

C4

# Motion

Y-FED 2024

**Proposer:** The European Government (decided on: 2024-07-06)

**Title:** **Regulation 2024/05 laying down the general framework addressing the macroeconomic and financial situation in Italy and the Federation**

1 THE HOUSE OF EUROPEAN CITIZENS AND THE EUROPEAN SENATE,

2 Remembering the continuum of the European integration project, created on the  
3 premise of economic cooperation between peaceful nations as a step towards de  
4 facto solidarity and federation among European nations,

5 Having regard to the European Youth Convention, and in particular Articles 47 to  
6 52 thereof,

7 Having regard to Organic Regulation 2024/01 defining European citizenship also  
8 called the European Citizenship Charta, Regulation 2024/02 laying down the  
9 Federal Budget and Directive 2024/03 ensuring fair and decent social standards  
10 across the Federation.

11 Acting in accordance with the procedure laid down in Article 20 of the  
12 Convention and Rule 7.1.1.2, 7.1.5.1, 8.1.1 and 9.1.12. of the Rules of  
13 procedure,

14 *Whereas:*

- 15 1. On the 4th of July 2024, the European Parliament adopted the “Social  
16 Contract” packages laying down the rules for the Federal European  
17 Citizenship, Federal Budget as well as the creation of a Public Service.  
18 Such provisions were a response to the financial and identity crisis  
19 looming over the Federation. As such, it gave Europeans a sense of fiscal  
20 responsibility and proudness towards the Federation.
- 21 2. On the 5th of July 2024, the Italian Government announced not to reimburse  
22 the loans contracted through the Next Generation EU package, despite the  
23 warnings of the Federal Government. This led to an inflation spiral that  
24 eventually caused a spike on the stock exchange markets. In turn, the  
25 Italian Government announced it was in liquidity default and could not  
26 fulfill its financial obligations. On the night of the 5th July, it  
27 officially called for International solidarity.
- 28 3. The Federation acknowledges the threat that the bankruptcy of the Italian  
29 Government would pose. The Federation must be provided with the  
30 appropriate measures to preserve financial markets stability and European  
31 social and economic cohesion.
- 32 4. The Convention allows, in its Article 51.2, the Government to generate  
33 debt on exceptional circumstances to face perilous situations.

34 HAVE ADOPTED THE FOLLOWING REGULATION:

## 35 **CHAPTER 1 - GENERAL PROVISIONS**

### 36 **Article 1: Object**

37 The present Regulation lays down immediate action to solve the issues caused by  
38 Italy’s state of bankruptcy, and the protest waves all over the Federation’s  
39 territory.

### 40 **Article 2: Definitions**

41 For the purposes of this Regulation:

- 42 1. Savings - Refers to the amount of money owned by private individuals, and  
43 used by an investment asset by private banks.
- 44 2. Revitalisation - Refers to the policy of ensuring the economic and social  
45 resilience of a territory after suffering major financial damages.
- 46 3. Ledger - A book or other scheme for keeping [accountingrecords.](#)
- 47 4. Lender of Last resort - Refers to an institution, typically a central  
48 bank, that provides emergency liquidity to financial institutions facing  
49 temporary financial difficulties or liquidity shortages and that finds  
50 itself unable to obtain sufficient liquidity in the interbank lending  
51 market.
- 52 5. Economic and Social Blasts - A substancial disrupt of the companies and  
53 the employment rates requiring attention and intervention caused by a  
54 major socio-economic shock.

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## CHAPTER 2 - ON THE DEBT TAKE-OVER

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### **Article 3: Towards a Federated public debt for the Federated States**

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The Federation shall become the sole owner of all existing national public debt of the Federated States. The Federation is authorized to take over the existing national public debts of any Member State(s) facing a crisis, as outlined in articles 6.1 to 6.5 of Regulation 2024/02 pertaining to the Federal Budget, in order to provide reimbursement.

64

### **Article 4: Preventing future crises**

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A transitional period shall commence in the month subsequent to the enactment of this directive. The procedures outlined herein shall be uniformly applied

67 throughout the federation for the entirety of the transitional period to prevent  
68 future defaults:

- 69 • The Federation shall become the sole owner of all existing national public  
70 debt of the Member-States. The Federation is authorized to take over the  
71 existing national public debts of any Member State(s) facing a crisis, as  
72 outlined in articles 6.1 to 6.5 of Regulation 2024/02 pertaining to the  
73 Federal Budget, in order to provide reimbursement;
- 74 • Upon the expiration of each national bond, the Federal Treasury Agency  
75 shall issue a corresponding new bond to settle the national bond, thereby  
76 transferring the associated liability to the Federal ledger;
- 77 • If a Member-States faces an economic and financial crisis, the national  
78 debt of the said State shall be shared at the Federal level. The issuance  
79 of Federal bonds will ensure the mitigation of both the financial burden  
80 of the Member-State in question and the risk ratings of bonds it will have  
81 to reimburse. The latter will be implemented to ensure the economic  
82 stability of the Federation. Any Member-State that refuses to participate  
83 in said obligations and thus disregards the principle of solidarity  
84 (stated in articles 2, 6 and 45 of the European commission) will thereby  
85 be subject to both economic and political sanctions;
- 86 • To retain fiscal stability the Federal Government must remain in  
87 compliance with the Maastricht criteria;
- 88 • Federated States may only request a grant from the Federal Treasury Agency  
89 during the transitional period, provided that their annual budget exhibits  
90 a deficit;
- 91 • The aforementioned procedures shall terminate upon the complete transfer  
92 of all debts owed by Federated States which are facing the crisis to the  
93 Federal ledger.

## 94 **Article 5: Funding**

95 The Federal debt mechanism is funded through 4 financial measures;

- 96 1. All European banks shall be required to purchase bonds issued by the

97 Federal Government utilizing the bank investment funds, thereby providing  
98 reassurance to Italian savers to prevent withdrawals in the short term.

99 2. The Federal debt mechanism is funded through indirect contribution from  
100 European household's savings. The Federal Treasury Agency shall ensure the  
101 repayment of its financial assets by securing them on household's savings  
102 located on saving bank accounts located on the European Federation's  
103 territory. The Federation may raise temporary debt to face the current  
104 crisis as stated in article 6.1 and 6.5 of the Regulation 2024/02 laying  
105 down the Federal Budget. The issuance of debt shall be granted solely to  
106 the Federal Treasury Agency, under the approval by an absolute majority of  
107 the Senate.

108 3. With respect to the principle of budget solidarity, and to reaffirm  
109 support to the Italian citizens, the Federation will forgive the interest  
110 rates of Italian NextGENEU public bonds.

111 4. The European Central Bank will issue Lenders of last resort to Italian  
112 financial institutions to prevent financial panics and bank runs, and  
113 bring liquidity to the Italian Market.

114 In return for the adoption of those measures, Italy must undergo structural  
115 policy reforms with the help of the European Federation.

## 116 **CHAPTER 3 - ON THE REVITALISATION OF DEPRESSED** 117 **AREAS**

### 118 **Article 6 : Federal framework for employment regeneration in** 119 **stricken areas (FFERSA)**

120 The Federated Government shall propose and support a plan to regenerate  
121 employment at the regional level of Member-States struck by economic and social  
122 blasts, with the objective of saving employment, in regards to the European  
123 pillar of social rights.

124 Under the scope of a new social assistance program, financial aid will be  
125 prioritized to the following socially vulnerable groups including single-parent  
126 families, large families with more than 2 children, or families in which one  
127 member is disabled and/or unemployed.

128 It shall additionally help enterprises regenerate in the stricken areas.

## 129 **Article 7 : General provisions for enforcement of the FFERSA**

130 Whenever a local authority equivalent to the established national-level  
131 subdivisions within each Member State as further specified by each national  
132 jurisdiction notifies the services of the Federal government of a major economic  
133 blast reasonably threatening employment and stability of private enterprises in  
134 a specific area, the mentioned regional government shall propose to the local  
135 authority, to the House of European Citizens and to the European Senate a plan  
136 based on the Federal framework for employment and enterprises regeneration in  
137 stricken areas (FFERSA), that will be discussed by the House or European  
138 Citizens and to the European Senate.

## 139 **Article 8 : Financial resources and implementation**

140 The FFERSA shall be funded by extraordinary bonds issued by the Federal  
141 government, according to Article 51-2 of the European Youth Convention. The  
142 total amount of this bond shall be allocated to financing recovery in the  
143 stricken area, via funding local plans (proposed by local-level subdivisions  
144 within a Member State) for safeguarding employment.

145  
146 The total amount of bonds issued by the European Federation must not exceed  
147 three-hundred billion Euros, of which no more than fifty billion euros are  
148 allocated as grants. The amount not distributed as grants will be allocated as  
149 loans, presenting a fixed interest rate of 1.5% for a period of 10 years. This  
150 period can be extended to a maximum of 20 years in case a Member State cannot  
151 comply with the requirements, on national debt and deficit, set by the Stability  
152 and Growth Pact.

153 The bond shall be issued within a time period of less than two months, allocated  
154 to the subdivisions--lead project in the following month, and eventually be  
155 spent in less than 5 months after the economic backlash.

156  
157 The grants will refer to the first phase of the European Federation's crisis  
158 response, following by the attribution of loans.

## 159 **Article 8.bis: Independent committee**

160 For the purposes of the present Regulation, an independant committee shall be  
161 laid down. It shall:

162 1. independently and objectively follow the redistribution of the money from the  
163 federal government to the competent authority pursuing the established plan,  
164 2. work with the competent authorities, these being either the member states,  
165 and regional and local governments taking into consideration competences of each  
166 authority related to the economic or social blast, and the goals of each  
167 specific plans, 3. ensure that the needs of small and big private enterprises  
168 are taken into account by catering to the specific needs related to their legal  
169 and economic capacities,  
170 3. consider the particularities of each member state when facing the crisis that  
171 results in the activation of the specific plan.

## 172 **CHAPTER 4 - ON THE RIGHT TO PROTEST IN THE** 173 **FEDERATION**

### 174 **Article 9: Right to Peaceful Protest**

175 Every citizen shall have the right to peaceful assembly and protest, provided  
176 that such protest does not infringe upon the rights and freedoms of others or  
177 compromise Federal, national and regional security.

178 The local authorities have the competence and right to intervene, if necessary  
179 in concertation with the Federal Government, in order to take appropriate and  
180 proportionate measures to ensure the rights and freedoms of others as well as  
181 federal, national and regional security.

182 The Federal Government reserves the right to intervene if local authorities are  
183 unable to reestablish order. Any kind of brutality from the local government  
184 will not be accepted.

185 If the use of force is needed, this must comply with the rights granted by the  
186 European Youth Convention.

187  
188 The right to freedom of speech and expression shall not be infringed upon by  
189 Federal or National or Regional authorities unless fundamental rights of others  
190 are seriously violated as determined by the present authorities and subsequently  
191 judged by the courts

### 192 **Article 10: Responsibility and Accountability**

193 While the right to protest is recognized, it is incumbent upon the protesters to  
194 ensure their actions remain within the bounds of law and order. Any act of

195 violence, vandalism, or public disorder shall not be tolerated and will be  
196 subject to legal penalties and intervention of local security authorities.

197 Organizers may be held accountable for harm or damage caused by protesters; if  
198 the former acted with negligence and the perpetrators can not be found. If any  
199 person is carrying an harmful weapon or dangerous tool during the protest, this  
200 will lead to an increase of the penalty envisaged by the national laws of the  
201 Member State.

## 202 **Article 11: Notification for Large Gatherings**

203 I. For protests involving above 100 participants or more, the organizers must  
204 inform local athorities at least 5 minutes in advance. This is to ensure public  
205 safety and order, and not to restrict the right to protest. The process for  
206 obtaining such a permit should be transparent, non discriminatory, and  
207 expedient, reaffirming Art. 11 ECHR. Local authorities may ban them when there  
208 are well founded grounds to expect a breach of public order, involving danger to  
209 persons or property.

210 II. Notice must be given or directed to local athorities as a mean of  
211 information.

212 III. This is to ensure public safety and order, and not to restrict the right to  
213 protest. Local and federal authorities thus reserve the right to prevent protest  
214 if there is a grounded reason to expect violence , extremism or other violation  
215 of the european Charta.

216 Spontaneous manifestations are allowed if they are pacifc demonstrations without  
217 any risk or act of violence, and if they do not undermine the stability of the  
218 Federation. Legal procedures can be initiated by the State if these rules are  
219 not respected.

## 220 **Article 11 bis: Role of the Judiciary**

221 It is the right of every individual to request the support of the judiciary if  
222 they believe with due cause that their rights have been or are being infringed  
223 upon by local or federal authorities.

## 224 **CHAPTER 5 - IMPLEMENTATION**

225 **Article 12: Entry into force and application**

226 1. The present Regulation shall enter into force immediately following its  
227 publication in the Official Journal of the European Federation.

228 2. The Government shall be allowed to adopt any decree or implementing act  
229 related to the implementation of the technical aspects of the present  
230 Regulation.

231 3. It shall apply immediatly after adoption.

232 The present Regulation shall be binding in its entirety and directly applicable  
233 to the European Government and in all Member States.

234 For the European Parliament

235 The President

236 For the European Senate

237 The President

C1

# Motion

Y-FED 2024

**Proposer:** The European Government (decided on: 2024-07-04)

**Title:** **Government's proposal for Organic Regulation 2024/01 defining European citizenship, also called "The European Citizenship Charta"**

**2024-07-18, 13:04**

The European Government's proposal for

**ORGANIC REGULATION 2024/01/EF OF THE HOUSE OF EUROPEAN CITIZEN AND OF THE SENATE**

of 4th July 2024

Defining European Citizenship

Also called

**“THE EUROPEAN CITIZENSHIP CHARTER”**

1 THE HOUSE OF EUROPEAN CITIZENS AND THE EUROPEAN SENATE,

2 *Remembering* the continuum of the European integration project, created on the  
3 premise of peace and cooperation in all of Europe, by building a common European  
4 identity and institutional frame to stop all future wars on the European soil,

5 *Having regard to* European Convention on Human Rights, and in particular its  
6 articles 1 to 18, the First Protocol to the Convention for the Protection of  
7 Human Rights and Fundamental Freedoms, as well as Protocols 4, 7 and 12 of said  
8 Convention,

9 *Having regard to* the Charter of Fundamental Rights of the former European Union;  
10 now European Federation,

11 *Having regard to* the European Youth Convention, and in particular Articles 8  
12 through 11 thereof,

13 *Having regard to* the innovation brought by the former European Union, especially  
14 in Article 2 of the Treaty on the European Union and Directive 2004/38/EC on the  
15 right of citizens of the Union and their family members to move and reside  
16 freely within the territory of the Member States,

17 *Having regard to* the proposal from the European Government,

18 Acting in accordance with the procedure laid down in Article 20 of the  
19 Convention and Rules 6 and 9.1.1.2. of the Rules of procedure,

20 **Whereas:**

- 21 1. The Government takes into account the creation of a united European  
22 Federation, considering all citizens as equal, and built on the principles  
23 of democracy, Rule of Law, solidarity and fraternity between Europeans. It  
24 reaffirms the previous work done by the European Union and States through  
25 the Maastricht treaty which created the former European Union and cemented  
26 the first step towards full integration in Europe, as well as the rights  
27 entailed in both article 18 (former 12) of the Treaty on the Functioning  
28 of the European Union, chapter V of the Charter of Fundamental Rights, and  
29 Directive 2004/38 of Citizen's Rights. The European Federation acts as a  
30 descendant body of the former European Union, adopting all the previous  
31 legal acts and treaties from the Union into the Federation, unless  
32 contradicted by future legislation.
  
- 33 2. The aim of this Charter is to build a solid and integral European  
34 Citizenship concept, further developing all the previous work made by the  
35 EU Institutions. Furthermore, all previous citizenships will be considered  
36 to have merged into a unique European Citizenship, becoming an integral  
37 part of it. While States will preserve partial managing competence,

38 citizenship will be solely regarded as “European”, and be considered as  
39 one unified legal concept. Thus, Member-States will manage the new  
40 citizenship along with the Federal entities.

41 3. This measure is in line with all the previous work made by the European  
42 Union into solidifying its citizens equal rights and duties inside a legal  
43 concept which enables the European Union, now Federation, to develop and  
44 protect them. This work can be seen in the Treaty of the European Union  
45 (also known as Maastricht Treaty), the attempt of the Constitutional  
46 Convention to pass a European Constitution, the Treaty on Functioning of  
47 the European Union and the Treaty of Lisbon, all of which contributed into  
48 the creation of the Union citizenship, which serves as the base of the new  
49 European Citizenship.

50 HAVE ADOPTED THE FOLLOWING CHARTA:

## 51 **CHAPTER 1: *GENERAL PROVISIONS***

### 52 **Article 1: Object**

53 1. The present Charta creates a real and unified European Citizenship, which  
54 shall function, be granted and revoked, and entitle its holders to rights  
55 and duties as this text, the European Youth Convention, and any other  
56 disposition establish.

57 2. Furthermore, any physical person entitled to European Citizenship shall be  
58 universally regarded as a European citizen.

### 59 **Article 2: European Citizen**

60 A European Citizen- Refers to any individual who is in possession of European  
61 citizenship according to the present Charta.

### 62 **Article 3: Citizenship, Identity Documents, other official** 63 **documents and EU passport**

- 64 1. Any holder of a EU-member national citizenship has the inalienable right  
65 and is entitled to a European citizenship, which will include the rights  
66 and duties entailed in European federal law, as well as the additional  
67 rights and duties in their national law, if the State chooses to.
- 68 2. All former citizens of a European Union Member-State or Member-State shall  
69 have the same legal status as having had a European citizenship from  
70 birth.
- 71 3. European States keep the duty of issuing documents, such as identification  
72 cards (ID), driver's licence, and other internal documents which are only  
73 valid within the European Union. These documents shall reflect the State  
74 of origin and its belonging to the European Federation.
- 75 4. The federal Government shall be the only institution with the ability to  
76 establish bilateral agreements with other countries.

77 **CHAPTER 2: RIGHTS AND DUTIES ATTACHED TO**  
78 **EUROPEAN CITIZENSHIP**

79 **Article 4: Rights**

80 All European citizens will be granted a series of fundamental and public rights,  
81 recorded in the European Youth Convention, the European Youth Convention, the  
82 present Charta and any other Laws approved or international agreements ratified  
83 by the European Government or Chambers.

- 84 1. All European citizens have the right to speak their own language or any  
85 language recognized in the European Union, in accordance with article 2 of  
86 the European Youth Convention.
- 87 1. Europeans have the right to participate in any public activity, for  
88 example, elections or administrative procedures, and receive  
89 information in their official language, national or regional.
- 90 2. If it is not possible for an European to use their own language due  
91 to physical barriers, such as limited resources in local

92 administration, Europeans have the right to use English.

93 2. Europeans have the right to participate in the political activities of the  
94 Federation, the State, the region, and the county or municipality, either  
95 by voting or being elected in the political elections at any level.

96 1. All Europeans shall be allowed to vote in elections of all levels in  
97 their place of residency, whether or not they are originally from  
98 the State, region or county / municipality.

99 2. Public institutions must ensure that every European citizen is able  
100 to participate freely in the democratic process, as a pivotal  
101 principle of the Union.

102 3. Foreigners living in the European Union may vote in local elections  
103 in accordance with the Foreigners and Migrants Law (proposal for a  
104 future draft), if and only if the following conditions are  
105 fulfilled:

106 The individual has legally resided for at least 9 months in the  
107 district where they would vote;

108 They are currently employed or studying;

109 The individual expresses an appropriate proficiency level of the  
110 national language where they're residing and lastly;

111 The individual has never committed a violent crime or a non-violent  
112 offense.

113 3. Europeans can always call on European jurisdiction if their rights granted  
114 by the European Youth Convention and federal laws are jeopardised.

## 115 **Article 5: Duties**

116 1. Every European Citizen has the duty to defend European values which are:

117 2. The values which have led to the formulation of the European Youth  
118 Convention and are embedded in the same, and;

119 3. The product of the values and culture of all European-States of the

120 European Federation.

121 4. Every European Citizen thus has the duty of acknowledging the deep and  
122 rich difference in the values and culture of its Member-States and to  
123 defend their equal importance.

124 5. Every citizen of the European Federation between the age of 18 and 25  
125 years will be required to complete at least 9 months of military or civil  
126 service in the name of the European Federation. The civil service is to be  
127 served within the European Federation, excluding the member state of birth  
128 of the citizen for at least 4 months

129 6. The breaching of the duties articulated above shall not result in  
130 imprisonment, fines, or any other form of criminal prosecution.

## 131 **CHAPTER 3: SOURCES OF EUROPEAN CITIZENSHIP**

### 132 **Article 6: Granting of citizenship**

133 The European citizenship is granted through:

134 1. The unification of the European citizenship and the citizenship of its  
135 Member-States (Art. 6a)

136 2. Birth (Art. 6b)

137 3. Claim (Art. 6c)

138 4. Request (Art. 6d)

139 European citizenship shall also be granted to a person living in one Member-  
140 State of the European Federation for at least five years and who is showing  
141 honest dedication to support, emphasise and protect the Federation and if they  
142 have not yet requested to be granted with European citizenship.

### 143 **Article 6a**

144 Any person who is a citizen of at least one of the Member-States of the  
145 Federation shall be granted with the European Citizenship through the legal  
146 implementation of this Charta as if they were holding the European citizenship  
147 from birth.

#### 148 **Article 6b**

149 European Citizenship is granted to a child through birth, if one of its parents  
150 is already in possession of the European citizenship.

151 A child whose parents are not in possession of European citizenship is granted  
152 European citizenship through birth, if it is born in one of the States of the  
153 European Federation and at least one parent is living in one of the States of  
154 the European Federation for at least five years after birth or, if it would be  
155 stateless otherwise.

#### 156 **Article 6c**

157 A person may claim European citizenship if it is at least 16 years old and if  
158 they are the child of a European parent which has not gained the European  
159 citizenship through birth.

160 The successful claim of European Citizenship shall be documented with an  
161 official certificate, , which will be immediately available in a digital form.  
162 People preferring using their former material one can still employ it.

#### 163 **Article 6d**

164 A person may request European citizenship if it has neither gained it through  
165 birth, nor has any claim to it, if they are at least 16 years old and can speak  
166 the language of one of the Member-States or English and if :

167 1. They are working in a Member-State in a secure job with the ability to  
168 supply themselves and their family since at least five years, or if they  
169 have a residency permit and are employed and working in a secure job for  
170 at least 3 years.

171 2. They are being hunted or repressed in another country for emphasising on  
172 the values of the Federation.

173 3. They are married with a European citizen, following a 5 year full

174 residence permit, regardless of employment status.

175 4. They were born in the European Federation to a parent who has not lived at  
176 least four years in one of its Member-States by the time of its birth and  
177 if they have lived in the European Union ever since they were born, or, if  
178 they have completed at least four years of educational or professional  
179 program within one ore more of the Member States, and during this period  
180 they are capable to contribute to the Federation benefit. This can be  
181 proved with any kind of property status (for example a house) or with  
182 investment in the sectors of the Federation, such as stocks and assets.

183 5. European citizenship shall also be granted to a person living in one  
184 Member-State of the European Federation for at least four years and who is  
185 showing honest dedication to support, emphasise and protect the Federation  
186 and if they have not yet requested to be granted with European citizenship  
187 the applicant should also have a language level equivalent to B2 of the  
188 Common European Framework of Reference for language, prove the familiarity  
189 with the legal system of the Federation by passing a naturalization test  
190 and shall have a clean criminal record.

191 The request shall be denied, if the individual has committed a crime covered by  
192 the four Geneva Conventions, or if the individual has committed a crime that  
193 carries a minimum sentence of 1 year in accordance with the EFL, within the last  
194 5 years, or has committed a crime that carries a sentence of more than 12 years.  
195 III. The responsible authority can refuse the granting of citizenship in  
196 individual cases, only if a criminal record states that this individual has  
197 committed a crime violating the physical integrity of others.

## 198 **Article 7: Deprivation of citizenship**

199 1. Any adult European citizen with full legal capacity is entitled to reject  
200 European Citizenship at any time, as long as they do it freely and  
201 voluntarily.

202 2. Proof of treason will be grounds for the withdrawal of citizenship of any  
203 person, including:

204 1. Enlisting in a foreign military or serving as a mercenary in private

205 military companies not allied with the European Federation is  
206 prohibited for foreign secret services;European Federation citizens.  
207 Violation of this law is considered an act of hostility against the  
208 European Federation.

209 2. Revealing classified information that compromises the national  
210 security.

211 3. Citizenship will be withdrawn if the beneficiary was proven to give out  
212 incorrect or false information in the claiming or request process of the  
213 European Citizenship

## 214 **Article 8: Dual citizenship**

215 Regarding European citizens holding an additional citizenship of another  
216 country:

217 1. If a European citizen by birth obtains their citizenship in any other  
218 country, the European Federation will keep recognizing the European  
219 citizenship of the subject, presuming they still continue having interest  
220 in preserving the citizenship, unless proven otherwise.

221 2. If a foreigner living in the European Union obtains the European  
222 citizenship, the former will no longer be recognized by the European  
223 Union, unless an international mutual agreement has been reached with the  
224 other country, with reciprocal effects on recognition of a dual  
225 citizenship.

## 226 **CHAPTER 4: IMPLEMENTATION**

### 227 **Article 9: Transition period**

228 1. The Transition Period in which Member-States have to exchange national  
229 passports with passports representing European Citizenship will be two  
230 years.

231 2. This also applies to new Member-States joining the European Union in the  
232 transition period from the beginning of their official accession.

233 3. Children of parents of which at least one is in possession of the  
234 citizenship of a Member-State of the Federation, and who were born in the  
235 time of the transition period, shall be granted European Citizenship  
236 according to Article 6b I. first half sentence.

### 237 **Article 10: Entry into force and application**

238 1. The Present Regulation shall enter into force immediately following its  
239 publication in the Official Journal of the European Federation.

240 2. It shall apply immediately after its publication.

241 The present Regulation shall be binding in its entirety and directly applicable  
242 to the European Government and in all Member States.

243 For the House of European Citizens

244 The President

245 For the European Senate

246 The President

### **Reason**

The Government's goal is to follow suit with the integration of its peoples. By granting a common citizenship to all its citizens, it is easier to achieve equality in rights and duties between all, as well as to make all Europeans direct subjects of Federal law.

Other objectives met with this new Charter include:

- Creation of a common European identity across all the European Federation,

- Promotion of the european values of democracy, equality, rule of law and solidarity,
- Create a common foreign policy, specially regarding the issuing of passports and travel / visa policy with other countries,
- Creating a citizenship granting system.

C2

# Motion

Y-FED 2024

**Proposer:** The European Government (decided on: 2024-07-04)

**Title:** **Government's proposal for Regulation 2024/02  
laying down the Federal Budget**

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**2024-07-18, 13:04**

The European Government's proposal for

**REGULATION 2024/02/EF OF THE HOUSE OF EUROPEAN CITIZEN AND OF THE SENATE**

of 4th July 2024

**laying down the Federal Budget**

1 THE HOUSE OF EUROPEAN CITIZENS AND THE EUROPEAN SENATE,

2 *Remembering* the continuum of the European integration project, created on the  
3 premise of economic cooperation between peaceful nations as a step towards de  
4 facto solidarity and federation among European nations,

5 *Having regard to* the European Youth Convention, and in particular Articles 47 to  
6 52 thereof,

7 *Having regard to* the OECD/G20 Base Erosion and Profit Shifting Project group's  
8 [Statement on a Two-Pillar Solution to Address the Tax Challenges Arising from](#)

9 [the Digitalisation of the Economy](#), by which Member-States of the former European  
10 Union agreed upon the implementation of a minimum Tax base for mutli-national  
11 corporations,

12 *Having regard to* the proposal from the European Government,

13 Acting in accordance with the procedure laid down in Article 20 of the  
14 Convention and Rule 6.1 of the Rules of procedure,

15 **Whereas:**

- 16 1. The European Federation is built on the assumption that economic  
17 cooperation leads to interdependencies and ultimately to de facto  
18 solidarity among nations. It acts as a descendant body of the former  
19 European Union, adopting all the previous legal acts and treaties from the  
20 Union, unless contradicted by future legislation.
  
- 21 2. In order to guarantee macroeconomic and financial stability and solidarity  
22 among Member-States, the Federation must pursue and further develop the  
23 mechanisms adopted through the Next Generation EU recovery package, the  
24 first step towards a genuine Federal Budget, autonomous from national  
25 contributions.
  
- 26 3. In order to fulfill the Federation's commitment to achieving climate  
27 neutrality by 2050, it is essential to allocate the proper resources and  
28 support mechanisms. To that end, the resources mentioned in Article X of  
29 the present Regulation shall be specifically allocated to meet the  
30 environmental requirements of the Federation.
  
- 31 4. In order to meet those two challenges, the European Federation needs to be  
32 fitted with the proper fiscal resources. As a the predecessor of the  
33 former European Union, it inherits the contributions from Member-States,  
34 the collection of part of the Value Added Tax (VAT) as well as customs.  
35 Those resources constitute a necessary base, but do not support as it  
36 stands all of these objectives. New resources need to be added to the  
37 Federal budget.
  
- 38 5. Member-States of the former European Union committed to implement the OECD

39 agreement on a corporate tax harmonization, setting a minimum tax rate of  
40 15% of a company's profit. This must constitute a permanent new resource  
41 for the Federal budget, along with the creation of an Internal Carbon Tax.

- 42 6. In order to macro-economic stability, it is absolutely imperative to  
43 maintain a sound level of public finances. For that purpose, the  
44 Federation must maintain the rule of keeping the annual deficit below 3%  
45 of GDP and the level of debt below 60% of GDP. Even if this rule is not  
46 explicitly mentioned, an extensive interpretation of Article 52 of the  
47 European Youth Convention must be made in this sense. To achieve this, the  
48 Federation must absorb national debts so that they can be repaid in the  
49 long term.

50 HAVE ADOPTED THE FOLLOWING REGULATION:

## 51 **CHAPTER 1 : GENERAL PROVISIONS**

### 52 **Article 1: Object**

53 The present Regulation lays down the Budget through which the Federation can  
54 collect and make use of financial resources to meet its financial commitments.

### 55 **Article 2: Definitions**

56 For the purposes of this Regulation:

- 57 1. Budget - Refers to the set of elements by virtue of which the Federation  
58 anticipate its revenues and financial commitments for the following year;
- 59 2. Deficit - Refers to the situation in which a Government's expenditures are  
60 higher than its receipts on a yearly basis. The difference between  
61 expenditures and receipts is corrected by contracting debts.
- 62 3. Debt - Refers to the total of the Federation's financial commitments. It  
63 results from the cumulative financing needs of the Federation over time.

64 4. Tax - Refers to a compulsory, unrequited payment to public authorities.

65 5. Corporations - Operate inside the member-states, defined as entities  
66 engaging in any type of economic activity within the territory of the  
67 member-states, including but not limited to manufacturing, sales, service  
68 provision, or any form of commercial operations, shall comply with all  
69 relevant regulations and laws of the European Federation. This definition  
70 excludes entities whose sole interaction with the member-states consists  
71 of importing goods or services from the European Federation without  
72 engaging in any other economic activity within its territory, but they  
73 might be subject to different tariffs

## 74 **CHAPTER 2: ON THE FINANCIAL RESOURCES OF THE** 75 **FEDERATION**

### 76 **Article 3: Minimum Corporate Tax**

77 To ensure a fair and equitable economic environment and to prevent the erosion  
78 of the Federal tax base, the Federal European Government hereby establishes a  
79 Minimum Corporate Tax Rate.

80 The Minimum Corporate Tax Rate shall be applicable to all corporate entities  
81 operating within the Member-States of the Federation.

#### 82 **Article 3a.**

83 1. The Minimum Corporate Tax Rate shall be set by an evaluation by the  
84 Ministry of Finance. The evaluation will take into account the Balance  
85 Sheet Total (BST) of each corporation. The Minimum Corporate Tax Rate  
86 shall be set:

- 87 ◦ For companies with a  $BST \leq 10.000.000$  will be taxed at a rate of 5%.
- 88 ◦ For companies with a  $BST \geq 42.000.000$  will be taxed at a rate of  
89 15%.
- 90 ◦ For companies that hang in the middle range will be taxed  
91 progressively at the rate set by the tax determination law.

92 2. This rate shall apply to the profits of corporate entities as defined by  
93 the Federal Tax Code.

94 3. Corporate entities that demonstrate significant contributions to  
95 environmental sustainability, such as reducing carbon emissions by at  
96 least 20% or transitioning to renewable energy sources for at least 50% of  
97 their operations, shall receive additional tax incentives. These  
98 incentives may include a further reduction in the corporate tax rate by up  
99 to 2%.

#### 100 **Article 3b.**

- 101 1. Member-States shall implement the Minimum Corporate Tax Rate through their  
102 respective national legislation.
- 103 2. Member-States shall ensure that their national tax laws are in compliance  
104 with the Minimum Corporate Tax Rate provisions of this Article.

#### 105 **Article 4: Carbon Domestic Adjustment Mechanism**

- 106 1. In an effort to combat climate change and incentivize the reduction of  
107 greenhouse gas emissions, the Federal European Government hereby  
108 establishes a Carbon Domestic Adjustment Mechanism applicable to all  
109 member states of the Federation, consisting of a hybrid system based on  
110 both the 'cap and trade' structure (ie. permits) and a taxation regime.
- 111 2. For the purpose of the present Regulation this mechanism shall:
- 112 ◦ Comprise a tax rate (Art. 4a);
  - Be allocated to environmental programs (Art. 4b);
  - 113 ◦ Include punitive measures against faulty administrations (Art. 4c).
- 114 3. The Carbon Domestic Adjustment Mechanism shall be levied on the carbon  
115 dioxide equivalent emissions of fossil fuels, including but not limited to  
116 coal, natural gas, and oil, at the point of production or importation into  
117 the Federation.  
118

#### 119 **Article 4a.**

120 The system shall be structurally based on the 'cap and trade' principle (ie.  
121 permits), and will incorporate a 10% tax which shall be applied to the market

122 price of carbon credits. The latter tax is to be borne on the firm purchasing  
123 carbon credits.  
124 Global emission targets (and thus permits issued), will be decreased at a rate  
125 of 5% per year.

126 **Article 4b.**

127 Revenues generated from the European Union emission Trading system (ETS) shall  
128 be allocated to the Federal Budget and used for the following purposes:

- 129 1. Investment in renewable energy and energy efficiency projects.
- 130 2. Support for innovation in low-carbon technologies as determined by the  
131 independent commission.
- 132 3. Assistance to industries and communities transitioning away from fossil  
133 fuels with the decision of the independent commission.
- 134 4. Mitigation of the impact on low-income households through rebates or tax  
135 credits.

136 **Article 4c.**

- 137 1. Entities subject to the Carbon Domestic Adjustment Mechanism must report  
138 their emissions annually to the designated national Authority.
- 139 2. Failure to comply with reporting requirements or payment of the Carbon  
140 Domestic Adjustment Mechanism shall result in penalties, including fines  
141 and legal action.

142 **Article 4d.**

143 The national authority that will decide the allocation of the revenues of the  
144 ETS will be an independent commission:

- 145       • This commission will be composed by an equal number of experts, the  
146       Minister of finance and the ministers of environments from each member-  
147       state.
- 148       • Each member states will propose a list of experts, and the European House  
149       of citizens will decide witch ones will be a part of the commission.
- 150       • This commission can propose an exception to the ETS that must be approved  
151       by the parliament.

## 152   **Article 5: Uniform VAT Rate**

153   In the interest of economic harmonization and fairness, the Federal European  
154   Government hereby establishes a Uniform Value Added Tax (VAT) Rate.

155   The Uniform VAT Rate shall be applicable to all goods and services sold within  
156   the member states of the Federation.

157   The Uniform VAT Rate shall be set at:

- 158       • 2% for essential goods and services, this VAT rate shall not be raised any  
159       higher by Member States;
- 160       • 5% of the common goods and services;
- 161       • 10% for luxury goods and services.

162   Each commodity's value added shall go to the European Federation budget, while  
163   Member States retain the ability to fix at their discretion a higher national  
164   VAT rate.

165   This rate shall apply to the final consumption of goods and services, excluding  
166   those exempted by the Federal Tax Code.

## 167   **CHAPTER 3: ON THE FINANCIAL INSTRUMENTS OF THE** 168   **FEDERATION**

### 169   **Article 6: Issuance of debt**

170 In accordance with Article 52 of the European Youth Convention, the Federation  
171 may raise temporary debt to face situations that put the Federal Treasury at a  
172 risk of structural imbalance.

173 Those situations include and are limited to:

174 1. economic and financial crisis, putting the Federal budget at risk;

175 2. pandemics;

176 3. natural disasters occurring within the Federation;

177 4. events that pose a direct threat to national or Federal  
178 security;

179 5. economic and financial crisis, putting the welfare of the citizens of the  
180 Federation at risk.

181 6. energy crises.

182 The issuance of debt shall be granted solely to the Federal Treasury Agency,  
183 under the approval by an absolute majority of the Senate.

184 When a risk of imbalance occurs, the Federal Treasury Agency may issue debt with  
185 a maturity exceeding no longer than 40 years.

## 186 **Article 7: National contribution to the budget**

187 Member-States shall contribute to the Federal budget by paying at least 2% of  
188 their gross national income through the taxes they collect in the name of the  
189 Federation, including but not limited to the Minimum Corporate Tax, the Domestic  
190 Carbon Adjustment Mechanism, Customs and VAT.

191 Member-States remain the sole accountables for collecting taxes.

192 Member-States may apply a national Corporate Tax Rate higher than 15%, but are  
193 entitled to pay for the amount which is due to the Federation.

194 Member-States may apply a Value Added Tax rate higher than 20%, but are entitled  
195 to pay for the amount which is due to the Federation.

196 Member-States shall be able to generate debt but must meet the Maastricht  
197 criteria by 2040 (60% of debt to GDP ratio and 3% of deficit).

198 If the resources levied to meet the Federation fiscal commitments do not meet  
199 the financial objectives of the Federation, the Government may, following the  
200 extraordinary legislative procedure, present measures to increase the  
201 aforementioned taxes or create new resources destined to the Federal Budget.  
202

203 Ensuring Transparency and Accountability in Tax Payments, Member States shall  
204 ensure full transparency and accountability in the payment of all taxes and  
205 levies, including those owed to international organizations and funds.

206 Each Member State shall establish a publicly accessible registry detailing all  
207 tax payments made to international bodies, including the specific amounts,  
208 dates, and purposes of such payments. This registry shall be updated quarterly  
209 and made available online in an open data format.

210 Failure by a Member State to comply with transparency and accountability  
211 requirements for tax payments shall result in the following penalties:

212 1. The Member State shall be brought before the Court of Justice of the  
213 European Federation. The Court may impose periodic penalty payments or  
214 lump sum fines until compliance is achieved.

215 2. If the Member State still fails to comply after Court penalties, the  
216 Commission may seek further enforcement measures under Articles 258-260  
217 TFUE.

218 Whistleblowers and civil society organizations that report suspected tax payment  
219 irregularities shall be protected from retaliation and their claims thoroughly  
220 investigated. A reward system shall be established to incentivize the reporting  
221 of fraud and corruption.

222 The European Federation shall establish a centralized monitoring system to track  
223 tax payments across all Member States.

224 **CHAPTER 4: ON THE FINANCIAL GOVERNANCE OF THE**  
225 **FEDERATION**

226 **Article 8 : The Federal Treasury Agency**

227 A Federal Treasury Agency shall be created and placed under the responsibility  
228 of the Ministry of Finances and Budget. It is:

- 229 1. Responsible for meeting the Federal Government's liquidity commitments so  
230 that it can honor all of its financial commitments at all times and under  
231 all circumstances.
- 232 2. Tasked with managing and reimbursing on time the debt accumulated by the  
233 Federal Government and Member-States

234 Under no circumstances is the Federal Treasury Agency allowed to generate debts  
235 on its own initiative and profits from the bonds already issued.

236 **Article 9: Budget planning**

237 In order to pursue its objectives and financial commitments, the Federation  
238 shall adopt, under the ordinary legislative procedure, an annual budget.

239 The additional resources laid down by the present Regulation shall be allocated  
240 in priority to the reimbursement of:

- 241 1. The borrowing of financial capital through the former EU Next Generation  
242 EU recovery package.
- 243 2. The potential deficit generated by the Federal Pension Regime mentioned in  
244 Directive 2024/XX laying down fair and decent social standards across the  
245 Federation.

246 **Article 10: Budgetary monitoring**

247 The European Parliament shall monitor the appropriate implementation of the  
248 budget. The European Parliament is entitled to sanction a Member State, or the  
249 Federal Government, via a procedure for a lack of contribution to the Federal  
250 budget if they do not meet their financial commitments.

## 251 **CHAPTER 5: *IMPLEMENTATION***

### 252 **Article 11: Entry into force and application**

253 1. The present Regulation shall enter into force immediately following its  
254 publication in the Official Journal of the European Federation.

255 2. The Government shall be allowed to adopt any decree or implementing act  
256 related to the implementation of the technical aspects of the present  
257 Regulation.

258 3. It shall apply from [Day][Month][Year]

259 The present Regulation shall be binding in its entirety and directly applicable  
260 to the European Government and in all Member States.

261 For the European Parliament

262 The President

263 For the European Senate

264 The President

### **Reason**

In 2020, the former European Union adopted the Next Generation EU recovery package. Member-States of the EU allowed for the first time the former EU to borrow credits on financial markets and therefore to generate debt. The package consisted of an allocation made of a subsidy portion and loan portion. Member-States set the reimbursement deadline to 2028, giving 8 years for the former EU to find the proper resources to reimburse its debt.

On May 9th 2023, Member-States ratified the European Youth Convention, leading to the emergence of the European federation as we know it, on the assumption that it would allow the achievement of European economic integration and solidarity.

However, the recent unfolding of events have shown quite the contrary. The level of national debts have skyrocketed over the last years. More importantly, the Federation currently does not have the proper resources to face its new competences but also to reimburse the debt generated by the former European Union through the Next Generation EU package.

The stated objective of this proposal is therefore to give the Federation the necessary revenues to efficiently carry out its new competencies and reimburse its debt.

C3

# Motion

Y-FED 2024

**Proposer:** The European Government (decided on: 2024-07-04)

**Title:** **Gouvernement's proposal for Directive 2024/03  
ensuring fair and decent social standards  
across the Federation**

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**2024-07-18, 13:04**

The European Government's proposal for

**DIRECTIVE 2024/03/EF OF THE HOUSE OF EUROPEAN CITIZEN AND OF THE SENATE**

of 4th July 2024

**ensuring fair and decent social standards in the Federation**

1 THE HOUSE OF EUROPEAN CITIZENS AND THE EUROPEAN SENATE,

2 *Remembering* the continuum of the European integration project, created on the  
3 premise of peace and cooperation in all of Europe, while promoting an ever  
4 closer Union between its States and people,

5 *Guided by* the European social pillar, set up by the former European Union with  
6 the intention to build a social project for the common good,

7 *Further developing* Title 9, particularly article 53, of the European Youth  
8 Convention, which serves as a founding title to the European Federation and  
9 calls for the harmonization of the social standards in the European Federation,

10 *Recognizing* the former European Union's need to harmonize the labor market of  
11 the European Federation with the principles of flexicurity, ensuring a balance  
12 between flexible labor arrangements and social security, this Directive  
13 establishes a comprehensive framework for employment conditions, professional  
14 life cycle support, and the implementation of labor policies.

15 *Wishing* to create a social policy that ensures equality, who builds common  
16 values across the Federation and develops a federal policy to implement an  
17 integrated approach in solving issues related to the inequalities in access to  
18 the labor market, education and performance.

19 Acting in accordance with the procedure laid down in Article 20 of the  
20 Convention and Rule 6.1 of the Rules of procedure,

21 Whereas,

- 22 1. The European Youth Convention takes into account the creation of a united  
23 European Federation, who shares common values on equality of chances,  
24 respect for human dignity, including the rights of the minorities, and  
25 diversity ;
- 26 2. Fair working conditions for everyone is a fundamental value for the  
27 European Federation, reflecting our commitment to social justice,  
28 equality, and the well-being of all workers across Member states ;
- 29 3. The present Regulation reaffirms the need to establish social protection  
30 and inclusion at a Federal level, strengthening the spirit of integrity  
31 and ensuring respect-based interactions and support systems for all  
32 individuals, regardless of their background.

33 HAVE ADOPTED THE FOLLOWING DIRECTIVE:

## 34 **CHAPTER 1: GENERAL PROVISIONS**

35 **Article 1 : Object**

36 The present Directive is based on three pillars, each of which following a  
37 different objective:

- 38 1. Ensuring decent working conditions all across the Federation by giving  
39 rights and duties to workers and employers;
- 40 2. Successfully accompanying European workers' entire professional life  
41 cycle, i.e.
- 42 1. Integration in the job market;
- 43 2. Unemployment and professional reintegration;
- 44 3. Retirement.
- 45 3. Helping Member-States implement the present Directive by providing the  
46 necessary resources, indicators and expertise.

47 **Article 2: Definition**

48 For the purposes of this Directive, the following definitions apply:

- 49 1. *Federal minimum wage* - Refers to the lowest wage an employer can pay an  
50 hourly worker.
- 51 2. *Education programs* - Refers to the learning process based on changing  
52 needs to acquire knowledge, skills and experience to raise or change  
53 persons qualifications in line with their interests, needs and labor  
54 market requirements.
- 55 3. *Flexicurity* - Refers to an integrated strategy for enhancing, at the same  
56 time, flexibility and security in the labor market. It attempts to  
57 reconcile employers' need for a flexible workforce with workers' need for  
58 security.

59 **CHAPTER 2: *MINIMUM SOCIAL STANDARDS***

60 **Article 3 : Rights and duties of workers**

61 European workers shall enjoy fair and decent working conditions without  
62 consideration of the place and country they are working in.

63 For that purpose, European workers shall:

- 64 1. Benefit from minimum protection (Art. 3a);
- 65 2. Benefit from additional protection (Art. 3b);
- 66 3. Comply with minimum duties on the workplace (Art. 3c).

67 **Article 3a.**

68 European workers shall :

- 69 1. Work no longer then 37.5 hours a week and from 2029 and no longer than 35  
70 hours a week from 2034 Exceeding the hourly rate gives entitlement to  
71 compensation in the form of money or time off work
- 72 2. Benefit minimum wage that shall be explicit in further legislation;
- 73 3. Benefit from parental leave, corresponding to:
  - 74 1. A period corresponding six weeks to the beginning of the pregnancy  
75 and up to 10 weeks after birth for the parent bearing the child;
  - 76 2. 15 days for their partner. Legal guardians may request telework  
77 arrangements or reduced working hours for a specified period until  
78 the child is two years old, to manage their parental  
79 responsibilities.
  - 80 3. Employers may not lower the already agreed on salaries for the  
81 employees that went on parental leave.  
82

83 4. Benefit from adequate protection against unjustified dismissal;

84 5. Contribute to collective bargaining and social actions without fear of  
85 repercussion.

86 **Article 3b.**

87 In addition to the previously listed unconditional rights, European workers may  
88 but are not required to:

89 1. Benefit from a yearly training cofinanced by their employer and the  
90 Federation for companies up to 250 employees ;

91 2. Benefit from a yearly medical check-up;

92 3. Bring a problem before the relevant jurisdiction if they feel that one of  
93 their rights has not been respected or violated.

94 **Article 3c.**

95 In return of the aforementioned right, European workers shall:

96 1. Adhere to contractual agreements and workplace regulations.

97 2. Engage in continuous professional development.

98 3. Participate in professional training, in agreement with their employer.

99 4. Maintain confidentiality and integrity of the workplace.

100 If the employee fails to comply with any of these obligations, they may be

101 subject to a penalty proportionate to the seriousness of the misconduct, ranging  
102 from a warning to dismissal.

#### 103 **Article 4: Remuneration**

104 In order to ensure fair remuneration, employers shall pay a minimum wage to  
105 their employees. It shall be determined based on the gross median hourly wage  
106 prevalent in the Member-State where the corporate entity is domiciled:

107 *Monthly gross minimum wage:* national gross median hourly wage X number of weeks  
108 hour X number of weeks in a month.

109 Employers shall also pay the mandatory pension contribution, as mentioned in  
110 Article 7 of the present Regulation, in the monthly gross wage.

111 In addition to the minimum wage, Employers shall pay provide additional  
112 financial compensation for jobs who present difficult conditions, once the  
113 employee is able to provide medical proof of suffering from physical or  
114 psychological chronic or acute stress caused directly by their employment, as  
115 listed below:

116 1. *Marked physical constraint* - This includes manual handling of loads,  
117 awkward postures and mechanical vibrations;

118 2. *Aggressive physical environment* - This includes exposure to dangerous  
119 chemical agents, activities in hyperbaric environments, extreme  
120 temperatures and noise;

121 3. *Work patterns* - This includes night work, alternating shifts and  
122 repetitive work.

#### 123 **Article 5 : Rights and duties of employers**

124 Considering the previous Articles, employers shall:

125 1. Ensure protection towards their most vulnerable workers (Art. 5a);

126 2. Ensure minimum protection towards their workers (Art. 5b);

127 3. Follow a strict procedure before laying a worker of (Art. 5c).

128 **Article 5a.**

129 Employers must hire at least 30% of worker in a situation of job insecurity,  
130 i.e.:

131 1. Workers under the age of 25 years-old;

132 2. Workers over the age of 55 years-old;

133 3. Workers presenting physical or mental health issues;

134 4. Long-term unemployed worker (i.e. more than 6 months of unemployment).

135 5. People who, due to socio-economical, environmental factors and armed  
136 conflict, gained a status of refugee.

137 Employers must accept and consider all applications without any form of  
138 discrimination.

139 If an employee proves to have signed two consecutive 3-year contracts within the  
140 same company, that company must present them with an indefinite period contract.

141 **Article 5b.**

142 In addition, Employers shall:

143 1. Provide safe working conditions;

144 2. Facilitate professional development opportunities, by granting  
145 professional training which is eco-friendly, gendersensitive, and adaptive  
146 to the economic sector and activity (whilst being dually financed by the

147 private sector (40%) and by the Federation (60%) to their employees. The  
148 Federation shall help the companies with up to 250 employees. Those  
149 trainings shall be paid both by the company and the Federation;

150 3. Respect the rights to privacy and non-discrimination of employees, as it  
151 is stated in the Charter of Fundamental Rights.

152 **Article 5c.**

153 Employer may dismiss one or several employees if one or several of the following  
154 conditions are met:

155 1. Termination on personal grounds - This type of redundancy is linked to the  
156 individual employee. It may be due to professional inadequacy, misconduct  
157 (simple, serious or gross), or to the impossibility to fulfill the duties  
158 that the job requires.

159 1. Simple misconduct - This is negligence or an error on the part of  
160 the employee that does not jeopardize his or her continued  
161 employment with the company;

162 2. Serious misconduct - This is misconduct that makes it impossible for  
163 the employee to remain with the company, such as harassment, theft  
164 and insubordination;

165 3. Gross misconduct - This is characterized by the employee's intention  
166 to harm the company;

167 2. Termination for economic reasons - This type of redundancy is linked to  
168 the company's economic difficulties, a technological change, a  
169 reorganization necessary to safeguard the company, or the cessation of the  
170 company's activity.

171 Employers must inform the employee of their decision at least three months prior  
172 to the termination.

173 In situations I.A. and II., the two parties must agree on the financial  
174 compensation for the terminated employee. Situation I.B. and I.C. do not lead to

175 any form of compensation.

## 176 **CHAPTER 3: SOCIAL ASSISTANCE**

### 177 **Article 6 : Unemployment**

178 European job-seekers:

- 179 1. May benefit from social and financial assistance (Art. 6a);
- 180 2. Committ to attend activites provided by social services (Art. 6b);
- 181 3. May be deprived of their benefits when not complying with the present  
182 Article (Art. 6c).

#### 183 **Article 6a.**

184 European job seekers must declare their situation to the competent national  
185 authorities. Those latter are entitled to provide:

- 186 1. A personalized support tailored to their needs - They can take stock of  
187 their situation and mobilize all the resources they need to successfully  
188 complete their career plan;
- 189 2. Benefit from social protection - They can continue to benefit from social  
190 protection, the amount of which depends on the contributions they paid in  
191 their previous gross salaries, for a maximum period of 20 consecutive  
192 months. This goes in complement with other social benefits.

#### 193 **Article 6b.**

194 In return of this rights, jobseekers commit to :

- 195 1. Declare their professional situation on a monthly basis ;
- 196 2. Attend all meetings with their advisor;

197 3. Actively look for a job by applying for at least 5 job openings in the  
198 duration of 3 months and utilising job search resources such as career  
199 advisors or/and online resources, or actively strive forward the set up or  
200 the development of a company, including creating a business plan, seeking  
201 funding and networking;

202 4. Define a career plan with their advisor;

203 5. Accept a reasonable offer of employment, defined by criteria such as job  
204 suitability, fair compensation, reasonable commuting distance.

205 **Article 6c.**

206 The grounds on which non-compliance may result in removal from the list of  
207 jobseekers and the withdrawal of their benefits are :

208 1. failure to take repeated positive action to find a job or to set up or  
209 develop a business;

210 2. refusal on 2 occasions to accept a reasonable job offer;

211 3. refusal to draw up or update their career plan;

212 4. failing to attend a training course or abandoning a training course;

213 5. failure to attend an appointment with an organization approved by the  
214 Federal Labor Agency;

215 6. refusal to follow or abandon an action to help them find a job;

216 7. making a false declaration in order to be or remain registered as a  
217 jobseeker;

218 8. making a false declaration with a view to improperly receiving  
219 unemployment benefit.

## 220 **Article 7: Retirement**

221 European workers may retire from work at the age of 64, excluding those who are  
222 under exceptional working contracts, as specified in internal law of each Member  
223 State, and those working in especially harsh conditions. The latter may have the  
224 right to a lower minimum retirement age.

225 To that end, pensions systems shall:

- 226 1. Be based upon three pillars (Art. 7a);
- 227 2. Provide national administrations with implementing measures (Art. 7b);
- 228 3. Provide contributors with optional provisions (Art. 7c).

### 229 **Article 7a.**

230 In order to ensure a fair and decent living for everyone, a Federal Pension Plan  
231 is hereby established. It is based on three pillars:

- 232 1. The Minimum Pension plan - The Minimum Pension plan- funded with workers  
233 contributions collected from their monthly gross salaries. Retired workers  
234 may enjoy this revenue once they have worked for 40 yearsThe amount,  
235 collected by Member-States will be deposited in the Federal Pension Fund,  
236 and distributed to retired European workers. Workers will have the right  
237 to claim the pension under the conditions established by the Member States  
238 where the worker has contributed economically.
- 239 2. The Complementary Pension plan - funded by Member-States national pensions  
240 systems through workers' biannual contributions. Retired workers may enjoy  
241 this revenue once they have worked 173 semesters or 43 consecutive years;
- 242 3. Optional Pension plans - optional plans paid by workers to public or  
243 private national insurers, in addition to the two previous pension plans.

244 **Article 7b.**

245 Member states shall determine a fair minimum pension standard according to their  
246 cost of living, revised on an annual basis.

247 Member-States shall establish an amount corresponding to the employee's salary  
248 that Employers are compelled to pay the Complementary Pension plan.

249 **Article 7c.**

250 European workers may at any moment choose to opt out once in their professional  
251 life from the Complementary Pension plan and retrieve the contributions they  
252 have paid. The retrieval of the contributions shall not end further  
253 contributions to this plan.

254 When working across the territory of the Federation, a European worker may  
255 choose to keep their original Complementary Pension plan or to opt for the one  
256 of the Member-States they are working in. Employees must make the necessary  
257 arrangements to meet the worker's demands.

258 **Article 7d.**

259 To safeguard and harmonize the pension rights of cross-border and expatriate  
260 workers, the following provisions shall be implemented: If the employee is  
261 working outside of the European Federation, the amount of pension the employer  
262 is obliged to pay is determined by the State the employer is registered in; If  
263 the employee is working in a different Member State of the European Federation,  
264 the amount of pension the employer is obligated to pay is determined by the  
265 State of the employee's residence.

266 **CHAPTER 4: IMPLEMENTATION**

267 **Article 8: Establishment of the European Labor Agency**

268 A European Labor Agency is hereby established with the mandate to:

- 269 1. Ensure the effective implementation of employment policies, by sending  
270 recommendations to Member-States;

271 2. Provide support to national administrations in their effort to advise  
272 workers in job search and career transitions;

273 3. Oversee the administration and the management of retirement benefits  
274 through the Federal Pension Fund. In compliance with Article 51 of the  
275 European Youth Convention and Regulation EF/XX laying down the Federal  
276 Budget, the Federal Pension Fund cannot run a deficit;

277 4. Collect and analyze labor market data to inform policy decisions; .

278 The European Labor Agency shall fall under the responsibility of the Minister of  
279 Labor and social affairs.

## 280 **Article 9: Member-States Compliance**

281 Member States shall:

282 1. Adopt and enforce this Directive;

283 2. Collaborate with the European Labor Agency to facilitate policy  
284 implementation.

285 3. Provide regular reports on the status of the national transposition of  
286 flexicurity measures.

287 The Federal Government shall incentivise national administration to comply with  
288 the present Directive through appropriate measures and in accordance with the  
289 Constitution.

## 290 **Article 10: Entry into force and application**

291 1. The Present Directive shall enter into force immediately following its  
292 publication in the Official Journal of the European Federation;

293 2. It shall apply from [Day][Month][Year];

294 3. Member-States shall have until December 31st 2029 to transpose into their  
295 national law the elements of the present Directive that involve their  
296 participation.

297 The present Regulation shall be binding in its entirety and directly applicable  
298 to the European Government and in all Member States.

299 For the European Parliament

300 The President

301 For the European Senate

302 The President

## **Reason**

In 2017, the European parliament, the Council and the European Commission proclaimed the creation of the European Pillar of Social Rights at the Gothenburg Summit. Since then, several declarations have been published and made to promote the harmonization of the social standards regarding labor market, social care and healthcare.

The European Social Pillar puts forward 20 important principles to enable such harmonization to take place. The aim was at least to show that the Union was committed towards the creation of a European social policy.

But since then, the Government has to admit that the standards are still too different in each Member-States. On May 9th 2023, Member-States ratified the European Youth Convention, leading to the emergence of the European Federation as we know it, one of which priorities was to resolve the issue of social inequalities, as called for by the European Youth Convention.

In order to bring more equality among the European citizens, the Federal Government wants to create this new social policy which introduces true and real social standards among the Member-States.