

Constantinos Simitis

Από: Segreteria Cime Vecchia
Αποστολή: Τρίτη, 26 Ιουνίου 2012 11:25 πμ
Προς:
Κοινοποίηση:
Θέμα: Re: Spinelli Shadow Meeting 28 June
Σπουδαιότητα: Υψηλή
Συνημμένα: MOShadow_Council_Draft_Conclusion_21-6-2012_FINALrevit-3 (1).doc

Dear all
 please find enclosed some proposals for amendments.
 We would like in particular to define better the question of the second track and the role of the EP; see a more detailed comment on this point. We believe that the Spinelli group cannot give all responsibilities to the Commission and indeed there are quite a lot of things to do.

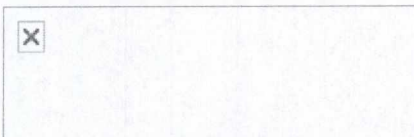
Furthermore, we really wonder about this idea of the government of the eurozone. IWe thought that ALL MS are interestd in the economic governance. We do not agree on the idea that the eurozone has an international role in international institutions.
 Therefore we changed that part mentioning the government of the EU.
 This is indeed a crucial point.

135 ✓

Monica Frassoni, Pier Virgilio Dastoli, Sandro Gozi

----- Original Message -----

From:
To:
Cc:
Sent: Thu, 21 Jun 2012 16:26:20 +0200
Subject: Spinelli Shadow Meeting 28 June



Dear Shadow Council member,

Please find attached the draft Shadow Council Conclusions that we intend to adopt next Thursday 28 June 2012.

We would appreciate your **comments in writing by 12h00 on Tuesday 26 June at the latest.**

As you know the Shadow Council will take place before a critical European Council. Your presence there is of particular importance and we very much hope that those who have not yet answered will be able to join us.

The Agenda is as follows:

08:30 - 09:00 : Welcoming Coffee - *Room Maelbeek*
Press will take photo/video/interview
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We look forward to seeing you next week,

Guy Verhofstadt, Daniel Cohn-Bendit, Isabelle Durant, Sylvie Goulard

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Shadow Council Spinelli Group - draft 21 June 2012

**Only a European federal union can solve the crisis!
Federal Union or disintegration:**

The situation is critical. We can no longer wait.

Amendment:

The solution of the crisis needs a two tracks strategy. On one hand urgent steps to deliver a Banking and fiscal Union within the existing treaties.

On a second hand a new start in the direction of a truly Political Union on a Federal basis. The two tracks ask the responsibility of all the EU institutions, first of all the Commission for the Banking and Fiscal Union and the EP for the Political Union.

Thirty years after the "Single Act", we now urgently need a "Federal Act" to deliver a banking Union, a fiscal Union and a political Union. This contains 12 actions which are detailed below and which the Commission must urgently undertake and present to the whole Union or at least a core group.

Amendment: First Track

Since European leaders keep carefully avoiding the real decision, the European Commission has to take her full responsibility. It is the sole institution that can put forward draft legislation. The Commission must produce a clear legislative pack (***it could be better to specify the main elements of this new legislative pack: a. deposit guarantee scheme and resolution fund; b. single supervision; c. collective redemption fund d. CCCTB; e. more ?***) and timetable for and beyond the European Council of 28/29 June which must be endorsed with cast-iron commitments by the Heads of State and Government.

Banking Union:

1. Set up of an EU wide deposit guarantee scheme and resolution fund and provide for the direct recapitalisation of the European banks through the establishment of a European fund which could be in the meantime provided by the EFSF and/or ESM.
2. Stabilize and clean up the whole banking sector, through establishing an adequate single supervisor in the Eurozone for systemic banks - including medium and large cross-border institutions - and achieve the internal market in the banking sector. Specific measures include:
 - imposing stronger conditionalities to the institutions that benefited from crisis-related State aid and the support of ECB liquidity lines;

- stimulate loans to SMEs by making prudential and capital requirements more favourable (notably through ring-fencing mechanism and adequate risk weighting);
- ensuring bank balance sheets are down-sized by divesting the most risky activities first, thus ensuring that lending to the real economy is not negatively impacted;
- ending the executives' self-serving behaviour as regards pensions, bonuses and salaries; preventing any breach of law by rescued banks, for example tax evasion.

Fiscal Union:

Beyond the rapid finalisation of the 'Two Pack', the entry into force of the Fiscal Compact, the ratification of the ESM Treaty and the modification of Article 136, the following reforms are necessary:

3. Set-up a "new strategy for economic and social convergence and sustainable growth" with binding targets and sanctions for the Member States of the eurozone;
4. Launch a European collective redemption fund for debt over the 60% of GDP mark for a period of 20-25 years together with eurobills and the coordination of remaining debt issuance;
5. Decide on a roadmap to a Eurobond market to enable the mutualisation of debt for the Eurozone Member States;
6. Increase the EIB capital as well as increased funding of its loan portfolio through bond issuance open to retail investors and launch on a large scale of "project bonds" to support large-scale investment in sectors such as energy, transport and telecommunications of at least 1% of GDP over ten years;
7. Make the multiannual financial framework (MFF) a real tool to assist paralysed member states to break out of the crisis. Fiscal Union also means a fiscally independent Union: the EU budget must be financed by own resources without increasing the existing tax burden on citizens and leading to a reduction in contributions from national treasuries. There is no recovery without sustainable resources; there are no sustainable resources without own resources.
8. Close loopholes in national tax systems, introduce a mandatory common consolidated corporate tax base (CCCTB), coupled with minimum range of corporate tax rates, to increase the effective real of taxations in the members states and to seriously tackle Value Added Tax (VAT) fraud and other forms of tax evasion.

Amendment: Second Track

Political Union:

A quantum leap towards a truly European democracy is indispensable. At the heart of the financial and sovereign debt crisis lies the absence of government and the question of democracy. Ever closer intergovernmental coordination fails to deal with the crisis and lacks any form of democratic accountability. Extending the powers of the Commission on national

budgets and economic policies cannot happen without corresponding reinforced democratic co-decision by the European Parliament and information and control by national/regional parliaments at their respective levels.

In this respect, we call for the European Parliament to take its responsibilities and launch a process of consultation and discussion aimed at approving before the next European elections in 2014 a proposal for a reform of the Treaty, in conformity with art. 48 of the Lisbon Treaty; we call the EP to start negotiations in view of the calling of a Convention after the elections.

The first step of this process could be the organisation of an event on the future of Europe in occasion of the 60° anniversary of the first meeting of the European Assembly on sept. the 10th 1952.

The overly technocratic processes that often characterise the decision making process, such as in the case of Greece, are no longer appropriate and need to be made more political in order to reflect the increase level of scrutiny that is now being placed over them.

9. The government of the EU must develop, lead and supervise the economic and fiscal policy. It must be fully democratically accountable. In effect it can only be organized within the European Commission and must be led by a Vice-President in charge of Economic and Monetary Affairs. *Delete:* "He or she will represent the euro area in the International Financial Institutions and chair the Eurogroup and the Ecofin Council."

10. Introduce pan-European lists for European Parliamentary elections in order to further develop the legitimacy of the European Parliament and of the European democratic process. A European public space should be further develop through the trans-nationalization of the media space, training and exchanges between citizens, stakeholders and groups of citizens on a large scale (as with Erasmus), the European Citizens' Initiative and all forms of transnational citizen participation including through new social media.

11. Strengthen the democratic legitimacy of the Commission President, with an agreement, prior to the 2014 campaign, between all major EU political families to declare that candidates to the Presidency of the Commission will only be accepted by the new Parliament if they have (*delete preferably*) been elected to the European Parliament and above all have campaigned throughout all 27 Member States. *Amendment: delete this sentence* Furthermore, at least half the College of Commissioners must be drawn from people elected to the European Parliament in the 2014 elections.

Last but not least: Help Greece save itself

12. Help Greece by reviewing the terms of the Memorandum to:

- extend the deadline for Greece to achieve the fiscal targets
- redefine better targets, with more in depth and structural reforms instead of the moderation of minimum wages in the private sector and the raise of the tax burden on small and medium companies;

- shift financial resources to the Greek real economy by diversifying for a certain period the exclusive conditions for debt repayment, so that the needs for an efficient public administration and decent welfare state gain at least an equal priority;
- get detailed data from the Swiss and other banks for Greek deposits, in order to control gray properties and illegal deposits;
- establish an independent European Audit Commission to provide detailed information on how public debt was accumulated over time and to determine the amount of any "odious debt".

The crisis has clearly demonstrated that a shared European project cannot exist unless national debates are Europeanized. The construction of a European political union represents an unprecedented historical opportunity to bring democracy out of its national historical context and become a true transnational democracy of a federal type.

Constantinos Simitis

Από: VERHOFSTADT Guy
Αποστολή: Πέμπτη, 21 Ιουνίου 2012 5:26 μμ
Κοινοποίηση: VERRANDO Pierre-Jean
Θέμα: Spinelli Shadow Meeting 28 June
Συνημμένα: Shadow Council Draft Conclusion 21-6-2012 FINAL.doc



136 ✓ Γωάρκα
 Γιόρδανου

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Shadow Council Spinelli Group - draft 21 June 2012

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