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# **REPORT**

on general guidelines for the preparation of the 2023 budget, Section III – Commission (2021/2226(BUI))

Committee on Budgets

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#### MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on general guidelines for the preparation of the 2023 budget, Section III - Commission (2021/2226(BUI))

The European Parliament,

- having regard to Article 314 of the Treaty on the Functioning of the European Union,
- having regard to Article 106(a) of the Treaty establishing the European Atomic Energy Community,
- having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union<sup>1</sup>,
- having regard to Council Regulation (EU, Euratom) No 2020/2093 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027<sup>2</sup>.
- having regard to the Joint declaration by the European Parliament, Council and Commission on the reinforcement of specific programmes and adaptation of basic acts<sup>3</sup>,
- having regard to the Joint declaration by the European Parliament, Council and Commission on the use of reflows from the ACP Investment Facility to the benefit of the Neighbourhood, Development and International Cooperation Instrument<sup>4</sup>,
- having regard to the Joint declaration by the European Parliament, the Council and the Commission on the re-use of decommitted funds in relation to the research programme<sup>5</sup>,
- having regard to the Joint declaration by the European Parliament, Council and Commission on the treatment of NGEU interest costs and repayments in the 2021-2027 MFF<sup>6</sup>,
- having regard to the Joint declaration of the European Parliament, the Council and the Commission on budgetary scrutiny of new proposals based on Article 122 TFEU with potential appreciable implications for the Union budget<sup>7</sup>,
- having regard to the Joint declaration of the European Parliament, the Council and the Commission on reassessing the external assigned revenue and borrowing and lending provisions in the Financial Regulation<sup>8</sup>,

<sup>&</sup>lt;sup>1</sup> OJ L 193, 30.7.2018, p. 1.

<sup>&</sup>lt;sup>2</sup> OJ L 433I, 22.12.2020, p. 11.

<sup>&</sup>lt;sup>3</sup> OJ C 444I, 22.12.2020, p. 1.

<sup>&</sup>lt;sup>4</sup> OJ C 444I, 22.12.2020, p. 2.

<sup>&</sup>lt;sup>5</sup> OJ C 444I, 22.12.2020, p. 3. <sup>6</sup> OJ C 444I, 22.12.2020, p. 4.

<sup>&</sup>lt;sup>7</sup> OJ C 444I, 22.12.2020, p. 5. <sup>8</sup> OJ C 444I, 22.12.2020, p. 6.

- having regard to its position of 16 December 2020 on the draft Council regulation laying down the multiannual financial framework for the years 2021 to 2027<sup>9</sup>,
- having regard to the Commission proposal of 22 December 2021 for a Council Regulation amending Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027 (COM(2021)0569),
- having regard to the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources<sup>10</sup>,
- having regard to Council Decision (EU, Euratom) No 2020/2053 of 14 December 2020 on the system of own resources of the European Union <sup>11</sup>,
- having regard to the Commission proposal of 22 December 2021 to amend that Decision (COM(2021)0570),
- having regard to Council Regulation (EU) No 2020/2094 of 14 December 2020 establishing a European Union Recovery Instrument to support the recovery in the aftermath of the COVID-19 crisis<sup>12</sup>,
- having regard to Regulation (EU, Euratom) 2020/2092 of the European Parliament and of the Council of 16 December 2020 on a general regime of conditionality for the protection of the Union budget<sup>13</sup>,
- having regard to the European Pillar of Social Rights (EPSR), proclaimed by the European Council, Parliament and the Commission in November 2017, the Commission action plan on the implementation of the European Pillar of Social Rights of 4 March 2021 and the Porto Declaration on social affairs adopted by the members of the European Council in May 2021,
- having regard to the UN 2030 Agenda for Sustainable Development and its Sustainable Development Goals,
- having regard to its resolution of 25 March 2021 on shaping digital education policy<sup>14</sup>,
- having regard to the Commission communication of 9 March 2021 entitled '2030
   Digital Compass: the European way for the Digital Decade' (COM(2021)0118),
- having regard to the Commission communication of 11 December 2019 on the European Green Deal (COM(2019)0640),

<sup>&</sup>lt;sup>9</sup> OJ C 445, 29.10.2021, p. 240.

<sup>&</sup>lt;sup>10</sup> OJ L 433I, 22.12.2020, p. 28.

<sup>&</sup>lt;sup>11</sup> OJ L 424, 15.12.2020, p. 1.

<sup>&</sup>lt;sup>12</sup> OJ L 433I, 22.12.2020, p. 23.

<sup>&</sup>lt;sup>13</sup> OJ L 433I, 22.12.2020, p. 1.

<sup>&</sup>lt;sup>14</sup> OJ C 494, 8.12.2021, p. 2.

- having regard to its resolution of 15 January 2020 on the European Green Deal<sup>15</sup>,
- having regard to Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality<sup>16</sup> (European Climate Law),
- having regard to the special reports of the Intergovernmental Panel on Climate Change (IPCC) on global warming of 1.5 °C, on climate change and land, and on the ocean and cryosphere in a changing climate,
- having regard to the agreement adopted at the 21st Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change (UNFCCC) in Paris on 12 December 2015 (the Paris Agreement),
- having regard to its resolution of 1 March 2022 on the Russian aggression against Ukraine<sup>17</sup>.
- having regard to the global assessment report on biodiversity and ecosystem services of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES),
- having regard to the EU gender equality strategy 2020-2025,
- having regard to special report 10/2021 of the European Court of Auditors (ECA) of 26 May 2021 entitled 'Gender main streaming in the EU budget: time to turn words into action',
- having regard to the general budget of the European Union for the financial year 2022<sup>18</sup> and the joint statements agreed between Parliament, the Council and the Commission annexed hereto,
- having regard to the Council Conclusions of 15 March 2022 on the budget guidelines for 2023 (07218/2022),
- having regard to Rule 93 of its Rules of Procedure,
- having regard to the opinions of the Committee on Industry, Research and Energy, the Committee on Transport and Tourism, the Committee on Agriculture and Rural Development, the Committee on Culture and Education and the Committee on Women's Rights and Gender Equality,
- having regards to the position in the form of amendments of the Committee on Employment and Social Affairs,
- having regard to the letters from the Committee on Foreign Affairs, the Committee on Budgetary Control, the Committee on the Environment, Public Health and Food Safety,

<sup>&</sup>lt;sup>15</sup> OJ C 270, 7.7.2021, p. 2.

<sup>&</sup>lt;sup>16</sup> OJ L 243, 9.7.2021, p. 1.

<sup>&</sup>lt;sup>17</sup> Texts adopted, P9\_TA(2022)0052.

<sup>&</sup>lt;sup>18</sup> OJ L 45, 24.02.2022, p. 1.

- the Committee on Regional Development,, the Committee on Fisheries and the Committee on Constitutional Affairs,
- having regard to the report of the Committee on Budgets (A9-0062/2022),
- A. whereas in a series of resolutions, Parliament has recommended that all Member States allocate a minimum of 2 % of their Recovery and Resilience Facility (RRF) funding to the cultural and creative sectors and a minimum of 10 % to education, and that they allocate at least 5 % of their European Social Fund Plus (ESF+) resources under shared management to support activities under the European Child Guarantee;

### Budget 2023: keeping the recovery on track for all

- 1. Notes that despite the encouraging signals giving rise to expectations of further growth in 2022, uncertainty in the economic outlook persists, in the light of factors such as supply chain disruption, high energy prices, rising inflation and the continuing COVID-19 pandemic, as well as the consequences of the invasion of Ukraine; recalls, therefore, that the 2023 Union budget will play an important role in strengthening the Union economy and its competitiveness, as well as in building our common resilience, contributing to the successful implementation of the European Green Deal and a just transition, so that no one is left behind, and fostering economic, social and territorial cohesion as one of the cornerstones of the recovery, in addition to responding to geopolitical challenges;
- 2. Commits therefore to working to adopt a future-oriented budget that matches the Union's political priorities of ensuring a stronger Health Union, making a success of the green and digital transitions, and fostering a fair, inclusive, sustainable and resilient recovery, including increased support for small and medium-sized enterprises (SMEs), promoting the rule of law, EU values, and fundamental rights and their application, contributing to greater opportunities for all, and notably young people throughout the Union, and ensuring a stronger Union for its people and in the world;
- 3. Underlines the pivotal role of EU cohesion policy as an essential Union investment policy and one of the cornerstones of a sustainable and inclusive recovery, and points to its unique European added value and contribution to the overall harmonious development of the EU and its Member States and regions; points out that 2023 will be the last year of the implementation of EU programmes from the 2014-2020 multiannual financial framework (MFF), notably those under shared management in cohesion, as well as being the year when the implementation of new programmes will start gaining speed; expects this to be reflected, therefore, in a substantial increase in payment appropriations in the 2023 budget;
- 4. Highlights the fact that the new common agricultural policy (CAP) will take effect from 2023; recalls the central importance of the CAP and the common fisheries policy to Europe's food system, delivering affordable, high-quality food and nutrition security for all Europeans; points also to the importance of the proper functioning of agricultural markets, the sustainable development of rural regions, stable and acceptable earnings for farmers and fishers, the sustainable management of natural resources and the preservation of biodiversity as well as the generational renewal of farmers; asks for particular attention to be paid to small-scale agriculture, young farmers and small

- fishing businesses by making the best use of all relevant EU programmes; points out that a number of agricultural sectors have been hit hard by the COVID-19 outbreak, rising energy prices and other crises;
- 5. Underlines the need for Member States to contract all the resources available in the RRF by the end of 2023 and calls on the Commission to support Member States and beneficiaries in this regard while involving Parliament in the supervision and transparent assessment of the process; recalls, moreover, the importance of involving the local and regional authorities, social partners and civil society in the implementation and monitoring of relevant EU programmes;

# A stronger Health Union

- 6. Recalls that the COVID-19 crisis has put public health systems under unprecedented stress and has exacerbated existing challenges; welcomes the priority given to Union health policy and highlights the EU4Health programme and health cluster within Horizon Europe; notes that the budget for the Health Emergency Preparedness and Response Authority's (HERA) preparedness activities is drawn from those programmes and from the EU Civil Protection Mechanism, and expresses deep concern that this could compromise the attainment of other important health objectives agreed by the legislators; recalls therefore the need to provide fresh resources to HERA; underlines, moreover, that particular focus should be placed on Parliament's scrutiny of HERA; highlights the importance of building up the European Medical Corps under the EU Civil Protection Mechanism and invites all Member States to contribute to it with further resources; stresses the need to ensure adequate funding for the Beating Cancer Plan with a strong focus on actions delivering tangible results for citizens, for example the European Cancer Imaging Initiative or HPV vaccination programmes;
- 7. Recognises the importance of other Union programmes, including the RRF, in providing investment and support to prevent health crises and strengthen the resilience of healthcare systems and infrastructure; stresses the need for alignment between those activities and other EU funded programmes, including EU4Health, while reducing disparities in access to healthcare; underlines the need to reinforce information campaigns on vaccination in all Member States and beyond; recalls, furthermore, the importance of steady implementation and access to technical assistance for Member States with low administrative capacity; emphasises that decentralised health and safety related agencies and bodies should be adequately funded and staffed and, if necessary, reinforced;

# Making a success of the green and digital transitions

8. Acknowledges that implementing the European Green Deal and achieving the Union's climate neutrality goal by 2050 and the zero pollution ambition will require significant public and private investments in order to bridge the green transition investment gap identified by the Commission and achieve the binding objectives of the Paris Agreement; stresses, nevertheless, that the cost of inaction would be much higher; emphasises that the Union budget is at the heart of efforts to make a just transition towards a greener, sustainable, socially inclusive, more resilient and competitive Union and that further financial efforts are needed; stresses in particular the need to provide

adequate financial resources to enable the Union to deliver on its commitments while ensuring that no one is left behind; insists that the success of the European Green Deal will also depend on its financing and calls for the Union's funding instruments to be deployed with priority in the regions, sectors and areas which will be most affected by the green transition, taking into account the needs of Member States; stresses the need to enable SMEs to take full advantage of the opportunities arising from the European Green Deal and of their own business transition towards environmental sustainability and digitalisation;

- 9. Recalls the need to provide ambitious resources for programmes supporting climate and biodiversity action and environmental protection, such as LIFE, and the need to accelerate and fully implement the Just Transition Mechanism, including by providing further technical assistance to support the Member States in this task; recalls also the need to ensure that Union spending contributes to climate mitigation and climate adaptation, including by strengthening preparedness for natural disasters, in particular through the European Civil Protection Mechanism, as well as towards halting biodiversity loss; expects the Commission to honour its commitment, made during conciliation for the 2022 budget, to reinforce the agency in that field, particularly in the light of its central role in the implementation of the 'Fit for 55' package and the related reporting; is deeply concerned, moreover, by the long-term human resources shortage in certain Commission services and therefore reiterates its call on the Commission to ensure adequate levels of resources and staffing; calls on the Commission and the Member States, furthermore, to respect the 'do no harm' principle in order to ensure the necessary coherence between policy objectives and maximum efficiency of spending during the transition and beyond;
- 10. Stresses the need for investment in research and innovation in green technologies, processes and skills, including with a view to giving the Union a competitive edge in the future net-zero economy, and highlights the importance of ensuring adequate resources for Horizon Europe in that context; considers that providing adequate support for SMEs is essential to upgrade their role in research and innovation; considers that the Union must make full use of the Connecting Europe Facility (CEF) to modernise and connect its transport and energy infrastructure and to increase the sustainability thereof, strengthening EU energy security and autonomy and developing further the Energy Union via interconnectivity between the Member States; considers therefore that sufficient resources for the CEF need to be ensured; further stresses the importance of the EU space programme;
- 11. Takes note of the legislative proposals submitted by the Commission for a Chips Act and a secure connectivity programme; recalls the principle that new programmes should not be created at the expense of existing ones and reiterates its longstanding position that new initiatives should be funded using fresh resources; intends to examine closely the budgetary implications of the proposals and their impact on the 2023 budgetary procedure;
- 12. Considers it essential to the Union's competitiveness to further digitalise the economy and the public sector; believes that a successful digital transition requires substantial research and innovation efforts under Horizon Europe, significant investment in digital infrastructure through CEF-Digital and support in areas such as artificial intelligence,

- cybersecurity and EU high-performance computing through the Digital Europe programme; points to the need to tackle the digital skills gap by promoting advanced digital skills and inclusive learning; stresses the need for professional reconversion tools; highlights the importance of ensuring sufficient funding and alignment between EU programmes to create conditions for the market uptake of breakthrough technologies and innovations and enable Europe's economy and public sector to be at the forefront of the digital transition and competitiveness;
- 13. Recognises the contribution of Union funding programmes to the economic recovery, tackling unemployment and boosting investment, and in particular to supporting SMEs and start-ups; recalls that SMEs remain the backbone of the European economy and continue to play a vital role in job and growth creation; highlights InvestEU, its SME window and the possibility for SMEs negatively affected by the pandemic to receive capital support under the programme; highlights the need to promote a well-functioning single market through sufficient funding in order to guarantee consumer protection, boost the competitiveness of small businesses with the development of digital and entrepreneurial skills, improve access to markets, build on Erasmus for Young Entrepreneurs, and further expand opportunities to create and scale up start-ups;
- 14. Expresses solidarity with those working in sectors severely affected by the pandemic, notably in tourism, hospitality, and the cultural and creative sectors; highlights that those sectors represent an important pillar of the Union's economy and employ a significant share of its labour force, especially in SMEs; considers that those sectors should benefit from greater support from Member States and the Union, including through the RRF, and calls for additional measures for those sectors and sufficient funding for related EU programmes; insists that, should the New European Bauhaus (NEB) be turned into a longer-term initiative or programme, it would require fresh resources; reiterates its disappointment that Parliament's longstanding request for a dedicated EU programme on tourism has not been met;

## Promoting the rule of law, EU values and fundamental rights and their application

Considers it essential for the Union's credibility to ensure the proper use of Union funds 15. and to take all steps to protect the Union's financial interests; emphasises the clear link between respect for the rule of law and efficient implementation of the Union budget in accordance with the principles of sound financial management; considers that Regulation (EU, Euratom) 2020/2092 on a general regime of conditionality for the protection of the Union budget should be applied immediately and in full, as repeatedly requested by Parliament; regrets that the Commission has not yet implemented the Regulation, despite the fact that it entered into force on 1 January 2021, and underlines the Regulation's full compliance with the EU Treaties as confirmed by the judgments of the Court of Justice of the European Union of 16 February 2022<sup>19</sup>; expects the Commission to trigger Article 6(1) of the Regulation without delay for Member States where information letters have already been sent, as required by Article 6(4) of the Regulation; believes that adequate resources should be made available to agencies and bodies in this field and the European Public Prosecutor's Office (EPPO), particularly in view of their increasing workload, including in the monitoring and control of RRF

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<sup>&</sup>lt;sup>19</sup> Judgments of 16 February 2022 in Cases C-156/21 *Hungary* v *Parliament and Council*, EU:C:2022:97, and C-157/21 *Poland* v *Parliament and Council*, EU:C:2022:98.

expenditure;

16. Emphasises that the rule of law protects the other fundamental values on which the Union is founded and is intrinsically linked to respect for democracy and fundamental rights; expresses deep concern at the significant deterioration of the rule of law, democracy and fundamental rights, including independence of the judiciary, separation of powers, the fight against corruption and media independence and freedom in some Member States; highlights the importance of the Citizens, Equality, Rights and Values programme, notably in protecting and promoting rights and values as enshrined in the EU Treaties and the Charter of Fundamental Rights and in sustaining and further developing citizens' engagement and education, and open, rights-based, democratic, equal and inclusive societies; calls, therefore, for an ambitious level of resources to be allocated to this programme; recalls that judicial cooperation between national authorities is key to strengthening the rule of law in the Union; calls for adequate funding for the justice programme;

### Greater opportunities for all and notably young people throughout the Union

- 17. Recognises that the COVID-19 crisis has had a severe negative impact on young people, their employment prospects, working conditions and mental health, which has led to lost opportunities and diminished prospects and the widening of the educational gap; points to the importance of vocational education and training in this context; believes strongly that the 2023 budget should include a focus on youth to build on the momentum of the 2022 European Year of Youth with concrete actions and policies to be continued in 2023; highlights the importance of Erasmus+ and underlines the high importance of ensuring sufficient financial resources for that programme, whose success in broadening education, training and job opportunities across the Union is indisputable and which has delivered tangible results; considers that it should become more inclusive and offer greater opportunities and equal access to all, notably to people from disadvantaged backgrounds and from rural and remote areas;
- 18. Stresses that sustainable and long-term solutions must be found to successfully fight structural demographic challenges and to mitigate brain drain in rural, remote and less developed areas of the EU; emphasises the need for financial resources to revitalise and create high-quality local job opportunities in areas suffering from population decline; highlights the crucial role of the EU budget in contributing to the implementation of the European Pillar of Social Rights and in strengthening local and regional social actions, reinforcing social dialogue and providing access for all to vital key services such as healthcare, mobility, adequate nutrition and decent housing;
- 19. Points to the need to bolster the European Solidarity Corps, which helps young people gain practical experience in another Member State, thereby increasing their employability and life chances; recalls the importance of adequately financing EU actions and activities for young people and children, notably under the ESF+, ReactEU and the RRF; recalls that the Commission should report on a regular basis on the implementation of the recommendation on establishing the a European Child Guarantee and a strengthened Youth Guarantee;
- 20. Recalls that the pandemic has also severely impacted older people; insists that the 2023

budget should provide sufficient support to the most vulnerable among them and protect their well-being, dignity and fundamental rights; notes that Erasmus+ offers opportunities for adults and seniors and calls on the Commission to ensure that they benefit more widely from it; points to the role of the EU budget in contributing to ensuring access for seniors to social and healthcare services, mobility and opportunities to volunteer; calls for the EU to streamline and step up its actions aimed at the elderly within a coherent framework associated with funding from EU programmes;

#### A stronger Union for its people and in the world

- 21. Condemns in the strongest possible terms the illegal, unprovoked and unjustified invasion of Ukraine by the Russian Federation and all the attempts to destabilise the EU's partners in the Eastern Neighbourhood, as well as the involvement of Belarus in this aggression; underlines the need for the Union to remain united and calls for enhanced cooperation and solidarity among Member States in this difficult context; urges the Union to guarantee significant funding to address the geopolitical consequences of the current crisis including support for the deployment of humanitarian and preparedness measures for welcoming refugees in the Member States and in the Eastern Neighbourhood; recalls that the stability of the Union depends also on the stability of its neighbourhood;
- 22. Recalls its resolution on the Russian aggression against Ukraine and calls on the Commission and the Member States to mobilise all available financial means to support Ukraine; reiterates its support, in this context, for the mobilisation of the European Peace Facility; calls on the Commission, the European External Action Service (EEAS) and the Member States to provide Parliament with early and transparent reports and information in this regard; calls on the Commission and the Member States to provide further emergency humanitarian assistance to Ukraine in cooperation with the UN humanitarian agencies and other international partner organisations; stresses the need to place special emphasis on vulnerable groups, minorities and women and children, since they are particularly affected in conflict situations and need special protection and support; calls on the Commission to consider all available means to ensure the provision of support under the relevant EU programmes, notably in relation to social and medical services and education;
- 23. Reiterates its unwavering support for the sovereignty and territorial integrity of all Eastern Partnership countries and calls on the Commission and the Member States to support them, in particular the Republic of Moldova, in providing temporary shelter to refugees from Ukraine; reiterates the need for solidarity between Member States in relocating the refugees from Ukraine who have arrived in Poland, Hungary, Romania and Slovakia to other Member States;
- 24. Recognises the importance of sanctions and the unity of the Union in imposing them and calls on the Commission to identify and facilitate means and ways to address their economic and social consequences for the EU;
- 25. Underlines the strategic importance of enlargement policy in the Western Balkan countries and stresses the need to provide adequate funding to the Western Balkan countries and the countries of the Eastern and Southern Neighbourhoods, particularly

- those implementing Association Agreements with the EU, to support comprehensive political and socio-economic reforms and strengthen civil society and the rule of law, as well as to help with the recovery from the COVID-19 crisis and its long-term economic consequences; highlights the importance of sufficient financial support for technical assistance in order to improve the absorption of EU funds in those regions;
- 26. Expects asylum and migration to remain high on the EU's agenda beyond the ongoing crisis; highlights the need for continuous financial support for the reception, registration, examination and integration of asylum applicants, and to secure adequate funding for the specific objectives of the Asylum, Migration and Integration Fund, with a view to ensuring proper implementation of the Common European Asylum System; stresses that this system must be based on solidarity and shared responsibility, i.e. not disproportionately overburdening some Member States, respect for human rights, the promotion of integration, the establishment of up a framework for legal migration, as requested by Parliament, the fight against trafficking in human beings and the improvement of the systems for the effective, safe and dignified return of persons and voluntary returns, in line with the EU's values and international commitments; calls, furthermore, for adequate funding for the Border Management and Visa Instrument in order to strengthen border management systems;
- 27. Highlights the need to ensure that there are no beneficiaries of EU funds (including contractors or subcontractors, participants in workshops or training sessions, or third parties) on the list of persons or entities subject to EU restrictive measures;
- 28. Stresses that the Union requires sufficient resources to respond to major crises as well as the long-term challenges in its neighbourhood and throughout the world, while recalling that the ceiling of Heading 6 of the MFF is already too low and that a revision of the current MFF is indispensable; calls for sufficient funding for the Neighbourhood, Development and International Cooperation Instrument and the Instrument for Preaccession Assistance so that they are able to fulfil their crucial role in promoting sustainable and democratic development and political and economic reforms, protecting of the rule of law and human rights, supporting electoral processes and addressing social and climate challenges and the root causes of migration; points to the need to provide continued support for refugees, notably in Turkey and the wider region, and to respond to the developments in Afghanistan, while reiterating that the Union budget should not be the sole source of funding; calls for the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) to receive an ambitious level of funding from the EU budget in 2023 to allow it to provide adequate support for regional stability and strengthen the resilience of Palestinian refugees; stresses the importance of the humanitarian aid programme and notes that resources are not increasing in line with record-high needs; calls, therefore, for it to be allocated more significant funding and for the Member States to increase their humanitarian aid;
- 29. Reiterates its view that the Union should have sufficient means to react to unexpected developments inside and outside the EU; calls on the Commission, therefore, to conduct an in-depth analysis of the different implications of the current ongoing challenges and their impact on the 2023 budget procedure as well as on the whole MFF 2021-2027, and to assess when an MFF revision would be appropriate;

- 30. Considers that the latest surge in COVID-19 infections is a further demonstration that more should be done to vaccinate the whole world; recalls the agreement between the three institutions as part of the 2022 budget to review the evolution of the pandemic response by the end of June 2022, notably with regard to international vaccinations, and to take any necessary action without further delay;
- 31. Emphasises the growing need for adequate financial support for Union security and defence, including through the European Defence Fund, which supports research and development in the defence sector; calls for increased efforts to enhance deployability and operational effectiveness and to improve military mobility, also with a view to contributing to strengthening stability in the EU's neighbourhood and beyond, and to deal with hybrid and cyber threats; considers that such efforts would increase the Union's strategic autonomy and strengthen the competitiveness of the European defence industry; calls furthermore for adequate funding for the Internal Security Fund;
- 32. Strongly supports EU efforts to tackle rising security threats such as the spread of disinformation, including online disinformation, fake news campaigns against the EU, terrorism, radicalisation and violent extremism within the EU and its neighbouring countries; considers that funding allocations should reflect the changing nature of threats and the need to tackle their root causes and ensure better coordination of Union efforts in this area;
- 33. Calls on the Council and the Member States to increase their efforts to complete the integration into Schengen of all Member States, notably of Romania, Bulgaria and Croatia, that meet all the technical requirements; considers that economic growth and prosperity, internal security, protection of the EU's external borders, fundamental rights, the proper functioning of the Schengen area and freedom of movement within the EU are inextricably linked and mutually beneficial; considers it necessary to ensure adequate funding, staffing and training of staff for all agencies operating in the fields of fundamental rights, asylum, security, justice and integrated border management; recalls that the Schengen area brings economic benefits to its participant states;

## Cross-cutting issues

- 34. Recalls that the financing costs for the EU Recovery Instrument (EURI) are to be borne by the Union budget, including by sufficient proceeds from new own resources, and should be underpinned by necessary and timely appropriations; stresses that the financial envelopes of expenditure programmes should not be used to manage the unpredictability of EURI financing costs; considers that the budgetary authority has the full power to decide to reinforce any EU programmes, including where EURI financing costs are lower than expected; recalls that the joint statement by Parliament, the Council and the Commission on the financial cost of the EURI in 2022, agreed on 15 November 2021 during the conciliation period, applies to the 2022 budget procedure and does not create a precedent; recalls that all future decisions may only be taken during the annual budgetary procedure;
- 35. Recalls that the Union institutions agreed in the Interinstitutional Agreement (IIA) on a legally-binding roadmap for the introduction of a basket of new own resources to ensure full repayment of the principal of the EU recovery plan and related interest, without

reducing programme expenditure or investment instruments under the MFF, while respecting the principle of universality; welcomes the financial package proposed by the Commission on 22 December 2021, which contains an update of the Own Resources Decision, with three new own resources: a carbon border adjustment mechanism; emissions trading; and a share of the residual profits of the largest and most profitable multinational enterprises; considers that moving forward with this financial package is of the utmost importance; requests, therefore, that the Council respect the agreed timeline and make progress with the first basket of own resources before the 2023 budget procedure is finalised; urges the Commission, moreover, to make a proposal for the second basket of new own resources before December 2023 in order to ensure sufficient resources for NextGenerationEU repayments; recalls that 2023 will be the second year of application of the programme-specific adjustment under Article 5 the MFF Regulation;

- 36. Notes that there has been an unexpectedly high number of research decommitments (over EUR 469 million), at a level that was not anticipated in, and thus is not covered by, the MFF agreement; considers that all research decommitments should be made available under Article 15(3) of the Financial Regulation; intends to focus the decommitments that are additional to the amounts to be included by the Commission in the draft budget on a few key areas;
- 37. Looks forward to the application of the revised climate tracking methodology to the 2023 draft budget in accordance with the IIA on budgetary discipline and to the reporting on the 'do no significant harm' principle in the performance report; expects the Commission to adopt an effective, transparent and comprehensive methodology for biodiversity tracking as soon as possible, bearing in mind the targets set for 2024, 2026 and 2027; calls on the Commission to duly consider all relevant findings and recommendations in order to render all future spending fully transparent and to establish a clearer link between climate and biodiversity expenditure and their actual impacts, including by applying output and results indicators; calls for the full involvement of Parliament in the development of the methodologies, as laid down in the IIA; expects the Commission to consult Parliament on the biodiversity methodology before the publication of the 2023 draft budget;
- Calls on the Commission to develop a methodology for tracking social expenditure in the EU budget based on the principles of the European Pillar of Social Rights;
- 39. Reiterates that women have been disproportionately affected by the economic and social crisis stemming from the Covid-19 pandemic, including by an increase in gender based violence; therefore requests significant funding for the Daphne strand of the Citizens, Equality, Rights and Values programme; calls for further funding in the EU budget aimed at advancing gender equality and tackling discrimination, notably against women and LGBTI+ people, and for the Commission to foster greater synergies between EU programmes in these fields; calls also for significant resources to support the protection and promotion of and universal access to sexual and reproductive health and rights and to support women human rights defenders;
- 40. Recalls that the Commission must, no later than 1 January 2023, implement a methodology accompanied by the systematic collection, reporting and evaluation of

gender-disaggregated data, to measure expenditure relevant to the promotion of gender equality as well as rights and equal opportunities for all; underlines the importance of the implementation and integration of gender mainstreaming as a horizontal principle in all EU activities, policies and programmes; underlines the important role played by agencies and bodies in this field and the need to ensure adequate funding and staff to deliver their tasks; calls for the swift implementation of the EU gender equality strategy 2020-2025;

- 41. Recalls the essential work carried out by decentralised agencies; considers that agencies must be properly staffed and adequately resourced so that they can perform their tasks; recalls that the tasks of agencies evolve in line with policy priorities and stresses that new responsibilities must be accompanied by corresponding levels of fresh resources;
- 42. Considers that the 2023 budget should contain a sufficient level of payment appropriations to cover both new programmes and the completion of ongoing ones, in part to ensure that the Union budget provides the necessary economic stimulus; emphasises, drawing lessons from previous multiannual financial frameworks, that it is necessary to accelerate programme implementation to avoid the backlog of payments in the second half of the MFF period;
- 43. Considers that, where recommendations from the Conference on the Future of Europe are implemented, the necessary appropriations should be made available;
- 44. Underlines the value of pilot projects and preparatory actions (PP-PAs) in trialling new policy initiatives and laying the foundations for future Union actions; intends, therefore, to propose a package of PP-PAs in line with its political priorities and the Commission's assessment; trusts the Commission to evaluate PP-PA proposals impartially on the basis of a legal and financial assessment and expects to receive precise and detailed explanations when a project is deemed 'covered' by EU programmes and policies, with concrete examples of the EU actions that are deemed to cover the proposals; calls on the Commission, moreover, to ensure that PP-PAs adopted in the budget are implemented in full, in a timely manner and in cooperation with Parliament, and are given greater visibility in order to maximise their impact;

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45. Instructs its President to forward this resolution to the Council, the Commission and the Court of Auditors.

### OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY

for the Committee on Budgets

on guidelines for the 2023 budget – Section III (2021/2226(BUI))

Rapporteur for opinion: Christian Ehler

#### SUGGESTIONS

The Committee on Industry, Research and Energy calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- 1. Underlines the importance of aligning the budget with the objectives of the European Green Deal and the Paris Agreement by ensuring sufficient funding to contribute to the ecological and digital transitions towards climate neutrality by 2050 and to shape Europe's Digital Decade, while strengthening the resilience of the EU's economy and the competitiveness of its industries; recalls the crucial role of strategic foresight and the importance of evidence-based and anticipatory policymaking; stresses that 2023 must be a year of social development for Europe and that the EU budget should focus on social development, quality jobs for high-quality living standards and addressing the social and economic impacts of the transition on the EU's citizens, industries and communities; recalls that 2023 will be the last year of NextGenerationEU (NGEU); emphasises that the Commission should ensure that the entire amount earmarked under NGEU for the digital and green transitions is put to use;
- 2. Recalls the targets agreed under the 2021-2027 multiannual financial framework (MFF) for achieving spending levels of 10 % for biodiversity and 30 % for climate mainstreaming; reiterates its call to continue the work on tracking methodologies for climate and biodiversity-related expenditure, while applying a more robust, transparent and comprehensive methodology; calls for the European Parliament to be fully involved in the development of these methodologies and looks forward to the annual consultations on the climate and biodiversity targets as laid down in the Interinstitutional Agreement on budgetary discipline, on cooperation in budgetary matters and on sound financial management<sup>1</sup>;
- 3. Believes that new initiatives such as the New European Bauhaus and the European Chips Act should be accompanied by fresh budgetary resources to be added to the relevant MFF programmes when the new spending priorities are set out; recognises that

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<sup>&</sup>lt;sup>1</sup> OJ L 433 I, 22.12.2020, p. 28.

- some aspects of new initiatives are covered by existing spending priorities and urges that synergies be forged between existing programmes and policy objectives in order to avoid duplication; warns, however, against overburdening existing programmes with new policy priorities, as doing so could put those programmes at risk;
- 4. Notes with concern that some EU programmes that fall within the remit of the Committee on Industry, Research and Energy (ITRE) have had a slow start, with relatively low levels of commitments in 2021; urges the Commission to ensure that all of the available commitment appropriations are used, as public investment remains essential for helping to alleviate the impact of the COVID-19 crisis; requests that the Commission report to ITRE on its forecasts for payments in the coming year in light of the shift in commitments due to the slow start to the programmes;
- 5. Recalls that low success rates were a substantial challenge for Horizon 2020; notes that initial indications suggest that the success rates for Horizon Europe could turn out to be even lower than for Horizon 2020; notes that extremely low success rates will discourage the best researchers from applying for funding; underlines the need to equip Horizon Europe with sufficient funding and advocates greater synergies with other EU funds and applying the seal of excellence quality label where possible; calls on the Council, therefore, to agree to the maximum spending for Horizon Europe under the current MFF, making full use of the flexibility on offer;
- 6. Calls for the full use of Article 15(3) of the Financial Regulation in order to allocate all available decommitments to Horizon Europe; recalls the Joint Declaration on the reuse of decommitted funds in relation to the research programme<sup>2</sup>; notes, in this context, the role of the joint undertakings, which leverage private investments in research towards public policy objectives, including pressing societal issues such as building a competitive, digital, low-carbon and circular economy, exploring the potential of the cultural and creative sectors, promoting socioeconomic transformations that contribute to inclusion and growth, and fighting climate change, by making the energy and transport sectors more climate and environment-friendly, more efficient and competitive, smarter, safer and more resilient, and by promoting the use of renewable energy sources and energy efficiency; notes that decommitments in addition to the spending agreed in the MFF agreement could be repurposed as fresh funding that could support new policy objectives; warns against frontloading research funds, not least because 2023 is the last year of NGEU;
- 7. Considers the European Innovation Council (EIC) and above all its new approach to financing deep tech innovation a crucial instrument for Europe's competitiveness; emphasises that this new approach can only succeed if the EIC Fund can take the risk of being the lead investor in non-bankable projects; calls on the Commission to ensure that the EIC Fund is institutionally geared towards these kinds of investments; reiterates that the Horizon legislation requires that applicants to the EIC Accelerator Programme be given one single funding decision;
- 8. Highlights that academic freedom is a fundamental right laid down in Article 13 of the Charter of Fundamental Rights of the EU; recalls recital 72 of the Horizon Europe Regulation, which affirms that respect for academic freedom should be promoted in all

<sup>&</sup>lt;sup>2</sup> OJ C 444 I, 22.12.2020, p. 3.

- countries that benefit from Horizon Europe funding; calls on the Commission to develop a credible strategy to protect academic freedom in all countries where EU funding is disbursed through Horizon Europe;
- 9. Emphasises that Horizon Europe is a central investment programme for achieving the EU's policy objectives, including through the clusters set out in Pillar II; highlights, in particular, that research investment in digital and sustainable innovation is crucial for Europe's future; points out that Horizon Europe represents a significant contribution of the EU's spending on remaining cutting-edge in strategically defined priorities, including civil security, culture and creativity, and agriculture;
- 10. Deplores the fact that the 2022 budget agreement modified the allocation of decommitments set out in the Joint Political Statement on the reuse of decommitted funds in Horizon Europe<sup>3</sup>; reiterates that the final allocation drawn up in the statement was an integral part of the balanced budget agreement reached during the Horizon Europe trilogue; recalls that the allocation of the decommitments was not part of the basic act only because it was not technically possible; underlines the need to ensure mutual trust between the EU institutions and to further involve the European Parliament and its competent committees when budgetary modifications could jeopardise the achievements of EU policy priorities; calls, therefore, for the balanced budget agreement to be reinstated by using additional decommitments available in 2023 and ensuring that they are distributed across the programme in a fair and proportionate manner;
- 11. Welcomes the Commission's new initiatives in the domains of research, space, healthcare, microchips and global resilience, but underlines that they should be financed with additional resources without burdening existing core programmes such as Copernicus, Horizon Europe, the Connecting Europe Facility and Digital Europe, among others; stresses the need, in that regard, to support Europe's competitiveness and industrial capacity; underlines the importance of further strengthening the EU's open strategic autonomy; considers, furthermore, that in order to secure Europe's global role, disruptive technologies such as blockchain, quantum computing and artificial intelligence (AI) should be given much higher priority and provided with their own funding programmes;
- 12. Welcomes the ongoing development of the transition pathways for the 14 ecosystems covered by the European industrial strategy; underlines that any new breakthrough innovations expected to underpin those pathways should be considered new priorities and should therefore be funded on top of the existing budgets of the relevant programmes; calls for synergies with existing EU programmes when the pathways innovation needs alignment with the existing research agendas;
- 13. Stresses that the impact and consequences of the COVID-19 pandemic have exacerbated persistent weaknesses in health systems and demonstrated the need for public investment in health research; calls for adequate resources to be invested in researching effective treatment for the purposes of preparing for future crises;
- 14. Highlights the necessity to ensure substantial financial support to those small and

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<sup>&</sup>lt;sup>3</sup> OJ C 185, 12.5.2021, p. 1.

- medium-sized enterprises (SMEs), microenterprises and start-ups which have been and still are severely affected by the crisis;
- 15. Welcomes the Commission's initiatives to strengthen the value chain and ecosystem of Europe's semiconductor industry; recalls that both the digital and ecological transitions will be highly dependent on new technologies, most of which will need microchips in order to function, and therefore concludes that the availability of chips in Europe is crucial for both transitions; recognises that both the EU and its Member States will need to make significant investments in order to secure open strategic autonomy in this crucial sector of the economy; recalls that any new priorities should be funded with fresh resources in the MFF and that existing funding should not be overburdened with new policy objectives;
- 16. Calls on the Commission to ensure sufficient funding for the EU's flagship space initiatives, such as Copernicus; notes with concern that the delay to the UK's association with Copernicus may lead to financial challenges for the project; reiterates that launching new and necessary initiatives should not mean existing ones go underfunded;
- 17. Expresses concerns about the recent situation on the energy market, which has seen an unprecedented rise in energy prices that leads to a direct socioeconomic impact on EU citizens and deepening energy poverty; highlights the importance of early and substantial investments in energy and resource efficiency measures to ensure the rapid achievement of the EU's energy and climate goals; underlines, in this context, the importance of robust investment in a technologically, economically and socially sustainable energy transition, cleaner energy, renewable technologies and an efficient, interconnected energy system which can safeguard security of supply; recalls that energy independence for the EU would improve the stability and affordability of energy prices for its citizens and businesses, especially SMEs; recalls that 2023 will be the year for establishing the next list of energy Projects of Common Interest and invites the Commission to set aside adequate funding; welcomes the proposals in the Commission's Fit for 55 package and highlights the need for sufficient resources and adequate measures to support the ecological and sustainable digital transition, while also ensuring that the EU's decarbonisation efforts are coordinated at a global level in order to prevent emissions exports;
- 18. Recalls, in this context, its legislative resolution of 16 September 2020 on the draft Council decision on the system of own resources of the EU<sup>4</sup> and welcomes the recent legislative proposals on the next generation of own resources for the EU budget; highlights the importance of successfully implementing the new own resources roadmap;
- 19. Welcomes the new Global Gateway initiative and calls for adequate financing under the initiative for energy and communications interconnectivity projects, as well as facilities for enabling access for European SMEs and above all microenterprises to the opportunities it provides;
- 20. Recognises the contribution of EU funding programmes to the economic recovery and

<sup>&</sup>lt;sup>4</sup> OJ C 385, 22.9.2021, p. 256.

to maintaining sustainable and inclusive growth that helps to reduce the digital divide, securing quality job creation and innovation, and in particular to supporting SMEs, microenterprises and start-ups; stresses the need to create an SME-friendly business environment; notes the difficulties encountered by smaller enterprises in accessing EU and national financing instruments; highlights, in this context, the role of InvestEU, its SME window, and the possibility for SMEs to access financing thereunder; recalls the importance of public and private support for ramping up investment in research and innovation and accelerating the achievement of the green and digital goals; highlights the relevance of the Horizon Europe instruments, such as the EIC, the EU missions and the European partnerships;

- 21. Recalls that industrial competitiveness and climate policy can be mutually reinforcing and that spending in innovative and climate-neutral reindustrialisation will thus create local jobs and ensure the competitiveness of the European economy;
- 22. Expects the promotion of gender equality and equal rights and opportunities, especially in the field of science, technology, engineering and mathematics (STEM);
- 23. Welcomes the New European Bauhaus initiative, which bridges the worlds of science, technology, art and culture to efficiently address societal issues and create sustainable economic growth, but notes with concern that a coherent and strategic approach for the financing of the initiative is still lacking; considers that merely deploying existing funds may not be sufficient to achieve the objectives of the initiative and emphasises the need for new funding; invites the Commission to examine whether the establishment of a dedicated EU programme is necessary in order to support the initiative;
- 24. Calls for sufficient funding and staffing for all EU agencies and bodies that fall within the remit of ITRE, in particular the European Institute of Innovation and Technology, the EU Agency for the Space Programme and the EU Agency for the Cooperation of Energy Regulators.

# INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	3.3.2022
Result of final vote	+: 48 -: 7 0: 15
Members present for the final vote	Matteo Adinolfi, Nicola Beer, François-Xavier Bellamy, Hildegard Bentele, Tom Berendsen, Vasile Blaga, Michael Bloss, Manuel Bompard, Paolo Borchia, Marc Botenga, Markus Buchheit, Cristian-Silviu Buşoi, Jerzy Buzek, Maria da Graça Carvalho, Ignazio Corrao, Ciarán Cuffe, Nicola Danti, Pilar del Castillo Vera, Martina Dlabajová, Christian Ehler, Valter Flego, Niels Fuglsang, Lina Gálvez Muñoz, Claudia Gamon, Nicolás González Casares, Bart Groothuis, Christophe Grudler, András Gyürk, Henrike Hahn, Ivo Hristov, Ivars Ijabs, Romana Jerković, Eva Kaili, Seán Kelly, Łukasz Kohut, Zdzisław Krasnodębski, Andrius Kubilius, Thierry Mariani, Marisa Matias, Eva Maydell, Georg Mayer, Joëlle Mélin, Iskra Mihaylova, Dan Nica, Angelika Niebler, Ville Niinistö, Aldo Patriciello, Mauri Pekkarinen, Tsvetelina Penkova, Morten Petersen, Pina Picierno, Markus Pieper, Clara Ponsatí Obiols, Manuela Ripa, Robert Roos, Sara Skyttedal, Maria Spyraki, Jessica Stegrud, Riho Terras, Grzegorz Tobiszowski, Patrizia Toia, Evžen Tošenovský, Marie Toussaint, Isabella Tovaglieri, Henna Virkkunen, Pernille Weiss, Carlos Zorrinho
Substitutes present for the final vote	Jakop G. Dalunde, Francesca Donato, Adriana Maldonado López

# FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

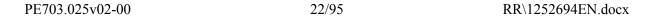
48	+
ECR	Zdzisław Krasnodębski, Grzegorz Tobiszowski, Evžen Tošenovský
NI	András Gyürk
PPE	François-Xavier Bellamy, Hildegard Bentele, Tom Berendsen, Vasile Blaga, Cristian-Silviu Buşoi, Jerzy Buzek, Maria da Graça Carvalho, Pilar del Castillo Vera, Christian Ehler, Seán Kelly, Andrius Kubilius, Eva Maydell, Angelika Niebler, Aldo Patriciello, Markus Pieper, Sara Skyttedal, Maria Spyraki, Riho Terras, Henna Virkkunen, Pernille Weiss
Renew	Nicola Beer, Nicola Danti, Martina Dlabajová, Valter Flego, Claudia Gamon, Bart Groothuis, Christophe Grudler, Ivars Ijabs, Iskra Mihaylova, Mauri Pekkarinen, Morten Petersen
S&D	Niels Fuglsang, Lina Gálvez Muñoz, Nicolás González Casares, Ivo Hristov, Romana Jerković, Eva Kaili, Łukasz Kohut, Adriana Maldonado López, Dan Nica, Tsvetelina Penkova, Pina Picierno, Patrizia Toia, Carlos Zorrinho

7	-
ECR	Robert Roos, Jessica Stegrud
ID	Matteo Adinolfi, Paolo Borchia, Markus Buchheit, Georg Mayer, Isabella Tovaglieri

15	0
ID	Thierry Mariani, Joëlle Mélin
NI	Francesca Donato, Clara Ponsatí Obiols
The Left	Manuel Bompard, Marc Botenga, Marisa Matias
Verts/ALE	Michael Bloss, Ignazio Corrao, Ciarán Cuffe, Jakop G. Dalunde, Henrike Hahn, Ville Niinistö, Manuela Ripa, Marie Toussaint

# Key to symbols:

+ : in favour
- : against
0 : abstention



#### OPINION OF THE COMMITTEE ON TRANSPORT AND TOURISM

for the Committee on Budgets

Guidelines for the 2023 Budget – Section III (2021/2226(BUI))

Rapporteur for opinion: Vlad Gheorghe

#### **SUGGESTIONS**

The Committee on Transport and Tourism calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas the EU transport sector is essential for the economic, social and environmental development of the Union, for its sustainability and for ensuring the territorial accessibility and connectivity of all of its regions, with particular regard to peripheral, rural, mountainous, insular and outermost regions and other disadvantaged geographical areas;
- B. whereas making transport sustainable will be key to achieving climate neutrality by 2050 and the intermediate targets established in the European Climate Law; whereas sufficient and targeted investment is needed to accelerate the shift to sustainable and smart mobility in line with the goals of the European Green Deal;
- C. whereas the Union has to make sustainable transport a reality while ensuring the functioning of the internal market and the competitiveness of the EU worldwide; whereas the transport sector is one of the largest employers in Europe and the challenges it faces should be tackled in such a way as to deliver benefits for the creation of well-paid jobs, ensure fairness and that no one is left behind, and improve the working conditions and safety of transport workers; whereas further efforts need to be made to make the profession of transport worker more attractive;
- D. whereas tourism, which directly or indirectly employs some 27 million workers, is an essential sector for the EU economy and its fourth-largest export industry, and plays an important role for the EU economy, competitiveness, employment and the promotion of social well-being; whereas a continued and swift shift towards more sustainable, quality and unseasonal tourism models is required; whereas many enterprises in the sector are small and medium-sized enterprises (SMEs) and family-owned, and find it difficult to access bank loans and the financial markets;
- E. whereas the economic activity and social cohesion of many EU regions depends heavily on tourism and these regions have therefore been hit particularly severely by the COVID-19 pandemic;

- F. whereas the transport and tourism sectors are among the hardest hit by the ongoing COVID-19 crisis; whereas transport has proven vital to ensuring the continuous flow of goods and the distribution of COVID-19 vaccines across the EU;
- 1. Welcomes the Commission's adoption of the Fit for 55 package in July 2021 and the upcoming negotiations that will help to deliver the sustainable and smart mobility strategy and ensure a just transition towards the goal of climate neutrality by 2050; reiterates the need for sufficient funding for the strategy's flagship projects, objectives and initiatives, in particular the reduction of carbon emissions and other negative externalities, the production and deployment of sustainable alternative fuels together with recharging points, the promotion of connected, interoperable and automated multimodal mobility, and enhanced transport safety and security; reiterates that appropriate funding for transport projects will be instrumental in boosting the sector's recovery and accelerating the shift to sustainable and smart mobility;
- 2. Reiterates that the digital and green transition should be just, inclusive and non-discriminatory in order to ensure that the workforce, business, and SMEs in the transport and tourism sectors can adjust in a timely manner to this transition, to support the regions and communities most affected by working together with local authorities and sharing best practices, and to ensure that the mobility needs of the most vulnerable are met; considers it important to allocate proper funding for this adjustment process, as well as for training and for equipping the sector's workforce with new expertise and skills for future job prospects and needs; highlights that this will help to increase the attractiveness of the transport sector, address the ageing of the workforce and labour shortages, and increase women's representation in the sector; points out the need to further include women in the different areas of the transport sector, in both its workforce and management roles;
- 3. Reiterates the crucial role of the Connecting Europe Facility (CEF) in fostering the development and timely completion of a high-performance Trans-European Transport Network (TEN-T) that is sustainable, safe, multimodal, interoperable and interconnected across transport, energy and digital services infrastructure; reiterates that appropriate funding for transport projects, including those contributing to achieving the 60 % climate spending target in the CEF and in line with the priorities of the European Green Deal, will be instrumental in boosting the sector's recovery and accelerating the shift to sustainable and smart mobility; regrets, in this regard, the reduction of CEF transport commitment appropriations in 2022 when compared with 2021 and the previous multiannual financial framework (MFF); recalls the importance of presenting calls for proposals with specific benefits for the outermost regions to address the digital and green transitions;
- 4. Calls on the Commission and Member States to ensure an articulate and complementary approach to the use of the available funds (the CEF, the Recovery and Resilience Facility (RRF), the European Regional Development Fund (ERDF), the Cohesion Fund and InvestEU) to maximise their effect on recovery while ensuring adequate long-term funding for EU projects, as well as the timely implementation of TEN-T;
- 5. Welcomes the Commission proposal for a revision of the TEN-T policy, which aims to make the TEN-T network fit for the future and to further align the development of the

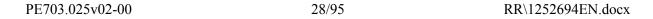
- TEN-T network with the completion of the single market, the creation of a Single European Transport Area, the European Green Deal objectives and the climate targets of the European Climate Law;
- 6. Calls on the Commission to conduct the necessary impact assessments and cost-benefit analyses, including life cycle assessments, when drawing up its new legislation on the decarbonisation of all modes of transport; highlights that decarbonisation efforts should not lead to a substantial increase in the cost of transport for passengers;
- 7. Calls on the Commission to swiftly deliver a multimodal package to ensure an integrated approach to transport policies;
- 8. Notes that the slight increase in the Cohesion Fund contribution to the CEF for transport in 2022 is insufficient to compensate for the reduction in 2021; requests that this contribution be further increased in the 2023 budget to reflect the crucial role played by EU transport and tourism policy in enhancing territorial, social and economic cohesion; calls for a clear calendar for further actions to achieve the full completion of TEN-T within the agreed deadlines, which will facilitate cross-border connections, stimulate economic growth, social and territorial cohesion in Europe, foster transport safety and create jobs;
- 9. Notes, despite the drastic reduction in military mobility ambitions in the MFF negotiations, the slight increase in the military mobility budget in 2022 in order to adapt parts of the TEN-T networks for the dual use of the transport infrastructure with a view to improving both civilian and military mobility;
- 10. Welcomes the increase in financing for the InvestEU programme in 2022 compared to 2021 given the programme's important role in fostering sustainable and safe infrastructure; stresses, however, that this increase was necessary to compensate for the considerable reduction in 2021 and calls for the programme to be funded properly in 2023;
- 11. Calls for increased research and investments in innovation and digitalisation in order to support the deployment of innovative transport solutions, the modal shift, low-emission mobility solutions and sustainable alternative fuels;
- 12. Recalls the importance of the transparency of EU funding in the transport sector; recalls that public investment in infrastructure is particularly susceptible to fraud; stresses the importance of guaranteeing a transparent and competitive tendering process for large-scale transport infrastructure projects financed by the EU; considers it essential to put in place adequate control mechanisms in terms of the quality of materials and construction techniques so as not to compromise on safety;
- 13. Welcomes the role of the RRF and related national plans in stimulating the recovery in the transport and tourism sectors while advancing the Union's priorities for a green and digital transition; calls on the Commission to support the Member States in implementing the relevant projects, including with expertise and technical assistance, paying special attention to cross-border projects; calls on the Commission and Member States to ensure that the tourism sector receives a proper share of assistance under the RRF;

- 14. Believes that respect for the 'do no significant harm' principle should be enshrined in all transport-related funding legislation;
- 15. Calls on the Commission to take all the necessary action and mobilise sufficient funding to reinforce transport safety and security, in particular improving the maintenance of infrastructure with a special emphasis on vulnerable road users, rolling out safe and secure parking in on-highway and off-highway areas, better integrating road safety into the guidelines for the sustainable urban mobility plans, issuing recommendations on road safety in residential areas and taking into account upcoming mobility developments such as drones; calls on the Commission to regularly scrutinise the progress of the Member States in this regard and to provide technical assistance at the request of the relevant authorities;
- 16. Stresses that Member States should facilitate additional investment in infrastructure works and the deployment of safe and secure parking areas, i.e. by reducing bureaucratic burdens and the time required for administrative procedures;
- 17. Takes note of the EU funding possibilities available to the tourism ecosystem (SMEs, microenterprises and workers) and the increase in support for tourism SMEs in the 2022 budget; reiterates, however, its urgent and repeated request for the creation of a specific EU programme on sustainable tourism and a dedicated budget line to reflect the importance and needs of the sector; recalls the request made by the European Parliament to set up a European Agency for Tourism;
- 18. Calls on the Commission, therefore, to take all necessary action and mobilise sufficient funding under the 2023 budget for the swift development of a roadmap for sustainable tourism; stresses that diversifying the offer and boosting cooperation can contribute to attracting a wider range of tourists and increase market share, while reducing the climate and environmental footprint of the sector; highlights the attractiveness of pan-European tourism products and services such as transnational itineraries; calls for additional support to be provided to the digital transition as a building block for a resilient tourism sector and EU economy;
- 19. Notes that despite the Commission's intensified efforts to facilitate EU funding for the tourism sector, enterprises face serious difficulties in accessing EU funding; reiterates its calls for the Commission to create an EU mechanism to monitor the provision of support to microenterprises and SMEs in order to facilitate their modernisation and the implementation of innovative and sustainable projects, while ensuring transparency, accountability and administrative simplification;
- 20. Notes that sustainable tourism should take account of the current and future economic, social and environmental impacts of the tourism and travel sectors, addressing the needs of visitors, the industry, the environment and local communities; highlights the need to devise sustainable and flexible solutions for multimodal transport and to develop policies for preserving natural heritage and biodiversity, respecting the sociocultural authenticity of host communities, ensuring sustainability and delivering socio-economic benefits for all stakeholders, such as local, high-quality and permanent jobs within the sector;
- 21. Requests that the funding for European transport agencies and joint undertakings match



their level of responsibility; stresses the particular need to increase the budget of the EU Agency for Railways in order to provide it with the necessary means to act as an efficient authority, with particular regard to the implementation of the fourth railway package, and to provide additional support for TEN-T completion objectives, notably the European Rail Traffic Management System and cross-border sections; recalls, in addition, the role of the EU Agency for Railways in working to achieve a lasting shift from road to rail together with the Shift2Rail joint undertaking;

- 22. Commends the guidance issued to the aviation sector by the EU Aviation Safety Agency (EASA) throughout the COVID-19 crisis and calls for the right level of resources to be allocated to the agency in view of its responsibilities; commends the fact that the Single European Sky Air Traffic Management Research (SESAR) and Clean Sky 2 joint undertakings were able to maintain their level of ambition in spite of the circumstances;
- 23. Reiterates that in 2018, the EASA, classified as a European strategic investment agency, was given significant new core tasks with regard to cybersecurity in aviation, drones and urban air mobility, environmental protection, research and development, and international cooperation; calls, therefore, for an adequate budget for the agency; underlines the role of the EASA in the Green Deal through its work to reduce the environmental impact of aviation, including through the development of new CO<sub>2</sub> standards, the monitoring of environmental fraud prevention, the concept of an EU Ecolabel programme and of life cycle assessments, the reduction of the non-CO<sub>2</sub> effects of aviation, and the promotion of the use of duly certified sustainable aviation fuels, as well as the green renewal of airlines' fleets;
- 24. Reiterates the role that a better resourced European Maritime Safety Agency could play in supporting Member States in mitigating shipping-related environmental risks, greenhouse gas emissions and heavy marine pollution in particular, improving the sustainability of the maritime sector and contributing to the overall efficiency of maritime traffic and maritime transport, so as to facilitate the establishment of a European Maritime Transport Space without barriers;
- 25. Salutes the establishment of the Clean Aviation, Europe's Rail and SESAR 3 joint undertakings and the Clean Hydrogen partnership; calls for these endeavours to be properly funded to enable them to fulfil their role in boosting innovation and research and improving the performance, safety and sustainability of the transport sector; points out that EU financing programmes such as Horizon Europe could play a key role in promoting partnerships with EU countries, the private sector, foundations and other stakeholders; welcomes, in that regard, the increase in the budget of the Horizon Europe research programme in 2022 and calls on the Commission to maintain a high level of funding in 2023;
- 26. Reiterates the need to reflect on ways to promote sustainable modes of transport including through budgetary incentives, taking into consideration the example of the European Year of Rail 2021; asks the Commission to encourage synergies between the European Year of Youth 2022 and the DiscoverEU initiative in order to promote sustainable and smart mobility among young people.



# INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	7.2.2022
Result of final vote	+: 38 -: 1 0: 6
Members present for the final vote	Magdalena Adamowicz, Andris Ameriks, José Ramón Bauzá Díaz, Izaskun Bilbao Barandica, Paolo Borchia, Karolin Braunsberger-Reinhold, Marco Campomenosi, Ciarán Cuffe, Karima Delli, Gheorghe Falcă, Giuseppe Ferrandino, Carlo Fidanza, Mario Furore, Søren Gade, Isabel García Muñoz, Elsi Katainen, Kateřina Konečná, Elena Kountoura, Julie Lechanteux, Peter Lundgren, Benoît Lutgen, Elżbieta Katarzyna Łukacijewska, Marian-Jean Marinescu, Tilly Metz, Cláudia Monteiro de Aguiar, Caroline Nagtegaal, Jan-Christoph Oetjen, Philippe Olivier, Rovana Plumb, Tomasz Piotr Poręba, Dominique Riquet, Massimiliano Salini, István Ujhelyi, Henna Virkkunen, Elissavet Vozemberg-Vrionidi, Lucia Vuolo, Roberts Zīle, Kosma Złotowski
Substitutes present for the final vote	Sara Cerdas, Clare Daly, Roman Haider, Ljudmila Novak, Jutta Paulus, Andreas Schieder, Marianne Vind

# FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

38	+
ECR	Carlo Fidanza, Tomasz Piotr Poręba, Roberts Zīle, Kosma Złotowski
NI	Mario Furore
PPE	Magdalena Adamowicz, Karolin Braunsberger-Reinhold, Gheorghe Falcă, Elżbieta Katarzyna Łukacijewska, Benoît Lutgen, Marian-Jean Marinescu, Cláudia Monteiro de Aguiar, Ljudmila Novak, Massimiliano Salini, Henna Virkkunen, Elissavet Vozemberg-Vrionidi, Lucia Vuolo
RENEW	José Ramón Bauzá Díaz, Izaskun Bilbao Barandica, Søren Gade, Elsi Katainen, Caroline Nagtegaal, Jan- Christoph Oetjen, Dominique Riquet
S&D	Andris Ameriks, Sara Cerdas, Giuseppe Ferrandino, Isabel García Muñoz, Rovana Plumb, Andreas Schieder, István Ujhelyi, Marianne Vind
The Left	Clare Daly, Elena Kountoura
VERTS/ALE	Ciarán Cuffe, Karima Delli, Tilly Metz, Jutta Paulus

1	-
ECR	Peter Lundgren

6	0
ID	Paolo Borchia, Marco Campomenosi, Roman Haider, Julie Lechanteux, Philippe Olivier
The Left	Kateřina Konečná

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# OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT

for the Committee on Budgets

on guidelines for the 2023 Budget - Section III (2021/2226(BUI))

Rapporteur for opinion: Andrea Caroppo

#### SUGGESTIONS

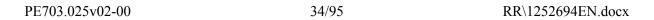
The Committee on Agriculture and Rural Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- 1. Recalls the need to encourage and promote generational renewal in the agricultural sector by facilitating the takeover of farms by young people and women, as this is one of the main challenges for European agriculture; recalls the need for adequate financial support for young farmers under the reformed common agricultural policy (CAP); stresses that preventing farm abandonment is an important component of the Commission's long-term vision for rural areas and highlights that agriculture and rural development are key investment policy areas and are instrumental to achieving the EU's objectives on food security, sustainable economic growth, social inclusion, territorial balance, environmental protection and animal welfare;
- 2. Stresses the importance of funding research and innovation in the agri-food sector through rural development funds, the Horizon Europe budget, European Innovation Partnerships (EIPs), pilot projects, preparatory actions and the introduction of assisted evolution technologies in order to improve competitiveness, stimulate smart solutions and support a just transition towards a low-carbon economy; highlights, in this regard, the need for farmers to be provided with technical assistance for the implementation of new technologies and the need to ensure that the results of research and innovation reach farms and farmers;
- 3. Welcomes the European Union's efforts to accelerate the digital transformation in agriculture and rural areas; notes the continued importance of supporting investments in modernisation and innovation, if the agriculture sector is to contribute to meeting the targets of the European Green Deal, the biodiversity strategy and 'Farm to Fork' measures; urges the Commission to identify additional sources of financial support for farmers with a view to ensuring a fair and balanced transition in the digitalisation of the agricultural sector, since significant differences remain at regional, national and EU level;

- 4. Urges the Member States to facilitate access to credit and other financial instruments for farms, especially small and family farms;
- 5. Calls on the Commission to encourage and financially support vertical integration projects that promote sustainable production in order to implement the 'Farm to Fork' model effectively and continue fostering knowledge and consumption of sustainably produced, regional and healthy foods from, for example, the Mediterranean diet or other national or regional quality schemes, including the optional quality terms 'mountain product' and 'product of island farming', as well as quality products with high added value, geographical indications and designations of origin;
- 6. Reaffirms the significance of the EU's school scheme in helping children follow a healthy diet; calls on the Commission to propose appropriate support for the school scheme; invites the Member States to fully use their allocations and prioritise sustainable, local and high-quality production;
- 7. Stresses that European farmers continue to play a strategic role during the pandemic and have demonstrated their ongoing resilience by ensuring a stable and secure food supply for European citizens; calls on the Commission, within the scope of its powers, to ensure European food security and reduce dependence on non-EU countries; stresses that, in the case of imports from non-EU countries, the Commission must ensure that imported products comply with quality standards by, in particular, implementing reciprocity of standards for agricultural products from outside the EU in order to guarantee safe food for European consumers;
- 8. Welcomes the Commission's contingency plan for ensuring food supply and food security in times of crisis and the establishment of the European Food Security Crisis Preparedness and Response Mechanism (EFSCM); points out that the lack of coordination on emergency procedures and different Member States' interpretations of the measures put in place by the EU cannot guarantee the smooth functioning of the single market; welcomes therefore the role of the EFSCM in aiming to improve the level of preparedness and cooperation between sectors; calls on the Commission to introduce measures to address the agri-food sector's vulnerabilities to crises, including as part of the Farm to Fork strategy;
- 9. Believes that stricter controls on import requirements for plants, other agricultural products, plant protection products and products for use in agriculture entering the EU's territory will help safeguard the health of consumers, biodiversity and European farmers' income;
- 10. Calls on the Commission to bring forward without delay common varietal conversion plans for regions already affected by pathogens and make related financial support and free technical assistance available to farmers;
- 11. Continues to insist that revenue to the EU budget deriving from any assigned revenues or repayments of irregularities from agriculture in previous years should remain under this domain;
- 12. Recalls that from 1 January 2023, the reformed CAP, with a new delivery model, will enter into force and stresses the need to ensure a smooth implementation and immediate

- application of the CAP strategic plans to make an adequate budget promptly available; highlights that there are a number of new practices and measures under the strategic plans, such as farm advisory services and practices and new enhanced eco-schemes, that will help achieve the goals set out under the Farm to Fork strategy, including as regards carbon farming, agroforestry and paludiculture;
- 13. Recalls the commitments made under the Interinstitutional Agreement on the CAP reform to maintain funding for the programme of options specifically relating to remoteness and insularity (POSEI) and the programme for the smaller Aegean islands at their 2020 levels in the 2023 budget; stresses the vital importance of the POSEI programme for the maintenance of agricultural activity and the supply of food and agricultural products in the outermost regions, which must be provided with adequate resources; recalls the specific socioeconomic problems of those regions as a result of their geographical situation, in particular their remoteness, insularity, small size, difficult topography and climate, as acknowledged in Article 349 of the Treaty on the Functioning of the European Union;
- 14. Underlines that the EU agricultural sector is currently facing major challenges, notably resulting from the COVID-19 pandemic, the energy crisis and rising fertiliser and feed prices, and that this makes the need for sustainable investment in the agricultural sector greater than ever, including from sources outside the CAP budget, in order to ensure the production of sufficient, affordable and high-quality food for consumers and help farmers address future crises;
- 15. Calls on the Commission, in the context of the ongoing crisis in the pork market, to identify mechanisms to support pig farmers and pork producers, while taking the negative impact of African swine fever into consideration;
- 16. Asks the Commission to address the problems affecting many sectors due to the increasing costs of inputs, particularly fertilisers, feed and energy, through targeted market interventions and calls for continuing and increasing targeted reinforcements to the relevant budget items for market support measures;
- 17. Welcomes the new agricultural reserve provided for in the new CAP that will assist the agricultural sector in the event of market developments or crises that affect agricultural production or distribution, and which Parliament strongly supported during the negotiations of the new CAP; highlights that this reserve will amount to at least EUR 450 million per year and is to be initially financed by appropriations available under the European agricultural guarantee fund sub-ceiling and subsequently, if necessary, by unused crisis reserve funds available at the end of 2022; notes that the agricultural reserve will be implemented for the first time in 2023 and stresses that the rest of the unused 2022 crisis reserve funds should be reimbursed to farmers; highlights that the agricultural reserve under the new CAP should become a more efficient tool to address both large- and small-scale crises in the agricultural sector over time and that it represents an easily accessible buffer to deal with market uncertainties; recalls the need to make full use of the additional support provided to the European agricultural fund for rural development by the NextGenerationEU funds;
- 18. Stresses the need to find funding from outside CAP to lend ad hoc support to sectors

affected by external political or health-related constraints.



# INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	1.3.2022
Result of final vote	+: 39 -: 7 0: 1
Members present for the final vote	Mazaly Aguilar, Clara Aguilera, Atidzhe Alieva-Veli, Álvaro Amaro, Attila Ara-Kovács, Carmen Avram, Adrian-Dragoş Benea, Benoît Biteau, Mara Bizzotto, Daniel Buda, Asger Christensen, Angelo Ciocca, Ivan David, Paolo De Castro, Jérémy Decerle, Salvatore De Meo, Herbert Dorfmann, Luke Ming Flanagan, Dino Giarrusso, Francisco Guerreiro, Martin Häusling, Martin Hlaváček, Krzysztof Jurgiel, Jarosław Kalinowski, Elsi Katainen, Hélène Laporte, Camilla Laureti, Gilles Lebreton, Norbert Lins, Colm Markey, Marlene Mortler, Ulrike Müller, Maria Noichl, Juozas Olekas, Eugenia Rodríguez Palop, Bronis Ropė, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Annie Schreijer-Pierik, Marc Tarabella, Veronika Vrecionová, Sarah Wiener, Juan Ignacio Zoido Álvarez
Substitutes present for the final vote	Zbigniew Kuźmiuk, Alin Mituţa, Pina Picierno

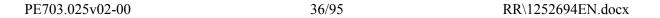
# FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

39	+
ECR	Mazaly Aguilar, Krzysztof Jurgiel, Zbigniew Kuźmiuk, Veronika Vrecionová
ID	Mara Bizzotto, Angelo Ciocca, Hélène Laporte, Gilles Lebreton
NI	Dino Giarrusso
PPE	Álvaro Amaro, Daniel Buda, Salvatore De Meo, Herbert Dorfmann, Jarosław Kalinowski, Norbert Lins, Colm Markey, Marlene Mortler, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Annie Schreijer-Pierik, Juan Ignacio Zoido Álvarez
Renew	Atidzhe Alieva-Veli, Asger Christensen, Jérémy Decerle, Martin Hlaváček, Elsi Katainen, Alin Mituţa, Ulrike Müller
S&D	Clara Aguilera, Attila Ara-Kovács, Carmen Avram, Adrian-Dragoş Benea, Paolo De Castro, Camilla Laureti, Maria Noichl, Juozas Olekas, Pina Picierno, Marc Tarabella

7	-
The Left	Luke Ming Flanagan, Eugenia Rodríguez Palop
Verts/ALE	Benoît Biteau, Francisco Guerreiro, Martin Häusling, Bronis Ropė, Sarah Wiener

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	ID	Ivan David

Key to symbols: + : in favour - : against 0 : abstention



### OPINION OF THE COMMITTEE ON CULTURE AND EDUCATION

for the Committee on Budgets

on guidelines for the 2023 budget – Section III (2021/2226(BUI))

Rapporteur for opinion: Morten Løkkegaard

### SUGGESTIONS

The Committee on Culture and Education calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- 1. Is deeply concerned by the persistent impact of the COVID-19 pandemic on education, the cultural and creative sectors and industries, youth, media and sports; urges the Commission, together with the Member States, to take all necessary measures to mitigate these impacts in order to ensure the recovery of these sectors and to continue facilitating their digital and green transitions, as well as supporting the beneficiaries of the Erasmus+, Creative Europe and European Solidarity Corps programmes, including by strengthening the annual resources allocated to these programmes in the framework of the current MFF;
- 2. Recalls that the Creative Europe programme is the only EU programme dedicated specifically to supporting the cultural and creative sectors and industries; calls for particular support to be offered to small and medium-sized enterprises (SMEs) in the cultural and creative sectors and industries, especially in order to facilitate their access to Union funding and to help them overcome market barriers, with the aim of enabling these companies to make the most of the digital transformation;
- 3. Notes that the unprecedented disruption in learning because of the COVID-19 pandemic has increased the education gap and, with it, the inequalities in education systems, in particular as regards digital education, distance learning and access to the internet and IT equipment;
- 4. Expresses its regret, in this regard, that some Member States are not investing a sufficient percentage of their gross domestic product (GDP) in education and training and calls on the Commission to devise specific support measures to address notably the effects of such disruption on mental wellbeing and to evaluate the effectiveness of different approaches implemented in the Member States to build more resilient and inclusive education and training systems;
- 5. Urges the Commission to present examples of Member States' best practices in already

- 2023, and ultimately in the interim evaluation of the Erasmus+ programme;
- 6. Stresses the need to increase financial support for cultural heritage in view of the impacts of the pandemic; urges the Commission to increase financing to actions specifically addressing heritage professionals and necessary conservation and maintenance works;
- 7. Calls for further support to be allocated to sports highly affected by the pandemic; underlines the need for further attention to be paid to school sports, community sports, athletes and trainers impacted by the limitations imposed due to the current epidemiological situation;
- 8. Expects to see a substantial increase in Erasmus+ funding for the sports sector in 2023 when the Key Action 1 individual exchanges of sports personnel begin to take place;
- 9. Notes with concern that, according to the Commission's financial programming, the overall Creative Europe envelope is expected to drop by 20 % between 2022 and 2023, even after taking into account the estimated 2023 top-up resulting from the programme-specific adjustment provided for in Article 5 of the MFF Regulation; considers that, because a full recovery of the cultural and creative sectors is not expected before 2024, additional funds must be allocated to this programme in 2023;
- 10. Calls on the Commission to examine the possibility of redirecting unused or saved resources to culture, education, youth, sports and media programmes;
- 11. Recalls the possible synergies and complementarities between Erasmus+, Creative Europe and the European Solidarity Corps on the one hand, and other EU programmes and funding sources on the other, such as the European Social Fund+ (ESF+), the Just Transition Fund, the Horizon Europe programme, the Citizenship, Equality, Rights and Values programme (CERV) and the Recovery and Resilience Facility (RRF); regrets the fact that in practice, these synergies and complementarities are not being fully coordinated in most Member States;
- 12. Calls on the Commission, notwithstanding the need for sufficient funding for the programmes mentioned, to further examine these synergies and complementarities and to support the Member States in coordinating them, including by providing EU-level guidance and by facilitating the exchange of good practices;
- 13. Calls on the Commission, in this regard, to propose a training plan to help national agencies communicate more effectively with their responsible ministries in order to use ESF+ funds for Erasmus+ top-ups for those students who cannot afford to participate in Erasmus+ and to support the programme in other ways;
- 14. Recalls that there is significant funding available for the cultural and creative sectors and industries within the Horizon Europe programme and calls on the Commission to fully explore Cluster 2 on 'Culture, Creativity and Inclusive Society' by publishing more open calls for proposals, which will help the sector to recover and to cope with the digital transition;
- 15. Is convinced that the capacity for building synergies across EU programmes is essential

to achieve a European Education Area by 2025, to implement the digital education action plan and to make the New European Bauhaus initiative and the European Year of Youth 2022 a success; urges the Commission and the Member States, in this regard, to step up their efforts to maximise the complementary nature of their investments and actions and ensure they are supported across all EU funding sources;

- 16. Insists that the implementation of the above-mentioned initiatives must not come at the expense of the budgetary resources and core activities of the Erasmus+, Creative Europe and European Solidarity Corps programmes;
- 17. Recalls that the RRF is focused on the Union's recovery and is deeply concerned that the goal of dedicating 2 % of the overall budget to culture has been achieved at an aggregated EU level only; notes that just 14 Member States have included culture in their RRF plans; draws attention, furthermore, to previous recommendations to allocate 10 % of the RRF to support education;
- 18. Calls on the Commission to present a detailed report on how the RRF is contributing to the cultural and creative sectors and to education;
- 19. Welcomes the New European Bauhaus initiative, which builds bridges between the worlds of science and technology on the one hand and art and culture on the other, to efficiently address societal issues and build sustainable and inclusive living spaces; notes with concern, however, that a coherent and strategic approach for the financing of the initiative is still lacking;
- 20. Considers that the mere deployment of existing funds may not be sufficient to achieve the objectives of this initiative and emphasises the need for new funds;
- 21. Calls for a mid-term revision of the MFF, in which possibilities to establish long-term dedicated funding for the New European Bauhaus initiative as well as for the European Education Area may be explored;
- 22. Welcomes the inclusion measures put forward by the Commission with the aim of reinforcing the Erasmus+ and European Solidarity Corps programmes until 2027; calls on the Commission to implement concrete inclusion measures with regard to the Creative Europe programme, and to perform a transparent assessment of their implementation and report on the outcomes to Parliament;
- 23. Calls for specific inclusion measures targeting people with fewer opportunities and people with disabilities, including young people; calls also for particular attention to be paid to beneficiaries of such measures from rural, remote and mountainous areas;
- 24. Is pleased that Parliament managed to secure an additional EUR 8 million for the Erasmus+ programme and European Solidarity Corps to finance the European Year of Youth 2022, ensuring that the core activities of both programmes will not be affected; expresses its regret that this additional sum is still far from sufficient to cover the needs of this initiative;
- 25. Calls on the Commission, in this regard, to support the co-legislators' commitment for the European Year of Youth 2022 to leave a lasting legacy by planning follow-up

- activities and securing adequate financing for 2023 and by performing a thorough evaluation of the Year; recalls, in this regard, the Commission's commitment to carry out a mapping exercise throughout the year and within the current MFF and the EU programmes and instruments, to identify any additional funding beyond 2022 and to report regularly to Parliament and the Council on progress in this regard;
- 26. Reiterates the need for the Commission to perform a thorough evaluation and to submit a report to Parliament at the end of 2023 covering the implementation and results of the activities financed by the European Year of Youth;
- 27. Highlights the fallout from the economic downturn and strongly reiterates its call on the Commission and the Member States to increase the support available for the news media and audiovisual sectors; reiterates its call for a permanent EU news media fund to empower independent news coverage, safeguard the independence of European journalists and journalism, and guarantee the freedom of the press;
- 28. Takes note of the changed ownership structure of Euronews; remains concerned, however, that all conditions for guaranteeing journalistic independence may not be met; takes the view that the securing of a reserve fund for Euronews must be conditional on the provision of written, detailed and concrete measures by the main shareholders to guarantee journalistic independence effectively; insists that these undertakings be fit for proper assessment and regular review by the EU institutions;
- 29. Reiterates its call for enhanced transparency and for a comprehensive review of EU spending on multimedia actions in order to ensure stability, predictability and the scrutiny of those actions;
- 30. Urges the Commission and the European Education and Culture Executive Agency to continue improving their IT systems and tools and to make them more accessible, and to put forward additional administrative simplification measures that are necessary for the smooth and successful implementation of the Erasmus+, Creative Europe and European Solidarity Corps programmes, as well as pilot projects and preparatory actions, in 2023;
- 31. Welcomes the Commission's new interactive guide mapping all relevant funding opportunities for the cultural and creative sectors and industries in order to improve their know-how and possibilities to benefit from available Union support and calls for regular reporting on the effectiveness of this tool;
- 32. Notes that there is still a need to further improve the visibility and understanding of EU actions targeting culture, education, youth, media and sports; calls on the Commission to further enhance its external communication strategy and the visibility of Union funding, including by diversifying the tools currently used;
- 33. Is concerned about the deficit of knowledge among citizens about democratic life in Europe and their lack of participation in it; stresses the need for more initiatives, beyond the setting up of the European universities networks, to strengthen civic and citizenship education at EU level, including EU policies and programmes and, when possible, the creation of permanent structures at Member State level with the aim of fostering the development of citizenship education and mobility as drivers leading to a greater sense of European belonging among young people;

- 34. Is concerned about the post-Brexit situation of EU students who wish to take part in study exchanges to the United Kingdom; calls on the Commission to use all available diplomatic means to persuade the United Kingdom of the advantages of re-joining Erasmus+ as a full member;
- 35. Calls on the Commission to start negotiating with Switzerland on its full participation in the Erasmus+ programme, independently of negotiations on other aspects of relations between the EU and Switzerland.

## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	7.2.2022
Result of final vote	+: 24 -: 1 0: 3
Members present for the final vote	Asim Ademov, Ilana Cicurel, Gianantonio Da Re, Laurence Farreng, Tomasz Frankowski, Alexis Georgoulis, Catherine Griset, Sylvie Guillaume, Hannes Heide, Irena Joveva, Petra Kammerevert, Niyazi Kizilyürek, Predrag Fred Matić, Dace Melbārde, Victor Negrescu, Peter Pollák, Marcos Ros Sempere, Monica Semedo, Andrey Slabakov, Massimiliano Smeriglio, Michaela Šojdrová, Sabine Verheyen, Salima Yenbou, Theodoros Zagorakis
Substitutes present for the final vote	Christian Ehler, Loucas Fourlas, Elżbieta Kruk, Viola Von Cramon- Taubadel

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## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

24	+
ECR	Dace Melbārde
PPE	Asim Ademov, Christian Ehler, Loucas Fourlas, Tomasz Frankowski, Peter Pollák, Michaela Šojdrová, Sabine Verheyen, Theodoros Zagorakis
Renew	Ilana Cicurel, Laurence Farreng, Irena Joveva, Monica Semedo
S&D	Sylvie Guillaume, Hannes Heide, Petra Kammerevert, Predrag Fred Matić, Victor Negrescu, Marcos Ros Sempere, Massimiliano Smeriglio
The Left	Alexis Georgoulis, Niyazi Kizilyürek
Verts/ALE	Viola Von Cramon-Taubadel, Salima Yenbou

1	-
ID	Catherine Griset

3	0
ECR	Elżbieta Kruk, Andrey Slabakov
ID	Gianantonio Da Re

Key to symbols: + : in favour - : against 0 : abstention

### OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND GENDER EQUALITY

for the Committee on Budgets

on guidelines for the 2023 budget – Section III (2021/2226(BUI))

Rapporteur for opinion: Monika Vana

#### SUGGESTIONS

The Committee on Women's Rights and Gender Equality calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas gender equality is a core value of the Union enshrined in Article 2 of the Treaty on European Union; whereas Article 8 of the Treaty on the Functioning of the European Union states that 'in all its activities, the Union shall aim to eliminate inequalities and to promote equality between men and women', thus establishing the principle of gender mainstreaming, which stipulates that gender equality must be incorporated at all levels of the budgetary process;
- B. whereas discrimination needs to be eradicated and effectively addressed by the Member States and the EU; whereas an increasing percentage of the EU budget, including the EU structural funds and investments in high-quality care services, must be designed to facilitate a better work-life balance for all with a specific focus on improving equality, including for women, girls and LGBTI+ people;
- 1. Notes that, although all EU institutions are guided by the Treaties and the 2020-2025 EU gender equality strategy in implementing gender mainstreaming in their policy-making and institutional affairs, there is currently no coherent approach or structured cooperation; calls for the swift implementation of the 2020-2025 EU gender equality strategy and stresses the need for additional action to be taken;
- 2. Regrets that, despite Parliament's repeated calls for the promotion and implementation of the use of gender mainstreaming, gender budgeting and gender impact assessments in all Union policy areas, Special report 10/2021 published by the European Court of Auditors<sup>1</sup>, confirmed that the EU's budget cycle does not yet adequately take gender equality into account and that the Commission has not yet lived up to its commitment to include gender mainstreaming in the EU budget; stresses that this situation should be

<sup>&</sup>lt;sup>1</sup> European Court of Auditors, *Gender mainstreaming in the EU budget: time to turn words into action. Special report No 10, 2021*, Publications Office of the European Union, Luxembourg, 2021.

- adequately addressed by the Commission in its budget proposal for 2023; recalls the recommendations of the European Court of Auditors' 2021 report regarding the importance of the EU budget's contribution to achieving gender equality;
- 3. Underlines that a gender perspective should be fully and adequately integrated at all levels of the budgetary process, particularly in the light of the gendered impact of the COVID-19 pandemic and the increasing backlash against women's rights, including sexual and reproductive health and rights, in several Member States; calls for gender budgeting and the inclusion of gender-related objectives in all EU programmes and the identification of relevant budget lines, the effective monitoring of the EU budget's contribution to gender equality and a gender-sensitive review of programmes with spending adjusted according to the conclusions;
- 4. Notes that gender equality is widely recognised as a significant driving force behind economic growth, and that the European Institute for Gender Equality (EIGE) estimates that improving gender equality could lead to an increase in EU GDP per capita of between 6.1 % and 9.6 % by 2050;
- 5. Stresses the need to systematically collect, report and evaluate high-quality gender-disaggregated data, which until now has not been properly collected and has been underused; calls for the inclusion of requirements to systematically collect and report this data in upcoming legislative proposals for EU funding programmes and as part of the performance reports in the annual budget, taking into account that the 2020-2025 gender equality strategy stresses the need for adequate data collection and related commitments from the Commission;
- 6. Regrets that until now the Commission has not adequately incorporated gender mainstreaming in the budgetary process despite the fact that it is a horizontal principle within the 2021-2027 multiannual financial framework; welcomes the Commission's commitment to develop a methodology to measure gender-relevant expenditure and its ongoing assessment of gender-related data collection; expects Parliament to be consulted throughout the assessment process, including before the publication of the Commission's annual management and performance report; recalls that the gender action plan (GAP) III and the citizens, equality, rights and values programme (CERV) have gender-related spending targets; expects the Commission to fully implement its commitments and to report specifically on this to the budgetary authority;
- 7. Stresses the importance of training to provide staff with the expertise to effectively implement gender mainstreaming and gender budgeting;
- 8. Recalls the important role of the EIGE in collecting data and providing expertise on gender inequality in the EU; calls on the Commission to adequately increase resources for the EIGE, both in terms of budget and staff, so that it can perform its essential duties, especially in the contexts of the COVID-19 pandemic's impact on gender equality and the backlash against women's rights;
- 9. Stresses the importance of investments in high-quality public services, including healthcare and social infrastructure, for coping with social and health crises, building social resilience and combating inequalities; stresses the importance of creating high-quality jobs in these sectors in order to achieve a just transition towards a less carbon

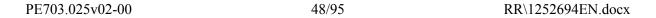
intensive society;

- 10. Reiterates that women have been disproportionately affected by the COVID-19 pandemic, including with regard to an escalation of gender-based violence and harassment, restricted access to sexual and reproductive health and rights, unpaid and unequal distribution of care and domestic responsibilities, and employment, particularly for those in precarious employment, feminised sectors and the informal economy; stresses the importance of mitigating growing inequalities, in particular though the implementation of gender-responsive budgeting in the recovery and resilience plans provided for in NextGenerationEU and cohesion policy, and by ensuring gender equality in digitalisation; stresses, therefore, the importance of promoting digital education and knowledge of digital technologies, and of considering the gender dimension of EU digitalisation policies;
- 11. Regrets the gender gap in digital skills, science, technology, engineering and mathematics (STEM) careers, industrial leadership and entrepreneurship; stresses the importance of promoting women's economic empowerment by, among other measures, supporting women's entrepreneurship; reiterates that the EU budget should be equipped with tools to encourage women's participation and interest in the digital economy and STEM sectors and careers through Union programmes in areas including research, innovation and technology; calls on the Commission to allocate greater resources for these areas, strengthen the instruments available and develop cooperation between these instruments to advance gender equality in these sectors, including for women in rural areas;
- 12. Stresses the importance of adequate and dedicated financial resources for relevant programmes, including under EU instruments such as the Neighbourhood, Development and International Cooperation Instrument Global Europe and CERV, in a context of rising backlash against gender equality and women's rights and an increase in gender-based violence during the COVID-19 crisis;
- 13. Calls for increased, ambitious and specific budget allocations for preventing and combating gender-based violence within Daphne;
- 14. Calls on the Commission to increase budget allocation to civil society organisations that promote women's rights in Europe and beyond, including those working on sexual and reproductive health and rights, such as those that facilitate cross-border cooperation between organisations providing safe and legal abortions;
- 15. Recalls the requirement to allocate at least 40 % of the funds dedicated to CERV's equality, rights and gender equality strand and Daphne strand to activities to prevent and combat all forms of gender-based violence and at least 15 % to activities that promote women's full enjoyment of rights, empowerment, gender mainstreaming and gender equality, including work-life balance;
- 16. Stresses the importance of cohesion policy in promoting gender equality; welcomes that a gender equality-related expenditure tracking system was included in the European Social Fund Plus, the European Regional Development Fund and the Cohesion Fund, which will allow for the better monitoring of investments related to gender equality; regrets the assessment, during negotiations, that a gender breakdown is not relevant to

- the European Regional Development Fund and the Cohesion Fund in most cases;
- 17. Reiterates the request for separate dedicated budget lines specifically targeting measures related to gender-based violence, gender equality and gender mainstreaming in CERV; reiterates that all programmes, as standard practice, should include goals and indicators related to gender equality in order to deliver concrete and measurable impacts, and should have dedicated budget lines when including specific targeted measures;
- 18. Calls on the Commission to increase funding devoted to awareness-raising campaigns and combating gender stereotypes;
- 19. Calls for greater coordination between the instruments available in the EU budget to advance gender equality, improve work-life balance and support women's access to the labour market, including by ensuring investment in care facilities;
- 20. Reiterates the need for greater efforts to support women in more vulnerable situations, including women with disabilities, single mothers, migrant women, women living in remote rural areas and women facing discrimination on the grounds of race, colour or ethnic origin, as well as LGBTI+ people.

## INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	10.2.2022
Result of final vote	+: 29 -: 4 0: 3
Members present for the final vote	Isabella Adinolfi, Simona Baldassarre, Robert Biedroń, Vilija Blinkevičiūtė, Annika Bruna, Margarita de la Pisa Carrión, Rosa Estaràs Ferragut, Frances Fitzgerald, Cindy Franssen, Heléne Fritzon, Lina Gálvez Muñoz, Lívia Járóka, Arba Kokalari, Alice Kuhnke, Elżbieta Katarzyna Łukacijewska, Radka Maxová, Andżelika Anna Możdżanowska, Maria Noichl, Sandra Pereira, Pina Picierno, Sirpa Pietikäinen, Samira Rafaela, Evelyn Regner, Terry Reintke, Diana Riba i Giner, Eugenia Rodríguez Palop, María Soraya Rodríguez Ramos, Christine Schneider, Sylwia Spurek, Jessica Stegrud, Isabella Tovaglieri, Hilde Vautmans, Elissavet Vozemberg-Vrionidi, Chrysoula Zacharopoulou, Marco Zullo
Substitutes present for the final vote	Sylvie Brunet



## FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

29	+
PPE	Isabella Adinolfi, Rosa Estaràs Ferragut, Frances Fitzgerald, Cindy Franssen, Arba Kokalari, Elżbieta Katarzyna Łukacijewska, Sirpa Pietikäinen, Christine Schneider, Elissavet Vozemberg-Vrionidi
Renew	Sylvie Brunet, Samira Rafaela, María Soraya Rodríguez Ramos, Hilde Vautmans, Chrysoula Zacharopoulou, Marco Zullo
S&D	Robert Biedroń, Vilija Blinkevičiūtė, Heléne Fritzon, Lina Gálvez Muñoz, Radka Maxová, Maria Noichl, Pina Picierno, Evelyn Regner
The Left	Sandra Pereira, Eugenia Rodríguez Palop
Verts/ALE	Alice Kuhnke, Terry Reintke, Diana Riba i Giner, Sylwia Spurek

4	-
ECR	Andżelika Anna Możdżanowska, Margarita de la Pisa Carrión, Jessica Stegrud
ID	Annika Bruna

3	0
ID	Simona Baldassarre, Isabella Tovaglieri
NI	Lívia Járóka

Key to symbols: + : in favour - : against 0 : abstention

# POSITION IN THE FORM OF AMENDMENTS OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

for the Committee on Budgets

on Guidelines for the 2023 Budget - Section III (2021/2226(BUI))

On behalf of the Committee on Employment and Social Affairs: Dragoş Pîslaru (Chair)

#### **AMENDMENTS**

The Committee on Employment and Social Affairs presents the following amendments to the Committee on Budgets, as the committee responsible:

Amendment 1 Motion for a resolution Citation 8 a (new)

Motion for a resolution

Amendment

— having regard to the European Pillar of Social Rights (EPSR), proclaimed by the European Council, the European Parliament and the European Commission in November 2017, the Commission action plan on the implementation of the European Pillar of Social Rights of 4 March 2021 and the Porto declaration on social affairs adopted by the members of the European Council in May 2021,

Amendment 2 Motion for a resolution Citation 9 a (new)

Motion for a resolution

Amendment

having regard to its resolution of [.....] on empowering European youth: post-pandemic employment and social

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### recovery,

### Amendment 3 Motion for a resolution Paragraph 1

### Motion for a resolution

1. Points to the economic recovery in 2021 and expected further growth in 2022; notes nonetheless uncertainty in the economic outlook, in the light of factors such as supply chain disruption, high energy prices, rising inflation and the continuing COVID-19 pandemic; recalls therefore that the 2023 Union budget will play an important role in strengthening the Union economy, ensuring that no one is left behind, and in fostering economic, social and territorial cohesion;

#### Amendment

Points to the economic recovery in 2021 and expected further growth in 2022; notes that 2023 will also be an important year for the social and economic recovery from the crisis following the COVID-19 pandemic; notes nonetheless uncertainty in the economic outlook, in the light of factors such as supply chain disruption, high energy prices, rising inflation, significant social challenges such as rising unemployment and poverty and the continuing COVID-19 pandemic; notes that in this social landscape of growing inequalities, women, children, young people and the elderly are especially affected by the various precarious socioeconomic situations caused by the COVID-19 pandemic and are at risk of being left behind; stresses that social and employment-related challenges caused by the pandemic have had a disproportionate impact on some Member States, regions and social groups, and in particular the most vulnerable populations and labour markets: recalls therefore that the 2023 Union budget will play an important role in strengthening the Union economy and competitiveness and ensuring a just transition, social justice and resilience so that no one is left behind, and in fostering economic, social and territorial cohesion and upward social convergence;

Amendment 4 Motion for a resolution Paragraph 2

### Motion for a resolution

2. Commits therefore to working to adopt a future-oriented budget that matches the Union's political priorities, ensuring a stronger Health Union, making a success of the green and digital transitions and fostering the recovery, including increased support for SMEs, promoting the rule of law and its application, contributing to greater opportunities for young people throughout the Union, and ensuring a stronger Europe;

#### Amendment

2. Commits therefore to working towards the adoption of a future- and investment-oriented budget with a strong social and economically sustainable dimension that matches the Union's political priorities, and the six pillars of the Recovery and Resilience Facility; underlines that these priorities include ensuring a stronger Health Union, leaving no one behind in the green and digital transitions and fostering an inclusive, sustainable and resilient recovery. including *through* increased support for SMEs, promoting the rule of law and its application, investing in the younger generations and contributing to greater opportunities for young people and for the most deprived and other disadvantaged groups, such as children, LGBTIQ+ families, single-parent families, persons with disabilities, migrants and refugees and Roma people throughout the Union, adapting to imminent labour market changes with the support of well-equipped public employment services, preserving and creating quality and sustainable employment with full respect for labour rights and decent work and working conditions, thereby helping to combat poverty, reducing social exclusion, inequalities and discrimination, in particular with regard to children and young people, ensuring greater social inclusion of older people, and ensuring a stronger, more resilient and competitive Europe based on strategic autonomy and sovereignty;

Amendment 5 Motion for a resolution Paragraph 2 a (new)

### Motion for a resolution

### Amendment

2a. Highlights that as the COVID-19 pandemic continues to create economic uncertainty, it is important to continue financing the recovery and to address the social and employment-related challenges resulting from the pandemic, as well as support workers and businesses in the move towards a more solidarity-based, digital, greener and climate-neutral economy; stresses, therefore, that the EU budget is an opportunity to move towards a sustainability agenda driven by a reinforced commitment to promote sustainable growth, full employment and decent work by prioritising investments and policy actions that deliver for people, create quality jobs, protect workers and build stronger European institutions committed to solidarity and social progress;

Amendment 6 Motion for a resolution Subheading 1 a (new)

Motion for a resolution

Amendment

Ensuring full social, economic and territorial cohesion and achieving the highest standards on social and labour rights

Amendment 7 Motion for a resolution Paragraph 2 b (new)

Motion for a resolution

Amendment

2b. Takes the view that, in the light of the further deterioration of working conditions, alarming poverty and social exclusion figures, worrying unemployment levels and continuing

discrimination problems, an ambitious budgetary response is called for; calls therefore for robust allocations dedicated to ESF+;

Amendment 8 Motion for a resolution Paragraph 3

### Motion for a resolution

3. Welcomes the priority given to Union health policy and highlights in that connection the EU4Health programme and *Cluster* Health in Horizon Europe; notes that the budget for preparedness activities by the Health Emergency Response Authority is drawn from those programmes and from the Union Civil Protection Mechanism, and expresses deep concern that this could compromise the attainment of other important health objectives; stresses the need to ensure adequate funding for the Beating Cancer Plan;

#### Amendment

Welcomes the priority given to Union health policy and highlights in that connection the EU4Health programme and the Health cluster in Horizon Europe; acknowledges recent data<sup>la</sup> depicting how mental well-being has reached its lowest level across all age groups of Europeans since the beginning of the pandemic; notes that the budget for preparedness activities by the Health Emergency Response Authority is drawn from those programmes and from the Union Civil Protection Mechanism, and expresses deep concern that this could compromise the attainment of other important health objectives; stresses the need to ensure adequate funding for the Beating Cancer Plan and highlights in this context the importance of EU legislation laying down minimum standards in occupational health and safety and in ensuring the highest protection for workers that is technically possible; stresses the need for the Commission to secure sufficient staffing in order to meet its tasks as regards health and safety at work, and in particular to prepare an action plan covering at least 25 additional occupational exposure limits and ensure legislative follow up without delay;

1a

https://www.eurofound.europa.eu/publicat ions/report/2021/living-working-andcovid-19-update-april-2021-mentalhealth-and-trust-decline-across-eu-as-

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### pandemic

Amendment 9 Motion for a resolution Paragraph 4

Motion for a resolution

4. Recognises the importance of other Union programmes, including the Recovery and Resilience Facility (RRF), in providing investment in *health measures* and infrastructure and stresses the need for synergies between those activities and EU4Health; recalls also the importance of steady implementation and access to technical assistance for Member States with low administrative capacity; emphasises that the decentralised health agencies should be adequately funded;

#### Amendment

Recognises the importance of other Union programmes, including the Recovery and Resilience Facility (RRF), in providing investment in *preventive* healthcare and resilient healthcare systems and infrastructures and stresses the need for synergies between those activities and EU4Health; recalls also the importance of steady implementation and access to technical assistance for Member States with low administrative capacity; emphasises that the decentralised health agencies should be adequately funded in order to be able to fulfil their mandated tasks and responsibilities and calls for transparency as regards public investments:

Amendment 10 Motion for a resolution Paragraph 4 a (new)

Motion for a resolution

### Amendment

4a. Recalls that the twin transitions to a green and digital economy that delivers decent working conditions and respects labour rights will require adequate resources and investments in order to adapt to the required infrastructure, connectivity and production facilities and provide appropriate support for workers;

Amendment 11 Motion for a resolution Paragraph 5

### Motion for a resolution

5. Acknowledges that implementing the Green Deal and achieving the Union's emission reduction goals *will require* massive investment, whilst stressing that the cost of inaction would be much higher; emphasises that the Union budget is *at the heart of efforts* to *make* a just transition towards a greener and more resilient Union in which no one is left behind; in that regard, highlights the need to fully implement the Just Transition Mechanism;

#### Amendment

5. Acknowledges that implementing the Green Deal and achieving the Union's emission reduction goals requires urgent massive investment, including in adapting industrial production facilities and improving related infrastructure, whilst stressing that the cost of inaction would be much higher; emphasises that climate measures should be accompanied by adequate social policies, including social infrastructure, not least to support the creation of decent and sustainable jobs and the reskilling and upskilling of workers for a just transition towards a greener and more resilient Union; highlights the urgent need to adopt instruments that prevent vulnerable groups from suffering any negative social consequence that might arise from implementing the climate actions of the Green Deal; insists that in order to design next-generation game-changer policies, social and environmental policies and objectives must be given the same importance as economic ones; emphasises that the Union budget is instrumental to achieving a just transition towards a greener and more resilient Union in which no one is left behind; stresses the importance of policies and measures to support the transition of the labour market and the need to strengthen the competitiveness of our economies in the context of the green and digital transitions; in that regard, highlights the need to fully implement the Just Transition Mechanism in full complementarity with other instruments such as the European Social Fund+ (ESF+) and the upcoming Social Climate Fund in order to accompany the most vulnerable people in this transition, be it in terms of labour market inclusion or with respect to their capacity to invest in more efficient energy devices:

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### Amendment 12 Motion for a resolution Paragraph 5 a (new)

Motion for a resolution

### Amendment

5a. Advocates a stronger interaction between the new Fit for 55 package and the EPSR as any legislative proposals on climate should be accompanied by adequate social measures to guarantee a just transition as well as the creation of quality jobs; welcomes the Commission proposal for a Social Climate Fund to cushion the negative social impact of extending emissions trading to the building and road transport sectors; warns that the instrument proposed is clearly insufficient both in its aims and in its funding and believes that it should also be used to promote high-quality employment and decent working conditions; insists that in order to design new-generation game-changer policies, social and environmental policies and objectives must be integrated on an equal footing with economic ones;

Amendment 13 Motion for a resolution Paragraph 6

Motion for a resolution

6. Stresses the need for investment in research and innovation in green technologies *and* processes, including with a view to giving the Union a competitive edge in the future net-zero economy, and highlights Horizon Europe in that context; considers that the Union must make full use of the Connecting Europe Facility (CEF) to modernise and connect its transport and energy infrastructure;

### Amendment

6. Stresses the need for investment in research and innovation in green technologies, processes, *and skills*, including with a view to giving the Union a competitive edge in the future net-zero economy, and highlights Horizon Europe in that context; considers that the Union must make full use of the Connecting Europe Facility (CEF) to modernise and connect its transport and energy infrastructure;

### Amendment 14 Motion for a resolution Paragraph 8

### Motion for a resolution

8. Considers it essential to Union competitiveness to further digitalise the economy and the public sector; believes that a successful digital transition requires research and innovation efforts under Horizon Europe, significant investment in digital infrastructure through CEF-Digital, and support in areas such as artificial intelligence and cybersecurity through the Digital Europe Programme; points to the need to tackle the digital skills gap by promoting advanced digital skills;

#### Amendment

Considers it essential to Union 8. competitiveness to further digitalise the economy and the public sector while overcoming fragmentation, ensuring a level playing field for all economic actors, ensuring labour rights and decent jobs for all workers, including non-standard and platform workers, and fully respecting the GDPR; acknowledges the advantages brought by digital transformation and artificial intelligence (AI) in regards to the creation of new jobs; stresses, however, that automatisation and AI might also lead to job losses and disruptions to the labour market and recalls the need for adequate protection for workers affected by these changes and the need to ensure decent working conditions and the right to disconnect, especially in the context of the growing use of AI and teleworking; stresses the need for unemployment prevention mechanisms and professional reconversion tools to be made available to workers in order to sustainably support the digital transition as well as investments in improving related infrastructures, connectivity, network security and the future organisation of work; believes that a successful digital transition requires research and innovation efforts under Horizon Europe, significant investment in digital infrastructure through CEF-Digital, and support in areas such as artificial intelligence and cybersecurity through the Digital Europe Programme; points to the need to tackle the digital skills gap by promoting advanced digital skills and equal access to education and training programmes in this respect, not least by ensuring that EU funds targeting

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advanced digital skills are in line with the socio-economic needs of the future labour market; notes the need for investment in digital skills also for older people and people living in remote areas;

Amendment 15 Motion for a resolution Paragraph 8 a (new)

Motion for a resolution

#### Amendment

8a. Points to the need to address future skills policies and measures to support the labour market transition and ensure a better adjustment to demographic change, automatisation and digitalisation, particularly by improving the policy framework for quality and inclusive education and training, and also by guaranteeing the right to adult learning and access to upskilling and reskilling training, paid educational leave, full qualifications, validation of informal and non-formal learning, and guidance and counselling;

Amendment 16 Motion for a resolution Paragraph 9

Motion for a resolution

9. Recognises the contribution of Union funding programmes to the economic recovery, and in particular to supporting SMEs; in that connection, highlights InvestEU, and its SME window as well as the possibility under the programme for SMEs negatively affected by the pandemic to receive *capital* support; highlights the need for sufficient funding for the Single Market Programme;

#### Amendment

9. Recognises the contribution of Union funding programmes to the economic recovery, and in particular to supporting SMEs and micro-enterprises; in that connection, highlights InvestEU, and its SME window as well as the possibility under the programme for SMEs negatively affected by the pandemic to receive financial and technical support; highlights the need for sufficient funding for the Single Market Programme; recalls that small and medium-sized enterprises (SMEs) constitute the backbone of the

European economy and acknowledges their role in the creation of quality jobs and economic prosperity;

Amendment 17 Motion for a resolution Subheading 3 a (new)

Motion for a resolution

Amendment

Promoting strong social recovery from the pandemic

Amendment 18 Motion for a resolution Paragraph 9 a (new)

Motion for a resolution

Amendment

9a. Believes that addressing social gaps with EU and government budgets through social investment in key policy areas improving the living and working conditions of people affected by both the pandemic-induced crisis and the transition towards the accelerating green and digital transformations should be at the heart of the EU's recovery strategy; stresses that until the economic effects of the pandemic are visible such measures must be complemented by the 'general 'escape clause' supported by compatible ECB policies and the Stability and Growth pact that aim at people's overall well-being, labour market inclusiveness and the protection of workers;

Amendment 19 Motion for a resolution Paragraph 9 b (new)

Motion for a resolution

Amendment

9b. Considers that detecting social risks and taking into account the

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divergent pandemic-induced employment effects and long-term unemployment across particular industries should be adequately addressed and prevented as much as possible; stresses, in this regard, the need to invest in measures aimed at tackling the risks of precarious working conditions, working time organisation, work-life balance, job-to-job transitions and mobility of the workforce;

Amendment 20 Motion for a resolution Paragraph 9 c (new)

Motion for a resolution

#### Amendment

9c. Recognises the crucial role of all European funds and programmes in the social area, in particular the ESF+, the European Globalisation Adjustment Fund (EGF), REACT-EU with its additional resources for the European Social Fund (ESF), the Youth Employment Initiative (YEI), the Fund for European Aid to the Most Deprived (FEAD) and the Recovery and Resiliency Facility (RRF), among others; insists therefore that in the recovery efforts of the coming years all programmes in the social area, and in particular the ESF+ and the FEAD, be adequately financed to overcome rising unemployment and poverty in Europe;

Amendment 21 Motion for a resolution Paragraph 9 d (new)

Motion for a resolution

### Amendment

9d. Is of the opinion that the principles of upward convergence and social progress must guide the adoption of the Porto targets on employment, poverty, education/training and the adoption of sub-targets at national level; calls on the

Commission to present a Sustainable Development Goal expenditure tracking methodology for the EU budget that can also be used to assess investments under the national recovery and resilience plans;

Amendment 22 Motion for a resolution Paragraph 9 e (new)

Motion for a resolution

Amendment

9e. Recognises that ESF+ and the RRF must contribute to the implementation of the European Pillar of Social Rights (EPSR) by putting its principles into practice and mainstreaming social objectives in all relevant legislation, policies and implementing plans linked to NextGenerationEU; stresses that adequate resources should be allocated to fund and implement the EPSR action plan adopted in Porto and to achieve the Porto headline targets; calls on the Commission in this regard to ensure adequate staffing to support this task; believes that the Porto poverty targets should be better detailed in all national recovery and resilience plans and at EU level with an action plan and a strong anti-poverty strategy supported by substantial investments that addresses all aspects of poverty, including in-work poverty;

Amendment 23 Motion for a resolution Paragraph 9 f (new)

Motion for a resolution

Amendment

9f. Calls for the Social Scoreboard and well-being indicators to be used to measure the overall impact of different

funds, instruments and facilities financed under the MFF and NGEU; calls on the Commission to develop the methodology for tracking social expenditure in the EU budget based on the principles of the European Pillar of Social Rights;

Amendment 24 Motion for a resolution Paragraph 9 g (new)

Motion for a resolution

Amendment

9g. Calls for support for short-time employment and workers' income schemes, as well as other forms of employment and income support, to be maintained until the pandemic and its economic consequences subside; urges the Commission, building on the positive experience of SURE, to introduce a permanent instrument in the form of a European Unemployment Reinsurance Scheme to protect employment and fight against unemployment, including the preservation of jobs and workers' income in situations of external shocks;

Amendment 25 Motion for a resolution Paragraph 9 h (new)

Motion for a resolution

Amendment

9h. Stresses that social dialogue and collective bargaining are crucial to ensure equality, social cohesion, social mobility and sustainable growth; recalls that social dialogue and social partners must be a cornerstone of the Recovery Plan and that the national recovery and resilient plans should be aligned to the EPSR action plan and the Porto headline targets; stresses the importance of the partnership principle in order to ensure the involvement of social partners in all

stages of the planning, design, implementation and monitoring of projects financed by the European Structural and Investment Funds, as well as in other relevant EU funds, including the Recovery and Resilience Facility (RFF) and REACT-EU;

Amendment 26 Motion for a resolution Paragraph 10

### Motion for a resolution

Considers it essential for the 10. Union's credibility to ensure the proper use of Union funds and to take all steps to protect the Union's financial interests; emphasises the clear link between respect for the rule of law and efficient implementation of the Union budget in accordance with the principles of sound financial management; considers that Regulation (EU, Euratom) 2020/2092 on a general regime of conditionality for the protection of the Union budget should be applied immediately and in full; believes that adequate resources should be made available to Union bodies in this field, such as the European Public Prosecutor's Office, OLAF, or Eurojust;

Amendment 27 Motion for a resolution Paragraph 11

### Motion for a resolution

11. Emphasises that the rule of law protects the other fundamental values on which the Union is founded and is intrinsically linked to respect for democracy *and* fundamental rights; highlights the importance of the Citizens, Equality, Rights and Values Programme in

### Amendment

Considers it essential for the 10. Union's credibility to ensure the proper use of Union funds and to take all steps to protect the Union's financial interests; emphasises the clear link between respect for the rule of law and efficient implementation of the Union budget in accordance with the principles of sound financial management; considers that Regulation (EU, Euratom) 2020/2092 on a general regime of conditionality for the protection of the Union budget should be applied immediately and in full; believes that adequate resources should be made available to Union bodies in this field, such as the European Public Prosecutor's Office, OLAF, the EU Agency for Fundamental Rights (FRA) or Eurojust;

#### Amendment

11. Emphasises that the rule of law protects the other fundamental values on which the Union is founded and is intrinsically linked to respect for democracy, fundamental rights and media freedom; stresses that the promotion of European values and cultures plays an

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sustaining and further developing open, rights-based, democratic, equal and inclusive societies;

active role in supporting democracy, nondiscrimination and gender equality, and tackling disinformation and fake news; highlights the importance of the Citizens, Equality, Rights and Values Programme in sustaining and further developing open, rights-based, democratic, equal and inclusive societies; underlines the need to provide sufficient funding for this programme and to reinforce the resources dedicated to supporting victims of genderbased violence through the Daphne programme;

Amendment 28 Motion for a resolution Paragraph 12

Motion for a resolution

12. Recognises that the COVID-19 crisis has had a severe negative impact on young people and has led to lost opportunities and diminished prospects; believes strongly that the 2023 budget should include a focus on youth, building on the momentum of the 2022 European Year of Youth; highlights the importance of Erasmus+, which should become more inclusive, offering greater opportunities to people from disadvantaged backgrounds;

### Amendment

12. Recognises that the COVID-19 crisis has had a severe negative impact on young people, in particular on their mental health, and has led to lost opportunities, employment barriers, precarious work situations, financial insecurity and diminished prospects; believes strongly that the 2023 budget should include a focus on youth, assess the impact on young people across policy areas and offer possibilities to support them in coping with the new challenges brought about by the pandemic, in particular as regards mental health, building on the momentum of the 2022 European Year of Youth and the European Pillar of Social Rights; highlights the importance of the Reinforced Youth Guarantee and Erasmus+, which should become more inclusive and accessible, offering greater diversity and greater opportunities to people from minorities, such as Roma people, people with a migrant background, the LGBITQ+ community, people with disabilities and people from disadvantaged economic backgrounds;

Amendment 29 Motion for a resolution Paragraph 12 a (new)

Motion for a resolution

### Amendment

Underlines in this context the 12a. importance of reforming national education programmes and strengthening EU action in this area by making sure that training and education systems and programmes and workers' qualifications are adapted to the needs of the economy and society; underlines the need for policymakers at EU and national level to ensure sustainable and quality learning and training and to facilitate and support young people in (re-)entering and remaining in the labour market, accessing good quality housing, completing their educational trajectory and developing skills, including digital and green skills;

Amendment 30 Motion for a resolution Paragraph 12 b (new)

Motion for a resolution

### Amendment

12b. Calls on the Member States and the Commission to make combating youth unemployment a priority, in particular as part of the European recovery effort, to allocate adequate funding to the implementation of the reinforced Youth Guarantee and to make sure that the financial instruments available under NextGenerationEU are fully used; calls on all Member States, and not only those most affected by youth unemployment, to continue to invest in the RRF and to allocate sufficient ESF+ resources to measures and reforms aimed at supporting quality youth employment, including upskilling and lifelong

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### learning;

Amendment 31 Motion for a resolution Paragraph 12 c (new)

Motion for a resolution

#### Amendment

12c.Underlines that the link between socio-economic factors, such as unemployment, housing insecurity, academic pressures and mental health and well-being must be addressed to ensure that a holistic approach to mental health is adopted at EU level; calls, therefore, for Member States to make mental health an integral part of the EU's socio-economic recovery from the pandemic and an occupational health priority, in particular in educational and workplace environments and to address health inequalities through the provision of adequate support to vulnerable groups of young people; calls on the Commission to ensure that the mental health of young people is a strategic priority of utmost importance in the upcoming EU care strategy;

Amendment 32 Motion for a resolution Paragraph 13

Motion for a resolution

13. Points also to the need to bolster the European Solidarity Corps (ESC), which helps young people gain practical experience in another Member State thereby increasing their employability and life chances; recalls the importance of activities for young people under the European Social Fund Plus, in particular with regard to training, and the RRF;

### Amendment

13. Points also to the need to bolster the European Solidarity Corps (ESC), which helps young people gain practical experience in another Member State thereby increasing their employability and life chances *as well as their pro-EU sentiment*;

Amendment 33 Motion for a resolution Paragraph 13 a (new)

Motion for a resolution

Amendment

13a. Stresses that in the context of recovery from the economic downturn caused by the COVID-19 outbreak, tackling child poverty and social exclusion is essential to prevent a lost generation; welcomes the adoption of the European Child Guarantee, which is aimed at ensuring that every child in Europe at risk of poverty or social exclusion has access to free healthcare, education, early childhood education and care as well as decent housing and adequate nutrition; calls on the Member States to effectively implement the European Child Guarantee across the Union by mainstreaming the Guarantee across all relevant policy sectors;

Amendment 34 Motion for a resolution Paragraph 13 b (new)

Motion for a resolution

Amendment

13b. Deplores the fact that more than a quarter of all children in the EU are in or at risk of poverty or social exclusion; stresses that, in the context of recovery from the COVID-19 outbreak, tackling child poverty will become even more important in the coming years; welcomes, in this regard, the creation of the European Child Guarantee, which is aimed at ensuring that every child in Europe at risk of poverty or social exclusion has free and effective access to the most basic set of rights such as highquality healthcare, education, early childhood education and care, adequate nutrition and decent housing; moreover calls on the Commission to make available, and on the Member States to

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make use of, all possible resources for the implementation of the Child Guarantee, including the ESF+, REACT-EU and RRF, among others;

Amendment 35 Motion for a resolution Paragraph 13 c (new)

Motion for a resolution

### Amendment

Calls on the Commission to ensure 13c. that the new ALMA initiative reaches young people, in particular disadvantaged young people aged 18 to 29 not in employment, education or training (NEETs), via the involvement of civil society organisations and social partners on the ground; recalls that for the most disadvantaged groups of young people, guidance will be key in finding temporary work experience in another Member State, as well as support before, during and after participation in the programme in order to lead young people towards quality employment opportunities; insists that placements undertaken through ALMA must comply with minimum quality standards that uphold young people's labour rights such as fair remuneration and access to social protection; urges the Commission to ensure the added value of ALMA in addition to the existing opportunities under Erasmus+ and the European Solidarity Corps; calls for an inclusion strategy to be put in place in order to ensure equal access to ALMA for all young people, prevent discrimination and address any barriers that might occur;

Amendment 36 Motion for a resolution Paragraph 14

### Motion for a resolution

14. Recalls that the pandemic has severely impacted older people too; notes that Erasmus+ offers opportunities for adults and seniors and calls on the Commission to ensure that they benefit more from it; points to the need to ensure mobility and volunteering for seniors similar to what young people enjoy under the ESC;

Amendment

14 Recalls that the pandemic has severely impacted older people too, once again exposing the lack of policy responses to the impact of demographic change in the EU, such as the lack of adequate and affordable housing, quality care facilities and sufficient care and support services; stresses that the budget should underline the importance of safeguarding and promoting the dignity of older people and their fundamental rights in the EU by introducing an 'ageing in dignity' criteria; calls, furthermore, for sufficient funding to support investment in housing in order to effectively tackle the growing problems of a lack of affordable housing, poor housing conditions, housing exclusion and homelessness; notes that Erasmus+ offers opportunities for adults and seniors and calls on the Commission to ensure that they benefit more from it; points to the need to ensure mobility and volunteering for seniors similar to what young people enjoy under the ESC:

Amendment 37 Motion for a resolution Paragraph 19 a (new)

Motion for a resolution

Amendment

19a. Stresses the need to adopt ambitious policies in order to tackle social exclusion and fight poverty, including child poverty, as well as ensuring decent working conditions and their effective enforcement, employment security, adequate social protection, genderbalanced opportunities and a safe environment and wellbeing for all in the Union, without leaving anyone behind;

Amendment 38 Motion for a resolution Paragraph 22 a (new)

Motion for a resolution

#### Amendment

Underlines that Parliament and 22a. other EU institutions should set an example in protecting essential workers and maintaining their jobs during the pandemic; expresses, in this regard, strong concern over the contracts and working conditions of the workers providing essential and structural services to the EU institutions, such as cleaning and catering; calls, in this regard, on the EU institutions to ensure decent working conditions to all employees, including workers in the subcontracting chain and external staff and to explore the possibility of insourcing external jobs and services with its own employment services;

Amendment 39 Motion for a resolution Paragraph 24

Motion for a resolution

24. Recalls that the Commission must implement, no later than 1 January 2023 and for certain centrally managed programmes, a methodology to measure expenditure relevant to the promotion of gender equality as well as rights and equal opportunities for all;

### Amendment

Calls for the mainstreaming of a gender-responsive budget to better align policies and activities that promote the equal participation of women in the labour market and to have comprehensive systems to monitor and measure gender budget allocations, women's participation in the labour market, access to nonstandards contracts, and employment and pay gaps; calls for the implementation of gender budgeting in the 2023 general budget by assigning budget allocations taking into account a gender-responsive evaluation of the previous budgetary period and ensuring equal participation in the budgetary process; recalls that the Commission must implement, no later than 1 January 2023 and for certain centrally managed programmes, a methodology to

measure expenditure relevant to the promotion of gender equality as well as rights and equal opportunities for all; recalls the importance of ambitious funding and other instruments in support of anti-discrimination legislation and policies and the implementation thereof; requests in this regard increased funding for the Daphne programme; underlines the important role played by the European Institute for Gender Equality and the need to ensure adequate funding and staff for its tasks;

Amendment 40 Motion for a resolution Paragraph 24 a (new)

Motion for a resolution

Amendment

24a. Recalls that women have been particularly negatively affected by the pandemic in terms of health risks, job losses, pre-existing unemployment inequalities, precarious working conditions, and care responsibilities, and are more at risk of suffering the employment and social fallout of the crisis as the gender gap widened during the pandemic; stresses that the employment headline target adopted in Porto can only be achieved by adopting ambitious targets at national level to further include women in the labour market; strongly promotes solutions to stop direct and indirect discrimination affecting women, and calls for adequate funding to support measures promoting equality and equal access to the labour market;

Amendment 41 Motion for a resolution Paragraph 25

#### Motion for a resolution

25. Recalls the essential work carried out by decentralised agencies; considers that agencies must be properly staffed and adequately resourced so that they can perform their tasks;

Amendment 42 Motion for a resolution Paragraph 25 a (new)

Motion for a resolution

#### Amendment

25. Recalls the essential work carried out by decentralised agencies; considers that agencies must be properly staffed and adequately resourced so that they can perform their tasks; *insists, in particular, on the proper staffing and financing of the new European Labour Authority;* 

#### Amendment

25a. Reiterates that pilot projects (PPs) and preparatory actions (PAs) are very valuable tools to initiate new activities and policies in the fields of employment and social inclusion and that several ideas of Parliament's Committee on Employment and Social Affairs have been implemented successfully in the past as PPs/PAs; calls for the implementation of PPs/PAs to be transparent and in line with their adopted objectives and recommendations; calls on the Commission to prioritise, for efficiency reasons, the implementation of these projects and actions through Union agencies when they fall under their areas of expertise;

Amendment 43 Motion for a resolution Paragraph 26 a (new)

Motion for a resolution

Amendment

26a. Strongly supports cohesion funding as the prime funding instrument of the EU budget that enables economic, social and territorial cohesion, and one of the cornerstones of the recovery; highlights its role in reaching EU

strategic objectives such as employment, combating poverty, gender equality, a climate neutral economy, and innovation, and as a driving force of a more inclusive and sustainable Union; highlights that the regional policy must play a key role in boosting equal job opportunities for all genders and supporting the re-skilling of workers by providing adequate life-long training;

#### LETTER OF THE COMMITTEE ON FOREIGN AFFAIRS

Mr Johan Van Overtveldt Chair Committee on Budgets

Subject: Opinion on general guidelines for the preparation of the 2023 budget, Section III

(2021/2226(BUI)

Dear Mr Chair,

Under the procedure referred to above, the Committee on Foreign Affairs has been asked to submit an opinion to your committee. At its meeting of 25 January 2022, the committee decided to send the opinion in the form of a letter. The AFET Committee considered the matter at its meeting of 28/02/2022 and adopted the opinion at that meeting<sup>1</sup>.

Yours sincerely,

David McAllister

<sup>&</sup>lt;sup>1</sup> The following were present for the final vote: David McAllister (Chair), Urmas Paet (Vice-Chair), Sergei Stanishev (Vice-Chair), Željana Zovko (Vice-Chair), Michael Gahler (rapporteur for opinion), Alviina Alametsä, Alexander Alexandrov Yordanov, François Alfonsi, Petras Auštrevičius, Traian Băsescu, Anna Bonfrisco, Reinhard Bütikofer, Traian Băsescu, Fabio Massimo Castaldo, Susanna Ceccardi, Włodzimierz Cimoszewicz, Özlem Demirel, Tanja Fajon, Anna Fotyga, Giorgos Georgiou, Sunčana Glavak, Raphaël Glucksmann, Klemen Grošelj, Bernard Guetta, Evin Incir, Sandra Kalniete, Peter Kofod, Stelios Kouloglou, Andrey Kovatchev, Andrius Kubilius, Ilhan Kyuchyuk, Dietmar Köster, Hélène Laporte, David Lega, Miriam Lexmann, Nathalie Loiseau, Karsten Lucke, Leopoldo López Gil, Antonio López-Istúriz White, Claudiu Manda, Lukas Mandl, Thierry Mariani, Pedro Marques, Vangelis Meimarakis, Francisco José Millán Mon, Javier Nart, Gheorghe-Vlad Nistor, Demetris Papadakis, Tonino Picula, Manu Pineda, Giuliano Pisapia, Thijs Reuten, María Soraya Rodríguez Ramos, Bert-Jan Ruissen, Nacho Sánchez Amor, Jacek Saryusz-Wolski, Isabel Santos, Andreas Schieder, Radosław Sikorski, Jordi Solé, Tineke Strik, Dominik Tarczyński, Dragoş Tudorache, Hilde Vautmans, Viola Von Cramon-Taubadel, Thomas Waitz, Charlie Weimers, Isabel Wiseler-Lima, Salima Yenbou and Bernhard Zimniok.

#### **SUGGESTIONS**

- 1. Calls for ambitious budget 2023 in the area of external action and defence that will enable the EU to face rising external challenges and threats;
- 2. Calls on reinforcing EU's global response to the COVID-19 crisis; welcomes the EU's leading role in international vaccination efforts and calls for equitable access to vaccines for the most fragile countries;
- 3. Recalls the strategic importance of enlargement policy in the Western Balkans; underlines the key contribution of the Instrument for Pre-accession Assistance (IPA III) and Neighbourhood, Development and International Cooperation Instrument (NDICI) to promoting democracy, rule of law, human rights, political and economic reforms, peacebuilding, reconciliation, mediation and sustainable development; calls, in this regard, for adequate funding for the Western Balkans, as well as for Turkish civil society and the countries of the Eastern and Southern Neighbourhood under the Heading 6;
- 4. Reminds that the EU's Instrument for Pre-accession Assistance (IPA III) foresees a strong conditionality and funding must be modulated or even suspended in the case of significant regression or persistent lack of progress in the area of the so-called "fundamentals", notably in the field of the rule of law and fundamental rights;
- 5. Considers that the budget line structure of the European Neighbourhood for the 2021-2027 Multiannual Financial Framework is oversimplified, since it only includes two lines, respectively for the Southern Neighbourhood and the Eastern Partnership; regrets that such a simplified structure does not allow the budgetary authority to properly perform its decision-making role and scrutiny in the annual budgetary procedure; believes that the financial needs of each of the two geographical areas should be addressed at least by three budget lines, respectively targeting political, development and security related matters;
- 6. Emphasises that the protection and promotion of democracy and human rights at global level is a key objective of the EU foreign policy agenda; asks therefore to strengthen the budget for election observation missions, given their role in consolidating democratic institutions and bringing stability in fragile countries, as well as to reinforce the budgets for the preservation of human rights and the support to civil society organisations, including the ones committed to the empowerment of women;
- 7. Calls for increased and predictable funding to the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) in 2023, in order to preserve a consistent and uninterrupted delivery of vital services to millions of Palestine refugees and in recognition of its essential role at contributing to regional stability at a time of political uncertainty in the region;
- 8. Welcomes the EU readiness to tackle most pressing global challenges by investing to the sustainable development of the global infrastructure in particular in green technologies and digital connectivity through the EU Global Gateway; calls on the Commission to work on an effective governance of the EU Global Gateway, with the aim to improve internal coordination, cooperation with the private sector, coordination with Team

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Europa, as well as with the European Parliament; calls on the Commission to duly involve the Parliament in the decisions on the Global Gateway investment programmes and keep it regularly informed about the respective developments, including budgetary implications as they unfold;

- 9. Underlines the urgent need for reinforcing and speeding up the EU's financial contribution to the global action against the climate crisis and biodiversity loss in view of calamitous consequence of ongoing climate change;
- 10. Highlights the importance of an increase in funding for including and streamlining the fight against malicious interference and disinformation and an effective institutional set-up within the EU such as for the implementation of those structures identified in the recently adopted INGE report, including a dedicated EEAS StratCom Far East team, a Commission taskforce and a European Centre for Interference Threats and Information Integrity;
- 11. Calls for gender mainstreaming in the 2023 budget and stresses the need for proper and measurable indicators and a specific methodology, as well as regular monitoring, to analyse the impact of the EU budget on gender equality and effectively implement gender budgeting in EU external action; emphasises the need for adequate resources to finance the implementation of the GAP III;
- 12. Emphasises the need for coherence, accountability and efficiency of financing the EU external action; calls for increased transparency and democratic scrutiny of EFIs' funding through strategic steering by the Parliament and an enhanced geopolitical dialogue between the Parliament and the Commission;
- 13. Emphasises the importance of providing adequate financial support by Member States and through the European Defence Fund to frame for a strong European Common Security and Defence Policy (CSDP) in particular ambitious and effective civilian CSDP missions, and military CSDP operations and to increase the EU's security and strategic autonomy; considers that such efforts would increase the Union's ability to contribute to international stability, security and peace, in particular as regards the promotion and respect for international law, in close cooperation with the UN, NATO, OSCE and allied countries, or if needed, alone.

#### LETTER OF THE COMMITTEE ON BUDGETARY CONTROL

Mr Johan Van Overtveldt Chair Committee on Budgets BRUSSELS

Subject: Opinion on Guidelines for the 2023 budgetary procedure – Section III

2021/2226(BUI)

Dear Chair,

The Committee on Budgetary Control (CONT) calls on the Committee on Budgets, as the committee responsible, to bear in mind the following concerns in its preparation of European Parliament Guidelines for the 2023 budgetary procedure.

#### Outstanding commitments (RAL) and financial exposure

- 1. CONT is concerned by the facts that outstanding commitments (RAL) have continued to grow in 2020, reaching EUR 303,2 billion at the end of 2020 (compared to EUR 298 billion in 2019); underlines that an amount of outstanding commitments which equals two full years of payment appropriations may constitute a risk for the smooth operation of the budget in the future;
- 2. Takes note that according to the Commission's long-term forecasting, which does not include the Next Generation EU (NGEU) instrument, the amount of outstanding commitments should remain fairly stable at this high level until 2027; highlights that outstanding commitments will rise if, as in 2016-2020, commitments remain high and payment claims are lower than anticipated due to implementation delays;
- 3. Draws attention to the fact that the total exposure of the EU budget to contingent liabilities increased from EUR 90,5 billion at the end of 2019 to EUR 131,9 billion by the end of 2020, an increase of 46 %; highlights that this was almost completely due to the introduction of the European instrument for temporary support to mitigate unemployment risks in an emergency (the SURE Instrument);
- 4. Notes that the NGEU instrument will substantially increase the overall exposure of the EU budget by up to EUR 750 billion (in 2018 prices) in the years to come; highlights that due to the introduction of the NGEU and SURE instruments, the exposure of the EU budget will rise substantially, by as much as about EUR 940 billion; considers that the financial exposure should be carefully controlled by the Court of Auditors and by Parliament in the discharge procedure due to their large magnitude;

#### Conditionality mechanism

- 5. Is concerned about the financial loss caused by generalised deficiencies as regards the rule of law in a number of Member States, which render existing complaint and protection mechanisms void or ineffective; recalls that all instruments to protect the EU budget, which include technical support, retention rates, interruptions and suspensions of payments, and the infringement procedure, must be applied consistently and in due time; recalls that delays in their application has led to legal concerns; calls on the Commission to ensure the protection of the Union's Financial Interests in all dimensions and without delay, and to trigger immediately the conditionality mechanism in order to prevent further negative impact on the EU budget;
- 6. Recalls that the protection of the budget depends greatly on the reliability of national management and audit authorities to ensure accountability and sound financial management; stresses that quality and completeness of collected and aggregated data from Member States constitute the basis for a vast majority of the Commission's financial decisions;

#### Timely absorption of ESIF

- 7. Notes that absorption speed of ESIF under MFF 2014-2020 is lagging behind that of the previous MFF, as average cumulative absorption has only reached 55 % by the end of 2020 and 65% by the end of October 2021; highlights that there are substantial differences in absorption between Member States; notes with concern that by the end on 2020 there were EUR 209 billion committed ESIF funds remaining to be absorbed by the end of 2023 and that the time pressure creates a risk that not all of this funding will be absorbed; calls on the Commission to relaunch the taskforce for better implementation (TFBI) to increase the absorption rate and to develop best practices among the Member States;
- 8. Recalls that 2023 will be the last n+3 reference period for the ESIF under the MFF 2014-2020 and that the Commission will have to check and determine the sum of cancelled commitment appropriations under cohesion programmes; underlines the necessity to have a clear overview of the corresponding payment appropriations to reflect the needs of the EU budget 2023; stresses the need to carefully analyse the absorption capacity for regular shared management funds in parallel to that for appropriations provided under the Recovery and Resiliency Facility to assess the actual needs for payments by Member States;

### Digitalisation, data mining and fight against fraud

- 9. Remarks the need to ensure the transparency, effectiveness of management and control systems, acceptability of accounts and legality and regularity of underlying expenditure; stresses the need for a interoperable digital monitoring and reporting system to systematically and in real-time track expenditure stemming from the Union's budget and ultimate beneficiaries of funding (natural persons) to ensure compliance with the standards of sound financial management; emphasises that the system must enable the aggregation of all individual payments concerning the same final beneficiary or beneficial owner into one total sum;
- 10. Underlines its strong and repeated requests to the Commission to ensure the protection of the Union budget by making a global and systematic use of digital and automatized

systems for reporting, monitoring and audit; remarks that this should include, but not be limited to, the setting up of a mandatory single interoperable database on beneficiaries of funds from all Union programmes; highlights that such an integrated and interoperable system should build on unique identifiers for all recipients including information about their ultimate beneficiaries and should furthermore automatically ensure the use of systems such as the date mining tool, ARACHNE, in order to provide for the best possible protection of the Union finances;

- 11. Notes that this digitalisation is overdue and indispensable given the cross-border nature of misuse of funds, fraud, misappropriations, conflicts of interests, double-funding and other systemic problems; requests that the single datamining tool is easily searchable and available for OLAF, EPPO and the Commission in order to enhance the protection of the Union budget and Next Generation EU against irregularities, fraud and conflicts of interests;
- 12. Reiterates the need to step up the efforts in the fight against fraud both at EU and Member States level, in close cooperation with the EPPO and OLAF; stresses the role of the EPPO in the investigation and prosecution of fraud and other criminal offences affecting the financial interests of the Union; recalls the importance to endow EPPO and OLAF with sufficient financial and human resources;
- 13. Calls on the Commission to develop a methodology and multiply ex post controls and in spot missions regarding the use of NGEU funds and their impacts on the Members States' recovery;

#### Crosscutting issues

- 14. Reiterates the need to simplify rules and procedures, develop compulsory training sessions and practical information for the applicants and specially first-time applicants and improve the assistance and guidelines for SMEs, spin off, start-ups, administration and payment agencies and all others relevant stakeholders;
- 15. Recalls that Parliament requested the mobilisation of de-commitments in the area of research of 486 million Euro in 2022 to be made available for re-use under article 15(3) of the Financial Regulations; expects that similar amounts will be available and should be requested, thus providing additional funds to finance inter alia activities to advance health research;
- 16. Stresses the increased importance of performance reporting and auditing, including the selection of concise and meaningful indicators, clear definition of targets and milestones and precise monitoring and reporting, particularly in light of the new delivery models for the Recovery and Resilience Facility and the reformed Common Agricultural Policy;
- 17. Calls on the Commission to continue promoting a gender balance and gender budgeting approach in the allocated funds; welcomes the Commission's progress in developing gender mainstreaming methodology in order to integrate a gender equality perspective in all relevant policy areas;
- 18. Calls on the Commission to thoroughly verify the use of Union funds by third entities, their affiliates, and/or natural persons to ensure that no funds are allocated or linked to

any cause or form of terrorism and/or religious and political radicalisation; make sure that individuals or groups affiliated, linked to or supporting terrorist organisations are excluded from Union funding; ensure that those Union funds are proactively recovered, and recipients involved are excluded from future Union funding;

Yours sincerely,

Monika Hohlmeier Olivier Chastel

CONT Chair Rapporteur for the Commission discharge

# LETTER OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY

Mr Johan Van Overtveldt Chair Committee on Budgets BRUSSELS

Subject: Opinion on Guidelines for the 2023 budget – Section III (2021/2226(BUI))

Dear Mr Chair,

Dear Mr Van Overtveldt,

The coordinators of the Committee on the Environment, Public Health and Food Safety (ENVI) decided on 30 November 2021 that ENVI would provide an opinion on the Guidelines for the 2023 budget - Section III (2021/2226 (BUI)) in the form of a letter. Therefore, both as ENVI Chair and as Standing Rapporteur for the Budget, let me provide you with ENVI's contribution in the form of resolution paragraphs, which was adopted by ENVI at its meeting of 10 February 2022 and which I kindly request will be taken into account by your committee:

- Underlines that the second year of the COVID-19 pandemic has reminded us that the Union must keep its commitment to obtaining an equitable, resilient, sustainable, socially fair recovery for all through the 2023 Union budget accelerating the twin transition, as well as concluding the revised 2030 framework for Union climate, energy and environmental targets, including halting and reversing biodiversity loss, addressing energy poverty and the objective of making the EU climate neutral by 2050 at the latest;
- Stresses that the 2023 Union budget should be aligned with the Union's obligations under the Paris Agreement and considering the results of the 2021 UN Climate Change

<sup>&</sup>lt;sup>1</sup> The following were present for the final vote: Pascal Canfin (Chair), Bas Eickhout (Vice Cair), César Luena (Vice Chair), Dan-Ştefan Motreanu (Vice Chair), Nikos Androulakis, Mathilde Androuët, Bartosz Arłukowicz, Margrete Auken, Simona Baldassarre, Marek Paweł Balt, Traian Băsescu, Aurélia Beigneux, Hildegard Bentele, Sergio Berlato, Alexander Bernhuber, Monika Beňová, Malin Björk, Simona Bonafè, Delara Burkhardt, Sara Cerdas, Mohammed Chahim, Tudor Ciuhodaru, Nathalie Colin-Oesterlé, Anna Deparnay-Grunenberg, Christian Doleschal, Marco Dreosto, Cyrus Engerer, Eleonora Evi, Agnès Evren, Pietro Fiocchi, Raffaele Fitto, Malte Gallée, Catherine Griset, Jytte Guteland, Teuvo Hakkarainen, Martin Hojsík, Jan Huitema, Yannick Jadot, Adam Jarubas, Karin Karlsbro, Billy Kelleher, Petros Kokkalis, Athanasios Konstantinou, Ewa Kopacz, Joanna Kopcińska, Esther de Lange, Peter Liese, Sylvia Limmer, Javi López, Fulvio Martusciello, Liudas Mažylis, Tilly Metz, Silvia Modig, Dolors Montserrat, Alessandra Moretti, Joëlle Mélin, Ville Niinistö, Ljudmila Novak, Grace O'Sullivan, Jutta Paulus, João Pimenta Lopes, Jessica Polfjärd, Stanislav Polčák, Nicola Procaccini, Luisa Regimenti, Frédérique Ries, María Soraya Rodríguez Ramos, Rob Rooken, Sándor Rónai, Silvia Sardone, Christine Schneider, Günther Sidl, Ivan Vilibor Sinčić, Maria Spyraki, Linea Søgaard-Lidell, Róża Thun und Hohenstein, Nils Torvalds, Véronique Trillet-Lenoir, Edina Tóth, Idoia Villanueva Ruiz, Petar Vitanov, Alexandr Vondra, Mick Wallace, Pernille Weiss, Michal Wiezik, Tiemo Wölken and Anna Zalewska

Conference (COP26) and the 'Glasgow Climate Pact', particularly in the context of the objective to pursue efforts to limit the temperature increase to 1.5 degree as recalled in Glasgow by World leaders and of the deliberation on the Fit for 55 package which is needed to boost the Union's ambitions established in the European Climate Law, ensuring social inclusion and regional cohesion to achieve a just transition; calls on all parties to the UNFCCC to increase climate ambition ahead of the COP 27; stresses that the 2023 Union budget should also be aligned with the 2030 objectives and the long term 2050 vision of living well within planetary boundaries set down in the 8th Environment Action Programme (EAP);

- Underlines the importance of achieving climate and biodiversity mainstreaming targets²; highlights that support should be given to activities which are in line with the "do no significant harm" principle; recalls that the position of 5 September 2019 of the ENVI Committee was to set a 40% target for climate mainstreaming in the 2021-2027 Multiannual Financial Framework (MFF); supports the target for climate-related spending of at least 30% of the overall Union budget and the European Union Recovery Instrument expenditures, insists that at least this target be met and calls for effective efforts from the first year of the MFF to achieve this level of spending; underlines that 8th EAP requires the setting of a deadline for the phasing out of fossil fuel subsidies, consistent with the ambition of limiting global warming to 1.5 degrees;
- Insists on the need to transparently track climate and biodiversity-related expenditure and expects the Commission delivery of robust, transparent and comprehensive methodologies to achieve it; takes note of the new "climate adjustment mechanism" which can be triggered to modify spending in case of insufficient progress; welcomes the Communication on the performance framework for the EU budget under the 2021-2027 MFF defining the EU climate markers; looks forward to the annual consultations on the climate target, as set out in the IIA<sup>3</sup>;
- Stresses the need for continuous work towards the biodiversity-related spending of 7.5 % in 2024 and 10 % in 2026 onwards of the MFF and calls for the 10% biodiversity target to be met as soon as possible from 2021 onwards, as already called for in the Parliament's June 2021 Report 'EU Biodiversity Strategy for 2030: Bringing nature back into our lives' as well as by ENVI in February 2021.
- Recalls the need to assign sufficient resources, including staff, for the implementation of the 2030 Biodiversity Strategy, of the Farm to Fork Strategy, of the Circular Economy Action Plan, Chemical Strategy for Sustainability and of a Zero-pollution Action Plan in the 2023 Union budget; in this line calls to increase the budgetary support for the new LIFE programme and the Just Transition Fund and all other programmes that support and protect nature conservation; encourages the Commission to take into account the special report 16/2021<sup>4</sup> from the European Court of Auditors when drafting and

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<sup>&</sup>lt;sup>2</sup> 30 % of Union expenditure contributing to climate objectives, and annual spending levels for biodiversity of at least 7.5 % in 2024, increasing to 10 % in 2026 and 2027.

<sup>&</sup>lt;sup>3</sup> IIA= Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council of the European Union and the European Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management, as well as on new own resources, including a roadmap towards the introduction of new own resources (https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.LI.2020.433.01.0028.01.ENG

<sup>&</sup>lt;sup>4</sup> Special report 16/2021 : Common Agricultural Policy and climate : Half of EU climate spending but farm emissions are not decreasing

- implementing the future methodology on climate and biodiversity-related expenditure as well as eco-schemes;
- Calls on the Commission to ensure that Member States properly design and, allocate appropriate resources to eco-schemes in CAP strategic plans to ensure the attainment of the green ambition in the frame of the European Green Deal and in the implementation of the green architecture of the CAP;
- In order for the Union to be able to respond to emergencies such as recent floods, fires, the pandemic and other unforeseen events, adequate funding of the Union Civil Protection Mechanism should be ensured;
- The COVID-19 pandemic highlights how vital public health and affordable and accessible care services are. Furthermore highlights the importance of increasing the level of support to the European Health Union in addition to the EU4Health programme in the 2023 Union budget; stresses the importance of strengthening the sustainability and resilience of health systems whilst reducing disparities of equal and equitable access to health care; regrets that 2.8 billion from the EU4Health programme is already committed to HERA resulting in a smaller share for other important actions and initiatives; stresses that health expenditure should follow the "One Health" and "Health in all policies" approaches; stresses that sufficient resources should be allocated for increasing investments in research and development in the area of health *inter alia* in improving pandemics preparedness and management, and that new or emerging health initiatives, including the European Health Emergency Preparedness and Response Authority (HERA), should be financed with additional funds and not from existing programmes; calls on ensuring transparency into the advanced purchase agreements of vaccines and related spending;
- Welcomes the agreement achieved between the co-legislators to improve the mandate of the European Centre for Disease Prevention and Control (ECDC) which will allow the Centre to monitor health systems capacities and to organize visits to provide additional support to the national preparedness and response planning activities; recalls, as a lesson learned from the COVID-19 pandemic, the need to increase the staff and resources of the Centre to ensure improved pandemic preparedness and management;
- Furthermore, welcomes the agreement achieved by the Parliament and the Council on expanding the mandate of the European Medicines Agency (EMA) to better respond to public health crisis and to prevent shortages of medicinal products and medical devices; calls in this sense to increase resources for the implementation of the new tasks of the Agency, especially on the staff level;
- Recalls that in order to fulfil their key mandates the other Union agencies under the remit of the Committee on the Environment, Public Health and Food Safety (ECHA, EEA and EFSA) must receive an adequate financial support while ensuring a cost efficient coordination of the work of the different agencies; underlines that the successful management of the COVID-19 pandemic and the achievement of the objectives of the European Green Deal cannot be achieved if those agencies are not properly staffed;
- Calls for the 2023 Union budget to support the Commission, Member States and global
  partners to ensure rapid, equal and affordable access for all people worldwide to
  COVID-19 vaccines and treatments as soon as they are available; stresses that one of
  the best ways to tackle new COVID-19 variants is to extend vaccination worldwide and

reinforce public healthcare systems; stresses the importance for a long term, coherent and coordinated strategy for emerging COVID-19 variants of concerns; reiterates the need to ensure equal access to affordable drugs within the EU and supports collective negotiation of the price of medicines with pharmaceutical industries;

- Stresses the importance of a system of own resources capable to contribute to the Union's goals on health, the environment and the climate.

I have sent a similar letter to Mr Ştefănuță, general rapporteur for the 2023 Budget.

Yours sincerely,

Pascal CANFIN

#### LETTER OF THE COMMITTEE ON REGIONAL DEVELOPMENT

Mr Johan Van Overtveldt Chair of the Committee on Budgets WIE 05U012 BRUSSELS

Subject: Opinion on the draft report on general guidelines for the preparation of the 2023

budget, Section III – Commission

(2021/2226(BUD))

Dear Mr Van Overtveldt,

Under the procedure referred to above, the Committee on Regional Development (REGI) has been asked to submit an opinion to your committee. The Committee on Regional Development (REGI) has decided to send the opinion in the form of a letter. The Committee on Regional Development (REGI) calls on the Committee on Budgets (BUDG), as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

\* \* \*

- 1. Whereas pursuant to Article 174 of the TFEU, in order to promote its overall harmonious development, the Union shall develop and pursue its actions leading to the strengthening of its economic, social and territorial cohesion. In particular, the Union shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions. Among the regions concerned, particular attention shall be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps such as islands, outermost, cross-border and mountain regions.
- 2. Cohesion and regional development policy investments have proved to produce significant added value in terms of the share of funding throughout the European Union, and contribute to accomplish all horizontal EU objectives such as equal development of all European regions and Member States, sustainable solutions for economic growth, investments and competitiveness, Green Deal, promoting innovation, equal opportunities, and supporting the transition to the digital economy.
- 3. Recalls that the stated goal of EU cohesion policy is to strengthen the economic and social well-being of EU regions while reducing regional disparities. Furthermore,

reminds that cohesion policy targets all regions, cities and rural areas in the European Union in order to support creation of high-quality jobs, business competitiveness, particularly when it comes to SMEs, economic growth, sustainable development, and improve citizens' quality of life including education. Moreover, recalls that cohesion policy is one of the keystones of the recovery from the COVID-19 pandemic as well as the re-building of resilience.

- 4. Calls in the view of the two overlapping programming periods (2014-2020/n+3 & 2021-2027), for ensuring that Member States still use maximum funds which are available in their envelope from the last programming period 2014-2020. In that context, calls for the use of greatest level of flexibility, simplification and co-financing rate allowed within the current legislative framework, in order to help Member States and regions with the responsible absorption rate of the Funds that have not been used yet.
- 5. Considers that the 2023 budget should contain sufficient payment appropriations, particularly for Cohesion, to avoid an accumulation of unpaid payment claims in the second half of the MFF period.
- 6. Believes that achieving consistency, complementarity and synergies between cohesion policy and the NGEU represents a very big challenge. Hence, it is critical to avoid overlaps and inconsistencies in the programming of the projects on the ground by targeting the same objectives. Reiterates the need of coordination at budgetary level amongst all the financial instruments supporting the cohesion policy such as ERDF, ESF+, React-EU, JTF, CRII and CRII+, meaning it is important to ensure that the programmes do not weaken one another. Furthermore, because of the pressure for quick absorption as well as prioritizing RRF over cohesion policy funding, reduced attention and capacity to deal with the programming and implementation of cohesion policy funding for 2021-2027, contribute to further delays that can result in underimplementation, underuse and unrealised projects. Stresses that cohesion policy remains the most important investment tool of the EU to achieve territorial, social and economic convergence in a long run within the Union.
- 7. Calls for bold cohesion policy measures for stronger, connected, resilient and prosperous rural areas and communities, especially in the terms of the Smart Villages concept where digital technologies and innovations may support quality of life, higher standard of living, access to culture, public services for citizens, high quality education, better use of resources, less impact on the environment, and new opportunities for rural SME's value chains in terms of products, e-commerce and improved processes.
- 8. Believes that along with other mechanisms aimed at recovery and resilience, cohesion policy, as the EU's main investment policy, will also contribute significantly for ensuring success of a digital and green transition, and sustainable growth where no one is left behind. Underlines also in this context, importance of necessary investments in infrastructure and public services so that transition costs do not fall on the back of our citizens, farmers, workers, SMEs, etc. Notes that the Just Transition Fund (JTF) needs to be adjusted with adequate financial resources to ensure that it can be implemented effectively in Member States to protect citizens in rural, industrial, remote and insular areas, as well as the EU's outermost regions, which are the most vulnerable to climate change and the social and economic consequences of the transition.

- 9. Recalls that innovation plays an increasing role in EU economy which provides benefits for both consumers and workers in the EU and is essential for creating better jobs, building a digital and greener society and improving our quality of life, but also maintaining EU sustainability and competitiveness in the global market. Believes however, that some Member States and regions do not have capacity to properly implement innovation projects, and therefore, access to more EU funds for SMEs: the backbone of the European economy, is important in this matter.
- 10. Believes that COVID-19 pandemic represents a unique transformational moment for investments in healthcare systems. Points out that the COVID-19 crisis has shown the need for sustainable long-term investment in the healthcare systems' adequacy, preparedness, responsiveness and resilience, while ensuring cross-border cooperation across the EU. Reminds that there are significant differences in the performance of healthcare systems and the quality of their service and outcomes across the EU. Hence, cohesion policy is one of the most important tools to reduce health disparities in terms of access to quality healthcare, health infrastructure, adequate healthcare personnel and the availability of medical equipment.
- 11. Highlights the problem of the EU4Health budget, which appears to be earmarked primarily for the European Health Emergency Preparedness and Response Authority (HERA) and therefore, raising concerns that not enough funds will be left for other health priorities, such as the reduction of disparities in terms of European Reference Networks (ERNs), which are critical in terms of cross-border healthcare provision, particularly in those less developed areas where patients lack access to quality healthcare.
- 12. Underlines the need for a strong emphasis on synergies and complementarities between EU4Health programme, cohesion policy and other EU programmes like Horizon with the aim of reducing regional disparities in Europe.
- 13. Calls for more funds for European Territorial Cooperation (ETC) better known as Interreg, in order to implement joint actions and policy exchanges between national, regional and local actors from different Member States. Recalls that during the COVID-19 pandemic, Interreg has proven to be a valuable and effective EU instrument; invites the European Commission to submit a revised proposal on a European Cross-Border Mechanism.
- 14. Notes that high energy prices, rising inflation and the continuing COVID-19 pandemic are indicating that this will likely lead to new periods of recession in more than one Member State, therefore increased flexibility and extraordinary financial resources should be allocated for this purpose in the EU budget for 2023.
- 15. Reaffirms that national, regional, local, urban, and other authorities must collaborate and develop a dialogue with civil society organizations and all relevant stakeholders, including universities and innovation centres, in order to fulfil the cohesion policy objectives. Moreover, reiterates the necessity of strengthening the administrative ability and capacity of local, regional and national authorities, which is a key component in the proper planning and implementation of initiatives and projects on the ground.

- 16. Emphasises the existing link between respect for the rule of law and the efficient implementation of the Union budget in accordance with the principles of sound financial management: economy, efficiency and effectiveness, as laid down in the Financial Regulation;
- 17. Calls the Commission and Member States to ensure that Union resources are used in a transparent, fair, and responsible manner.

Yours sincerely,

Younous Omarjee

#### LETTER OF THE COMMITTEE ON FISHERIES

Mr Johan Van Overtveldt Chair Committee on Budgets BRUSSELS

Subject: Opinion on Guidelines for the 2023 Budget - Section III (2021/2226(BUI))

Dear Mr Chair,

Under the procedure referred to above, the Committee on Fisheries has been asked to submit an opinion to your committee. The Committee on Fisheries decided to send its views in the form of a letter. The opinion was adopted by the Coordinators by written procedure on 16 February 2022.

The Committee on Fisheries calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution.

Yours sincerely,

Pierre Karleskind

#### **SUGGESTIONS**

- 1. Highlights the need for a sufficiently funded EMFAF Budget for 2023; reiterates that, for sustainable fisheries, including small scale fisheries and sustainable aquaculture to continue to be viable and competitive, appropriate funding for these sectors is needed;
- 2. Believes that the budget for these sectors must respond to the needs identified by the Member States, take into account social, environmental and economic objectives and contribute to EU objectives, notably those set out in the Green Deal, the new industrial strategy, the 'Farm to Fork' strategy, the new approach for a sustainable blue economy and the EU Biodiversity Strategy for 2030. Takes the view that maintaining the competitive position of the fisheries and aquaculture sectors must go hand in hand with achieving these goals, and that any proposal must therefore be subject to an impact assessment;
- 3. Stresses that generational renewal is one of the European fishing sector's priorities; invites Member States to draw on the EMFAF to finance the introduction of programmes specifically designed to help young people to take up careers in fisheries, to make the sector more diverse and to encourage people from under-represented groups, particularly women, to join the sector;
- 4. Recalls that the European Parliament adopted a resolution of 16 September 2021 on Fishers for the future: Attracting a new generation of workers to the fishing industry and generating employment in coastal communities (2019/2161(INI));
- 5. Reiterates Parliaments encouragement for the creation of an association of young European fishers to promote the generational renewal of the fisheries sector and to represent and bring together young fishers and their organizations throughout the Union; calls on the Commission to support the mobilization of budgetary resources for the implementation of projects to achieve that end;
- 6. Stresses the importance of control in securing the objectives of the CFP; highlights the importance of previous additional funding allocated to the European Fisheries Control Agency (EFCA); calls to carry out its activities contributing to the achievement of the CFP goals, especially in the light of increased complexity and challenges due to Brexit.

#### LETTER OF THE COMMITTEE ON CONSTITUTIONAL AFFAIRS

Mr Johan Van Overtveldt Chair Committee on Budgets BRUSSELS

Subject: Opinion on general Guidelines for the preparation of the 2023 budget, Section III

- Commission (2021/2226(BUI))

Dear Mr Chair,

Under the procedure referred to above, the Committee on Constitutional Affairs has been asked to submit an opinion to your committee. At its meeting of 26 January 2022, the committee decided to send the opinion in the form of a letter. It considered the matter at its meeting of 28 February 2022 and adopted the opinion at that meeting<sup>1</sup>, calling on the Committee on Budgets to incorporate the following suggestions into its motion for a resolution.

The members of the committee stress that the Union's 2023 budget must be sufficient to finance the exercise of the competences attributed to the Union by the Treaties, be focused on the common European interest and allow the Union to deliver the results that matter to European citizens

The members of the committee recall that the Union institutions agreed on a roadmap for the introduction of new own resources to ensure repayment of the recovery plan. It is important that the three Institutions adhere to the agreed timing.

The members of the committee further underline that the budget for 2023 should have the resources necessary for the implementation of the conclusions of the Conference on the Future of Europe (Conference), including in form of legislative proposals or Treaty changes.

Effective communication with and consultation of citizens should be among the top priorities of the budget in order to ensure the effective and meaningful involvement of citizens. In particular, financial means should be ensured for organising regular citizens' consultations on the Union's policy objectives, challenges and priorities as a follow up to the Conference.

The members of the committee recall the need for the adequate financing of the Union's programmes, activities and initiatives vital for intensifying the participatory democracy processes in the EU, building citizens' trust and enhancing their understanding of EU policies,

<sup>&</sup>lt;sup>1</sup> The following were present for the final vote: Antonio Tajani (Chair and rapporteur for the opinion), Gabriele Bischoff (1st Vice-Chair), Charles Goerens (2nd Vice-Chair), Giuliano Pisapia (3rd Vice-Chair), Gerolf Annemans, Vladimír Bilčík (for Loránt Vincze), Damian Boeselager, Geert Bourgeois, Włodzimierz Cimoszewicz, Gwendoline Delbos Corfield, Pascal Durand, Daniel Freund, Sandro Gozi, Brice Hortefeux, Laura Huhtasaari, Seán Kelly (for Esteban González Pons), Gilles Lebreton (for Antonio Maria Rinaldi), Victor Negrescu, Paulo Rangel, Domènec Ruiz Devesa, Jacek Saryusz Wolski, Helmut Scholz, Pedro Silva Pereira, Sven Simon, László Trócsányi, Guy Verhofstadt, Rainer Wieland

in particular the European Citizens' Initiative and the Citizens, Equality, Rights and Values Programme (CERV). In this regard, recalls the need to include a budget line for the elaboration of demonstrative and voluntary primary and secondary curriculum for EU and global citizenship education. While these contribute to further developing open, rights-based, democratic, equal and inclusive societies, the respect for democracy and fundamental rights, including non-discrimination and gender equality, should be further prioritised.

Further, they remind that proper levels of financing need to be secured for the structures within the EU institutions and bodies that are responsible for communication with citizens and countering disinformation such as, among others, the Commission Representations and European Parliament Liaison Offices (EPLOs), in order to enable them to fulfil their tasks effectively.

The members of the committee recall the importance to enhance the participation of the Union's local entities, towns and villages, beyond Member States capitals in the democratic life of the Union; welcomes in this regard, the implementation of BELE - Building Europe with local entities.

In addition, they point out the need to apply Regulation (EU, Euratom) 2020/2092 on a general regime of conditionality for the protection of the Union budget in full in order to protect the Union's financial interests.

Last but not least, the members of the committee suggest that adequate budgetary resources should be ensured for the functioning of the Authority for European Political Parties and European Political Foundations (APPF) in view of expanding its tasks in the area of political advertisement and donations control on the basis of the Commission's proposal of 25 November 2021 for a recast of Regulation (EU, Euratom) No 1141/2014. Furthermore, should a European Electoral Authority be created by 2023, adequate financing for this entity should be foreseen.

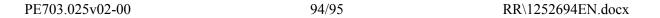
I am confident that the Committee on Budgets will take these suggestions into consideration when preparing the guidelines for the 2023 budget.

Antonio Tajani	

Yours sincerely,

# INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	16.3.2022
Result of final vote	+: 32 -: 4 0: 4
Members present for the final vote	Rasmus Andresen, Anna Bonfrisco, Olivier Chastel, Lefteris Christoforou, David Cormand, Paolo De Castro, Andor Deli, José Manuel Fernandes, Eider Gardiazabal Rubial, Vlad Gheorghe, Valentino Grant, Francisco Guerreiro, Valérie Hayer, Eero Heinäluoma, Niclas Herbst, Monika Hohlmeier, Moritz Körner, Joachim Kuhs, Zbigniew Kuźmiuk, Hélène Laporte, Pierre Larrouturou, Janusz Lewandowski, Margarida Marques, Siegfried Mureşan, Victor Negrescu, Lefteris Nikolaou-Alavanos, Andrey Novakov, Jan Olbrycht, Dimitrios Papadimoulis, Karlo Ressler, Bogdan Rzońca, Nicolae Ştefănuță, Nils Torvalds, Nils Ušakovs, Johan Van Overtveldt, Rainer Wieland, Angelika Winzig
Substitutes present for the final vote	Elisabetta Gualmini, Henrike Hahn, Petros Kokkalis



# FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

32	+
ECR	Johan Van Overtveldt
PPE	Lefteris Christoforou, José Manuel Fernandes, Niclas Herbst, Monika Hohlmeier, Janusz Lewandowski, Siegfried Mureşan, Andrey Novakov, Jan Olbrycht, Karlo Ressler, Rainer Wieland, Angelika Winzig
Renew	Olivier Chastel, Vlad Gheorghe, Valérie Hayer, Moritz Körner, Nicolae Ştefănuță, Nils Torvalds
S&D	Paolo De Castro, Eider Gardiazabal Rubial, Elisabetta Gualmini, Eero Heinäluoma, Pierre Larrouturou, Margarida Marques, Victor Negrescu, Nils Ušakovs
The Left	Petros Kokkalis, Dimitrios Papadimoulis
Verts/ALE	Rasmus Andresen, David Cormand, Francisco Guerreiro, Henrike Hahn

4	-
ID	Joachim Kuhs, Hélène Laporte
NI	Andor Deli, Lefteris Nikolaou-Alavanos

4	0
ECR	Zbigniew Kuźmiuk, Bogdan Rzońca
ID	Anna Bonfrisco, Valentino Grant

Key to symbols: + : in favour - : against 0 : abstention