

Newsletter

Issue 28, November 2016



Introductory words by Prof. Dr. Danuta Maria HÜBNER

Dear Readers,

I am very happy to present the 28th issue of the AFCO Newsletter, a tool prepared by the Secretariat which aims at informing you about AFCO activities and at increasing awareness on institutional challenges that the EU is facing.

At our meeting on Tuesday 29 November, I will be glad to welcome members from national Parliaments for our annual dialogue during the Interparliamentary Committee Meeting. This meeting will take place both in the morning and afternoon sessions of our regular meeting and will address three key institutional issues: the future institutional evolution of the Union, the Parliament's right of inquiry and the European Union's electoral law. I am particularly looking forward to hearing from our prominent invited experts, Mr. Mario Monti and Mr. António Vitorino.

Additionally during our meeting AFCO will have a consideration of amendments on the Ramón Járegui Atondo's report on the "e-Democracy in the European Union: potential and challenges" and of the draft opinion regarding the "European Deposit Insurance Scheme". In the late afternoon we will have an exchange of view regarding the "Proposal for amendment of Interinstitutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management".

Prof. Dr. Danuta Maria HÜBNER, Chair

Meeting languages available

BG,DA,ET,LV,LT,HU,MT,SK,SL,FI,SV,
FR,DE,IT,NL,EN,EL,ES,PT,CS,PL,RO,HR

Meeting Documents

In light of the European Parliament's paperless project please bear in mind that only a very limited number of paper dossiers will be available in the meeting room.

Instead, meeting documents will be made available on the following public and internal websites:

<http://www.emeeeting.europarl.europa.eu/committees/archives/201512/AFCO>

and (EP internal only):

<http://www.emeeeting.ep.parl.union.eu/committee/>



MEETING DATE AND VENUE

Tuesday 29.11.2016 in BRUSSELS
09:00-12:30 and 15:00-18:30

Room: Altiero Spinelli (5G-3)

Please find below the link to the latest committee draft agenda:

<http://www.europarl.europa.eu/committees/en/a-fco/draft-agendas.html>

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e-Democracy in the European Union: potential and challenges



Rapporteur: Ramón Jáuregui Atondo (S&D)

Consideration of amendments

In this meeting there will be a consideration of the 233 amendments tabled to this report. The greatest bulk of amendments focuses on the current challenging times for democratic engagement and on the consequent need to restore its legitimacy by investigating the possibilities and potential benefits offered by new technology with the view to increase citizens' participation.

The rapporteur stresses that the new technologies have a great potential that might be used to enhance democracy and democratic participatory procedures - e-democracy being one of their applications. Nevertheless, Mr Jáuregui notes that e-democracy is not meant to be an alternative form of democracy but instead a means to help regain citizens' affection and interest in politics.

Inter alia the draft report calls on the Member States and the EU to provide educational and technical means for improving IT competences as well as digital access for all EU citizens in order to bridge the digital divide, and recommends a larger use of e-democracy tools (e-government, e-governance, e-participation, e-consultation, e-voting...) at EU and national level. The rapporteur also invites the EP administration to look into the possibility of setting up digital platforms allowing Members to inform the public about EU and parliamentary activities more efficiently, with the view to opening up policy-making cycles and increasing awareness of European democracy.

Shadow rapporteurs: Cristian Dan Preda (EPP); Kazimierz Michał Ujazdowski (ECR); Sylvie Goulard (ALDE); Barbara Spinelli (GUE); Max Andersson (Greens/ EFA); Isabella Adinolfi (EFDD).

European Deposit Insurance Scheme



Rapporteur: Danuta Maria Hübner (PPE)

Presentation of the opinion

An exchange of views will be held in the context of AFCO's opinion on the European Deposit Insurance Scheme (EDIS), to be submitted to the ECON Committee. The European Deposit Insurance Scheme aims at constituting the third pillar of the Banking Union, the first two pillars of which are the Single Supervisory Mechanism and the Single Resolution Mechanism. The overarching goal of the Banking Union is to break the so-called bank-sovereign nexus by preventing a situation in which a failing banking sector endangers the sustainability of public debt or conversely where the doubts on the sustainability of the public debt would endanger the stability of an otherwise solvent banking sector.

The rapporteur Danuta Hübner points out that although the ECON draft report suggests to modify radically the Commission's proposal with respect to mutualisation of the coverage by the EDIS, both in scope and sequencing stresses, that should not affect the AFCO's constitutional concerns. The rapporteur states that her main concerns are primarily twofold, relating to:

- The sequencing of the EDIS coverage regarding countries that join the euro as well as countries opting out;
- The disqualification from the coverage by EDIS which is a sanction that can have a very heavy impact on the Member States banking system.

Other issues covered in this opinion include more transparency over the Commission's granting of derogations from the financing paths to EDIS and the exchange of information between the authorities involved in the operation of deposit schemes.

Shadow rapporteurs: Mercedes Bresso (S&D); Daniel Hannan (ECR); Sylvie Goulard (ALDE); Kostas Chrysogonos (GUE); Pascal Durand (Greens); Fabio Massimo Castaldo (EFDD); Gerolf Annemans (ENF)

Interparliamentary Committee Meeting



Exchange of views

This part of the meetings is dedicated to the annual dialogue with national Parliaments. In this Interparliamentary Committee Meeting, during the morning period, subjects for discussion include both the proposal for a regulation on the right of inquiry of the European Parliament (EP) and the proposal for a revision of the European electoral law. In the afternoon part session, the discussion will delve into the issue of the future evolution of the Union, in particular in what concerns its constitutional or institutional aspects.

In the first part of this meeting, the rapporteur Ramón Jáuregui Atondo (S&D) will present his views on the "Proposal for a regulation of the EP on the detailed provisions governing the exercise of the EP's right of inquiry replacing the Decision of the EP, the Council and the Commission of 19 April 1995". It should be noted that Article 226 of the Treaty for the Functioning of the European Union (TFEU) changed the procedure (consent by the Council and the Commission procedure at Initiative of the European Parliament, instead of a previous IIA), and the type of legal Act (a Regulation, instead of a Decision), for the adoption of the new legal framework. Accordingly, on 23 May 2012 the EP adopted the AFCO David Martin report on the proposal detailing provisions governing the exercise of the European Parliament's right of inquiry. The three institutions decided that the three Legal Services examine the most controversial and technical issues of the draft proposed Regulation to further clarify the legal and institutional issues. The EP considers this

dossier of paramount importance for the fulfilment of the function of democratic control inherent to the European Parliament and AFCO intends to enhance the Parliament's scrutiny capacity over problems that by their transnational nature would become difficult for national parliaments to address, thus including the action of the European executive.

In the second part of this programme, the co-rapporteurs Danuta Maria Hübner (PPE) and Jo Leinen (S&D) will present their views on "The reform of the electoral law of the European Union". According to Article 223(1) TFEU, Parliament drafts a proposal and submits it to the Council. After that, the Council decision is subject to ratification by the Member States according to their constitutional requirements. In November 2015, the Parliament adopted its Resolution on the Reform of the European Electoral Act, in which it proposed some measures that would make the European elections more democratic by strengthening the legitimacy and efficiency of the European Parliament, thus creating more electoral equality among citizens and would reinforce the concept of European citizenship. Since the adoption in plenary of the Resolution on the Reform of the European Electoral Act last year (11 November 2015) the consecutive Council Presidencies (LUX, NL, SK) have worked on the Parliament's proposals in the Working Groups in the Council. Currently, the Slovak Presidency is bringing the file into, hopefully, its final stage. The text will soon be submitted to COREPER, aiming at getting political guidance on the main outstanding issues and holding a political reflection on the possible way forward.

The third part of this meeting will comprise a hearing on "What constitutional paths for the future development of the EU" with the two invited experts being Senator Mario Monti (Chair of the High level group on own resources, former Prime Minister of Italy and former European Commissioner) and Mr. António Vitorino (former European Commissioner and member of the European Convention and former Portuguese Vice-Prime Minister). Afterwards, Mercedes Bresso (S&D) and Elmar Brok (EPP) the co-rapporteurs on "Improving the functioning of the European Union building on the potential of the Lisbon Treaty" and the rapporteur Guy Verhofstadt (ALDE) on "Possible evolution of and adjustments to the current institutional set-up of the EU" will also present their findings. Surely, during the current year several events confirmed the need to address various challenges raising the question of whether we need to make important changes to the EU

model. These include: the economic and financial crisis; the refugee crisis and the outcome of the referendum in the UK. Not to mention the indirect consequences that events like the political changes in the EU may have for Europe.

Proposal for amendment of Interinstitutional Agreement between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management.



During the conciliation phase on budget 2017, it was decided to dissociate the revision of the MFF and the IIA from negotiations of the annual budgetary procedure. While negotiations on Budget 2017 were concluded on 17 November 2016, the MFF and IIA revision are still under negotiations by the Committee on Budgets.

The Council does not look favourably at the creation of the European Union Crisis Reserve, which is the only point of revision of the IIA on budgetary discipline. Therefore, there is a chance that the IIA might not be revised at this stage.

Next Meeting

- Monday 5 December 2016, 15.00 - 18.30
- Thursday 8 December, 9.00 - 12.30

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Rapporteur: Danuta Maria Hübner (PPE)

In the meeting, the Chair Danuta Maria Hübner, as rapporteur of this report, will inform the Committee about the state of play on the negotiations of the revision of the IIA on budgetary discipline.

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Further information

For any further information, please visit the AFCO committee website:

<http://www.europarl.europa.eu/committees/en/afco/home.html>

Twitter Activities of the AFCO committee may be followed on twitter @EPInstitutional.

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