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Socialists & Democrats
in the European Parliament**

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S&D Paper

on the EU's constitutional future: towards a stronger political union

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Preface

This paper reflects the position of the S&D Group, as the most progressive and pro-European family in the European Parliament, on the constitutional future of Europe. It also intends to offer a first contribution - as regards the institutional dimension - to the Conference on the Future of Europe, expected to start in the autumn of 2020. This exercise comes two decades after the launch of the last official debate on the future of Europe (European Council of Nice, 2000, followed in 2001 by the Laeken Declaration).

We believe our European constitutional framework requires an update on its contents (policies), resources, decision-making (procedures) and democratic legitimacy, thus resulting in a stronger, more perfect political union. These three dimensions are closely connected, since we realise that the implementation of our ambitious progressive agenda in the social and ecological fields depends also on more democratic and efficient decision-making at the European level.

Some of these improvements can be made within the Lisbon Treaty, that must be explored to the maximum, others require its reform. In this regard, we are cognisant that crises are also opportunities for further European integration and sovereignty.

This proposal will allow our Union, in a changed Europe and world, to focus on the big transnational challenges, such as inequalities, pandemics, climate change, migration, digitalisation, terrorism and foreign affairs and security, among others, in full respect of the principle of subsidiarity and of a well-functioning balance between national and European competencies, particularly as regards national and regional roles in fields like education, culture, sports, pensions, etc. An equally importance balance to preserve is the one between big and small member states.

We reaffirm the great potential of engaging with the European citizens through the Conference on the Future of Europe, as an open-ended process with no pre-defined conclusions, the primary aim of which is to establish new ways of interaction and dialogue with a wide range of our society, in order to develop joint proposals for a better future in the EU.

1. Introduction

The EU is at a critical point in its history. Since before the adoption of the Lisbon Treaty in 2007, national egoism has been growing, intergovernmental instruments on the rise and solidarity not as strong as it should be. The S&D Group should be at the forefront of demanding **improvements of the EU's institutional architecture**, particularly at a moment when our societies and the world have changed dramatically in so many dimensions, in just ten years after the latest Treaty entered into force, as a result of: the financial and economic crisis and the correlative increase of national-populist forces, the climate emergency, digitalisation, the rise of China as geopolitical actor, the Arab spring and its aftermath, Russian aggressions and interference, migration flows, Brexit, the Trump presidency, the public health crisis and the economic meltdown resulting from the coronavirus pandemic of early 2020.

This last challenge is the most difficult one Europe and the world are facing since 1945, precisely when the Union has reached its 70th Anniversary (the Schuman Declaration that proposed the gradual establishment of a European federation, was issued on 9 May 1950). Like then, our ambition should be commensurate to the scale of the challenges we are facing.

We should never forget that the European Union is the most extraordinary political innovation in history. It has delivered decades of peace and prosperity in Europe and has shown humankind that sovereign nation-states can form a Union to jointly manage transnational issues in an interdependent and globalised world. Much has been achieved but a long road still lies ahead in order to fulfil the vision of an ever closer Union, while some, populists and the far right, continue to challenge the European integration project. The path towards a full political union is not a promise buried deep in the Community acquis; it becomes now a necessity, given the ecological, public health, economic and social emergencies we are facing.

The COVID-19 outbreak crisis calls for extraordinary and joint European solutions. It is urgent to produce a joint European vision for the short and longer term under a programme of policy action and institutional reforms.

The inability to effectively respond to this crisis would harm not only our prosperity and our welfare, but would also trigger unprecedented political consequences for the European project as a whole, since it can be used by Eurosceptics as means to discredit the European Union and its ability to act in times of crisis, which would pave the way for fragmented national responses and anti-European feelings among citizens.

Therefore, it has become all the more urgent to debate the Future of Europe and relaunching the Union, assessing and interpreting its competences in light of the new and upcoming challenges, making it more capable to act and present common European approaches to the challenges of our time. The European Union needs the competences to become more social, more ecological and stronger in the world. Without these competences, the European Union cannot adequately react to the challenges of our time, whether immediate, in the medium or long-term. In times of emergencies or crisis, the European Union can no longer afford to be an easy target for the same heads of state and government who in times of peace are unwilling to even discuss additional powers for the European level.

The planned **Conference on the Future of Europe still represents a unique opportunity** to reflect on the urgent strengthening of our political union, namely by considering the constitutionalisation of new social, gender equality and ecological objectives, improving decision-making procedures in the Council and extending co-decision with Parliament to all policy fields, among other reforms, but also by

assessing the EU's capacity to act under the current Treaties on the management of health, economic and social emergencies.

A strong EU also needs a strong EU budget and broader resources. If there is one domain where European cooperation is crucial and has clear added value, it is the domain of public revenues. That is why, more than ever, a key feature of any serious European Anticyclical Tool, avoiding the mistakes of the post-2008 aftermath, is a set of strong own resources for Europe, making public budgets and social safety nets stronger through raising revenues at EU level that could not be raised at national level.

2. The Lisbon Decade

The Treaty of Lisbon was a breakthrough in the integration process. Among its milestones are the increase in the co-decision power of the European Parliament in 40 new areas, the creation of the European External Action Service and the permanent Presidency of the European Council, among others. However, just ten years after it entered into force, Europe and the world have radically changed.

We should not forget the lessons from the previous financial crisis. Within the European Union, from 2009 to 2014, emphasis was placed on adjustment programs that sought to reduce budget deficits through cuts in social programs and tax increases. The possibility of Member States leaving the Eurozone constituted a major crisis of trust in our common currency with dividing lines between the countries of the North and the South, highlighting the incomplete architecture of the euro.

These right-wing policies deepened the recession in several Member States, causing the increase of poverty and inequalities which fuelled popular discontent and national populism. Still there were some positive developments: the establishment of the European Stability Mechanism, even if of an intergovernmental nature, the launching of the banking union and the common supervision of banks, the resolution fund, etc.

Starting in 2014, the new Juncker Commission, pressured by the S&D Group, partly corrected this direction by introducing the flexibility in a counter-cyclical direction in the Stability and Growth Pact. The Investment Plan for Europe was also launched, while the ECB lowered interest rates to zero percent and put forward the sovereign debt purchase program worth 1 trillion euros. All this has contributed to the recovery of the Eurozone and brought unemployment to 7.5% in 2019, the lowest level since the beginning of the crisis although with persistent national, regional and gender inequalities.

Still, there was not sufficient progress on the capital markets union, nor enough political will on issues like the banking (lack of a common deposit guarantee, EDIS) and fiscal union, and generally speaking on the governance of the EMU. In particular, the extraordinary need for public income support resulting from the pandemic-related economic shutdown puts into serious question Maastricht dogmas such as the prohibition of monetary financing of Union or government expenditures, or the unconditional principle of Union budget balance.

Furthermore, no substantial progress was registered either on the common asylum policy or on the need for a stronger European voice in global affairs, for instance on the issue of a common permanent seat for the EU in the UN Security Council. Finally, the Lisbon Treaty lacks ambition on challenges like climate change, the social dimension, including cross border public health issues, and digitalisation among others.

Brexit forces us to open up new scenarios for the institutional governance of the Union, in particular due to the need for an improved political solution and for delivering a more efficient way of legislating as well as developing different levels of decision-making. It could even be turned into an opportunity, given the traditional British resistance to further integration. In this framework and in the need of a clearer definition of competences, forms of differentiated integration might also be needed (but **differentiation must in any case guarantee an inclusive approach**, confirm the principle of equality, never undermine EU citizenship and respect the coherence of the EU legal order.

In the last ten years, the geopolitical context also changed. The invasion of Ukraine by Russia in 2014 called into question the territorial integrity of a neighbour country, which reverberates into the 2020s. In the Mediterranean, Turkey has become a difficult partner, while the war in Libya and Syria caused the migratory waves of 2015 and 2016. All this has been subsequently joined by the referendum leading to Brexit and the electoral success of Donald Trump in the United States, both in 2016. Furthermore, in these last ten years China has emerged as a global player of great influence, notably advancing in technology and defence and by financing public and private debt. At the same time, Trump and Brexit have acted as external and internal federators of the EU.

In addition to this context, the COVID-19 outbreak makes manifest that the EU is currently ill-equipped to face urgent challenges, in areas such as health policy and border management where competences and powers are based on a mere cooperation among member States, but also in terms of deploying a timely and effective European-wide fiscal stimulus.

Given this environment, stronger European unity is a necessity, as a fully democratic Union of democratic states. Thus, **the historic mission of building a sovereign European transnational democracy in the form of a parliamentary political union**, as envisioned in the Ventotene Manifesto of 1941, **is now more valid than ever**, by underlining the constitutive intertwining between EU and Member States and by developing true and clear multilevel governance.

3. The 2019 European Parliament Elections

The negative predictions disseminated by some analysts before the elections regarding the strength of anti-European or far-right political parties did not materialise into a substantial increase of their number of seats in the European Parliament at the time of the May 2019 election. Citizens are more interested in EU affairs than was anticipated, due also to campaigns not only of political parties but of many pro-European civil society organisations. **The electoral results show that the increase in the participation in the 2019 elections was the highest since 1994** (up to 50.6% for the EU as a whole). This was due particularly to youth participation. The elections delivered a clear majority in favour of European integration (greater than 65%) in the present Parliament held by the EPP, S&D, Renew Europe and Greens.

However, the Spitzenkandidaten principle was not followed when the Parliament was not able to agree on a common candidate as President of the Commission. Nevertheless, in July 2019, the Parliament backed Ursula von der Leyen as President of the European Commission and her six priorities, which responded to the proposals of the PES and other affiliated parties' Manifesto.

First, the priority is set on a European Green Deal to achieve the objectives of the Paris Agreement and to streamline the introduction of measures to make different sectors of industry more sustainable, creating future-oriented jobs while at the same time protecting workers and regions affected by the transition towards a safe and sustainable way of living, working and producing. This

action will reduce pollutant emissions and respond at the same time to the demands of the **European Youth**, who call for a cleaner economy **with new productive sectors** that create jobs to guarantee their life projects; secondly, to advance in deepening the economic and monetary union while implementing an action plan to develop the Social Pillar; a third axis, on implementing the digital agenda for Europe; as a fourth point, launching a new European pact for migration; as fifth key point a stronger voice on the international scene; and as sixth and last priority, strengthening European democracy by establishing greater cooperation with Parliament and more transparency and accountability and by ensuring equal participation of citizens in an intersectoral approach regarding gender, age, income, ethnic and socio-economic origin.

In addition, the President of the Commission proposed a Conference on the Future of Europe.

Pro-European forces must now unite for an agenda of re-launch and pave the way to open up a process of reforms with proposals aiming at increasing the EU's capacity to act, more competences where needed and an increase of the European Union's budget including the reform of its own resources (with among others, a fraction of the Common Consolidated Corporate Tax Base, the Financial Transaction Tax, the digital tax, income from ETS/CO₂, ECB profits, etc.).

This points to the need for improving our decision-making, strengthening the common policies in strategic fields in order to implement the goals of Social Europe and of the European Green Deal, and increasing the financing of the EU, in respect of subsidiarity. In order to fulfil this agenda, we still need to fully exploit the Lisbon Treaty, but also to update our policy and institutional framework.

4. An updated policy framework: a completed monetary union, and new social, economic and ecological goals

While we welcome the timely initial decisions by the European Commission and the European Central Bank as a first response to the COVID-19 crisis, we deem it urgent now to launch a European Recovery Plan, financed by a sizable issuance of long term Union bonds guaranteed by the EU budget and new own resources (European revenues), thus paving the way for a real Financial Union. We also need to be vocal and go beyond, by re-adapting the institutional framework to the need for political and economic integration, for the promotion of economic and social cohesion in the face of the pandemic, as well as to finance the Green Deal, which involves huge investments to radically transform European society and production.

Therefore, the forthcoming European Recovery Plan is also the opportunity to constitutionalise permanent anti-crisis investment tools and instruments of automatic nature in order to manage the economic cycle and fight unemployment and poverty, to be included in the context of the sustainable and ecological transformation. The **European Green Deal & Climate Action Plan**, including the climate neutrality objectives, should become one of the EU flagship policies, by its incorporation into the Treaty.

The European Recovery Plan also constitutes an opportunity to advance towards the establishment of a European treasury financed by common forms of taxation and empowered to issue Eurobonds, that are a necessary addition to this institutional picture in an enhanced framework of own resources. Such a mutualised safe asset can also be a powerful geopolitical tool to enhance the EU and the international role of the euro. While the European Treasury is not in place, in order to ensure proper parliamentary control of the European Stability Mechanism, which was created as an intergovernmental solution to respond to the Euro Area crisis, its legal framework should be incorporated into the Treaties. The management of the Euro lacks transparency, on the one hand, and

flexibility, on the other, the primary objective of the European Central Bank being extremely reductive. A sound economic and employment policy should back the single currency, and the creation of an Employment and Social Affairs (EPSCO) ministerial Euro Group besides the existing Financial Ministers' Euro Group should be considered.

Improvements to the EMU governance are also necessary; the Commissioner for economic affairs should also be the chair of the Eurogroup, hence strengthening its democratic accountability. Finally, the Union must be able to coordinate national economic policies in the Euro area in the context of an aggregated fiscal and balance of payments stance. In this regard, the Commissioner of Economics should act as the Euro Area Finance Minister and in this capacity, chair the Eurogroup.

A long-awaited reform of the Euro area governance, as well as the completion of the EMU agenda, is necessary more than ever, as deepening the fiscal union is a vital tool for monetary stability and also for political integration. **Our Group must be the leading political force demanding a revision of the current fiscal rules, namely of the Stability and Growth Pact. Beyond the temporary measures established with the decision to activate the general escape clause, we should call for introducing forms of transnational redistribution** while providing strong incentives for fiscal stability.

We should also call for a profound reform of the European Semester, by including the UN SDGs and the European Pillar of Social Rights, with stringent rules and a precise political protocol, since in its current form it stifles the possibility for Member States to stimulate the economy with productive investments in high quality job creation, infrastructures, sustainable economy. This should be done with the technical input by the European Commission and **under the political control of the European Parliament**, which has to be more involved in every step of the Semester.

This reform will fall short if at the same time Member States do not address implementing an effective tax collection system, that is critical for generating much needed income for Member States and for citizens' approval and legitimacy of the EU. The fight against tax avoidance should therefore be enhanced as a common policy of the Union.

Moreover, economic policies should be taken in all Member States on the same basis, by not fragmenting the internal market in the euro and non-euro area, as well as in the Schengen and non-Schengen area, in order to increase solidarity, credibility and trust in the EU.

The long-term impact of this new crisis brings us into a very different scenario compared to the European Convention of 2002, almost 20 years ago. We need to deepen European integration especially in order to achieve a formal acknowledgement of new social needs that are emerging without uniformisation of national social systems: poverty, protection of the most vulnerable citizens, environmental rights, access to education, basic rights against poverty, portability of rights, a new protection of health.

Since 2008, we as the S&D Group - together with the European trade union movement - are pushing for a Social Progress Protocol on the relationship between economic freedoms and fundamental social rights in the light of social progress, giving workers', trade union and social rights primary status, to be included in the Treaties and implemented through EU legislation and policy.

When the treaty is reopened, such a Social Progress Protocol should be added directly into it and reaffirm that social rights, health and citizens' well-being take precedence over economic freedoms. The inclusion of a non-regression clause on social standards is also needed to achieve this goal. It will also be important to carry forward a battle for **raising the "constitutional" profile of the European Pillar of Social Rights**, approved by the European Social Summit of November 2017 through a "Solemn

Proclamation". **The S&D Group should call unequivocally for the Pillar to be integrated within Treaty provisions and to include all new and more advanced rights as defined in the Pillar, including a gender approach, with the goal of rebalancing the social and health dimension.**

The public health union should be a key component part of vision for a Social Europe, together with the introduction of a European System of Minimum Wages and decent minimum old age pension as well as with a European Unemployment Benefit Scheme, and with a strengthened common framework for the reception and integration of refugees and migrants into the increasingly multi-ethnic, multi-cultural European society.

The Social Progress Protocol and the European Pillar of Social Rights should constitute an EU binding mandate for ensuring the implementation of those rights by Member States.

These are the building blocks for a **deeper economic and social integration but also for a stronger role of the EU in the world**, notably in the field of common security and defence. Our social, economic, and ecological agenda is the *conditio sine qua non* for the sustainability of the European project and a **tool to deliver on the goals that we care about. We have to face a political and historical truth: the crisis of the European Union, if not tackled, would become a crisis of European social-democracy.**

5. A more efficient, transparent and democratic Europe

The legacy of the last European legislature, together with the first reactions at Member State level to the COVID-19 outbreak, shows how the Council's **governance of the long polycrisis that affected the EU** has strengthened the **lack of solidarity** and created new **divisions and multiple fault lines**: North-South, East-West, big vs small countries, European Union vs Member States. The cleavage "Sovereign vs Europeanist" emerged as one of the key features of the last European elections. **The outcome of the political debate held by the European Parliament between 2014 and 2019 identifies common points of action**: the EU added value, the cost of non-Europe, facing challenges together, preserving EU values and unity, enhancing citizens' role.

Our Group calls for a reform of the EU institutional setting that **strengthens the "quality and quantity" of European democracy. We ought to use all the ways inside the existing treaties to improve the decision-making of the Union, starting with the working methods of the Council**, that should be more efficient and transparent, notably by respecting the provisions on the public deliberation of the Council and the publicity of Member States' positions. While we value the consensus-oriented decision-making practice in this institution, which should continue, in cases of protracted blockage and after extensive negotiations, Council should be able to decide by Qualified Majority Voting in all policies (own resources, taxation, foreign policy, social affairs, etc.), initially by activating the *passerelles* in the Lisbon Treaty.

As demonstrated in the past, the current decision making process for tax questions is sometimes making the adoption of necessary tax reforms impossible, despite a large majority of Member States being supportive of tax proposals. It has been the case for major tax proposals, such as a Common Consolidated Corporate Tax Base, a Digital Services Tax, a VAT definitive system and more. Due to the unanimity requirement, a few countries or even a single country, including EU tax havens, can oppose a tax proposal and be de facto granted a veto right, while the European Parliament remain solely consulted.

More transparency in the institutions can also be achieved by introducing the long-awaited reform of comitology and by promptly aligning of all basic acts which still refer to the regulatory procedure with scrutiny (RPS).

We should also enhance the Parliament's role, particularly on its right of legislative initiative as well as in its capacity to co-decide in all policy areas with the Council, thereby acting together as the full legislative branch of the European Union. The MFF should also be aligned to the duration of the EP mandate so to enhance its democratic legitimacy.

This process should aim at shifting the **executive authority towards the Commission**, which needs to be turned into the government of the EU. In this respect, more coherent and effective decision-making can also be fostered by making the EC **composition more reflective of electoral outcomes, as well as by rebalancing the role of the European Council**.

This will require, at the same time, **Parliament to step up its scrutiny powers over the Commission's authority and to achieve full implementation of its right of inquiry**.

Such a process needs to remain firmly anchored to the principles of subsidiarity and proportionality, as well as **increased democratic transparency of decision-making**. Therefore, the S&D Group must clearly call for the European Commission to be fully politically accountable to a stronger European Parliament, with detailed commitments to be set out in a renewed and enhanced framework agreement, and the introduction of a periodic Question Time in the plenary. This could be achieved, for instance, by improving and clarifying the definition of the executive, by introducing mechanisms to hold individual Commissioners to account, by reviewing administrative procedures for the appointment of its Secretary General and Director Generals, by limiting the tendency of the Commission to depoliticise issues, through the creation of agencies and by providing seemingly technical solutions to political problems.

In order to bring Europe closer to its citizens, the European dimension should be strengthened in the work of the local, regional and national policy makers. We also propose to evaluate and further develop the existing frameworks of inter-parliamentary cooperation, such as COSAC, CFSP/CSDP Inter-parliamentary Conference, Inter-parliamentary Conference of Stability, Economic Coordination and Governments of the EU, CFSP/CSDP Inter-parliamentary Conference, JPSD Joint Parliamentary Scrutiny Group on Europol and the European Parliamentary Week. We welcome an enhanced role for national parliaments in the European architecture, by endowing them with the right of proposing initiatives to the European Parliament. The role of regions and cities should be further strengthened as key actors in our constitutional framework and more emphasis should be given to the contribution of local democracy and to their representations in Europe.

We also need to stress again that the protection of the rule of law at the national, European, and international level is a key objective of the Union. Thus the Union shall reaffirm its commitment to the defence of International Law, the primacy of EU law, including the jurisprudence of the EU Court of Justice, and the respect of the rule of law at the national level. Respect for fundamental values is indispensable if the EU is to be effective, acceptable and credible. Protecting fundamental rights needs to be guaranteed notably by finding a viable and practical solution to the accession to the European Convention on Human Rights.

Our Group remains very firm in the demand that compliance with the rule of law is a strict condition for member states to have access to EU funding. We will also stick to this principle in the context of

the 2021-2027 MFF negotiations, notwithstanding the possibility of studying alternative ways of directly financing compliant local and regional governments or NGOs.

Under this same perspective, enhancing transparency and openness of the institutions is the best way to bring the EU closer to citizens, strengthen democracy and combat disinformation, in this last goal also by promoting the independence of media, protecting whistleblowers and journalists.

In the long term, the same democratic perspective must also have an impact on future enlargements. Institutional improvements should go hand in hand with new enlargement process, notably by ensuring the efficient functioning of an enlarged European Union. In particular, the Parliament should call for removing all cases in which the Council decides by unanimity, as well as for future Treaty revisions, or at least at introducing different thresholds for the most important decisions, such as amendments of the Treaties, to be implemented in advance of future accessions.

6. A stronger EU citizenship and political system

We believe that strengthening European citizenship with new and far-reaching tools is the best way to enhance the ownership of all citizens in the EU democratic project.

These are also the best means to improve citizens' trust in the project, with the goal of finally putting an end to the perceived distance from European institutions and to decrease the appeal of Eurosceptic movements.

We therefore need to make the best use of all rights provided under the Treaty, notably the four freedoms, as well as the right to participate in EU elections.

On the institutional side of the needed reforms, this legislature will be given two essential tasks for the future of EU democratic representation. Firstly, consolidating the **Spitzenkandidaten process**, in line with the Lisbon Treaty's provisions and based on the Parliament's requests to appoint as President of the Commission the candidate which can be backed by the majority of its component members. Secondly, by adding to this process an ambitious electoral reform that sets up once for all a pan-European constituency in the Union electing part of the EP Members, while taking into account the need to ensure geographical balance, particularly as regards the smaller member states. This could enhance the European dimension of EU elections, and strengthen the democratic life of the Union.

We must also set up a more structured and permanent participatory way to influence EU policymaking, by involving social partners, civil society and local and regional authorities, and citizens.

In respect of the principle of subsidiarity, the coordinated promotion between the Member States of a subject in the school curriculum on **European citizenship education** for young people acquires in this context a fundamental importance.

7. The way forward: A Conference on the Future of Europe

A much wider participation and a meaningful and inclusive dialogue with citizens and organised civil society is vital to overcome the lack of communication on the role of a united EU. A positive narrative is a key tool in the goal of stopping blaming Europe for what is decided also - and sometimes only - by Member States.

The **Conference on the Future of Europe, among its goals**, can serve the purpose of highlighting the areas where the Lisbon Treaty has to be fully exploited as well as of initiating a reflection on how to open the way to Treaty change. We have the responsibility **to ensure that this Conference, from a proposal, turns into an actual commitment with a bottom-up approach that includes a framework for a meaningful dialogue with citizens and organised civil society on their priorities, concerns and ideas and with an institutional set-up that allows the input received from citizens with the necessary follow-up from the political level.**

Therefore, effective communication (awareness, engagement, participation, feedback loop) will be essential for the success of the Conference. The conference should generate a maximum momentum for policy, legislative, institutional change and political impact, through inclusive participatory events and a comprehensive EU-wide debate

The Conference can open a new interaction with citizens in order to reflect on possible adjustments to the current Treaties, including on institutional issues, for instance on the needed reforms on health competences as on the economic recovery. The S&D Group has played a major role in shaping the Parliament's position on the Conference on the Future of Europe with its two dimensions focusing on the one hand on citizen participation and on the other hand on political involvement in an institutional plenary, as adopted in its resolution of 15 January 2020, by expressing **precise indications, a clear mandate and a roadmap providing the European Parliament with a leading role while, at the same time, paving the way for a large participation of social partners, active citizenship, organised civil society, youth groups and representatives of local authorities.** This goal is also fully shared by the Committee of the Regions in its ambitious position adopted on 12 February 2020.

The Conference on the Future of Europe should assess any policy initiative and other non-legislative measure that is able to make the European Union more democratic, fairer and closer to its citizens. On the European level, answers have to be found to the pressing questions regarding a socially just transition towards a sustainable way of living, working and producing while on the international level, the role of the EU in the world and its ability to speak with one voice have to be strengthened.

The Conference should concentrate its reflections on the options about a possible deeper political integration of the EU and discuss the parliamentarisation of the Union, a strengthened right of legislative initiative, unanimity, qualified majority vote in Council on key policy fields such as foreign affairs, climate, energy, taxation, social policy, a stricter political control on the application of the rule of law.

A deep debate on the revision of the treaties - after almost 20 years - can be envisioned: it is time to start by taking stock of the State of the Union as well as by finding solutions within the provisions of the existing treaties, as the EU constitutional structure is only half built but has shown to be unfit for dealing with important crisis (migration, Euro area, health).

This can be realized by making the best possible use of the planned Conference on the Future of Europe, but also by concentrating on the parts of the current Lisbon Treaty that still need to be fully exploited - as underlined in the Bresso-Brok report of 2017 - as well as by re-adapting all current inter-institutional agreements to the political goal of a stronger political role of the European Parliament - as indicated in the Verhofstadt report of 2017 and Jauregui report of 2019.

The above-outlined political goal of discussing the implementation of new and more advanced rights should orient the reflections of the Conference on the European Parliament's prerogatives, in line with the parliamentary tradition of the majority of Member States and with the goal of achieving a true European political system founded on the European parties.

We believe therefore that the **Parliament should play a leading role in the Conference on the Future of Europe**, offer to host it, lead the work on a joint communication plan and put forward its own proposals on the organization and definition of the agenda of the Conference, as well as on the reform of the Union, on the basis of the important reports on the future of Europe approved in the 2014-2019 mandate. We deem important that the inter-institutional declaration could show the same political ambition as the Parliament's resolution on the objectives, scope, concept, structure and participation and other modalities of the Conference.

We are open minded and ready to discuss and find new consensus on the needed reforms.

8. Our political priorities

A change of mindset is necessary in order to produce without hesitation a strong and truly European institutional response to the political, social and economic consequences of the COVID-19 crisis.

Based on the constitutional vision outlined in this working document, we will work on the **following political priorities**:

- Full exploitation of the Lisbon Treaty to ensure the best execution of European policies, including the activation of *passerelle* clauses for extending Qualified Majority Voting in Council,
- Completion of the monetary union with the financial union and reform of the Stability and Growth Pact and of the mandate of the ECB,
- Constitutionalisation of new policies and competencies on social Europe, climate change and public Health Union,
- A stronger European budget backed by new own resources, including common taxation and more power for the EP on revenues,
- A stronger European Parliament: right of legislative initiative, full co-decision, stronger political control over the Commission,
- Substantial improvements in the transparency of the institutions, notably within the Council,
- Including the Social Progress Protocol and European Pillar of Social Rights in the event of Treaty changes,
- Permanent and structured forms of citizens' participation - based on gender and social balance - and new models of EU citizenship education,
- Improvement of the Spitzenkandidaten process,
- Introduction of transnational lists for the election of part of EP members, with rules that ensure the respect for balance between large, medium and small sized Member States,
- Defence of the quality of democracy in the EU and in the functioning of the European Institutions as well as of the EU democratic project.