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# **REPORT**

on the state of the debate on the future of Europe (2018/2094(INI))

Committee on Constitutional Affairs

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(\*) Associated committee – Rule 54 of the Rules of Procedure

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# **CONTENTS**

	Page
MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION	3
EXPLANATORY STATEMENT	19
OPINION OF THE COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS.	23
OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE	28
OPINION OF THE COMMITTEE ON BUDGETARY CONTROL	33
OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT OF THE COMMITTEE OF AGRICULTURE AND RURAL DEVELOPMENT.	/IENT40
ANNEX: LETTER FROM THE COMMITTEE ON LEGAL AFFAIRS	47
INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE	50
FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE	51

## MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

# on the state of the debate on the future of Europe (2018/2094(INI))

The European Parliament,

- having regard to the Treaty of Lisbon, amending the Treaty on European Union (TEU)
   and the Treaty establishing the European Community and signed on 13 December 2007,
- having regard to the Charter of Fundamental Rights of the European Union,
- having regard to the European Convention on Human Rights, the European Social Charter, the Additional Protocol thereto and the revised version thereof,
- having regard to Article 295 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to the informal meeting of 27 heads of state or government of 29 June 2016,
- having regard to the Bratislava Declaration and Roadmap of 27 Member States of 16
   September 2016,
- having regard to its resolution of 25 October 2016 with recommendations to the Commission on the establishment of an EU mechanism on democracy, the rule of law and fundamental rights<sup>1</sup>,
- having regard to its resolution of 19 January 2017 on a European Pillar of Social Rights<sup>2</sup>,
- having regard to its resolution of 16 February 2017 on improving the functioning of the European Union building on the potential of the Lisbon Treaty<sup>3</sup>,
- having regard to its resolution of 16 February 2017 on possible evolutions of and adjustments to the current institutional set-up of the European Union<sup>4</sup>,
- having regard to its resolution of 16 February 2017 on budgetary capacity for the euro area<sup>5</sup>,
- having regard to its resolution of 16 March 2017 on constitutional, legal and institutional implications of a common security and defence policy: possibilities offered by the Lisbon Treaty<sup>6</sup>,
- having regard to the Commission white paper of 1 March 2017 and the five subsequent

<sup>&</sup>lt;sup>1</sup> OJ C 215, 19.6.2018, p. 162.

<sup>&</sup>lt;sup>2</sup> OJ C 242, 10.7.2018, p. 24.

<sup>&</sup>lt;sup>3</sup> OJ C 252, 18.7.2018, p. 215.

<sup>&</sup>lt;sup>4</sup> OJ C 252, 18.7.2018, p. 201.

<sup>&</sup>lt;sup>5</sup> OJ C 252, 18.7.2018, p. 235.

<sup>&</sup>lt;sup>6</sup> OJ C 263, 25.7.2018, p. 125.

- reflection papers (COM(2017)2025, COM(2017)0206, COM(2017)0240, COM(2017)0291, COM(2017)0315, COM(2017)0358),
- having regard to the Rome Declaration of 25 March 2017,
- having regard to the UK's notification of 29 March 2017 of its intention to leave the European Union,
- having regard to the resolution of the European Economic and Social Committee on the Commission's White Paper on the Future of Europe and beyond of 6 July 2017<sup>1</sup>,
- having regard to the resolution of the Committee of the Regions on the Commission's White Paper on the Future of Europe – Reflections and scenarios for the EU-27 by 2025 of 12 May 2017<sup>2</sup>,
- having regard to the various contributions from national parliaments on the Commission's white paper and reflection papers on the future of Europe,
- having regard to the 2018 State of the Union address of 12 September 2018 by Commission President Jean-Claude Juncker,
- having regard to the 2017 State of the Union address of 13 September 2017 by Commission President Jean-Claude Juncker and to his roadmap for a more united, stronger and more democratic union of 24 October 2017 (COM(2017)0650),
- having regard to French President Emmanuel Macron's Sorbonne speech of 26
   September 2017, entitled 'Initiative for Europe: A sovereign, united democratic Europe',
- having regard to the informal summit of EU heads of state or government of 29
   September 2017 in Tallinn,
- having regard to the Leaders' Agenda adopted at the European Council meeting of 19-20 October 2017,
- having regard to the Interinstitutional Proclamation on the European Pillar of Social Rights of 17 November 2017 of the Council, Parliament and the Commission,
- having regard to the Commission's roadmap for deepening Europe's Economic and Monetary Union (EMU) of 6 December 2017 (COM(2017)0821) and in particular the proposal to establish a European Monetary Fund (EMF) (COM(2017)0827), the proposal to integrate the substance of the Treaty on Stability, Coordination and Governance into the Union legal framework (COM(2017)0824) and the communication on a European Minister of Economy and Finance (COM(2017)0823),
- having regard to the European Council meeting of 14-15 December 2017, and to the Leaders' meeting and Euro Summit meetings taking place in the margins thereof,

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<sup>&</sup>lt;sup>1</sup> OJ C 345, 13.10.2017, p. 11.

<sup>&</sup>lt;sup>2</sup> OJ C 306, 15.9.2017, p. 1.

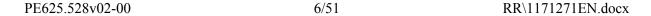
- having regard to the letter of 20 December 2017 by 26 national parliaments from 20
   Member States on the transparency of decision-making in the Council,
- having regard to the declaration of 10 January 2018 adopted at the Summit of the Southern European Union Countries (Cyprus, France, Greece, Malta, Portugal and Spain), entitled 'Bringing the EU forward in 2018', as well as to the statement on the Future of Europe made by the Visegrad Group countries (Czech Republic, Hungary, Poland and Slovakia) on 26 January 2018 and to the joint statement of European Finance Ministers from Finland, Denmark, Estonia, Ireland, Latvia, Lithuania, the Netherlands and Sweden of 6 March 2018,
- having regard to the Commission communication of 13 February 2018 entitled 'A
  Europe that delivers: Institutional options for making the European Union's work more
  efficient' (COM(2018)0095),
- having regard to Commission Recommendation (EU) 2018/234 of 14 February 2018 on enhancing the European nature and efficient conduct of the 2019 elections to the European Parliament<sup>1</sup>,
- having regard to the informal meeting of the 27 heads of state or government of 23
   February 2018,
- having regard to its resolution of 1 March 2018 on the situation of fundamental rights in the EU in 2016<sup>2</sup>,
- having regard to its resolution of 19 April 2018 on the implementation of the Treaty provisions concerning national parliaments<sup>3</sup>,
- having regard to the Commission proposal for a Council regulation laying down the multiannual financial framework for the years 2021 to 2027 of 2 May 2018 (COM(2018)0322),
- having regard to the Commission proposal for a Council decision on the system of Own Resources of the European Union of 2 May 2018 (COM(2018)0325),
- having regard to the EU-Western Balkans Summit of 17 May 2018,
- having regard to the Special Report of the European Ombudsman in strategic inquiry OI/2/2017/TE on the transparency of the Council legislative process of 16 May 2018,
- having regard to the Meseberg Declaration of 19 June 2018,
- having regard to the European Council meeting of 28-29 June 2018,
- having regard to the opinion of the Committee of the Regions entitled 'Reflecting on Europe: the voice of local and regional authorities to rebuild trust in the European

<sup>&</sup>lt;sup>1</sup> OJ L 45, 17.2.2018, p. 40.

<sup>&</sup>lt;sup>2</sup> Texts adopted, P8\_TA(2018)0056.

<sup>&</sup>lt;sup>3</sup> Texts adopted, P8 TA(2018)0189.

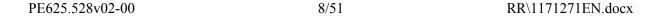
- Union' of 9 October 2018,
- having regard to the Future of Europe debates with heads of state or government, hosted by the European Parliament,
- having regard to the letter from the Committee on Legal Affairs,
- having regard to Rule 52 of its Rules of Procedure,
- having regard to the report of the Committee on Constitutional Affairs and the opinions of the Committee on Economic and Monetary Affairs, the Committee on International Trade, the Committee on Budgetary Control and the Committee on Agriculture and Rural Development (A8-0427/2018),
- A. whereas the European Union is an example of supranational integration without equal and has brought lasting peace, prosperity and welfare ever since the groundbreaking Schuman declaration of 9 May 1950; whereas shared security, respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights and the well-being of its peoples have been at the core of its aspirations and actions;
- B. whereas the free movement of goods, services, capital and people, the single currency, the Erasmus programme, regional, agricultural and cohesion policies, and Horizon 2020 are fundamental achievements of the Union, among many others, that contribute to the well-being of European citizens; whereas the Union needs to be endowed with the appropriate powers and resources to meet the challenges of the 21st century;
- C. whereas over the past few years the Union has faced multiple crises which have tested its resilience and capacity to act in a decisive and united manner;
- D. whereas the period from 2014 to 2017 has seen more socially balanced and effective monetary and macroeconomic policies, such as the non-standard policies of the European Central Bank, the flexibility of the Stability and Growth Pact and the Investment Plan for Europe, which have contributed to the EU's economic and social recovery;
- E. whereas although Europe has managed to contain and partially overcome the most critical moments of the financial and economic crisis, important and urgent reforms still lie ahead at EU and Member State level in the area of economic governance in general and the euro area in particular, as well as in terms of further strengthening the single market and the recovery and development of the social standards of our welfare states;
- F. whereas in view of the multiple internal and external current and future challenges facing the Union in an unstable and complex global world, in particular those concerning migration, demographic decline, terrorism, security, climate change, environmental issues, preserving the multilateral world order, completing the EMU, globalisation, free, fair and rules-based international trade, foreign affairs and defence, developing the social pillar, and combating anti-EU populism, intolerance and xenophobia, the EU should promote a renewed spirit of cooperation and solidarity among its Members based on Articles 2 and 3 of the TEU and the Charter of Fundamental Rights, while the objective enshrined in the Lisbon Treaty of creating an





- ever closer union among the peoples of Europe should continue to inspire the actions taken by the Union to further strengthen European integration and effectively address these challenges;
- G. whereas Parliament is very concerned about the rise of populist, xenophobic and anti-European movements all over Europe; whereas the Union and its Member States must strengthen their efforts to defend and promote the democratic values, founding principles and objectives of European integration;
- H. whereas the UK's referendum of June 2016 leading to its notification on 29 March 2017 of its intention to leave the European Union has intensified the debate on the future of the Union; whereas the negotiations on the envisaged withdrawal of the UK from the EU have revealed the high level of interdependence of the Member States, the degree to which we all rely on joint instruments and policies and the costs of any departure;
- I. whereas the intensification of the debate on the future of Europe is reflected, besides in Parliament's own resolutions on the future of Europe of 16 February 2017, in the Bratislava Declaration and Roadmap, the Commission White Paper on the Future of Europe, the Rome Declaration, the Leaders' Agenda adopted by the European Council in October 2017, and various contributions by individual Member States or groups of them, and by the European Economic and Social Committee and the Committee of the Region, as well as in plenary debates in the European Parliament on the 'Future of Europe' with heads of state or government, in interparliamentary committee meetings and in the organisation of citizens' dialogues and consultations by various institutions, bodies and Member States;
- J. whereas the Parlemeter survey, conducted between 8 and 26 September 2018, shows that 62 % of respondents believe that their countries' membership is a good thing and that 68 % consider that their country has benefited from its EU membership, the highest result measured since 1983;
- K. whereas the values and principles on which the Union is based define a sphere with which every European citizen can identify, irrespective of political or cultural differences linked to national identity;
- L. whereas the upcoming elections to the European Parliament present an opportunity to take stock of the debate on the future of Europe, also in view of the principal institutional priorities of the European Parliament, the Commission and the Council for the new term;
- M. whereas the EU is facing a particularly important period in its construction process, given the nature and dimension of its challenges, and whereas these can only be solved by working together and through greater and better integration and solidarity among Member States exploiting to the full extent the current provisions of the Lisbon Treaty and, subsequently, reforming the Treaties in order to improve institutional decision-making and ensure the appropriate balance of competences;
- N. whereas institutional reforms should aim at making decision-making processes more democratic and enhancing the transparency of decision-making and the accountability of the Union and its institutions; whereas, in view of these aims, it is an appropriate and

- opportune time to promote meaningful civic participation in the European project and organise consultations and encourage regular dialogue with citizens and representative associations, in line with the requirements of Article 11 of the TEU;
- O. whereas the Union needs a stronger government structure, with enhanced democratic control by Parliament, to face the challenges of today and the future; whereas transparency and integrity on the part of the EU institutions and bodies are essential to build trust and confidence of citizens;
- P. whereas the joint Franco-German Meseberg Declaration contains a series of reflections and proposals to strengthen European cooperation, in particular in the field of economic governance;
- Q. whereas the promotion of a European dimension of culture and education is vital for reinforcing European citizenship, taking into account that the Union suffers from a knowledge deficit that means that the Union's achievements tend to be taken for granted by younger generations;
- 1. Recalls that Parliament's resolutions on the future of Europe of 16 February 2017 emphasised the importance of the single institutional framework and the Community method and suggested several proposals and initiatives of particular importance for European integration that can contribute to building Europe's future;
- 2. Underlines that the Union must tackle the challenges of its future with greater and better political integration, with full respect for and promotion of human rights, fundamental freedoms and the democratic principles and by working together; highlights that citizens want a Europe that protects their rights, welfare and social model on the basis of shared sovereignty, which requires appropriate political integration; invites the heads of state or government to pursue this path in a renewed spirit of solidarity and collaboration;
- 3. Points out that the heads of state or government who addressed Parliament in plenary during the debates on the future of Europe all acknowledged that there is a need to face the challenges of the future together and to do better what can only be achieved together;
- 4. Reiterates its belief that differentiated integration must remain open to all Member States and continue to act as a method of deeper European integration and solidarity, which should not be confused with the idea of a Europe à *la carte*; insists on the need to avoid any perception of the creation of first-class and second-class membership within the Union in the current debate on differentiated integration;
- 5. Recalls that differentiated integration should not be a way to reduce political integration;
- 6. Stresses that the crisis has produced an imbalance between the main institutions of the Union, and that the European Council is exercising its own political initiative to the detriment of the Commission's right of initiative and is reinforcing the intergovernmental method; considers, however, that the Community method is best suited for the functioning of the Union; recalls the numerous resolutions adopted by Parliament in this regard and reiterates its call on the European Council to fully respect



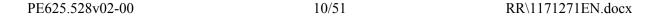


the boundaries of its competences as enshrined, in particular, in Article 15 of the TEU;

- 7. Reiterates that unanimity, which the Treaties require in some fundamental matters, is an almost insurmountable obstacle in important moments and decisions, and advocates therefore, with regard to decision-making procedures, the principle of qualified majority voting (QMV) in the Council and, for legislation, the use of the ordinary legislative procedure in all areas where this is possible; recalls that under the current Treaties this can be achieved by using the various *passerelle* clauses or, in the case of enhanced cooperation, by using Article 333 of the TFEU;
- 8. Welcomes in this regard the announcement by President Juncker in his State of the Union addresses of 13 September 2017 and 12 September 2018 of the intention to propose using QMV in the Council in certain specific policy areas, but regrets that the multiannual financial framework (MFF) regulation is not among the subjects listed;
- 9. Welcomes in particular the fact that the Commission has proposed using QMV in the common foreign and security policy (CFSP) as regards positions on human rights questions in international fora, decisions to establish sanctions regimes, and decisions to launch or implement civilian missions in response to crises abroad, given the importance of speeding up decision-making and making it more effective, and the need for the Union to speak more with one voice;
- 10. Reiterates its suggestion to transform the Council into a true legislative chamber on equal footing with Parliament, as outlined in its resolution of 16 February 2017 on improving the functioning of the European Union building on the potential of the Lisbon Treaty, and to improve the transparency of its decision-making process; points in this context to the special report by the Ombudsman on the transparency of the Council's legislative process and to the letter of COSAC delegations of 20 December 2017 calling for more transparency in political decision-making, in particular from the Council and informal bodies such as the Eurogroup, in line with similar requests made by Parliament in this respect;
- 11. Considers that there are different options to render the Commission more agile by adapting the structure and working methods of the College of Commissioners, for example with the appointment of Vice-Presidents responsible for a cluster of policies or the appointment of senior and junior Commissioners;
- 12. Recalls that, although Parliament does not have a formal right of legislative initiative under the current Treaties, it may request that the Commission submit any appropriate proposal on matters that, in its view, require a Union act for the purpose of implementing the Treaties, and reminds the Commission, in accordance with Article 10 of the Interinstitutional Agreement of 13 April 2016 on Better Law-Making<sup>1</sup>, of its obligation to give prompt and detailed consideration to requests for proposals for Union acts; recalls furthermore that this interinstitutional agreement also contains provisions on interinstitutional annual and multiannual programming, which provide an additional tool for Parliament to steer the legislative agenda;
- 13. Recalls its proposal according to which, in the event of a possible future revision of the

<sup>&</sup>lt;sup>1</sup> OJ L 123, 12.5.2016, p. 1.

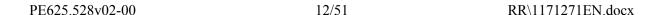
- Treaties, the right of legislative initiative could also be attributed to Parliament as the direct representative of EU citizens;
- 14. Insists that Parliament's power of scrutiny and in particular its right of inquiry should be reinforced and that it should be granted specific, genuine and clearly delimited powers;
- 15. Takes note of the report of the Task Force on Subsidiarity, Proportionality and 'Doing Less More Efficiently' of 10 July 2018, presenting recommendations on a new way of working on subsidiarity and proportionality; considers that many of these recommendations, particularly regarding the role of national parliaments within the Union and the advisability of reforming the early warning system, have already been highlighted by Parliament; recalls that the Task Force found that there is EU added value in all existing areas of EU activity and therefore did not identify any Treaty competences or policy areas that should be re-delegated definitively, in whole or in part, to the Member States;
- 16. Welcomes the recommendations of the different institutions calling for a more active role for national parliaments, especially in controlling the action of their governments in the European institutions; recalls also the fundamental role of local authorities and especially regional parliaments with legislative powers;
- 17. Stresses the importance of cooperation at interinstitutional level, while respecting each institution's prerogatives as enshrined in the Treaties, this cooperation having been given a new framework with the Interinstitutional Agreement of 13 April 2016 on Better Law-Making, and underlines that simplification is an ongoing exercise which aims at making the processes and procedures at EU level easier to understand, ensuring that views from all relevant stakeholders are taken into account and ultimately facilitating the participation of citizens in the work of the European Union;
- 18. Welcomes the joint proclamation endorsing the European Pillar of Social Rights signed by the Council, Parliament and the Commission during the Gothenburg Social Summit for Fair Jobs and Growth; points out that the competences and tools required to deliver on the pillar are mainly in the hands of local, regional and national authorities, as well as social partners and civil society, while the European Semester offers a framework to keep track of the performance of the Member States in this respect; recalls, furthermore, in this context that social dialogue has proven to be an indispensable instrument to improve EU policy- and law-making and strengthen the social legitimacy thereof;
- 19. Notes the non-binding nature of the Social Pillar, which is unable as such to shift the EU focus from economic, internal market and fiscal policies to social targets; points out that the horizontal social clause enshrined in Article 9 of the TFEU requires the Union to give careful consideration to the impact of EU legislation on social standards and employment and with due consultation of social stakeholders;
- 20. Stresses that environmental protection must be a high priority for the EU in light of the current environmental degradation, and must be mainstreamed in all policies and actions of the Union; underlines that the EU should take effective action to reduce greenhouse gas emissions and increase the share of renewables in the energy mix and energy savings to the levels necessary to meet the objectives set in the Paris Agreement;



- 21. Calls once again on the Member States to sign and ratify the revised European Social Charter and the European Convention on Social Security (ETS No 78);
- 22. Underlines the importance of continuing the process of deepening and completing the EMU in order to contribute to preserving the stability of the single currency and enhancing the convergence of economic, fiscal and labour market policies and social standards among the Member States; reiterates that, with the exception of Denmark's opt-out, every single Member State is bound to adopt the euro; supports further steps in the development of the ESM;
- 23. Stresses in this regard the need for strong political commitment, efficient governance and democratic accountability at European and national level, in particular parliamentary scrutiny at the various stages of the European Semester by both the European Parliament and national parliaments, in order to provide the economic and financial governance of the euro area with enhanced social, economic and democratic legitimacy and improve the follow-up of Union recommendations;
- 24. Recalls its view, in its resolution of 16 February 2017 on possible evolutions of and adjustments to the current institutional set-up of the European Union, that fiscal and economic policy should become a 'shared competence' between the Union and the Member States;
- 25. Notes the convergence of positions taken by France and Germany on the idea of a budgetary capacity for the euro area; reiterates its view that such a capacity should be developed within the EU framework;
- 26. Takes note of the Commission proposal for a European Investment Stabilisation Function and is discussing new budgetary tools aimed at stabilisation;
- 27. Takes note of the Commission proposal for a Reform Support Programme; stresses the importance of not weakening Parliament's co-decision and oversight powers in the spending of EU funds; is concerned that in the period 2011-2017 only 9 % of country-specific recommendations (CSRs) were fully implemented; takes note of the convergence facility, which will provide an incentive and help Member States outside the euro area with sustainable fiscal and economic policies to implement reforms and fulfil the criteria for introducing the euro;
- 28. Welcomes the future InvestEU programme and stresses that the fund should continue to reduce the investment gap in the EU; supports investments in tangible and intangible assets, including cultural heritage, in order to foster growth, investment and employment, with a particular focus on SMEs, small- and mid-cap companies and social enterprises, and thereby contribute to improved well-being and fairer income distribution and economic, social and territorial cohesion in the Union;
- 29. Notes the Commission communication on a European Minister of Economy and Finance; points out that merging the positions of Commission Vice-President for Economic Affairs and Chair of the Eurogroup could improve parliamentary accountability at European level;
- 30. Is of the view that the future EU budget should promote European added value in terms

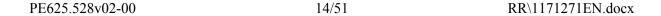
of socio-economic impact, support the modernisation of EU policies, ensure finances for new challenges and continue contributing towards economic and social convergence and cohesion between and within Member States so as to enhance European solidarity, stability, equality and smart, sustainable and inclusive growth, including in light of the EU's commitments under the Paris Agreement, secure respect for and promotion of fundamental values as stated in Articles 2 and 3 of the TEU and be endowed with new own resources, taking into account the work of the High Level Group on Own Resources:

- 31. Welcomes the fact that the Commission proposal on own resources introduces new real own resources, as requested by Parliament, but regrets that no other possible sources of revenue were introduced; expresses concern at the Commission proposal for the MFF for 2021-2027, because it lacks a financial commitment to face the current challenges for the EU as well as those that lie ahead; regrets the position taken by some Member States that refuse to provide more resources to the EU, despite unanimous recognition of the need to face new challenges and responsibilities, and therefore the need for more financial resources; points out that spending at EU level can save money at national level by avoiding duplication and through economies of scale;
- 32. Underlines the importance of ensuring upward economic and social convergence in the European Semester process; recognises the importance of the establishment of the European Pillar of Social Rights; notes that the European Semester has been strengthened and streamlined but highlights that better involvement of national parliaments would help to improve national ownership, which would lead to better implementation of CSRs, thus improving the European Semester process; notes that it is first and foremost the responsibility of the Member States to choose adequate and sustainable fiscal and economic policies;
- 33. Regrets that, to date, there has been no practical follow-up to its call for a convergence code to be adopted by co-decision in order to have a more effective framework for economic policy coordination; recalls furthermore that, while acknowledging that the European Semester has already been streamlined, Parliament called for an interinstitutional agreement to be concluded to give Parliament a more substantial role in the European Semester; recalls in this context its suggestion, specifically in line with its resolution on the implementation of the Treaty provisions concerning national parliaments, that budgetary calendars at national and European level need to be better coordinated throughout the process in order to better involve both the European Parliament and national parliaments in the European Semester;
- 34. Underlines the importance of commitment to the process of completing the Banking Union and the need to ensure openness and equal treatment of all Member States participating in the Banking Union; recalls that the completion of the Banking Union, including a European Deposit Insurance Scheme and a fiscal backstop for the Single Resolution Fund, must continue, as must measures to achieve risk reduction;
- 35. Welcomes the anti-money laundering proposals presented by the Commission in the context of the European System of Financial Supervision (ESFS) review; encourages the Council to complete with Parliament the legislative negotiations before the end of this legislative term, as anti-money laundering policies need to be strengthened in order



- to avoid future situations whereby financial institutions are actively facilitating money laundering;
- 36. Invites the Commission, with the help of the European supervisory authorities, to identify and remove obstacles to the internal market and help to ensure consumer protection; is of the opinion that one of the main priorities of the Commission should be to effectively enforce EU legislation;
- 37. Calls on the Commission to prioritise regulations over directives as the legislative tool for the Banking Union and financial services legislation, where appropriate and on a case-by-case basis, in order to avoid creating fragmentation and a situation whereby supervisors have to deal with different national regimes;
- 38. Emphasises the urgent need to complete the Capital Markets Union; stresses that deep and well-integrated capital markets are complementary to the Banking Union, due to their contribution to private risk-sharing, increasing economic convergence, helping to cushion future shocks and potentially leading to a better allocation of funds where needed; calls for a comprehensive study on the most appropriate framework in order to better take into account the rapidly evolving nature of financial services; highlights the fact that better access to additional sources of financing would be especially helpful for start-ups and SMEs, promoting their solid growth and sustainable development;
- 39. Welcomes the work done so far and deems it necessary to continue the comprehensive review of existing VAT legislation; urges the need to step up the fight against tax fraud, tax avoidance and tax evasion; notes the Commission's work on fair taxation of the digital economy;
- 40. Invites all EU institutions and bodies, including the Commission, the European Central Bank, the European Investment Bank and the Single Supervisory Mechanism, to enhance to an even greater extent their communication efforts in order to better explain their work and to improve the information available to EU citizens;
- 41. Stresses that Europe is a positive force in the world and should continue to be, by upholding its values, multilateralism and international law; recalls that the Union and its Member States are the largest contributor to international development aid;
- 42. Welcomes the Council decision establishing permanent structured cooperation (PESCO), the Coordinated Annual Review on Defence (CARD) and the European Defence Fund (EDF) as important steps towards a common defence policy, and notes proposals by certain Member States for an EU Security Council and a European Intervention Initiative; recalls its call for the establishment of a permanent Council of Defence Ministers chaired by the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR), and underlines the importance of appropriate democratic accountability of decisions taken in this area and the need for reinforced cooperation between the European Parliament and national parliaments in this regard;
- 43. Welcomes the strengthening of the European Civil Protection Mechanism and calls once again for the creation of a European Civil Protection Corps, given that the existing Treaties provide a good basis for this;

- 44. Recalls the Union's pending accession to the European Convention on Human Rights; and calls for the incorporation of the Euratom Treaty's provisions in the TEU and the TFEU;
- 45. Deplores the absence of an agreement among the Member States on the priorities and implementation of an EU-level comprehensive immigration policy, which would make it possible to organise and regulate migratory flows, control the EU's external borders more effectively, cooperate with countries of origin and transit, and guarantee respect for the fundamental rights of migrants and asylum seekers, among other objectives; underlines that the obvious contradictions in interests exposed by Member States, as well as the discontent voiced by citizens, need to be overcome in order not to jeopardise the European integration project, which suffers as a direct result of an instrumentalisation of the migration issue by the Eurosceptic parties;
- 46. Recalls its position on the revision of the Dublin system; underlines furthermore the importance of strengthening its partnership with Africa and takes note of the Commission communication of 12 September 2018 on 'Enhancing legal pathways to Europe: an indispensable part of a balanced and comprehensive migration policy establishing legal channels for migration' (COM(2018)0635);
- Stresses the importance of a common agricultural policy (CAP) supported by a well-47. funded budget; recalls the CAP's central importance to the history of the Union; notes the fundamental role that it plays in ensuring vibrant rural regions and a secure supply of food; notes that the upcoming reform of the CAP is an opportunity to strengthen the delivery of its objectives; highlights that the CAP is one of the oldest policies, and must continue to be one of the most important and most integrated policies, and that it will continue to contribute to building Europe's future through greater integration, preservation of the environment and food security and safety for the EU's citizens; notes that agricultural and rural development policies have great potential in terms of providing public goods; stresses that European farming plays a vital role in feeding the planet and providing jobs for 46 million people; highlights the role played by the CAP in maintaining the state and quality of soil, water and other natural resources; stresses the crucial role of agriculture in the Union's priorities to mitigate the effect of climate change and promote sustainable development; underlines the importance of a wellfunded and reformed CAP to tackle the many challenges the Union will have to face in the future; underlines that the CAP is not simply about farming and farmers but is also about helping and developing the wider rural communities in which they operate;
- 48. Stresses that the common commercial policy must remain a fundamental pillar of the Union's external policy, given that it has direct implications for the lives of citizens, and that it must help the Union to adapt to its new role in a world of multiple leading players on the international stage; urges the Council, the Commission and the European External Action Service to cooperate in the following areas:
  - a) strengthening the common commercial policy by integrating it into the wider policy framework; taking the lead on the world's trade policy at multilateral and bilateral level;



- b) leading the defence of an open, rules-based, fair and sustainable developmentoriented global trading system, ensuring that EU companies can operate globally within a framework of equal conditions, predictable rules, fair competition and defined obligations, which should include working constructively on a common Union position in the UN intergovernmental negotiations on liability for human rights violations and promoting corporate accountability and binding due diligence obligations with regard to supply and production chains;
- c) keeping Parliament fully and immediately informed about the negotiations and the Council's mandate, and throughout the implementation of international agreements, with the aim of ensuring that it is able to exercise its powers and prerogatives; simplifying and shortening the negotiation processes and reinforcing Parliament's scrutiny throughout; increasing transparency towards EU citizens by publishing the negotiating directives (mandates) for trade agreements before the start of the negotiations; fully respecting Treaty provisions and recent EU case-law that establish the common commercial policy as an exclusive competence of the Union;
- d) systematically including chapters on digital trade, SMEs, binding and enforceable trade and sustainable development in addition to gender-equality provisions in trade agreements and taking a lead on these topics in multilateral discussions; defending the data privacy of EU citizens;
- e) strengthening the coherence of the common commercial policy with the CFSP, European development policy and climate policy in order to guarantee the values and objectives set out in Article 3(5) of the TEU and Articles 21, 207 and 208 of the TFEU, with full adherence to the European Consensus on Development;
- 49. Considers that the Union should continue to advance international trade while defending social, labour and environmental standards; warns against trade wars, which only produce losers and increase political and security tensions;
- 50. Recalls that according to Article 17(7) of the TEU, 'taking into account the elections to the European Parliament and after having held the appropriate consultations, the European Council, acting by a qualified majority, shall propose to the European Parliament a candidate for President of the Commission'; underlines its determination to continue with the *Spitzenkandidaten* process for the election of the next Commission President in line with the Lisbon Treaty, and welcomes the support of the Commission and certain Member States in this respect; stresses that in the process of the investiture of the President of the Commission, proper consultations with Parliament are of paramount importance, as, after the elections, it will determine the candidate which can be backed by a majority of its component Members and will transmit the result of its internal deliberations to the European Council; recalls that the candidate must have been designated as a Spitzenkandidat by one of the European political parties and must have campaigned for the post of President of the Commission in the run-up to the European elections; considers that this practice has amply proved its worth, strengthening the societal legitimacy of the European elections and the supranational role of the European Parliament as an exponent of European citizenship and European democracy; warns once again that Parliament will be ready to reject any candidate in the investiture

- procedure of the President of the Commission who was not appointed as a *Spitzenkandidat* in the run-up to the European elections;
- 51. Regrets the frequent and widespread temptation to attribute unpopular decisions to 'Brussels' and to free national authorities of their responsibilities and politics, given that this unjust and opportunistic attitude damages Europe, promotes anti-European sentiments and nationalism and discredits the EU institutions; considers furthermore that false attributions are contrary to the imperative of accountability of governmental action; stresses that proper implementation and application of EU law is essential for delivering on Union policies and for fostering mutual trust between the Union, Member States and citizens and expresses concern at the actions of Member States that willingly fail to do so;
- 52. Underlines the need for a stronger assessment of the social and environmental consequences of EU policies, by keeping in mind also the cost of non-legislation at European level (the so-called 'cost of non Europe');
- 53. Underlines the need to give particular focus to EU administrative law, as indicated in its resolution of 9 June 2016 calling for an open, efficient and independent European Union administration<sup>1</sup>;
- 54. Underlines the need to strengthen the European public space as a supranational democratic space; stresses that the major challenges Europe is facing must be addressed and discussed from a European perspective and not from a national perspective only, and by giving full effect to the provisions enshrined in Articles 10 and 11 of the TEU; points out that, for this reason, European democracy needs to strengthen the transnational dimension of its objectives and challenges, while promoting a European citizenship based on the common values in the European Union and with more European institutional education and a deliberative, more participatory societal framework as well as a more European and less nationally focused campaign for the upcoming European elections in 2019;
- 55. Welcomes the Union's approach taken to the current negotiations on the United Kingdom's orderly withdrawal from the European Union, and underlines the remarkable unity displayed by the EU institutions and Member States; notes that experience in the negotiations to date has shown the enormous complexities of such decisions;
- 56. Underlines once more that neither national sovereignty nor subsidiarity can justify or legitimise the systematic refusal on the part of a Member State to comply with the fundamental values of the European Union which inspired the introductory articles of the European Treaties, which every Member State has willingly endorsed and committed to respect; underlines furthermore that upholding these values is fundamental for the cohesion of the European project, the rights of all Europeans and the mutual trust needed among the Member States; asks the Commission once again to swiftly submit a proposal giving effect to its resolution of 25 October 2016 with recommendations to the Commission on the establishment of an EU mechanism on democracy, the rule of law

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<sup>&</sup>lt;sup>1</sup> OJ C 86, 6.3.2018, p. 126.

and fundamental rights;

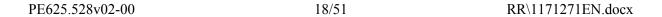
- 57. Recalls that, according to the Court of Justice (Joined Cases C-8/15 P to C-10/15 P<sup>1</sup>), the European institutions are bound to respect and uphold the provisions of the EU Charter of Fundamental Rights even when they act outside the EU legal framework;
- 58. Reiterates that, in the context of the debate on the future of Europe, consideration must be given to the issue of how the Union budgetary system could be reformed to provide an adequate budget to guarantee the funding of planned policies, a better balance between predictability and responsiveness and how to ensure that overall funding arrangements are no more complex than necessary to achieve Union policy goals and ensure accountability; is of the opinion that the pre-conditionality of policies must be reinforced, where necessary and without jeopardising the functionality of programmes, so as to ensure effective sound financial management in the implementation of the Union's spending;
- 59. Stresses the importance of focusing in particular on more efficient use of funding and on democratic EU budget control mechanisms; calls for all the EU institutions to enhance their procedures and practices aimed at safeguarding the financial interests of the Union, and to actively contribute to a results-oriented discharge process; believes, in this context, that the discharge procedure is an indispensable instrument of democratic accountability towards the citizens of the Union and recalls the difficulties repeatedly encountered owing to a lack of cooperation on the part of the Council; insists that the Council must be accountable and transparent, as are the other institutions; stresses that there should be no exceptions to this;
- 60. Draws attention to the phenomenon of corruption, which has significant financial consequences and poses a serious threat to democracy, the rule of law and public investment; points out the importance of safeguarding EU taxpayers' money against fraud and other illegal activities affecting the financial interests of the Union;
- 61. Reiterates that taking into account the present state of the integration project, the EU must exhaust every possible avenue to ensure the full implementation of the Lisbon Treaty; points out that a subsequent revision of the Treaties should be based on a Convention being convened guaranteeing inclusiveness through its composition of representatives and providing a platform for reflection and engagement with stakeholders and citizens with a view to discussing and drawing conclusions from the various contributions to the reflection process on the future of Europe by the institutions and other bodies of the Union and the proposals put forward by heads of state or government, national parliaments and civil society and in citizen consultations;
- 62. Stresses that the process of reflecting on the future of Europe has already started on the basis of the various positions on EU reform taken by Parliament, the European Council and the Commission; regrets that, despite these positions, only marginal reforms have been envisaged; emphasises that, once the new Parliament and Commission are

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<sup>&</sup>lt;sup>1</sup> Judgment of the Court (Grand Chamber) of 20 September 2016, *Ledra Advertising Ltd and Others* v *European Commission and European Central Bank*, ECLI:EU:C:2016:701.

established they should capitalise on the work done in the previous legislature and start working on the proposals made;

63. Instructs its President to forward this resolution to the Council and the Commission.



## **EXPLANATORY STATEMENT**

The Rome Declaration of 2017 wound up the political reflection process that had been launched in Bratislava on 16 September 2016 in the wake of the UK referendum. The aim was to establish a joint approach and draw up an action plan for the years ahead. The Member States undertook to make efforts to achieve:

- a safe and secure Europe with freedom of movement for all citizens, protected external borders and an effective migration policy;
- a prosperous and sustainable Europe, which promotes sustained and sustainable growth and has a strong single market;
- a social Europe, which combats unemployment, discrimination, social exclusion and poverty;
- a stronger Europe on the global scene, which develops existing partnerships and builds new ones, and which is committed to strengthening its common security and defence.

There is a lot going on in the world, with developments occurring thick and fast on every level. We are affected by everything that happens, because the world is so connected and is becoming increasingly interdependent. Europe therefore finds itself facing new challenges that are forcing us to take decisions within an institutional system that does not function efficiently or quickly enough, and is unable to cope with the sheer scope and scale of the issues at stake. Many of the serious problems we have faced in recent years are only in the process of being addressed: they have not been solved. Migration is one such issue, and a new policy is required. The euro crisis has underlined the pressing issues surrounding the governance of the currency. In the wake of the economic crisis, a greater degree of convergence and new policies are the order of the day. The tough negotiations on Brexit have yet to begin. And new challenges are appearing, too, in the shape of protectionism and the possibility of trade wars; international policy and defence against a backdrop of multipolar disorder; security in the face of what could be a long-term terrorist threat; protecting our data and our democracies against manipulation and cyber-attacks; and so on.

Many of the challenges we are facing are global ones, and solving them will require action at supranational level, including within existing international organisations. Addressing the issue of climate change is perhaps the best example of the required level of international cooperation, despite the USA's extremely disappointing withdrawal from the Paris Agreement. Issues such as migration, cyber-security, international trade, humanitarian crises, pandemics, human rights, development cooperation, combating tax evasion and tax havens, etc. cannot be addressed by one country on its own. Nor can they be addressed by Europe acting alone. That is why there is a large political majority in Europe calling on us to continue working together to do the things that we are currently doing well, and to take action together to address the major problems we are facing as Europeans.

A number of political leaders have suggested that we should 'rethink Europe'. Pro-Europeans are constantly calling for improvements to be made to our institutional system in the face of uncertainty and insecurity on a host of fronts. 'A Europe that protects' is one of the slogans that has been used to urge Europe to recover its sense of self and its social function by providing protection to ensure personal and collective security. 'Deciding for ourselves',

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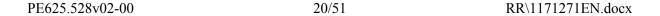
rather than being dictated to by events or by others, is another rallying cry employed by pro-Europeans, focusing on European sovereignty in a global context, in the face of the digital revolution, energy challenges, the democratic crisis, the social model, international multilateralism and shifting geopolitical balance.

One of our major debates is of course that of The Nation versus Europe, pitting our national realities against supranational integration as if the two were mutually incompatible. It is a debate that encompasses a number of technical aspects (subsidiarity, proportionality, the distribution of powers, etc.), but in recent years it has gone further than that. A new form of often openly anti-European nationalism has emerged, hailing the nation-state as the only context for democracy, thereby rejecting the achievements of the European project as well as European democracy itself. We must find a balance in the way we use our respective powers, ensuring that the EU's powers extend no further than its remit. But we also need to ensure that Europe is able do its job without being paralysed by intergovernmentalism.

We must strengthen the European movement by building a European demos that has to be promoted via politics, education and culture. We have to prevent European divisions from weakening our Union, leaving our citizens at the mercy of nationalist populism that destroys rights and freedoms. We have to remember that Europe is made up of a host of different identities and peoples, and that its history has a huge influence on people's feelings. It would be suicide to stir those up, or pit them against each other.

Migration has taken centre stage in the debate about Europe. Our moral principles are being tested by events in the Mediterranean. Our foreign policy is proving to be extremely weak in the face of situations involving serious conflict, such as that in the Middle East. We are unable to control our external borders effectively, and there has been a flagrant failure to comply with EU decisions on the distribution of immigration quotas. Worse still, perhaps, is the fact that anti-immigration, xenophobic sentiment is being stirred up in many of our societies – sentiments that are being skilfully manipulated and used by the extreme right and anti-European populists. It is therefore absolutely vital that urgent action be taken to fix Europe's migration policy. It is one of Europe's greatest challenges, not only in terms of demography, but also, and more importantly, in the interests of consistency with the principles and values on which our Union is founded (Article 2 of the Treaty).

The economic and financial crisis and the way it was dealt with via the EMU taught us a great deal. It also highlighted the many shortcomings inherent in the way the institutions operate, and not only where monetary and economic policy is concerned. Various reports drawn up by the European Parliament have shown that: in recent years the majority of political and economic decision-making has taken place within the European Council, to the detriment of the other institutions; the democratic basis of many decisions has been undermined by the influence that unrepresentative technical bodies have had on them; the institutional framework on which the governance of the euro area is based is insufficient and major changes are required; the unanimity required under the Treaties is an almost insurmountable obstacle when important decisions need to be taken; improvements need to be made to the EU's foreign and security policy in the areas of decision-making and resources, and the way in which the EU is represented internationally needs to be unified, and so on. Generally speaking, the reports in question propose major reforms in the way in which the Commission, Parliament and the Council operate as institutions with a view to increasing transparency and making EU decision-making more effective and efficient.



Many of the reforms and decisions that we need to make with an eye to the future require deeper political integration at European level, particularly in the field of economic and monetary governance. It is the only democratically legitimate way to proceed.

Treaty change may ultimately be the best way of bringing about that integration, but it would be inadvisable at the present time. It would be a decision to consider and take, if necessary, during the next parliamentary term. In the short term, however, a whole host of reforms can and must be introduced without amending the Treaties, as pointed out in the European Parliament resolution of 16 February 2017 on budgetary capacity for the euro area. Enhanced cooperation will continue to be a useful tool, for example in the area of defence. A multispeed Europe does not have to be an à *la carte* Europe, however.

Political integration will also require us to improve the relationship between the people of Europe and its institutions. There is a weak sense of supranational political identity among the general public in the EU. There is no confidence in the relationship, and there is very little connection between the will of the people as expressed in the elections and the EU's policy guidelines. President Juncker, European federalists, prime ministers and, of course, the European Parliament have made suggestions and held discussions on how to improve the relationship between Europe's citizens and the European institutions, and how to bring the way that the Commission and Parliament work more into line with the rules that govern parliamentary systems at national level. With that in mind, a host of issues need to be addressed with a view to stepping up political transparency and improving relations with Europe's citizens. Those issues include Parliament's suggestions for the reform of the European electoral law, the *Spitzenkandidaten* system, strengthening European political parties, the parliamentary majorities required to support Commission action, the European Parliament's powers of scrutiny, relations with national parliaments, and so on.

The debate on the future of Europe has been a regular feature of this parliamentary term — increasingly so as the term draws to a close. The institutions, as well as European researchers and experts, have made a number of contributions based on the five scenarios drawn up by the Commission in the first half of 2017. The contributions to the debate made by Member State presidents and prime ministers have been particularly noteworthy. The European Parliament invited them to come and express their views on the future of Europe throughout 2018.

The aim of this report is to summarise the issues for debate on the future of Europe, and to provide guidance and clarification on the various directions that European integration can take in the run-up to the elections in 2019. The purpose of this report is not, therefore, to decide upon the various alternatives, but to define the problems, describe the challenges and set out the options that European politics and the new MEPs elected during the forthcoming elections will have to address.

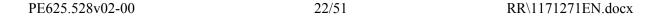
Neither does this report seek to develop the techniques and legislative reforms that are available in order to move forward with integration. Parliament has already done much to accomplish that task by adopting the following resolutions:

- European Parliament resolution of 16 February 2017 on possible evolutions of and adjustments to the current institutional set-up of the European Union
- European Parliament resolution of 16 February 2017 on improving the functioning of the European Union building on the potential of the Lisbon Treaty

 European Parliament resolution of 16 February 2017 on budgetary capacity for the euro area

Those reports, along with others cited in the recitals, are tools to help form the basis for the reforms and progress required in order to ensure that Europe is able to take on the governance challenges it faces in the coming years.

A crucial political debate, culminating in the elections in May 2019, is just beginning, and with that in mind, the aim of this report is to provide an update, as 2018 draws to a close, on what the major issues for Europe are, on what the challenges are, and on the tools we can use to address them. No solutions are established here, out of respect for the institutions that will take shape on the basis of the election results, and because it is for those who are elected to take the decisions. This report simply seeks to establish a European political agenda based on the many messages we are hearing time and again at the moment, and on the various reports, statements and proposals brought forward by the European institutions and by the leaders of the Member States in recent months, the aim of all of which is to make Europe into a force to be reckoned with where geopolitics, trade, the climate, economics, food and diplomacy are concerned.



## OPINION OF THE COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS

for the Committee on Constitutional Affairs

on the state of the debate on the Future of Europe (2018/2094(INI))

Rapporteur for opinion (\*): Ivana Maletić

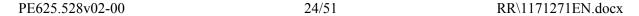
(\*) Associated committee – Rule 54 of the Rules of Procedure

#### **SUGGESTIONS**

The Committee on Economic and Monetary Affairs calls on the Committee on Constitutional Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- 1. Notes the views expressed during plenary debates on the 'Future of Europe'; is of the view that the future EU budget should promote European added value in terms of socioeconomic impact, support the modernisation of EU policies, ensure finances for new challenges, continue contributing towards economic and social convergence and cohesion between and inside the Member States so as to enhance European solidarity, stability, equality and smart, sustainable and inclusive growth, including in light of the EU's commitments regarding the Paris Agreement, secure the respect and promotion of fundamental values as stated in Articles 2 and 3 of the Treaty on European Union (TEU) and be endowed with new own resources, taking into account the work of the High Level Group on Own Resources;
- 2. Underlines the importance of commitment to the process of completing the Banking Union and the need to ensure openness and equal treatment of all Member States participating in the Banking Union; recalls that the completion of the Banking Union, including a European Deposit Insurance Scheme and a fiscal backstop for the Single Resolution Fund, must continue, as must measures to achieve risk reduction;
- 3. Welcomes the anti-money laundering proposals presented by the Commission in the context of the European System of Financial Supervision (ESFS) review; encourages the Council and Parliament to complete the legislative negotiations before the end of this legislative term, as anti-money laundering policies need to be strengthened in order to avoid future situations whereby financial institutions are actively facilitating money laundering;

- 4. Invites the Commission, with the help of the European supervisory authorities, to identify and remove obstacles to the internal market and help to ensure consumer protection; is of the opinion that one of the main priorities of the Commission should be to effectively enforce EU legislation;
- 5. Calls on the Commission to prioritise regulations over directives as the legislative tool for the Banking Union and financial services legislation, where appropriate and on a case-by-case basis, in order to avoid creating fragmentation and a situation whereby supervisors have to deal with different national regimes;
- 6. Emphasises the urgent need to complete the Capital Markets Union; stresses that deep and well-integrated capital markets are complementary to the Banking Union, due to their contribution to private risk-sharing, increasing economic convergence, helping to cushion future shocks and potentially leading to a better allocation of funds where needed; calls for a comprehensive study on the most appropriate framework in order to better take into account the rapidly evolving nature of financial services; highlights the fact that better access to additional sources of financing would be especially helpful for start-ups and SMEs, promoting their solid growth and sustainable development;
- 7. Underlines the importance of continuing the process of deepening and completing the EMU in order to contribute to preserving the stability of the single currency and enhancing the convergence of economic, fiscal and labour market policies and social standards among the Member States; stresses in this regard the need for strong political commitment, efficient governance and democratic accountability at European and national levels, in particular for parliamentary scrutiny at the various stages of the European Semester; reiterates that, with the exception of Denmark's opt-out, every single Member State is bound to adopt the euro; supports further steps in the development of the ESM; takes note of the Commission's proposal for a European Investment Stabilisation Function and is discussing new budgetary tools aimed at stabilisation;
- 8. Takes note of the Commission's proposal for a Reform Support Programme; stresses the importance of not weakening Parliament's co-decision and oversight in the spending of EU funds; is concerned that in the period 2011-2017 only 9 % of country-specific recommendations (CSRs) were fully implemented; takes note of the convergence facility which will provide an incentive and help Member States outside the euro area with sustainable fiscal and economic policies to implement reforms and fulfil the criteria for introducing the euro;
- 9. Underlines the importance of ensuring upward economic and social convergence in the European Semester process; recognises the importance of the establishment of the European Pillar of Social Rights; notes that the European Semester has been strengthened and streamlined but highlights that better involvement of national parliaments would help to improve national ownership, which would lead to better implementation of CSRs, thus improving the European Semester process; notes that it is first and foremost the responsibility of the Member States to choose adequate and sustainable fiscal and economic policies;
- 10. Welcomes the future InvestEU programme and stresses that the fund should continue to reduce the investment gap in the EU; supports investments in tangible and intangible

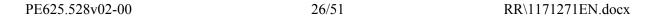




- assets, including cultural heritage, in order to foster growth, investment and employment, with a particular focus on SMEs, small- and mid-cap companies and social enterprises, and thereby to contribute to improved well-being and fairer income distribution and economic, social and territorial cohesion in the Union;
- 11. Welcomes the work done so far and deems it necessary to continue the comprehensive review of existing VAT legislation; urges the need to step up fight against tax fraud, tax avoidance and tax evasion; notes the work of the Commission on the fair taxation of the digital economy;
- 12. Invites all EU institutions and bodies, including the Commission, the European Central Bank, the European Investment Bank and the Single Supervisory Mechanism, to enhance to an even greater extent their communication efforts in order to better explain their work and to improve the information available to EU citizens.

# INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	20.11.2018
Result of final vote	+: 40 -: 7 0: 3
Members present for the final vote	Hugues Bayet, Pervenche Berès, David Coburn, Thierry Cornillet, Esther de Lange, Markus Ferber, Jonás Fernández, Giuseppe Ferrandino, Stefan Gehrold, Sven Giegold, Roberto Gualtieri, Brian Hayes, Gunnar Hökmark, Danuta Maria Hübner, Petr Ježek, Barbara Kappel, Wolf Klinz, Georgios Kyrtsos, Philippe Lamberts, Werner Langen, Bernd Lucke, Olle Ludvigsson, Ivana Maletić, Marisa Matias, Costas Mavrides, Alex Mayer, Luděk Niedermayer, Stanisław Ożóg, Sirpa Pietikäinen, Pirkko Ruohonen-Lerner, Anne Sander, Alfred Sant, Pedro Silva Pereira, Peter Simon, Paul Tang, Ramon Tremosa i Balcells, Ernest Urtasun, Marco Valli, Tom Vandenkendelaere, Miguel Viegas, Jakob von Weizsäcker
Substitutes present for the final vote	Andrea Cozzolino, Jeppe Kofod, Paloma López Bermejo, Michel Reimon, Joachim Starbatty, Lieve Wierinck
Substitutes under Rule 200(2) present for the final vote	Pilar Ayuso, Elmar Brok, Helga Stevens



# FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

40	+
ALDE	Thierry Cornillet, Petr Ježek, Wolf Klinz, Ramon Tremosa i Balcells, Lieve Wierinck
ENF	Barbara Kappel
PPE	Pilar Ayuso, Elmar Brok, Markus Ferber, Stefan Gehrold, Brian Hayes, Gunnar Hökmark, Danuta Maria Hübner, Georgios Kyrtsos, Esther de Lange, Werner Langen, Ivana Maletić, Luděk Niedermayer, Sirpa Pietikäinen, Anne Sander, Tom Vandenkendelaere
S&D	Hugues Bayet, Pervenche Berès, Andrea Cozzolino, Jonás Fernández, Giuseppe Ferrandino, Roberto Gualtieri, Jeppe Kofod, Olle Ludvigsson, Costas Mavrides, Alex Mayer, Alfred Sant, Pedro Silva Pereira, Peter Simon, Paul Tang, Jakob von Weizsäcker
VERTS/ALE	Sven Giegold, Philippe Lamberts, Michel Reimon, Ernest Urtasun

7	-
ECR	Bernd Lucke, Joachim Starbatty
EFDD	David Coburn, Marco Valli
GUE/NGL	Paloma López Bermejo, Marisa Matias, Miguel Viegas

3	0
ECR	Stanisław Ożóg, Pirkko Ruohonen-Lerner, Helga Stevens

Key to symbols: + : in favour - : against 0 : abstention

#### OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE

for the Committee on Constitutional Affairs

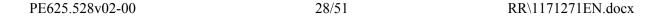
on the state of the debate on the future of Europe (2018/2094(INI))

Rapporteur for opinion: José Ignacio Salafranca Sánchez-Neyra

#### **SUGGESTIONS**

The Committee on International Trade calls on the Committee on Constitutional Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- 1. Stresses that the common commercial policy must remain a fundamental pillar of the Union's external policy with direct implications on the lives of citizens, and that it must help the Union to adapt to its new role in a world of multiple leading players on the international stage; urges the Council, the Commission and the European External Action Service to cooperate in the following areas to that end:
  - a) strengthening the common commercial policy by integrating it into the wider policy framework; taking the lead on the world's trade policy at multilateral and bilateral level; reinforcing cooperation with bilateral, strategic and regional trade partners and with multilateral organisations such as the UN Conference on Trade and Development (UNCTAD), the UN Environment Programme (UNEP), the International Labour Organisation (ILO), and in particular the World Trade Organisation (WTO) by playing an active role in its necessary reform so as to make it more effective and responsive to new global challenges, including the 2030 Agenda for Sustainable Development and the Paris Agreement on climate change, and to increase its legitimacy; reinforcing the Union's leadership and EU trade policy in the promotion of a value-based trade policy by strengthening the human rights dimension of trade and the uptake of the highest European standards;
  - b) leading the defence of an open, rules-based, fair and sustainable developmentoriented global trading system so as to further the competitiveness of EU companies, by ensuring the effective implementation of international rules and agreements, such as environmental and climate change agreements, ILO conventions, anti-corruption provisions, and agreements on financial transparency, anti-money laundering and tax cooperation; ensuring that EU companies can operate globally within a framework of



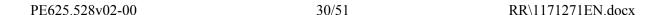


equal conditions, predictable rules, fair competition and defined obligations, which should include working constructively on a common Union position in the UN intergovernmental negotiations on liability for human rights violations and promoting corporate accountability and binding due diligence obligations with regard to supply and production chains;

- c) keeping Parliament fully and immediately informed about the negotiations and the Council's mandate, and throughout the implementation of international agreements, with the aim of ensuring that it is able to exercise its powers and prerogatives; simplifying and shortening the negotiation processes and reinforcing Parliament's scrutiny throughout; increasing transparency towards EU citizens by publishing the negotiating directives (mandates) for trade agreements before the start of the negotiations, so as also to increase predictability and legal certainty for economic operators, enabling them to make better and timely use of the opportunities arising for the EU; fully respecting Treaty provisions and recent EU case-law that establish the common commercial policy as an exclusive competence of the Union;
- d) adapting trade policy to the global trends of automisation, digitalisation, servicification, the rise of global value chains and the interconnectedness of trade in goods and services by working towards the inclusion of suitable provisions to ensure data transfers, competitive prices for intermediary goods and liberalised trade in services in bilateral and multilateral trade agreements;
- e) supporting small and medium-sized enterprises (SMEs) to enable them to benefit fully from the common commercial policy; increasing investment in research and technological development and innovation, particularly with a view to the decarbonisation of our economy; supporting European companies with a view to leading this sector at global level, thereby increasing competitiveness and creating decent jobs; highlighting that sustainable development should not be seen as a barrier to investment; insisting on international cooperation and an international participation process, in particular on the African continent, which could promote sustainable economic cycles at regional level, lead to the creation of new jobs and foster the development of social protection policies;
- f) systematically including digital trade, SMEs, binding and enforceable trade and sustainable development chapters and gender-equality provisions in trade agreements and taking a lead on these topics in multilateral discussions; defending the data privacy of EU citizens to the full extent enshrined in the Union's General Data Protection Regulation (Regulation (EU) 2016/679) and promoting the strengthening of EU standards on consumer protection, data protection and market access; seeking to build a global alliance and supporting Member States' authorities in the fight against cross-border cyber-crime; developing an EU digital strategy that includes investment in digital infrastructure and digital enterprises to the benefit of society as a whole;
- g) facilitating the application procedure for and access to the European Globalisation Adjustment Fund in order to take into account the effects of the progressive and reciprocal liberalisation of trade in goods and services;
- h) strengthening the coherence of the common commercial policy with the common foreign and security policy (CFSP), European development policy and climate policy in order to guarantee the values and objectives set out in Article 3(5) of the Treaty on

European Union (TEU) and Articles 21, 207 and 208 of the Treaty on the Functioning of the European Union (TFEU), with full adherence to the European Consensus on Development;

- i) recognising that the extreme politicisation of EU trade agreements can inhibit trade;
- j) stressing the strategic importance of developing a constructive neighbourhood policy by developing fair trade relations and economic cooperation with economies in the Union's Eastern and Southern Neighbourhoods, in order to promote their economic and social prosperity and the creation of jobs;
- k) anticipating the effects of Brexit and proposing ways to mitigate negative economic consequences for the Union and its citizens, including UK citizens currently living in the Union;
- l) improving the communication strategy for the common commercial policy by providing more public and comprehensive analyses of the potential effects of new trade agreements before adopting the relevant negotiating directives (mandates); better communicating the opportunities that trade offers to our citizens and companies; strengthening transparency and deepening the dialogue with professional and social partners and civil society so as to ensure their adequate involvement in the monitoring and implementation of trade agreements, notably through the joint dialogue and domestic advisory groups of trade agreements and by allocating more resources to these mechanisms; helping the Union's citizens and economic operators to better understand and adapt to the changing equilibrium in the architecture of global economic relations.



# INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	5.11.2018
Result of final vote	+: 30 -: 3 0: 1
Members present for the final vote	Maria Arena, Tiziana Beghin, David Borrelli, Salvatore Cicu, Christofer Fjellner, Eleonora Forenza, Karoline Graswander-Hainz, Christophe Hansen, Heidi Hautala, Nadja Hirsch, Yannick Jadot, France Jamet, Jude Kirton-Darling, Patricia Lalonde, Bernd Lange, David Martin, Emmanuel Maurel, Anne-Marie Mineur, Sorin Moisă, Alessia Maria Mosca, Franck Proust, Godelieve Quisthoudt-Rowohl, Inmaculada Rodríguez-Piñero Fernández, Tokia Saïfi, Helmut Scholz, Joachim Schuster, Adam Szejnfeld, Iuliu Winkler
Substitutes present for the final vote	Sajjad Karim, Sander Loones, José Ignacio Salafranca Sánchez-Neyra, Jarosław Wałęsa
Substitutes under Rule 200(2) present for the final vote	Georges Bach, Norbert Lins

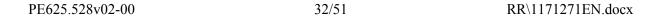
# FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

30	+
ALDE	Nadja Hirsch, Patricia Lalonde
ECR	Sander Loones
EFDD	Tiziana Beghin
GUE/NGL	Helmut Scholz
NI	David Borrelli, Emmanuel Maurel
PPE	Georges Bach, Salvatore Cicu, Christofer Fjellner, Christophe Hansen, Norbert Lins, Sorin Moisă, Franck Proust, Godelieve Quisthoudt-Rowohl, Tokia Saïfî, José Ignacio Salafranca Sánchez-Neyra, Adam Szejnfeld, Jarosław Wałęsa, Iuliu Winkler
S&D	Maria Arena, Karoline Graswander-Hainz, Jude Kirton-Darling, Bernd Lange, David Martin, Alessia Maria Mosca, Inmaculada Rodríguez-Piñero Fernández, Joachim Schuster
VERTS/ALE	Heidi Hautala, Yannick Jadot

3	-
ECR	Sajjad Karim
ENF	France Jamet
GUE/NGL	Anne-Marie Mineur

1	0
GUE/NGL	Eleonora Forenza

Key to symbols: + : in favour - : against 0 : abstention



#### OPINION OF THE COMMITTEE ON BUDGETARY CONTROL

for the Committee on Constitutional Affairs

on the state of the debate on the Future of Europe (2018/2094(INI))

Rapporteur: Petri Sarvamaa

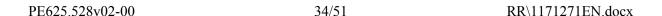
## **SUGGESTIONS**

The Committee on Budgetary Control calls on the Committee on Constitutional Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas Europe is at a crossroads with a certain crisis of legitimacy in relation to European decisions;
- B. whereas there is a need to bring the European project closer to EU citizens, paying particular attention to their needs, lives and expectations in order, above all, to strengthen the EU's legitimacy and to restore trust in, and enthusiasm for, the European project thanks to renewed EU governance;
- C. whereas parliamentary scrutiny of public spending is a vital component of a modern democratic system;
- D. whereas more democracy in the EU goes hand in hand with greater transparency, accountability and integrity, the latter should be the leading principles of the culture within the EU institutions for promoting efficient governance and ensuring greater openness in the functioning of the EU and its decision-making process;
- E. whereas all EU institutions ought to be transparent and fully accountable to the citizens of the Union as regards the funds entrusted to them as EU institutions;
- F. whereas the EU-27 leaders gave a clear signal of 'unity and solidarity' with the adoption of the Rome Declaration on 25 March 2017;
- G. whereas inertia at European level is no longer an option given the major challenges to be faced by the Union, particularly in relation to globalisation, migration, defence on the basis of reinforced cooperation, social issues, completion of the European Monetary

Union and the choice of new EU own resources:

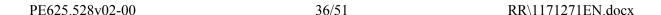
- H. whereas the EU budget remains a valuable source of funding for Member States;
- 1. Considers that citizens' trust in the EU institutions is fundamental for democracy, good governance and effective policy-making;
- 2. Stresses that it is essential to go beyond conflicting visions of Europe, and to reconcile competing priorities in order to avoid the risk of tearing the Union apart or weakening it;
- 3. Acknowledges that Brexit has made the need to reflect further on the EU's institutional and spending architecture, and to design new EU policy dynamics, more urgent;
- 4. Points out that the United Kingdom's decision to withdraw from the Union will have complex budgetary consequences and will negatively affect the EU budget; insists that the remaining EU-27 should be more ambitious in terms of budget reform given the EU's current and future challenges;
- 5. Is convinced that there is still room to better anchor democratic accountability within the Union framework, namely by developing strong mechanisms to ensure political legitimacy and institutional accountability and by streamlining the increasingly complex EU governance structures;
- 6. Recalls the need for an urgent budgetary and administrative reform of the EU that would streamline its internal processes and make the EU more understandable and accessible to its citizens;
- 7. Recalls that any further development within the Union's architecture in relation to existing bodies or to the creation of new legal entities should always take the issues of the EU's democratic accountability, public auditing arrangements and the efficiency of activities into account;
- 8. Believes that there is a need to reduce the accountability gaps within the EU and to move towards more collaborative modes of scrutiny, combining democratic oversight and auditing activities, while also providing greater transparency; calls for this to ensure full accountability and effective democratic oversight of the European Investment Bank, the European Central Bank and for future bodies to be set up such as a European Monetary Fund;
- 9. Stresses, furthermore, that the time has come to reflect pragmatically on the EU's delivery modes by answering the core questions of how best to implement the Union's policies and which governance models should be applied in order to pave the way for a Europe of tangible results;
- 10. Recalls the need for a long-term EU strategic vision; considers that it is time both to put forward new European narratives and to deliver EU policies more strategically, based on a certain number of clearly defined and understandable Union priorities, collective goals and competences to improve readability and efficiency;





- 11. Underlines that the translation of the overarching political objectives into tangible and visible actions and results for EU citizens has to be subject to regular reality checks, therefore making it strictly necessary to maintain budgetary control as a fundamental component of democratic control;
- 12. Points out that the strengthening of democratic oversight and Parliament's scrutiny should be based not only on the traditional monitoring of stocks and financial flows, but also on a thorough assessment of value for money, of a valuable and sustainable impact for citizens and respect for the Union's values and the rule of law;
- 13. Considers that respect for fundamental values, ensuring the protection of the rule of law in Member States, or the introduction of ecological conditionality are necessary democratic prerequisites for the definition of any new EU financial solidarities; is concerned about recent developments in relation to the lack of respect for the rule of law in some Member States; appreciates, in this context, the Commission's proposal for a regulation of the European Parliament and of the Council on the protection of the Union's budget in case of generalised deficiencies as regards the rule of law in the Member States (COM(2018)0324); stresses that the European institutions should take action in order to protect the rule of law;
- 14. Demands that the current framework for the protection of the Union's financial interests be strengthened by a system of sanctions, proportional to the degree of the deficiencies or attempts to undermine the rule of law based on an independent assessment, ranging from the reduction of EU funding up to the suspension of payments and commitments for recurrent deficiencies; considers that, in any such circumstances, Parliament should be part of, and on an equal footing with the Council, in the decision-making process in relation to such proceedings and the lifting of such measures;
- 15. Recalls that it is necessary to promote the seeking of European added value, in other words that pooling resources at European level should deliver results compared to spending at national level, which cannot focus on delivering European public goods;
- 16. Considers it necessary for better tools to be designed for structural reforms across the EU by providing substantial European public goods, and that this be done with due regard to the application of the principles of subsidiarity and proportionality;
- 17. Is of the opinion that the pre-conditionality of policies has to be reinforced, where necessary and without jeopardising the functionality of programmes, so as to ensure effective sound financial management in the implementation of the Union's spending;
- 18. Reiterates that, in the context of the debate on the future of Europe, consideration must be given to the issue of how the Union budgetary system could be reformed to provide an adequate budget to guarantee the funding of planned policies, a better balance between predictability and responsiveness as well as how to ensure that overall funding arrangements are no more complex than necessary to achieve Union policy goals and ensure accountability;
- 19. Considers it appropriate to ensure the budget provides real added value for EU citizens;
- 20. Stresses that securing sufficient financial means, coupled with the modernisation of the

- system of own resources, namely through securing stable, efficient and genuinely European own resources, is key to maintaining a high level of investment and of the Union's ambitions and influence on the international scene:
- 21. Highlights that the European Agencies play an irreplaceable role in providing expertise in their respective fields and, at the same time, in the representation of the EU in the Member States; stresses that it is therefore essential to ensure that in the future, the work of the Agencies is well-structured and organised, that the activities pursued by the Agencies are viable and that their visibility is ensured at all times;
- 22. Stresses, furthermore, that the European Development Fund (EDF) should be incorporated into the EU budget, as already stated in the new 2021-2027 multiannual financial framework (MFF) proposal, in order to avoid the budget's fragmentation; points out that including the EDF in the EU budget increases the discharge authority's ability to scrutinise spending in the EU;
- 23. Calls on all the EU institutions to enhance their procedures and practices aimed at safeguarding the financial interests of the Union, and to actively contribute to a results-oriented discharge process; believes, in this context, that the discharge procedure is an indispensable instrument of democratic accountability towards the citizens of the Union;
- 24. Points out the importance of safeguarding EU taxpayers' money against fraud and other illegal activities affecting the financial interests of the Union;
- 25. Recalls the difficulties repeatedly encountered in the discharge procedures to date, owing to a lack of cooperation on the part of the Council; insists that the Council must be accountable and transparent, as are the other institutions; stresses that there should be no exceptions to this;
- 26. Considers the creation of the European Public Prosecutor's Office (EPPO) to be an important milestone in the achievement of a European public space; calls on the Commission to work towards a swift setting-up of the EPPO by providing sufficient resources;
- 27. Draws attention to the phenomenon of corruption, which has significant financial consequences and poses a serious threat to democracy, the rule of law and public investment; repeats its call on the Commission to resume publication of an annual report on corruption;
- 28. Calls for the Commission to propose options for future methods of cooperation with the Council of Europe's Group of States against Corruption (GRECO), including for the EU to apply for membership, and for Parliament to be kept up to date with the progress of this application;
- 29. Calls for the integrity policy and ethical framework of all EU institutions and agencies to be enhanced through a better implementation of codes of conduct, whistle-blower protection, ethical principles, transparency and accountability;
- 30. Encourages, by way of a guiding principle, the outlining of the contours of the Europe of the future, ensuring a balance between responsibility and new solidarity and by



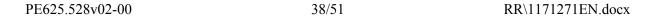


favouring the Community method over the use of intergovernmentalism as a method of governance for the EU;

31. Takes the view that it is necessary to continue the debate on the future of Europe at the highest institutional level, focusing in particular on the more efficient use of funding and on democratic EU budget control mechanisms.

# INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	15.11.2018	
Result of final vote	+: 19 -: 1 0: 1	
Members present for the final vote	Nedzhmi Ali, Inés Ayala Sender, Zigmantas Balčytis, Dennis de Jong, Tamás Deutsch, Martina Dlabajová, Luke Ming Flanagan, Ingeborg Gräßle, Arndt Kohn, Gilles Pargneaux, Georgi Pirinski, Petri Sarvamaa, Bart Staes, Derek Vaughan, Tomáš Zdechovský, Joachim Zeller	
Substitutes present for the final vote	Caterina Chinnici, Marian-Jean Marinescu, Andrey Novakov, Julia Pitera, Richard Sulík	



# FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

19	+
ALDE	Nedzhmi Ali, Martina Dlabajová
ECR	Richard Sulík
GUE/NGL	Dennis de Jong
ЕРР	Ingeborg Gräßle, Marian-Jean Marinescu, Andrey Novakov, Julia Pitera, Petri Sarvamaa, Tomáš Zdechovský, Joachim Zeller
S&D	Inés Ayala Sender, Zigmantas Balčytis, Caterina Chinnici, Arndt Kohn, Gilles Pargneaux, Georgi Pirinski, Derek Vaughan
Greens/EFA	Bart Staes

1	-
GUE/NGL	Luke Ming Flanagan

1	0
EPP	Tamás Deutsch

Key to symbols: + : in favour - : against 0 : abstention

# OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT

for the Committee on Constitutional Affairs

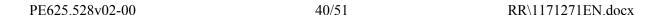
on the state of the debate on the Future of Europe (2018/2094(INI))

Rapporteur: Ivan Jakovčić

### **SUGGESTIONS**

The Committee on Agriculture and Rural Development calls on the Committee on Constitutional Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

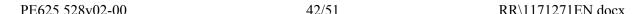
- A. whereas Union agricultural products contribute both to the Union's economic development in terms of production and processing and to its living cultural and gastronomic heritage, enhancing territorial and social cohesion as well as local and regional traditions; whereas there is increased demand for high-quality and traditional products at European and global level; whereas the future of the Union also depends on having thriving and dynamic rural areas, including extensive rural areas;
- B. whereas agriculture and forestry play a central role in managing land effectively with a view to combating climate change on a basis of respect for international agreements, while safeguarding public health in all its aspects;
- C. whereas the Union's most vocal critics point to a gap between its proposed actions and its realisations at both national and local level, and whereas the withdrawal of the UK will impact significantly on the future financing of the Union;
- D. whereas according to the Food and Agricultural Organisation (FAO) global demand for food will rise by 70 % by 2050; whereas the new common agricultural policy (CAP) needs to ensure economic added value for farming, improving its productivity with less available resources and promoting fair competition andhealthy and high-quality food at reasonable prices; whereas those CAP objectives must remain key elements for the future of Europe;
- E. whereas gender equality is a core objective of the EU and its Member States; whereas many of the roles played by women in rural areas help to keep farms viable and rural





- communities dynamic; whereas efforts to prevent rural depopulation are linked to opportunities for women and young people, and whereas women in rural areas currently face multiple challenges;
- 1. Stresses the importance of a CAP supported by a well-funded budget; recalls the CAP's central importance to the history of the Union; notes the fundamental role that it plays in ensuring vibrant rural regions and a secure supply of food; notes that the upcoming reform of the CAP is an opportunity to strengthen the delivery of its objectives; highlights that the CAP is one of the oldest policies and must continue to be one of the most important and most integrated policies, and that it will continue to contribute to building Europe's future through greater integration, preservation of the environment, and food security and safety for the EU's citizens;
- 2. Stresses that European farming plays a vital role in feeding the planet and providing jobs for 46 million people; highlights the challenges arising from international trade agreements and crises; notes that EU legislative action to tackle unfair trading practices aims to ensure a more sustainable food supply chain for the benefit of farmers and consumers;
- 3. Notes that agricultural and rural development policies have great potential in terms of providing public goods; highlights that agriculture is not only responsible for the provision of raw materials and products for the food industry and other industries, but also has a strong influence on the environment and the countryside; considers, therefore, that environmental quality in the EU is highly dependent on resource management and applied management at farm level;
- 4. Shares the long-term aim of a transition to a market-driven and sustainable European agriculture that increases competiveness and decreases farmers' need for income support; calls for alignment of the CAP with other EU policies, and underlines the need for a general budgetary discipline; points out that when budgetary increases are necessary for certain priorities, cuts should be made first and foremost elsewhere;
- 5. Underlines the need for a genuine simplification of the CAP, aiming for a policy focusing on results and output rather than compliance; believes that the CAP needs to be more market-oriented, with farmers becoming less dependent on public support and greater competitiveness in the sector;
- 6. Points out that the growing problem of depopulation of rural areas must be tackled with targeted measures and synergies between EU policies in order to boost the sustainability of the European agricultural sector, thus supporting and encouraging young farmers in the areas concerned; recalls that generational renewal is a challenge faced by farmers in many Member States;
- 7. Highlights the role played by the CAP in maintaining the health and status of soil, water and other natural resources; points out that European agricultural producers are committed to good environmental practices and to the targets set for tackling climate change;
- 8. Emphasises the importance of organic production and geographical indications and the synergies between them, which benefit both producers and consumers; recalls the

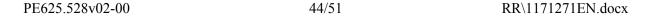
- importance of access to innovation and fair functioning of the food chain; calls for one pillar of the new CAP to be dedicated to the priorities which create jobs and ensure the highest quality of EU agricultural products and foodstuffs;
- 9. Stresses the crucial role of agriculture in the Union's priorities to mitigate the effect of climate change and promote sustainable development; recalls the necessity of a strong and adequate budget for agriculture in that regard;
- 10. Draws attention to the decline in farm incomes in the EU caused by rising production costs and price volatility, which impact negatively on farmers' ability to maintain production; highlights the costs that European farmers have to bear in complying with what are the highest food safety, environmental, animal welfare and labour standards in the world; stresses that farmers must be compensated through the CAP for providing public goods to society;
- 11. Stresses that the EU's quality schemes involving geographical indications (Protected Designation of Origin, Protected Geographical Indication and Traditional Specialities Guaranteed) protect product names from misuse, raise their profile, enhance their value in the framework of international agreements, add to farmers' incomes and boost consumer trust; stresses that use of the European logo gives more visibility and guarantees the quality of agricultural products for export, as does the use of terms indicating origin or quality;
- 12. Insists that special consideration should be granted to farmers who face extra costs owing to specific constraints linked to high-value natural areas such as mountain areas, islands, the outermost regions and other less-favoured areas; believes that, owing to their specific constraints, CAP financing is vitally important for these regions and that any reduction would have a highly damaging impact on numerous agricultural products; urges Member States to develop and implement quality schemes in order to give the producers concerned the opportunity to introduce them swiftly;
- 13. Recalls Parliament's support expressed in 2015 for extending geographical indications to non-agricultural products; believes that such an extension should be seriously considered in the debate on the future of Europe, given its potential for supporting rural regions by adding value to traditional products and creating employment; urges the Commission to come forward without delay with a legislative proposal for extending geographical indications to non-agricultural products;
- 14. Highlights the need for greater investment in agriculture and agri-food systems, as well as for greater spending on research and development, in order to promote innovation, support an increase in sustainable production and find better ways to cope with issues such as water scarcity and climate change;
- 15. Highlights the richness of European foods and tastes and Europe's many culinary varieties; stresses, therefore, the need to preserve Europe's regional and local traditional products and flavours through CAP instruments such as rural development support programmes;
- 16. Underlines the importance of a well-funded and reformed CAP for tackling the many challenges the Union will have to face in the future; recalls that the CAP needs to





- support farmers more efficiently in order to cope with agricultural crises; stresses the importance of the future CAP in fostering innovation and research and development, recalling that the objectives of the CAP should be taken into account when drafting the future Horizon Europe programme;
- 17. Highlights the role that young farmers play for the current and future competitiveness of European agriculture and guaranteed food production; stresses that agriculture is more than just an economic activity and is also a vital part of a sustainable EU; emphasises the importance of the younger generation for the future of Europe;
- 18. Recalls the role of women in rural areas and their contribution as entrepreneurs and promoters of sustainable development; stresses the need to develop their potential for sustainable agriculture and the resilience of rural areas; calls, therefore, for increased support for family farms and young farmers and for support for employment in agriculture in rural areas, especially for young farmers;
- 19. Highlights the importance of innovation and research, especially in the field of plant breeding and selection, in enabling the Union to fully compete with the rest of the world in this field;
- 20. Underlines that structural cohesion policies and the CAP reduce the gap between the Union and its citizens by promoting integration at local level and ensuring balanced territorial development, especially in rural, peripheral and disadvantaged areas; stresses, therefore, the importance of supporting rural development and organic farming in the CAP;
- 21. Highlights the need to preserve the diversity of agriculture in the EU, and acknowledges that local markets supplied by fresh and locally produced agricultural goods are environmentally sustainable and provide support for established farming communities; calls for better promotion of short supply chains;
- 22. Stresses that the CAP helps to preserve the viability of less-favoured areas, including mountain areas, and therefore plays a vital role in preventing the abandonment and depopulation of many areas in Europe;
- 23. Underlines the importance of rural development in supporting multi-functional agriculture and fostering partnerships between farmers, local communities and civil society and additional entrepreneurial activities, in order to generate income from diversified economic activities;
- 24. Stresses that the current rural exodus requires interaction between CAP instruments and cohesion policy to increase the attractiveness of rural areas;
- 25. Underlines that the CAP is not simply about farming and farmers, but is also about helping and developing the wider rural communities in which they operate; stresses that the EU should strengthen its rural development policy, which focuses on a wide range of issues, from support for start-ups in rural areas and access to broadband to specific environmental or societal challenges faced by the rural population;
- 26. Acknowledges the worrying hunger problem that affects our planet, and therefore

- believes that the EU should seek to build resilience to food crises, thus ensuring sufficient, nutritious and affordable food supplies and contributing to the achievement of a 'Zero Hunger World';
- 27. Stresses that the incentives for sustainable energy crops currently being planned should not in any way compromise food security for the public;
- 28. Underlines the importance of rural development, including the LEADER initiative, in supporting multi-functional agriculture and in fostering additional entrepreneurial activities and opportunities, in order to generate income from agri-tourism and secure community-supported agriculture and the provision of social services in rural areas;
- 29. Calls on the Member States to facilitate exchanges of best practices between European farmers, in order to enhance cooperation and strengthen the European identity.





# INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	12.11.2018
Result of final vote	+: 25 -: 8 0: 3
Members present for the final vote	John Stuart Agnew, Clara Eugenia Aguilera García, Eric Andrieu, José Bové, Daniel Buda, Matt Carthy, Jacques Colombier, Michel Dantin, Paolo De Castro, Albert Deß, Diane Dodds, Herbert Dorfmann, Norbert Erdős, Luke Ming Flanagan, Karine Gloanec Maurin, Martin Häusling, Jan Huitema, Peter Jahr, Ivan Jakovčić, Jarosław Kalinowski, Zbigniew Kuźmiuk, Norbert Lins, Philippe Loiseau, Giulia Moi, Ulrike Müller, Maria Noichl, Marijana Petir, Maria Lidia Senra Rodríguez, Czesław Adam Siekierski, Tibor Szanyi, Maria Gabriela Zoană, Marco Zullo
Substitutes present for the final vote	Franc Bogovič, Maria Heubuch, Anthea McIntyre, Momchil Nekov, Hilde Vautmans, Miguel Viegas, Thomas Waitz

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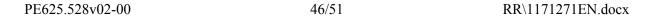
# FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

25	+
ALDE	Ivan Jakovčić, Ulrike Müller, Hilde Vautmans
ECR	Anthea McIntyre
EFDD	Giulia Moi, Marco Zullo
NI	Diane Dodds
PPE	Franc Bogovič, Daniel Buda, Michel Dantin, Albert Deß, Herbert Dorfmann, Norbert Erdős, Peter Jahr, Jarosław Kalinowski, Norbert Lins, Marijana Petir
S&D	Clara Eugenia Aguilera García, Eric Andrieu, Paolo De Castro, Karine Gloanec Maurin, Momchil Nekov, Maria Noichl, Tibor Szanyi, Maria Gabriela Zoană

8	-
EFDD	John Stuart Agnew
GUE/NGL	Matt Carthy, Luke Ming Flanagan, Maria Lidia Senra Rodríguez, Miguel Viegas
VERTS/ALE	José Bové, Martin Häusling, Thomas Waitz

3	0
ALDE	Jan Huitema
ENF	Jacques Colombier, Philippe Loiseau

Key to symbols: + : in favour - : against 0 : abstention



### ANNEX: LETTER FROM THE COMMITTEE ON LEGAL AFFAIRS

Ms Danuta Hübner Chair, Committee on Constitutional Affairs ASP 12E157 Brussels

Subject: Opinion by the Committee on Legal Affairs on the state of the debate on the Future of Europe -2018/2094(INI)

Dear Chair,

Before the Summer break the rapporteur of the Committee on Constitutional Affairs, Mr Ramon Jáuregui Atondo, called upon the committees to give their opinions to the AFCO non-legislative own initiative report on the State of debate on the Future of Europe. The coordinators of the Committee on Legal Affairs therefore decided, at their meeting on 9 July 2018, to give an opinion in letter form, in accordance with Rule 53 of the Rules of Procedure, with a focus strictly on the competences of our committee. I was appointed as draftsperson for the opinion.

In my capacity as draftsperson, I would like to express my agreement with the approach taken in the AFCO draft report to summarise the issues for debate on the future of Europe and to provide guidance and clarification on the various directions that European integration can take in the run-up to the elections in 2019. The aim of this exercise is therefore indeed not to decide upon the various alternatives, but to define the problems, describe the challenges and set out the options that European politics and the new MEPs elected during the forthcoming elections will have to address.

An exchange of views on the dossier was held at the JURI meeting on 3 September 2018 and following exchanges between the coordinators via written procedure the opinion below was adopted in the Committee at the meeting on 10 October 2018, by 20 votes in favour, 2 against and no abstentions<sup>1</sup>.

JURI calls on AFCO, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Underlines that questions relating to subsidiarity and proportionality must be clearly set out to citizens in order to show that the European Union works in the interest of everybody and that decisions are taken at the lowest possible level with participation of citizens;

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<sup>&</sup>lt;sup>1</sup> The following were present for the final vote: Pavel Svoboda (Chair and rapporteur), Jean-Marie Cavada, Mady Delvaux, Lidia Joanna Geringer de Oedenberg (Vice-Chairs), Max Andersson, Joëlle Bergeron, Kostas Chrysogonos, Geoffroy Didier, Pascal Durand, Angel Dzhambazki, Rosa Estaràs Ferragut, Enrico Gasbarra, Sajjad Karim, Sylvia-Yvonne Kaufmann, Gilles Lebreton, António Marinho e Pinto, Angelika Niebler, Virginie Rozière, József Szájer, Axel Voss, Tiemo Wölken, Francis Zammit Dimech, Tadeusz Zwiefka.

moreover, underlines that questions relating to subsidiarity and proportionality are a common responsibility of the Union, its Member States and all the institutions at all levels involved in the preparation and implementation of Union legislation and policies; encourages the Commission to present, as announced in its 2018 Work Programme, the Communication on further enhancing subsidiarity, proportionality and better regulation in the daily operation of the European Union;

- 2. Stresses that proper implementation and application of EU law is essential for delivering on Union policies and for fostering mutual trust between the Union, Member States and citizens;
- 3. Underlines the need to give particular focus to EU administrative law, as shown by its resolution of 9 June 2016 calling for an open, efficient and independent European Union administration<sup>1</sup>, which was followed-up by an EPRS impact assessment and a public consultation;
- 4. Stresses the importance of cooperation on the interinstitutional level, while respecting each institution's prerogatives as enshrined in the Treaties, which has been given a new framework with the interinstitutional agreement on better law-making of 13 April 2016 and underlines that simplification is an on-going exercise which aims at making the processes and procedures at EU level easier to understand, to ensure that views from all relevant stakeholders are taken into account and ultimately to facilitate the participation of citizens in the work of the European Union;
- 5. Underlines that the major global challenges of today, such as digitisation, automation, migration, terrorism and climate change, will continue to put pressure on the judicial systems in the European Union and the Member States; is convinced that these challenges can only be borne within a strong European Union, with innovative solutions which need to be found to further approximate national laws, to strengthen judicial cooperation, further Union reform within the limits of the existing Treaties, and to continue monitoring the application of EU law;
- 6. Believes that any future policy on new technologies need to follow ethical principles which keep the focus on people and people's lives.

I trust that the above will make a useful contribution into the report drafted by the Committee on Constitutional Affairs.

<sup>&</sup>lt;sup>1</sup> P8 TA(2016)0279

Yours sincerely,

Pavel Svoboda

# **INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE**

Date adopted	27.11.2018
Result of final vote	+: 18 -: 6 0: 0
Members present for the final vote	Gerolf Annemans, Elmar Brok, Fabio Massimo Castaldo, Pascal Durand, Esteban González Pons, Danuta Maria Hübner, Diane James, Ramón Jáuregui Atondo, Alain Lamassoure, Jo Leinen, Morten Messerschmidt, Maite Pagazaurtundúa Ruiz, Markus Pieper, Paulo Rangel, Helmut Scholz, György Schöpflin, Barbara Spinelli, Claudia Ţapardel, Josep-Maria Terricabras
Substitutes present for the final vote	Sylvia-Yvonne Kaufmann, Jasenko Selimovic, Rainer Wieland
Substitutes under Rule 200(2) present for the final vote	Wajid Khan, Constanze Krehl

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# FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

18	+
ALDE	Maite Pagazaurtundúa Ruiz, Jasenko Selimovic
PPE	Elmar Brok, Esteban González Pons, Danuta Maria Hübner, Alain Lamassoure, Markus Pieper, Paulo Rangel, György Schöpflin, Rainer Wieland
S&D	Ramón Jáuregui Atondo, Sylvia Yvonne Kaufmann, Wajid Khan, Constanze Krehl, Jo Leinen, Claudia Ţapardel
VERTS/ALE	Pascal Durand, Josep Maria Terricabras

6	-
ECR	Morten Messerschmidt
EFDD	Fabio Massimo Castaldo
ENF	Gerolf Annemans
GUE/NGL	Helmut Scholz, Barbara Spinelli
NI	Diane James

0	0

Key to symbols: + : in favour - : against 0 : abstention