must be our joint overarching objective in the coming years.

We need to work out a coordinated strategy for managing the exit from the current crisis, and we have to create conditions for sustainable and smart growth for current and future generations. I consider the forthcoming EU 2020 Strategy as a key instrument of this approach. It is both about fiscal sustainability and about preparing our economy for the different world that will emerge from the crisis, i.e. facilitating the emergence of a smarter, greener economy that is based on knowledge and innovation, and providing us with a high degree of employment and productivity. As set out in President Barroso's guidelines, the European Investment Bank can have an important role in stimulating investment to encourage this agenda for modernisation.

The crisis has undeniably demonstrated that Europe is stronger and more efficient when it is unified. We are stronger and more efficient when working together. Therefore, we should benefit from the opportunity the Treaty of Lisbon opens as regards reinforced economic coordination, particularly in the euro area. This has brought a new role for the Eurogroup and new possibilities for the Commission, such as those under article 121 TFEU. I believe that the EU must use these new opportunities to take real steps forward in economic coordination.

The economic and financial crisis has not only taken a heavy toll on output and employment, but it has also damaged the EU's potential future output, adding to the challenges of an ageing population. There is a pressing need to strengthen economic activity and job creation. A swift repair of the financial sector and the implementation of a robust framework for promoting macro-financial stability in the EU are important conditions for ensuring sustainable economic growth. I consider my participation in the future European Systemic Risk Board important in this respect. Equally important are an integrated surveillance of developments in Member States and the improvement of adjustment capacity, notably with a view to reducing imbalances within the euro area, and paving the way for its gradual and rules-based enlargement.

My second priority is to work to ensure the sustainability of public finances in the EU, and to improve their quality. In many Member States and in the EU as a whole, trends in government debt are currently on an unsustainable course. A timely and credible consolidation of public finances within the framework of the Stability and Growth Pact as part of a comprehensive "exit strategy" is therefore essential. We have to strengthen existing instruments for EU policy coordination, while using their flexibility to cope with the exceptional depth and duration of the current economic crisis. Consolidating public finances will also require an improvement in their quality and the reorientation of public expenditure, at national and EU level, to areas

with a positive impact on potential output. Success in this area will be crucial for freeing up and mobilising resources for the objectives of the EU 2020 Strategy.

My third priority is to strengthen the EU's role in international economic relations. The EU has a key role to play at the international level, through its various external instruments and through its contribution to policy coordination and multilateral surveillance. At the same time, the European Union (and the euro area in particular) will need to establish itself in the emerging new system of global economic governance where the G20 plays an increasingly central role.

It will therefore be particularly important that on matters involving an important Union dimension, the euro area and the EU as a whole speak with a single voice at the international level. While in the longer term the solution should lie in a unified representation of euro area Member States as provided for by the Treaty, it is of the utmost importance to put in place a significantly strengthened coordination mechanism as soon as possible. This will be important also in order to engage the International Financial Institutions (IFIs) to explore the role of innovative financial instruments in enhancing the efficiency of EU policies, for example to promote investment in green technologies.

5. What are the specific legislative and non-legislative initiatives you intend to put forward, and according to what timetable? What specific commitments can you make regarding in particular the committees' priorities and requests attached hereto which would fall within your portfolio? How would you personally ensure the good quality of legislative proposals?

The existing Treaty-based framework for policy coordination has proven its worth in the recent financial and economic crisis. I therefore intend to put my primary focus on continuing to implement the recently adopted policies of economic recovery and fiscal sustainability, and make full use of the existing instruments to achieve stronger policy coordination and governance in the EU. These include the Commission's assessments of the national Stability and Convergence Programmes and its evaluation of the effectiveness of action under the Excessive Deficit Procedures, as well as its Convergence Reports evaluating a country's readiness for accession to the euro-area.

My intention is to prepare an exit strategy which allows for investments in the EU's future bringing the EU back to a sustainable growth track, providing new jobs, welfare, green technologies and innovation for Europe and beyond. At the same time, we have to return to sustainability of public finances, including through improved economic governance procedures and cooperation.

In a world of scarce public resources, a major challenge to tackle will be the mobilisation of sufficient resources for reaching the objectives of the EU 2020 Strategy. I am looking forward to cooperate with the Parliament to find innovative ways for making this possible.

Stemming from my political priorities outlined under the previous question and building on the mentioned established instruments, I intend to present the following initiatives in the course of my mandate, of course subject to further policy analysis and collegial acceptance:

- A Communication on the establishment of a system of enhanced policy coordination based on broader and deeper surveillance for euro area Member States (also in the light of Article 136 of the Treaty on the Functioning of the European Union).
- A Communication on strengthening European participation and representation in international financial institutions and fora.
- Working together with the Commissioner for Employment, Social Affairs and Inclusion and the Commissioner for the Internal Market and Services, a Green Paper on the adequacy and sustainability of pension systems in the EU.
- A legislative proposal on the external mandate of the European Investment Bank (EIB) for the 2011-2013 period and a Commission Communication on the longer term future activity of the EIB and the reshaping of the European Financial Architecture.
- If possible, a proposal for a framework instrument on EU Macro-Financial Assistance to third countries, in order to speed up the concerned procedures duly respecting the prerogatives of the EP.
- A Communication on establishing within the framework of the EU 2020 strategy, a methodological framework and data collection for measuring progress towards its headline targets, but also complex socio-economic phenomena and cross-cutting issues (as a follow-up to the Stiglitz-report and the Communication on GDP and Beyond).

I will see to it that new legislative initiatives are underpinned by rigorous Impact Assessments and I will prepare the draft legislative proposals with my services on this basis.