

## CONTRIBUTION OF THE LI COSAC

**Athens, 15-17 June 2014**

### **1. European Elections**

1.1 COSAC welcomes the successful conduct of the 8<sup>th</sup> European elections, held from the 22<sup>nd</sup> to the 25<sup>th</sup> of May 2014. Although the average turnout in the elections was higher than expected and there were "Spitzenkandidaten" to address European issues during the election campaign, COSAC expresses its concern about both the poor turnout in certain member states and the rise of extremism and xenophobia, as reflected in the results; it therefore urges the respective governments, political parties, as well as the European institutions to reflect on their share of responsibility for these phenomena and act promptly in order to tackle them.

1.2 In this regard, COSAC welcomes the expressed will of the Heads of EU states to place growth and job creation on top of their priorities, together with pursuing further progress in the area of freedom, security and justice and coping with the major challenges of climate change and energy efficiency and security.

### **2. Economic Governance – Deepening of the Economic and Monetary Union (EMU)**

2.1 COSAC reaffirms its conviction that deepening of the EMU, through the introduction of policies dealing with the insufficiencies revealed after the outburst of the crisis, is of utmost importance. In this context, an integrated financial framework with a fully - fledged banking union, with effective supervisory, resolution and deposit guarantee mechanisms at a European level, coupled, as necessary, by a genuine fiscal and economic union is seen as a natural next step to the budgetary coordination framework already in place.

2.2 Consequently, COSAC welcomes the political agreement reached during the Hellenic Presidency of the Council, on the Single Resolution Mechanism, as well as the completion of the agreement on the Single Resolution Fund. These agreements shall play a vital role towards the conclusion of a Banking Union, which will help ensure financial stability, minimise the cost of bank failures on European citizens, restore the markets' confidence in the European banking sector and allow banks to resume supply of credit to the real economy and thus pave the way to growth.

### **3. Freedom, Security and Justice**

3.1 COSAC calls on the European Council to adopt the Strategic Guidelines in the field of Justice and Home Affairs regarding the legislative and operational planning, building upon the progress already achieved in the context of the Stockholm Programme; COSAC underlines the significance of the principle of solidarity and responsibility in the designation of the Guidelines and stresses the need for full implementation and enforcement of existing instruments in the area of freedom, security and justice in order to improve the quality of life of European citizens.

3.2 COSAC is of the opinion that special attention should be attached to the sensitive issue of migration flows management and the integration of legal immigrants in EU societies with a view to urging European responses to the present and upcoming challenges; to this end, proposals put forward by the Task Force Mediterranean, should be given a concrete follow-up, as sea routes of migration are the most frequently used and at the same time linked with significant human losses. COSAC stresses the need for initiatives aimed at implementing the principle of solidarity and fair sharing of responsibility as laid down in Article 80 of the TFEU in the fields of mutual recognition of national decisions on asylum, pooling of reception places at EU level to face possible situations of crisis and particular pressure, contingency planning and crisis management.

### **4. EU maritime policies**

4.1 COSAC underlines that sea and maritime activities present an inexhaustible source of growth and prosperity for the whole of Europe. It therefore welcomes the joined-up effort undertaken by the European Commission, the External Action Service, the Hellenic Presidency and the Member-States to develop a holistic, cross sectorial strategy in order to promote and safeguard this potential, namely the EU Maritime Security Strategy (EUMSS); it is convinced that the EUMSS should consist of both internal and external aspects of maritime security, promote global solutions in dealing with challenges at the European level and make good use of all existing EU tools and structures in the maritime security domain, including CSDP missions and operations.

### **5. Ukraine**

5.1 COSAC welcomes the holding of Presidential elections in Ukraine and notes with satisfaction the high turnout of the Ukrainian people and the clear resolve of the Ukrainian authorities to hold genuine election procedures, largely conforming to international commitment.

5.2 COSAC reiterates strong support for the territorial integrity and sovereignty of Ukraine and condemns the illegal annexation of Crimea by the Russian Federation. COSAC strongly supports sovereignty, independence and territorial integrity of all European countries and believes that there is no place for any separatist activities and provocations aiming at changing borders in Europe of the 21st century, without due democratic procedure.

5.3. Actions of Russian Federation are inconsistent with its existing commitments and obligations including the UN Charter, the OSCE Helsinki Final Act and the Budapest Memorandum. Crimea Peninsula must be reintegrated with the state of Ukraine in order to bring back stability in Europe.

5.4 COSAC calls Russian Federation Council to rescind its decision of 1<sup>st</sup> of March, 2014, allowing the use of force against the neighbouring country.

5.5. COSAC stresses that in the current situation it is essential that Russia takes real steps to defend the border of Russia-Ukraine in order to prevent the flow of terrorists and arms to Ukraine.

5.6 COSAC is confident that the quality of the Presidential elections provides the new President of Ukraine with the legitimacy to establish an inclusive dialogue with all citizens and work in order to guarantee the unity of the country while respecting the diversity of Ukrainian society; it calls on the European Union to work closely together with the new President of Ukraine and support him in pursuit of decentralisation and constitutional and structural economic reforms in order to ensure political and economic stability in the country. Moreover, COSAC welcomes statements by the Russian Federation pledging respect for the elections outcome; it therefore urges the Russian Federation to cooperate with the new legitimate President, to commit to a peaceful and constructive dialogue towards de-escalating tensions and to withdraw armed forces from the Ukrainian border.

5.7 COSAC expects that the contracts regarding gas supplies from Russia to the European Union will be fully respected. Following the Ukraine crisis, COSAC considers that energy efficiency and security has risen to a top priority for the European Union. In this regard, COSAC urges the Commission and the Member States to explore ways for financing energy efficiency measures and curbing energy demand, as well as to engage in further developing an EU energy security strategy.

5.8 COSAC welcomes the decision to sign the Association Agreements with Georgia and Moldova on 27 of June 2014 and expects the concurrent signature of the remaining chapters of the Association Agreement with Ukraine. COSAC notes the special role of EU national parliaments and European Parliament in the process of ratification of these agreements and invites them to send a strong message of support to the Eastern partners by ensuring smooth ratification process.

## **6. Democratic Accountability**

6.1 COSAC points out that the twofold democratic legitimacy of the Union, as a union of citizens and of Member States, is embodied, in the EU legislative process, by the European Parliament and the Council, in the context of co-decision process and underlines the role of subsidiarity checks performed by national Parliaments; stresses that legitimacy and accountability must be properly ensured at national and EU level by the national parliaments and the European Parliament; recalls the principle, set out in the Conclusions of the December 2012 European Council meeting, that throughout the process, the general objective remains to ensure democratic legitimacy and accountability at the level at which decisions are taken and implemented.

6.2 COSAC notes that the economic recess and its impact, such as high unemployment, combined with reduced social spending and downgrading of living standards have proved critical for the diminishing popularity of the European Union. COSAC is, in this regard, of the view that the EU's democratic credibility has been challenged over the past five years, as the need to swiftly address the effects of the economic and financial crisis and to coordinate fiscal policies has led governments or Council formations such as the Eurogroup to delegate competencies to the European level, partly lacking parliamentary control.

6.3 Moreover, COSAC notes with regret that macroeconomic adjustment programmes were not characterised by sufficient democratic legitimacy and accountability, as stated by the vast majority of respondents in the Bi-annual Report. COSAC stresses that, in the future, genuinely democratically accountable institutions should be primarily involved in designing and implementing such programmes in order to guarantee transparency and political ownership.

6.4 COSAC reaffirms the willingness of national Parliaments to engage in a public debate over the European institutional architecture in the context of the existing Treaties. COSAC strongly believes that ways to achieve democratisation of the decision making process should be explored without putting into question the community method. In this respect, powers vested by the Treaties to the European Parliament should be fully exercised and its cooperation with national Parliaments should be further developed.

6.5 COSAC welcomes the agreement reached on the Regulation on the statute and funding of European Political Parties and Foundations.

6.6 Five years after the entry into force of the Lisbon Treaty and the consequent appointments of the President of the European Council and the High Representative of the European Union for Foreign Affairs and Security Policy, COSAC congratulates Mr. Herman Van Rompuy and Lady Catherine Ashton.

6.7 COSAC expresses the hope that cooperation between the European Council and the European External Action Service and EU Parliaments will continue unhindered and will be further exploited and developed, both bilaterally as well as in the context of interparliamentary cooperation.

6.8 COSAC taking into account the widespread mistrust of citizens towards the European institutions, strongly supports the democratic participation of EU citizens in the legislative procedure, under the European Citizens' Initiative and encourages a more active involvement of the European Parliament in its follow up.

6.9 COSAC is convinced that EU institutions must work together constructively taking into account the election results and the message conveyed by the European citizens when appointing the heads of the main institutional bodies, as envisaged in the TFEU.

## **7. Addressing the Social Deficit in the EU**

7.1 COSAC notes that the deep economic recession in the euro area and the on-going European sovereign debt crisis have placed the debate on the social dimension of the EMU high on the European political agenda. In this respect, COSAC stresses the need for a horizontal integration of the social dimension into EU policies and within the framework of the European Semester. COSAC strongly supports social dialogue and the active participation of competent social partners in shaping more effective and targeted EU policies.

7.2 COSAC calls the European Institutions to respond to citizens demands for protection against the intense global competition; COSAC considers that the high standard harmonisation of social and environmental rights, as well as the fight against fiscal fraud should become a priority in the European agenda.

7.3 COSAC expresses its satisfaction over the first signs of a recovery in economic activity in the European Union throughout 2013, in terms of both productivity and competitiveness. However, it underlines that the continued pursuit of unbalanced fiscal consolidation policies is recognised as ineffective and prolonging the economic crisis unnecessarily as well as impeding recovery in employment prospects. The goal of long-term fiscal consolidation needs to be matched with measures to boost demand and stimulate growth.

## **8. Rethinking the European employment Strategy**

8.1 COSAC notes with great concern that labour market conditions have continued to worsen over 2013, emphasising the unprecedented high level of youth

unemployment across many EU countries, the increasing persistency of unemployment and the deterioration in the quality of employment (i.e. involuntary temporary and part-time employment, in-work poverty, informal work, job and wage polarisation); it therefore deplores the limited capacity so far of the EU to address the failures and disparities in labour markets so as to effectively resolve the problem.

8.2 COSAC welcomes the EU key initiatives to tackle youth unemployment (Youth Employment Package, Youth Guarantee, Youth Employment Initiative) and urges the European Commission to further step up efforts in order to create better and more, employment opportunities for the youth of Europe, taking under consideration particularities in the implementation of its initiatives, such as the case of poor rural areas. Regarding the effective implementation of the Youth Guarantee, COSAC considers that the involvement of all government levels and a regular and structured cooperation with stakeholders (i.e. public and private employment services, enterprises, trade unions, youth organisations) are required, the proper articulation between the national support systems to youth employment and the 'European Youth Guarantee'.

8.3 COSAC encourages EU Parliaments' active involvement in the efforts towards tackling youth unemployment by contributing in the designation of the Youth Guarantee Implementation Plan and scrutinising its implementation. In this regard, it urges Parliaments to engage in interparliamentary dialogue not only between them, but also between them and the European institutions.

8.4 COSAC welcomes the adoption of European Union Work Plan for Youth for 2014-2015 by the Education Council; it is of the view that policy-making should take into account young people's conditions and needs. To this end, it encourages enhancement of a structured cross - sectoral cooperation in youth policy, further evolution of social dialogue and increased active participation of young people to the development and implementation of policies affecting them. COSAC emphasises the importance of ensuring youth policy input into the European Semester and into Europe 2020 Strategy.

8.5 COSAC acknowledges the significance of entrepreneurship for the EU economy, in particular in Small and Medium Sized enterprises (SMEs) as a source of economic growth and job creation. In this regard, it encourages the promotion of policies that facilitate business start-ups, especially in emerging and cutting – edge technologies and young entrepreneurs in accessing finance and support services and strongly supports the development of entrepreneurial education and culture (i.e. through traineeships, exchange programmes, information and support services) to facilitate the effective integration of young people into the labour market.

8.6 COSAC draws attention to the worrisome trend of high unemployment rate of young adults, aged 25 – 34. COSAC acknowledges that young adults should benefit from youth labour market programmes or retraining to improve their skills and

employment prospects. Therefore it calls on the Commission to take up concrete and imminent initiatives in order to facilitate such actions and introduce specific measures for this age group.

## **9. The female capital against the backdrop of the economic and financial crisis**

9.1 In the follow – up of the work of the Women’s Forum held under the Lithuanian Presidency, COSAC notes with great concern that the austerity policies to address the financial crisis are resulting in severe reductions in social services and job security. COSAC draws attention to the fact that the impact of such policies on women's economic independence as well as on their working and living conditions, is negatively affecting the balance of work and family life, while undermining, at the same time, their equal opportunities in the labour market.

9.2 COSAC underlines that the current economic and financial crisis, which has fuelled a social crisis, should not jeopardise progress achieved in the promotion of gender equality, reproductive health and rights.

9.3 COSAC notes that, although the Strategy for equality between men and women 2010-2015 has been introduced as the main tool to support gender equality in the implementation of the EU2020 strategy, the share of the burden shouldered by women has in fact become heavier.

9.4 COSAC deplores the fact that gender mainstreaming has an insufficient or non-existent profile in the EU2020 agenda and the European Semester; it therefore deems necessary that gender perspective is incorporated in the elaboration of the EU 2020 targets, in particular those related to employment, Research and Development, energy, education and poverty and becomes a reality.