



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Budgets

2012/2256(INI)

19.12.2012

OPINION

of the Committee on Budgets

for the Committee on Economic and Monetary Affairs

on the European Semester for Economic Policy Coordination: Annual Growth
Survey 2013
(2012/2256(INI))

Rapporteur (*): Catherine Trautmann

(*): Associated committee – Rule 50 of the Rules of Procedure

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SUGGESTIONS

The Committee on Budgets suggests to the Committee on Economic and Monetary Affairs, as the committee responsible, to take up the following considerations in its report:

1. Regrets the absence of new proposals from the Commission on an enhanced democratisation of the European Semester process, which remains absolutely necessary and should be a high priority; notes the Commission's 'Blueprint for a Deep and Genuine EMU – Launching a European Debate'; reaffirms its call for an appropriate 'checks and balances' system, through enhanced participation of both the European Parliament and the national parliaments and strengthened coordination between them in all phases of the European Semester (on the basis of Article 13 of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union) in order to transform the current very formal exercise of the European Semester into genuine economic and budgetary cooperation;
2. Regrets that, in its 'Annual Growth Survey 2013' Communication (COM(2012)0750), the Commission did not properly address the role of the EU budget in the European Semester process; regrets, in particular, that the EC, while proposing key priorities, failed to provide factual and concrete data on how the EU budget can actually play a triggering, catalytic, synergetic and complementary role in relation to local, regional and national policies and investments launched to implement these priorities;
3. Recalls, in this connection, that one of the interparliamentary meetings to be organised in the context of the 'European Parliamentary Week on the European Semester for Economic Policy Coordination' will deal with 'The role of the EU budget in supporting Member States in the achievement of their economic objectives as agreed within the framework of the European Semester: the example of innovation, research and development'; asks the Commission to provide Members of the European Parliament and of the national parliaments with some concrete and factual evidence to inform this discussion;
4. Is convinced that funding at EU level can generate savings for all the Member States' budgets and that this should be emphasised; considers that the EU budget has a vital role to play in stimulating growth, boosting job creation and successfully reducing macroeconomic imbalances throughout the Union, and basically also in reaching the 'EU-2020 goals'; regrets once again that the Commission fails to address this issue in its Communication on the AGS;
5. Strongly condemns the position taken once again by the Council in the framework of the 2013 budget negotiations of reducing artificially the level of payment appropriations available in the EU budget; stresses that the position of the Budget Ministers diminishes the credibility of the European budget authorities by jeopardising the implementation of the Compact for Growth and Jobs adopted at the June 2012 European Council meeting; calls, once more, on the Council to agree with Parliament and the Commission on a common method to assess real payment needs in order to implement the Compact for Growth and Jobs; underlines the utmost urgency of the situation, especially in respect of programmes at the core of the Compact for Growth and Jobs and included in headings 1A and 1B (competitiveness for growth and employment / cohesion for growth and

employment), as well as rural development;

6. Requests the Commission to provide updated information on Member States' current efforts to reprogramme and accelerate the use of EU structural and cohesion funds in order to support growth and social cohesion, notably for SMEs, and to fight youth unemployment;
7. Calls on Member States to make full use of the additional financing opportunities provided for by the European Investment Bank and the new instrument of project bonds; requests the Commission to provide updated information on the progress achieved so far in this respect since the adoption of the Compact for Growth and Jobs;
8. Acknowledges the Commission's assessment that the levels of debt accumulated by public and private actors restrict the scope for new activities and investments in the Member States; calls, nevertheless, on the Member States neither to consider their national GNI contribution to the EU budget as an adjustment variable in their consolidation efforts, nor to seek to reduce artificially the volume of the EU budget's growth enhancing expenditure, contrary to the political commitments they have made at the highest level; is, however, fully aware of the economic tension between the need to consolidate public finances in the short run and any potential increase for some Member States in their GNI-based contribution brought about by an increase in the level of payments in the EU budget; restates, therefore, its strong calls for reform of the financing arrangements for the EU budget – to be agreed in the framework of the 2014-2020 MFF negotiations – by reducing the share of Member States' GNI-based contributions to the EU budget to 40 % by 2020, thereby contributing to their consolidation efforts¹;
9. Urges the European Council to agree on an ambitious multiannual financial framework 2014-2020 that will allow the EU to restore growth, jobs and competitiveness across Europe and thus to achieve the Europe 2020 goals, as underlined in its resolution of 23 October 2012²;
10. Recalls that the European budget is primarily an investment budget, with 94 % of its total being reinvested in the Member States;
11. Believes that imposing penalties additional to those currently discussed in the two-pack legislation by introducing 'macro-economic conditionality' in the use of EU structural, cohesion, rural development, fisheries and maritime funds can only exacerbate the problems of Member States already faced with macroeconomic difficulties; reiterates that macroeconomic conditionalities are not acceptable.

¹ Texts adopted, P7_TA(2012)0245.

² Texts adopted, P7_TA(2012)0360.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	18.12.2012
Result of final vote	+: 27 -: 3 0: 1
Members present for the final vote	Marta Andreasen, Richard Ashworth, Zuzana Brzobohatá, Jean-Luc Dehaene, Göran Färm, José Manuel Fernandes, Eider Gardiazábal Rubial, Jens Geier, Ivars Godmanis, Ingeborg Gräßle, Lucas Hartong, Monika Hohlmeier, Anne E. Jensen, Ivailo Kalfin, Jan Kozłowski, Alain Lamassoure, Jan Mulder, Vojtěch Mynář, Juan Andrés Naranjo Escobar, Dominique Riquet, Alda Sousa, Derek Vaughan, Angelika Werthmann
Substitute(s) present for the final vote	François Alfonsi, Maria Da Graça Carvalho, Gerben-Jan Gerbrandy, Jaroslav Paška, Paul Rübig, Peter Šťastný, Georgios Stavrakakis, Gianluca Susta