



Plenary sitting

B8-0239/2018

25.5.2018

MOTION FOR A RESOLUTION

to wind up the debate on the statements by the Council and the Commission

pursuant to Rule 123(2) of the Rules of Procedure

on the 2021-2027 multiannual financial framework and own resources
(2018/2714(RSP))

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**European Parliament resolution on the 2021-2027 multiannual financial framework and own resources
(2018/2714(RSP))**

The European Parliament,

- having regard to Articles 311, 312 and 323 of the Treaty on the Functioning of the European Union (TFEU),
 - having regard to the Commission communication of 2 May 2018 entitled ‘A Modern Budget for a Union that Protects, Empowers and Defends – The Multiannual Financial Framework for 2021-2027’ (COM(2018)0321),
 - having regard to the Commission proposals of 2 May 2018 on the multiannual financial framework (MFF) for the years 2021 to 2027 and the system of own resources of the European Union,
 - having regard to the Commission proposal of 2 May 2018 for a regulation of the European Parliament and of the Council on the protection of the Union’s budget in case of generalised deficiencies as regards the rule of law in the Member States (COM(2018)0324),
 - having regard to its resolutions of 14 March 2018 on the next MFF: preparing the Parliament’s position on the MFF post-2020¹ and on reform of the European Union’s system of own resources²,
 - having regard to the statements by the Commission and the Council of 29 May 2018 on the 2021-2027 multiannual financial framework and own resources,
 - having regard to Rule 123(2) of its Rules of Procedure,
1. Takes note of the Commission proposals of 2 May 2018 on the 2021-2027 MFF and the EU own resources system, which set the basis for the upcoming negotiations; recalls that Parliament’s position is clearly set out in two resolutions adopted by very large majorities on 14 March 2018, which constitute its mandate for the negotiations;
 2. Urges the Council to ensure that the next financial framework reflects a clear and positive vision of the Union’s future and responds to the needs, concerns and expectations of EU citizens; stresses that the decision on the MFF will need to provide the Union with the necessary financial means to meet important challenges and attain its political priorities and objectives over the next seven-year period; expects, therefore, that the Council will act in consistency with the political commitments that it has already undertaken and will be courageous in its approach; is concerned that the Commission’s proposal weakens the main EU solidarity policies, and intends to negotiate with the Council with the aim of building a more ambitious MFF for the

¹ Texts adopted, P8_TA(2018)0075.

² Texts adopted, P8_TA(2018)0076.

benefit of citizens;

3. Expresses its surprise and concern that the comparative data that the Commission officially released on 18 May 2018, following the strong demand from Parliament, reveal certain discrepancies in the way those figures were presented and communicated with the MFF proposals; notes, in particular, that the increases for several EU programmes are actually significantly lower while the cuts for other programmes are significantly higher than the way they were originally presented by the Commission; underlines the need for Parliament and the Council to agree from the outset on a clear methodology in relation to the figures; declares that it will use its own calculations, based on constant prices and taking account of the UK withdrawal, for the purposes of this resolution;
4. Expresses its disappointment about the proposed global level of the next MFF set at EUR 1.1 trillion, which represents 1.08 % of the EU-27 GNI after deducting the European Development Fund (currently 0.03 % of EU GNI outside the EU budget); underlines that this global level in terms of GNI percentage is lower in real terms than the level of the current MFF, despite the additional funding needed for new political priorities and emerging challenges for the Union; recalls that the current MFF is smaller than its predecessor (the 2007-2013 MFF) and has been shown to be inadequate to finance the Union's pressing needs;
5. Deplores the fact that this proposal leads directly to a reduction in the level of both the common agricultural policy (CAP) and cohesion policy, of 15 % and 10 % respectively; is particularly opposed to any radical cuts that will adversely impact on the very nature and objectives of these policies, such as the cuts proposed for the Cohesion Fund (by 45 %) or for the European Agricultural Fund for Rural Development (by more than 25 %); questions, in this context, the proposal to reduce the European Social Fund by 6 % despite its enlarged scope and the integration of the Youth Employment Initiative;
6. Reconfirms its firm position on the necessary level of funding for key EU policies in the 2021-2027 MFF, in order to enable them to fulfil their mission and objectives; stresses, in particular, the call to maintain the financing of the CAP and cohesion policy for the EU-27 at least at the level of the 2014-2020 budget in real terms, while respecting the overall architecture of these policies, to triple the current budget for the Erasmus+ programme, to double the specific funding for SMEs and for tackling youth unemployment, to increase the current budget for research and innovation by at least 50 % to reach EUR 120 billion, to double the Life+ programme, to significantly increase investment through the Connecting Europe Facility, and to secure additional financing for security, migration and external relations; underlines, consequently, its position to set the 2021-2027 MFF at the level of 1.3 % of the EU-27 GNI;
7. Stresses the importance of the horizontal principles that should underpin the MFF and all related EU policies; reaffirms, in this context, its position that the EU must deliver on its commitment to be a frontrunner in implementing the UN Sustainable Development Goals (SDGs) and deplores the lack of a clear and visible commitment to that end in the MFF proposals; requests, therefore, the mainstreaming of the SDGs into all EU policies and initiatives of the next MFF; further emphasises that the elimination of discrimination is vital to fulfil the EU's commitments towards an inclusive Europe

and deplores the lack of gender mainstreaming and gender equality commitments in EU policies, as presented in the MFF proposals; underlines also its position that, following the Paris Agreement, climate-related spending should be significantly increased in comparison with the current MFF and reach 30 % as soon as possible and at the latest by 2027;

8. Supports the Commission proposals on the reform of the EU own resources system, which represents a very positive revenue component of the 2021-2027 MFF package; welcomes, therefore, the proposed introduction of three new EU own resources and the simplification of the current VAT-based own resource; underlines that these proposals, directly inspired by the work of the interinstitutional High-Level Group on Own Resources, were also part of the proposed basket put forward by Parliament in its resolution of 14 March 2018; notes with satisfaction that these new resources correspond to two strategic objectives of the Union, namely the proper functioning of the internal market and the protection of the environment and the fight against climate change; expects the support of the Council and the Commission in order to reinforce Parliament's role in the procedure for the adoption of own resources; recalls once more its position that the expenditure and revenue side of the next MFF should be treated as a single package in the upcoming negotiations, and that no agreement can be reached with Parliament on the MFF without corresponding headway being made on own resources;
9. Welcomes, moreover, the principle that future revenues arising directly from EU policies should flow to the EU budget, and fully supports the elimination of all rebates and corrections; wonders at what pace these new own resources will be introduced in order to reduce national contributions; questions, however, the absence of Commission proposals on the creation of a special reserve in the EU budget to be filled up by all types of unforeseen other revenue, including competition fines imposed on companies, as well as a tax on large companies in the digital sector and the Financial Transaction Tax as new EU own resources;
10. Recalls its position in favour of setting up a mechanism whereby Member States that do not respect the values enshrined in Article 2 of the Treaty on European Union (TEU) can be subject to financial consequences; notes the Commission proposal on the 'Protection of the Union's budget in case of generalised deficiencies as regards the rule of law in the Member States', which was presented as part of the overall MFF package; intends to closely examine all elements of this proposal and introduce the necessary provisions to guarantee that the final beneficiaries of the Union budget can in no way be affected by breaches of rules for which they are not responsible;
11. Is convinced of the need to have a legally binding and compulsory MFF mid-term revision, which should be proposed and established in due time to allow the next Parliament and Commission to conduct a meaningful adjustment of the 2021-2027 framework; intends to improve the formulation of the proposed article in the MFF Regulation;
12. Considers the Commission proposals on flexibility to represent a good basis for the negotiations; welcomes, in particular, several proposals that improve the current provisions, notably the re-use of decommitted appropriations for the Union reserve, the increased allocations of special instruments, and the dismissal of any constraints for the

Global Margin for Payments, in line with Parliament's requests in this area; intends to negotiate additional improvements, wherever necessary;

13. Notes the Commission proposal to establish a European investment stabilisation mechanism, which will complement the stabilisation function of national budgets in the event of major asymmetric shocks; intends to closely examine this proposal, especially in terms of its objectives and volume;
14. Stresses that the Commission proposals officially launch a period of intense negotiations within the Council, but also between the Council and Parliament with a view to securing Parliament's consent to the MFF Regulation; underlines that all elements of the MFF / OR package, including the MFF figures, should remain on the negotiating table until a final agreement is reached; expresses its readiness to enter immediately into a structured dialogue with the Council, in order to allow for a better understanding of Parliament's expectations and facilitate a timely agreement; considers, therefore, that the recent launch of regular meetings between the successive Council presidencies and Parliament's negotiating team is an essential starting-point in the procedure leading to the adoption of the next MFF;
15. Instructs its President to forward this resolution to the Council, the Commission, the other institutions and bodies concerned, and the governments and parliaments of the Member States.