

SIENA THIRD CONFERENCE ON THE FUTURE OF EUROPE (26th – 28th MAY, CERTOSA DI PONTIGNANO IN SIENA)

TIME FOR EUROPE'S MAN ON THE MOON MOMENT



THE PONTIGNANO PAPER AND CONFERENCE FOLLOW UP

THE CONTEXT AND THE OBJECTIVES

The Siena Conference on the Future of Europe organized by Vision Think Tank and Università di Siena has taken place while has changed at a never-before-seen pace. The European Central Bank pumped into the markets more than 1,5 Trillion euros in the 15 months from March 2020 to November 2021: this pushed the cost of borrowing to such a low point that even States whose rating is near the bottom of the “investment grades” could finance extraordinary financial rescue packages at close to zero costs. Political priorities were drastically twisted towards an ambitious “Green Deal” and bold targets to reduce by 2030 EU CO2 emissions of 55% vis-à-vis pre-industrial level which implies a profound challenge to banks, industries, cities, farmers. The decision to issue common debt to finance the 750 billion euro “Next Generation EU” (NGEU) was seen by some as the “Hamiltonian moment” which will affect the nature of the Union and eventually modify the stability and growth pact that constrains national fiscal policies.

In the last months, however, history started running even faster and more dramatically: the response to the invasion of Ukraine has witnessed a never-seen-before unity of EU countries in the first months after the start of the crisis; and yet the transformation of the war in one of the many conflicts that seem to become open-end will test that unity vis-à-vis the concrete possibility that the war is making the Union to slide back into recession.

A lot is being achieved and yet the EU needs more and must absolutely avoid complacency with progress which may still be seen as too little and too slow when compared with the reality of a completely different new century. True, Europe seems to have been resilient enough to overcome the “dark hours” that appeared to threaten its very survival (the European debt crisis from 2009 to 2014, Brexit in 2016, the rise of populism, early divisions over the pandemic). And yet the entire institutional fabric of the Union still needs an urgent and radical updating to a context where crises are becoming much more frequent and violent.

In technology, Europe has fallen far behind in the battle for global digital leadership and innovation: if we consider the 143 companies whose market value is above 100 billion euro, one third were established in the last 50 years and none is European. In energy, the EU saw itself as a leader in climate adaptation but has now seen its entire energy model thrown up in the air by the schism with its main supplier, Russia. Moreover, at the same time as the Ukraine war is seen as a global battle between Democracy and Autocracy, inside the Member States there continues to be a severe challenge to the Rule of Law. Will Europe be able to transform threats into opportunities for solving its own contradictions?

The starting point of the conference is that we are called to multiple challenges which are interconnected amongst them. We thus need

1. to answer to the challenge posed by the war at the borders of the Union whereas this will give substance to the old aspiration of a European foreign and security policy;
2. to find a great leap forward in energy and climate innovation so as to end our dependence on imported fossil fuels;
3. to transform in a very radical way the shape of our welfare system and define the terms of a new “health union” which is technically a pre-condition to the survival of an area of free circulation of people;
4. to propose a new model to approach the Internet which requires not only regulation, but also digital policies aimed to make European, digital eco-systems to grow;
5. to renew the European “lifestyle” finding a new balance between competitiveness and social protection.

And yet, it is very difficult to do so with institutions that still depend on unanimity and without a proper European space for public debate.

History teaches us that after the global wars of the twentieth century, new “world orders” have been crafted. We believe that the time has similarly come for a fresh start. Sixty-five years ago, six governments were preparing the Rome Treaty. In May 2022, the think-tank Vision and the University of Siena convened a three-days’ problem-solving event in the Certosa of Pontignano where fifty intellectuals, policy makers, journalists, historians, and visionaries have gathered to generate and discuss bold ideas which has been a follow up of the official Conference on the Future of Europe (COFE). This has provided a forum which has been more informal than the official COFE, more capable to generate new and yet pragmatic ideas which can complement the COFE’s principles and a contribution to “crafting the future” (as for the Vision logo).

THE CONFERENCE AS A PROBLEM-SOLVING FORUM: THE METHOD AND THE KEY PEOPLE

One of the distinctive features of the conference is in the approach that we have used. We are convinced that overly complex questions like the “future of Europe” pose an intellectual challenge: we tried to find and develop viable solutions by assembling different skills, academic and professional backgrounds even different policy orientations.

Vision and its scientific, corporate and media partner were extremely happy to find out that such a diverse group of people can share a problem-solving method and a common language. It is an experience that we want to develop further by leveraging on the enthusiasm of its promoters and the growing awareness that Europe cannot afford any longer an incremental approach to change.

This third conference has the purpose to feed institutions and public opinions with fresh ideas on how to renew the European Union.

The priorities of the conference of the 2022 were: to draft efficient EU policies on global digital platforms; promoting mechanisms so that a European identity/Demos and a European democracy can become a reality.

The conclusions of the previous conferences in Messina and Taormina (in 2020 and 2021) were – together with the Vision concept paper and the work through which the Working Groups have prepared – the starting point of the conference. The goal was also to confirm Siena / Florence at the forefront of the European discourse and to make the Siena conference an annual gradually bigger event.

The Siena Conference on the Future of Europe was the opportunity to discuss and generate some bold ideas on the Future of Europe. Participants believe that the conclusions of the Manifesto are worthy of further development and for proposal to the European institutions, though they do not necessarily agree with every finding and recommendation. Participants join the Vision series of conferences on Europe in their individual, not institutional, capacities.

The conference participants included: Francesco Grillo (Director at Vision and Affiliate at Sant’ Anna School of Advanced Studies); Francesco Frati (Magnifico Rettore Università degli Studi di Siena); Annalisa Piras (Director of the “The Wake Europe Project” and of “The Great European Disaster Movie”); Marta Dassù (ASPENIA ITALY Director, former Vice-Minister of Foreign Affairs); Simone Borghesi (Università degli Studi di Siena); Romano Prodi (Former Prime Minister of Italy and Former President of the European Commission); Anna Nalyvayko (Project Officer at Martens Centre, Expert of Ukraine and Belarus); Antonio Parenti (Head of the European Commission Representation in Italy); Kalypso Nicolaidis (Professor at the St Antony’s College, University of Oxford and Professor at the School of Transnational Government - EUI); Sandro Gozi (European MEP for Renew Europe, former Italy’s Secretary of State for European Affairs); Maria Joao Rodrigues (President of the Foundation for European Progressive Studies and former Portugal’s Minister of Employment);

Roberto Tallei (Deputy Head of the International News, Sky TG 24); Francesco Cappelletti (European Liberal Foundation); Ginevra Bruzzone (Senior Fellow LUISS School of European Political Economy and Competition policy); Ernest J. Wilson III (Former Dean Annenberg School of Communication); Francesco Bonfiglio (Chief Executive Officer at GAIAX); Justin Nogarede (FEPS); Gerard Pogorel (Prof. Emeritus, Institut Polytechnique de Paris); Erik Bohlin (Professor, Chalmers University); Francesco Lapenta (Founding Director of the John Cabot University Institute of Future and Innovation Studies); Paola Papanicolaou (Group Head of Transformation Intesa Sanpaolo); Alice Hubbard (Green European Foundation); Eleonora Faina (Director General Italy's Association for ICT companies and LSE alumna); Steve Everts (Senior Advisor on strategy and communications at the European External Action Service); Michael Benhamou (founder of ARON Praxis and Political Adviser on EU Defense); Loredana Teodorescu (Head of EU and International Affairs, Istituto Luigi Sturzo); Bill Emmott (Chairman of the Trustees of the International Institute of Strategic Studies and former editor of The Economist); Robert Tyler (New Direction, Senior Policy Adviser); Peter Hefele (Policy Director, Martens Centre); Jelena Dzankic (Co-Director of the Global Citizenship Observatory, Robert Schuman Centre for Advanced Studies - EUI); Kris Deschouwer (Political Scientist, VUB); Jamie MacKay (Contributor Editor at Opendemocracy); Matteo Bottero (University of Copenhagen); John Hooper (Correspondent for The Economist for Italy and the Vatican); Antonios Nestoras (Head of Policy and Research at the European Liberal Forum); Michael Zimonyi (Policy & External Affairs Director, IFRS Foundation); Xiliang Zhang (Executive Dean, Institute of Energy, Environment and Economy, Tsinghua University); Phoebe Koundouri (President EAERE, co-Chair of United Nations Sustainable Development Network (UN SDSN) -Europe); Enrico Giovannini (Italian Minister of Mobility and Sustainable Infrastructures); Carlo Papa (Managing Director of Enel Foundation), John D. Sterman (Director, MIT System Dynamics Group) Leonardo Simonelli Santi (President Emeritus della Italy-UK Chamber of Commerce and Industry; Domenico Meliti (Managing Director, Tecnomec UK representing British Italian Parliamentary Association); Massimiliano Montini (Professor of European Union Law, University of Siena); Angela Giuffrida (The Guardian); Paul Nemitz (Principal Advisor on Justice Policy European Commission); Matthias Pfeffer (Former head of Focus TV in Germany, author of "Menschliches Denken und Künstliche Intelligenz" and Author of the Delphi Concept for a European TV Streaming Platform); Eva Kaili (Vice President of the European Parliament); Koert Debeuf (Director of the Tahrir Institute for Middle East Policy Europe and Editor in Chief, EU Observer); Luca Verzichelli (Deputy Head at UNISI); Kelly Falconer (Founder, Asia Africa Literary Agency); Eli Hadzhieva (Dialogue for Europe); Laura Silvia Battaglia Al-Jalal (Award-winner war reporter and author of Lettere da Guantanamo); Azzurra Rinaldi (Head of the School of Gender Economics, La Sapienza); Luca Jahier (Former President of the European Economic and Social Committee); Raffaella Nanetti (Professor Emerita, College of Urban Planning and Public Affairs, University of Illinois at Chicago); Roberto Castaldi (Associate Professors Università Ecampus and General Editor Euractiv Italia); Stefania Baroncelli (Professor of European Law at the University of Bolzano); Kerry Brown (Professor of Chinese Studies and Director of the Lau China Institute at King's College, London); Robert Leonardi (Former Director of the Economic and Social Cohesion at the London School of Economics); Tong Shijun (Professor of Philosophy of East China Normal University, Chancellor of NYU Shanghai); Georgios Papakonstantinou (EUI, Transnational School of Government and former Minister of Finance of Greece); Gregorio De Felice (Head of Research and Chief Economist, Intesa San Paolo); Veronica De Romanis (LUISS); Francesca Bettio (Professor of Economics University of Siena and Board Member of Monte Paschi Siena).

The Pontignano Paper used as an input the plenary sessions and working groups.

Below the reports from the four working groups and five plenary sessions:

WG 1 – Finding A Role Within The “Battle for Global Digital Leadership” A New Era for Industrial Policies.

WG 2 – The Dramatic Come Back of An Old Aspiration: A Common Foreign and Security Policy for the 21st Century

WG 3 – How to Save Liberal Democracy from Technological Obsolescence

WG 4 – The Right Path Towards Carbon Neutrality: A New Green Deal in the Age of Energy and Security Instability – The Role of Companies, Governments and Families
(Coordinated by the University of Siena)

PLENARY SESSION 1 “European Media Between Facebook and The Need of a European Public Opinion: A European Tv Streaming Platform as Infrastructure for Pluralism and Democracy”

PLENARY SESSION 2 “Rethinking Africa: How to Make the African Continent an Essential Partner for Europe?”

PLENARY SESSION 3. “Erasmus for All and The European Civil Service: a Proposal with Two Different Options (Making Them Free/Economic Sustainable for All; Making Them Compulsory and Distributed Along Life Cycle)”

PLENARY SESSION 4. “US and China: Is There a Right Distance?”

PLENARY SESSION 5. “The Next Generation Eu: Can Cross Border Investments for The Green and Digital Transition Be the Right Focus? What About the Response to Symmetric Shocks?”

REPORTS FROM THE WORKING GROUPS

WORKING GROUP 1 – FINDING A ROLE WITHIN THE “BATTLE FOR GLOBAL DIGITAL LEADERSHIP” A NEW ERA FOR INDUSTRIAL POLICIES. Merits and limits of the EU attempt to regulate global digital platforms.

Chair: Francesco Cappelletti, Eleonora Faina

Ginevra Bruzzone, Francesco Bonfiglio, Justin Nogarede, Gerard Pogorel, Francesco Lapenta, Paola Papanicolaou, Matthias Pfeffer, Paul Nemitz, Erik Bohlin.

The starting point of the working group was the VISION concept paper which outlines the terms of a gap of the block vis-à-vis the global battle for digital leadership. It is still true that if we consider the greatest battles¹ defining the quest for global digital leadership, Europe seems to have not even fully entered them for many years. And it is still dramatically true that none of the 143 companies which are less than 50 years old and whose value is today higher than 100 billion euro is from the EU².

The block seemed to have been on the receiving end (as consumer) of some of the innovation waves that are changing the world economy and our very way to be together; and this mostly for a problem in terms of launching and nurturing what Schumpeter may have called “destructive creation”.

However, Europe is not at all a technology wasteland and more recently some EU countries are putting together a proper policy for enhancing their digital industries with some national choices: it is the case of France which can today count on 27 unicorns (the technology start-ups whose value is higher than 1 billion euro) and Germany which managed to put together 36 of those new young champions. France is using tax expenditures to concentrate start-ups which are expected to innovate tourism and creative industries, and which are mostly concentrated in Paris; Berlin is doing the same in digital banking and smart manufacturing related sectors.

And yet some countries are not following up (if we consider unicorns Italy has got only one which is three times less than Estonia which has got less inhabitants than Milan); and more importantly the EU appears to be almost entirely concentrated on regulations.

The response that the EU has so far prioritized is regulation and, indeed, the effort has been massive. The table below summarizes the Main EU legislative acts since 2016.

¹ VISION paper consider: suit for PCs, tablets and mobiles (dominated by Microsoft and Kingsoft), search engine (like Google, Baidu and Yandex), mobile makers and designers (Apple, Samsung, Huawei, Xiaomi), online payment platform (We Chat and Alipay), e-commerce platforms (Amazon and Alibaba), Social media (Facebook, We Chat, Weibo, V Kontakte), chipset makers and designers (Intel, NVidia, IBM, Qualcomm, Huawei, ARM, TSMC.. although here there is still the dutch ASML), self-driving automakers (Tesla Autopilot, Google and Baidu Apollo, Yandex OS), turbo jet engine maker (French Safran can do it but only in partnership with GE, but UK, US, China and Russians have thier own independent industries), electric cars and lithium batteries. Pratically in none of these industries EU is competing for market leadership.

² Germany's SAP whose value is of 106 billion just turned 52.

TABLE 1.1 – MAIN EU LEGISLATIVE ACTS (SINCE 2016)

Name	Type *	Author **	Date	Pages	Articles
Harmonized rules on fair access to and use of data (DATA ACT)	PR	EC	23-feb-22	63	42
Harmonizing rules on Artificial Intelligence (AI ACT) and amending certain Union Legislative acts	PR	EC	21-apr-21	88	85
European data governance (DATA GOVERNMENT ACT)	PR	EC	25-nov-20	42	35
Single Market for Digital Services (DIGITAL SERVICES ACT)	PR	EC	15-dec-20	113	74
Contestable and fair markets in the digital sector (DIGITAL MARKETS ACT)	PR	EC	15-dec-20	81	39
Promoting fairness and transparency for business users of online intermediation services (ONLINE INTERMEDIARIES)	R	EP + C	20-jun-19	23	19
Addressing unjustified geo-blocking and amending Regulations 2006/2004, 2017/2394 and Directive 2009/22 (GEO-BLOCKING)	R	EP + C	28-feb-18	15	11
Protection of natural persons with regard to the processing of personal data (GDPR)					
movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (GDPR)	R	EP + C	27-feb-16	88	99
Copyright in the Digital Single Market and amending Directives 96/9 and 2001/29 (DIGITAL COPYRIGHT)	D	EP + C	17-apr-19	34	32
Establishing the European Electronic Communications Code (EUROPEAN ELECTRONIC COMMUNICATION CODE)	D	EP + C	11-dec-18	179	127
TOTAL				726	563

* Type: we here distinguish between Directives which need to be implemented accordingly by national laws; regulations issued by the European Parliament and the Council which are immediately applicable; and proposals of regulation of the European Commission for a regulation of the European Parliament and the Council.

**Author: EC = The European Commission; EP + EC = The European Parliament and the Council.

Source: vision on European commission data

As outlined by the analysis in the table, the “digital package” sums up to more than 700 pages and more than 550 articles.

The working group agreed that the EU over produces regulation at the extent of pushing hard social target: welfare, privacy, free market for contents and services etc., access to algorithms and others. The conference also agreed that there are opportunities to develop an endogenous EU digital capability which have not been fully used.

The NGEU’s 750 billion euro³ financed National Recovery and Resilience Plans (RRP) which had to invest not less than 20% of the funds on the so called “digital transition”. Indeed, some countries concentrated on digital much more NGEU funds than the minimum threshold (with Bulgaria, Germany and Austria spending almost half of their RRP on digital). And yet a strategy does not seem to emerge; at least we do not see it at European level and even less as a model which is looking for a “third way” between US and China, its own European approach to digital.

Additional more concrete suggestions coming from the working group were the following.

- Developing some form of “Erasmus for tech students” (this idea is connected with the ERASMUS discussion we had in a conference plenary)
- Set standards, cooperation with who has the knowledge setting clear area of discussion (European data spaces experimenting vertical).
- Targeting funds to reach SMEs

³ The amount became significantly smaller (520 billion EURO) because of the Member States preferred not to take up the loan part that they could ask to the European Commission.

One smart “third way” that Europe could pursue is to use INTERNET to create social value and make public goods of better quality and more accessible. This is may well be true for healthcare and education which may even leverage on Metaverse technologies⁴.

WORKING GROUP 2 – THE DRAMATIC COME BACK OF AN OLD ASPIRATION: A COMMON FOREIGN AND SECURITY POLICY FOR THE 21ST CENTURY

**Chair: Steve Everts, Peter Hefele, Bill Emmott
Anna Nalyvayko, Robert Tyler, Michael Benhamou, Loredana Teodorescu.**

The recent U-turn in perceiving EU foreign and security relations is happening after years and even decades of a silent disarmament, weakened will to resist and a relative shrinking weight of Europe in global politics.

The last months have seen a remarkable shift in terms of overcoming perceptions, impressive actions to rebuild military capacities and revise and change the ways Europe had been acting – or rather not – as a regional and global actor.

To prevent Europe from sliding back into old paths, we have to use this window of opportunity to put the European train in foreign and security policy on new tracks. Against this background we considered the following three lines of action as urgent:

We have to actively engage for the establishment of a new strategic culture. This requires the courage to prioritize and think in cross-sectoral vulnerabilities of our societies as the point of reference. This includes an extended understanding of security including civil defense and a new way of communication to the people to make clear that against this understanding each and every citizen is directly affected by global developments, be it military threats, migration or the effects of climate change.

The EU has to clearly define its red lines of actions, which includes focusing on neighbouring regions, not only to the Eastern but also to the Southern neighbourhood, even as the EU inevitably will retain global security and strategic interests. This requires a way of more actively shaping its own security environment, while upholding basic values.

While the dependency on the USA will remain at least in a mid-term perspective, the EU’s objective should be to gain at least a kind of strategic agency, not autonomy. In this aim, Japan offers useful pointers: it knows it cannot soon, if ever, achieve strategic autonomy but by strengthening defence, security and intelligence capacities, alongside active diplomacy and institution-building, it seeks to exert influence in its own right as well as to become more valued by its American partners.

These objectives require bold actions in Europe’s procurement of military equipment, creating a sound scientific basis for these activities and the building up of substantial and rapidly deployable forces under a coherent, truly trans-national command and control structure. The concepts and the organizational structures are basically already under development but have now to filled with life. Collaborative European research and

⁴ As for a forthcoming paper that VISION is producing together with FEPS

development institutions for defence and security technology offer a promising way forward to build both the habit and the benefit of collaboration.

New ways of funding through dedicated national or truly European funds have to be developed in parallel. Most of these steps do not require changes of the current treaties. They should and could be part of wider constitutional discussions or changes, but this is no excuse to not act now in a resolute way.

WORKING GROUP 3 – HOW TO SAVE LIBERAL DEMOCRACY FROM TECHNOLOGICAL OBSOLESCENCE

Chairs: Francesco Grillo, Antonio Nestoras, Jamie Kackay

Sandro Gozi, Kris Deschouwer, Kalypso Nicolaidis, Matteo Bottero, Antonios Nestoras.

The frame of the working group on democracy is that – unlike in so many debates of the Past on “democratic deficit” – we are here witnessing not only the lack of a EU wide political arena which is necessary for further integration, but that we are also witnessing a more general crisis of liberal democracies. It is a crisis which is not only in terms of representativeness/ legitimacy of decision making but of its efficiency: engaging citizens is, in fact, a pre-requisite to realize transformations (like the one towards more sustainable production and consumption models) which do require the change of the behaviours of millions of individuals, families, local communities. the energy of public opinions.

Therefore, the working group’s starting point is to see the EU not just as a place where some innovations can be better experimented in order to then be adopted by member States.

The general message of this session was that there is no single tool to fix the crisis of democracy. As one participant put it, given the conditions of technological disruption we are currently living in, and the existential threat of climate breakdown, it is vital that we “experiment experiment experiment.” During our conversation we explored deliberative, direct and representative democracy, unpicking the relationship(s) between them and identifying possible sources of innovation.

Possible innovations:

1: (Permanent) citizens’ assemblies

Deliberative panels have advantages; they tend to be relatively representative and diverse. They are ‘free from media manipulation’ (in theory) and participants often feel empowered by the experience. Political parties, meanwhile, lead the pushback against assemblies and participation, seeing them as a threat to established power.

With many caveats we are, in principle, in favour of more transnational level panels, like those trialled as part of on COFE, becoming a part of Europe’s democratic architecture. The big question remains, however: should these assemblies have decision-making power? There was a general agreement in the group that citizens’ panels can help to improve representative democracy; and that they do not, as some argue, undermine it.

2: Reform of the EU Institutions and of the EP’s role and election procedures

Despite the potential innovations of participatory democracy, elections still provide a greater potential for mass mobilisation. So, the question is: how could the electoral process also be improved?

One way at EU level would be through the introduction of transnational lists for EU Parliament elections. This would empower citizens and, in the process, help develop a much-needed European public sphere.

There should be a mechanism to hold the European Commission more democratically to account. i.e. directly by the European Parliament. This would help citizens to feel they had a greater degree of oversight in the policy-making process via their elected representatives. While imperfect in design, the Conference on the Future of Europe (COFE) provided a useful blueprint for how to organise democratic conversation between political actors. Guy Verhofstadt's proposal that the exercise should be repeated every 5 years is a welcome one.

3: The 'democratic ecosystem'

The significance of education and media as providing a backbone for European democracy was debated. They, together with civil society (organised or otherwise), social movements, the arts, and conventional political actors, can be considered as a part of the 'democratic ecosystem'.

A statute for civil society and non-profit organisations to operate more easily across borders would help to animate this democratic ecosystem.

People need greater knowledge about what EU integration is and how EU policies work; microlevel work in municipalities, spreading knowledge through social initiatives, is one effective strategy here. Europeans too often see or have a perception of a 'weak' EU – in part because the image of the institutions' activities is filtered through national media lenses. A European digital public sphere, focused on facilitating funding to independent and public service media working across borders, could be part of the solution.

The existing EU digital platform, set up as part of COFE, could serve as a future hub in a network of interconnected platforms at all levels of government across Europe, aimed at facilitating the exercise of collective intelligence. These tools could, for example, be used to easily enable citizens to directly access information on the spending of EU funds in the name of transparency and accountability.

WORKING GROUP 4 – THE RIGHT PATH TOWARDS CARBON NEUTRALITY: A NEW GREEN DEAL IN THE AGE OF ENERGY AND SECURITY INSTABILITY – THE ROLE OF COMPANIES, GOVERNMENTS AND FAMILIES (COORDINATED BY THE UNIVERSITY OF SIENA)

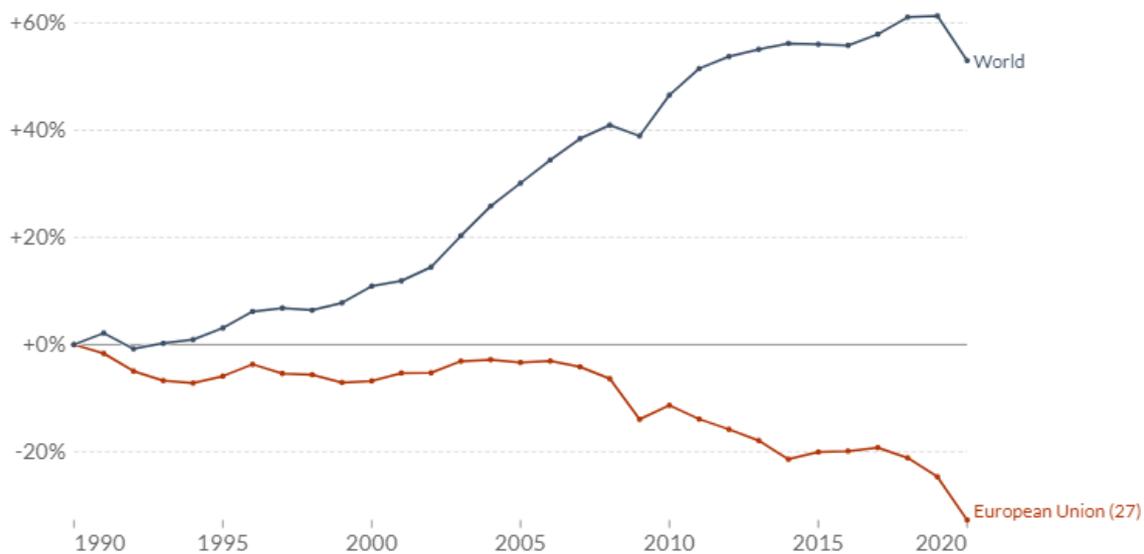
Chairs: Jos Delbeke, Angela Giuffrida, Simone Borghesi

Michael Zimonyi, Xiliang Zhang, Phoebe Koundouri, Carlo Papa, John D. Sterman, Leonardo Simonelli Santi, Domenico Meliti, Massimiliano Montini.

The European Green Deal is the greatest investment program in the context of a world-wide effort to decarbonize the economy. The potential for positive disruptive change is matched by a substantial and paradigmatic climate ambition.

A complex system of policies supports a target to reduce the levels of GHG from 1990 to take them to net zero by 2050. Such an effort implies a very significant acceleration on the path for decarbonizing, paving a new road for other nations as well.

It is true that the EU – as for the following chart - has followed in the last 32 years a pattern which has been much more compatible with the agenda of fighting climate change than the rest of the world: EU is today releasing 32,7% less emission than in 1990, whereas the world as a whole is polluting 55% more. And yet to achieve the target of 55% by 2030, would imply to reduce emissions of a further 23% in less than 10 years and, thus, almost triple the speed by which the EU has been decarbonizing its economy in the last three decades.



The policy instruments seem aligned with the Eu climate ambition. Within the European Green Deal, the Fit-for-55 has 12 proposals with a binding target. The objective is to get the EU economy ready for carbon neutrality in 2050 by reaching a net reduction of 55% from the 1990 emissions level by 2030. Renewable energy sources, moreover, must increase by at least 40% in the EU's overall energy mix by 2030. According to official estimates, up to €350 billion of additional investment is required in the energy system alone each year to comply with the climate ambition⁵. Carbon markets can be of great importance for this purpose thanks to high auction prices. Indeed, the European Emission Trading System (EU ETS) could generate up to €363 Billion revenues in 2030⁶, providing a remarkable resource flow also for the Social Climate Fund.

The current unstable international context demands careful planning and decisive actions. The Ukraine conflict entailed high gas prices, used by Russia to fund its war campaign and destabilize the European Union. In this sense, a cap on the gas price can be desirable. Furthermore, the role of Russia as a facilitator of energy policies has to be seriously reconsidered.

⁵ https://ec.europa.eu/commission/presscorner/detail/en/speech_21_3506

⁶ <https://www.ceep.be/www/wp-content/uploads/2021/05/ERCST-CEEP-final-recommendations-on-funding-mechanisms-in-the-revised-EU-ETS.pdf>

While the war's implications in the short term are negative, the war may constitute an accelerator for climate policies in the medium and long term by providing stronger market signals in favor of renewable energy sources. The use of coal and lignite combustion must be temporary and compensated by a reduction in emissions allowances at ETS auctions, which in turn will release more funds for future use of our climate objectives. Thus, energy security and climate can have trade-offs in the short-term but will go hand to hand in the long term. Support for wait-and-see strategies is standing over myopic premises. Focusing too much on the current moment underscores the future risks and uncertainties in terms of biosphere loss, extreme weather events and other physical risks undermining the welfare of "not so future" generations. All these multifaceted policy problems call for a holistic and multidisciplinary view and are bound to further grow if the transition is postponed. Furthermore, in line with what was emphasized by the Stern Review in the past, inaction would turn out to be even more costly.

Given all this, the working group identified three key issues that have to be addressed by EU policy in the next years. First of all, GHG emissions mitigation has to continue scaling up in order to meet the "fit-for-55" targets without leaving behind the poorest and most impacted social classes. The group members agreed on the importance of the "just transition" agenda and identified the SDGs as a key tool to pursue this objective, defining them as a "blueprint for sustainability". It was also mentioned that the European Semester should prioritize the SDGs in its activities. Moreover, the group discussed possible solutions to the most pressing issue in this regard which is the currently soaring natural gas prices. These extremely high prices are jeopardizing energy security all over Europe: a reorganization of the electricity structure would be impactful, as would be a cap on the gas price. In any case, the group highlighted the technical and political difficulties that this measure would entail. Furthermore, increasing carbon prices are likely to have significant distributional effects, but on the other hand carbon markets could provide an endogenous solution to address the problem by raising ETS revenues and offset the burden for the most vulnerable households⁷.

The second key issue to be addressed is competitiveness. To tackle this problem, the EU has decided to implement the Carbon Border Adjustment Mechanism (CBAM) which can protect the competitiveness of EU firms while reducing carbon leakage issues. Still, the mechanism will not be active until 2026 and will have few sectors involved, at least in the initial phase. Russia, Ukraine, and Turkey will be the most impacted countries, with all the related geo-political consequences to be considered. It is reasonable to think that the CBAM will be more difficult to implement the longer the war rages on. It will also be important to reinforce international cooperation and consequently invest in extra-EU transition policies, possibly transferring part of CBAM revenues to emerging economies. Intra-EU firm competitiveness and sustainability issues are extremely relevant as well. An important role for competitiveness can be played by the green taxonomy as this implies mandatory disclosure, which will be fundamental to close loopholes and avoid greenwashing. It was suggested to rethink the taxonomy as a method since if it is too rigid, it may be unable to accommodate for technological discontinuities and short-term shocks.

⁷ EU ETS revenues were about 30bn € in the period January 2021-February 2022 and are expected to amount to 750-1500 bn € by 2050 according to Fuest & Pisani-Ferry (2020).

Lastly, the third issue to be addressed is the narrative associated with climate change and the question of complexity. A switch in the description of climate issues seems to emerge in the media and in public debates in which a change in terminology from “transition” to “emergency” can be observed. The working group agreed that the idea of an orderly transition involving the private sector should instead be maintained, as panic is useless and risks to grow costs even further. Conversely, more emphasis should be put on the issue of complexity, meaning that climate change cannot be addressed by a single policy but it is a very complex subject that has to be confronted with a mix of policies and paradigmatic changes of economic and regulatory structures. We need a regulatory framework pushing for a virtuous model that finds a balance between competing interests, maintaining economic competitiveness while delivering the orderly transition needed to avoid extreme distributional effects which will disproportionately hit the weakest part of the European population.

REPORTS FROM THE PLENARY SESSIONS

PLENARY SESSION “EUROPEAN MEDIA BETWEEN FACEBOOK AND THE NEED OF AN EUROPEAN PUBLIC OPINION: A EUROPEAN TV STREAMING PLATFORM AS INFRASTRUCTURE FOR PLURALISM AND DEMOCRACY”

Chair: Annalisa Piras (Director of the “The Wake Europe Project”, an educational charity, author of “The Great European Disaster Movie” and amongst the journalist team which launched Euronews in 1993).

Matthias Pfeffer, Bill Emmott, Paul Nemitz with an intervention in Zoom Conference of the Vice President of the European Parliament Eva Kaili.

It is urgent for Europe to respond more effectively and collectively to Truth Decay.

What is needed is to claim back the concept of information as a “public good” and adapt it to the XXI century.

Europe invented the first Public Service Broadcasters at the dawn of the diffusion of broadcasting technology because it recognized information as an essential “public good”. Information was one of the key functions of the Public Service Media, and its production and distribution was regulated.

Exactly 100 years ago, in 1922, the British Broadcasting Service was created and offered a model to provide trustworthy information which united Britain and was imitated and replicated across the world.

Today, Europeans need to look at their heritage and reinvent a public service information system free from commercial pressures and fit for the 21st century disrupted digital landscape.

This must be a priority to protect our democracies and tackle the deepening legitimization crisis of advanced capitalist societies.

It is urgent to give substance to the neglected development of a much-needed European Public Sphere, *Öffentlichkeit*, as defined by Jürgen Habermas’s *Strukturwandel der Öffentlichkeit* in 1962.

The 1950 European Convention of Human Rights recognized that the exercise of the right to freedom of expression carries duties and responsibilities which in all European societies meant that information was considered a “public good” and those working in the media had editorial responsibilities. Today, regardless of its necessity, it seems extremely difficult to enforce a meaningful editorial responsibility on the web. However, that makes even more pressing the necessity of providing at least trustworthy quality information on a pan-European scale. Attempts at the EU level were made and substantially failed.

Euronews, the first publicly funded rolling news pan-European channel is the most obvious example: it was created in 1993 to provide Europeans with a European perspective on world affairs. It followed the realization that CNN, first 24 hours news channel, created in 1980 by Ted Turner in the US, had become the main source of TV international news during the first 1990 Gulf War, and following major world news events.

Arte, the Franco-German publicly funded European Culture Channel was created in 1991 by Helmut Kohl and Francois Mitterrand, but it did not achieve a pan European audience.

In the meantime, EU national Public Media Broadcasters have been slow to adapt to changes in the information ecosystem, have been steadily losing audiences and relevance, and have never really managed to reach significant audiences across national borders. They do however still produce exceptional levels of quality information.

The Delphi Media Platform

Matthias Pfeffer has proposed an innovative, bold idea which can be the start of building a new concept for a European Public Service Media system. His proposed Delphi Platform would take news content that is already being produced by broadcasters all over Europe and use modern translation technology to make it immediately available to everyone in the EU, through state-of-the-art search engines and selected algorithms.

The Delphi Platform can be a go-to, free, space where all European citizens can search the best of the editorial production of news and documentaries of all EU Public Service Media, in the language of their choice, or subtitled in the main EU languages.

The evolution of technology now allows for a variety of simultaneous translation and subtitling methods which have removed or drastically diminished the proverbial 24 official language barrier which has hampered previous attempts in the EU.

The Delphi platform has several extraordinary advantages:

- Leverage what has already been produced with public money and, arguably, with public service high standards, extending the outreach of editorially sound productions beyond their national borders and providing an antidote to Truth Decay.
- Allow citizens to freely access a quality, cross national perspective on current affairs without the sensationalism of many commercial sources who exploit nationalism and inflammatory attitudes.
- Develop knowledge and understanding of shared challenges, identity and cultural similarities and differences.
- Foster the development of a European Public Sphere and increase awareness of the collective good and nature of many shared European solutions.

Obstacles/solutions:

1. Copyright issues: The European media market is extremely fragmented, and most copyrights have geo- blocked clauses which prevent intellectual work being shared with a pan European license.

- Solution: The Delphi Project free of charge distribution could be a necessary clause requested on EU Public Service Broadcasters for all their own productions.

This might prove very difficult as it would most likely produce a shortcoming in the sale of editorial output for PSM and their authors.

This would have to be offset somehow, either by public subsidy or other methods.

One possible solution could be a sort of a Spotify premium system: for certain products a very affordable subscription might be needed, say Delphi Premium, 2 Euros a month. That would provide for royalties to be returned to the licence holders.

If Delphi was to be successful on a population of 447 million of EU citizens this could create not only revenues but also a reward system for excellency, i.e.: the most on demand product

will show how many Europeans have chosen them, creating a sort of “Like” count which can be an incentive and a reward for the producers.

2. Resistance from National Public Service Media.

As for Euronews, this might prove the most challenging obstacle. One of the reasons for the failure of Euronews has been that its main stakeholders, the national public broadcasters, always saw it as a rival instead of a partner.

- Solution: Find a method which is strictly enforced with sanctions and encouraged with incentives (such as the return of revenues or positive recognition awards/ reputation enhancement) to ensure the full collaboration to the Delphi Project which otherwise might be very limited.

3. Political/ Editorial Governance.

To be trusted Delphi must be ferociously independent from all political power.

Otherwise, it would be stillborn.

- Solution: The editorial board curating it i.e. deciding which content should be shared on it must be composed only by unanimously respected professionals who have earned their authority through their editorial excellency and independence and not through political patronage.

A firewall system must be in place to shield the European Media Platform from any political interference.

A review should be made of the best Public Service Broadcasters and Editorial practices to ensure the most watertight are adopted, i.e. the ones implemented in the past by the BBC.

The digital information landscape is today driven by click baits and a ferocious competition for attention on the lowest common denominator. In order to avoid preaching to the converted a very serious strategy must be implemented to attract and keep audiences, especially the youngest and least educated ones.

The Delphi Platform can be the cornerstone of a new European public service information ecosystem: excellent, diverse, multilingual with the public good at its heart.

The Delphi Platform, if successful in attracting users, will be able to evolve organically in a more structured platform offering a wider range of information relevant to all citizens, such as service information, or a European Social Media range of services, ideally competing with their American counterparts on the merits of their services but, crucially, free from commercial pressures or personal data exploitation.

The challenges are huge but none of them is impossible to overcome.

If what is at stake is the protection of our democracies by the creation of a pan European trustworthy information platform, we should invest whatever it takes, like the US did when they put the first man on the Moon.

Europe’s men, women and kids on the moon moment, when it comes to information, must be bold and visionary. At stake it is nothing less than our democracy and our future together as Europeans.

PLENARY SESSION “RETHINKING AFRICA: HOW TO MAKE THE AFRICAN CONTINENT AN ESSENTIAL PARTNER FOR EUROPE?”

Chair: Laura Silvia Battaglia Al-Jalal (Award-winner war reporter and author of *Lettere da Guantanamo*).

Koert Debeuf, Luca Verzichelli, Eli Hadzhieva, Loredana Teodorescu.

On 7 April 2022 the Human Rights Council of the United Nations voted on the suspension of Russia from the Council because of the invasion in Ukraine. The resolution was adopted, but the results were shocking, nevertheless. From the 195 countries, only 93 voted in favour, while 24 voted against, and 58 abstained. Twenty countries didn't vote or were strategically absent. This means that 102 countries did not follow the West in its demand to suspend Russia, and this despite the pressure. If we look more closely into the vote, the new reality is even more shocking. Of the 54 African countries, only 8 voted in favour. Of the 45 Asian countries, only 5 voted with the West. Only 2 of the 18 countries of the Middle East and North Africa voted with Europe and the United States.

One example of possible reasons why so many countries didn't vote in favour was given by Hina Rabbani Khar, former foreign minister of Pakistan, on the Doha Forum, one week before the vote. She asked why her country now had to put sanctions on Russia for its breaking of international law, while her country was asked to support the United States and its allies when they invaded Iraq in 2003, which was also against international law. She said she was tired of these double standards. A second explanation was given by the ambassador of Uganda in Brussels. She said Uganda was not willing to get into a new Cold War situation where it again had to choose between Russia and the West.

It is clear that we can find a renewed resentment in Africa and Asia against Europe and the United States. Roughly 60 years after the end of colonisation, most countries don't accept it anymore to be told what to do and to be lectured and patronised. They blame the West for the global financial and economic crisis of 2007-2009. They also looked with horror at the European mishandling of the migration crisis in 2015 and how thousands of people died in the Mediterranean. The resentment increased during the Covid-19 pandemic when the West kept most of the vaccines for itself, while being against the wavering of the patent on the vaccines. As most had no other choice than taking Sputnik or Sinovax, they were not allowed to travel to Europe because they did not receive the right vaccine. They also blame the West for Climate Change of which the Africans are the first victims.

Russia is using this resentment to distance African countries from Europe. One example is news, spread by Russia in several African countries, that the shortage of wheat is caused by European sanctions against Russia. Russia is also on the ground in several African countries, with mercenaries from the Wagner group. The goal is to support anti-European movements and governments that kick Europeans out of their country, like they did in Mali. They also create chaos, probably with the goal to push migration direction Europe, the most effective way to destabilize the European Union.

The population in Africa is growing fast. The 1.3 billion of today will be 2.5 billion in 2050. Climate disasters, political chaos, hunger and war make a recipe for a perfect storm to come. But even on the short term, things might turn badly. Like domino stones, chaos and anti-European resentment might hit the entire Sahel region, with (possible) wars from Somalia and Ethiopia, over Sudan, Chad, Nigeria, Libya, Niger, Mali and Mauretania.

Therefore, Europe should urgently adopt a real strategy for Africa, in cooperation with the African Union. So far, the European Union has promised much more than it delivered. It is time to change that. The new Global Gateway Initiative of the European Commission might be the instrument to do that. It has liberated 6 billion euro, of which 3 billion for Africa, to guarantee and support investments in connectivity, renewable energy and sustainability. This time Europe should not waste again a crisis.

PLENARY SESSION “ERASMUS FOR ALL AND THE EUROPEAN CIVIL SERVICE: A PROPOSAL WITH TWO DIFFERENT OPTIONS (MAKING THEM FREE/ECONOMIC SUSTAINABLE FOR ALL; MAKING THEM COMPULSORY AND DISTRIBUTED ALONG LIFE CYCLE)”

**Chair: Roberto Tallei (Deputy Head of the International News, Sky TG 24)
Azzurra Rinaldi, Luca Jahier, Raffaella Nanetti, Francesco Frati, Roberto Castaldi, Stefania Baroncelli.**

During the plenary session, different proposals were elaborated on how to make Erasmus accessible for the greatest number of people. The starting point was the proposal of VISON to make ERASMUS – meant as six months spent in a EU country different from the one where a student is living - free and compulsory for all. Vision also envisages that this proposal may be extended beyond universities to secondary education so to increase its outreach; and to possibly couple it with a similar idea to establish a civil service which should be distributed along the entire life cycle of all European citizens.

These ideas are meant to not only provide skills which seem indispensable in order to nurture open societies, but also to enhance cohesion and sense of togetherness that the COVID19 pandemic made to rediscover.

Each speaker made different suggestions based on their experience.

One participant argued that if the financial coverage of Erasmus were really 100% it would have a great impact. A further supporting element could have been identified in the integration of different programs. Support for connections between scientists and students and cooperation between universities should also be strengthened. He suggests a two-step modality: the first, the free provision of the Erasmus program for all; the second, it will be obligatory for everyone.

According to another speaker the outcomes deriving from the Erasmus Programme are good at present, but there is still a need to expand the range of opportunities deriving from the program. In other words, there is a need for a change of mindset in education and school

programs so that Vision's proposal to make Erasmus free and accessible to all can be implemented, especially in high schools. Having participated in the Erasmus + Program should be positively implemented even when it applies for example to public works.

According to one of the speakers there is a need for greater integration between states within the European Union, and the Erasmus+ Programme can act as a mind-changer for national and European politicians and bureaucrats. Furthermore, more people who have participated in the Erasmus+ Programme should be employed in the EU institutions.

The idea of one of the lecturers is that the Erasmus + Program should be progressively implemented outside the EU, also with a view to enlargement and promotion of European values.

Vision proposal was strongly supported: the Erasmus+ Programme should be a truly accessible Erasmus for all, combined with a real European Civil Service. Recent polls among young Europeans (15 - 24 years old) tell us that 60% identify the EU ad freedom of movement, to travel study and work. In particular, he highlights three possible solutions.

The one proposed by Giuliano da Empoli in a document signed with Anna Ascani and Francesco Clementi for VOLT in March 2016, which proposed an agile program called Odysseus, to reinvent Europe through the civil service (<https://voltaitalia.org/wp-content/uploads/2016/10/ODYSSEUS-ENG.pdf>) which then found consistency in the Italian-French summit in Venice, subsequently merged into the IVO4all program, which is however limited in scope. A service proposal, from 6 to 12 months, in the social, environmental and cultural fields, as an invitation to discover, dream, change the world, explore and also find new life and work opportunities. With a subsequent certification of the skills acquired for the job market, also through tax breaks for companies that hire young people who have had this experience. This proposal, moreover, also re-launch the appeal of Ulrich Beck and Daniel Cohn Bendit of 2012, for a European Civil Service.

A second proposal is the one that Umberto Eco launched at the time of an "Erasmus for taxi drivers, workers and plumbers" which, in the same spirit of favouring the construction of a European citizenship, considered it essential to also include that enormous population that it does not go through higher education.

Finally, a third proposal, which could refer to the great figures of bankers and merchants of modern Europe, should be addressed to professionals, artisans and SMEs (also including third sector companies) to favour a true Europeanization and a fruitful exchange of good practices, learning and opportunities for future European partnerships.

PLENARY SESSION “US AND CHINA: IS THERE A RIGHT DISTANCE?”

Chair: Jan Piotrowski (Business Editor, The Economist)

Michele Geraci, Kerry Brown, Robert Leonardi, Tong Shijun.

There must be a distance between America and China: both are independent and sovereign countries. But the distance must not be too large: the two powers must interact. And the right distance, which is suitable for communication, gives room for imaginative approaches to managing the relationship. There is a case for less public shaming of one another (over human-rights abuses, of which both America and China have accused the other) and more

back-channel exchange of concerns. This may sound wishy-washy and naive. But sincere communication can be educational and productive, both to the sender and the recipient of a message. It is also critical for fostering trust. Indeed, the absence of a large Chinese delegation at the World Economic Forum in May was lamented by many participants, who view Davos as a useful neutral ground to exchange concerns and ideas. To quote one panellist, “The more we know about each other, the less we fear the other.”

Care must be taken not to abuse “the large words and abstractions of our time”, as the American philosopher John Dewey would have put it (“capitalism” v “communism”; “American values” v “Chinese values”). It is worth taking the Socratic route—which contrary to some interpretations does not necessarily presuppose a distinct set of moral beliefs but rather asserts the need to examine all received beliefs systematically. These precepts do not say how America and China can navigate the path between absolutism and relativism, but it does hint that either of those two extremes is misguided.

Western analysts and Chinese analysts look at China from different vantage points. Western analysts dwell on cross-sectional differences: China now compared with other countries now. Chinese analysts focus on time-series differences: China now compared with China in the (recent) past. When the West was at China’s current level of economic development, it was a much more closed, protectionist place. Analysis of a shorter, more recent time series does, however, show signs that China is changing and becoming somewhat less pragmatic than it has been since the days of Deng Xiaoping. Although much of that turn is domestic—crackdown on the private sector, for example—it still matters globally, and so to America, China and Europe, because of China’s role as the world’s second-biggest economy. It also signals a shift in Chinese thinking relative to the recent past, that could have reverberations and manifestations beyond the borders of the Middle Kingdom.

There was a broad conviction in the West that relations between America and China would improve under Joe Biden. In fact, they deteriorated, precisely because President Biden takes a less pragmatic and more ideological approach to China than his predecessor, Donald Trump, who was considerably more transactional. Trump believed that his problem with China could be solved by striking the right trade deal and narrowing the trade gap; Biden and the American left he represents simply cannot accept that communist China can do better than liberal America. The worry in the West is that China provides an alternative economic model to other countries, which have expressed an interest in it. That is not something that can be resolved with a trade deal.

To one of the panellists, the West struggles to understand that China’s primary policy is not to interfere in other countries’ domestic affairs. The war in Ukraine is a pain for China because of its own interests (for example, wheat exports), not because it is directly concerned about the interests of the Russians or the Ukrainians. President Xi Jinping cares about feeding 1.4bn people and lifting their living standards. In addition, Western insistence that China join its sanctions against Russia misunderstands how China analyses the situation. The West acts first and analyses the results later; China conducts its analysis

before acting. China opposes the sanctions not out of love for Vladimir Putin or dislike of the West, but because it feels the analysis has not been conducted. The risk of misinterpreting China this way could lead the West not to isolate China but to isolate itself from the rest of the world, which is drawing closer to the Chinese.

What does all this mean for Europe? Europeans have been thinking about China and interacting with China for centuries, much longer than Americans have. That could help foster mutual understanding and is therefore a great asset for Europe. Sino-European history has always been collaborative: both internally in Europe (the Dutch working with the British; the British with the Italians; the Italians with the Portuguese) and externally with China. The biggest problem with European engagement with China is the narrative. In Europe (as well as in America), China is perceived as a triptych: collaborator, competitor, adversary. But there is no consensus over which activities fall into each of these buckets (is trade collaboration or competition?). To China this is incoherent (China looks at the world in terms of strategic partners) and undiplomatic (the West is saying “we have to interact with you but we don’t like you”). As China has grown stronger than Europe, Europeans may need to reconsider their stance and be more mindful of the Chinese outlook, which it had more freedom to ignore when the balance of power was tilted in Europe’s favour.

The EU’s relations with China are further complicated by the fact that, unlike China and America, it is not a nation state but an amalgam of supranational and national characteristics. That in turn naturally leads to the triptych approach, which neatly corresponds to sectors (economic, military, political) that are overseen by specific EU institutions. That complicates relations particularly in “high politics” (foreign, monetary, defence policy). A final complication is the instability of American democracy, which could jeopardise the global order, including links between Europe, an old American ally, and China, which is challenging American power. But because the EU is the junior partner in the transatlantic alliance, it is difficult to decide on a division of labour with respect to the West’s relations with China (e.g., Europe focusing on commerce; America focusing on geopolitics). Of course, none of this is to say that Europe shouldn’t try.

PLENARY SESSION “THE NEXT GENERATION EU: CAN CROSS BORDER INVESTMENTS FOR THE GREEN AND DIGITAL TRANSITION BE THE RIGHT FOCUS? WHAT ABOUT THE RESPONSE TO SYMMETRIC SHOCKS?”

**Chair: John Hooper (Correspondent for The Economist for Italy and the Vatican)
David Rinaldi, Enrico Giovannini, Georgios Papakonstantinou, Gregorio De Felice,
Veronica De Romanis, Francesca Bettio.**

The starting point of the discussion was the VISION paper which did underline that there is no doubt that NGEU signposted a turn into European history.

It was an exaggeration to compare it to Alexander Hamilton’s decision to merge the debts of the colonies/ States into the Federal treasury immediately after the American revolution; and it was probably even misleading to draw a parallel between the “Recovery and

Resilience Facilities" to the Marshal Plan that the USA made available to the European countries to support the reconstruction after WW2. The NEXT GENERATION EU did not communize preexisting debts of individual Member States; and the EU money – unlike the funds coming from the USA – will still need to be repaid by individual countries. And yet, the NGEU meant that for the first time the European Commission was issuing common debt to respond to a crisis of the entire block⁸.

That decision, however, opens up the debate on whether the European Union should equip itself with a permanent fiscal capacity which it can act upon in a way which is somehow autonomous from Member States. The group did, indeed, agree that this question cannot be left to another emergency (like the current one we are living as far as energy/ inflation go) to which we may have to respond: we need a proper debate so that the Union is equipped with an agreed upon method.

The questions would, of course, need to clarify in which circumstances/ policies may this capacity be activated and with which decision-making mechanisms. The discussion on what somebody called a "permanent NGEU" would, of course, be related to the possible review of the Stability and Growth Pact which is temporarily suspended and with the very same role of European Central Bank which has been by far the most powerful stabilizer in the last decade.

There was broad agreement that some form of continuing fiscal capacity was needed, if only on practical grounds (the NGEU is prompting the creation of vast amounts of infrastructure that will need to be maintained; that will create costs that, without an ongoing, EU-wide facility, will inflate the debts of the very countries that are already most indebted)

The political moment for such an initiative is not the worst. There was general agreement that we need to do better on:

- Making EU funds play a more consistently counter-cyclical role, and
- Using EU funds to make the Union's economy more shock-resistant;
- Designing a specific role for the EU money to be spent to support the vast investments needed by the green and digital transformation.

There was also broad agreement on giving a greater social dimension to any future fiscal capacity (one idea would be, for instance, to have facilities like SURE to go directly to citizens who are seeking employment within the context of a EU-wide reform of labor markets which may even include a minimum wage/ universal basic income).

It also seemed important to start as soon as possible an *in itinere* evaluation of NGEU. Some preliminary evidence seems to suggest that the entire instrument was too complex and that even the innovative targets/ milestones mechanism need to be simplified: this would make easier to spot problems of implementation but also make clearer with public opinions the sense of a pact between the EU and single member states.

The debate on NGEU would, however, also imply a reflection on the revenue side and the generation of own EU's resources (i.e. carbon taxes).

⁸ In fact, the European Commission did already borrow much smaller amounts to finance the European Stability Mechanism when it had to face the sovereign debt crises in some countries in the 2010 – 2015.

Regarding the SGP, though there was a broad spread of opinions on what action was needed (ranging from clarification of the existing rules to a complete overhaul), none of the panelists felt that it should be left untouched.

Vision will follow up the Conference with further initiatives with its fellow partners and sponsors. The Pontignano Paper will be the starting point of the next Siena Conference on the Future of Europe that will take place at the Certosa di Pontignano the 8^h – 9th June 2023.