

COMMUNICATION

**from the European Affairs Committee of the Federal Council
to the European Commission, the Council and the European Parliament
pursuant to Article 23f para. 4 of the Austrian Constitution
21 November 2017**

COM (2017) 2025 final

White Paper on the Future of Europe – Reflections and scenarios for the EU27 by 2025

On 1 March 2017, Jean-Claude Juncker, President of the European Commission, published the “White Paper on the Future of Europe”, the intention being to advance the discussion process within the Member States and to prepare the ground for further developments. The White Paper proposes five scenarios: 1. Carrying on; 2. Nothing but the single market; 3. Those who want more do more; 4. Doing less more efficiently; 5. Doing much more together.

The Member States and, above all, their Parliaments are called upon to discuss the future of Europe on the basis of this White Paper. The European Affairs Committee of the Federal Council will be happy to meet this request within the framework of its powers of participation. The foremost objective of any reorientation of the European Union must be to improve its ability to address future challenges. It goes without saying that the Federal Council’s commitment to the further development of the European Union is based on its determination to strengthen the most important values of our democracy: We are committed to a Europe of peace and human rights, of democracy and the rule of law.

First and foremost, we have to focus on the European Union’s ability to act effectively. Past events – especially in the context of the refugee movements of recent years – have shown that we all need to pay greater attention to early signals and become more efficient in our actions; at the same time, unity among the Member States is crucial for the effective functioning of the Union.

If the EU is to regain its efficiency, the principle of subsidiarity must be strengthened across Europe. Nevertheless, there are many areas in which we need a Union with stronger sovereign powers, a stronger European Community that cannot be undermined by national selfishness.

Regions, cities and local communities can contribute a great deal to the European idea, as they are best able to bring Europe closer to its citizens. We have to focus our attention on the local level, as it constitutes the foundation of the European Union. However, we must be realistic and accept that not every problem can be solved by the smallest entity. When it comes to major issues, such as foreign, security and defence policy or the protection of the external borders, the EU must be strengthened, whereas issues that can best and most efficiently be resolved by the smallest entity should be dealt with at the local level. We therefore hold that greater emphasis should be placed on the principle of subsidiarity before a new legal act is proposed. Before the European Commission submits a proposal, its added value for Europe and the European economy must be clearly visible.

In view of the recent disclosure of the Paradise Papers and similar findings, the European Affairs Committee of the Federal Council supports the position that profits should be taxed wherever they are generated. This holds, in particular, for multinational corporations. Numerous other measures have to be taken as well.

In order not to risk failure, Europe has to protect its citizens by offering them a perspective of prosperity. Regardless of the importance attributed to competitiveness and functioning markets, no one must be left behind. The Federal Council supports President Juncker's call for more social rights for all EU citizens.

Finally, speaking on the basis of its practical experience, the Federal Council wishes to make the following points: Over the years, numerous proposals have been submitted to the subsidiarity check. The deadline of only eight weeks allowed for the parliamentary chambers of the Member States to check a proposal for its compatibility with the principle of solidarity is too short. The Federal Council therefore proposes an extension of the deadline to twelve weeks. Moreover, in many of its opinions the Federal Council criticized the large number of delegated legal acts. Such delegated legal acts are lawful, but their number is increasing continuously and there is a risk of the European Commission being granted legislative powers that are due to the Council in conjunction with the Commission and, subsequently, the European Parliament. Moreover, the dialogue between the European Commission and the parliamentary chambers of the Member States should be intensified. Very often, it takes several months before the Commission reacts to communications and/or comment on issues of

subsidiarity. The reactions are formally correct, but the Federal Council deplores the absence of a lively political exchange on certain proposals. COSAC, in particular, provides an appropriate framework for an active political discourse with members of the European Commission, which should be made use of much more intensively.

The Federal Council wishes to underline that there are many possible areas of cooperation: transport policy, consumer protection, research and innovation, cohesion policy, trade policy and, of course, security and defence policy.

Most recently, the Austrian Federal Council contributed to this debate within the framework of a hearing on EU issues on 7 November. It will continue to do so through formal and informal channels, as commitment to Europe is not something we should expect from the European Union alone, but demonstrate ourselves. Finally, the Federal Council refers to its preliminary work on a declaration by the Presidents of the German and Austrian regional parliaments and the provincial diet of South Tyrol, with contributions from the German-speaking community in Belgium, on the occasion of the Second Conference on the White Paper on the Future of Europe in Brussels on 26 and 27 November, as well as the opinions expressed by the provincial parliaments of Upper Austria and Lower Austria.