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On 4 May 2017 three Hungarian members of the EESC (István Komoróczki, Piroska Kállay and Etele Baráth, representing the employers' group, the workers' group and civil society organisations respectively) took part in a debate in Budapest on the European Commission's proposal on the **"White Paper on the Future of Europe"**. You will find the list of participants and the day's programme as an appendix to the summary of the outcomes of the consultation.

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**The employers' view**

Unfortunately, Brexit has exposed the various tensions that characterise the Brussels decision-making process. The Members of the Commission are unable to present and properly represent their national interests. Centralised decisions are hampered by too many consultations and visible competition between the centres of power (the Commission, the European Parliament and the Council) and between their leaders, which weakens the EU's ability to adapt. The role of the EESC, which represents civil society, should also be strengthened, as its members are in daily contact with European citizens. In addition, it would be appropriate to involve as many Member States as possible in the euro area, as the skills and strength of the peripheral countries would significantly increase competitiveness. More extensive use of the single currency would give the EU an added advantage at global level. It is important to preserve the single market and the four fundamental freedoms guaranteed by the Treaties. More social dialogue should take place at local level as this will strengthen the peripheral countries and their opportunity to convey views to Brussels.

The 13 years that have elapsed since Hungary's accession to the EU have also shown that the new Member States have not only brought new markets, an abundant, well-educated workforce and great potential in the area of defence to the EU; they have also given it strength in economic and social terms. It is natural in a democratic system for there to be differences in views expressed by leaders of countries that do not share the same culture or the same history. That is why it will not be possible to talk about a federal Europe over the next twenty years. However, the acquis established to date (e.g. the CAP, Schengen, the four freedoms or again the euro) must, in any event, be preserved. The reason that the White Paper calls for changes within the EU in 2019 is not clear. Apart from Brexit, the EU is not currently facing any other crises that would justify making changes in the near future.

It is essential to maintain the current system on taxation policy. Increased European funds are needed to ensure continuous training and retraining of the skilled workforce and to encourage the widest possible digitalisation of education and the economy in Member States. Information on the use of EU funding allocated to Member States and its precise purpose should be made publicly available and accountability for the resources used should be increased. Although the EU enjoys very strong support in Hungary (63% of Hungarians feel a sense of belonging to the EU, an increase of 5% compared to 2016), communication on the EU in the country certainly needs to be improved. The Hungarian government and the European Commission have a significant responsibility in this regard.

**The workers' view**

During its consultation on the "White Paper on the Future of Europe", the interests of Hungarian workers were represented through the active involvement of the trade union confederations.

Firstly, it was noted that the preparation time for the consultation was rather short and that it would have been better – with a view to developing a joint opinion – to formulate more specific questions during the course of the discussions and to allow the different parties present to interact rather than organising discussions in separate groups. Several participants suggested organising further meetings, depending on the results of the consultation and the solutions put forward and with the aim of ensuring follow-up, so as to be able to discuss each measure in greater detail and to better compare different opinions. There is no shortage of official forums that could accommodate such exchanges (national economic and social council). The White Paper under consideration is an initiative and can under no circumstances be regarded as a finished product. During the course of such a consultation, national specificities should not be forgotten. The question of a cyclical approach to the system (programming periods) was also raised. In in order to obtain a quality analysis of the White Paper it is essential to take into account the time that has elapsed since accession in 2004.

In terms of content, the five scenarios developed by the Commission express very general truths and do not address – or only in very little detail – the current problems raised by workers' representatives. It would perhaps be appropriate to begin a policy reflection process. Social and employment policies are barely addressed by the areas covered. The document leaves out extremely important questions such as job creation, remuneration systems, minimum wage, pension schemes, education, research, culture, sustainable development and health policy. In the view of workers' representatives this is unacceptable. It is clear that the European Union's activities are carried out too far away from the people. It therefore remains incomprehensible and opaque to them and has little influence on workers and trade unions. EU legislation is difficult to interpret and the courts are not able to apply it effectively. Transposition and cooperation between the different institutions should be improved.

It is important that the EU focuses on its achievements and its positive outcomes, and that workers understand the benefits deriving from EU citizenship. The concept of EU citizenship must be conceived as an objective.

The document contains an economic component, but the respective roles of the European Union and the Member States are not reflected in it. It is important that everyone understands who is responsible for what.

While education is to be an appropriate tool in strengthening the role of the EU, the role of the media is no less important in this regard. Establishing a media outlet in the Member States that is specifically designed for this purpose and broadcasts news in the national language could be a step forward in promoting the European Union.

**The view of non-governmental organisations**

Despite the invitation addressed to civil society being sent to a wide range of recipients prior to this consultation, only delegates/guests from four NGOs were present, although it is worth noting that they represent very different values (a Europe-oriented academic institution, a leading economic research and analysis institution, the Hungarian sustainable development coordination body and the best-known "green" NGO in the country, which is active in the field of research).

The agreement reached at the end of the brief discussions can be summarised as follows:

Out of the five scenarios, none can be approved without amendment, or even deemed likely or realistic as they stand. However, by reworking scenarios 3, 4 and 5 a strategy that is likely to provide the most appropriate guidelines for the future of a Europe characterised by great diversity could be drawn up.

A two-speed Europe is not desirable, even if it is very likely that it will become a reality and could be justified temporarily in the face of global competition. Openness is required. The establishment of a multi-speed Europe institutional model, the guarantee of its flexibility and the group of participants participating in "enhanced" cooperation – who are in favour of European integration – could be new resources and at the same time bring about stability. The risk of one Member State dominating the others must be avoided.

Reforms should be accelerated and based on fewer but more decisive new principles. Even an evolving system cannot withstand lasting, uncoordinated change. Central development-oriented governance needs to be consolidated at the same time as enhancing cooperation between Member States or between regions.

The requirement to comply with sustainability goals should be generalised.

By 2025 alone, changes are expected to be as diverse as they are influential both on the global economy and at societal level. This means that institutional stability is a fundamental requirement. "The crisis of the European elite worsens as its complacency grows!"

Today, the European authorities are not in a position to take decisions. They must clarify the European concept of "supranationality" so as to legitimise means of cooperation, synergies and joint decisions and they must highlight the benefits of this to counter the rise in nationalist movements.

Establishing institutional policies for the euro area is vital, but this should not be at the expense of its future openness. It is necessary to begin to consider the direction and effectiveness of budget transfers, while addressing real needs. More funds should be invested in improving education and health, and strengthening local governance. Environmental policy also requires a review of the system of financial regulation. Europe 2020 and other strategies are missing their targets due to the lack of financial and legal instruments, a process for monitoring implementation and appropriate indicators.

In conclusion, it is once again important to underline the need to combat corruption, improve transparency and ensure that the accountability of leaders becomes self-evident. The CAP needs to be modernised considerably, and there must be progress made in relation to the "green budget" and in promoting the philosophy and values underpinning the Connecting Europe Facility and the instruments used by this initiative.

We can support a multi-speed Europe, so long as it is open, well-coordinated, accessible and comprehensible for citizens.

**The government's view**

The fact that in spring 2017 the Commission presented five new scenarios and proposed to European citizens that changes be implemented from 2019 onwards came as a surprise. The European Commission is the guardian of the Treaties and only the Council or the Member States are entitled to put forward this type of proposal. After the financial, economic and migratory crises experienced since 2008, Europe is not facing any new crises today, although of course there are still problems to be addressed.

Improving the competitiveness of European economies and job creation require sound economic cooperation between Member States. Unfortunately, today Eastern Europe faces the serious problem of a growing exodus of highly-skilled workers who have graduated from secondary and higher education towards more developed Western European countries, leading to a serious skills shortage, particularly in Hungary. The Hungarian government has made considerable progress in reducing contributions from salaries and in continuing to increase the value of real wages and pensions. In order to ensure the sustainable development of Hungarian businesses, it is important to ensure that national professionals do not leave the country and to increase the number of R&D projects supported by the EU. Unfortunately, it seems that the European body responsible for promoting research, development and innovation (European Institute of Innovation and Technology – EIT), which is based in Budapest, is not effective enough. It does not play the leading role in this area at European level that its initial objectives were supposed to have granted it, nor does it fundamentally encourage the rise of research, development and innovation in Hungary.

As from 2019, Hungary should fulfil the conditions for joining the euro area.

In contrast to some Member States, Hungarian society does not accept the migrants arriving in Europe. Given the negative experiences endured during the course of our history (150 years of Turkish occupation), we do not want to host them, despite the fact that they could contribute to solving the problems in our labour market. We are not able integrate them effectively, culturally or socially, nor involve them in activities likely to increase our competitiveness.

We welcome the EU Energy Package and the measures on implementing the circular economy linked to proper waste management. It is essential that the European Commission shows empathy towards us in its approach, taking account of the specific constraints faced by peripheral countries and, in some cases, their more limited opportunities.

While maintaining a strong competitive European Union that works well is of great importance to us, we reject the fifth scenario that paves the way for a Federal Europe. On the occasion of the 60th anniversary of the signing of Treaty of Rome, each group of countries – the Benelux countries, central European countries, Southern European countries and the Visegrad Group – presented their vision of the future of the European Union. Hungary, which is a member of the Visegrad Group, called for the four fundamental freedoms of the Union to be upheld and for the well-being of citizens to be ensured. Countries that are not members of the euro should not have to solve problems within the single currency. Compliance with the principle of subsidiarity, strengthening Schengen and drafting a common defence policy are extremely important to us. Several elements of scenarios 3 and 4 could receive our support, on the condition that their implementation takes place in accordance with the Treaties. We oppose any plan to reduce regional policies.

Visibility and communication on the EU should be markedly increased in all Member States and, in this regard, Hungary of course has a role to play. The European aid granted to us and its impact on our lives and on the Hungarian economy should be more widely publicised. Although the Euronews website is available in our country, it is important to make sure that the television channel is able to broadcast its programmes in all Member States. The encryption must be removed from television broadcasts and programmes should be available in the language of the Member State concerned.