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Danish EU Policy after the Presidency

Speech by Prime Minister Anders Fogh Rasmussen at the
Institute for International Studies
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I am very pleased to have been given the opportunity to be the first to give a speech at the new Institute for International Studies, and I would like to express my best wishes for the Institute in the future.

I find it most appropriate that the topic of today's event is Danish EU policy. EU policy forms the core and the main task of Denmark's foreign policy, and this will be the case to an even higher degree in the future.

Denmark in the new Europe

At the EU Summit in Copenhagen just over a month ago, we finally closed a dark and bloodstained chapter in the history of Europe. We bid farewell to the Europe of the Yalta Conference and the Cold War.

At the same time the Summit marked the beginning of a new phase in Europe's history, with new possibilities and new challenges – for Europe and for Denmark.

The decision made in Copenhagen on the enlargement of the European Union, together with the decision in Prague in November to enlarge NATO, establishes the framework for European policy in the next decades.

We can conclude with satisfaction that the main objective of the last 15 years of Danish foreign policy has been achieved. The new democracies of Central and Eastern Europe, including the three Baltic States, have been safely led into our western organisations for co-operation.

Denmark has exchanged its position as a front-line state in the conflict between East and West for a place at the centre of the new co-operating Europe.

The fall of the Berlin Wall meant that Denmark was able to emerge from the shadow of 1864. For more than a century, small state and adaptation policies characterised Danish foreign policy vis-à-vis Germany and later the Soviet Union.

This situation has now changed decisively. The Danish EU Presidency and the enlargement negotiations in both the EU and NATO have shown that Denmark has new opportunities. We can have a greater impact on developments. We can gain an influence that far exceeds the relative size of Denmark.

The Government wishes to maintain this active line in Danish EU policy in the years to come. This requires courage and will to take the lead and think along new lines. It also requires active efforts at all levels – both in the common institutions and directly in relation to our partners. In a European Union of 25 Member States, results cannot be achieved without an active effort.

With this position as a point of departure and after a successfully completed Presidency, we are now entering the decisive phase of the debate in the Convention on the Future of the Europe.

Goals for the future EU

The starting point is clear: the EU will be the key forum for European co-operation to an even higher degree in the future. If anyone had any doubts before, this cannot be the case after the Copenhagen Summit.

Today, the EU is the unifying framework for the Europe of the future. Co-operation based on common values: freedom and market economy, community and social responsibility, democracy and human rights. An efficient co-operation which respects the specific character of the European peoples and states.

My vision for the future of the EU can be summed up like this: I would like the EU to be a community of nation states. But it should be a strong community in which the Member States have decided to carry out a number of tasks together by leaving the competence to the EU. This strong community of nation states must have the political and economic strength to act at the international level, thus influencing the world with the ideas on which the EU is based.

The enlargement of the EU makes it more imperative – and easier – to realise this vision. But the enlargement also demands changes and reforms of the EU.

In less than 18 months, the EU will consist of 25 Member States, and probably 27 from 2007. More will join in the course of time.

There is an evident reason why a rising number of new countries desire membership. The EU has been and is a success. The EU is a place where effective decisions have been taken. The EU has been able to deliver.

It is crucial that we maintain and enhance the efficiency and effectiveness of the EU – also following the enlargement. We owe this to the new members. We owe it to ourselves. This is the only way that also the enlarged EU can become a success.

The enlargement must not lead to a dilution of the EU. We need a strong, dynamic union able to deliver in areas where we can only solve problems together.

In order to achieve this, changes will be needed in relation to the co-operation we know today.

The first question we must ask is: What should be the tasks of the EU? What should our priorities be?

The answer is: First and foremost the areas with problems of a cross border nature. First and foremost the tasks we can best perform by standing together and taking joint action.

In the first instance, this naturally means the traditional main tasks of the EU. In the future, key areas will include, among other things, the internal market, trade policy, competition policy and state aid control. We must maintain the results we have achieved in these areas and further build on them in the enlarged EU.

We must ensure the efficient functioning of the internal market. By means of an efficient internal market we can create the framework of a competitive economy that can hold its own in a globalised world. We must become better at creating jobs in Europe. We must ensure a strong and stable common currency, the Euro. The liberalisation of our markets must continue. A significant step in the right direction was taken during the Danish Presidency, when we decided to liberalise the markets for electricity and gas. It is crucial to ensure effective competition in our markets to the benefit of consumers and the business sector alike.

We must secure development that is economically, socially and environmentally sustainable. The aim is to safeguard the future of the European welfare model. We must fight unemployment by enhancing coordination of our employment policies across borders.

It is decisive that we strengthen our competitiveness by continued reform of our social structures and economies. We must create the best possible framework for the individual energy, enterprise and dynamism that will be the driving force in the society of the future. This is the prerequisite for a continued development of our welfare.

The environment is another traditional example of a transnational task. Pollution knows no borders. We need a strong EU to fight pollution. And we must continue to develop and improve European environment co-operation.

The Common Agricultural Policy will remain one of the very important tasks for the EU. But the agricultural policy will need reforming in the years to come. The existing arrangement is not sustainable. Subsidies must be reduced. And markets must be set free.

It goes without saying that this cannot be done in one go. But there must be no doubt about the direction. Denmark will press for the greatest possible reforms.

Liberalisation in the area of agriculture is a crucial element in our efforts to foster global development. We should also pursue this goal within the framework of the international trade organisation, the WTO. Open markets and free trade are the precondition for development and the spread of prosperity.

It is absolutely crucial to give the poor countries of the world better access to the global market. This also means that the rich countries should remove or reduce subsidies.

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We must also improve and strengthen co-operation as well as implement reforms in a number of the traditional policy areas. However, developments have shown the need to strengthen co-operation in new fields as well. I would like to point to two areas in particular.

First, we must strengthen our co-operation concerning refugees and immigrants and the fight against international crime and illegal immigration.

The pressure on Europe will grow in the coming years. These problems are by definition transnational in nature, and they can only be resolved by intensified cross-border co-operation. We must enhance and develop the ability of the EU to form the framework of this co-operation among the states and police authorities of Europe.

Second, we must strengthen the Common Foreign and Security Policy. From the point of view of a small country, the ideal would be for foreign and security policy to be a common EU matter. This would bind the large countries to a common line. And the smaller countries could gain greater influence on the international scene.

But let us be realistic. The large countries will not give up their national sovereignty in foreign and security policy. Can anyone imagine that France and the United Kingdom, for example, would give up their permanent seats on the Security Council of the United Nations for a joint EU seat? I suppose not.

And let us not be hypocritical either. We know very well from our own debate that we also – as a small country – guard our national sovereignty, for instance, when it comes to posting Danish soldiers abroad.

Therefore the point of departure must be that the foreign, security and defence policies of the EU continue to be based on co-operation among the Member States, so-called intergovernmental co-operation, firmly anchored in the Council.

But within this framework of intergovernmental co-operation, we should endeavour to make foreign, security and defence policies as common as possible.

For this reason, it is in the interest of Denmark that in the coming years the EU develops a military capacity to carry out peace-making and humanitarian tasks on the European continent, for example in the Western Balkans.

At the same time, we have an interest in giving the EU's foreign policy coordinator as strong a position as possible.

This is not a matter of strengthening the EU at the expense of transatlantic co-operation. On the contrary. We have a vital interest in close and strong co-operation between Europe and the USA. But at present, the western world is faced with challenges that make it necessary for Europe to a higher degree than previously to stand on its own feet and make its own contribution. This is not only in our interests, but also in the interests of the USA.

The Constitutional Treaty

Following this analysis of goals and means, I should now like to turn to the current discussions in the European Convention.

Thought is allowed to roam freely in the Convention. Many exciting proposals are made, although not all of them may be equally realistic. This is as it should be. It is the duty of the Convention to think anew.

But it is quite clear that the Convention is not a debating society. The Convention is ambitious. There are clear signs that it will present comprehensive proposals for far-reaching changes in the EU.

The point of departure is promising. The Chairman of the Convention, Valéry Giscard d'Estaing has presented a draft framework for a new Constitutional Treaty, creating the basis for the work of the coming months.

This paper is extremely positive and constructive. Many of my objectives for the EU of the future are clearly reflected in Giscard d'Estaing's proposal.

There is good reason to welcome the structure of the new Treaty. It is simple and logical. The way is paved for a Treaty that each interested citizen will find it far easier to relate to and understand. It represents a great step forward compared to the very technocratic Treaty we have today.

It is also absolutely correct to speak of a Constitutional Treaty. A *Treaty* because it is obvious that the EU must continue to be binding co-operation among states. The EU is based on and derives its legitimacy from the nation states of Europe. The EU is and must continue to be a forum of co-operation among independent nation states.

But at the same time, the word "Treaty" is linked to the concept of "*constitution*". This is not because it in any way resembles a constitution for a new state. But because the time has come to make sure that we reflect a number of the traditional, fundamental, civil and democratic rights in the EU Treaty in the manner known from national constitutions.

In this context, the concept of "constitution" must be regarded as an expression of the wish to lay down and clarify the rights of citizens and Member States in relation to the EU. Historically, constitutions have set people free. A free constitution was the aim of the great liberal revolutions that created modern European democracy in the 19th century.

These rights should not, however, apply solely in relation to national institutions. They should also apply in relation to the EU institutions. Therefore, the time has come for us to assemble and clearly set out in the Treaty the fundamental rights and principles on which the Community is based and which it respects.

I should like to emphasise four important areas in particular. *Firstly*, the time has come to make clear the rights of citizens in relation to EU institutions. This can be done by incorporating the “Charter of Fundamental Rights” into the Treaty. For example, we can make a direct reference to the Charter in the text of the Treaty. The Charter text itself could then be annexed to the Treaty as a protocol. The Charter lists the absolutely crucial rights on which our societies are based, such as freedom of expression, freedom of assembly, private property, the right to good administration and equality before the law. It is important and natural that this text becomes part of the key foundation of the EU.

Secondly, the Constitutional Treaty should contain clear and precise rules for transparency and democratic control in the EU. There should also be provisions concerning the important role of the European Ombudsman.

We should lay down in the Constitutional Treaty that there is full openness when the Council legislates. This will lead to greatly enhancing the quality of democratic control. The individual citizen, the national parliaments and the European Parliament will have the opportunity to directly follow and monitor the legislative work of the Council.

During the Danish Presidency, we had good experience of open debates during the Council’s initial discussions of proposed legislation. Openness was also introduced during the concluding debates. We are now proposing to expand this to encompass the whole legislative process.

Thirdly, the Constitutional Treaty should describe the division of labour between the EU and the nation states more clearly than is the case in the present Treaty.

An unambiguous division of labour is a precondition for efficient co-operation. It is also important that the individual citizen has a clear picture of what the EU deals with and what the EU does not deal with.

Allow me to highlight some key elements:

A new Treaty should contain a clear definition of the fundamental principles of the division of labour in the EU. The EU must only concern itself with what has expressly been made the responsibility of the EU. It is the nation states that constitute the point of departure for co-operation.

In this context, the new Treaty should expressly state that the EU respects the national identity of the Member States, covering areas such as political and constitutional structure, linguistic identity, national citizenship, the church and national defence.

The Treaty must clearly describe the role played by the EU in various areas. This implies that it must contain a clear definition of the three types of competence we work with: areas where the EU has full responsibility, areas where the EU and the nation states share competence, and areas where the EU can only supplement the legislation of Member States.

In areas where the EU can only supplement Member States' legislation, it should be clear from the Treaty that the EU may not harmonise the rules of the Member States in these areas. These are fields such as culture, the national education system and the design of the individual country's employment policy. It would be beneficial if the Treaty contained a list of these areas.

My personal representative in the Convention, Henning Christophersen, has strongly emphasised these issues in his work to date in the Convention. It is my hope that in drawing up the new Treaty we can build on the recommendations of the report on questions of competence prepared by a working group in the Convention under the leadership of Henning Christophersen.

Fourthly, we should strengthen the role of national parliaments. Stronger anchorage of the Union in national parliaments is important in light of the enlargement. The EU is being enlarged, but the EU must not place itself at a distance from the individual citizen. We must strengthen the links between the EU and the national institutions with which the citizens feel an immediate connection. We also must strengthen control of the principle of subsidiarity in an enlarged EU. The national parliaments have an important role to play here.

This must, of course, take place first and foremost by means of on-going control with the participation of the respective Governments in Council negotiations. But at the same time we should give national parliaments an independent role with respect to monitoring compliance with the principle of subsidiarity.

This could, for instance, take place by creating a form of safety mechanism that allows national parliaments to react against a proposal by the Commission. In practice, it could be achieved by a number of parliaments notifying the Commission that they find a proposal in conflict with the principle of subsidiarity. The Commission could then withdraw its proposal and revise it, or it might have to elaborate on why the proposal has the form it has.

Such a mechanism would provide individual national parliaments with quite new influence on the EU. At the same time it would lead to increased focus on the EU in the national parliaments. This could be a process that would clearly influence the way in which we work in, for example, the Folketing (Danish Parliament).

In parallel with this new, strengthened role for national parliaments, national parliaments should develop the contacts they already have within the so-called COSAC. This would not lead to the establishment of a new institution, but would give the national parliaments a stronger forum for contacts across borders. COSAC – which also needs a new, less bureaucratic name – would be an obvious forum for the national parliaments to coordinate and develop their new role as guardian of the principle of subsidiarity.

Effectiveness and institutions

Two conditions are altogether decisive if we are to ensure the effectiveness of the EU after enlargement.

Firstly, clear and simple decision-making procedures. Secondly, organisational reform of the key institutions.

Allow me first to say a few words about effectiveness in the decision-making process. In the nature of things, the larger the number of Member States, the greater the need will be for taking as many decisions as possible by qualified majority.

In that connection, the area of taxation should not be a taboo. I am not talking about full transition to qualified majority, but about a transition in selected parts of the tax area. Also in this area we should let ourselves be guided by the principle of “transnational tasks” as the guideline for how we are to strengthen the EU. We should, for example, introduce qualified majority when fixing minimum rates for indirect taxes. Personal income tax, by contrast, is an area where the EU has no business. Member States’ distribution policy is a national matter.

We should strengthen popular control of decisions by involving the European Parliament to a greater extent. We can do that by enlarging the area where decisions are not taken only by the Council, but by the Council and the Parliament together, the so-called co-decision procedure.

Our experience from co-operation with the European Parliament during the Danish Presidency is very positive. We should work to have the co-decision procedure extended to all areas where the Council takes decision on legislative issues by qualified majority. Specifically, this means first and foremost that the influence of the European Parliament on the agricultural policy will be enhanced.

We should ensure effective control of EU expenditure. Therefore, unanimity should continue to apply when the expenditure ceilings are to be changed. And I wish to have this system secured and written into the Treaty itself. It is a good arrangement, which guarantees that we can be sure that expenditure in the EU does not get out of hand.

However, within the overall ceilings, we might give Parliament full influence on the entire expenditure area, including the agricultural expenses.

I shall now move on to presenting some ideas of reforms regarding the EU institutions. I shall in particular address three questions:

How is the Commission to be organised in future? In which way is the Commission President to be elected?

How is the European Council to function in future? Is it to have an elected President?

How should the Presidency of the Council be organised in an enlarged EU?

All experience shows that there is no simple, comprehensive solution to these questions. Simple, logical models for the institutional structure of the EU may be designed at a desk, but they do not stand the hard litmus test of reality. The nature of the EU is too complex for that. And the differences too large between Member States' wishes regarding the direction of the Community's development.

We must respect and understand the special nature of the EU. The EU is not a state, and should not become a state. Therefore, it is not possible to transfer well-known organisational models of a state to the EU. It is not that easy. And that is why there is no simple solution to the future structure.

It is obvious, however, that the answers to the three key questions are interconnected. Changes in one area will have to be coordinated with changes in the other areas. In

my opinion, the Danish position on these questions should take its point of departure in three clear principles:

Firstly, an overall result must respect the balance between large and small countries. If attempts are made to upset this balance, there is a risk that the EU will fall apart.

Secondly, the balance between the three key institutions – the European Parliament, the Commission and the Council – must be preserved. We must maintain a system of checks and balances between the institutions.

And *thirdly*, the solution must be effective and transparent. The solution we arrive at must be workable and comprehensible.

Let me turn to the Commission first. Denmark has a clear interest in a strong Commission. The Commission must be able to act with authority in the areas where it is assigned a decisive role. This applies, for example, to the internal market, to trade policy and also with respect to competition policy and state aid. In these areas, it is important, not least for the small countries, to have a strong arbitrator who will not be governed by narrow and short-sighted national interests.

Our point of departure should therefore be to welcome a strengthening of the Commission, for example in the form of a new procedure regarding the election of the Commission President. However, it is important in this election procedure to ensure the right balance between large and small countries. And it is also important to ensure the Commission's independence in relation to the other institutions. Such concerns are not taken sufficiently into account if the Commission President is to be elected exclusively by the European Parliament.

Instead, my proposal is that the election should take place in an electoral college consisting of a limited number of members representing national parliaments and the European Parliament, respectively. An appropriate composition of this electoral college could be half national parliamentarians, half members of the European Parliament. The right to nominate must rest with Member States' Governments. A certain number of countries – for example five – must act as nominators for a candidate. After the election in the electoral college, the appointment must be confirmed by qualified majority in the European Council. This procedure will ensure that a new Commission President has the confidence of Member States.

An electoral procedure like this will provide future Commission Presidents with a very strong mandate. It will enhance the influence of national parliaments. And it will maintain the Commission's independence of the Council and the Parliament.

With respect to the future organisation of the Presidency of the Council, there are three key models.

Firstly, we may continue using the existing model with rotating, biannual national Presidencies. I do not wish to sound presumptuous, but the Danish Presidency may be seen as proof that this system is able to achieve considerable results. And that also small countries can handle the Presidency successfully.

In this connection, however, it should be borne in mind that, in future, a Presidency will have to manage the work of an EU consisting of not 15, but 25 or more countries. This will require a considerable increase in the time for coordination and preparation of meetings in the Council and the European Council. With more countries at the meeting table, meetings will have to be prepared even more thoroughly than is the case today. More things will need to be in place before the meeting commences. It will take time. And it will require resources.

Therefore, we must face the fact that the existing rotation arrangement will have to be adjusted and improved in any circumstance if it is to continue in an enlarged EU.

Denmark will be able to accept such a continuation and further development of the model involving rotating Presidencies. The advantage is that large and small countries are given equal status. And at the end of the day, it may prove difficult to find a better alternative. At the same time, however, we must have the courage to ask ourselves if such minor changes of the system we know are sufficient to carry out the tasks we will face in the future. Will we end up in a situation where we will have to change the structure again in a few years?

The second main model is a solution based on so-called group presidencies. This implies a model where a number of countries share the Presidency over a period of longer duration. Each country is then responsible for certain Council formations.

I make no attempt to hide that I used to be very much in favour of this solution. The idea of group presidencies implies a balance between large and small countries, while at the same time distributing the burden of the Presidency on more shoulders.

However, owing to experience from the Danish Presidency I am today sceptical of the group presidency idea – at least in its pure form. The Presidency demonstrated very clearly that the ability to coordinate effectively across Council formations is essential. The pace and the workload require that there must be one person with a clear mandate to take swift and binding decisions on behalf of the Presidency. The

very question of coordination across Council formations is the Achilles' heel of the group presidency. I am afraid that a group presidency may be paralysed by internal quarrels over competence. And then it will not be able to function.

The third model is what may be called "the grand solution". It is an approach that entails considerable structural changes in the Council. The key element of such a solution will be an elected President of the European Council.

Two options may be envisaged in this connection. Either a former member of the European Council may be elected. Or we may elect a member from the circle of present members of the European Council. In both cases, the tasks of the person concerned will be to prepare and chair the meetings of the European Council, and in addition represent the Union externally at high level. It goes without saying that a former member will have more time to spare and may be assigned larger tasks, than if a present member is elected President.

I can see a number of arguments in favour of an elected President. It will create continuity. And it may – if the model is correctly attuned – ensure clarity and balance in relation to the EU Commission. Furthermore, this model also takes into account a concrete problem that my colleagues and I in the European Council will face to an increasing extent: the workload of the President.

I can give you a specific example: I spent one and a half weeks on each of my roundtrips prior to the Summits in Brussels and Copenhagen. It is my experience that these direct contacts with colleagues in the European Council are necessary as part of the preparation of Summits.

However, in an EU of 25 or more countries, it will be enormously time-consuming to carry through such roundtrips and other tasks in connection with the Presidency. An elected President might be the solution to this problem.

Conversely, electing a European Council President implies a number of significant risks. It may disturb the balance between large and small countries. And it may lead to an unfortunate conflict between Council and Commission.

As already mentioned, I believe we can proceed with the rotating, biannual Presidencies in an updated version. On the other hand, I do not find that we, already at this stage, should reject ideas of more far-reaching reforms, for instance an elected President. However, if we are to consider moving in that direction, clear safeguards must be established ensuring that large and small countries really are given equal status.

A possible element in such a construction could be, for example, the establishment of three “electoral groups” comprising large, medium and small countries. The position as President of the European Council would then be taken in turns by these electoral groups. This procedure ensures equal representation between large and small countries.

The model is not meant to be understood in the sense that groups of countries will, in turn, be excluded from participating in the election of a potential President. It is not the electoral group in question which itself nominates the President. All Member States are to participate in the election. And all countries are to have the right to nominate or recommend candidates. But the candidates must every time represent one of the countries included in the electoral group whose turn it is to stand for the position as President of the European Council.

Conclusion

In conclusion, I would like to summarise the viewpoints and proposals that I have presented today.

We must develop and enhance the EU within the traditional policy areas; for example, the internal market, trade policy, competition policy, environmental policy, agricultural policy and monetary policy.

We must reform agricultural policy. The goal is a more market-oriented agricultural policy by gradually removing subsidies.

We must intensify co-operation with regard to refugees and immigrants as well as the fight against international crime.

We must create a closer common foreign, security and defence policy.

We must work towards the adoption of a Constitutional Treaty, which gathers and clearly sets out the fundamental rights and principles on which the EU is based and which it respects.

The Constitutional Treaty must safeguard citizens’ rights vis-à-vis EU institutions.

The Constitutional Treaty must contain a clear description of the division of labour between the EU and nation states.

The Constitutional Treaty must sanction a principle of full openness regarding the legislative proceedings of the Council.

We must ensure stronger influence to national parliaments on the development of the EU. This can be achieved by allowing national parliaments the opportunity to monitor compliance with the principle of subsidiarity as well as to participate in the election of the President of the EU Commission.

We must ensure a more effective decision-making process, i.a. by making greater use of qualified majority decisions.

We must ensure popular control of the legislative process of the EU by involving the European Parliament more in more areas, i.a. regarding the agricultural policy.

We must ensure budget discipline in the EU by enshrining in the Treaty that amendments to EU expenditure ceilings only can take place through unanimity.

We must provide the President of the EU Commission with a stronger public mandate, having the President elected by a special electoral college, composed of members of both the European Parliament and national parliaments.

We must reform the work of the Council. As point of departure this may be achieved by updating the existing rotation scheme for the biannual Presidencies. However, we should open-mindedly consider more far-reaching models, for example an elected President of the European Council. In this respect, built-in safeguards will be necessary to ensure equal treatment of countries, large and small.

These points do not offer answers to all the questions that we will be facing in the coming months. However, they do indicate the direction in which we should go in certain important areas. And as indicated, I am very open to alternative proposals and models.

The Government will now contact the political parties in order to discuss how Denmark will present concrete proposals in the EU Convention.

It is my ambition that Denmark should play a more pro-active role in the EU. Far too often, the standard Danish reaction has been characterised by a sceptical attitude towards changes in the EU. We have, as point of departure, wished to keep things as they were. And in this respect, we have always sought to reduce the proposals of others by 10-20 per cent. This is not the way to achieve influence.

We must ensure greater Danish influence by presenting more dynamic proposals, by daring to do something, and by entering into strategic alliances with countries with which we share the same views.

Some of you will perhaps have noticed that I have not yet touched upon the Danish opt-outs. This has been a conscious decision on my part.

It is terribly defensive that every Danish debate on the future of Europe opens with a fight about the Danish opt-outs. With all due respect, the future of Europe does not stand or fall with the Danish opt-outs. The opt-outs are a Danish problem.

However, the Government's stance on the opt-outs is well known. Denmark must fully in future European co-operation. The opt-outs are detrimental to Denmark's interests. And what is worse, it is precisely in those areas where Denmark has opt-outs that there is the greatest need to expand the EU in the coming years.

The reality of Europe today is dramatically different from when we first got the opt-outs in the early 1990s. At that time, we found ourselves in the uncertain period immediately following the fall of the Berlin Wall. The future of Europe was unclear. Today, that insecurity no longer exists. We know the framework of the Europe of the future. However, we are now in the absurd position that in a few years the former dictatorships of Eastern Europe will become full members of the EU, while Denmark remains with opt-outs in key policy areas.

This is an untenable situation. Denmark should participate fully in the Euro, in EU defence co-operation as well as in the fields of asylum and immigration. However, this will of course not be possible until after a referendum.

If, at the forthcoming Intergovernmental Conference, a decision is made to adopt an altogether new EU Treaty, a referendum in Denmark will most likely be necessary. Such a referendum will probably have to take place in 2004 or 2005.

It seems to me only fair that the Danish people know the content of the new Treaty before we tackle the issue of the Danish opt-outs.

If we hold a referendum on the opt-outs already now, many will feel that they are being asked to buy a product unseen. For then we will be asking the electorate to abolish the opt-outs without knowing the full picture.

Therefore, I believe the correct procedure is to see what the new Treaty holds – and afterwards address the question of what we wish to do with the opt-outs.

The opt-outs harm Danish interests. That is why they must be abolished. But it should be possible to engage in a debate on Europe in Denmark without having to devote all our time to discussing the opt-outs. Let us use our energy to prepare proposals and set an agenda in the EU Convention. Our most important EU task at this particular moment is to exert maximum Danish influence on the new EU Treaty.