



Union of European Federalists
Union Europäischer Föderalisten
Union des Fédéralistes Européens

**The XXVI Congress of the Union of European Federalists (UEF)
meeting in Vienna on November 23-25, 2018**

Taking note of the Franco-German proposal for a budget for the eurozone presented at the Eurogroup on Monday November 19th;

Welcomes the agreement reached by the two countries, after many months of blockage and inaction, as it proves the will of both governments to address the shortcomings in the policy and institutional architecture of the Economic and Monetary Union, acknowledges the necessity of a budgetary capacity for the Eurozone and recognises that the policy challenges of macroeconomic stabilisation and convergence are common concerns for the Eurozone;

Nevertheless, having in mind the extent of the challenges still unmatched by the European Union, and by the Economic and Monetary Union in particular, and recalling the will expressed both by President Macron and Chancellor Merkel, also in their recent speeches, to make the eurozone and its economic strength the basis for European sovereignty and influence in the world; and

Further recalling that the eurozone budget can become a real game-changer only if it paves the way to a true European Economic Union, where European institutions have limited but real powers and their own resources to conduct an European economic policy alongside Member states;

Appeals to President Macron and Chancellor Merkel, to further strengthen and detail their proposal for the eurozone budget at least on the following points:

- on the *role* of the budget, which should not duplicate the European Fund for Strategic Investment (EFSI) but should play a role in macroeconomic stabilisation as a first line of defence against asymmetric economic shocks in the Eurozone;
- on the *size* of the budget, which should be of an amount adequate to boost strategic investments of macroeconomic relevance and have an adequate economic impact in times of economic crisis in one or more Member States;
- on the *governance* of the budget, strengthening the executive role of the European Commission and providing the power of co-decision of the European Parliament also on the definition of its revenues;
- to commit to pursue the goal of an effective eurozone budget also in case of some Member States' opposition, being ready to go ahead with the group of consenting Member States.