

Excellencies, Ladies and gentlemen,

Let me first thank Ambassador Petkov for his invitation. From my perspective, there is no other more important subject to address here today than the European Union and its future. Because EU membership is not just a matter of convenience. It is the basis of our modern political identity.

At this moment, it is our prime responsibility to restore confidence of citizens in the European project. Not only in this country, but across Europe. Their concerns must be taken seriously. Instead of giant leaps forward or redundant regulations, let us focus on areas where our efforts can bring more security and prosperity to our people. Only with our citizens' support, further integration will be legitimate. And my government is resolved to address this challenge.

However, we also need to restore trust among Member States. We have to tone down our differences and work on what unites us rather than on what divides us.

Our mutual confidence will shortly be facing a major test on one such divisive issue - migration. We all realize that reaching a deal on the Common European Asylum System reform is absolutely necessary. Our Bulgarian friends will be pressed hard to find consensus among Member States by June. And I do believe we already have an agreement on many issues at stake. We all want the procedures on the external EU border safer, simpler and faster. We all feel the need to prevent secondary movements of asylum seekers, as well as the urge to make our return policies more effective.

However, when it comes to the quotas, our position remains unchanged. We understand that solidarity is a fundamental principle of the system. This is why we have contributed both in terms of money and manpower throughout the crisis. However, redistribution mechanisms, if established, must remain voluntary.

Let me move on to another crucial issue we will be discussing soon – the future financing for our common policies. Firstly, in order to build a genuine union, we still need to achieve greater economic convergence. That's why we see a robust cohesion policy as a major priority for the MFF after 2020. It serves to overcome the structural shortcomings of our economies. And it also bridges a divide between prosperous Europe and underdeveloped regions where people feel they have been left behind.

Apart from cohesion, we need to maintain strong funding for other traditional EU policies and programmes, such as the Common Agricultural Policy, Horizon 2020, Erasmus or Galileo. They support our competitiveness and help to modernise our economies. However, we also have to find means of funding new EU priorities such as migration or security and defence. And all this needs to be achieved despite the

upcoming UK withdrawal from the Union. This inevitably leads to a discussion on our contributions to the common budget.

We are likewise supportive of the drive to complete the Economic and Monetary Union. To uphold our unity at 27, the upgraded system must remain open to Member States at all stages of participation. We honour our commitment to enter the Eurozone. And our economic figures testify that we have done our homework. Our economic growth in the third quarter of 2017 stood at 5% of GDP. The budget deficit in 2017 was just around 0,1% of GDP, well within the Maastricht criteria. Our debt is decreasing steadily, currently at 32,3% of GDP. And our unemployment figures are the lowest across the EU.

But before we adopt euro, our domestic debate must be set straight. Since the outbreak of the debt crisis, it has been too emotional, often lacking rationality. We need to provide our citizens with a compelling assessment of pros and cons. Only then can we set deadlines acceptable for the public. Meanwhile, it is the ambition of my government to see the Fiscal Compact ratified.

But I want to emphasize that we refuse to see the Eurozone membership as a measure of loyalty to the European project. There are other non-members who are not seen as reluctant Europeans. If we precipitate our efforts, we will risk fatally undermining the European case at home.

We also see a great potential in further deepening of the internal market. There are still barriers, in particular in the areas of services and digital. The internal market is not only a flagship of European integration. It is also a great tool for economic convergence across the continent.

I already mentioned that we need to take our citizens' concerns seriously. That is why we have put double food quality standards across the single market on the agenda. (We welcome the new guidelines of European Commission but continue to believe the issue should be covered by proper legislation.) A massive outflow of profits from the Czech subsidiaries to mother companies based abroad represents another major problem. The figures tell us that profit repatriations represent as much as 7,6% of our GDP, while the transfers from EU budget account for only 1,9%. In our part of Europe, these issues threaten to undercut the belief that European rules are fair and equitable.

Another major challenge that we need to tackle soon is the ensuing Brexit. We should ensure it is a smooth and balanced process. Britain will leave the Union, but it will remain part of Europe. To the benefit of all, we have to keep Britain engaged in EU security and defence. British involvement will also be crucial in cementing the Transatlantic bond.

Let me now briefly turn to external action. We welcome the focus of the Bulgarian presidency on Western Balkans. Our enlargement policy has proved to be the most effective tool towards durable regional stability. Rest assured that we will continue to support the reform efforts of our Balkan friends. Along with other Visegrad countries, we have contributed more than 12 million EUR to the region in the past three years. We have also assisted in constituting the Western Balkans Fund (WBF), operational since last September and based on the model of the International Visegrad Fund.

Let me conclude by reiterating that my government is determined to take active part in shaping our common European future. We may disagree at times, we may articulate objections. But I wish to assure you that we will not shy away from the harder part – to open our position to debate, to table our own positive proposals, and to contribute to European solutions. We want to be a reliable partner and a stabilizing factor within our region as well as within the EU.

We have a lot of work on our hands. Thus I would like to wish the Bulgarian Presidency every success in its endeavours.