



Taormina/Messina conference

Working Group 2: The Next Generation EU and a Pragmatic Approach to Multiple Integrations

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Report of the meeting

The group focused on five major issues:

1. What we learnt from the pandemic? Among other things, we learnt that our everyday life crucially depends on a set of collective (public) goods, such as sanitary systems, local transport, cultural and social infrastructures, global value chains, etc. These collective goods have a multi-layered nature (local, regional, national, continental, global). The vision that we shared is that in the post-Covid era there will be a demand for highly efficient, sustainable, resilient major local (urban) systems, connected by transport, digital and logistic infrastructures (from local to global).
2. Is the Next Generation EU enough to match these demands? The answer is 'no'. It might serve to fill past gaps and hopefully prepare for some future, but we must make the EU capable to structurally continue this joint financial effort, beyond the emergency. From this point of view, all available instruments should be considered in a creative way, included an extended and different use of the ESM and of the EURATOM Treaty, which is still alive, although most people do not know this.
3. One way for the Next Generation EU and/or any other stabilization and growth-enhancing fund to go beyond the emergency is the debate on own resources. Which should not be focused on national contributions, but on genuine resources for the EU (on plastic, carbon emissions - included border adjustment tax, financial transactions, etc). Otherwise, no Hamiltonian moment will ever take place.
4. Collective decision-making in the EU should stop being left to the retaliations implied in the unanimity. It is of paramount importance to lift the veto power in any EU

collective decision-making procedure. If this is not viable, variable geometry in European integration becomes essential. Such differentiated integration may be implemented through enhanced cooperation, or outside the current Treaties. Functional clusters of different degrees of integration can be designed among EU countries, within a “concentric circles” architecture depending on competences and values shared EU countries. Those willing to share a stronger (but more focused on specific areas) supranational integration should be allowed to do it. In some instances, popular endorsement should be looked for prior to join “cluster of integrations” to make such decisions stronger and avoid ambiguities and this would apply especially if they are realized outside the treaties. Such different “speed” of integration might help solving also the issues related to countries such as UK or Turkey, North Africa and Middle East etc.

5. Some countries (like Italy is a good case study and it will be the most severe test of the NGEU) have a specific issue of country credibility. The Recovery Fund is the chance to make strategic and synergic choices on value-added infrastructures and projects. This requires a strict monitoring of the governmental action by the ruling classes. In turn, this is possible only if education and competences return to be central, and if the ruling class is ready to take up his own responsibilities in the governance, if not the government, of the country.