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Draft outline of the COSAC 21st Bi-annual Report

Chapter 1 – Future of COSAC

Whilst interparliamentary cooperation has been blossoming in importance and a number of significant fora have been created in recent years, it can be argued that COSAC has not evolved significantly during this time. Following the recent celebration of the 50th meeting of COSAC in Vilnius in October 2013 and in the context of the growing importance of democratic legitimacy in the EU and interparliamentary cooperation, it seems to be a good time to review COSAC's recent past, and to gather views on what the future of COSAC might entail.

In the first chapter of the 21st Bi-annual Report of COSAC, and building upon the information documented in the 13th and 14th Bi-annual Reports of COSAC in 2010, Parliaments/Chambers will be asked to give their views on the effectiveness of the COSAC forum for interparliamentary dialogue and the exchange of information and best practice. The Report will aim to answer the question of what the role of COSAC is within the current interparliamentary landscape. It will also review where COSAC has been successful in the past and highlight repeatable best practice. The Report will aim to examine a number of the tools currently used by COSAC to stimulate exchange between national Parliaments and with the European Parliament. These will include, for example, debates held in COSAC, informal sessions, exchanges with significant figures representing European Institutions, the Bi-annual Reports of COSAC, the role of the COSAC Secretariat, etc.

The chapter will also look at the future of COSAC and seek the views of Parliaments/Chambers on how COSAC should evolve to adapt to the new environment within which it exists. It will seek the ideas of Parliaments on how COSAC can contribute to enhancing the role of Parliaments in the EU and how its role can potentially be strengthened in matters such as subsidiarity and any other matter related to EU affairs. It will examine whether COSAC can capitalise more on some of its past Contributions and how it can encourage Parliaments/Chambers to fully exploit the potential of the political dialogue, as well as how COSAC should evolve in the future to ensure its on-going usefulness in the developing landscape.

Chapter 2 - Cooperation between national Parliaments and the European Parliament

Since the coming into force of the Lisbon Treaty, the European Parliament and national Parliaments have had a significantly larger role to play within the European Union. The European Parliament and national Parliaments shall together determine

the organisation and promotion of effective and regular interparliamentary cooperation within the Union. The role of national Parliaments and the European Parliament is different, specific and separate in many ways but also complementary, and it is important that Members of all Parliaments are aware of the interdependencies of many of their decisions. There are large areas where national Parliaments and the European Parliament already do and need to work together more in this respect. Since 2009, a number of new mechanisms, both formal and informal, have been introduced to increase the level of cooperation in this regard and improvements have been made to working methods. However, it can be argued that there is still space for further enhancement and that more could be done to strengthen interparliamentary cooperation at the level of informal dialogue, ie exchange of views between national Parliaments and European Parliament rapporteurs, participation of national Parliaments in ad hoc hearings organised by the European Parliament etc..

The second chapter of the Bi-annual Report will examine how the scrutiny powers of Parliaments could be strengthened and how interparliamentary cooperation can be deepened. It will ask Parliaments/Chambers for ideas about how the relationship between national Parliaments and the European Parliament could be further strengthened and how information could be better exchanged. In this context, it will seek to provide a reflexion on current fora and arrangements and to present Parliaments' / Chambers' views on whether there is a need to update the "Lisbon " guidelines for interparliamentary cooperation and on how COSAC may provide a useful input to future EU Speakers' Conferences.

Chapter 3 - Developing the social dimension of the EMU: the role of Parliaments

The deep economic recession in the euro area and the on-going European sovereign debt crisis have placed the debate on the social dimension of Europe's Economic and Monetary Union (EMU) high on the European political agenda. Even though this issue is by no means a new one, it has recently been put into a more focused and targeted context and has been associated with key issues relating to EU's overall legitimacy and EMU's structural reforms, such as the European project's questioning by its citizens, the concept of a deep and genuine EMU and the tackling of employment and social challenges resulting from the crisis.

In chapter 3 of the 21st Bi-annual Report of COSAC, Parliaments/Chambers will be asked to give their views on how social and employment problems and related policies at a European and national level, can be better monitored and coordinated at the level of Parliaments/Chambers while respecting national competences¹. This Chapter will also examine parliamentary scrutiny over the implementation of social policies and measures taken at EU level, focusing mainly on the Youth Employment

¹ *the social dimension of the EMU should be strengthened. As a first step, it is important to better monitor and take into account the social and labour market situation within EMU, notably by using appropriate social and employment indicators within the European semester. It is also important to ensure better coordination of employment and social policies, while fully respecting national competences. The role of the social partners and social dialogue, including at national level, is also key* (June 2013 European Council Conclusions)

Package proposal (December 2012) and will attempt to highlight best practices and procedures. The question of the stepping up of the social partners' involvement in economic policymaking and the role of Parliaments in achieving their participation in a social dialogue will also be examined.

The aim of this chapter will be to seek ways to strengthen and improve parliamentary surveillance over employment and social issues and to highlight the potential role that Parliaments can and should play in this important policy area.

Chapter 4 - Democratic Legitimacy and Accountability in the Budget process

The persistent and acute economic crisis and the austerity measures adopted to address the situation in the periphery of the Eurozone, have triggered an intense debate on the legitimacy and democratic transparency of the processes relating to fiscal and budgetary consolidation. Opinion polls indicate a decrease in confidence and support to the European project on the part of European citizens, associated with the fatigue arising from the implementation of fiscal consolidation policies. In this light, the President of the European Council, Mr Herman van Rompuy, referred to the need for strong mechanisms for legitimate and accountable joint decision-making in his report *Towards a genuine Economic and Monetary Union (June 2012)*, reflecting the fact that decisions taken on national budgets are at the heart of Europe's parliamentary democracies.

Chapter 4 will explore the means to enhance democratic legitimacy and accountability in national budgetary, fiscal and economic policy. The Report will, therefore, focus, firstly, on the European Semester process implementation and the practical lessons learnt by Parliaments from their experience on this new procedure. In this regard, it will also examine the accountability of participating institutions, namely of the Commission, the ECOFIN and the Eurogroup. The Report will secondly focus on the issue of parliamentary scrutiny over the "Troika's" (European Central Bank, European Commission and International Monetary Fund) working methods, in cases of countries subject to economic reform programmes.

This chapter will highlight best practices on scrutinising national budgetary, fiscal and economic policies in the framework of the European Semester procedure, and will attempt to outline the European Parliament's and national Parliaments' potential role for ensuring greater democratic legitimacy in this domain.