

Res
Publica
EUROPA

The case for a re-invention of a Res Publica Europa

The European elections of May 2019 will be a decisive moment. For citizens, the future cannot be reduced to a choice between the radical agenda pushed by the “coalition of the nationalists” and a continuation of the complacent status quo upheld by the so-called “pro-Europeans”. The former have accomplished their aggiornamento: they are banking on fear and anger to advance a new idea for Europe, based on the defence of Christian civilisation, the rebirth of a strong state and the critique of liberalism. The latter recognise that they have conceded too much to global financial capitalism: they know that they must reconcile economies of scale and liberal freedoms with the demands for identity and social equality that resound loudly across Europe, yet they are still scouting for new political and conceptual bearings.

The choice cannot be between a “Putinian Europe” and “more of the same”. Bold ideas, new syntheses and a plurality of policy options are needed to break free from the deadly alternative. This liberation of political imagination undoubtedly has to start with a serious examination of the fault-lines of European integration. But it must go beyond and seek to repair them by harnessing the full potential of European unity in the disorder and feeling of loss of control created by globalisation, digitisation and huge geopolitical shifts. The wider world will not go away. It cannot be made smaller, simpler or less

interconnected. Stripped of the common European shield, even the bigger European states are becoming targets, instead of actors, on the global stage.

“Rather than trade in nostalgia, focus on short-term domestic industrial interests and retreat behind national borders, the unchartered challenges of our present times are an invitation to the nations of Europe to reinvent the ‘European common good’, the Res Publica”

In this task, Europeans can surely rely on the rich democratic tradition that has shaped European life in municipalities, cities, provinces and regions across the continent. They can rely, too, on the citizens’ thirst for new forms of participation and deliberation. The opportunities afforded by subsidiarity and the tools of direct democracy, as well as the possibilities that exist for improving our institutions leave many avenues open for a

renewal of European democracy. A renewal, which would pool, rather than antagonise, democratic energies at all levels towards the construction of a shared future.

The scale and urgency of the ecological challenge faced by our generation also presents Europeans with a momentous opportunity for positive transformation. Climate change is putting life, including our own, in jeopardy.

“Europe can and should be the seat of a historic reconciliation between economy, ecology and ethics”

Ours can and should be the generation, which replaces the spirit of exploitation and predation with one of solidarity and care for the planet. From the knowledge of our farmers, from the myriad of grass-root initiatives that flourish every day, from the breakthroughs of European science and from our capacity of empathy with others, both human and non-human, we can draw the resources for bold collective action.

There is of course no silver bullet to save the European idea. All we know is that European supranational cooperation will not endure lest full attention is paid to the grievances and aspirations of European citizens – to their pressing demands for more equality and more democracy. Europeans want to live in a Union that respects the voice of its people, protects their way of life and leaves no one behind. This is the foundation upon which innovative policy ideas and new political platforms must be forged.

It is to contribute to the emergence of these new transnational and trans-par-

tisan conversations, in a spirit of pluralism, that Res Publica Europa compiled the ensuing set of proposals. Open and pluralist debate is the most powerful antidote to the icy winter of political thought heralded by those who offer simple, and unabashedly deceptive, solutions to complex problems. A new collective strategic vision is needed in Europe. Let us, then, make of the upcoming European elections an opportunity to probe new ideas for a strong, democratic and united Europe, accountable to its people and their environment. And let us hope that this debate will do justice to the generous promise bequeathed to us by previous generations while also addressing head-on the challenges of the new century.

Our Mission for Europe

Res Publica Europa is a non-partisan programmatic platform and a network of influence aiming to help the emergence of a credible and ambitious European alternative, in an evolving political context across the continent.

To respond to the rise of the nationalist-populist project, we bet on ideas and intellectual boldness.

We want to gather convinced Europeans, regardless of their political beliefs, around a renewed and bold European project.

A reloaded European software should be based on four pillars: Inequalities, Climate, Democracy, and Sovereignty.

#Fix inequalities

#Save the planet

#Empower Europeans

**#Ensure the European
sovereignty**

Areas for Action

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1. Save the planet: Delivering on a green deal for Europe

Saving the planet should be the number one mission for all Europeans. Climate change, oceans' degradation and the irresistible loss of biodiversity are threatening the very life on Earth and putting humankind in danger. In total, it is more than 60% of life that was lost over the last forty years. As there is no planet B, it is high time to adapt our way of life if we want to ensure a sustainable future for the planet. Europe should take the lead in establishing "a clean and healthy planet for all".

Europeans take this issue increasingly seriously. Saving the planet should be the basis for all new forms of political engagement and economic cooperation, both inside the EU as well as outside.

The decarbonisation of Europe's economies, through behavioural changes, bold policies, innovation and reinforcement of tools such as the Emissions Trading System (ETS) should be the cornerstone of future policies.

“Leaders can no longer talk about climate or environment as a stand-alone policy. Environmental considerations must become an equation in all major economic policies, industrial strategies and public policies”

This ultimate goal is to shape a decarbonised and sustainable European society.

While the costs of inaction continue to mount, it is time for a decisive shift to a new climate economy. According to the World Bank, a shift to low-carbon economies could create globally additional 26 trillion dollars of wealth and 65 million new jobs by 2030. Such a transition would imply profound economic changes in the European policy mix and deep

changes to our trade, development and foreign policies. It cannot be only mainstreaming environmental concerns in each sector, but thinking radically different in the policy design from the outset.

European governments should collectively announce that the next 30 years will be dedicated in transforming the European and the world economy into “a net-zero carbon and energy-efficient economy”.

A Green Investment Plan: a dedicated European investment strategy for the planet

To deliver a credible green deal, it is paramount to design an investment strategy. In addition to InvestEU and all other EU funding instruments, EUR 500 extra billions should be mobilised at EU level and national level by 2025 (through the European Investment Bank (EIB) as well as national financial institutions) in order to allow the deep transformation of economy and society. Such a funding would be used to fund new sustainable infrastructures, innovative clean technologies, disruptive solutions changing the way people live, industry work, and all public policies that are designed at local, national and European level. Moreover, environmental objectives and criteria should be included in all investments done at EU and national level (greening urban territories, revitalisation of rural areas, modernisation of infrastructures).

Such a transition requires structural changes in many sectors. A fair, socially acceptable transition should be an integral part of such a “Green Investment Plan”. Substantial investments should accompany the least favoured parts of society to adapt to a decarbonised economy. The EU and its Member States would therefore need to address the following measures:

- Retraining, education and support for the workforce involved, especially in transport, agriculture as well as coal and gas sectors.

- Supporting the development – together with all social, economic, national and local forces – of social protection plans for the communities that are most affected and vulnerable to technological and industrial change.

- In many countries, the acceptance for the energy transition is also undermined by high-energy prices. A set of measures is needed to address energy poverty and avoid that costs related to the low carbon transition are affecting the poorer groups in society.

- Changing the way energy is taxed in Europe by introducing incentives for the reduction of greenhouse gas emission, the increase in use of clean energy sources and energy efficiency schemes.

Design a green technological roadmap for Europe to take the leadership in fighting Climate change

Investing in Green technologies should be part of the strategic position of Europe on the global stage. Europe should become the hub of green innovation and solutions, mobilising all the instruments available towards responsible research and green entrepreneurship, and relevant ecosystem and financing. Two examples:

- Europe should develop through Copernicus (the earth observation system of Europe) a capacity to monitor CO2 emissions and become the first region in the world able to check the commitments taken in the framework of the COP21.

- Europe should develop the battery technology of the future, to replace diesel cars, by reinforcing the “European Battery Alliance” which aims at pooling all necessary strategic resources that could lead to the development of an innovative, sustainable and competitive battery ‘ecosystem’ in Europe.

A new Common Agricultural Policy (CAP) respectful of the planet and of farmers

The CAP needs a complete overhaul. Its goals, set in the 1960’s, are now achieved, and it makes no longer sense to maintain a system that generates imbalances and the dissatisfaction of its beneficiaries.

Ambitious regulations can be more effective to protect our food chain. The CAP direct funding needs to be capped and targeted to the smaller farmers (and not just 20% of farmers getting 80% of the money). Funding should be channelled to new installation, smaller scale farming and organic conversion. Support to the food supply chain should be rethought to counter the market power of intermediaries and to promote the short circuit of distribution.

In parallel, research funding and all other subsidies must be drastically conditioned to farming practices that are respecting the health of soils, water supply, animals and consumers.

The “agri community”, research institutions and civil society should be involved to devise and agree on a concrete roadmap with ambitious targets to replace chemical inputs with healthier solutions in EU farming by 2030. Rural development funding should be specifically used to finance research in such alternative solutions.

Permaculture and agroforestry should represent 30% of all agricultural land by 2050 with the objective to increase the carbon level in soils by 0.4% per year, which would stabilize the CO2 content in the atmosphere.

To protect well defined strategic European interest, Europe should also apply the principle of “community preference”.

SOS: Save Our Seas

Our oceans are dying - from overfishing, destructive mining or litter. The EU should take the world leadership to refuse new offshore fossil fuel exploitations or mining, and phase out existing ones. European common fishing policy needs as well a deep rethinking: small scale fishing should become the priority, the fishery quotas should be redefined on the basis of new criteria of social and environmental performance, grounded on scientific evidence and decided in a transparent process.

Decarbonise the transport sector and end fossil fuels’ engines by 2040

Fossil fuels are not just bad for the environment, they are killing it. This affects all Europeans wherever they live but cannot be solved by action at local level. Some cities and even countries are drawing up plans to ban cars with combustion engines. But scattered urban or national bans will not stop climate change. We need much more ambitious actions.

The EU should phase out diesel technologies by 2030 and combustion engines by 2040. A first step should be ending gradually the combustion engine for vehicle in public transport by 2025. The EU should in parallel design a strategic approach to mobility in Europe under the responsibility of a Commission

vice-president with a mandate to put in synergy all appropriate policies (e.g. R&I, energy, transport, health, environment, ...) and instruments (e.g. national / EU budgets, European / national investment banks, competition law, taxation).

In particular, for passenger transport, the EU should ensure that for distances of less than 500 km, greener mobility solutions such as railways networks become the norm.

Air and maritime traffic impact on climate should be fully accounted for, through a tax on kerosene on flights and maritime transport within the EU airspace and seas, stricter rules should be applied to public subsidies to airports, full VAT on European domestic flights should replace the current fragmented regime of reduced VAT rates.

Deplastify

Plastic is everywhere we did not want it to be: it is in the groundwater, it is in the body of fishes and it is rapidly making its way to our plates. Hoping for voluntary pledges from industry are not enough.

The EU should legislate to give two to 10 years to the various industries to come up with non- carbon-based, biodegradable plastics and replace them all over the value chain; Member States will accelerate the collection and massive recycling of existing plastic, in the EU and beyond. Imports of non-recyclable plastics should be banned from 2025.

Establish carbon tariffs at the EU's borders

Companies from countries which do not comply with the Paris Agreement should not benefit of a competitive advantage over their European competitors. Border tariffs would allow to internalise the en-

vironmental cost of transporting goods from the place of production in a third country to their EU destination, on the basis of weight, mode of transportation and distance.

In application of the principle of reciprocity, the same method could be adopted by our trading partners. The EU could initiate a multilateral agreement putting in place a system to assess the environmental cost of transport. Furthermore, a stricter monitoring of compliance with European environmental standards at the border would complete the framework.

This border tax would in addition create new own resources revenue to top up the modest European budget.

Make our societies more climate resilient

Finally, as climate impacts (such as extreme weather events) are increasingly felt across Europe, and gradually changing our living conditions, we must already engage in policies able to mitigate its effects and adapt to its consequences. The next five years are key to increase the preparedness and resilience of European citizens and economic sectors to climate impacts.

Most notably:

- Improving European weather forecasting capacities;
- Supporting the development of early alert systems;
- Launching an EU wide action plan on resilience and adaptation, with forecasts on which local, regional, societal and economic actors are most vulnerable to extreme weather events and how to prevent worst impacts and increased resilience.

2. Modernise the European migration & asylum system

Migration has come to be the one existential issue of today's Europe, shaking the liberal democratic values that constitute the bedrock of European integration.

“Our current national governments have been unable to bridge the moral duty and political necessity of welcoming refugees with the growing anxieties of the native populations”

Confusion of the answers to asylum requests and economic migration waves added to people's distress. In the face of growing expectation for a common European approach, Europe has not been given any tool to effectively address issue. This gridlock must be tackled boldly with a radical change of approach:

A new Pact for integration, welfare and citizenship

The current approach to facing the challenges posed by migration waves, including the mandatory sharing of refugees, has revealed all its shortcomings. Sharing the responsibility of managing and hosting migrants has effectively been abandoned by the European Council in June 2018. New proposals are needed.

A new voluntary integration system of migrants financially supported by the EU

Countries undertaking the integration of migration would be financially supported by the EU to finance a new integration pact: schooling, language classes, professional training, access to healthcare and social services supported by a single fund that will be supporting directly by municipalities involved. This would effectively replace the current mandatory and quota-based burden sharing scheme which has not only failed but also provoked profound backlash and resentment.

Access to welfare (and ultimately access to citizenship itself) should become a simple, transparent and clear process.

The investment into integrating in the host society would be coupled with the reward of an increased access to the opportunities that society offers. This would not only strengthen the sense of fairness among both natives and migrants, but it would also allow more liberal policies on access to territory as natives could recognize that it is only by contributing to the services that those arriving would benefit from the same. (Re)Shaping the integration system and the path to citizenship should not be detrimental to non-EU citizens legally present and active in our societies and economies nor to EU-citizens on mobility.

Expand avenues for legal migration in Europe - pull the break on irregular migration

New agreements should be signed with countries of origin to offer a path to regularisation (for those migrants already present) and legal channel of migration (for those still in the country) in exchange for an enhanced return policy of those arriving irregularly.

More coordinated investigation and stronger sanctions for employers who exploit irregular migrants, and for smugglers who bring them in is crucially missing.

The European coordination mechanisms for legal migration policies (economic migrants) need to be enhanced.

Develop a new Model for Asylum and Protection

A major investment on legal avenues for those most in need is necessary.

A 48-hour procedure designed to exclude those not in need from protection

coupled with swift returns to countries of origin (first check/filter) could be considered.

Finally, Future EU leaders should consider a Common European Asylum Agency to overcome the solidarity responsibility debate. The EU Asylum Agency could be exclusively empowered to take decisions on international protection and those with a status should be recognised by the EU as a whole.

3. A common European security and defence

The security and geopolitical landscape is evolving fast. Old alliances are put under strong testing times. The security challenges Europe is facing are increasingly complex and hybrid in nature. Threats are global and transnational but also have strong resonance and impact at local level. The boundaries between internal and external threats are blurring, where cyber-attacks and disinformation campaigns aim at undermining European democracies and societies.

“No single European country can face these security challenges alone and the current patchwork of inter-governmental cooperation is suboptimal”

Change is necessary: Europe must become an autonomous security provider, able to progressively ensure its own security. This is about Europe being sovereign. For this to happen, Europe needs to

better organise its collective defence and its internal security: towards a Common European security & defence system.

This new framework could be shaped through different ways, such as a Strategy, a Pact, dedicated Permanent Structured Cooperation (PESCO) modules, or a Security & Defence Treaty.

Common security

Gradually transform Europol into a European police and intelligence agency

The EU should provide security to EU citizens without asking them to give up their freedom. Today crime can be cross-border, while the police cannot. We need to reinforce EU-level actions and cooperation by granting Europol executive (e.g. power of detain/arrest) and investigative cross border powers (e.g. power of conducting criminal and judicial inquiries throughout the EU).

Develop the European dimension of the fight against terrorism

Terrorism is an ever-morphing reality -and high ranking priority for many Europeans. Yet, no amount of security laws

and technology will ever be enough to prevent a handful of radicalised fascist or jihadist militants to risk their lives for a cause they consider superior. A successful counterterrorist policy is not measured by an increasing number of foiled attacks, but by a decreasing number of attacks to foil.

We need a comprehensive European approach encompassing the various dimensions of the fight against terrorism: enhancing staffing and profiles of intelligence services and prisons, a more efficient tackling of links between crime and terrorism, much tighter controls on weapons and explosives, the extension of the European Public Prosecutor's Office (EPPO) mandate to counterterrorism. This should rely on the backbone of mutual trust and exchange programmes for law enforcement officers, and constant vigilance for fundamental rights including through parliamentary oversight.

Strengthen in means and competence the European Border guard Agency (Frontex) and RescEU (civil protection)

The European Border Guard agency should have its own capabilities (eg. boats) and have the capacity to deploy on its own decision to borders identified as vulnerable in support of Member States.

Common defence

Establish a common defence (European Pillar of NATO) with a credible solidarity clause (an EU type of Art. 5)

The EU should be able to take common decisions on defence matters, hence a new governance system. We need jointly owned European defence capabilities, including in disruptive technologies such as AI, Robotics, and quantum encryption. It should also develop a common export mechanism for defence products,

because equipping our allies and only our allies with key defence technology should increasingly be considered an element of the EU's foreign policy.

Capabilities should also include the progressive creation of an EU army starting with effective use of existing battle-groups, financed jointly (possibly under the future EU peace facility) and then expanded to other type of forces (air, naval, special forces, cyber, space). The EU army will be able to serve in NATO operations.

The solidarity clause of Art 42.7 TFEU should give way to a more credible mutual assistance clause, akin to NATO's mission. From the purely voluntary, ad-hoc and national mechanisms, which are not coordinated, to a more integrated procedure and scaled-up common strategic assessment.

Create a European Cyber Defence Agency

Artificial Intelligence and digital technologies are reshaping the dynamics of warfare. Coordination is not enough to counter cyber-attacks, which by nature do not care about borders. There are clear gaps in the current decentralised system. European countries should pull together resources in a single agency with executive powers to detect, deter and react to cyber-attacks of all types, including those aiming at disrupting elections and the democratic process.

In addition, the EU needs to regain control of its own data. Europe's data are overwhelmingly depending on its connection to US based servers. The vulnerability of transatlantic cables as much as the growing investments in privately owned connecting cables are putting Europe and its economy in a precarious situation when it comes to the security of its internet connection.

The EU needs a strategy to re-locate its data on EU territory, and ensure the security of its connecting infrastructure.

**Create a European nuclear shield
based on concerted nuclear deter-
rence**

In the current geopolitical context, the question of nuclear deterrence cannot be ignored. The Treaty on non-proliferation is at risk, many new countries have developed nuclear capabilities. European deterrence strategy needs also a nuclear component. This sensitive - and possibly divisive - topic needs to be publicly debated already now considering that many signs are pointing towards the risk of a nuclear race among global powers (China, USA, India, Pakistan, and Russia etc.) and disengagement from the US.

For Europe to have a concerted nuclear deterrence strategy, France - the only EU nuclear power post Brexit- has to accept and organise a credible level of consultation/concertation with its European partners. It will also have to look into the possible role of the UK in such an approach. This is not in competition with NATO but would strengthen its weight and help increasing its stability. The first step would be to establish strategic consultations and discuss the possible parameters, scope and breath of the concertation.

4. A European social contract to respond to inequalities

The EU should have a much greater focus on its people. Our trade policy has already recognised the importance of staying faithful to European core values: this has to start internally, within our borders.

“All European citizens should equally reap the benefits of growth, progress, trade and digitisation, independently of their gender, origins and social backgrounds”

They also need to be better equipped to harness today’s radical economic and societal changes: a new social contract is needed.

Invest in People

Boost the “European Social Fund” and transform the “European Globalisation Adjustment Fund” into an “Invest in peo-

ple Fund” with a stronger workers’ resilience dimension: we do not simply need to “adjust” to globalisation and, on the other hand, globalisation is not the only challenge workers face. We need a new comprehensive strategy supported by adequate financing in order to provide more systematic reskilling/upskilling and opportunities for workers facing significant structural changes, whether due to international or European relocation or to automation and digitisation. Additional national investments in education and research, exempted from the EU Stability and Growth Pact (SGP), would contribute to achieving the goal of enhancing resilience.

The “Invest in People Fund”, complementary to InvestEU, would gather the current European Social Fund and the Globalisation Adjustment Fund, into a preventive pillar focusing on supporting the reskilling and upskilling of people and an adjustment pillar: a workers’ resilience Programme.

Establish a European employment contract (a 28th regime)

The objective would be to create a simple and standardised employment contract. It would have key characteristics of the flexicurity model while other elements would vary depending on local specificities. For instance, the contract would ensure that the minimum wage above the poverty line is applied to address the phenomenon of the working poor.

This contract would in fact be a 28th regime: it would not replace national contracts, but rather provide an additional standardised regime for employers and employees. The common elements of this employment contract would be negotiated between the social partners at European level. Other elements would be left to the discretion of negotiations between the national social partners in each country.

Such a contract would also encourage transnational mobility of workers by guaranteeing the portability of social rights (unemployment insurance, training, retirement and health). It would contain European rights and obligations designed to work within the Single Market, negotiated with social partners. This regime should also serve as blueprint for social standards to inform our global trade agenda.

Clear conditions would be associated with the European employment contract to ensure it is not used to circumvent national labour laws. The European employment contract could be offered by all companies as a possible alternative to a national labour contract, but the final choice would always be that of the employee (this choice cannot be a ground for not hiring).

Create a European unemployment insurance scheme

Primarily for Eurozone members as part of the Eurozone budget, but open to countries willing to take part, a European insurance scheme would be designed to complement existing national unemployment schemes and would intervene under specific conditions (e.g. in case of crisis or asymmetric shocks) as well as for a limited period (e.g. the first 12 months after the loss of a job and 50% of the base salary). The scheme would be coordinated with other social mechanisms, such as the European Labour Authority and a clear governance framework would address the need to reduce moral hazard.

A new own resource or tax (e.g. Carbon tax / Digital tax / part of VAT) would be introduced to support and finance the European unemployment insurance scheme.

Create a “European Minimum Solidary Income Scheme”

Taking model on what exist in several Member States, Europe should design a scheme to propose a European Minimum Solidarity Income in order to support the poorest of EU citizens.

The objective would be to directly support from the EU budget people below the poverty line defined as 60% of the median income. This represents according to latest statistics between 15% to 20% of the EU population. Depending on the implementation choices, the scheme would need a roughly allocation of € 150 billion a year. This scheme could be financed through the “Invest in People Fund” and would not affect existing national support schemes.

Re-design the approach to labour relations in the new digital age

Digitisation as well as the service, collaborative and gig economy have changed profoundly employment statuses and rights. Digitisation has empowered individuals giving them the choice to be mobile, accept short-term or even multiple contracts. However, paradoxically, this new autonomy and freedom generated the perverse effect of shifting risks onto the weaker party (gig worker) and, as reaction, a pushback to apply existing rules and imperfect frameworks to new jobs to try to ensure workers' protection.

A way forward is devising regulatory obligations for the employing parties of gig workers (e.g. digital platforms and service companies, but not only) to ensure minimum standards, which could rebalance the risks faced by individual service providers without making them all employees in the traditional legal sense.

Finally, as artificial intelligence and digitisation create productivity gains, this should not only benefit companies' balance sheets but also the human capital behind them, allowing workers to participate in the value creation by sharing the benefits with the shareholders, progressively promote shorter and more flexible result-oriented working time (e.g. 4 days a week, 30 hours a week) for all, and to increase job satisfaction and well-being. A common European approach is needed to achieve this objective to ensure level playing field and avoid free riding.

5. Design a new bold economic strategy for Europe

Economic policy in Europe since the crisis has been disappointing. There is a crucial lack of ambition when it comes to design measures to enhance Europe's long-term prosperity.

Growth has been slower than in other advanced economies, recovery remains fragile, profound and still unaddressed institutional weaknesses of the single currency remain. Growth has not been sufficiently inclusive both between and within Member States. These present very serious challenges and risks for the years to come.

In addition, the European economy depends on foreign suppliers of technologies and resources, including energy sources and raw materials.

“Too often has Europe been reacting to crises or looking for quick fixes for pressing problems”

A global strategy is necessary to regain economic leadership in an ever changing

world equilibria.

Policies and strategies in Europe are mostly national: a true European strategy, systematically addressing globalisation and technological changes, lack of competitiveness and attractiveness of the single market, low productivity, unfair tax, financial & trade competition and practices is missing. Such a European global strategy would fight inequalities and create opportunities for a future net-carbon economy to emerge.

Europe should not shy away from empowering its industries and protect its workers. Europe is a democratic and economic superpower with a huge potential that has not been fully exploited.

A European Ecosystem for research & innovation and company growth

A good industrial policy is one that encourages businesses to disrupt their own business. Start-ups are a crucial part of this. Some companies do not want to expand cross-border. For the others, a single EU start-up statute should exist as a

28th regime of choice.

A European agency for disruptive innovation (a European DARPA) should be created to allow breakthrough innovation to flourish, ensure strategic and technological leadership for Europe, and support European disruptive start-ups to develop into global champions. This agency would be working with project managers, recruited on the basis of their excellence in a given topic or area, and whose role would be to manage a portfolio of projects aiming at designing workable prototype based on disruptive ideas, concept & approaches. The structure would allow failure and fast transfer of budget from one (unsuccessful) project to another (successful) one. This Agency could be based on the proposal for a European Innovation Council, however, with much more flexibilities as it is currently envisaged and with additional financial means up to € 50 billion.

A European industrial strategy

Europe is more and more at a competitive disadvantage with other key global players. Some key manufacturing industries do not exist anymore in Europe such as the production of phones or the manufacturing of li-ion batteries. If you lose manufacturing, you lose R&D and you lose growth and jobs opportunities.

There is an urgent need to establish the right ecosystem for strategic integrated European value chains in key sectors such as artificial intelligence, big data, Internet of Things, energy, space and defence.

Establish a common / European public procurement for large infrastructures such as energy, telecom, transport and space. As for the Common Agricultural Policy, Europe should also apply the **principle of “community preference”**

when some well-defined common strategic interests are at stake.

Adopt and implement swiftly the proposal for an International Procurement Instrument. This new Instrument would allow the Commission to initiate public investigations in cases of alleged discrimination of EU companies in procurement markets. Moreover, a more systematic application of the “reciprocity principle” should be put in place in a way that allow to apply derogatory procedures to EU trade partners that do not allow the EU to access their markets in a reciprocal way.

Promote a “global competition order” based on the OECD “competitive neutrality principle” and apply the OECD guidelines adopted in application to this principle. It is a fundamental principle of competition law and policy that firms should compete on merits and should not benefit from undue advantages due to their ownership or nationality. The competitive neutrality principle aims at putting State-owned and private businesses in a fair competitive environment on the basis of a regulatory level playing field.

Foster European Strategic industrial value chains – Europe should set up a strategic and targeted industrial policy on sectors and technologies which are strategic or where Europe is dependant. After a mapping of such sectors, Europe should design a specific set of policies for a European strategic industrial “filière” to emerge. The tools should include R&D support, EU preference in strategic procurement, state aid policy, trade defence tools. For instance, such sector could be: Batteries, chipset, 5G infrastructures, space infrastructure, AI, etc...

Develop a European licencing regime for strategic technologies.

The objective of such regime would be to preserve Europe's innovation potential and technological autonomy, by subjecting key and strategic technologies developed in Europe to a licencing regime before any technological transfer is done towards a third country.

This measure would help to preserve Europe's knowledge and skills, as well as security and strategic interests by making sure that any technological transfer (whether due to a takeover, a merger, a joint venture or simply a contract) does not bear important risks for Europe's strategic autonomy. This licencing would go beyond defence technologies and could cover issues such as quantum technologies, AI, robotics, atomic clocks etc...

Europe must adopt an aggressive technological diplomacy and promote a strategic digital autonomy that vigorously pushes for European standards and norms. Europe should be a standard maker, not a standard taker. More generally, the EU should develop common standards together and team up to offer an alternative – or addition – to the Chinese Belt and Road initiative, an action plan that is increasingly dictating not just the terms of financing but also a broader set of technological applications. In doing so, China is altering the global competitive landscape by defining and exporting technical standards for everything from artificial intelligence to hydropower. Europe is a global leader in personal data protection. We need a sensible approach also to non-personal data.

A democratic alliance promoting a secure framework environment for data flow would signal to the world that the EU is committed to creating digital technologies that adhere to data privacy but also to data security, that are human-centric

and compliant with democratic principles.

We need an independent European Antitrust and Single Market Enforcement Agency.

Cross-country consolidation might create European Champions. But this will only work if we do not create monopolies at either national or EU level. Protecting incumbents and monopolists and allowing them to exploit historical rents will only be at the expense of our global competitiveness – and paid for out of consumers' and taxpayers' pockets. The current enforcement system should be overhauled: a fully-fledged EU Competition and Single Market Agency should be in charge of enforcement, separate from the Commission and performing the functions of EU investigator and prosecutor of these infringement. The Agency would have to defend its case in front of the Court of Justice which would take the final decision. Antitrust and single market procedures should have a deadline of one year

Modernise the Council Regulation N° 139/2004 of 20 January 2004 on the control of concentrations between undertakings (the EC Merger Regulation) in order to make it more fit with the current economic and geopolitical realities. Merger control should be strengthened to prevent acquisitions of start-ups identified as strategic. Revising the threshold triggering merger review should be the starting point. Second, the test for assessing the anticompetitive nature of an acquisition should include the assessment of the strategic potential of the target.

A truly operational digital Europe is key to enable our companies to exploit the size of the continent including in its audiovisual sector. The principle of country of origin/home country for the clearance of copyright should be applied in all

audiovisual content so that such content could be accessed and easily bought online. In addition, we should promote the emergence of EU-level societies for the management of copyright to allow a one-stop-shop for the exploitation of the rights. Europe needs more investment in 5G to allow our companies to be competitive on the global markets. Pan-European spectrum licences would allow pan-European telecom operators to emerge and open new market opportunities.

Establish a True Single fair and efficient taxation area

Such an area would not imply to replace national taxation systems but would imply to adopt common fair principles and uniform rules:

- against profit-shifting;
- to tax the digital economy;
- to tax companies in the EU (Common Corporate Consolidated Tax base);
- to tax consumption (Single EU VAT area) and to establish a common European VAT tax return;
- to incentives measures to move towards a net-carbon and energy-efficient economy by 2050;
- to create a single European tax number; to set a minimum European corporate taxation rate;
- to reduce tax incentives for debt financing in order to incentive equity investments;
- to incentivise a fair balance between shareholders' remunerations and human capital / innovation redistribution / investments;
- to introduce a system of tax incentives for those disclosing tax fraud.

All taxation reforms in Europe should be adopted by qualified majority voting in the Council and in co-decision with the European Parliament. Enhanced cooper-

ation should be encouraged in order to allow smaller groups of Member States to move forward when decisions can be achieved.

End the Fiscal Compact and transform the Stability and Growth Pact

The European fiscal rules have proven their limits. They have not allowed to sufficiently support growth in bad times and they have not been very effective in achieving debt reduction in good times. In additions, complex layers of rules have over time become unreadable and impossible to implement.

End the European Fiscal Compact Treaty (TSCG) and use its mandated introduction into European Law to reform more broadly the fiscal rules framework. The TSCG was meant to be inscribed into EU law by the end of 2017. This provision has not been respected. This must be undertaken by the next commission and will allow to revise its most problematic clauses. The debt rule for instance will require Member States to undertake fiscal adjustments that are untenable politically and economically.

Introduce a new golden rule that requires public sector investment to represent a significant percentage of the GDP. Some of the current statistical rules have unintended consequences of reducing productive investments. The easiest to correct is aligning amortisation of investments with international (IMF) standards.

Protect investments in infrastructure and human capital through a reform of the Stability and Growth Pact and **exempt national contributions to the EU budget from the debt/deficit calculations.** Moreover, the national contribu-

tions to the EU budget should be neutral (exempted) with respect to the debt/deficit accounting in order to allow greater flexibility to Member States in creating fiscal space for additional social and environmental measures.

An EU / Eurozone budget financed by autonomous own resources, to enable a real fiscal policy and support convergence. Cohesion policy and the Common Agricultural Policy (CAP) should be integrated in this to ensure coherence of action. An external instrument can be devised to support countries in the path towards adoption of the common currency.

Exempt certain productive investments from the Stability and Growth Pact parameters after a vetting process by the EU. In particular, the additional investments by national governments that profit to the EU as a whole into research and education, provided these are done in cooperation with international experts and peer-reviewed by their European partners.

Add non-financial criteria to the SGP scoreboard. From inequalities, poverty and exclusion, to natural pollutions, a handful of significant indicators would be added to the SGP demands, fostering a broader and fairer path towards convergence at EU level.

Streamline the investment process supported by EU

Create national infrastructure investment platforms, to support EU projects and national strategic projects, which can be funded by EU budget, as well as MS contributions, leveraging public/private bank financing and private funds. The national contributions would be exempt from the calculation of the deficit.

These platforms would support all infrastructure investment of EU value-added, which means that they would combine the funds from InvestEU, Connecting Europe Facility and regional development funds, into a single pipeline, single process and single set of eligibility criteria.

Allow the EU to borrow on markets in order to lend to Member States at better conditions (Eurobonds)

It is crucial to allow Member States to finance their investments on the basis of EU funded instruments and reduce the traction they may have towards those proposed under the Chinese belt and road initiative.

Increase the international role of the Euro

The European economy is as big as the American one, but the weight of the two currencies on the international area is greatly different. The standing of the Euro in global markets has become a question of foreign policy, not anymore simply of economics. The More Euro-denominated transactions, Euro-denominated safe assets and a European Central bank willing to act quickly on international markets. The Eurozone should develop its own global clearing system (like SWIFT) in order to secure complete autonomy in its international transaction. It should seek to expand the invoicing of key commodities like oil in euros and should broaden the bilateral swap network of the European Central Bank.

6. Turn Europe into a true world power

The world is changing, the international order is being upset both by the rise of emerging economies and the withdrawal of the United States from its historical role of global security backstop. Money, power, ideas, influence are moving away from Europe.

Projections show that in a couple of decades not a single European country will be in the top three economies in the world.

It is time to face the truth: European countries are small players in the new world order, no matter how big they are in the European context. If we do not act now to reverse the trend, we will soon be rules takers in every area.

“Our values and living standards will soon be liable to what is decided elsewhere”

The only way to reverse the trend is for Europe to behave as the global power it can and should be, without allowing it to

be weakened by internal divisions and a lack of vision.

A new Trade Deal with a Charter of Fair Trade Principles - Stop to unfair practices, unfair competition and “cheating outsiders”

For all its positive impact, the current trade agenda has revealed some serious flaws. People’s concerns about fiscal justice, social and environmental standards have not been taken sufficiently into account. There is actually not even consensus inside Europe on what these standards should be. Surely, we can do better than export International Labour Organisation (ILO)’s basic norms and the terms of the Paris Climate conference. We should aim to uphold and spread higher labour and environmental standards in our trade negotiations with respect to carbon content, labour and health standards, use of plastics, chemicals and other pesticides and use trade deals to pursue the reduction of imbalances.

The New Trade deal would provide time to take a fresh look at Free Trade Agree-

ments (FTAs) and to devise a progressive trade and investment agenda based on fair social and environmental standards. This would allow to rebuild confidence and enhance transparency on the impact of trade agreements on Europeans and restoring Europe's leadership on the path towards a greener and fairer globalisation should be the cornerstones of Europe's vision.

Lack of reciprocity in trade and investment rules or reciprocal access to markets has become a problem. Many FTAs and World Trade Organisation (WTO) rules have vague formulations preventing effective enforcement. Europe should lay down its own interpretive principles for those ambiguous provisions in a Chart of Fair Trade Principles, which the EU would apply to all existing and new agreements. Such a Chart would also serve as a guidance for reforming the WTO with the aim to foster a true level playing field. The launch of the reform of the WTO decided by the G20 Leaders in Buenos Aires will be the opportunity to continue to promote multilateralism and review the WTO rulebook at a time of increasing distrust in the multilateral trading system.

New enforcement powers should be put in place to defend Europeans against trade partners that compete unfairly by abusing the European model and accessing the European internal market without reciprocity, whether through unfair tax practices, market-distorting subsidies or policies, trade-distorting actions by State-owned enterprises, forced technology transfers, unacceptable working or environmental conditions, and inadequate protection of intellectual property rights.

New and more modern tools of trade defence instruments should be developed to be able to react to subsidies, and other abuses, in application of the Charter.

Speaking with one voice on the world stage

Too often are Europeans reacting late, divided and weak when it comes to address challenges at global level. These internal divisions dilute the impact of Europe on the world stage and lead our counterparts to exploit these divisions to their advantage. This undermines the very national interests and sovereignty our Leaders try to defend.

“All countries in Europe are small; the problem is that some of them have not yet realised it” (P.H. Spaak).

The following proposals should be considered:

- All governments in the EU empower the High Representative to speak on behalf of all Europeans in the field of European foreign affairs.
- Make qualified majority voting apply extensively in foreign policy decisions.
- Pool EU seats in International/Financial organisations/institutions such as in the IMF, G20 and G7.
- Make our sanction regimes more credible for example basing sanctions on human rights violation and not necessarily targeting only State actors.
- Create a European Agency for Development and appoint “European Ambassadors for development assistance and humanitarian aid” - following the idea of UNICEF ambassadors - to make the external action more effective and more visible.

7. Education as a pillar of Europe's identity

**“Democracy is more
than its institutions.**

**No amount of
institutional reform,
however necessary
and urgent, will ever be
enough to fully resolve
the democratic deficit.
Only the building of a
truly European
democratic society will”**

We need measures to make the European citizenship finally substantial. Many people do not know what it means to be European, have forgotten about it, or take it for granted. We need to a comprehensive approach aiming at talking, sharing and “feeling” our common European identity in addition to our various other ones.

A mandatory and paid European Civic Service

Only 5% of Europeans call themselves first European and then a Member State nationality, while 40% would give the European identity as a second choice. The European common identity needs to be built to improve solidarity among EU countries and citizens.

A mandatory and paid European civic service, where young people commit to fulfil a general European interest mission, would serve this purpose. This will develop newly created European Solidarity Corps and could include “Peace Corps for international placement”, “Volunteer Corps for NGO work in Europe”, “Green Corps for environmental and national/ European parks and seas work”.

Broaden Erasmus with a €100 billion budget allocation for the period 2021-2027

Erasmus, the most successful European programme, should be increased in scope and budget to offer the opportunity to meet other Europeans to a wider

range of people, regardless of their socio-economic background. A broadened Erasmus would cover also activities such as:

- **Visits of the EU institutions for all school students and organisation of simulation games** (Model European Council and Model European Parliament) to better explain the EU decision making process.

- **A renewed “Jeux sans frontieres”** to put the local level in different countries in touch with one another: local teams from towns and villages from different countries would compete in sports and games. This could be held in Strasbourg.

- **Cultural activities/ceremonies** the organisation of concerts, an annual Prize “European man/woman of the year”, a “European day” essay competition for students, an annual ceremony award in a kind of “Eurovision style” for the best European sportsmen and sportswomen of the year. Prizes would be awarded on 9th of May which would become a European holiday across the EU.

- **Launch a EU Cultural pass for 16-25 years old Europeans**, giving access to music festivals, movies, exhibitions in another EU Member State.

Setup a European Education Area

Boost historic, civic, political, ecological and economical/financial education

The increased complexity of today’s economic and political issues has alienated many Europeans. The same complexity has created opportunities for disinformation campaigns. Moreover, school programmes are not anymore adapted to the needs of the 21st century and should

include a “living in society” component.

European history, civic, political, ecological and economic/financial education should be part of the curriculum of all schools in Europe, to allow students to develop their understanding of the reality around them since early age.

The Commission should propose to Education Ministers an action plan with a set of basic principles that should be implemented in all national school programmes in order to boost these various types of education. This would contribute to create a more competitive but also more cohesive European society.

An “Umberto Eco” programme

“The language of Europe is translation” Eco said once. There cannot be a unified language for all Europeans and there should not be. But Europeans can very well have three, or four languages. Europe should put more resources on the language capacities of our youth and make sure that within a decade, every EU citizen can speak at least two other languages than their mother tongue. Language programmes and exchanges financed by both the EU and the MS for all high school students to go abroad and follow a class in a partner high school in the EU.

Facilitate access to cultural content across borders

Europeans can learn more about the culture of their neighbouring countries but often they have difficulties accessing cultural content across borders. The principle of country of origin/home country for the clearance should be applied fully for audiovisual content so that such content could be accessed by fellow Europeans.

8. A more democratic Europe close to its citizens

Europe is too far from its people, not sufficiently accountable to voters, and often perceived as a place for backroom deals amongst politicians and obscure decisions by technocrats. The complexity and technicity of European decisions causes people's disengagement and suspicion towards the European project itself.

“Fixing a pedagogical deficit will not make a difference. We need a real change of software”

A new inclusive constitutional process

Whether as a broadly representative convention or a specifically elected assembly, the EU needs a reload of its constitutional process to overcome the protracted legitimacy crisis that still plagues its action. There is much to learn from the process that allowed Iceland to design and vote a new constitution built from the ground-up by citizens. Indeed, the experience of intergovernmental conferences

in Europe has showed its limits and has failed to respond to the demands of a more participatory democratic process, starting with its constitutional process.

This process should produce a short, easily understandable constitutional document, not much longer than the 5000 words of the US federal constitution, laying ground to the common legal, values and institutional framework shared by its parties. It should refrain from the temptation to constitutionalise the policies (like in the failed 2004 attempt) and focus on the politics, balance and distribution of powers, place of the citizens and amendments process.

This innovative democratic process should rely in particular on a strong civil society participation as an essential step in rebuilding confidence in Europe's democracy and reconnect with its citizens.

A new democratic contract for Europe

A more effective rule of law enforcement

Europe needs to protect its democratic values and rule of law against attacks from within its borders. This is the European project's most pressing challenge. If the common base of values and rules of law is not shared between nations of the EU anymore, the whole structure of the EU is at stake. Current tools at disposal to enforce the rule of law have shown their limits. Effective enforcement mechanisms should be introduced such as reduced access to markets, withdrawal of EU financial support, and a more effective sanctioning procedure. In particular, two elements should be considered:

- An independent apolitical committee composed of eminent experts should be put in place in order to monitor Member States' respect of the rule of law. Such a committee should present recommendations to the EU institutions when there is evidence of a clear risk of serious breach of the Union values.
- An operationalisation of Art 7 triggering procedure for serious breach of rule of law through especially a modified voting rules (which would require an adaptation of the treaty).

Allow groups of Member States to integrate further and faster

Talking of multi-speed Europe creates a split between front runners and laggards which is detrimental to European solidarity. We need a Europe having concentric circles: smaller groups of Member States should be free to pursue more integration amongst them in certain areas, making participation conditional to sharing costs as well as adhering to values and stan-

dards on which their integration is based.

Provide a right of initiative to the European Parliament

Many criticise the European Union of having a "democratic deficit", and despite the majority of criticisms being groundless, one of them does raise questions: Why does the democratically elected body (the European Parliament) not have any right to propose legislation? So-called "Own-Initiative Reports" should be able to become a legislative proposal, if it is adopted in plenary and then submitted to an Impact Assessment.

At the minimum, through an inter-institutional agreement, the European Parliament should be granted the right to request that the European Commission acts upon an Own-Initiative Report adopted with a majority of $\frac{2}{3}$ of the European Parliament.

Transnational lists for the European elections

A more genuine EU election process is needed at EU level. Political parties should be entitled to present transnational lists. This would entail the possibility for political parties to present one political manifesto and one list of candidates to all EU citizens across the territory of the whole Union so as to reflect the EU dimension. This would be in stark contrast with the current situation in which European Political Parties, being an artificial collection of national parties and their domestic bases, are only European in name.

As a first steps, National parties should be required to have candidates from at least 5 European nationalities.

A European Government

The role of the European Commission is obscure to many Europeans. Let's make clear to all citizens what the Commission is and call it a European government and simplify its structure. It should be composed of maximum 15 Commissioners from different Member States, chosen by a President elected either directly by all Europeans or indirectly as the Leader of a majority coalition at European level.

Expand the role of the European Public Prosecutor's Office (EPPO)

Corruption is a particularly serious cross-border crime that national responses are unable to tackle in their entirety. A European Prosecutor with competences covering also anti-corruption should be established, building on the newly created EPPO. The revamped EPPO should also be able to fight the misuse of EU funds, and more generally, to tackle tax evasion and address those financial crimes that have a cross-border character.

The European Public Prosecutor would be granted the authority to launch independent investigations based on complaints received and as such, its power would also extend to the protection of whistleblowers. This authority, modelled on the European anti-cartel policy, would also be allowed to pass on investigation results to the competent courts at the national level for the further initiation of penal sanctions (referral power).

Make the EU more transparent and accountable to citizens

Stronger rules against conflict of interests and revolving doors

Lobbying can be problematic without

the right transparency rules and the sufficient safeguards to prevent conflicts of interest. More stringent safeguards should be considered in order to avoid conflicts of interests, such as empowering the European Ombudsman to decide on the appointment of former Senior EU officials from the European Parliament and the European Commission to lobby positions. In addition, the European Ombudsman could be granted a right on the composition of the expert groups.

The EU transparency rules concerning contacts with lobbies should be applied by all EU institutions and agencies in order to allow more public scrutiny and give citizens and other interest groups the possibility to track the activities of lobbyists.

Finally, a European framework for transparency rules on lobbying should be put in place across the EU and not only in Brussels.

Enhance citizens' control over the activities of Member of the European Parliament and the transparency at the Council

Enhance democratic control over the activities of MEPs (legislative activity, presence in parliamentary committees, transparency regarding their votes, constituency work, transparency in the management of their budget and their agenda), including establishing clear rules within the European Parliament and linking the payment of compensation benefits to matching a minimum attendance rate in committees and in plenary. It would be mandatory for every member to provide citizens with a regular and precise account of his/her legislative activity report.

The Council of the EU is the most powerful institution in Europe but also the less transparent one. The Council should be

held accountable for the decisions taken as a co-legislator. Current publicity rules are very often circumvented through informality.

When citizens know more about how Europe functions, they also develop a feeling of ownership, of responsibility for Europe. All EU institutions should be subject to the same transparency rules, including the Council.

Introduce a European Class Action

The rights of European citizens need to be better protected in case of pan-European abuses such as the dieselgate, food or implant scandals, international cartels, Facebook data breach. In particular, local courts should be better equipped to act at European scale in case of mass harm through collective redress.

A single seat for the European Parliament in Brussels

While symbolically, historically and institutionally very important, the European Parliament seat in Strasbourg has become very difficult to explain to fellow Europeans. A majority sees it an example of detached bureaucratic elites and waste of taxpayers money. The importance of Strasbourg should never be understated, should stop being controversial and should become a true centre for celebration of the European identity and remembrance.

The current Parliament seat could be transformed into a European University (with a budget of EUR 100 million per year) to re-use the infrastructure. A fair transition plan should be put in place to put an end to the commute of monthly plenary sessions in Strasbourg (which cost to the European taxpayers around EUR 300 millions every year).

Facilitate the emergence of a European public space

Transnational democracy can only hope to thrive if the political debate and the citizens' conversation embrace the European dimension. Media, institutions and even festive celebrations can contribute to this emergence:

- Drawing up guidelines specifying the minimum terms in accordance with which European elections should be treated in the media: this would include both the definition of speaking times for the candidates of the position of Commission president and the organisation of transnational debates, to be broadcast during the official campaign.
- Allowing the emergence of a cross border political class, by supporting the financing of political parties and candidate through cross border crowdfunding platforms.
- Creating a "citizens committee" within the European Parliament to allow regular discussions with citizens on major EU initiatives.
- Organising annual summits between Leaders and the European civil society on the model of the "Bornholm Folkemøde", Denmark's biggest political and civil society festival. This would allow EU Heads of State or Government to discuss and explain to Europeans their decisions or to describe future priorities. Thematic seminars would allow participants from both sides to engage with ongoing European legislative agenda issues or prospective debates.
- Reinforce Commission Representations in Member States so that they could play a greater role in explaining European decisions in the national media. Cooperate with opinion leaders and influencers so

that they can be European ambassadors or spokespersons (and allocate them the corresponding resources).

A revamped European news and communication strategy

Europe has not been given the means to reach directly its citizens and to create a true European public space. For this, Euronews has enormous untapped potential. It should be expanded, refinanced and transformed into a real European CNN (a multilingual international news platform) with much greater coverage of issues of EU relevance, EU politics, East-West / North-South cultural heritage, etc.

The EU institutions should also avoid multiplying the sources of European news. They should pool as much as possible their communication resources through a common portal, to fight jointly and more efficiently disinformation against Europe and communicate correct news about Europe to all European citizens.

A dedicated “rapid response team” should be created in this context to rebut instantly disinformation and fake news about Europe on social networks, TV and radio.