Subject: Opinion on the Guidelines for the 2021 Budget – section III - (2019/2213 (BUD))

Dear Mr Van Overtveldt,

Under the procedure referred to above, the Committee on Regional Development has been asked to submit an opinion to your committee. In a written procedure of the Coordinators of 23 March 2020, the committee decided to send the opinion in the form of a letter.

During that procedure, the Committee on Regional Development decided to call on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution.

Yours sincerely,

Younous Omarjee
SUGGESTIONS

A. whereas pursuant to Article 174 of the TFEU, economic, social and territorial cohesion are recognised as the key elements of harmonious development of the Union and the MFF as such should not fail to support fully this EU objective;

1. underlines that the EU budget for 2021 will be the first EU budget under MFF 2021-2027 and should give a clear message and depict clearly the Parliament’s position for the next seven years, reflect the Union’s political priorities and insure the implementation of EU programmes supporting and enhancing economic, social and territorial cohesion; recalls that these programmes and policies support and contribute significantly to sustainable solutions for economic growth, investments and competitiveness, as well as safe and secure working and living conditions of the citizens, including equal opportunities and non-discrimination;

2. considers that investments made under cohesion and regional development policy show very high added value in terms of the share of funding throughout the European Union; and they contribute to the EU priorities and objectives such as Green deal, innovation and digital economy; emphasizes that sustainable development, economic growth and continuous pursuit of the overall and inclusive cohesion, by reducing differences and inequalities in the Member States and regions of Europe, are universal and fundamental goals of the existence of the European Union;

3. reiterates that the sufficient funds are necessary in order to achieve these goals, as well as the ambitious, fair, smooth and inclusive transition and climate neutral Europe; reminds in this context cohesion policy contribution to research and innovation activities fostering the transfer of advanced technologies; notes that the Just Transition Fund (JTF) needs to be adjusted with adequate financial means so that no one is left behind and it can be efficiently implemented in Member States, in order to protect citizens in coal and polluted industrial areas, but also in insular and remote areas, the most vulnerable to the climate transition; underlines in this regard the necessity to secure the financial resources already for the year 2021, ensuring that "traditional" and core policies such as Cohesion and Common Agricultural Policy are not undermined. Furthermore, reiterates its demand for a contingency plan to ensure continuity of funding in the event that the current MFF needs to be extended beyond 2020, demands that the Commission present such a plan without delay in order to avoid any delays in the start of the new programmes and to ensure smooth and continuous support to beneficiaries;

4. notes that the economic impact of the global spread of Covid-19 in 2020 is forecast to likely lead to new periods of recession in more than one Member State, therefore extraordinary financial resources should be allocated for this purpose in the EU budget for 2021.