

Multiannual financial framework

European Parliament resolution of 13 March 2013 on the European Council conclusions of 7/8 February 2013 concerning the Multiannual Financial Framework (2012/2803(RSP))

The European Parliament,

- having regard to Articles 310, 311, 312 and 323 of the Treaty on the Functioning of the European Union (TFEU),
 - having regard to the Communication from the Commission of 29 June 2011 on a Budget for Europe 2020 (COM(2011)0500),
 - having regard to the Commission proposal of 29 June 2011 for an Interinstitutional Agreement between the European Parliament, the Council and the Commission on cooperation in budgetary matters and sound financial management (COM(2011)0403),
 - having regard to the Commission proposal of 29 June 2011 and the amended Commission proposal of 6 July 2012 for a Council regulation laying down the multiannual financial framework for the years 2014-2020 (COM(2011)0398 and COM(2012)0388),
 - having regard to its resolution of 8 June 2011 entitled ‘Investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and inclusive Europe’¹,
 - having regard to its resolution of 13 June 2012 on the Multiannual Financial Framework and own resources²,
 - having regard to its resolution of 23 October 2012 in the interests of achieving a positive outcome of the Multiannual Financial Framework 2014-2020 approval procedure³,
 - having regard to the conclusions of the European Council adopted on 8 February 2013,
 - having regard to Rule 110(2) of its Rules of Procedure,
1. Takes note of the European Council’s conclusions on the MFF, which represent no more than a political agreement between Heads of State and Government; rejects this agreement in its current form, as it does not reflect the priorities and concerns expressed by Parliament – notably in its resolution of 23 October 2012 – and disregards Parliament’s role and competences as set out in the Treaty of Lisbon; considers that this agreement, which will bind the Union for the next seven years, cannot be accepted without the fulfilment of certain essential conditions;
 2. Stresses its willingness to enter into fully fledged negotiations with the Council on all provisions of the MFF Regulation and the Interinstitutional Agreement, in order to ensure

¹ OJ C 380 E, 11.12.2012, p. 89.

² Texts adopted, P7_TA(2012)0245.

³ Texts adopted, P7_TA(2012)0360.

that the Union will be provided with a modern, forward-looking, flexible and transparent EU budget that can deliver growth and jobs and bridge the gap between the EU's political commitments and budgetary means; underlines that it will only vote on the MFF Regulation and the Interinstitutional Agreement after the successful conclusion of substantial negotiations with the Council;

3. Declares its determination to exercise fully its legislative prerogatives as set out in the Treaty of Lisbon; states once more that negotiations on elements falling under the ordinary legislative procedure cannot be pre-empted by the European Council's conclusions on the MFF, which must be taken as no more than political recommendations to the Council;
4. Reiterates the view that the MFF for 2014-2020 should ensure the successful implementation of the Europe 2020 strategy and endow the EU with the necessary means to recover from the crisis and come out stronger; stresses, therefore, the importance of substantially increasing its investments in innovation, research and development, infrastructure and youth, meeting the EU's climate change and energy objectives, improving education levels and promoting social inclusion, while fulfilling its international commitments;
5. Denounces the lack of transparency in the way the political agreement was reached by the European Council on both the expenditure and the revenue side of the MFF; insists that it must have all relevant information at the disposal of the Commission on the level of agreed national allocations under cohesion and agricultural policies, including the derogations and specific allocations to each Member State; also requests all relevant information on the impact per Member State of the decisions taken on the revenue side of the MFF;
6. Strongly opposes the current accumulation and rollover of outstanding payment claims in the EU budget, and expresses its firm opposition to a financial framework that might lead the EU budget into a structural deficit, against the provisions of the Treaty (Articles 310 and 323 TFEU);
7. Is therefore determined to prevent any further shifts of payments from 2013 to the next MFF; recalls the declaration annexed to the EU Budget 2013 calling for the Commission to present, at an early stage in the year 2013, a Draft Amending Budget devoted to the sole purpose of covering all unpaid payment claims for 2012; emphasises that it will not start negotiations on the MFF until the Commission comes forward with an Amending Budget corresponding to this political commitment, and will not conclude these negotiations before the final adoption by Council and Parliament of this Amending Budget; also demands a political engagement from the Council that all legal obligations due in 2013 will be paid out by the end of this year;
8. Gives a strong mandate to its negotiating team to conduct negotiations on an overall package that includes, in addition to the MFF, a compulsory and comprehensive revision, a maximum overall flexibility and an agreement on own resources, and that ensures the unity of the EU budget; confirms that the negotiations will be based on all the elements set out in its resolution of 23 October 2012, including the responsibility of the Member States – to be assumed at the appropriate political level – for the management of EU funds;
9. Firmly believes that, in order to ensure full democratic legitimacy, the next European Parliament and Commission – that will come into office following the 2014 European elections – should be in a position to reconfirm the Union's budgetary priorities and carry

out a revision of the MFF 2014-2020; underlines, therefore, its position in favour of a compulsory and comprehensive revision of the MFF, or possibly a sunset clause; considers that the revision should be legally binding, enshrined in the MFF Regulation and decided by qualified majority in the Council, making full use of the passerelle clause of Article 312(2) of the TFEU;

10. Requests that the agreed MFF ceilings for commitment and payment appropriations be used to the fullest extent when establishing the annual EU budgets; considers, therefore, that the maximum overall flexibility between and within headings, as well as between financial years, needs to be ensured in the next MFF and decided by qualified majority in the Council; believes, in particular, that such flexibility should include the possibility of fully utilising the available margins of each heading in one financial year (for commitment appropriations), as well as an automatic carry-over of available margins to other financial years (for both commitment and payment appropriations); refers, in addition, to its detailed position on flexibility set out in its resolution of 23 October 2012 regarding the contingency margin, the recycling of the surplus of the EU budget, legislative flexibility and the individual flexibility mechanisms above the MFF ceilings;
11. Stresses the importance of reaching an agreement on an in-depth reform of the own-resources system; emphasises that the EU budget should be financed by genuine own resources, as provided for in the Treaty; states, therefore, its commitment to a reform that reduces the share of GNI-based contributions to the EU budget to a maximum of 40 % and phases out all existing rebates and correction mechanisms;
12. Reiterates its support for the Commission's legislative proposals on the own-resources package, including a binding roadmap; considers, furthermore, that in the event that the Council waters down these proposals so that they do not result in a significant decrease in the Member States' GNI-based contributions to the EU budget, the Commission should come forward with additional proposals on the introduction of new genuine own resources; insists that revenues from the Financial Transaction Tax should be allocated at least partly to the EU budget as a genuine own resource;
13. Insists that the principle of the unity of the EU budget be recalled and clearly defined in the Interinstitutional Agreement; believes that all expenditure and revenue resulting from decisions taken by, or in the name of, the EU institutions, including borrowing, lending and loan guarantee operations, must be summarised in a document annexed every year to the Draft Budget, providing an overall view of the financial and budgetary consequences of Union activities; expects that this will ensure full information for citizens and adequate parliamentary control;
14. Stresses that, in parallel with the MFF negotiations, Parliament and the Council should accelerate their negotiations on the specific legal bases of the EU programmes and policies for the period 2014-2020; underlines the fact that the negotiations on the MFF / IIA and the EU multiannual programmes constitute a single package, and reaffirms the principle that 'nothing is agreed until everything is agreed';
15. Recalls that if no MFF has been adopted by the end of 2013, the ceilings and other provisions corresponding to 2013 will be extended until such time as a new MFF is adopted; signals that, in this case, it would be ready to reach a swift agreement with the Council and Commission to adapt the internal structure of the MFF to reflect the Union's political priorities, and to ensure that the appropriate legal bases are in place for all EU

policies and programmes by 2014;

16. Believes, given the crucial importance of any vote on the MFF, and in order to enable MEPs to be held accountable by their electors in the European Parliament elections in 2014, that any vote on the MFF should be held in an open and transparent manner;
17. Instructs its President to forward this resolution to the European Council, the Council, the Commission, the governments and parliaments of the Member States, and the other institutions and bodies concerned.