

ACTING
TOGETHER
FOR A STRONGER
EUROPE

**Suggestions from
the King Baudouin Foundation
in view of the European, federal and regional
elections of 26 May 2019**

FOREWORD

The King Baudouin Foundation is not a pressure group but rather an independent, pluralistic public benefit foundation, whose mission is to work for a better society. To do this, we develop and support projects, commission and disseminate studies, we make recommendations and help put social themes on the agenda.

The following suggestions are intended to provide inspiration for democratic parties and political leaders in the runup to the European elections of 26 May 2019. They represent our proposals and recommendations relating to a number of important challenges regarding to the future of the European Union. They are issues on which the Foundation has been working for many years and require the commitment and support, or at least appropriate information, of European political actors. These proposals and recommendations are the result from reflections made alongside numerous actors and partners as well as from experimentation through pilot projects.

You can view the electronic version of this document on our website at www.kbs-frb.be. For all questions relating to European issues, please contact Stefan Schaefers, Head of European Affairs at the King Baudouin Foundation: schaefers.s@kbs-frb.be - 02-549 02 39.

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DEVELOP A EUROPEAN REFORM AGENDA

The past decade of turmoil has rocked the European Union (EU) to its foundations. This has undermined public confidence in the European project and exposed deep divisions over both the causes of the recent crises and the solutions needed to overcome them. Five years of discussion in more than 120 national and transnational debates on the future of the EU with more than 10,000 participants, organised under the auspices of the New Pact for Europe NPE project and coordinated and supported by the King Baudouin Foundation, have shown that Europe needs to be re-energised. After years of multiple crises, the EU27 must overcome the blockages holding back progress in tackling crucial issues, such as the danger of a more regressive, nationalistic, closed, illiberal, and authoritarian Europe. European cooperation is not an ideology: it is a necessity in an interdependent world in which individual countries cannot defend their values, interests and aspirations alone.

Recommendations

- > The EU27 should agree on an ambitious but realistic win-win reform in the form of a package deal. This package deal needs to reflect the distinctive interests and aspirations of member states and their citizens. Some are more anxious about economic prospects or social affairs, others put more emphasis on migration and security. There is thus a need to include all three dimensions. This approach will help to bridge the gap between different camps. Enlarging the negotiation agenda beyond one specific field to identify wider agreements can contribute to overcoming red lines in individual areas, which have in the past proved unsurmountable.
- > Generating public support for the implementation of a package deal will require a Europe-wide debate at national and transnational level. It must begin as soon as possible and involve a multiplicity of stakeholders ready to engage in a critical but constructive debate about Europe's future.

- > The New Pact for Europe project defined some key principles for EU decision-makers:
 - >> Deliver credible results and strengthen the EU as a 'democratic watchdog'
 - Demonstrate that the EU is not an 'agent of unfettered globalisation'
 - Avoid raising expectations that the Union cannot live up to
 - Address the multiple insecurities fuelling polarisation of our societies
 - Enhance the EU's ability to act as a 'democratic watchdog'
 - >> Acknowledge citizens' concerns and boost their democratic participation.
 - Listen also to the concerns of people from other EU countries
 - Take citizens' hopes and fears seriously rather than dismissing them as irrational, exaggerated or even irrelevant
 - Boost citizens' involvement in EU decision-making (see also next chapter)
- >> Convince citizens without imitating polarising forces
 - Do not copy the political rhetoric and prescriptions of polarising forces
 - Present a persuasive and positive counter-narrative
 - Promote the ability of citizens to 'experience Europe'
 - Demonstrate why European cooperation is a win-win from a national perspective

The Foundation also works in partnership with more than a dozen other foundations on migration and democracy related challenges which the New Pact for Europe identified as important parts of the reform agenda of the European Union.

For more information

www.epim.info

<https://civitates-eu.org/>

New Pact for Europe, report Re-energising Europe

FOSTER CITIZEN PARTICIPATION

Over the past decades there have been many attempts to test, improve, and sustain citizens' participation in the European Union. With Plan D, Debate Europe, the Europe for Citizens programme and the European Citizens' Initiatives, the European institutions have made intensive, well thought-out efforts to better connect with citizens. In many cases this was merely crisis driven, but sometimes it was the result of a longer-term strategy to reach European citizens.

What all these attempts had in common was that they never really succeeded in achieving their main goal: to get citizens more meaningfully involved in the European Union's decision-making process.

French President Emmanuel Macron's vision of holding a far-reaching consultation with European citizens on the future of Europe, in preparation for more deep-rooted reform of the European Union, breathed new life into the idea of citizens' participation after years of stagnation. The King Baudouin Foundation has long been involved in the movement for more and better citizen participation.

We are convinced that by establishing better connections with its citizens and by involving them in developing its policies, the Union will increase both its legitimacy and the quality of its decision-making.

Citizens can be relied upon to contribute to decision-making on even the most serious of matters. This is by no means a silver bullet which will solve all the Union's problems. But goodwill and readiness to listen to what citizens have to say are not enough to make public participation a success. Again and again, pilot projects on citizens' participation have proven that one must set certain minimum quality standards to avoid making citizens feel that their contributions have been wasted.

Recommendations

- > Develop the European Citizens' Consultations into a permanent fixture. This requires however a number of improvements to increase the quality of the deliberations:
 - >> The purpose of the exercise and its connection to the European level should be made clear.
 - >> Citizens should be informed from the start about how the outcomes of the consultations will be used.
 - >> The transnational dimension of the consultations should be enhanced.
 - >> Organisers should make use of existing models of citizens' participation.
 - >> There should be a good balance between a common format and diverse national practices.
- >> National discussions should include issues that currently feature on the EU policy agenda.
- >> There should be a public synthesis of results, which should include independent voices.
- > Any successful new engagement will need more than procedure. There must be a genuine culture of openness in and around the European institutions.
- > It will also require a general shift from seeing similar approaches to large-scale EU democratic reform as single stand-alone projects to understanding them as system interventions that must be built up over time.

For more in-depth recommendations

The European Citizens' Consultations - evaluation report

DEVELOP A NEW EUROPEAN BALKANS PARTNERSHIP

For almost two decades the Foundation has been working via its European Fund for the Balkans (EFB) on strengthening democracy, fostering European integration and affirming the role of the Western Balkans (WB) in addressing Europe's emerging challenges. Part of these efforts is the Foundation's support for the Balkans in Europe Policy Advisory Group (BiEPAG), with the aim of promoting European integration of the Western Balkans (WB) and consolidating democratic, open countries in the region. The Foundation has supported its "New European Balkans Partnership" proposal since

April 2018:

The recent EU reengagement with the region is crucial for the WB, which has gone adrift in recent years amid increased tensions, democratic backsliding and destructive geopolitical meddling by external actors. If the region seizes the current opportunity, it can quickly arrive at the EU's doorstep by means of democratic and economic convergence. If this chance is missed, the WB risk remaining distant from the EU, without clear direction and menaced by instability that

could spread to the EU as a whole. The vision of an EU33 requires a new partnership between the EU and the WB countries, based on sincere and transparent engagement from both sides.

Recommendations

- > The EU should be more attentive to WB governments and forthright in communicating problems publicly, while the governments of the region should commit with renewed sincerity to the enlargement process.
- > The decision to join the EU is a generational, political and socio-economic choice. It requires broad citizens' engagement in decision making, as well as the positive and constructive involvement of civil society and political opposition.

- > A new, reformed partnership between the WB and the EU needs to tackle the biggest challenges of the region, including the brain drain, state capture and the absence of a development strategy that can harness the potential of the WB for economic and democratic convergence with the EU.
- > Closer regional cooperation is required and this should be the first step for advancement and rebuilding a positive image of the WB in Europe.
- > Progress in the reform process within the framework of EU enlargement will only work if it is inclusive and focused on the independence of institutions, full respect for the rule of law and changing the current technical approach to EU integration, which has yielded limited results so far. The enlargement policy can help integrate the EU's founding values into the transformed WB, and the two, in synergy, will contribute to strengthening the Union by 2025 and building a wider European project.

For more in-depth recommendations

New European Balkans Partnership - Policy Brief

FIGHT ENERGY POVERTY

Energy poverty is a dimension of the poverty challenge in Europe, where nearly 11% of the EU population are unable to adequately heat their homes at an affordable cost. Energy poverty impacts on people's quality of life, leading to possible health problems and at worst scenario even social exclusion. The reasons for energy poverty are manifold and include mounting inequalities, income poverty, unemployment, inefficient housing, wasteful use of energy, prices, access and a lack of clarity about pricing.

With the support of the King Baudouin Foundation, the European Policy Centre launched a Task Force to share experiences and best practices across the EU, evaluate the state of play of various policies that can help to tackle energy poverty, and explore what additional role the EU could play in helping to address the challenge.

Identifying vulnerable consumers and putting measures in place to tackle energy poverty lie mainly with national or local authorities. However, the EU also has a role to play and instruments it can use, in line with the EU's Energy Union objective to benefit the European consumer. For example, completing an internal energy market could help to tackle the issue by increasing competition, leading to lower energy prices and better services at lower cost. Another area for action is efforts to improve energy efficiency across the EU – the cheapest energy being the one not consumed.

Other instruments include collecting data, monitoring the situation, proposing measures to tackle poverty and energy efficiency, and using energy regulation and financial instruments.

While some of the task force's proposals were recently adopted, it is crucial to monitor the practical implementation of energy poverty provisions in the clean energy package – notably the efficiency directive and the governance regulation.

As decarbonisation efforts need to scale up according to the new targets 2030-2050 targets, the distributional consequences of the transition will become a key topic. The EU budget should become be a valid instrument to mitigate them.

Policy recommendations what else the EU can do can be found here:

Policy Brief - The long journey to end energy poverty in Europa

BOOSTING PHILANTHROPY IN EUROPE

Philanthropy and philanthropic organisations are a critical part of our democratic and pluralistic societies. More and more citizens want to do good, they want to help address societal issues, express themselves, and connect and collaborate with others who share their ideals – ideals that often stem from compassion and solidarity. These are important values to our pluralistic society. They spring from indignation about injustice, from care for the most vulnerable, from passion to stimulate new trends and ideas, and from a sense of responsibility for preserving valuable nature and culture.

However, philanthropy needs a policy and regulatory environment that allows it to unleash its full potential. Institutional philanthropy in Europe, including more than 148,000 donors and foundations with an accumulated annual giving of more than 50 billion euros and total assets and endowments of more than 400 billion euros. Besides funding and investments, these organisations combine an outstanding set of expertise, deep knowledge and excellent stakeholder networks in the areas of their activities that can be leveraged significantly with the appropriate framework conditions.

Recommendations

- > **Recognise philanthropy and engage with it.** Philanthropy and its important role in supporting civil society and European values must be better recognised in EU Treaties and by EU policymakers. The Treaty Freedoms and EU Fundamental Rights shall be clearly applied to donors and foundations to allow institutional philanthropy to unfold its full potential for our democratic society. Politicians should speak up to protect the sector and promote the important role of philanthropy publicly, e.g. by initiating a European Year for Philanthropy. Philanthropy is a key partner and recourse that policymakers should consult and engage with in their policymaking.

> **Facilitate cross-border philanthropy.**

The core of the Single Market for Philanthropy is about acknowledging the free flow of capital within Europe as well as ensuring more meaningful application of the non-discrimination principle to eliminate administrative barriers and facilitate tax-effective cross-border philanthropy. Politicians must stop foreign funding restrictions and should ensure access to banking/financial services and safe and secure channels for cross-border philanthropic flows within as well as outside the EU. National laws and EU level policy should facilitate cross-border philanthropy in line with EU fundamental rights and values, and Treaty Freedoms. The Single Market for Philanthropy should allow mutual recognition of legal personality and enable cross-border mergers and moves of seats for institutional philanthropy within the EU. Politicians should consider developing a supranational legal form for organised philanthropy.

> **Enable and protect philanthropy.**

European philanthropy could be more effective if it enjoyed a better overall operating environment and better protection mechanisms. This includes the view that national laws and EU level policy should facilitate philanthropy and be in line with EU fundamental rights and values, and Treaty Freedoms. In this regard, there should be continued monitoring by the European Commission and FRA to ensure that EU and national legislation impacting our sector are compatible with fundamental rights and European values. The European Commission should continue to launch infringement proceedings where there is a breach of EU law and associated Charter rights. National

and EU level rules on tax evasion, money laundering and counter-terrorism financing rules must be proportionate to the risks they seek to address and must not unduly restrict legitimate charitable activities. We also call on politicians to work towards a fairer VAT deal for charities.

> **Co-grant and co-invest for public good and civil society.**

The EU could leverage the impact of private resources for public value by introducing financial instruments that act as a catalyst for co-granting with philanthropy and stimulate co-investments by de-risking mission-related investments of institutional philanthropy.

Furthermore we call for an EU Justice, Rights and Values Funds to complement and leverage philanthropic engagement in European civil societies under pressure. In the next Multi-Annual Financial Framework, the EU must ensure that resources are available for civil society organisations to develop medium to long-term plans to promote fundamental rights, rule of law and democracy, beyond specific time-bound EU related projects and to sustain watchdog roles and respond to threats.



Working together for a better society

The King Baudouin Foundation's mission is to contribute to a better society.

The Foundation is an actor for change and innovation, serving the public interest and increasing social cohesion in Belgium and Europe. We seek to maximize our impact by strengthening the capacity of organizations and individuals. We also stimulate effective philanthropy by individuals and corporations.

The Foundation's key values are integrity, transparency, pluralism, independence, respect for diversity, and promoting solidarity.

The Foundation's current areas of activity are poverty and social justice, sustainable development, philanthropy, health, civic engagement, developing talents, democracy, European integration, heritage and development cooperation.

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