

## Non-paper

### How can we prepare our Union and ourselves for the future?

**The paradigm of the discussion on the future of Europe is considerably changing today, when compared to the ideas envisaged few years ago.** The challenges posed by the COVID-19 pandemic are engendering an **even greater importance for this reflection process**, as they reveal the need to imagine the steps forward through the lens of this unprecedented experience.

The recent crisis clearly showed that **EU policies and mechanisms are contributing in a direct and effective manner to mitigating the negative impact of challenges** and to supporting the Member States and their citizens to overpass through shared-effort these periods of trial.

At the same time, **the crisis re-validates the importance of “more EU”.** **There is no other appropriate answer to such tremendous challenges than building a stronger Union both inside and outside.** The main “lesson learned” during the pandemic is that only a genuine European solidarity could offer the **solutions and concrete responses that the EU citizens need.** The Union provides **the unique framework to counter individualist and isolationist approaches and steer productive cooperation and solidarity.**

**The commitment set forth by the Sibiu Declaration**, to stay “united, through thick and thin”, to show “each other solidarity in times of need” and to “stand together” **is acquiring today a renewed and increased significance.**

Thus, the upcoming conversation on the future of Europe offers the perfect **opportunity to restore the importance of joint action and convergence, as well as the course of the EU projects, which have brought clear added-value for the Union and its citizens.** At the same time, this reflection process represents the perfect setting and moment to **find ways to do more, in a pro-active and projective manner**, building on the expectations and needs of EU citizens.

**The Union and we, as Member States, need to prove that we have the strength and the political will to turn the lessons learned from the pandemic into working solutions to the common benefit.** At the same time, **the EU needs to stick to its ambitions and to consistently follow its long-term strategic objectives.**

#### **PRINCIPLES AND OBJECTIVES**

The starting point of the debate should be the broad engagement of all stakeholders to further consolidate EU cooperation, which should lead to **pragmatic, focused, realistic and future-oriented actions, making full use of the flexibilities in the existing EU Treaties.** Institutional debates should be avoided, **as they could prove counterproductive, especially in the post-crisis context.** **A result-oriented approach** should prevail, while fully acknowledging the role each institution is playing in this process, in line with the Treaties.

**The outcome** should consist in: **1. building a more resilient Union**, from both a democratic, social and economic perspective, taking into account the digital and green transformations; **2. showcasing our ability to build “more Europe”** for our citizens; **3. bringing the European project closer to our citizens as a provider of security and prosperity;** **4. identifying ways to make the EU more integrated, cohesive, convergent, as well as more competitive and capable to shape global trends;** **5. charting EU’s path in the medium and long run, thus opening the way to the next level** by providing guidelines for the steps to follow, also **taking into account the 2019-2024 Strategic Agenda, which remains essential.**

Our **common European values (such as democracy, equality, justice, tolerance and respect for values and fundamental freedoms)** should be placed at the core of this Conference, as overarching principles that we pledge to uphold. Therefore, **our trust is that the outcome of the discussion on the Future of Europe will reconfirm further our value-based Union.**

Moreover, **the purpose of the conversation about the future is to consolidate those building blocks that bring benefits for all the citizens of the EU.** Cohesion, solidarity and unity are and will remain indispensable, thus they will guide priorities and action to emerge. Providing strong reassurances to the citizens that **no one is left behind** and that our development is sustainable remains paramount, as **inclusiveness and fairness will build further trust in a more integrated Union.**

## **PRIORITIES AND POTENTIAL AREAS FOR ACTION**

Among the many areas where the EU needs to prepare for the future, **building Union's internal and external strategic resilience is one of the most urgent endeavors to be tackled.** The EU is currently equipped with various policies and tools to respond to challenges. Thus, it remains important to maximise the use of existing platforms and, where judged necessary, to set the stage for initiatives that may be ripe in longer term. **Ongoing or planned initiatives should continue to generate results.**

**Increasing EU's strategic resilience** needs to be seen **in a larger context than the immediate responsive solutions** to current or future similar challenges, and **also in a pro-active and projective manner and in accordance with our values.** Focus should be put on preparing the Union for the future technological decades, thus conveying strength and durability to the European project. **Only by strengthening its strategic resilience in the first place, the EU will be able at a later stage to increase its strategic autonomy,** in order to protect its own values and interests, while at the same time reducing dependencies on third parties not sharing its values.

**Building EU's strategic resilience needs to start as an internal process of transformation and construction, from immediate action** (e.g. combating the socio-economic impact of the pandemic and stimulating a swift, sound recovery process, or restoring the free movement and ensuring the functionality of the Single Market, strengthening the health sector), **to more future oriented decisions** (e.g. consolidating EU's industry; stronger European supply chains; implementing digital and green transformations; preparing the resilience of our societies when facing the technological transformation, promoting a stronger global EU). This future-oriented action will need to be planned by using an enhanced foresight capacity, drawing upon science, knowledge and intelligence.

**EU needs both an enhanced capacity to manage the immediate consequences of a crisis and a long-term oriented resilience framework, especially in the health area.** These two dimensions are intertwined, as the ability to immediately ensure the safety of EU citizens in unforeseen situations should be complemented by a sustained EU preparedness for the future, including for multi-layered challenges.

***What actions could be taken to build robust health systems across the EU and enhance the crisis management instruments?***

- *develop the current **emergency response stockpiling system**, as an immediate safety net;*
- *imagine a coherent and effective crisis communication and coordination system in case of multi-layered challenges; **a permanent structure of crisis coordination between Member States**, building on the current Integrated Political Crisis Response, could be envisaged;*
- *reflect on **a more strategic resilient approach**, triggering the EU development (industry) and production (manufacturing) capacity, to enable a sustained EU response for longer periods of time;*
- *increasing the **resilience of the health systems** by focusing on: adequate training; appropriate infrastructure; access to medicines; a robust information system; EU and national financial resources.*

**The Union must act to adjust rapidly to the socio-economic impact of Industry 4.0.** EU and its Member States will need to lead the transformation by **investing in 2 Is: innovation and inclusion.** Boosting EU's innovation capacity is a must through investments, wider participation and adapted infrastructure.

**Social inclusion should be built through re-skilling and upskilling, as well as by developing models to support social security** in the context of automation and data exchange at the level of manufacturing technologies and processes. If not addressed in time, the low skills/low pay model correlated with the economy of the future may generate further development gaps within the EU, which could affect the stability of our societies and challenge an accelerated implementation of digital and green transformations.

**What actions could be taken?**

- *foster innovation, by ensuring wider participation in research projects and using the leverages of the Single Market and promoting openness and connectivity between local ecosystems;*
- *prepare the labour markets for this transformational challenge and build social resilience in order to prevent the risk of further disparities among EU Member States and citizens;*
- *develop an EU toolbox to **prop social security in the era of automation.***

**A fully functioning and more integrated Single Market is a pre-requisite for building EU's recovery and resilience.** While it has proved its strategic value during the crisis, there is still a high need to ensure enhanced compliance with commonly adopted rules, as well as to eliminate remaining gaps and barriers.

At the same time, **a strong and resilient Single Market can support increasing EU's competitiveness.** Ensuring the free flows of goods and services, as well as encouraging the development of new technologies within EU will contribute significantly to the EU's internal competitiveness and resilience. Furthermore, this will also be the basis for facilitating the visibility of EU value-chains into the global competition.

**What actions could be taken to further strengthen the Single Market, as a core pillar of EU's resilience?**

- *further increase connectivity and free movement; eliminate barriers and overcome discrepancies, as well as ensuring a level-playing field through the potential of the extended free-movement area/Schengen area.*
- *measures such as the green lanes should become standard operating procedure during crisis;*
- *the area of free movement within the EU and the Single Market are directly inter-dependent; a fully functional Single Market should benefit from a complete EU free-movement area;*
- *consolidate and diversify European production and supply chains, while making more transparent the global ones, in order to foster competitiveness; the potential of cooperation within the EU needs to be fully exploited.*

The recent establishment of an integrated **Recovery and Resilience Plan for Europe** reconfirmed the **need for solidarity and inclusiveness** and also that reaching **convergence is a necessary ingredient for EU internal resilience.** The future decisions on a more integrated Economic and Monetary Union and to implementing the European Pillar of Social Rights will need to take this into account.

**What actions could be taken to ensure a sound and sustainable economic and social recovery and growth?**

- *further fostering convergence throughout EU both through budgetary instruments and other types of measures;*
- *building a permanent base for the recent developments accelerated by Covid-19 - the digitalization of the European societies, more flexible working arrangements, driving scientific innovation and social cohesion;*
- *adjusting education strategies to new technological and social developments, through personalisation, flexibility and adaptability;*
- *promoting a circular economy in order to implement the green transition, by both maximising the use of available technologies and developing new ones.*

**EU will need to invest in the resilience of its neighborhood,** as resilience cannot be sustainable in the absence of a "safety belt" of strong and prosperous nations. Adding a strategic dimension to **EU actions in support of its neighbouring partners,** including those which are part of the **enlargement policy,** could be

explored. The benefits of such a strategic approach are clear: EU neighbourhood could continue to develop in harmony with EU rules and regulations, thus preventing alternative models to prevail. A stronger security emphasis should be placed on the cooperation with the neighbours and the enlargement countries, in line with their strategic pro-European choice.

Furthermore, smartly using EU's **cooperation with partners that share our values** will bring clear benefits to EU's prestige and influence. The EU should cultivate its commitment to **partnership, cooperation, effective multilateralism, and to a strong Transatlantic relation**. The upcoming discussion grants the opportunity to assess the existing strategic partnerships and to explore ways to adjust them with greater agility in order to better respond to the needs of the Union.

***What actions could be taken?***

- ***Neighbourhood:*** *assess progress under ENP; identify those areas that require strategic adjustment;*
- ***Partnerships:*** *generate and update matrixes of strategic areas for the EU and design alliances by bringing together those partners that share values and interests.*