



Parlamentul României
Senat

Bucharest, 30th April, 2020

Courtesy translation

OPINION
of the ROMANIAN SENATE
on the Communication from the Commission to the European Parliament, the
European Council, The Council, the European Central Bank, the European
Investment Bank and the Eurogroup -
Coordinated economic response to the COVID -19 Outbreak

COM (2020) 112 final

The Romanian Senate examined the Communication from the Commission to the European Parliament, the European Council, The Council, the European Central Bank, the European Investment Bank and the Eurogroup - COM (2020) 112 final, according to the provisions of the Treaty of Lisbon (Protocol no.1).

Taking into account the report of the Committee for European Affairs no. LXII/94/06.04.2020, **the plenum of the Senate**, during its session of April, 28, 2020, has decided the following:

1. **Appreciates** the proposed measures and the Commission's speed of response in the face of the urgent need to mitigate the economic impact of COVID-19. (Note: The pandemic was declared on March 11, the package of measures was published on March 13).
2. **Argues that** European solidarity must be manifested by drawing up a joint relaunch program and by issuing bonds that pool the huge costs of this process; It is clear, in this case, that populist or risky behaviour by governments (moral hazard) can no longer be invoked and that, as the Commission has rightly analyzed, we are facing a double crisis, both in supply and demand, duration is difficult to anticipate.
3. **Emphasizes that** the current crisis is in addition to the one already expected by analysts, due to the inability or lack of political will proven at global, partial and European level, to solve the problem of deeply unequal distribution of economic results. Otherwise, the concentration of wealth will be even higher, global / European and national demand will be even lower if appropriate measures are not taken in a timely manner. Therefore, the measures proposed by the Commission must directly target the most affected categories - citizens, small and medium-sized enterprises, the development of public goods and services.
4. **Considers that** this epidemic, which affects all Member States, is considered to confirm the insufficient resources of the European budget; the solutions adopted, although welcome, are based on a transfer of funds from one objective to

another, without the initial objectives having been achieved. Thus, it is expected, but not desirable, that we will witness the same procedure in the Multiannual Financial Framework 2021-2027.

5. **Is concerned about** the current lack of a strategic reserve of medical and health resources at European level.
6. **Believes that** the use of financial instruments in particular will widen the gap between debtor and creditor Member States. We recall that the monetary policy of the European Central Bank in recent years, aimed at relaunching the European economy, has had controversial results; we have seen rising land and real estate prices in general, and a total rupture in stock prices due to the real economy, phenomena generated by the huge amount of cheap money and the purchases of Central Bank bonds.
7. **Warns about** the risk of "uberisation" of the economy. Large corporations with global coverage in the field of information technology and businesses based on its use are favoured by the current crisis; the population locked in their own homes and connected to the internet, has become not only a customer of online platforms, but also a very rich data resource; Huge amounts of information are collected during this period, with economic, political and social benefits difficult to calculate and anticipate. The contribution to the formation of public goods and services in this sector is minimal, compared to market advantages and economic results.
8. **Calls for** a higher degree of transparency and detail in the annexes to this Communication, as well as for future measures to be taken by the Commission to mitigate the economic and social impact of COVID-19.
9. **Believes that** in order to combat populist and Eurosceptic attitudes of retreat within one's own borders, in the context in which cooperation is absolutely necessary in achieving the objectives set, it is not only effective to monitor those who express such positions and denounce those who spread them with interest chosen in the virtual space.
10. **Calls for** economic, social and political measures appropriate to the gravity of the crisis and the goal of building a Union in solidarity within and with a global voice.

p. President of the Senate

Robert - Marius CAZANCIUC

