

CONTRIBUTION OF THE LII COSAC

Rome, 30 November - 2 December 2014

1. Mid-term review of Europe 2020 Strategy

1.1. COSAC considers the mid-term review of Europe 2020 Strategy a fundamental step to support recovery from the economic and financial crisis and to fully exploit the potential of growth and employment of European economies by restoring the confidence of EU citizens and business as well as markets.

1.2. Taking into account the progress on the implementation of Europe 2020 goals, COSAC is of the opinion that a renewed Europe 2020 Strategy should pursue the following objectives:

- a) contribute to ensure a better alignment of the real and financial economies;
- b) update the employment, poverty and social exclusion goals and take urgent additional measures in these fields, taking into account that the implementation has been so far largely unsatisfactory;
- c) improving the governance of Europe 2020 Strategy with the aim of better coordinating the goals and targets of the EU growth strategy within the European Semester and of ensuring a more effective balance of priorities between fiscal elements and the growth and competitiveness agenda. To this end the Single Market and Industrial Competitiveness priorities should be integrated within the European Semester.

1.3. COSAC is convinced that the review of Europe 2020 will be effective if it is carried out within the framework of a more general EU strategy aiming at achieving higher growth rates in all European countries and reducing growing wealth imbalances within the EU. To this end, it is essential to support the aggregate demand and to complement growth-friendly fiscal consolidation with actual use – by Member States being in a condition to do so – of the flexibility clauses set out in the Stability and Growth Pact.

1.4. To this end, COSAC welcomes the commitment of the European Council conclusion of 23-24 October for prompt implementation of the orientations set out in the Strategic Agenda for the Union in Times of Change, in particular those related to jobs, growth and competitiveness and those aimed at empowering and protecting its citizens. It fully supports the invitation from the European Council to the Commission, the Council and the Member States to translate this approach into concrete policy actions.

1.5. COSAC fully supports the new Commission's intention to launch an initiative mobilising 300 billion euro in additional public and private investment over the period 2015-2017. It welcomes the establishment of a Task Force, led by the Commission and the European Investment Bank, with a view to identifying concrete actions to boost investment, including a pipeline of potentially viable projects of European relevance to be realised in the short and medium term. In this respect COSAC calls on EU Institutions to take this investment initiative forward without delay. At the same time, COSAC points out that the abovementioned plan could not be sufficient to achieve the goals enshrined in the Europe 2020 Strategy. Consequently, an increase of the resources earmarked for the implementation of the Strategy should be considered on the occasion of the mid-term review of the Multiannual Financial Framework 2014-2020.

1.6. COSAC calls for public expenditure related to the implementation of programmes co-financed by the European Structural and Investment Funds to be completely excluded from the definition of Stability and Growth Pact structural deficits because this is expenditure devoted to achieving the goals of Europe 2020 and supporting competitiveness, growth and job creation, especially where youth employment is concerned.

2. Future of the EU - EU Institutions and Parliaments

2.1. COSAC notes that a majority of national Parliaments/Chambers has given a positive assessment of the implementation Lisbon Treaty provisions conferring new authority on national Parliaments, believing that these provisions have been applied in the best possible way, with a positive impact on the good functioning of the Union, especially with reference to the information provided by EU institutions, the participation in interparliamentary cooperation, and subsidiarity checks.

2.2. COSAC notes that some Parliaments/Chambers have pointed out the excessive use of delegated acts by the European Commission, while others have stressed that essential elements should not be the subject of a delegation of powers and that the interpretation of the concept of "duration of the delegation of powers" should not lead to delegation of power unlimited in time. In the view of some Parliaments/Chambers, such practices could deprive national Parliaments of the power, conferred by the treaties, to scrutinise any amendments to the provisions that were the object of delegation. The full involvement of the European Parliament in the procedure of objection to and revocation of power ensures democratic control. Some Parliaments/Chambers have also asked that future delegations of power should not

exceed a time limit of five years, with one tacit extension for the same period subject to presentation of a report by the European Commission.

2.3. COSAC supports the idea of *ad hoc* public consultations by national Parliaments and a dedicated section for the replies of national Parliaments in the European Commission's summary report on the consultation. COSAC invites the European Commission to explore the possibility of creating such dedicated section.

2.4. COSAC welcomes further efforts to ensure that early legislative agreements at the first reading in the framework of the EU legislative process are more streamlined and leaner. Taking note of the criticism raised on the lack of transparency and insufficient scrutiny by national Parliaments on the ongoing negotiations in the trilogue phase, it invites all EU Institutions to take into account these concerns. If a proposal is significantly altered during interinstitutional negotiations, COSAC invites national Parliaments to ask their respective Government for detailed information and to scrutinise the amended proposal before agreement in the Council.

2.5. COSAC notes that a majority of Parliaments/Chambers are in favour of creating new instruments aimed at involving national Parliaments in EU decision-making without any formal Treaty changes. The most recurring ideas – a complete list of which is included in the 22nd Bi-annual Report – include a possible "green card" procedure, enhanced political dialogue, scrutiny/consideration of draft trade agreements and improvements of the "yellow card" procedure. COSAC could take these ideas as a starting point for further discussion on the ways to foster further interparliamentary cooperation.

2.6. COSAC invites EU Institutions and Member States to open a discussion on a stronger role for the European Parliament and national Parliaments, taking into account the complementary role and the institutionalised link between European and national levels in the new Euro-National composite Constitution, in accordance with Article 10 of TEU, in view of the fact that participation of national Parliaments in the EU decision-making has been fully integrated into the debate on democratic legitimacy and better functioning of the European Union.

2.7. COSAC fully supports the enhanced participation of EU Parliaments in interparliamentary cooperation as foreseen in the treaties, pointing out that this has enabled policy-makers to effectively scrutinise the most relevant EU dossiers. Besides, interparliamentary cooperation has enhanced the capacity of national Parliaments to monitor national Governments and has proved an important tool for qualitative and in-depth involvement of national Parliaments in the EU decision-making process. In this perspective, the role of the European Parliament is crucial in targeting the issues to be

discussed and in making more effective, if envisaged, the conclusions to be adopted with reference to dossiers under consideration by the EU legislature.

2.8. COSAC takes note that a debate on further development of the European integration process is not on the agenda of most Parliaments/Chambers, while noting that some Parliaments/Chambers have a positive attitude thereon, including in a federal perspective.

3. The role of the EU in the Mediterranean and in the East Europe

3.1. COSAC notes that the Mediterranean and the Middle East are areas of strategic relevance for the EU and its Member States; it considers that after the rightful and necessary emphasis placed on Northern and Eastern enlargement over the last twenty years, it is now essential to re-establish the strategic priority of the Union's Southern border; it underlines that the presence and visibility of the Union should be further increased through credible provision of assistance to our regional partners, in the framework of the Neighbourhood Policy and, with particular emphasis on supporting domestic reforms, strengthening democratic institutions, promoting sustainable and inclusive growth and involving the civil society, in compliance with the principle of shared ownership and responsibility.

3.2. COSAC welcomes the new Neighbourhood policy adopted by the Commission in March 2011 with the communication "*A Partnership for democracy and shared prosperity with the Southern Mediterranean*" and the roadmap for its implementation, and the update included in the communication of March 2014 entitled "*Neighbourhood at the crossroads*"; underlines that the neighbourhood policy should be constantly updated in view of the political and socio-economic developments in the region and – for this purpose – welcomes the strengthening, in the structure of the new European Commission, of the coordination between the High Representative and the Commissioner responsible for neighbourhood policy, and between their respective staff, and wishes that Member States better coordinate their national policies with EU policies.

3.3. COSAC welcomes the recent revitalisation of programmes and initiatives developed in the framework of the Union for the Mediterranean and underlines their complementarity with the support measures included in the Neighbourhood Policy and their capacity to attract many public and private players. COSAC also notes that cooperation among Member States and countries of the Mediterranean area may be complemented with new partnership paradigms attaching priority to a thorough common approach that goes beyond bilateralism and decentralised cooperation, so as to enhance the sub-national level and involve the civil society and all relevant

stakeholders (Associations, Universities, NGOs), with the necessary flexibility so as to ensure the feasibility of programmes, as crystallised in the Barcelona Process and State planning with all the ensuing constraints. In this framework, cultural projects and projects for the new generations should be given priority.

3.4. COSAC expresses concern for the risks of further destabilisation in Libya and stresses the need to preserve its territorial integrity and national unity; the security threat posed by the self-declared Islamic State in Iraq and the Levant (ISIL); the recent escalation of the conflict in the Middle East, at the same time encouraging both Israelis and Palestinians to re-engage in negotiations for a final agreement based on a two-State solution; the stalled negotiations for a peaceful solution of the conflict in Syria; COSAC invites the Union to develop common, politically strong and effective answers, so as to strengthen the commitment for the development of a new and updated security strategy at regional level.

3.5. COSAC stresses that the escalating and continuing instability in the Mediterranean area makes the development of an EU migration policy implementing the principles of solidarity and burden sharing – also at financial level – among Member States under Article 80 of the TFEU even more compelling; welcomes the Conclusions adopted by the Council on 10 October 2014 on "*Taking action to better manage migratory flows*" and urges Member States and the European institutions to fully implement them. In this regard, COSAC supports the three pillars outlined, based on: cooperation with third Countries with a specific focus on the fight against smugglers and traffickers in human beings, strengthening the ability of FRONTEX to respond in a flexible and timely manner to emerging risks and pressures, and thorough and consistent implementation of the Common European Asylum System, also through increased operational cooperation; COSAC emphasises, in this context, the need to support the new European initiative "Operation Triton", which accounts for a natural development of the successful "Mare Nostrum" experience implemented by the Italian Government and the need to ensure effective support for countries (most notably Turkey, Lebanon and Jordan) bearing the brunt of the inflow of new refugees from Syria.

3.6. COSAC expresses serious concern about the renewed tensions in the Eastern Mediterranean and calls on Turkey to respect the sovereign rights of the Republic of Cyprus in its Exclusive Economic Zone. COSAC also wishes that progress be achieved in the UN-led negotiations for the solution of the Cyprus problem according to the relevant UN Resolutions and the values and principles of the European Union.

3.7. COSAC reaffirms the importance of the EU's Eastern Partnership Policy. Democratization, modernisation and the outlook for a true Eastern Partnership remain essential for the EU and its Member States; whilst taking into account the regional differences in development and the resulting different capability to fully engage in the processes.

3.8. COSAC welcomes the recent parliamentary elections in Ukraine. The elections marked an important step in Ukraine's aspirations to consolidate democratic elections in line with its international commitments. COSAC also welcomes the provisional application of important parts of the EU-Ukraine Association Agreement as of 1st November 2014; this will be a key instrument for carrying out the much-needed reforms in Ukraine in the years to come, underpinned by the EU's support. A reinvigorated reform process, including the launching of a country-wide national dialogue, will be crucial in view of Ukraine's political association and economic integration with the EU and in order to consolidate Ukraine's unity and internal cohesion.

3.9. COSAC condemns Russia's military intervention in Ukraine; calls on Russia to take concrete steps to de-escalate the crisis in Eastern Ukraine by stopping the movement of armed combatants and weapons across the Russian-Ukrainian border, by distancing itself from the activities of armed separatists in the Eastern regions of Ukraine and fully respecting the territorial integrity and sovereignty of Ukraine.

3.10. COSAC calls on Russia to resume its role as EU's strategic partner, in an appeased regional environment. It is crucial, for the regional and global medium and long-term political and economic stability, that the Russian Federation demonstrate its efforts to have a cooperative and constructive relationship with the EU.

4. EU Agencies and national Parliaments

4.1. COSAC underlines the important role that EU agencies can play in implementing EU policies in various fields, conducting independent surveys and providing evidence-based assistance and expertise to EU institutions and Member States, helping the institutions to concentrate on core policy-making tasks and contributing to enhance the cooperation between Member States and the EU in important policy areas.

4.2. COSAC notes that some Parliaments/Chambers expressed concerns in relation to the role and the functioning of the EU agencies, notably with reference to the lack of adequate control, governance and accountability issues, the risk of agency capture by sectoral interests, the usefulness or cost-effectiveness of agencies, their proliferation and the duplication of their activities.

4.3. COSAC supports the European Parliament's call for the introduction of a legal basis in order to establish agencies which may carry out the specific executive and implementing tasks conferred upon them by the European Parliament and the Council in accordance with the ordinary legislative procedure.

4.4. COSAC considers the existing mechanisms making agencies accountable to the European Parliament adequate, although instruments enabling national Parliaments to monitor such agencies are worth exploring.

4.5. COSAC notes that to date, only some national Parliaments make use of information or expertise provided by EU agencies in the framework of their activities under the form of studies, reports, statistics, or in the framework of formal and informal meetings. The relations between national Parliaments and EU agencies should be further improved by enhancing contacts and cooperation.