

Multiannual financial framework and own resources

European Parliament resolution of 13 June 2012 on the Multiannual Financial Framework and own resources (2012/2678(RSP))

The European Parliament,

- having regard to the Interinstitutional Agreement of 17 May 2006 between the European Parliament, the Council and the Commission on budgetary discipline and sound financial management¹,
 - having regard to the Treaty on the Functioning of the European Union and, in particular, Articles 311 and 312 thereof,
 - having regard to its resolution of 8 June 2011 on investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and inclusive Europe²,
 - having regard to the Commission proposals of 29 June 2011 entitled ‘A Budget for Europe 2020’,
 - having regard to Rule 110(2) of its Rules of Procedure,
- A. whereas, pursuant to Article 312(2) of the Treaty on the Functioning of the European Union (TFEU), the Council is required to adopt a regulation laying down the MFF, acting unanimously, after obtaining the consent of Parliament;
- B. whereas, pursuant to Article 311 TFEU, the Union must provide itself with the means necessary to attain its objectives and carry through its policies, and is to be financed wholly from own resources;
- C. whereas the Danish Presidency-in-Office is aiming to submit to the June European Council a ‘negotiating box’ putting forward options for all aspects of the negotiations, including the revenue side but excluding any figures at this stage;
- D. whereas, in its aforementioned resolution of 8 June 2011, it established its political priorities for the next MFF, in both legislative terms and budgetary terms, providing a sound basis for negotiations;
- E. whereas the multiannual programmes relating to the next MFF will be adopted by Parliament and the Council under the ordinary legislative procedure;
- F. whereas it has repeatedly called for the creation of new and genuine own resources;
1. Stresses that the EU budget is an investment budget with a strong leverage effect, given that 94 % of its appropriations are dedicated to stimulating economic growth and jobs and the Union’s role as a global actor; stresses that despite its limited size – only 2 % of public

¹ OJ C 139, 14.6.2006, p. 1.

² Texts adopted, P7_TA(2011)0266.

expenditure in the Union – the EU budget pools resources, acts as a catalyst and provides economies of scale and cross-border effects to achieve commonly agreed EU political objectives; is strongly convinced that the EU budget represents a very strong tool to increase strategic investment with European added value and put the European economy back on track, generating growth and employment while aiming to foster economic and social cohesion throughout the Union; stresses, therefore, that the EU budget needs to play a strategic role, in parallel with the budgetary consolidation measures currently imposed on national budgets;

2. Recalls that it adopted by an overwhelming majority the report of the Special committee on the Policy challenges and budgetary resources for a sustainable European Union after 2013 (SURE) in its resolution of 8 June 2011, the contents of which remain fully valid and which is to be seen as its negotiating position for the next MFF 2014-2020; restates that it will not be possible to meet the political goals of the Union without adequate financing from a robust EU budget; stresses that the Europe 2020 Strategy, endorsed by all 27 Member States, should help the Union recover from the crisis and emerge stronger through job creation and smart, sustainable and inclusive growth; reaffirms its position against any proposal that would not allow the Union to fulfil its role and meet the political commitments already made or to respond to new responsibilities;
3. Insists that the EU budget should show an appropriate balance between revenue from genuine own resources and expenditure as required by the Treaty; states that it is not prepared to give its consent to the next MFF regulation without political agreement on reform of the own-resources system, putting an end to existing rebates and other correction mechanisms and leading to more transparency, fairness and sustainability; welcomes the legislative proposals made by the Commission on 29 June 2011 on the reform of the own-resources system, including the proposals on a financial transaction tax (FTT) and a new EU VAT as own resources, which are aimed at reducing the share of Member States' GNI-based contributions to the EU budget to 40 % by 2020, thereby contributing to the consolidation efforts of Member States;
4. In view of the macro-economic environment and the challenges of the changing world and with a view to better and more efficient use of the EU funds, insists that the MFF 2014-2020 must provide enhanced budgetary flexibility both within and across headings, as well as between financial years within the MFF, in order to ensure that budgetary resources can be appropriately aligned with evolving circumstances and priorities; insists on the principle of unity of the EU budget, stressing that all EU policies and programmes should be included within the MFF with appropriate funding, thus contributing to transparency, predictability and accountability;
5. Strongly demands that political positions agreed by the European Council be negotiated between Parliament and the Council, as represented by the General Affairs Council, before the Council formally submits its proposals with a view to obtaining Parliament's consent on the MFF regulation pursuant to Article 312 TFEU; stresses that the negotiations on the legislative proposals relating to the multiannual programmes will be pursued under the ordinary legislative procedure and will be finalised once an agreement on their financial envelopes is reached; is determined to make full use, as appropriate, of its consent and ordinary legislative powers, as enshrined in the Treaty;
6. Emphasises that the goals and policies of the MFF should be agreed before figures are

assigned to them, and stresses that Parliament and the Council should hold fully fledged negotiations on all MFF-related aspects prior to assigning figures and making final adjustments to the entire MFF package; adheres to the principle that ‘nothing is agreed until everything is agreed’ as an appropriate working method;

7. Instructs its President to forward this resolution to the European Council, the Council, the Commission, the national parliaments and governments of the Member States, and the other institutions and bodies concerned.