

## Newsletter

July 2020

Issue 14

### Proposal for a Council decision on the system of own resources of the European Union

**Rapporteur: Sandro Gozi (Renew)**

(Responsible committee: BUDG, Rapporteurs : José Manuel Fernandes (PPE), Valérie Hayer (Renew))



The rapporteur will give a brief presentation of his draft opinion to the Commission proposal for a Council decision on the system of own resources. The Commission amended its 2018 proposal on 27 May 2020 as part of its recovery plan for Europe to address the consequences of the COVID-19 pandemic. This amended proposal raises temporarily the ceiling of the own resources of the EU in order to allow for the Commission to exceptionally borrow up to €750 billion on behalf of the Union on financial markets and channel them via **"Next Generation EU"** to programmes for recovery measures over the period 2021-2024.

The European Parliament is consulted on the own resources proposal under article 311 TFEU. Since, after its adoption by Council by unanimity, such a new own resources decision must also be approved by the Member States in accordance with their respective constitutional requirements, AFCO must vote its opinion already at the end of August.

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### INTRODUCTORY WORDS BY THE CHAIR

Dear Readers,

This 14th issue of the AFCO Newsletter for the 9th legislative term comes in the very special context of the COVID-19 epidemic.



In line with the precautionary measures taken by the European Parliament to contain the spread of the epidemic while safeguarding Parliament's core activities, our AFCO Committee meeting will take place in Brussels via videoconference.

This Newsletter is a tool prepared by the Secretariat to keep you informed of AFCO activities and to increase awareness of the current institutional challenges facing the European Union.

This will be the fifth AFCO remote meeting. In this fifth remote meeting, AFCO will hear the rapporteur for the new decision on own resources of the EU, Sandro Gozi, present his opinion. After this important subject, we will discuss another very important issue concerning the functioning of the Parliament: the draft report of Gabriele Bischoff proposing changes to the Rules of Procedure to adapt the methods of work of the Parliament under extraordinary circumstances like the ones we are facing due to COVID19. This draft report is the outcome of an intense work of a group composed from Members from all political groups and should allow to equip Parliament with the necessary means to ensure its work in all circumstances.

## **Amendments to the Rules of Procedure in order to ensure the functioning of Parliament in extraordinary circumstances**

**Rapporteur: Gabriele Bischoff (S&D)**



The Committee will hear a presentation of the draft report of first Vice-Chair Gabriele Bischoff on new provisions to be inserted in the Rules in order for Parliament to be able to function in extraordinary circumstances, as the ones it is currently facing due to the sanitary crisis.

The draft report is largely based on the work of the AFCO Working Group on the Rules of Procedure, who met remotely eight times since early May under the chairmanship of EP's Vice-President Wieland.

In case of such exceptional circumstances, the President of Parliament, in agreement with the Conference of Presidents, could decide to activate derogatory Rules comprising a set of measures proportional to the nature of the hinder and the number of Members affected. These measures could, under certain conditions, be reversed by the plenary.

Digital solutions should allow remote participation of all or only a significant number of Members (meaning a hybrid situation, both physical and remote), so as to allow business continuity of Parliament in order to continue to play its legislative and budgetary role, as well as to ensure its political control function.

Members will have a brief first discussion on the draft report, which should be continued in one of the next meetings of AFCO after the summer break. If possible, the draft report should be voted in AFCO by the end of September and eventually in plenary in October, should the conditions be met for a full normal session.

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*After this, together with our colleagues from the committee on legal affairs, we'll discuss with four renowned experts the consequences for the European legal and institutional order of the decision of the German Constitutional Court of past 5th May on the program of bonds-buying (Public Sector Purchase Program) of the European Central Bank. On top of the possible consequences for the program itself, and for the monetary and economic policies of the EU, which is a competence of ECON, that decision raises serious problems concerning, among others the unity of the European legal order, its institutional architecture, the limits of its competences and the principle of the primacy of European law, or the relationship between the European Court of Justice and national courts. This public hearing is a signal of the importance that the European Parliament attaches to this issue.*

**Antonio Tajani, Chair**

### **MEETING DOCUMENTS**

In light of the European Parliament's paperless project, please bear in mind that no paper dossiers will be available in the meeting room. Instead, meeting documents will be made available on the following **public** and **EP internal** websites:

### **MEETING DATE AND VENUE**

Tuesday 14 July 2020, 09.00 – 11.00  
Room: Altiero Spinelli (1G3), Brussels (*and with remote participation of AFCO Members*)

### **MEETING LANGUAGES AVAILABLE**

FR DE IT NL EN ES FI BG RO

## Joint Hearing JURI and AFCO committees

### Consequences of the judgement of the German Constitutional Court of 5 May 2020



The Judgment of 5th May 2020 of the German Constitutional Court (Weiss case) on the PSPP (Public Sector Purchase Program) of the European Central Bank raised the attention of the general and specialised media, not only because its likely direct consequences for the program of the ECB but also for its possible implications for the legal order and institutional structure of the EU.

In fact, apart its possible implications for the prosecution of the bonds buying program of the ECB and its deriving effects for the economy of the EU, that judgment raises specific issues concerning, among others, the role of the European court of Justice and its relationship with national courts, the principle of the primacy of the European law, the boundaries of the competences of the EU, the independence of the ECB, etc.

While fully respecting the independence of judicial authorities, the European Parliament has been following closely the developments of this issue. AFCO and JURI are particular concerned with those possible legal and institutional effects of the judgement. As such, the two committees decided to organise jointly a public hearing during which they will discuss the consequences of judgment with renowned experts. For AFCO, Professor Renata Uitz, teaching Comparative Constitutional Law at the Central European University of Budapest, and Professor Joseph H.H. Weiler, from the NYU School of Law and Senior Fellow at the Harvard Centre for European Studies will be presenting their views. For JURI, Members will hear Professor Markus Ludwigs, from the Julius-Maximilians-Universität, in Würzburg, and Professor Diana Urania Galetta, of the Department of Italian and Supranational Public Law of the University.

This joint hearing shows the great importance that the EP attaches to this issue.

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## **NEXT MEETING**

27 August, Brussels

## **FURTHER INFORMATION**



[AFCO website](#)



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