Europe is not at war, but the consequences of the pandemic are just as devastating as those of a war. This is particularly true for the production system, between the workers and the most exposed people of our communities.

The pandemic created a physical and cultural void caused by the death of elderly people. Moreover, it creates pedagogical and educational difficulties since not all students of all levels of education can access online courses, these courses being available thanks to the ongoing effort of teachers, teaching assistants and all those involved in education, as well as students’ families.

1. THE EUROPEAN FUND FOR RECOVERY

Taking into account the instruments already adopted, or on which unprecedented agreements have been reached in the European Union and more specifically in the European Council of April 23 (ECB, EIB, SURE and credit line without conditionality of the ESM), we believe that the European Commission should propose to the European Parliament and the Council the European Fund for Recovery, which should:

- be equipped with adequate financial instruments to set in motion substantial public and private resources; these resources are necessary for the much-needed recovery work, and must be accessed both through grants and loans,
- be already operational in 2020,
- be based on European public debt and on the issue of irredeemable or long-term titles with immediate liquidity aid for an economy in serious suffering,
- be managed by the European Commission, under the scrutiny of the European Parliament,
- be open to the possibility of a temporary European intervention in the recapitalisation and governance of large continental strategic industrial complexes, by encouraging mergers where it is useful for global competition.

2. EUROPEAN BUDGET AND TAXATION FOR A SHARED PROSPERITY

The Fund must be guaranteed by an ambitious European budget increasingly financed by own resources which, in order to be quickly available, must be introduced directly within the framework of the European Union’s fiscal capacity. These resources should be such as those already suggested by the European Commission in the proposed MFF regulation of May 2, 2018; moreover and more importantly, they must include a tax at European borders on carbon content products (border carbon adjustment) or other resources whose implementation times would inevitably be longer both from the point of view of commercial policy and from a legal point of view, such as a tax on the large multinationals on the web and the recovery of tax avoidance, or, to go even further, the harmonisation of direct corporate taxes so that a share of them is attributed to the European budget as is the case for VAT.

If the European budget were to remain bound to 1% of the European GDP, the cost of the project of a European Plan – which we suggest be called ‘for shared prosperity’ – would risk adversely affecting the European Green Deal and other budget lines such as the CAP; Europe’s most financially modest expenditures for citizens (Europe for Citizens programme), a necessity for non-profit and voluntary activities; economic, social and territorial cohesion; research and technological development; the European social Fund; culture and education; external actions including common security (through the ‘European Defense Fund’).
The European Plan will therefore have to be an **addition to and not a substitute for** the currently foreseen expenses, representing a unique opportunity to direct public and private investments towards **sustainable development** and thus becoming a new part of the European Green Deal.

For this reason, we ask for 2021–2025 a five-year total of at least **2,000 billion euros, that is, two trillion euros.**

In this context, it is important that the European Union’s action is consistent with the **2030 Agenda**, especially now that the United Nations Climate Conference (**COP26**) has been postponed to a future and uncertain date, with the risk of postponing once again every commitment on the fight against climate change.

### 3. A PROJECT FOR EUROPE

Together with the European Plan, the **European Parliament** and the **European Commission** must have the ambition and courage to develop and adopt a ‘**project for Europe**’ in a **medium-term perspective** according to a roadmap shared by the representative Assembly of European citizens and by the executive branch that derives its democratic legitimacy only from the Assembly.

The consequences of the pandemic must prompt the start of a new phase of European integration centred on the values shared by all Europeans.

A public debate must be launched on the **transformation** of economic and social structures in the context of a **wider sharing of sovereignty at European level** through federal competences. It is also important to foresee a full-employment program in **order to contrast job insecurity and to create new jobs.**

These transformations concern **equality of opportunities, the fight against inequalities and the situation of indigence, inclusion policies, the reorganisation of space and the role of cities, the organisation of mobility, the redistribution of time, generational change and gender equality, forms of civil participation, economic democracy, a renewed strategy for SMEs and for the cooperative system, lifelong learning and the development of communication and pluralism of information.**

These transformations cannot be separated from the **international geopolitical framework** of a globalised world, where the European Union must be a leader in supporting multilateralism, United Nations reform, and special relations with the **Mediterranean and with the African continent.**

### 4. DEMOCRACY AND THE RULE OF LAW

It is clear that such a project poses the unavoidable question of the **consequences for the European democratic system and for national democracies** within our model of a European “Community of Law”; we believe that we are all called to valorise and defend these ideals on the day we celebrated in Italy the victory over Fascism and Nazism.

Moving away from this model, the cornerstones of the **rule of law** are now dangerously challenged in some countries of the European Union such as in **Poland** and in **Hungary**, with serious violations of the principles of the division of powers and freedoms of citizens, and, **at our borders**, towards asylum seekers, as is happening between **Greece** and **Turkey.**

The European Movement is committed to countering these developments as well as the increasing **manipulation of information** and the spread of so-called **fake news and post-truth** and invites its organisations to do the same.
Indeed, the pandemic is not only providing pretexts for the consolidation, inside and outside the European Union, of ‘illiberal democracies’. It risks accelerating nationalist and even authoritarian impulses, which also facilitate solidarity among highly selective and divisive groups.

The growing willingness to sacrifice fundamental constitutional freedoms seems to indicate a widespread tendency to go beyond the limits of what appears to be unfortunately inevitable today for public health reasons: to overcome the ideal of open society in favour of more authoritarian models.

The neglect of the legal form of the measures adopted risks creating very dangerous precedents in the hands of authoritarian populism. It is a matter of contrasting profound tendencies that push the public opinion to deny and reject the prospect of a common European destiny and to seek deceptive security in nationalism, in ethnic isolation, in an illusion of self-sufficient salvation.

5. CONSTITUENT PROCESS AND EUROPEAN CONFERENCE ON THE FUTURE OF EUROPE

It is necessary and urgent to bring the European Union out of the paralysing rites of intergovernmental mechanisms with the aim of filling the void that separates the values inherent in European societies and the different layers of its institutions. Ultimately it is a question of making the European system more transparent and more democratic, therefore more effective so that all the opportunities that only the supranational dimension can offer are translated into European public goods for all.

For this reason we believe that the European Parliament – even in the absence of a shared commitment from the other European institutions – should take the opportunity of the 70th anniversary of the Schuman Declaration on May 9, 2020, to affirm its willingness to take on a substantially constituent role – in the name of the citizens who elected it –, paving the way for a federal leap and verifying who, among the states and peoples of Europe, is willing to create a “refounding pact” as a response to the global interdependence that has been tragically highlighted by the pandemic.

In this spirit, the Conference on the future of Europe must be conceived as a public space for transnational dialogue between the dimensions of representative democracy and participatory democracy to provide the European Parliament – in a time that takes into account the urgency of responding to the challenges brought forward by the pandemic – an indication of the priorities for its constituent work and a political place to open a debate on the content of the proposed ‘refounding pact’.

Rome, April 25, 2020, Liberation Day