

## RESOLUTION 1 OF THE UEF FEDERAL COMMITTEE: EUROPE, THINK THE UNTHINKABLE!

*Adopted by the UEF Federal Committee, 4<sup>th</sup> July 2020, Brussels*

The Federal Committee of the Union of European Federalists, meeting on 4 July 2020:

- Recognising that COVID-19 demonstrates once more the inadequacy of national states when facing transnational threats.
- Reminding that COVID-19 is causing the worst recession to hit Europe – and the world – since the 1929 Great Depression and that neither national states alone nor weak forms of international cooperation will be sufficient to overcome it.
- Stressing that the European reaction to the crisis highlights once more the limits of a Europe that is still dependent on cooperation between Member States based on unanimity and limited competences, powers and resources for the European Union (leading to nationalist responses, slowness and lack of coordination of decisions, image of disunity, need to negotiate new tools and resources at every crisis).
- Reaffirming that in order to live up to citizens expectations, the European Union must rethink its governance and decision-making structure, pursuing its own model of supranational democracy and sovereignty.
- Convinced that federal institutions would be better equipped to respond to European challenges in line with European values, interests and needs.
- Recalling that European integration has taken its most significant leaps forward in times of crises though brave and visionary political leadership able to challenge the status quo and introduce historical changes.
- Believing that, beyond responding to the current crisis, we Europeans must launch a reflection and a process of reform of the Treaties to give the EU a mission and a structure fit to today's world, based on a model of European democracy that can evolve and adapt to contemporary reality. The reform of the Treaties must be focused on true Federalism.
- Convinced that such a process requires new ways of direct citizens' participation and new forms of transnational politics.
- Convinced that a European Green Deal against climate change and a Digital Pact for a European digital revolution can be the new “coal and steel” to relaunch European unification with a new method and new resources on the 70th anniversary of the Treaty of Paris establishing the first European Community.
- Recalling that 9 July 2020 will mark the 40th anniversary of the foundation of the Crocodile Club of federalist MEPs by Altiero Spinelli.
- Recalling its resolution on a declaration on the Conference on the Future of Europe, adopted at the Federal Committee in Rome 2019.

Therefore UEF:

1. Calls for launching a Health Union on the basis of Art. 168 TFEU and to reform this provision in order to make public health, including prevention, a shared EU competence as the EU should be entrusted with real competences in this field, allowing the Commission to propose the necessary common rules applicable across the EU aimed at combatting (among others) pan-European epidemics such as the current COVID-19 one and ensure their effective and coordinated implementation. Additionally, there is a need to introduce as a matter of urgency a European co-ordination emergency mechanism between the Commission and health care systems in Member States in order to achieve better effectiveness and a stronger integrated policy response based on solidarity.
2. Encourages the creation of a European research consortium to work towards a vaccine and treatment for COVID-19, together with other teams in the world. This consortium, as well as a joint global effort, requires adequate EU and national funding, shared priorities, and science-led European governance, so as to avoid duplication and allow a possible scale-up of industrial production as soon as possible.
3. Asks to re-open as soon as possible the borders between Schengen countries, to enable free travel, vacation and study of citizens in neighbouring countries again. Open internal borders are one of the greatest achievements of European unity. Therefore, internal border restrictions have to be totally reversed to ensure the unity of the EU and the functioning of its Single Market and the Schengen Area.
4. Recent experience has highlighted the need to revise the Schengen Code: Border closures or restrictions on entry must remain the absolute exception and limited in time. In addition, they need notification and necessarily require binding agreements between the Schengen partners as to when the normal state of free movement of travel and goods is restored entry restrictions are imposed. In addition, it must be ensured that in the case of a pandemic border closures or restrictions on entry may only be justified if there is a significant difference in the incidence of infection along a border; a regionally differentiated approach should be used for evaluation based on case numbers at NUTS-3 level. In addition to national governments, regional and local authorities on both sides of the border and, if possible, parliaments in the Member States concerned, should be informed and consulted in advance before border closure or in case of a pandemic, priority should be given to cross-border approaches to preventing or curbing the pandemic instead of unilateral border closures or entry restrictions. For example, common rules on contact restrictions, closure of public facilities, restaurants, shops, etc. for border regions should be applied. For professionals in a border region, the same rules should apply for the way to work and the possibilities for shopping, refuelling, visits to doctors, etc. regardless of their country of residence.
5. Calls for an improvement of the transparency, accountability and working methods of the Eurogroup, and for it to be fully integrated into the EU treaty framework, and urges the European Parliament and the Council to adopt the relevant legislation with the necessary urgency.

6. Calls for the European Stability Mechanism to be brought within the Treaty framework, in order to increase its transparency and democratic oversight and accountability at the level of EU Treaty provision, as foreseen by its own legal base (the ESM Treaty).
7. Calls on Parliament and Council to immediately approve the revised Multi-annual Financial Framework for 2021-2027 proposed by the Commission on 27 May 2020, including the increase of own resources ceiling to 2% which is the headroom required for the issuance of debt in order to address the economic impact of the COVID-19 crisis.
8. Calls for the Next generation EU Recovery Fund endowed with 500 billion euros in grants and 250 billion euros in loans proposed by the Commission 27 May 2020 on the basis of the Eurogroup Statement of 9 April, the European Parliament Resolution of 17 April, the Spanish Paper of 19 April, the European Parliament Resolution of 15 May and the Franco-German initiative of 18 May 2020 to be created as soon as possible in 2020, become a permanent instrument of the EU, anchored to the EU budget, and, most importantly, financed by borrowing by the EU itself and guaranteed and repayable by EU own resources, so paving the way for a fully-fledged financial and fiscal union. Supports the proposals that the capital necessary for such a Fund is raised directly by the EU, through the issuance of EU debt, such as European Recovery Bonds, backed by the EU budget and aimed at financing a joint and comprehensive European anti-crisis recovery plan, in the form of direct spending by the EU rather than loans or grants to Member States.
9. Supports the proposals that the capital necessary for such a Fund is raised directly by the EU, through the issuance of EU debt, such as European Recovery Bonds, backed by the EU budget and aimed at financing a joint and comprehensive European anti-crisis recovery plan, in the form mainly of direct spending by the EU in addition to grants and loans to Member States.
10. Stresses that such a recovery plan should be geared toward a sustainable European economy and society, and therefore focus on the transition of European industry to a carbon-neutral economy in the spirit of the proposed European Green Deal, based among other issues in facing climatic emergency and on the 17 Sustainable Development Goals, the digital transition, the strengthening of the EU's productive capacity and the strategic autonomy of its industry, as well as reinforced spending for European citizenship and democracy, in particular in those areas where rule of law is challenged. Calls for the Recovery Plan to complement the core budget as to achieve at least 1,4 per cent of EU GNI spending, and to compensating proposed cuts in defence, education, and other.
11. Stresses that in the future, on the precedent and model of the Recovery Fund, common European goods should be permanently and sustainably financed by genuine European resources: the health of European citizens, research on topics of common European interest, the good functioning of the Single Market and of the Economic and Monetary Union, an industrial policy geared towards a sustainable and digitally-advanced and privacy-preserving economy, the protection of the environment, an ambitious climate policy driving the transformation of European industry, the integrity of the Schengen area, a human rights-based asylum and migration policy and a new sustainable trade policy are all examples among others of policies where greater effectiveness, significant

economies of scale and further added value could be provided by funding and policy-making by the European level.

12. Therefore calls for the EU to be given the powers to raise and spend its own financial resources, independently from the Member States, focusing notably on digital and financial giants and on polluters in line with Parliament and Commission's proposals.
13. To reach this objective, urges the European Parliament, as a matter of necessity and urgency, to fight for genuine European own resources, that are designed, collected and managed at European level – a need even more pressing in the event of establishment of the Recovery Fund in the form proposed by Commission – thus launching the debate for the creation of an autonomous fiscal capacity of the EU.
14. Calls on the Council of the EU to introduce the principle of conditionality to the next Multi-annual Financial Framework, for the EU to gain the possibility to freeze EU funds when a Member State violates the rule of law and fundamental principles of the EU.
15. Stresses that the plans for a Conference on the future of Europe need to be resumed as soon as possible, in a way that takes into consideration the urgency for reforms made even more evident by the ongoing crisis as well as the citizens' expectations towards the EU and its capacity of action, with objectives, among others, to provide a positive impact in all European citizens' lives, and in particular for the youth. The Conference cannot and shall not be a tokenistic exercise. It has to answer current and future European challenges, and build the foundations of a genuine European democracy, upholding and substantiating the fundamental values of Europe, and overcoming current institutional obstacles. To do so, it needs to be a concrete opportunity to overcome the status quo: a constituent moment towards a federal Europe, meaningfully involving citizens, leading to a renewal of the trust of citizens in Europe and its democratic institutions. Therefore, it should be fast-tracked and focus on delivering rapidly a political mandate to the Parliament to draft a European federal Constitution.
16. Calls on the European Parliament to put forward such an agenda for the Conference and then provide its contribution by drawing up, debating and proposing a draft European federal Constitution to the other European institutions, as it did in its first legislature under the leadership of Altiero Spinelli.
17. Calls on the Council to finalize its position and develop with Parliament and Commission to finalize their discussions and develop a joint-institutional common position on the Conference on the Future of Europe so that the Conference can be convened as soon as possible, and at the latest before the end of 2020.
18. Urges the most visionary heads of state and government to lead the way, without being blocked by the most conservative governments, as a two-speed Europe – with a central core composed of those states that want greater integration, would meet both the need and urgency for greater unity while respecting the reluctance of some countries that may not be willing or ready to join yet.

There is only one future for Europe, and that future is federal.

Brussels, 4<sup>th</sup> July 2020