C4 A13

Motion

Y-FED 2024

Proposer: Committee - Budget

Title: **C4 A13: Government's proposal for Regulation 2024/XX/EF laying down the general framework addressing the macroeconomic and financial situation in Italy and the Federation**

From line 44 to 46:

2. Revitalisation - Refers to the policy of ensuring the economic and social resilience of a territory after suffering ~~a~~ major ~~blow~~financial damage.

3. Ledger - A book or other scheme for keeping accountingrecords.

Lender of Last resort - Refers to an institution, typically a central bank, that provides emergency liquidity to financial institutions facing temporary financial difficulties or liquidity shortages and that finds itself unable to obtain sufficient liquidity in the interbank lending market.

From line 50 to 53:

~~The Federation should, in the long run, become the sole owner of all existing national public debt of the Federated States. In accordance with Article 51.2 of the European Youth Convention, the Federation shall take-over the existing national public debts in~~

~~order to reimburse them.~~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.

Insert after line 60:

- In times of crisis for a single member state, the national debt of said state shall be shared at the federal level. The issuance of federal bonds will ensure the mitigation of both the financial burden of the member state in question and the risk ratings of bonds it will have to reimburse. The latter will be implemented to ensure the economic stability of the federation. Any member state that refuses to participate in said obligations and thus disregards the principle of solidarity (stated in articles 2, 6 and 45 of the European commission) will thereby be subject to both economic and political sanctions;

Insert from line 64 to 65:

- The aforementioned procedures shall terminate upon the complete transfer of all debts owed by Federated States which are facing the crisis to the Federal ledger.