

MINUTES OF THE MEETING OF THE CHAIRPERSONS OF COSAC
Bucharest, Romania, 21 January 2019

AGENDA:

- 1. Opening of the meeting**
 - Welcome address by Mr Călin POPESCU-TĂRICEANU, President of the Romanian *Senat*
 - Welcome address by Mr Florin IORDACHE, Vice-President of the Romanian *Camera Deputaților*
 - Introductory remarks by the Chair
- 2. Adoption of the agenda of the meeting of the Chairpersons of COSAC**
- 3. Procedural issues and miscellaneous matters**
 - Briefing on the results of the meeting of the Presidential Troika of COSAC
 - Draft agenda of the LXI COSAC
 - Outline of the 31st Bi-annual Report of COSAC
 - Letters received by the Presidency
 - Any Other Business
- 4. Priorities of the Romanian Presidency of the Council of the EU**
Keynote speaker: Ms Ana BIRCHALL, Vice Prime Minister for the Implementation of Romania's Strategic Partnerships
- 5. Increasing cohesion and ensuring convergence through the Multiannual Financial Framework**
Speakers: Ms Corina CREȚU, European Commissioner for Regional Policy; Mr Daniel DĂIANU, member of the Board, National Bank of Romania and member of the Romanian Academy

PROCEEDINGS

IN THE CHAIR: Ms Gabriela CREȚU, Chairwoman of the European Affairs Committee, Romanian *Senat*; and Mr Angel TÎLVĂR, Chairman of the European Affairs Committee, Romanian *Camera Deputaților*

1. Opening of the meeting

- Welcome address by Mr Călin POPESCU-TĂRICEANU, President of the Romanian *Senat*
- Welcome address by Mr Florin IORDACHE, Vice-President of the Romanian *Camera Deputaților*
- Introductory remarks by the Chair

Ms Gabriela CREȚU, Chairwoman of the European Affairs Committee of the Romanian *Senat*, welcomed the participants and pointed out the importance of such a meeting for Romanians, as it represented the beginning of the parliamentary dimension of the first Romanian Presidency of the Council of the EU, and for Europeans in general, given the challenging times the European project was facing.

Mr Călin POPESCU-TĂRICEANU, President of the Romanian *Senat*, welcomed the participants at the meeting of the Chairperson of COSAC, the first event within the Parliamentary dimension of the Romanian Presidency, a role the country had taken on its twelfth year since accession.

Mr POPESCU-TĂRICEANU pointed out the importance of the parliamentary dimension of the Romanian Presidency. As the European Union was currently facing challenging times, such as Brexit,

the elections for the European Parliament, and bringing the Multiannual Financial Framework (MFF) as close as possible to an overall agreement, Members of Parliaments were called to promote solidarity, to inspire and to support convergence and to defend cohesion across the EU, actions that were fundamental to prevent the cleavages between East and West, South and North. As interparliamentary activity had steadily gained a significant role in the functioning of the Union, COSAC was a suitable forum to exchange information and best practices that were much needed for the effective functioning of Parliaments in the European Union.

Mr POPESCU-TĂRICEANU expressed the belief that the best possible approach to strengthen the European project was to seek the full synergy of the Member States for a more pragmatic approach with feasible objectives so that citizens would perceive tangible results. In this respect, he underlined Romania's priorities, tailored on four main pillars: Europe of convergence, Europe of safety, Europe as a stronger global actor and Europe of common values.

With regard to the MFF, he noted that reaching substantial progress required full commitment in a collective effort of all Member States and European institutions.

Concerning the First Mobility Package, Mr POPESCU-TĂRICEANU highlighted that the Romanian Presidency would undertake, as honest broker, to build a constructive approach based on regional specificities and on the balance between social rights and related freedoms and the objectives of strengthening the internal market.

Mr POPESCU-TĂRICEANU stressed that labour mobility was a key element for stimulating growth and employment at European level, thus the Romanian Presidency would prioritise measures to strengthen the social dimension, focusing on the implementation of the priorities of the European Pillar of Social Rights, and to preserve and consolidate the free movement within the EU Internal Market.

Regarding the Energy Union, he noted that it was important to build on the consensus regarding the principle of diversification for both transport routes and supply sources, in order to achieve a higher degree of energy security. Romania's Presidency of the EU Council would undertake constructive efforts in order to advance negotiations regarding the Gas Directive, taking into full account the political will of the co-legislators in order to reach a clear and comprehensive regulating framework at European level.

Referring to Brexit, Mr POPESCU-TĂRICEANU emphasised that maintaining EU convergence was paramount in ensuring an orderly process.

Mr POPESCU-TĂRICEANU stated that migration, terrorism and armed conflict were calling for the strengthening of the external EU borders, and a comprehensive approach to migrations needed to be identified for the EU. Strengthening dialogue and cooperation with third countries of transit and of origin, as well as combating illegal migration were priorities of the Romanian Presidency. Finding an optimal solution for Member States to achieve a modernised European Asylum Policy was also an objective. Regarding the management of external borders and the reform of the Schengen area, Mr POPESCU-TĂRICEANU highlighted that Romania proved a permanent and consistent determination in providing security and acting as a de facto Schengen member. He expressed his hope that based on the high level of preparedness and performance, Romania would be able to accede to the Schengen Agreement.

Mr POPESCU-TĂRICEANU stressed Romania's commitment to take forward the EU perspective of the Western Balkans, ensuring continuity of the efforts and attention dedicated to the region by the

Bulgarian and Austrian Presidencies, by supporting the advancement of the candidacies of Albania, the Former Yugoslav Republic of Macedonia, Montenegro and Serbia.

Finally, Mr POPESCU-TĂRICEANU referred to the common goal of parliamentarians, which was to improve the linkage with the citizens and to find solutions to their common concerns. As such, the Romanian Presidency would be citizen-centred and the agenda would focus on promoting cohesion, as a common European value.

In his address, Mr Florin IORDACHE, Vice-President of the Romanian *Camera Deputaţilor*, emphasised that the Romanian Presidency of the EU Council came during a difficult time faced by the Union.

Mr IORDACHE highlighted that at the level of the parliamentary dimension of the Romanian Presidency, the topics subject to debate came to support the priorities set at the executive level, with the aim of obtaining tangible results for the citizens, as well as to put forward the benefits that a united, strong and cohesive Union may bring to citizens through the topics put on debate.

Mr IORDACHE stressed that Romania was a credible and dedicated partner, a partner capable to support the consolidation of the European project, but also of the traditional policies that bring concrete benefits to the everyday life of the citizens.

Presenting the Presidency's motto, "Cohesion, a common European value", Mr IORDACHE underlined that Romania aimed to assure the cohesion and unity of Member States confronted with the current political, economic and social challenges. Cohesion was one of the fundamental values of the European architecture, and for Romania, Cohesion Policy remained a central mechanism meant to achieve economic growth and the increase of number of jobs and sustainable development, and the Multiannual Financial Framework was a fundamental instrument in order to assure true cohesion in Europe, especially for citizens. He further underlined the importance for the EU budget to continue to offer the advantage required for achieving convergence at the level of all Member States.

Mr IORDACHE stated that the Romanian Parliament would actively participate to the dialogue regarding the future of the Cohesion Policy. In addition, the Romanian Parliament would support, through actions at parliamentary level, the efforts of the Romanian Government in order to identify the best mechanism that define the future architecture of the cohesion policy. In this respect, the Romanian Parliament was preparing an Inter-parliamentary Conference on Cohesion Policy and Common Agricultural Policy (CAP), between 18 -19 March 2019.

Mr IORDACHE concluded by recalling that cohesion had also a strong political value for Member States, as well as for the perspective of integrating the Western Balkans, or even the Republic of Moldova, in the community block.

2. Adoption of the agenda for the Meeting of the Chairpersons of COSAC

Ms CREȚU presented the draft agenda of the COSAC Chairpersons' meeting, which was approved without amendment.

3. Procedural issues and miscellaneous matters

- Briefing on the results of the meeting of the Presidential Troika of COSAC
- Draft agenda of the LXI COSAC
- Outline of the 31st Bi-annual Report of COSAC
- Letters received by the Presidency
- Procedural issues

Mr TÎLVĂR referred to the Presidential Troika meeting that had taken place the previous evening and presented the draft agenda of the LXI COSAC meeting to be held in Bucharest on 23-25 June 2019, explaining that there would be four topics on the agenda: achievements of the Romanian Presidency of the Council of the European Union; prospects for international trade relations of the European Union: the future of relations between the European Union and the United Kingdom in the context of Brexit; the European Education Area as a driving factor for reshaping and strengthening the Single Market; and economy based on innovation, technological progress and social European Union impact: the role of national Parliaments in fostering the “New Economy” of the EU.

He then went on to outline the 31st Bi-annual Report of COSAC. The report would be divided into three chapters. The first chapter would deal with the prospects for international trade relations of the European Union and the future of relations between the European Union and the United Kingdom in the context of Brexit. Chapter two would focus on the European Education Area. The third chapter would address the technological progress and social impact of an economy based on innovation.

The Bi-annual Report would be based on the replies to the questionnaire, which would be sent to delegations on 12 February 2019. Replies would be expected by 19 March 2019.

Ms CREȚU referred to the letters received by the presidency regarding participation at COSAC meetings and other Presidency meetings; letters notifying the presidency of the absence of: Mr Michael HEALY-RAE, Chairman Joint Committee on European Union Affairs, Irish *Houses of Oireachtas*, and from Ms Mairead McGUINNESS, First Vice-President, European Parliament, owing to the 100th anniversary of the *Dáil Éireann*; Ms Danuta HÜBNER, Chair of the Committee on Constitutional Affairs, European Parliament; and communications to the same effect from Mr William CASH, UK *House of Commons*, and Ms Maria João RODRIGUES, from the European Parliament.

Finally, a letter from Mr Kristian VIGENIN, Bulgarian *Narodno sobranie*, encouraging participation of COSAC Members to COSAP.

Mr Bastiaan VAN APELDOORN, Dutch *Eerste Kamer*, took the floor to talk about the Report on the Task Force on Subsidiarity, Proportionality and “Doing Less More Efficiently” that had been published in July which touched issues at the heart of the role of EU national Parliaments. He lamented that there had been no opportunity to discuss the findings of the report within COSAC, and, in this regard, also lamented the absence of Mr TIMMERMANS. He sought support from colleagues to have this item on the agenda during the June plenary and possibly be able to posit questions to Mr TIMMERMANS.

Ms CREȚU ensured Mr APELDOORN that the present EU officials would take note of his comments.

Mr Václav HAMPL, Czech *Senát*, said that it was important to discuss both Brexit and the European elections during the upcoming COSAC plenary meeting. He referred to the Commission initiative on subsidiarity, and supported his Dutch counterpart’s request to have Mr TIMMERMANS during the meeting.

Ms Arzu ERDEM, Turkish *Türkiye Büyük Millet Meclisi*, referred to the close relations her country enjoyed with Romania, and expressed her full support for the Presidency.

Mr VIGENIN explained that his proposal was a recommendation to the Troika, as he himself had attended the meetings of COSAP when he was Chair of the Troika and felt that the meetings were

useful and interesting. He therefore felt it would be good to attend and understand better their concerns.

He reminded Mr VAN APELDOORN that there was a Communication from the Commission and the EU affairs committees could discuss not only the report of the Task Force, but also the Communication that came out as a result of the work of the Task Force.

Ms CREȚU assured Mr VIGENIN that they had discussed both in their Committee.

Mr Sergio BATTELLI, Italian *Camera dei deputati*, hoped that the Romanian Presidency would ensure a follow-up of the decisions made in this forum and follow up their implementation by the EU institutions and see how deliberations were translated into results.

Ms CREȚU said that COSAP should invite COSAC members to their meetings. Members would however not be representing COSAC.

Mr VIGENIN agreed regarding the invitation but clarified that his point was to strengthen the relationship with COSAP.

4. Priorities of the Romanian Presidency of the Council of the European Union

Keynote speaker: Ms Ana BIRCHALL, Vice-Prime Minister for the Implementation of Romania's Strategic Partnerships

Mr Angel TÎLVĂR, Chair of the EU Committee of the Romanian *Camera Deputaților*, presented the topic of the first session and gave the floor to Ms Ana BIRCHALL, Vice-Prime Minister for the Implementation of Romania's Strategic Partnerships.

Ms BIRCHALL started by noting that this was Romania's first Presidency of the Council of the EU and underlined the essential role of Parliaments and parliamentary dimensions in the framework of such rotating presidencies.

She then referred to the difficult context of this Presidency, dominated by the forthcoming European elections and their impact on the future of the EU, but showed confidence in Romania's ability to push the legislative agenda forward and to safeguard political cohesion and unity across the EU. In this respect, the Vice-Prime Minister highlighted the motto of this presidency, "*Cohesion, a common European value*", stating that cohesion was the sole political, economic and social answer to the European project. Ms BIRCHALL stated that, politically, only cohesion could re-establish connections between the Member States, European institutions and citizens; whereas, economically speaking, only cohesion could reduce the gaps between regions and countries. Finally, from a social point of view, only cohesion could lead to collective convergence and preserve the four freedoms of the EU.

Speaking about the main pillars of the Romanian presidency, namely (1) convergence, (2) safety, (3) the EU as a global stronger actor and (4) the sharing of common values, Ms BIRCHALL briefly detailed the focal actions to be taken on each one of them.

As to the Europe of convergence, she reaffirmed Romania's objective to reach tangible progress in the negotiating process of the next MFF and to ensure financial support not only for the current convergence instruments, such as the cohesion and common agriculture policies, but for the future research and innovation projects, too. The Vice-Prime Minister also stated that Romania would support the development of the single digital market and favour the strong industrialization, the job-creating schemes and the capital mobility across the EU. From a social perspective, she explicitly advocated for the European Labour Authority, focussing on training while providing safe and

improved conditions of work, for better coordination of the social protection dossiers, for gender balance and for backing the Europe 2030 objectives and the EU's climate change policy.

Concerning a safer Europe, Ms BIRCHALL reassured participants that Romania would contribute to strengthen the internal security of the EU by following the implementation of the European Council's conclusions on migration, by monitoring radicalization and the cyber security, by promoting proposals meant to consolidate the joint efforts of police institutions and by prioritising actions to secure the EU external borders.

The Vice-Prime Minister then went on to share Romania's intentions to redouble efforts in order to help the EU become a stronger global actor. In doing so, she particularly insisted on the need to support the European Union Global Strategy and the actions undertaken in this respect by the High Representative of the Union for Foreign Affairs and Security Policy. As to the defence aspects, she mainly voiced the necessity for the EU to build policies in close cooperation with NATO and to further develop its defensive capabilities. Acknowledging the strategic importance of the Western Balkan and Eastern neighbourhood, Ms BIRCHALL also referred to the benefits for the citizens of the Eastern Partnership and the association agreements and underlined, on this occasion, the need to broaden the spectrum of foreign partnerships and free trade agreements with countries and regions from all over the world.

As to the European common values, she voiced Romania's will to have them reinforced and called on her colleagues to avoid any differentiated treatment among the Member States. In this respect, the Presidency aimed at strengthening cohesion policy and ensuring the advancement of the EU project through a unitary approach free of internal divisions. The Vice Prime Minister also mentioned that Romania would monitor the implementation of the data protection legislation and support the efforts to communicate better about the EU and to combat fake news, especially in the context of the future European elections.

Ms BIRCHALL finally expressed a firm commitment that Romania would act constructively and impartially, in the spirit of unity and political cohesion, with the aim of regaining citizens' trust in the EU and offering a better future for the generations to come.

Twenty speakers took the floor during the ensuing debate, which was opened by an intervention from Mr Václav HAMPL, Czech *Senát*, who talked about subsidiarity. Referring to the European Commission's Communication on the subject,¹ whereby the Commission addressed the possibility of excluding the Christmas period from the deadline of the subsidiarity check, he urged colleagues and the Presidency to push for agreement at the Council.

A common theme during the debate was enlargement, with seven speakers referring to the subject during their interventions, mostly from candidate countries expressing their commitment to EU accession. Mr Genc POLLO, Albanian *Kuvendi i Shqipërisë*, and Mr Adrijan VUKSAVONIC Montenegrin *Skupština*, were both happy to note the importance afforded to the subject by the Presidency, and the latter expected his country to close some chapters and open some of the remaining ones. He also reminded colleagues that EU integration helped ensure a secure society with economic growth and decent living standards, and that EU membership should depend on the individual achievements of the respective countries. Ms Ivana NIKOLIC, Serbian *Norodna Skupština*, continued on a similar vein, stressing that enlargement would help bolster the Union's security and integration,

¹ Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions - The principles of subsidiarity and proportionality: Strengthening their role in the EU's policymaking (COM (2018) 703).

and reminded colleagues that, in her country's case, the total number of open negotiation chapters was 16, with the hope that more would be open in the near future. She warned that a Kosovo* army would not help in ensuring peace and stability in the region. Ms Jagoda SHAHPANSKA, *Sobranie of the Former Yugoslav Republic of Macedonia*, said that her country was fully committed to accomplish its priority of becoming a full member of the EU and NATO and hoped that accession negotiations would start in 2020, while noting the important historic steps taken so far, most notably the solution to the name dispute with Greece and the Treaty of friendship and cooperation signed with Bulgaria. Both Mr Muhammed Fatih TOPRAK and Ms Arzu ERDEM, Turkish *Türkiye Büyük Millet Meclisi*, referred to migration, stating that membership to the EU was a strategic priority for Turkey and noting the importance of further cooperation with the Union. Mr TOPRAK also referred to the migration crisis, noting that cooperation between Turkey and the EU would continue in this area, whereas Ms ERDEM referred to terrorism, noting that opening chapters 23 and 24 would help in this regard and ensure promotion of human rights. Mr Darij KRAJČIČ, Slovenian *Državni zbor*, supported Macedonia's efforts to join the EU. Mr Kristian VIGENIN, Bulgarian *Narodno sabranie*, highlighted the importance of promoting the prospects of the Western Balkans.

Other common subjects were Migration, Security and Terrorism. Ms Maria TRIANTAFYLLOU, Greek *Vouli ton Ellinon*, said that EU policies should focus to fight illegal migration and ensure policies for legal migration were in place. With regard to the fight against terrorism, cooperation and strengthening of security systems were important elements in this fight, which in the end was a complex issue requiring a general approach ensuring inter-regional cooperation and a look at the underlying causes of the terrorist threat. Mr Nicolaos TORNARITIS, Cyprus *Vouli ton Antiprosopon*, echoed similar sentiments, stating that ensuring security was perhaps the greatest challenge for all European countries. This was certainly true for Cyprus, and Mr TORNARITIS expressed hope for a solution to the Cyprus problem and an end to the longstanding and unacceptable status quo and division of Cyprus. He reminded colleagues that the Cyprus problem was a European problem, the solution of which would contribute to a stronger and safer Europe as Cyprus played a stabilizing role in the Eastern Mediterranean region. Mr Richárd HÖRCSIK, Hungarian *Országgyűlés*, thanked the Presidency for putting convergence and security at the top of its priorities, and also thanked the previous Austrian Presidency for their initiatives on cooperation with third countries to reduce migration flows and facilitate readmission. He stressed that Hungary considered external border protection as the crux of the fight against illegal migration, and that clear vision was needed on the way forward. He further stressed equal treatment of national identities and that historic characteristics of EU Member States should be respected, and looked forward to the formation of a new European Parliament which would better reflect the interests of the citizens. Mr Jean BIZET, French *Sénat*, called for more security and increased efforts in the fight against terrorism, strengthening FRONTEX and coast guard, as well as cooperation with source countries, implementing Commission President Jean Claude JUNCKER's proposal to strengthen ties with African countries as soon as possible. Mr KRAJCIC acknowledged the huge challenge that migration was, and expressed his support for Schengen rules. Mr VIGENIN agreed that migration remained an issue of utmost concern, adding that a comprehensive solution was needed by striking the right balance between solidarity and responsibility. Ms María Soraya RODRÍGUEZ, Spanish *Cortes Generales*, did not approve of the approach adopted by the Romanian Presidency linking security policy and migration together, especially at a time when it was of the utmost importance to fight against racism, xenophobia and intolerance.

* This designation is without prejudice to positions on status, and is in line with Resolution 1244 of the United Nations Security Council and to the opinion of the ICJ on the declaration of independence of Kosovo.

Cohesion and convergence were also mentioned by a number of speakers. Mr HÖRCSIK said that convergence was needed to decrease disparities in the Union. Mr Aaron FARRUGIA, Maltese *Kamra tad-Deputati*, supported the Presidency's priority pointing toward a more ambitious EU with cohesion at centre, though also pointed out the disagreement currently rampant on a number of issues, including migration and climate change, and called for a common vision which would enable the EU to decide on a common future path. Mr Joško KLISOVIĆ, Croatian *Hrvatski sabor*, also urged leaders not to ignore cohesion, as the result of cohesion policy would decide the EU's common future. Mr VIGENIN commended the Presidency's motto on convergence and highlighted the importance of further developing relations with neighbours in the region. Mr Foort VAN OOSTEN, Dutch *Tweede Kamer*, wondered what efforts the Romanian Presidency would pursue in order to reduce poverty.

The subject of elections was also mentioned by some participants, with both Ms RODRÍGUEZ and Mr Veli YÜKSEL, Belgian *Chambre des représentants*, referring to the need of ensuring an environment free of fake news and the need to ensure free and fair elections, the former also underlining the citizen's role in deciding the EU's future through their vote, while the latter called for rules for social media to ensure there is no interference by foreign powers seeking to shape public opinion. Mr POLLO acknowledged that EU elections would define the course of the EU for the next years.

Other participants referred to the MFF and other financial instruments (Ms Tamar KHULORDAVA, Parliament of Georgia, Ms RODRÍGUEZ, Mr VIGENIN). Ms KHULORDAVA noted the risk involved with merging all external financial instruments into one instrument: such a move would be problematic as different countries faced different challenges, and it would help those whose interest was to strengthen sceptic and anti-EU propaganda. Mr VIGENIN noted that negotiations on the MFF were of crucial importance for the future of the EU and that an ambitious EU needs an ambitious budget, whilst also hoping that the Romanian Presidency - the third successive "Danube Presidency" - would continue the promotion of the EU Danube Strategy.

Brexit also featured during the debate. Lord WHITTY, UK *House of Lords*, acknowledged the difficult issue that the Presidency would be facing, and explained that it was still not clear what would happen, though two options were gaining support: the call for a second referendum, however unlikely to happen, and a possible extension of the Article 50 process. He asked colleagues to treat any such request sympathetically, while also expressing the wish for the UK to remain active with regard to participation in EU fora such as COSAC. Mr BIZET also acknowledged that this would be a challenging Presidency, with both Brexit and the possibility of a no deal, as well as European elections, a sentiment echoed also by Ms RODRÍGUEZ who expressed hope that an agreement with regard to Brexit would be reached.

Ms BIRCHALL appreciated the support expressed and thanked colleagues for their advice. Answering the last question, she said it was an important topic both from an EU perspective as well as a national one: all elections should be free from all interference and results should express the will of the people. With regard to Brexit, she stressed the rights of citizens in Britain and the rights of the British citizens in EU countries should be of paramount importance. Ms BIRCHALL commended Turkish efforts in dealing with migration, and agreed with her Hungarian colleague that cohesion was a very important topic: reducing the disparities between various regions with the EU was a priority for the Romanian Presidency, despite the challenges that lay ahead. Eastern Partnership was also very important, and Ms BIRCHALL thanked the previous Presidencies for their work in this area. She stated that the Western Balkans should continue to be on the agenda, as ensuring security there would mean ensuring security throughout the EU. She assured colleagues that reducing poverty should be one of the priorities for everybody, and the cohesion policy had this as one of its main objectives

when it was set up, which is why the Romanian Presidency looked at it from both a social and economic point of view. Replying to the Maltese colleague, Ms BIRCHALL acknowledged that there were lots of disagreements, and noted the COSAC format was one of the best ways of ensuring discussion and resolution of these disagreements.

5. Increasing cohesion and ensuring convergence through the Multiannual Financial Framework Instruments

Keynote speakers: Ms Corina CREȚU, European Commissioner for Regional Policy; Mr Daniel DĂIANU, member of the Board, National Bank of Romania and member of the Romanian Academy

The European Commissioner for Regional Policy, Ms Corina CREȚU, started her address by highlighting the importance of cohesion policy for its flexibility, tangible results and high impact on citizens' daily lives, and for offering solutions to the many challenges the EU faced. Commissioner CREȚU argued that the European Union could not be strong and united without cohesion between Member States and regions, nor prosperous and competitive without opportunities for individual and professional development.

She then stated that the convergence process in Europe was remarkable and mentioned some figures, in this respect, according to which the GDP per capita increased, for the Member States who joined the EU in 2004, from 51% to 70%, compared to the European average. However, Commissioner CREȚU also highlighted the fact that regional disparities in terms of employment and unemployment had increased in some parts of the EU, who have not surpassed the pre-crisis economic levels and where much more structural funds are needed. She maintained that proposals on cohesion policy for the 2021-2027 period reflected this concern and that approximately 80% of its budget would be directed towards the less developed regions.

Stressing that the framework for future cohesion policy was modern, simplified and flexible and adapted to the needs of the regions, Commissioner CREȚU continued by underlining that the future cohesion policy would be closely aligned with the key priorities of the European Union, including competitiveness, jobs and climate and environmental challenges, and designed to encourage local initiatives, especially in urban areas. She stressed that for the cohesion policy to deliver it should build on robust governance structures while complementing national policies. To this end, she underlined the importance of national Parliaments in providing expertise, technical assistance and political support for better legislation and public governance.

Mr Daniel DĂIANU, member of the Board, National Bank of Romania and member of the Romanian Academy, started his address by stressing that cohesion should be mainstreamed throughout EU policies. He continued by outlining the challenges that the EU was facing and argued that while these had an impact on cohesion between and within Member States, eroding social fabric would also give rise to populism and radical political movements. In this regard, he highlighted the lack of trust among Member States and between the European institutions and Member States. He explained that the economic crisis had shown flaws in decision-making and acknowledging them was not enough: something had to be done about the lack of democratic accountability.

Mr DĂIANU argued that the budget of the European Union reflected the degree of integration among Member States. He explained that, over the years, the role of national contributions had grown to 70% of the budget resources compared to 10% two decades earlier. He argued that the transactional paradigm often applied to budget negotiations and the quid pro quo logic that it entailed risked undermining the chances of reaching common goals, further stating that while the budget of the European Union should address the new challenges, it would be a mistake to allow a reduction in

funds to regional development and agricultural policies because of prevailing economic discrepancies in the European Union.

Mr DĂIANU also affirmed his support for the proposal to reform and increase the European Union's own resources, stressing the necessity of combining national interests with the general interests of the European Union which, he argued, could help bring added value more consistently at both the European and national level. More specifically, he stressed that tax evasion and tax avoidance should be punished drastically. These measures, he explained, could also provide additional resources to the budget of the European Union.

In addition, Mr DĂIANU welcomed the proposal to create a common budget for the Eurozone which, he argued, was necessary to strengthen the resilience of the Eurozone economies. He stressed that completing the banking union would not be enough but that it should be complemented with appropriate fiscal capacity. He also underlined, however, that risk sharing, should mean both private and public risk sharing. Without going into details, he also maintained that the Eurozone budget should not be placed within the budget of the European Union. Finally, he highlighted robustness as a key quality not only for the Eurozone governance structures but for any new Member State wishing to join the common currency.

In conclusion, Mr DĂIANU highlighted the important role cohesion funds had in creating a level playing field in the Single Market which featured many discrepancies. In reference to conditionality of the funds, he stressed that Member States had to respect the rule of law and the basic values that underpinned the European Union.

Fourteen speakers took the floor during the ensuing debate, dominated by a consensus on the importance of the European Union's cohesion and convergence policies through the MFF instruments.

Ms Agata BOROWIEC, Polish *Sejm*, pointed out that Poland was sceptical about the proposed MFF as Poland is against cutting and reducing funds in the cohesion and CAP areas.

Mr Arto SATONEN, Finnish *Eduskunta* stressed that there were different vision on cohesion, and that cohesion was linked to macroeconomic stability and solidarity. He also said that Finland supported the Presidency's views on the MFF.

Mr Domagoj Ivan MILOŠEVIĆ, Croatian *Hrvatski Sabor*, referred to the challenges that Croatia faced due to young emigration from Croatia to the rest of the EU, which had an impact on the political stability and asked net contributors to the EU budget to think twice about cutting cohesion funds.

Mr Richárd HÖRCSIK, Hungarian *Országgyűlés*, emphasised the importance of the MFF as a tool for cohesion, a win-win policy for countries and firms. He warned against the threat of cherry picking and protectionism, criticising the EU posting of workers directive, as differences in national wages were not unfair competition.

Ms Regina BASTOS, Portuguese *Assembleia da República*, considered the MFF as fundamental for the EU's future and called for the new priorities not to be financed from cuts to the cohesion and CAP funds. Mr Aaron FARRUGIA, Maltese *Kamra Tad-Deputati*, supported cohesion and asked for further flexibility and simplifications in its implementation. He called for a tailor-made approach to the European Semester and a geographical distribution of funds, and whereas he expressed support for financial instruments, he pointed out that these should complement, and not replace, EU grants. Mr FARRUGIA stressed that Malta was against financing the EU budget through taxes, as fiscal policy should be decided upon by individual Member States.

Mr Jaroslaw OBREMSKI, Polish *Senat*, stated that Poland opened its market and thus needed the necessary cohesion funds for its infrastructure; there was otherwise the risk of facing an EU of different speeds and standards. Mr Viorel ILIE, Romanian *Senat*, referred to the Romanian EU Presidency motto and pleaded for Romania's accession to Schengen, as trust was essential for the EU to work properly and cohesion essential to get citizen's trust.

Mr Bojan KEKEC, Slovenian *Državni zbor*, defended cohesion as a key financial tool to balance EU's regions and called not to forget also social cohesion, in view of the incoming European elections and rising Euroscepticism. Mr Marc ANGEL, Luxembourg *Chambre des députés*, referred to cohesion as one of the greatest EU's challenges and called for an increase of the EU budget, mainly through new own resources, such as tax on CO2 emissions and taxes to big digital companies' revenues.

Mr Toomas VITSUT, Estonian *Riigikogu*, referred to cohesion as an excellent frame for structural reforms and competitiveness, and underlined the importance of the EU's Single Market connectivity for cross-border businesses. Mr Sergio BATELLI, Italian *Camera dei Deputati*, labelled cohesion as an essential instrument for EU citizens and called for a major increase of fund related to migration.

Mr Svein Roald HANSEN, Norwegian *Stortinget*, explained Norway's support to EU cohesion through the European Economic Area (EEA) grants, and Ms Arzu ERDEM, Turkish *Türkiye Büyük Millet Meclisi*, asked EU to pay the remaining three billion euro aid for refugees and for visa liberalisation.

In her replies, Commissioner CREȚU emphasised that MFF negotiations were not an easy discussion, taking into account Brexit. She disagreed with the concept of "net contributors vs. net beneficiaries", as everybody involved was a winner. Furthermore, she agreed with the Romanian Presidency goals on cohesion and convergence, and expressed hope to conclude the MFF negotiations under Romanian Presidency and before the European elections, so to learn from mistakes made in the past. She also underlined the great say that national Parliaments have in their respective countries concerning the MFF.

In his replies, Mr Daniel DĂIANU underlined the multidimensional aspect of cohesion as a concept, including income distribution inside each country. He told parliamentarians that there was always a better way of doing things and improving, including the functioning of the Single Market. He advised parliamentarians not to let the social contract erode and take necessary action to remedy this, even in the absence of an initiative from the European Commission, if necessary, by, for instance, creating a parliamentary task force. Otherwise disenchantment would grow among citizens, he warned.

Concluding the meeting, Mr TÎLVĂR thanked the participants for their active participation and expressed his conviction that, during the coming six months, Romania would be a well-prepared and an honest broker in key debates on the future of Europe. He appreciated the strength of the Bulgarian and Austrian Presidencies of the Council of the EU and stated that Romania was ready to follow the same rhythm for a successful Presidency in order to guarantee a coherent progress that would continue during the Presidencies of Finland and Croatia. Furthermore, he believed that many steps would be taken to reach convergence, the Union's common goal. He ended his remarks by expressing hope that the constructive dialogue would continue during the LXI COSAC in June and other parliamentary meetings to be held during the Romanian Presidency.

Ms CREȚU expressed her belief that there was no recipe for cohesion and convergence and that the achievements in this field depended on what was happening on the national, community and global level. She further stated that on the community level there were three categories of intervention tools

- financial tools, budget regulations and policy coordination. With regard to financial intervention, she emphasised that the reduced budget, including for ensuring macroeconomic balance, is caused by the illusion of solving things at national level. Ms CREȚU pleaded for changing the approach with regard to the economic indicators of the European economy. Ms CREȚU added that even though the internal market was seen as the greatest achievement of the EU, national indicators were still used, causing assessment errors. She closed by highlighting that the interparliamentary meetings were extremely useful in order to create more coordination and cooperation to reach common objectives.

Ms BIRCHALL stated that in light of the upcoming European elections, the Union needed a pragmatic approach with visible objectives to show the undeniable added value of the European project. Furthermore, it would be even more important to ensure a majority in the European Parliament that would promote the objectives of consolidating the European construction in line with its fundamental principles. Additionally, voters' turnout could be increased by involving citizens in the European debate. She further highlighted the need to tackle the challenges related to the electoral process on all levels together, such as disinformation campaigns and cyber security attacks and to ensure stronger transparency. She pointed out that the Romanian Presidency promoted a strong pro-European message, streaming from the firm support of Romanian citizens for European values. Ms BIRCHALL closed by stating that even though it was difficult to predict how the European elections would turn out, it was clear that the remaining period should be used in order to implement decisions and measures demonstrating that the EU can deliver on its promises and to offer a clear perspective for the future.