

Ladies and gentlemen.

I'm delighted to be here to close this conference.

It has been a stimulating and demanding day. I believe that it has also been a very successful one.

The EU exists for the benefit of its citizens. In creating the common frame of reference – as in all its work – if we do not deliver real benefits for citizens and business then it fails absolutely. In short, the European Union must make a difference for the better.

Main Part Review of the day

Let me now turn to the events of the day.

The objective of the day was to discuss the Common Frame of Reference as a means to better lawmaking. We set out to examine its purpose and its process.

Charlie Falconer opened and set the Common Frame of Reference in the context of the wider civil justice and Better regulation agendas of the UK Presidency. Agendas that are focussed on bringing real benefits to real people.

He made clear that the United Kingdom like so many others was opposed to blanket harmonisation in the area of contract law, but strongly supported the review of the consumer acquis.

Commissioner Kyprianou confirmed again – in case confirmation was needed – that the Commission was not in the business of preparing a harmonised European Civil Code.

He emphasised that the Common Frame of Reference was not an academic exercise. It was intended to produce practical results, that resolved real problems.

However, he made it clear that the scope of the present project needed to be redefined if results were to be achieved in a reasonable time scale – that is before the end of the Barroso Commission.

Lastly He described the work now being undertaken to review the consumer acquis – in particular, its transposition into national law. A review that goes far wider than the confines of contract law.

A theme of both these speeches was the benefits that flow from the diversity of our different national legal systems

In turning to the detailed theme drawn out by Diana Wallis and Elisabeth Arnold that struck me as a politician was the need to involve both the European Parliament and the National Parliaments in discussions about the Common frame of reference. this is a message we will all take away.

Summary of conclusions

Let me to try to summarise the outcome of the day,.

Let me start with **Better Regulation** – there's no doubt that we are all in favour of better regulation – As one speaker noted better regulation does not necessarily mean no regulation. The burden of bad law is not to be underestimated. It costs jobs. It fails to provide proper protection to consumers. It has all too real an effect. The review of the consumer acquis is a practical example of Better regulation in action.

I want to focus on the review of the consumer acquis as it is clear from many comments that have been made today that the review of the consumer acquis lies at the heart of the activity that the Commission ought to be undertaking. A review that goes far wider than contract law. It is equally clear that such problems as there may be with the general principles of contract law in the abstract are much less pressing.

Over the coming weeks the Presidency will be discussing with the Council, the Commission and the European Parliament how we can best prioritise the work on the Common Frame of Reference so that it feeds most efficiently and effectively into the review of the consumer acquis. This, I think, is the clear message from the conference.

Many of you have highlighted the dangers of too ambitious and abstract an approach. We need to focus our efforts as politicians and stakeholders where we can make a real difference. As Agne Pantalouri said this is a way in which we can square the circle of limited time and, perhaps over-ambitious targets.

This does not mean that the rest of the Common Frame of Reference project is going to suddenly disappear. What we are proposing is a re-assessment of priorities.

Several of you have expressed concerns that the Common Frame of Reference project has lacked political legitimacy. Certainly, I can see that there are possible dangers in leaving the political stage too late in the process. As part of the assessment of priorities we will need to consider what the aims of the project ought to be and to focus on those that are attainable in the relatively near future.

CFR Process

We have heard several times today that the process of creating the Common Frame of Reference has not always been seen – despite the best efforts of the Commission – as adequately transparent. This is clearly something that must be addressed. Transparency as to process – as to objective – is critical for us all to have confidence that the Common Frame of Reference will be fit for purpose and respect all our legal traditions.

I am delighted that as the Commission's annual report makes clear these criticisms have been noted and acted upon so that the process at future workshops will allow more time. It is also important that the papers prepared for discussion are focussed and manageable – that lesson too seems to have been learned if the comments about the definition of consumer workshop are a precedent.

It is vital in this work that the expertise and experience of stakeholders and experts is taken into account Whether or not this procedure of

consultation with volunteers is a model for future legislation at European level remains to be seen. All I can say is that I am very impressed by the commitment shown to this project by you all today

CFR Purpose

Finally, let me turn to the purpose of the CFR. This conference suggest that We need to reconsider this. It is clearly there as a tool to remove the inconsistencies and defects of the existing law. We need to test it out on the consumer acquis and then draw our conclusions.

The review of the consumer acquis is the opportunity to deliver results that are pressing to stakeholders. A successful review will increase confidence in the internal market and increase opportunities for cross-border co-operation. In this way the consumer acquis can be made modern, fit for purpose and easy to understand for business, consumers and lawmakers like.

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Finally, may I take this opportunity to thank one again the Lord Mayor and the Corporation of the City of London, and Clifford Chance LLP for their support today. May I thank the Commission for co-hosting this event with the UK Presidency, I'd also like to thank the interpreters for all their hard work today. And, may I thank you for attending – and sticking it out to the end.

When we next meet in May in Vienna next year I hope we will be able to look back over the intervening months with pride at the direction that the common frame of reference project has taken.

I wish you all a safe and speedy journey home.

Thank you.