

USING THE CONFERENCE ON THE FUTURE OF EUROPE TO SHAPE A REAL EUROPEAN POLITICAL DISCOURSE

Italian Non-Paper for the Conference on the Future of Europe (2020-2022)

1. Introduction

Italy welcomes the launch of a Conference on the Future of Europe.

Europe has been through a lot in the last 10 years. The Eurozone has been repeatedly on the brink of disaster. Our continent has suffered from the destabilizing effect of the crises in our Neighborhood. We had to tackle the unprecedented decision of a Member State to withdraw from the Union. Yet, the EU subsisted, showing the extraordinary resilience of the European project.

In the declaration adopted in Rome, in 2017, on the 60th anniversary of the Treaties, we reconfirmed our commitment to the European project, but many promises remain unfulfilled, including the full implementation of the Treaty of Lisbon. Now more than ever, muddling through is not an option. A thorough debate on the way forward is necessary. And if relevance is anything to go by, this debate cannot be confined behind closed doors, and cannot be limited to a mere aggregate of national debates. It has to be open, participatory, and genuinely transnational.

Construed as **a major opportunity to open up the debate on the future of Europe**, the Conference could become the breeding ground of a much-needed European political discourse. To this end, **it should hinge upon two main topics:**

- A pragmatic, down-to-earth **debate on the innovations that could foster a better functioning of the Union, more transparency, and citizens' participation;**
- **A discussion on key priorities**, with a view to the policies, which proved to be of particular salience for domestic debates.

As far as procedure and governance are concerned, **Italy fully supports the Presidency's engagement with the other EU institutions and stands ready to consider different arrangements provided that the following criteria are met:**

- **Participation:** all European citizens willing to participate and engage in the debate should be allowed to do so. Different levels of Governance, including Regions and Municipalities, should be encouraged to join in the process.
- **Co-ownership:** Adequate representation of all EU institutions in the governing bodies of the Conference shall be granted.

- **Representativeness:** not only EU institutions and national Governments, but also national Parliaments shall be adequately represented in collective bodies, with delegations wide enough to reflect different political sensibilities.
- **Transparency:** access to documents and proceeding has to be granted all along.
- **Relevance:** we can't afford to convene a vast consultative exercise to little or no avail. This would prove to be not only frustrating but also counterproductive. We have to make sure that the outcome of the Conference is relevant, and concretely taken care of.
- **Trans-nationality:** 27 national debates on the future of Europe would make some sense but little difference. The real added value of the conference would be promoting a Europe-wide integrated debate on cross cutting issues.

To make the most out of the Conference, we should mobilize a wide array of tools and have as wide-ranging, transnational and participatory a debate as possible. Italy attaches the greatest importance to the **early involvement of the civil society as well as of national Parliaments**. Inter-parliamentary conferences, town-hall meetings with representatives from all Member States, citizens' consultations will be key to the success of the initiative. A bottom-up and open approach – including the use of social media and the establishment of a conference interactive blog – could keep the debate alive and shall accompany the process all along.

The Western Balkans should also be engaged in the Conference on the Future of Europe, as Italy and other member States suggested in their joint paper *“Elements for an enhanced enlargement process and sustained and accelerated integration of the Western Balkans”* of December 2019.

Youth participation in the whole exercise will be key. In this respect, Italy aims at promoting initiatives involving young people from the EU, the Western Balkans, and the Mediterranean countries.

2. Bolstering the European democratic space, promoting a better functioning of the EU

As stated in the December 2019 EUCO Conclusions, *“the Conference should contribute to the development of our policies in the medium and long term so that we can better tackle current and future challenges”*. Yet, **a debate on policies cannot ignore decision-making procedures and the broader issue of the functioning of the EU**. It would be probably premature, at this stage, to envisage a major overhaul of the European architecture. However, Italy deems that the Conference should not shy away from discussing targeted but symbolically important innovations to the EU institutional setup.

Priority should be given to two strands of measures:

- Innovations aimed at **bolstering the European democratic space**;

- Measures aimed at **promoting a better functioning** of the EU institutions.

On the former, it is worth noting that EU decisions have become increasingly relevant to European citizens. However, as long as the public debate remains segmented along national lines, the risk of misperception and misrepresentation remains very high. The way in which the debate on the EU economic governance in the aftermath of the financial crisis unfolded, with reciprocal stereotyping in the media of Northern and Southern Europe, is a point in case.

Only a truly EU-wide political discourse can help us frame correctly the main choices we are faced with. This is by no means quixotic. The largely transnational debate on environmental challenges, which is involving civil society representations across all EU countries, demonstrates that this is a distinct possibility.

Italy suggests discussing selected innovations that could spur an authentic EU debate, notably:

- Improving transparency and citizens' participation.** A thorough discussion is needed on how to ensure greater transparency and citizens' participation to all European proceedings. Members of the EMU should also consider an in-depth examination of the Eurozone governance. Notably, envisaging a better involvement of the European Parliament and greater transparency for the EFC-Eurogroup-Eurosummit proceedings.
- Further strengthening of the **European Citizens' Initiative**. In this context, the introduction of an all-European Referendum on issues related to EU integration could be envisaged. This consultative tool should be engineered in order to be consistent with and supportive to national direct democracy instruments.
- Reinforcing **European representation**: the role of the European Parliament should be strengthened, including by formalizing its right of initiative. The possibility of harmonizing the electoral rules for the European election should also be explored, with a view to laying the groundwork for an EU-wide political campaigning. A limited but symbolically important joint EU constituency could also serve this purpose, allowing the European political families to compete on a trans-national basis. This could also pave the way to more ambitious reforms, dovetailing the debate on a directly-elected President of the Commission.

Equally important would be discussing process innovations that could make the EU institutions more effective. Italy suggests exploring in particular four lines of action:

- Making full use of existing options to **simplify the EU decision-making process**. A progressive shift towards Qualified Majority Voting should be envisaged, in such fields as, social security and social protection, anti-discrimination measures and taxation. On CFSP we look at the possibility to shift from unanimity to QMV with an open approach at least in certain domains. The so-called "Passerelle clauses" and provisions enshrined in article 31(2) TEU could be used to this end.
- Developing a stronger EU external action as a mean to support EU internal policies, making **full use of the potential of the double-hatted HR/VP** and strengthening

EEAS-Commission coordination both at HQ level and in Third Countries. The ultimate goal is to enhance the ability of the EU to influence the security environment, particularly in our proximity, through connecting more strategically crisis management tools with other strands of external action.

- f. Streamlining the **role of the General Affairs Council** following the spirit and the letter of the Treaties, including by making its role in the preparation of the European Council more salient.
- g. Making full use of the opportunities offered by **Presidency Trios**, by rationalizing the division of labor along thematic lines and avoiding fragmentation, especially on complex legislative files involving longer negotiations.

3. Fine tuning policies - Promoting a thorough debate on EU priorities

Policies will be the gist of the Conference on the future of Europe. The Strategic Agenda adopted by the European Council in June 2019 provides a good guidance on the outstanding issues. The Conference should provide us with an opportunity to inform our citizens and, above all, **receive their feedback, listen to their concerns and treasure their proposals on those issues that are perceived as particularly relevant by the wider public, including innovation, research and digital transition, public health, social security, social protection and inclusion, gender equality, security and defense, transparency and relationship between citizens and the Public Administration, cultural policies, preservation of cultural heritage and landscape, cultural and creative industries, etc.** In so doing, this exercise should help us spotlight the notion of European public goods, highlighting the fields in which joint EU action has a clear added value. **Most importantly, the Conference should serve the purpose of laying the foundations of a true European debate.** In this respect, specific emphasis should be given to those policies that make the headlines of national media and dominate, sometimes with a less than positive undertone, the national debates on the EU.

3.1 A green deal for the Europeans

The European Green Deal shall certainly be one of the topics of choice of the Conference. It is also very fitting, since the environment is already at the center of an unfolding Europe-wide debate.

The “Green Deal” is a political necessity and a moral imperative, for the sake of future generations. However, it can also represent a great opportunity for relaunching growth and investments, especially at a time of economic slowdown in Europe.

The potential impact of the 2050 climate-neutrality goal on the European society and industrial base shall not be underestimated. We need to make sure that industrial green transition leaves no one behind and remains sustainable both socially and territorially.

Also, the transition towards a greener economy will need significant investments in innovation and adequate financial support. Without sufficient resources and a fully-fledged **Sustainable Europe Investment Plan**, the Green Deal is likely to prove ineffective.

Mobilizing EU funds and rallying private capitals will be essential, but at least equally, if not more, important will be **activating national resources**. Italy calls for a coherent European economic governance, allowing a wider use of budgetary policies for financing long-term investments and supporting the green transformation of our production system.

3.2 Debating economic policy choices, accomplishing the Economic and Monetary Union.

It is time to acknowledge that the European economic policy cannot be a mere aggregate of separate national policies. A pure and simple coordination of national fiscal policies, underpinned by abstract, one-size-fits-all technical criteria, does not serve well the purposes of a well-functioning economic and monetary union. Italy believes that a coherent/aggregated **economic policy stance** should be defined for the Eurozone as a whole, and that this should be reached through **a transparent debate at the highest political level**. The European Parliament and national Parliaments shall also be involved in the process.

Having in mind the objective of fulfilling the Sustainable Development Goals and having in mind the inextricable connection between the economic and social dimensions, Italy believes that the **European Semester should gradually evolve into a broader “sustainable Semester”**. There is a clear need to move from the present predominant focus on fiscal discipline and financial stability towards a more comprehensive approach, which appropriately values the goals of sustainability, growth and preservation of the social fabric.

In the meantime, the architecture of the EMU ought to be completed building up its missing pillars: a **common guarantee scheme for bank deposits** and a **macroeconomic stabilization mechanism**. We look forward for the Commission to present a proposal on a European unemployment benefit (re)insurance scheme and wish for its swift approval. Institutional issues, like appointing a European Finance Minister, with appropriate competences, prerogatives and resources, should also be considered.

The Conference should also help us take a fresh look to a contentious, yet essential, topic: **tax harmonization**. Clearly, this is not an issue that can be addressed without an honest and forward-looking trans-European perspective. Yet, a higher degree of uniformity in this area would massively benefit the functioning of the internal market, also avoiding aggressive tax planning and base erosion.

3.3 Facing the migration challenge together. An effective EU migration Policy.

Migration policies have been front and center of the political debate in the last few years. Unfortunately, the obvious crosscutting implications of this topic have been leveraged to show the EU under a bad light. Blaming its inertia or scapegoating it for the arrival of illegal immigrants has almost grown into a habit.

As stated most recently in our November 2019 paper on a new European start on migration and asylum, Italy believes that **the root cause of this problem is precisely the fact that migration has not been construed as a truly European issue**, which requires European answers.

The Treaty provisions on visa, borders, migration and asylum have been given a narrow and formalistic interpretation in the last few years. We confined ourselves to covering some legislative ground without really creating common policies. Moreover, we took a narrow and misleading approach, looking at migration exclusively through the lenses of Asylum policy, instead of developing an overarching migratory policy, as per article 79 TFUE. In so doing, we also totally neglected the issue of solidarity, despite the clear formulation of article 80 TFUE.

The **migration crisis** of 2015-2017 is over, but new crises are always brewing. Temporary protection schemes, built upon solidarity, although requested by the Treaties and formally adopted, have never been activated. An objectively uneven burden sharing among Member States calls for **common approaches. Solidarity that is currently circumstantial, at best, must become structural.**

In parallel, the EU should offer a framework for **legal migration**, which is necessary for Europe's economic development. While respecting Member States' prerogatives, a better coordination between immigration and employment policies is necessary. This should also be brought at the center of the European debate, along with **integration**. The EU should enhance an approach that respects the human being behind every migrant. The success of some integration policies should be highlighted, anchoring this policy into a broader anti-discrimination and anti-racism agenda.