1.3.2021

Mr Johan Van Overtveldt
Chair
Committee on Budgets
BRUSSELS

Subject: Opinion on general guidelines for the preparation of the 2022 budget, Section III – Commission (2020/2265(BUD))

Dear Mr Chair,

Under the procedure referred to above, the Committee on Civil Liberties, Justice and Home Affairs has been asked to submit an opinion to your committee.

The Committee on Civil Liberties, Justice and Home Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its general guidelines for the preparation of the 2022 budget, Section III – Commission.

Yours sincerely,

(signed) Juan Fernando López Aguilar
SUGGESTIONS

on general guidelines for the preparation of the 2022 budget, Section III – Commission (2020/2265(BUI))

The European Parliament,

– having regard to Article 314 of the Treaty on the Functioning of the European Union,

– having regard to Article 106a of the Treaty establishing the European Atomic Energy Community,


– 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 2027², and to the joint declarations agreed between Parliament, the Council and the Commission in this context³, as well as to the related unilateral declarations⁴,

– having regard to the Interinstitutional Agreement of 16 December 2020 between the European Parliament, the Council and the 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 resources⁵,

– having regard to Council Decision (EU, Euratom) No 2020/2053 of 14 December 2020 on the system of own resources of the European Union and repealing Decision (EU, Euratom) No 2014/335⁶,

– 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 crisis⁷,


⁴ Texts adopted, P9_TA(2020)0357, Annex II.
Back on track: budget 2022 for recovery from the COVID-19 crisis

1. Believes that, given the particular uncertainty about the economic outlook, which is not expected to recover to its pre-pandemic level in 2022, and the imperative need for a quick recovery from the economic and social damage caused by the COVID-19 pandemic, the 2022 Union budget should play an even more pivotal role in ensuring a positive and tangible impact on citizens’ lives and contributing to sustaining the European economy, leveraging investments and supporting job creation, while ensuring equal opportunities for all throughout the Union, as well as facilitating the reduction of economic, social, territorial and generational disparities;

2. Intends, therefore, to set up a forward-looking budget that will be instrumental in the recovery process, and will enable the Union to boost investments and tackle unemployment, foster the digital and green transitions, improve the life prospects of the young generation, in particular attention to young people in vulnerable situations, and address demographic challenges, and ensure a safe and prosperous environment for EU citizens; considers these priorities to be essential in order to uphold the recovery and build up the foundations for a more resilient Union;

2a. Notes that, in addition to the many advantages the Recovery plan will bring for Member States and EU citizens, there are always risks that criminals misappropriate funds intended to save jobs and support the legal economy in Europe; considers that the fight against fraud to the EU’s budget, corruption, money laundering, criminal financing should be strengthened in 2022;

A vibrant economy to boost investments and tackle unemployment

3. Recalls that SMEs remain the backbone of the European economy and continue to play a vital role in job and growth creation; underlines the importance of an adequately funded Single Market Programme to boost competitiveness of small business with the development of digital and entrepreneurial skills; underscores, furthermore, the potential of the InvestEU programme in leveraging sustainable, innovative and social investments, but also in providing capital support to small and medium-sized enterprises
4. Emphasises the continued need to invest in research and innovation, in particular for the EU to be a driving force in the green and digital transitions; underlines, in that respect, the particular merits of Horizon Europe, and considers essential to provide SMEs with adequate support in research and innovation so that they can actively take part in these immense challenges;

5. Strongly supports regional policy as the prime investment 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, green economy and innovation, and as a driving force of a more inclusive and sustainable Union;

6. Reaffirms the importance and potential of the EU4Health Programme, which under the new Multiannual Financial Framework (MFF) became the largest health programme to ever be funded by the EU budget; expects that synergies will be strengthened between all EU programmes that provide additional investments in the health sector like the ESF+, the ERDF, Horizon Europe and Digital Europe;

Meeting the challenge of digital and green transitions

7. Stresses the urgency, heightened by the COVID-19 crisis, to close the digital divide and ramp up Europe’s digital transformation; points out to the importance of synergies between EU programmes to create successful conditions to accelerate the market uptake of breakthrough technologies and innovations; considers that the Digital Europe programme is essential in improving Europe’s competitiveness in the global digital economy and achieving technological sovereignty; expects that this programme will boost investments in EU high-performance computing, artificial intelligence, cybersecurity, as well as the promotion of advanced digital skills across the economy and society; emphasises, in this regard, that any algorithms or applications developed or deployed must respect fundamental rights, as expressed in the Charter of Fundamental Rights, including the right to privacy and non-discrimination;

8. Stresses the central role of the EU budget in ensuring the success of the European Green Deal and the fair transition towards a more sustainable and resilient economy; stresses in particular the need to ensure that adequate resources underpin the new growth strategy, in order to enable the Union to deliver on its commitments whilst ensuring no one is left behind, and intends to monitor closely the implementation of the strategy in the Budget 2022; underlines, in this context, that a modern and resilient EU’s infrastructure is a key component of restoring competitiveness and building up EU’s strategic autonomy; recognises, therefore, the added value of the Connecting Europe Facility (CEF) and EU space programmes;

Providing better prospects for the young generation and addressing demographic challenges

9. Underlines that, as was the case in the aftermath of the 2008 financial crisis, young people, particularly young people in vulnerable situations, are once again particularly hit by the fallout of the COVID-19 crisis; highlights, therefore, that all funding
possibilities should be fully explored to ensure the labour market inclusion and life prospects for young people;

10. Insists that the Union cannot find a sustainable path to recovery without its young generation; points, in that respect, to the extreme relevance of increasing financial resources for Union programmes such as Erasmus+, whose success in broadening education, training and job opportunities across the Union is undisputable; highlights the potential of this programme in promoting, excellence, innovation and entrepreneurship in an inclusive manner;

11. Stresses that sustainable and long-term solutions must be found to successfully fight structural demographic challenges, as well as mitigating brain drain in rural, remote and less developed areas of the EU; emphasises the need for financial resources to revitalise areas suffering from population decline and to provide ageing populations in Europe with adequate support in terms of access to healthcare, mobility and public services; highlights the need of setting up appropriate structures to study trends and propose measures to adequately address demographic change;

Managing external borders and migration flows, providing international protection, and ensuring a safe and prosperous environment for all

12. Considers that individuals’ fundamental rights, economic growth and prosperity, internal security, management of the EU’s external borders, proper functioning of the Schengen area and freedom of movement within the EU are inextricably linked; insists that the effective management of the external borders must comply with Union and international law, respecting, in particular, the right to asylum and the principle of non-refoulement; recalls the urgent need to put in place independent monitoring mechanisms to prevent fundamental rights violations at the external borders; notes the important role of the European Border and Coast Guard Agency (Frontex) and its recently enhanced mandate; further notes the investigations launched by OLAF and the European Ombudsman into Frontex, and the decision of the Parliament to establish a Working Group within the LIBE Committee to monitor and investigate the management and operation of Frontex; underlines that increases in the budgetary allocations to Frontex need to be accompanied by a corresponding increase in accountability and transparency and are conditional upon the Agency’s commitment to Union law; underlines that the budgetary allocation for Frontex for 2022 must reflect those considerations; stresses the need for further integration of the Schengen area, based on objective criteria and the need for the restoration of freedom of movement and the lifting of internal border controls; underlines the importance of robust EU investments in the area of internal security with a view to ensuring and improving the consistency and fundamental rights-compliance of EU law enforcement and judicial response to cross-border criminal threats and promoting information exchange;

12a Takes note that the Multi-annual Financial Framework 2021–2027 provides for higher amounts than in previous years for the implementation of migration asylum and integration policies; calls for effective national and Union programmes that will strengthen the Common European Asylum System, promote legal migration and integration, including safe and legal pathways, fight trafficking in human beings and encourage the dignified return of persons and voluntary returns; calls for Member
States and the Commission to ensure a robust financial allocation to guarantee adequate reception and registration of refugees, migrants, and asylum seekers, the swift processing of asylum applications and their effective integration of migrant, asylum seekers, and refugees; notes that crossings at the EU external borders have decreased by 13% compared to 2020, among other factors as a consequence of the pandemic, while pending asylum applications cases, 876,200 in November 2020, remains very high, thus requiring greater efforts to reduce the number of pending asylum applications; highlights, the shifting patterns in migratory routes, particularly the Atlantic route, with an 889% increase in arrivals to the Canary islands in 2020; asks for reinforced action to assist those Member States where the concentration of migrants and asylum seekers is higher, such as Greece, Italy, Malta, Spain or Cyprus, urges the Commission to devote strengthened resources to ensuring solidarity and a fair sharing of responsibilities across Member States; is deeply concerned by the continuing loss of lives in the Mediterranean in the absence of functioning search and rescue capacities; believes that search and rescue is a State responsibility that cannot be left only to non-state actors; calls on the Commission to urgently create a fund to support the setting up of a EU search and rescue mission for the Mediterranean; urges that more resources should be devoted to search and rescue to avoid the tragic loss of lives at sea; stresses, once more, the need for a detailed breakdown of budgetary allocations by ensuring budget lines per specific objective in the area of migration and asylum;

13. Highlights the need for adequate funding, staffing and staff training for all agencies and bodies operating in the field of fundamental rights, asylum, security, justice and integrated border management in order for them to fulfil their increased responsibilities, while ensuring individuals’ fundamental rights protection, particularly in their operations;

14. Considers that the EU must increase its efforts to tackle security threats such as terrorism, radicalisation, violent extremism, criminal smuggling, drugs trafficking or cybercrime and hybrid threats within Europe; considers that funding allocations should reflect the changing nature of threats, such as the rise of right-wing extremism, as well as the tackling of root causes, as well as better coordination of such programmes at EU level; welcomes the Strategy for a Security Union presented by the Commission on 24 July 2020, and calls for an adequate funding of its action plans; notes that the pandemic has lead to new criminal challenges;

14a. Highlights the importance of the proper implementation and operational management of EU large-scale IT systems in the area of freedom, security and justice (EES, ETIAS, ECRIS-TCN, EURODAC, VIS, SIS);

15. Underlines the responsibility of the EU to ensure it has the adequate resources to address the geopolitical consequences of the crisis and ensure a secure and stable global environment;

Promoting democracy, rule of law and fundamental rights

15a. Expresses deep concern at the significant deterioration of rule of law, democracy and fundamental rights, including the independence of the judiciary, separation of powers, the fight against corruption and artistic, academic and media freedom in some Member
States; calls therefore, for a considerable strengthening of funding devoted to ensure the protection of these fundamental principles; welcomes in this regard, the Democracy action plan; further welcomes the continuous comprehensive work in covering the law and practice of Member States in those areas carried out by the Fundamental Rights Agency; considers that budgetary provisions should reflect the need to ensure support for civil society participation in public debate and in decision-making, particularly during the Conference on the Future of Europe, and should also reflect the need to monitor breaches of fundamental rights and ensure the safety of journalists, artists, teachers and academics;

15b. Recalls that independent investigative journalism is an essential component of a well-functioning democracy, by bringing quality fact-based information, combating disinformation, raising awareness to citizens, and revealing wrongdoings or crimes; stresses that journalism across Europe faces strong challenges, in particular the lack of financial resources, hence threatening their independence or survival; calls for ambitious funding programmes in the European budget in this field;

15c. Highlights that the new Citizens, Equality, Rights and Values programme is of strategic importance to strengthen democracy, equality and the rule of law in the EU and European citizenship; notes that it includes a new strand on Union values providing financial support to civil society organisations active at local, regional and transnational level in promoting rights, thereby also strengthening the protection and promotion of Union values and the respect of the rule of law and contributing to democratic dialogue, transparency and good governance, including in cases of shrinking space for civil society; highlights, in addition, the importance of funding for better promotion of gender equality, combating gender-based violence and promoting women’s rights, including sexual and reproductive health rights and LGBTIQ rights across the Member States; recalls also that the Justice programme includes a specific objective aimed at supporting and promoting judicial training, with a view to fostering a common legal, judicial and rule of law culture; further recalls that judicial trainings should also contribute to raise awareness on discrimination and the fundamental rights impact of digitalisation of criminal justice systems; calls for the funding of these programs to be evenly spent during the MFF period and urges full expenditure of annual funds for the specific objectives highlighted.

Specific and cross-cutting issues of the 2022 budget

16. Expects, in the run-up to the adoption of the 2022 budget, that the full potential of the MFF package will be put into practice and intends to monitor closely the implementation of all elements of the agreement reached; reaffirms the importance of a functioning rule of law conditionality mechanism fully in line with the recently adopted Regulation on a general regime of conditionality for the protection of the EU budget and a swift implementation which entered into force from 1st January 2021; recalls that 2022 will be the first year of application of the programme-specific adjustments under Article 5 of the MFF Regulation, regarding inter alia the envelopes of EU flagship programmes to be financed from the new fines-based mechanism;

17. Stresses that, following the late adoption of the MFF 2021-2027, the launch of EU flagship programmes like Erasmus +, Horizon Europe, as well as the financing for the
Green Deal and digitalisation strategies, were significantly delayed; expects, therefore, that every effort will be made to ensure that all new EU programmes are fully operational in 2022 and insists on the need to ensure that any EU programme does not enable massive surveillance and discriminatory practices; recalls, in that respect, the joint statement by Parliament, the Council and the Commission on tackling the impact of the COVID-19 crisis issued in the joint conclusions on the 2021 budget, in which a particular attention is given to the sectors of the economy that are most hit by the crisis such as SMEs, tourism and hospitality sector, as well as the people that are most affected by the crisis;

18. Expects, furthermore, a sufficient level of payment appropriations to be entered in the 2022 budget, for both the new programmes and the completion of past ones, especially in the context of higher expected needs for payments in the area of cohesion, and to ensure that the Union budget provides the necessary economic stimulus;

19. Stresses that the EU budget will be significantly reinforced by the European Union Recovery Instrument (EURI) in 2022, with at least 60% of its total allocation to be committed under the different programmes by the end of that year; is concerned, however, about the delayed start of the borrowing and lending operations under this Instrument, as the new Own Resources Decision (ORD), providing the authorisation for these operations, is not yet in force; calls, therefore, on the Member States to accelerate further the ratification process of the new ORD, in order not to jeopardise the timely effect of the recovery;

20. Underlines that the 2022 Union budget will constitute a bridge between the first and second steps of the roadmap towards the introduction of new own resources; points, in that respect, to the need for a smooth implementation so that new own resources cover at least the expenditure related to the repayment of the EURI;

20a. Is deeply concerned by the lack of resources allocated to some EU agencies and bodies acting in the field of justice and home affairs (JHA), which will impact on their capacity to comply fully with their mandate; recalls the increased tasks attributed to those agencies and bodies; calls for proper funding and staffing of EU agencies and bodies in the field of JHA; points out that a number of those agencies and bodies might need increased funding and staff with appropriate categories of recruitment in 2022 to fulfil their mandates; reiterates its call for further action to improve the training of law enforcement to fulfil their tasks efficiently, as well as training on strategies to fight against racism and discrimination, and to prevent, identify and ban racial and ethnic profiling and violence; insists, nonetheless, that effective, transparent and gender balanced management of JHA Agencies is a precondition for increased funding, including, in particular, full compliance with fundamental rights and that all JHA Agencies must comply with EU and international law and reflect the values of the EU in their work.

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