

Speech by Commissioner Cecilia Malmström

'Kangaroo Group', European Parliament

Strasbourg, 14 September 2011

"Why Schengen matters"

Introduction

Honourable Members,

First of all let me say thank you for the invitation. This is an important week for "free movement" in the European Union. I am going to talk to you about the importance of the **Schengen** system and how the Commission's proposal due out later this week fits within the wider economic and political situation that confronts us in the EU. I will give you some elements of the broad outline of the Commission proposal, but you will understand that it is not appropriate institutionally for me to do more than that.

I also want to say a few words to you on the **Smart Border Package** and on wider **visa issues**. Because it is important to understand that the Schengen system is about a lot more than just removing internal border controls.

External borders, for example, become a matter of common concern and need to be managed effectively. This is not simply a **defensive** matter. In order to facilitate an open approach to business and leisure travel as well as migration, we need a system of rules in which the public at large can have full confidence.

Using modern technology effectively to manage external borders is one part of a coherent set of policies. And a visa policy that takes full account of the political, economic and administrative situation in our partner countries is another.

As an open-minded and influential body, the Kangaroo Group strikes me as the perfect audience to whom to present these ideas!

The Schengen system in context

The free movement of persons, goods and services is central to the European Union. The positive impact of these freedoms on the every day life of our citizens, and on the growing prosperity of our economies over

the past decades must not be underestimated. Schengen is symbolic of a level of openness and economic integration of which we can and should be proud.

But we all know that we are living in difficult times – the economic and financial crisis which has gripped Europe since 2008, has placed pressures on national governments – and in some cases has led to the emergence of political movements whose reflex is to place much of the blame for Europe's problems on the very openness which is so essential to the European ideal and to our continued prosperity in the globalised economy.

These pressures are real and it is imperative to resist the temptation to yield to them by taking steps which could undermine our hard-won achievements. The unilateral reintroduction of controls at internal frontiers should not become a metaphor for a weaker Union.

So this is not a moment to compromise on our values, but rather to strengthen the institutional, political and legal underpinnings of the Schengen system.

The Commission's proposals – if approved by the Parliament and Council – will strengthen the overall functioning, credibility and sustainability of the Schengen area, and in particular equip it better to deal with

exceptional circumstances. That means communitarising the whole system and strengthening the evaluation.

As you might recall, in 1985, five Member States met in the small town of Schengen, in Luxembourg, to sign an agreement on the gradual abolition of checks at common borders, followed by the signing in 1990 of the Convention implementing that agreement. The implementation of the Schengen Agreements started in 1995, initially involving seven EU States. Born as an intergovernmental initiative, the developments brought about by the Schengen Agreements have since been incorporated into the Treaties.

Today, the Schengen Area encompasses the vast majority of the EU plus a number of 'associated' non-EU States. This means that some 420 million people are now residing in the area and enjoying the freedom of movement which it offers.

The Schengen area is undoubtedly one of the most tangible and popular achievements of the EU. Around one-and-a-quarter **billion** "cross-border" journeys take place within Schengen every year – and that includes not just EU citizens but also numerous third-country nationals with the legal right to travel within the Schengen zone.

The abolition of internal border controls goes hand in hand with accompanying measures, including a common visa policy, police and judicial cooperation, and common rules on the return of irregular migrants. This has resulted in a very comprehensive legal framework being developed over the past decade which guarantees the integrity and sustainability of the Schengen area. But the system requires regular maintenance by all of its members.

Problems have emerged, for example, in the control of the south-eastern border of the EU, particularly along the land border between Greece and Turkey. And, while significant support measures have been and continue to be taken to deal with that challenge (in the form of teams of border guards from other Member States, joint operations and know-how deployed by Frontex, as well as EU financial assistance), there is a need to further strengthen the governance of the Schengen area to ensure that such situations can more rapidly be addressed and problems remedied at an early stage.

Of course, like all systems, the Schengen system also requires safeguards which enable it to deal with exceptional or unforeseen situations where it may be necessary to temporarily re-introduce some controls at internal frontiers for a limited period of time.

Some of the uncertainty about the precise obligations of Member States, in particular as regards the issuance of travel documents and residence

permits that arose in the French-Italian case, can be resolved by the drawing up of guidelines setting out a common interpretation of the rules.

But time has come also to enhance the governance of Schengen and to ensure that decisions to reintroduce controls at internal frontiers should *a priori* be taken at the European level. An EU based decision will ensure that the interests of the Union and all its Member States are taken into account. It will ensure that Member States adhere to common standards in the interests of all, and apply the common rules in a consistent manner.

Of course, in urgent situations and for a limited period of time, Member States should still be able to act on their own initiative, to take immediate steps to safeguard security or other essential public policy interests.

Smart Borders – the way ahead

Let me also say a few words to you on the Smart Borders package on which the Commission is due to present a Communication this autumn. As I said at the beginning of this speech, the political lens through which we need to look at Smart Borders is that effective monitoring of the existing rules is essential to maintaining the political consensus in favour of Schengen and therefore free movement of people.

The figures are striking. Every year around 720 million external border crossings are made in the EU. A bit less than half (334 million) are made by third-country nationals who are checked at the border crossing point. Of these, around 200 million travellers are visa exempt and around 134 million are by third-country nationals holding visas.

On this last point I should add that the "Visa Information System" (VIS) due to go-live next month will provide much more reliable and more quickly accessible information on the travel information of visa-holders. But we will still not have accurate and reliable information on the length of authorised stay available to authorities across the EU. This would be the main aim of the future **Entry-Exit System** (EES). And technological developments in principle offer great potential to speed up border procedures for frequent travellers who are willing to use Automated or Semi-automated Border Control systems. This is the objective of the **Registered Traveller Programme (RTP)**.

The details of the Commission's ideas will be put forward in a communication: Smart Borders offers great potential to improve not only travellers' individual experiences but also to increase popular support for Schengen by supporting effective border management.

Having said all of that there are very important data protection and fundamental rights concerns that must be fully addressed. And the Commission also needs to learn from the experience of developing the

VIS and SIS II systems and notably ensure that IT procurement contracts are only signed once the definitive system requirements have been agreed with Council and Parliament.

Visa policy

Finally a few short words on visa policy. The long-run objective in this area is typically visa liberalisation. But this often requires years of trust-building with the relevant institutions in the partner countries concerned. Interim steps can act as markers towards the end point: notably visa facilitation and readmission agreements.

"Eastern Partnership" countries (such as Ukraine, Moldova and Georgia with whom visa facilitation and readmission agreements have been signed) are a key focus for EU policy in this area. And the Commission will this week adopt a Communication on "cooperation in the area of JHA within the Eastern Partnership", which will propose a number of further steps towards the creation of a Common Justice and Home Affairs Space in the future.

But we should also recall that 2011 is the year of the "Arab Spring" and we must continue to build the political constituency that will provide support over the medium-term to fostering democracy, human rights and freedom in the region. Migration and mobility policy has a major role to play here as the Commission emphasised in its Communication of 4 May earlier this year.

And in order to make progress with Eastern Partnership countries that are not so far advanced (such as Armenia and Azerbaijan), cooperation should be taken further through adopting and implementing legislation, building capacity and carrying out joint operations. Whether it is on justice and fundamental rights, migration, mobility and asylum, integrated border management, or indeed public order and security issues, there is a broad scope for strengthening our cooperation.

Conclusion

I trust that I have been able to give you a broad overview not only of the state of health of the Schengen system but also a clear picture of some of the wider issues within my portfolio, and which are key to ensuring a high level of confidence among our citizens of an effective set of rules in the home affairs area.

The Schengen system is a tremendously valuable asset for the Union, both politically and economically. But it needs careful maintenance. The

Commission will fully take its responsibilities in the proposal that we will issue later this week. And we count on the strong support of the European parliament to debate our proposals and to play its role in preserving and strengthening free movement in Europe.

Thank you for your attention.
