European Parliament
2014-2019

Plenary sitting

A8-0048/2018

28.2.2018

REPORT

on the next MFF: Preparing the Parliament's position on the MFF post-2020 (2017/2052(INI))

Committee on Budgets

Co-rapporteurs: Jan Olbrycht, Isabelle Thomas

CONTENTS

Page

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION 3

OPINION OF THE COMMITTEE ON FOREIGN AFFAIRS 31

OPINION OF THE COMMITTEE ON DEVELOPMENT 37

OPINION OF THE COMMITTEE ON BUDGETARY CONTROL 47

POSITION IN THE FORM OF AMENDMENTS OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS 57

OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY 75

OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY 82

OPINION OF THE COMMITTEE ON TRANSPORT AND TOURISM 90

OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT 98

OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT 105

OPINION OF THE COMMITTEE ON FISHERIES 113

OPINION OF THE COMMITTEE ON CULTURE AND EDUCATION 120

OPINION OF THE COMMITTEE ON CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS 127

OPINION OF THE COMMITTEE ON CONSTITUTIONAL AFFAIRS 132

OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND GENDER EQUALITY 136

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE 141

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE 142

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the next MFF: Preparing the Parliament's position on the MFF post-2020 (2017/2052(INI))

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 Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-2020[1] and its subsequent amendment by Council Regulation (EU, Euratom) No 2017/1123 of 20 June 2017[2],

– having regard to the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management[3],

– having regard to its resolution of 6 July 2016 on 'Preparation of the post-electoral revision of the MFF 2014-2020: Parliament's input ahead of the Commission's proposal'[4],

– having regard to the Commission's Reflection Paper on the Future of EU Finances of 28 June 2017 (COM(2017)0358),

– having regard to its resolution of 24 October 2017 on the Reflection Paper on the Future of EU Finances[5],

– having regard to UN General Assembly Resolution 70/1, entitled 'Transforming our world: the 2030 Agenda for Sustainable Development',

– having regard to its resolution of 19 January 2017 on a European Pillar of Social Rights[6],

– having regard to the ratification of the Paris Agreement by the European Parliament and the Council on 4 October 2016[7]

– having regard to the EU Agency for Fundamental Rights report entitled 'Challenges facing civil society organisations working on human rights in the EU',

– having regard to the European Economic and Social Committee own-initiative opinion on the financing of civil society organisations by the EU,

[1] OJ L 347, 20.12.2013, p. 884.
[2] OJ L 163, 24.6.2017, p. 1.
[3] OJ C 373, 20.12.2013, p. 1.
[4] Texts adopted, P8_TA(2016)0309.
[5] Texts adopted, P8_TA(2017)0401.
[6] Texts adopted, P8_TA(2017)0010.
[7] Texts adopted, P8_TA(2016)0363.

– having regard to the report of the Committee on Budgets, the opinions of the Committee on Foreign Affairs, the Committee on Development, the Committee on Budgetary Control, the position in the form of amendments of the Committee on Employment and Social Affairs, and the opinions of the Committee on the Environment, Public Health and Food Safety, the Committee on Industry, Research and Energy, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Agriculture and Rural Development, the Committee on Fisheries, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Constitutional Affairs and the Committee on Women's Rights and Gender Equality (A8-0048/2018),

A. whereas the current multiannual financial framework (MFF) was agreed in 2013 and entailed, for the first time, a reduction in real terms of both commitment and payment appropriations compared to the previous financial programming period in spite of growing EU competences and ambitions as set out in the Lisbon Treaty and the Europe 2020 strategy respectively; whereas it also involved a significant gap between the level of commitment and payment appropriations, which contributed to a backlog in unpaid bills in the two first years of the MFF; whereas the late adoption of the MFF and the related legal bases contributed to implementation delays, the repercussions of which are still felt today and which might lead to an accumulation of payment claims at the end of the current MFF, spilling over into the next period; whereas, at Parliament's insistence, new provisions were included in the MFF in order to use its global ceilings to the fullest possible extent and to provide for flexibility mechanisms;

B. whereas the MFF 2014-2020 quickly proved its inadequacy in meeting actual needs and political ambitions, as, from the outset, it was called upon to address a series of crises and new challenges in the areas of investment, social exclusion, migration and refugees, youth employment, security, agriculture, the environment and climate change, which had not been anticipated at the time of its adoption; whereas, as a result, the current MFF had already been pushed to its limits after only two years of implementation as available margins had been exhausted, flexibility provisions and special instruments had been mobilised to a substantial extent, existing policies and programmes had been put under pressure or even reduced, and some off-budget mechanisms had been created as a way of compensating for the insufficient level and flexibility of the EU budget;

C. whereas those shortcomings had already become evident at the time of the mid-term review and revision of the MFF launched at the end of 2016, and ought to have merited immediate actions, as demonstrated by Parliament in its resolution of 6 July 2016; whereas the agreed mid-term revision succeeded in broadening the potential of the existing flexibility provisions to a moderate extent, but fell short of revising the MFF ceilings;

D. whereas the Commission will present its package of proposals on the post-2020 MFF, including future own resources, in May 2018, while Council Regulation (EU) 1311/2013 stipulated that they should have been delivered before 1 January 2018; whereas this is expected to be followed shortly afterwards by draft legislative proposals for the financial programmes and instruments;

1. Adopts the present resolution in order to outline Parliament's position on the post-2020

MFF, with particular attention to its expected priorities, size, structure, duration, flexibility and other horizontal principles, and to point out the specific budgetary orientations for the respective EU policies covered by the next financial framework; expects the Commission to present the legislative proposal for the next MFF together with a new draft interinstitutional agreement that takes into account Parliament's positions and suggestions; stresses that this resolution also provides a basis for Parliament's engagement in the procedure leading to the adoption of the next MFF;

2. Adopts, in parallel, a separate resolution to set out its position on the reform of the EU's own-resources system in line with the recommendations of the High Level Group on Own Resources; calls on the Commission to take due account of Parliament's position in preparing the legislative proposals on the EU's own resources, which should be ambitious in scope and presented together with the MFF proposals; stresses that both the expenditure and the revenue side of the next MFF will be treated as a single package in the upcoming negotiations, and that no agreement will be reached on the MFF without corresponding headway being made on own resources;

I. Priorities and challenges of the next MFF

3. Welcomes the discussion about the next MFF as an opportunity to prepare the ground for a stronger and more sustainable Europe through one of its most tangible instruments, the Union budget; believes that the next MFF should be embedded in a broader strategy and narrative for the future of Europe; considers that the MFF must be the translation of the EU's political project and policy priorities into budgetary means;

4. Is convinced that the next MFF should build on the Union's well-established policies and priorities, which aim at promoting peace, democracy, the rule of law, human rights and gender equality, boosting welfare, long-term and sustainable economic growth and research and innovation, providing quality employment leading to decent jobs, fighting climate change, and fostering economic, social and territorial cohesion, as well as solidarity between Member States and citizens; considers that these pillars are prerequisites for a properly functioning single market and Economic and Monetary Union as well as for reinforcing Europe's position in the world; trusts that they are more relevant than ever for Europe's future endeavours;

5. Believes that the next MFF should enable the Union to provide solutions and emerge strengthened from the crises of the decade: the economic and financial downturn, youth unemployment, persistent poverty and social exclusion, the phenomenon of migration and refugees, climate change and natural disasters, environmental degradation and biodiversity loss, terrorism and instability, to name but a few; underlines that these global, cross-border challenges with domestic implications reveal the interdependency of our economies and societies, and point to the need for joint actions;

6. Points out that the EU must deliver on its commitment to be a frontrunner in implementing the UN Sustainable Development Goals (SDGs), which provide a global roadmap for more sustainable, equitable and prosperous societies within planetary boundaries; underlines that the next MFF must be aligned with the SDGs; welcomes the Commission's commitment to mainstreaming the SDGs into all EU policies and initiatives; expects the EU to fulfil its commitments to those goals; further highlights that the proclamation of the European Pillar of Social Rights and the commitment from

the EU and Member States to ensure a more social Europe should be supported by adequate financial resources; considers that, following the Paris Agreement, climate-related spending should be significantly increased compared to the current MFF and reach 30 % as soon as possible and at the latest by 2027;

7. Stresses that the next MFF provides an opportunity for the Union to demonstrate that it stands together and is able to address political developments such as Brexit, the rise of populist and nationalist movements and changes in global leadership; underlines that divisions and self-centredness are not an answer to global issues and to citizens' concerns; considers that the Brexit negotiations, in particular, show that the benefits of being a Union member greatly outweigh the cost of contributing to its budget; asks in this context for the full observance of the framework of the commitments previously assumed, as in the case of the Good Friday Agreement in respect of rule of law and democracy;

8. Calls, therefore, for continuous support for existing policies, in particular the long-standing EU policies enshrined in the Treaties, namely the common agricultural and fisheries policies, and cohesion policy, since they bring tangible benefits of the European project to EU citizens; rejects any attempt to renationalise these policies, as this would neither reduce the financial burden on taxpayers and consumers, nor achieve better results, but would instead hamper growth, solidarity and the functioning of the single market while further deepening inequalities and widening the disparities between territories and economic sectors; intends to secure the same level of funding for the EU-27 for these policies in the next programming period while further improving their effectiveness and simplifying the procedures associated with them;

9. Believes that Europe should offer prospects to the younger generation as well as to the future-oriented undertakings that make the EU more successful in the global arena; is determined to substantially scale up two of its flagship programmes, namely the Research Framework Programme and Erasmus+, which cannot satisfy the very high demand involving top quality applications with their current means; stands firm in its support for a substantial increase in resources for the fight against youth unemployment and in support for small and medium-sized enterprises through the successor programmes of the Youth Employment Initiative and the programme for the Competitiveness of Enterprises and Small and medium-sized enterprises (COSME); also supports reinforcing the Connecting Europe Facility (CEF) 2.0;

10. Calls for the Union to assume its role in three emerging policy areas with internal and external dimensions which have appeared in the course of the current MFF:

– by developing and funding a comprehensive asylum, migration and integration policy and addressing the root causes of migration and displacement in third countries,

– by strengthening external border protection and promoting stability, in particular by safeguarding human rights abroad, conflict prevention and external development policies,

– by providing internal common security to European citizens and pooling research

and capabilities in the area of defence, while stressing that actions taken in these areas should not come at the expense of the EU's development policies;

11. Highlights that the future framework is expected to integrate two new types of financial support featuring prominently on the Union's economic agenda, namely the continuation of the investment support schemes, such as the European Fund for Strategic Investment, and the development of a stabilisation function for Member States in the euro area, possibly through the proposed European Monetary Fund, together with a dedicated convergence facility for Member States on their way to joining the euro;

12. Underlines that, as a first step, the specific euro-area budgetary capacity should be part of the Union budget, counted over and above the ceilings of the multiannual financial framework, without prejudice to the other MFF programmes, and should be financed by euro-area and other participating members via a source of revenue to be agreed between participating Member States and considered to be assigned revenue and guarantees; considers that the fiscal capacity could be financed, once in a steady state, through genuine own resources, following the recommendations of the Monti report on the future financing of the EU;

13. Reaffirms the principle that additional political priorities should be coupled with additional financial means, whether they emerge at the time of adoption of a new MFF or in the course of its implementation, and underlines that the financing of new needs should not undermine existing policies and programmes; expects, furthermore, that sufficient flexibility provisions will be put in place in order to accommodate unforeseen circumstances that may arise in the course of the MFF;

14. Believes that a stronger and a more ambitious Europe can only be achieved if it is provided with reinforced financial means; calls, in the light of the above-mentioned challenges and priorities, and taking into account the UK's withdrawal from the Union, for a significant increase in the Union's budget; estimates the required MFF expenditure ceilings at 1.3 % of the GNI of the EU-27, notwithstanding the range of instruments to be counted over and above the ceilings;

15. Is convinced that, unless the Council agrees to significantly increase the level of its national contributions to the EU budget, the introduction of new genuine EU own resources remains the only option for adequately financing the next MFF;

II. Horizontal issues

Principles of the EU budget and budget sincerity

16. Recalls the European budgetary principles of unity, budgetary accuracy, annuality, equilibrium, universality, specification, additionality, subsidiarity, sound financial management and transparency, which need to be respected when establishing and implementing the Union budget;

17. Reiterates its long-standing position that the Union's political ambition must be matched with adequate financial resources and recalls that Article 311 TFEU states that 'the Union shall provide itself with the means necessary to attain its objectives and carry out its policies';

18. Points out, in this context, that the full implementation of political decisions and initiatives taken by the European Council is possible only if the necessary funding is ensured, and underlines that any other approach undermines the sincerity of the Union budget and citizens' trust;

19. Believes that, by translating the political priorities of the EU into concrete investments, the MFF constitutes an excellent instrument for the long-term planning of EU spending and for ensuring a certain stable level of public investment in the Member States; regrets, however, the lack of mutually agreed long-term strategy ahead of the adoption of the next MFF; recalls, furthermore, that the EU budget is predominantly an investment budget that serves as an additional and complementary source of funding for actions undertaken at national, regional and local levels;

Duration

20. Is of the opinion that the decision on the duration of the MFF should strike the right balance between two conflicting requirements, namely, on the one hand, the need for several EU policies – especially those under shared management, such as agriculture and cohesion – to operate on the basis of the stability and predictability that is ensured through a commitment of at least seven years, and, on the other hand, the need for democratic legitimacy and accountability that results from the synchronisation of each financial framework with the five-year political cycle of the European Parliament and the Commission;

21. Stresses that it is a political imperative for each newly elected Parliament to be able to substantially influence the MFF during its electoral cycle, both in terms of amounts and political priorities; stresses that the European Parliament elections provide the opportunity for EU citizens to express directly their position on the budgetary priorities of the Union, which should be reflected in a binding post-electoral adjustment of the financial framework; believes, therefore, that during each political cycle the Commission must propose and both Parliament and the Council must decide either on the establishment of the subsequent MFF or on a mandatory mid-term revision of the ongoing MFF;

22. Underlines the need for the MFF's duration to move progressively towards a 5+5 period with a mandatory mid-term revision; calls on the Commission to draw up a clear proposal setting out the methods for the practical implementation of a 5+5 financial framework; is convinced that a single five-year period cannot be considered for the duration of the MFF, owing to the serious impediments that it would impose on the programming and implementation requirements of several EU policies;

23. Acknowledges, however, that the timing of the next European Parliament elections in spring 2019, given that the current MFF runs until December 2020, does not allow for a 5+5 solution to be implemented immediately, as no satisfactory alignment of the different cycles would be achieved; takes the view, therefore, that the next MFF should be set for a period of seven years (2021-2027), including a mandatory mid-term revision, by way of a transitional solution to be applied for one last time;

Mid-term revision

24. Is convinced of the necessity to maintain a legally binding and compulsory MFF mid-term review and revision, enshrined in the new MFF Regulation; recalls that the 2016 mid-term revision was the historic first occasion on which an actual revision of the MFF Regulation took place and that was assessed positively by both Council and Parliament, notably in terms of reinforcing the MFF flexibility provisions;

25. Considers that, for the 2021-2027 MFF, the mid-term revision should be proposed and decided in due time to allow for the next Parliament and Commission to adjust the financial framework accordingly; underlines that any revision of the MFF should ensure the involvement of Parliament and safeguard its prerogatives as an equal arm of the budgetary authority; underlines, moreover, that any real revision also entails the revision of the MFF ceilings, should their inadequacy be established for the rest of the period;

Flexibility

26. Underlines that, during the current MFF, the budgetary authority approved a substantial mobilisation of the flexibility mechanisms and special instruments included in the MFF Regulation, in order to secure the additional appropriations needed to respond to serious crises or finance new political priorities;

27. Considers, therefore, that the flexibility provisions under the current MFF have worked well and have provided solutions in relation to the significant financing needed in particular to confront the challenges of migration and refugees and to address the investment gap; recalls that Parliament was the originator of several of these provisions, which it strongly defended during the previous MFF negotiations;

28. Believes that a further reinforcement of these provisions is still necessary in order to better cope with new challenges, unforeseen events and the evolving political priorities that arise during the implementation of a long-term plan, such as the MFF; calls for enhanced flexibility for the next MFF, which should allow for the largest possible use of the global MFF ceilings for commitments and payments;

Flexibility mechanisms in the MFF

29. Considers that the ceilings of the next MFF should be set at a level that allows not only the financing of EU policies, but also the provision of sufficient margins in commitments for each heading;

30. Is convinced that all unallocated margins should be carried over without restrictions to future financial years and mobilised by the budgetary authority, for any purpose deemed necessary, in the annual budgetary procedure; calls, therefore, for the Global Margin for Commitments to be maintained, but without any restrictions in scope and time;

31. Recalls that the Global Margin for Commitments can only mobilise the unallocated margins up to year N-1, once they have been confirmed through the technical adjustment preceding the presentation of the Draft Budget; considers, however, that it is essential to explore ways of also mobilising the unallocated margins of year N, in order to still allow for the financing of additional needs that may occur during that year;

32. Strongly believes that the commitments authorised by the budgetary authority should be used for their original purpose and that every effort should be made to ensure that this is the case across all policy fields; calls on the Commission, in particular, to continue to actively work in this direction; is convinced, nevertheless, that if decommitments actually occur, as a result of the total or partial non-implementation of the actions for which they had been earmarked, they should be made available again in the EU budget and be mobilised by the budgetary authority in the framework of the annual budgetary procedure; considers that the decommitments should feed directly into the Global Margin for Commitments, instead of any particular special instrument or reserve;

33. Recalls that decommitments stem from commitments that have already been authorised by the budgetary authority and should normally have led to corresponding payments, if the action they were meant to finance had been carried out as planned; stresses, therefore, that the recycling of decommitments in the EU budget is duly justified, but should not be a way to circumvent the relevant decommitment rules that are enshrined in the sectoral regulations;

34. Points to the need to ensure a full carry-over of payment margins through the Global Margin for Payments across the whole MFF; opposes any limitations or ceilings applied to the level of margins that can be transferred, as is the case in the current MFF, and recalls that these margins can only be mobilised if and to the extent that the budgetary authority decides to do so; stresses that the Global Margin for Payments could be instrumental in confronting any new payment crisis that might occur;

35. Stresses that the possibility of revising ceilings should remain an option in the MFF Regulation in the event of unforeseen circumstances, when the financing needs would exhaust or exceed available margins and special instruments; calls for the MFF Regulation to provide for a simplified procedure for a targeted revision under an agreed threshold;

36. Advocates maintaining the possibility of front- or backloading the financing of any EU programme, in order to allow for countercyclical action that corresponds to the rhythm of the actual implementation and to provide a meaningful response to major crises; calls, moreover, for the legislative flexibility –currently enshrined in Point 17 of the Interinstitutional Agreement (IIA) – that allows for an adjustment in the overall envelope of programmes adopted by the ordinary legislative procedure of up to +/-10 % to be further increased to +/-15 %;

37. Points to the flexibility that can be achieved through transfers within the same MFF heading, with the aim of placing the financial resources exactly where they are needed and ensuring a better implementation of the EU budget; considers that a lower number of headings contributes to enhanced flexibility in the MFF; requests, however, that the Commission proactively inform and consult the budgetary authority when adopting significant autonomous transfers;

MFF special instruments

38. Approves the overall architecture of the MFF special instruments, notably the Flexibility Instrument, the Emergency Aid Reserve, the EU Solidarity Fund and the European Globalisation Adjustment Fund (EGF), and points to their extensive

mobilisation under the current MFF; calls for improvements to be made to their financial envelopes and operating provisions;

39. Calls, in particular, for a substantial increase in the financial envelope of the Flexibility Instrument of up to an annual allocation of at least EUR 2 billion; recalls that the Flexibility Instrument is not linked to any specific policy field and can thus be mobilised for any purpose that is deemed necessary; considers, therefore, that this instrument can be mobilised to cover any new financial needs as they occur during the MFF;

40. Points to the role of the Emergency Aid Reserve in providing a rapid response to specific aid requirements for third countries for unforeseen events, and stresses its particular importance in the current context; calls for a substantial increase in its financial envelope of up to an annual allocation of EUR 1 billion;

41. Notes, in particular, the significant mobilisation of the EU Solidarity Fund to provide assistance in a number of serious natural disasters with substantial budgetary consequences; stresses also the positive impact that this instrument has on public opinion; proposes the reinforcement of its financial envelope to an annual allocation of EUR 1 billion;

42. Considers that the use of the EGF, providing EU solidarity and support to workers losing their jobs as a result of major structural changes in world trade patterns arising from globalisation or as a result of the global economic and financial crisis, has not deployed its full potential and could be further improved and integrated within a long-term strategy, in order to effectively reach redundant workers and reintegrate them into the labour market, in all Member States; considers that the upcoming revision of the EGF should examine its scope and improve its coordination with other instruments; believes that a revised EGF should be endowed with at least an identical annual allocation under the new MFF;

43. Proposes the establishment of a special reserve for the MFF special instruments built on the unspent appropriations that lapse from each instrument; considers that this reserve should operate without any limitations in time; requests that this reserve be mobilised in favour of any MFF special instrument that is called to finance needs beyond its financial capacity, following a decision by the budgetary authority;

44. Notes that different rules currently apply in relation to the time span for the carrying over of unspent appropriations for each MFF special instrument; considers that these should be harmonised, so as to enable a single N+1 rule to apply to all of these instruments;

45. Considers that the Contingency Margin should be maintained as an instrument of last resort; stresses that this is a special instrument that can also be mobilised for payment appropriations only, and that its mobilisation was instrumental in responding to the 2014 payment crisis; calls, therefore, for an upward adjustment of its maximum annual allocation to 0.05 % of EU GNI;

46. Underlines that the MFF special instruments should be counted over and above the MFF ceilings both for commitment and payment appropriations; considers that the issue of

budgeting the payments of these instruments was settled in an unequivocal manner during the 2014-2020 MFF mid-term revision, putting an end to the long-standing conflict of interpretation with the Council; advocates the introduction of a clear provision in the MFF Regulation, stating that payments resulting from the mobilisation in commitments of MFF special instruments should be counted over and above the annual MFF payment ceilings;

47. Notes that the current IIA requires a special majority in Parliament for the mobilisation of three MFF special instruments; considers this provision to be obsolete, given that it reflects the special majorities needed for the adoption of the EU budget before the Lisbon Treaty; calls for a homogeneous approach as regards the voting requirements for the mobilisation of these instruments, which should be the same as for the adoption of the EU budget;

Revenue – special reserve

48. Reiterates its long-standing position that any revenue resulting from fines imposed on companies for breaching EU competition law or linked to late payments of national contributions to the EU budget should constitute an extra item of revenue for the EU budget without a corresponding decrease in GNI contributions;

49. Calls, to this end, for a special reserve to be established on the revenue side of the EU budget, which will be progressively filled up by all types of unforeseen other revenue; considers that this reserve should be deployed in order to cover additional payment needs, especially those linked to the mobilisation of the Global Margin for Commitments or the MFF special instruments;

Efficient and effective use of EU resources

50. Acknowledges that achieving European added value should be one of the main principles guiding the EU institutions when deciding about the type of spending in the next MFF; points out, however, the existence of multiple interpretations of the concept and calls for a single, clear and easily understandable definition of the relevant criteria that should take territorial specificities into account and include, where possible, measurable performance indicators; warns against any attempt to use such a definition to call into question the relevance of EU policies and programmes on purely quantitative or short-term economic considerations;

51. Notes the reference to the notion of European added value presented in several Commission documents; reiterates the list of parameters identified by Parliament in its resolution[1] in this context; recalls that the EU's resources should be used to finance European public goods as well as to act as a catalyst in providing incentives for Member States at all administrative levels to take action in order to fulfil Treaty objectives and to attain common EU goals which would not be realised otherwise; agrees that the EU budget should be used to finance actions that can benefit the EU as a whole, which cannot be ensured efficiently by any single Member State alone and that can offer better value for money compared to actions taken solely at national, regional or local level; believes furthermore that the EU budget should contribute to the establishment and

[1] Texts adopted, P8_TA(2017)0401.

support of peace and stability in the EU's neighbourhood and beyond; considers that European added value is created by programmes under both shared and direct management, the two being complementary methods for attaining EU goals; against this background, expects the Member States, in the negotiations on the next MFF, to refrain from following a 'juste retour' logic that takes into account only national interests in the form of net balances;

52. Considers that better spending, i.e. the efficient and non-discriminatory use of every single euro of the EU budget, can be achieved not only by directing EU resources towards actions with the highest European added value and the greatest increase in the performance of the EU's policies and programmes, based on an in-depth assessment of the current expenditure, but also by achieving greater synergies between the EU budget and national budgets, and by ensuring the tangible improvement of the spending architecture; supports the recommendations of the 2016 Annual Report of the European Court of Auditors for an efficient measurement framework of indicators, more streamlined and balanced reporting on performance, and an easier access to the assessment results;

53. Calls for a genuine simplification of the EU budgetary system in the next MFF with the aim of facilitating absorption; underlines, in particular, the need to reduce unnecessary overlaps between instruments that serve similar types of actions, for example in the areas of innovation, SMEs or transport, without running the risk of losing important elements of the different programmes, and the necessity of eliminating the competition which exists between different forms and sources of funding, in order to ensure maximum complementarity and to provide for a coherent financial framework; believes that this would facilitate clearer communication of EU priorities to citizens;

54. Underlines that the 'health check' of EU spending cannot provide for a reduction in the level of EU ambition or a sectoralisation of EU policies and programmes, nor should it lead to a replacement of grants by financial instruments with a view to generating some savings, as the great majority of actions supported by the EU budget are not suitable to be funded by the latter; is of the opinion that the 'health check' should rather lead to identifying ways in which the implementation of EU spending programmes could be improved;

55. Calls for a far-reaching harmonisation of the rules with the aim of creating a single rulebook for all EU budgetary instruments, while taking into account fund-specific and sector-specific characteristics; encourages the Commission to tackle the issue of the combination of various sources of funding by providing clear guidelines in this respect and ensuring equal access to all types of funding in all Member States;

56. Advocates also a real simplification of sectoral implementation rules for beneficiaries and a reduction in administrative burdens through further standardisation and simplification of procedures and programming documents; points, moreover, to the need to provide for more capacity-building and technical assistance for beneficiaries; calls for a move towards a risk-based evaluation;

Unity, budgetary accuracy and transparency

57. Recalls that the principle of unity, whereby all items of revenue and expenditure of the

Union are to be shown in the budget, is both a Treaty requirement and a basic democratic precondition if the budget is to be transparent, legitimate and accountable; regrets that this principle has increasingly gone unobserved, while financial complexity has grown, from the historical legacy of the European Development Fund (EDF), through the setting up of the European Stability Mechanism, to the recent inflation of ad hoc off-budget mechanisms in the form of innovative financial instruments and external trust funds or facilities that are not recorded in the Union balance sheet;

58. Questions the justification and added value of establishing instruments outside the Union budget; considers that decisions to set up or maintain such instruments are in reality driven by attempts to conceal the real financial needs and to bypass the constraints of the MFF and own-resources ceilings; deplores the fact that they often also result in bypassing Parliament in its triple responsibility as legislative, budgetary and control authority and run counter to the objective of enhancing transparency for the general public and beneficiaries;

59. Reiterates, therefore, its long-standing position that the European Development Fund, alongside other instruments outside the MFF, should be integrated into the Union budget in order to increase its legitimacy as well as the efficiency and effectiveness of the Union's development policy; underlines, however, that the respective financial envelopes should be added on top of the agreed MFF ceilings so that the budgeting of these instruments has no detrimental impact either on their financing or on other EU policies and programmes; welcomes, in principle, the proposal to incorporate the European Stability Mechanism in the Union's finances in the form of a European Monetary Fund, without prejudice to its future design;

60. Takes the view that EU trust funds can add value by pooling resources from various donors for specific situations, but that their use should not result in a simple relabelling of planned EU funding, and should not change the original objectives of EU financing instruments; emphasises the need for increased parliamentary scrutiny of their creation and implementation; insists that EU trust funds should only support actions outside the Union;

61. Considers also that, when a certain share of off-budget operations is deemed necessary to achieve certain specific objectives, for example through the use of financial instruments or trust funds, these should be kept at a limited level and duration and should be fully transparent, justified by proven additionality and added value, and backed by strong decision-making procedures and accountability provisions;

62. Believes that, under the next MFF, the Union budget should display with greater accuracy the extent of assigned revenues and their impact on actual expenditure, in particular those stemming from third countries' contributions; underlines that this is even more relevant in view of the UK's wish to participate in some Union budgetary programmes of the new MFF post-2020 as a non-Member State, as expressed in the context of the negotiations on its withdrawal from the Union;

Level of payments

63. Recalls that payment appropriations are the logical and legal consequence of commitment appropriations, and calls for the future payment ceilings to be set at an

appropriate level, leaving only a limited and realistic gap between commitments and payments; expects that future payment ceilings take into account, on the one hand, the need to honour the commitments stemming from the current financial period that will turn into payments only after 2020 and, on the other hand, the need to meet the commitments for the post-2020 programmes and instruments;

64. Recalls the build-up of a backlog of unpaid bills at the end of the previous MFF that spilled over into the current one and warns against a repetition of such a payment crisis in the transition to the next MFF, as this would have serious consequences for beneficiaries such as students, universities, SMEs and researchers; points to the current trend of under-execution in payments due to delays in the implementation of the 2014-2020 programmes, which leads to increasing levels of outstanding commitments remaining to be settled within the ceilings of the next MFF; asks the Commission and the Member States, including at the level of finance ministers, to analyse the root causes of those delays and to come up with concrete simplification measures to facilitate implementation in the future;

65. Notes the preliminary outcome of the negotiations on the financial settlement in the context of the UK's withdrawal from the Union, enacting UK full participation in the financing and the implementation of the 2014-2020 programmes with all the relevant financial consequences;

Financial instruments

66. Emphasises that the EU budget has at its disposal a wide range of instruments that finance activities supported at EU level and that can be regrouped in two categories, namely grants on the one hand, and on the other financial instruments in the form of guarantees, loans, risk-sharing or equity; points also to the European Fund for Strategic Investment, the aim of which is to mobilise private and public capital across the EU in support of projects in key areas for the EU economy, in order to complement limited funding;

67. Recognises the potential of financial instruments to increase the economic and political impact of the Union budget; highlights, however, that they can be applied only for revenue-generating projects in cases of sub-optimal investment conditions or market failure, and therefore constitute only a complementary rather than an alternative form of funding as compared to grants; stresses that financial instruments should not aim at replacing already existing public or private funding schemes and should comply with domestic and international commitments;

68. Recalls its request to the Commission to identify those areas which are best served by grants, those that could be better served by financial instruments, and those where grants could be combined with financial instruments, and to reflect on a proper balance between the two; is convinced that subsidies should remain the predominant way of funding the EU project in the next MFF; underlines that loans, guarantees, risk-sharing and equity financing should be used with caution, based on appropriate ex ante assessments and only when their use can demonstrate a clear added value and a leverage effect; notes that the take-up of financial instruments and the synergies with grants can be improved; calls for major efforts to facilitate access to financial instruments for beneficiaries, and for more flexibility in cross-sectoral use of different financial

instruments, so as to overcome the restrictive rules preventing recipients from taking advantage of multiple programmes for projects with matching goals;

69. Calls on the Commission to simplify and harmonise the rules governing the use of financial instruments in the next MFF in order to maximise their efficient application; takes note of a possible proposal, which would require a thorough discussion, for a single fund that would integrate financial instruments at EU level that are centrally managed; is of the opinion that a clear structure should be provided for the choice of different types of financial instruments for different policy areas and types of actions and that the relevant financial instruments should continue to be budgeted under separate budget lines, in order to provide for clarity of investment; underlines, however, that any such harmonisation of rules cannot affect the financial instruments managed by Member States under cohesion policy or in the field of external actions;

70. Recalls its repeated demands for greater transparency and democratic scrutiny regarding the implementation of financial instruments supported by the Union budget;

Structure

71. Considers that the structure of the MFF should provide for the increased visibility of EU political and budgetary priorities for European citizens, and calls for a clearer presentation of all areas of EU expenditure; is convinced that the main pillars of future EU spending outlined in this resolution should be reflected accordingly;

72. Believes, therefore, that the current presentation of the headings requires some improvements, but is against any unjustified radical changes; proposes, as a result, the following structure for the MFF post-2020;

Heading 1: A stronger and sustainable economy

Including programmes and instruments supporting:
under direct management:
- research and innovation
- industry, entrepreneurship and small and medium-sized enterprises
- digital transformation of economy and society
- large-infrastructure projects
- transport, energy, space
- environment and climate change mitigation and adaptation

Heading 2: Stronger cohesion and solidarity in Europe

Including programmes and instruments supporting:
- economic, social and territorial cohesion (under shared management):
  - investments in innovation, research, digitalisation, industrial transition, SMEs, transport, climate change adaptation and mitigation, the environment and energy
  - employment, social affairs and social inclusion, gender equality, poverty reduction and demographic challenges
- education, youth and life-long learning

– culture, citizenship, media and communication
– democracy, rule of law and fundamental rights
– health and food safety
– asylum, migration and integration, justice and consumers
– support to and coordination with national administrations

Heading 3: Stronger and sustainable agriculture and fisheries

Including programmes and instruments supporting:
– agriculture and rural development
– maritime affairs and fisheries

Heading 4: Stronger responsibility in the world

Including programmes and instruments supporting:
– international cooperation and development
– neighbourhood
– enlargement
– humanitarian aid
– democracy, rule of law, fundamental rights and gender equality
– trade

Heading 5: Security, peace and stability for all

Including programmes and instruments supporting:
– security, including cybersecurity
– crisis response and stability, including civil protection
– common foreign and security policy
– defence, including research and innovation

Heading 6: An efficient administration at the service of Europeans

– financing EU staff
– financing the buildings and equipment of EU institutions

73. Urges the Commission to provide in an annex to the European budget all EU-related expenditure that occurs outside the EU budget as a result of intergovernmental agreements and procedures; believes that such information, provided on an annual basis, would complete the picture of all investments that Member States have committed to at European level;

III. Policies

A stronger and sustainable economy

74. Highlights the importance of completing the European research area, the energy union, the single European transport area and the digital single market as fundamental elements of the European single market;

75. Believes that the next MFF should see a greater concentration of budgetary resources in areas that demonstrate a clear European added value and stimulate economic growth, competitiveness, sustainability and employment across all EU regions; stresses, in this context, the importance of research and innovation in creating a sustainable, world-leading, knowledge-based economy, and regrets that, due to the lack of adequate financing, only a small proportion of high-quality projects in this field have received EU funding under the current MFF;

76. Calls, therefore, for a substantial increase in the overall budget earmarked for the FP9 programme in the next MFF, which should be set at a level of at least EUR 120 billion; considers this level to be appropriate for securing Europe's global competitiveness and scientific, technological and industrial leadership, for responding to societal challenges, and for helping to achieve the EU's climate goals and the SDGs; calls, in particular, for efforts to stimulate breakthrough, market-creating innovation, notably for SMEs;

77. Calls, furthermore, for a greater focus on implementing research and innovation through joint undertakings and other instruments and for supporting investment in key technologies to close the investment gap in innovation*;* emphasises that the increase in funds must be coupled with a simplification of funding procedures; welcomes the Commission's efforts in this respect and insists that these should continue under the next programming period, in order to provide better access and a level playing field for applicants through a new system for evaluating applications; stresses the need for measures to be developed to stimulate a balanced participation from all EU Member States;

78. Welcomes the recent Commission proposal to ensure the financing of the Research Fund for Coal and Steel for the coming years; highlights the importance of this fund for financing research in this industrial sector; believes, therefore, that a longer-term solution is needed that ensures the financing beyond 2020 and also incorporates the fund in the Union budget in order to allow Parliament to live up to its role as budgetary control authority;

79. Stresses that SMEs and micro-enterprises are key drivers of economic growth, innovation and employment, providing 85 % of all new jobs; recognises their important role in ensuring economic recovery and boosting a sustainable EU economy; recalls that there are more than 20 million SMEs in the EU and that they account for 99 % of all businesses; considers that improving access to finance for SMEs, across all Member States, should continue to remain an important policy objective for the next MFF, in order to further enhance their competitiveness and sustainability; stresses, therefore, the need to promote entrepreneurship and improve the business environment for SMEs in order to allow them to realise their full potential in today's global economy;

80. Welcomes the success of the dedicated EU programme for the competitiveness of enterprises and SMEs (COSME) under the current MFF; underlines the high level of

implementation of this programme, and points to its capacity to absorb even more; calls, therefore, for the COSME programme's financial envelope to be doubled in order for it to correspond to the actual needs of the EU economy and the significant demand for participation;

81. Reiterates its strong commitment to the European Fund for Strategic Investments (EFSI), which aims at mobilising EUR 500 billion in new investment in the real economy under the current MFF; believes that EFSI has already delivered a powerful and targeted boost to economic sectors that are conducive to sustainable growth and jobs; underlines the positive impact of EFSI on providing finance to SMEs across the Union; welcomes, therefore, the Commission's intention to put forward a legislative proposal for the continuation and improvement of this investment scheme with a dedicated budget that should not be financed to the detriment of existing policies and programmes under the new MFF; stresses that any legislative proposal should be based on the conclusions of a Commission review and independent evaluation; expects that the new proposal will effectively address any shortcomings of the implementation of EFSI and will enhance inter alia the fund's geographical coverage, so that its benefits are felt across the Union;

82. Insists on the importance of the MFF for sectors relying on long-term investment, such as the sustainable transport sector; highlights that transport infrastructure is the backbone of the single market and the basis for sustainable growth and job creation; notes that accomplishing a single European transport area connected to neighbouring countries requires major transport infrastructure and must be treated as a key priority in terms of the EU's competitiveness and for economic, social and territorial cohesion, including for peripheral and island areas; considers, therefore, that the next MFF should provide for sufficient funding for projects that contribute in particular to the completion of the TEN-T core network and its corridors, which should be further extended; recalls the goals set by COP 21 with regard to transport in order to combat climate change, and encourages Member States to invest in smart, sustainable and integrated public transport;

83. Stresses that an updated and more effective CEF programme should cover all modes of transport, including road and rail infrastructure, as well as inland waterways; considers that is should prioritise greater links between comprehensive networks and modes of transport that contribute to reducing CO_2 emissions, and focus on interconnections and the completion of the network in peripheral areas; reiterates the importance of enhancing interoperability through the European Railway Traffic Management System and enabling the full use of the Single European Sky initiative; calls for the completion of the European digital air traffic management system;

84. Calls for the creation of a specific budget line for tourism in the next MFF, in order to move towards a genuine European tourism policy that can significantly contribute to growth and job creation;

85. Calls on the Commission to promote investment in developing next-generation technologies and promoting their deployment; underlines the importance of ensuring financing for completing the digital single market by making full use of the spectrum, ensuring the upgrading of fixed networks and the densification of mobile networks,

promoting 5G deployment and gigabit connectivity, and making further progress on the harmonisation of EU telecom rules in order to create the right regulatory framework for the improvement of internet connectivity throughout the Union; stresses that CEF Telecom should continue to support Digital Service Infrastructures and high-speed broadband networks by enabling their accessibility, including in remote regions and rural areas, and by improving digital literacy, interconnectivity and interoperability; underlines the need to support the digital transformation of the European economy and society and to invest in essential technologies such as big data, artificial intelligence or high-performance computing, in infrastructure and in digital skills in order to enhance the EU's competitiveness and improve the quality of life of Europeans;

86. Considers it essential to secure a sustainable and affordable energy supply in Europe; calls, therefore, for continuous support for investments ensuring the diversification of energy sources and routes, increasing energy security and energy independence, and enhancing energy efficiency and the use of renewable energy, including by CEF Energy; stresses in particular the importance of providing for comprehensive support, especially for carbon-intensive regions, energy transition, transition to a low-carbon economy, the modernisation of power generation, improvements in cross-border interconnections and deployment of smart grids, carbon capture storage and utilisation technologies, and the modernisation of district heating; considers that the transformation of the energy sector in the light of the climate objectives should be supported accordingly, notably in coal-dependent regions and countries, so as to effectively contribute to a strategic transition to a low-emission economy; calls for the establishment of a comprehensive fund in order to support a just transition, in particular through the development and deployment of renewable sources, energy efficiency solutions, energy storage, electro-mobility solutions and infrastructure, modernisation of power generation and grids, advanced power generation technologies, including carbon capture and storage (CCS), carbon capture utilisation (CCU) and coal gasification, modernisation of district heating, including high-efficiency cogeneration, early adaptation to future environmental standards and restructuring of energy-intensive industries, as well as addressing social, economic and environmental impacts;

87. Underlines the strategic importance of large-scale infrastructure projects, namely the International Thermonuclear Experimental Reactor (ITER), the European Geostationary Navigation Overlay (EGNOS), the Global Satellite Navigation System (Galileo), the Earth Observation Programme (Copernicus) and the future Governmental Satellite Communications (GOVSATCOM) for the EU's future competitiveness, security and political power; points out that the financing of these large-scale projects needs to be secured in the EU budget but, at the same time, ring-fenced, so as to ensure that possible cost overruns do not threaten the funding and successful implementation of other Union policies, as exemplified in the previous MFF in certain individual cases; recalls that, for this purpose, the maximum amount for these projects is currently fixed in the MFF Regulation, and calls for similar provisions in the new regulation;

88. Stresses the importance of and the EU's leading role in preserving, protecting and improving the quality of the environment and tackling climate change, the degradation of ecosystems and biodiversity loss; considers that stable and appropriate funding is essential to achieving the EU's international commitments such as the Paris Agreement; recalls that the next MFF should help the Union to achieve those objectives and should

contribute to the transition to a low-carbon economy by 2050; underlines that the EU should not finance projects and investments that are contrary to the achievement of these goals; calls for the thorough climate mainstreaming of future EU spending; calls, in this respect, for the programmes concerned, such as LIFE+, to be properly funded and to be continued and increased, and for the establishment of dedicated envelopes for biodiversity and the management of the Natura 2000 network;

Stronger cohesion and solidarity in Europe

89. Stresses that cohesion policy post-2020 should remain the main investment policy of the European Union covering all EU regions, in order to tackle complex socio-economic challenges while concentrating the majority of the resources on the most vulnerable regions; believes that, beyond the goal of reducing the disparities between levels of development and enhancing convergence as enshrined in the Treaty, cohesion policy should focus on the achievement of the EU's broad EU political objectives and proposes, therefore, that under the next MFF, the three cohesion policy funds – the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund – should concentrate mainly on providing support for growth and competitiveness, research and innovation, digitalisation, industrial transition, SMEs, transport, climate change mitigation and adaptation, environmental sustainability and just energy transition, employment, social inclusion, gender equality, poverty reduction, and demographic challenges; stresses that the three funds represent the integral components of EU cohesion policy, and can only operate jointly under the single framework of this policy; calls, moreover, for a reinforced territorial cooperation, including a cross-border component and an urban dimension for the policy, as well as dedicated provisions for rural, mountain, island and remote areas;

90. Considers maintaining the financing of cohesion policy post-2020 for the EU-27 at least at the level of the 2014-2020 budget at constant prices to be of the utmost importance; stresses that GDP should remain one of the parameters for the allocation of cohesion policy funds, but believes that it should be complemented by an additional set of social, environmental and demographic indicators to better take into account new types of inequalities between and within EU regions in all Member States; supports, in addition, the continuation under the new programming period of the elements that rendered cohesion policy more modern and performance-oriented under the current MFF, i.e. the thematic concentration, the ex ante conditionalities, the performance framework and the link to economic governance;

91. Is strongly committed to the commitments arising from Article 9 TFEU for the delivery of a social Europe and the implementation of the European Pillar of Social Rights based on the sustainable growth of a highly competitive social market economy, aiming at full employment and social progress and promoting equality between women and men, solidarity between generations and protection of the rights of the child as enshrined in the Treaty; highlights that such implementation requires that social policies are properly financed and underlines the consequent need to reinforce the existing instruments contributing to these goals, notably the ESF, the Youth Employment Initiative, the Fund for European Aid to the Most Deprived, the EGF and EaSI; insists that they are safeguarded in the next MFF and that they continue to be implemented predominantly through grants;

92. Reiterates its call on the Commission and all Member States to establish a special fund dedicated to the Child Guarantee, placing children at the centre of expanding poverty alleviation policies and ensuring the corresponding resources for full implementation of the necessary policy measures, including helping parents to get out of social exclusion and unemployment through targeted interventions;

93. Highlights that the ESF in particular should expand its support to the development of social dialogue, namely by improving the capacity building of social partners, including European sectoral and intersectoral levels, and that this commitment should become compulsory for Member States in all the regions of the EU;

94. Emphasises in particular the continuous need to fight youth unemployment and exclusion, especially among young people not in education, employment or training (NEETs), as part of a comprehensive approach to youth policies at EU level; calls, therefore, for the Youth Employment Initiative envelope to be doubled, as well as for the full implementation of the EU Youth Guarantee, while ensuring quick and simplified deployment of funds and permanent and stable financing in the next programming period; underlines the need for an improved regulation in order to safeguard non-discriminatory participation in the programme for young people coming from a disadvantaged socio-economic background; considers that investment to boost education and training, especially the development of digital literacy, remains one of the top priorities of the EU; insists that this programme must not replace expenditure previously financed by national budgets;

95. Expresses support for programmes in the areas of culture, education, media, youth, sport, democracy, citizenship and civil society that have clearly demonstrated their European added value and enjoy lasting popularity among beneficiaries; advocates, therefore, continuous investment in the Education and Training 2020 framework through the Erasmus+, Creative Europe and Europe for Citizens programmes, in order to pursue reaching out to people of all ages, especially young people; reiterates its support for strengthening the external dimension of the Erasmus+ and Creative Europe programmes; recommends, moreover, the continuation of the European Solidarity Corps, with adequate resources that do not come at the expense of other EU programmes; underlines also the significant contribution of the cultural and creative industries (CCIs) to growth and jobs in the EU;

96. Recommends setting up an internal European Democracy Fund for the strengthened support of civil society and NGOs working in the fields of democracy and human rights, to be managed by the Commission;

97. Calls, in particular, for the Erasmus+ envelope to be at least tripled in the next MFF with the aim of reaching many more young people, youth organisations and secondary school pupils and apprentices across Europe, providing them with valuable competences and life skills through lifelong learning, learner-centred, non-formal and informal learning opportunities, and volunteering and youth work; calls for particular attention to be paid to people coming from a disadvantaged socio-economic background so as to enable them to participate in the programme, as well as to people with disabilities;

98. Calls on the Commission to follow up on the ‘18th Birthday Interrail Pass for Europe’ project and put forward a dedicated programme in the next MFF with sufficient annual

appropriations to cover all applications for a free railway pass coming from young Europeans that turn 18 in a specific year; underlines that such a project would become a key component in increasing European consciousness and identity, especially in the face of threats such as populism and the spread of misinformation; reiterates that in order to reach the objective of such a programme a proposal for a proper legal base is expected from the Commission;

99. Expects that in the post-2020 period the European Union will move from crisis-management mode to a permanent common European policy in the field of asylum and migration; stresses that actions in this field should be covered by a dedicated instrument, i.e. the Asylum, Migration and Integration Fund (AMIF); emphasises that the future fund, as well as the relevant Justice and Home Affairs (JHA) agencies, must be equipped with an adequate level of funding for the whole of the next MFF in order to address the comprehensive challenges in this area; believes, furthermore, that the AMIF should be complemented by additional components tackling this issue under other policies, in particular the European Structural and Investment funds and the instruments financing external actions, as no single tool could hope to address the magnitude and complexity of needs in this field; recognises, moreover, the importance of cultural, educational, youth and sports programmes in integrating refugees and migrants into European society; asks the Commission to assess whether the role of European cities within the European asylum policy could be strengthened by introducing an incentive scheme that offers financial support for refugee accommodation and economic development directly to cities in return for receiving refugees and asylum seekers;

100. Recognises the European added value of collaboration in addressing common public health threats; notes that no single Member State can tackle cross-border health challenges alone, and calls for the next MFF to reflect the EU's responsibility to implement the SDG on public health, health systems and environment-related health problems, and to support Member States in eliminating growing health inequalities; considers that, on the basis of the positive outcome of the ongoing actions in this field, the next MFF should include a robust next-generation health programme that addresses these issues on a cross-border basis, e.g. by achieving innovative solutions for healthcare delivery, including digital health, such as the European Reference Networks, and that provides support to Member States in the form of expertise and exchange of data, evidence and good practice; recalls that good health is a prerequisite for achieving other goals set by the EU and that policies in such fields as agriculture, environment, employment, social issues or inclusion also have an impact on the health of Europeans; calls, therefore, for the strengthening of health impact assessments and for cross-sectoral cooperation in the next MFF in this field;

Stronger and sustainable agriculture and fisheries

101. Affirms that a modernised common agricultural policy is fundamental for food security and autonomy, the preservation of rural populations and employment, sustainable development, environmental, agricultural and forestry sustainability, and the provision of healthy, high-quality and affordable food products for Europeans; points out that food and health requirements have increased, as well as the need to support farmers' transition towards environmentally friendly farming practices and to tackle climate change; highlights the need to support farmers' income security and strengthen the link

between the CAP and the delivery of public goods; underlines that the CAP is one of the most integrated policies and is mainly financed at EU level and, therefore, replaces national spending;

102. Stresses that the CAP budget in the next MFF should be at least maintained at its current level for the EU-27 at constant prices; stresses that the new challenges to be faced by the next CAP call for a sound financial allocation based on analyses of current policy and future needs; underlines that direct payments generate clear EU added value and strengthen the single market by avoiding distortions of competition between Member States; opposes any renationalisation and any national cofinancing for direct payments in that respect; stresses the need to continue measures maintaining production in sectors that are vital for vulnerable areas, to reform the agricultural crisis reserve, to increase funding in line with responses to the various cyclical crises in sensitive sectors, to create new instruments that can mitigate price volatility and to increase funding for Programmes of Options Specifically Relating to Remoteness and Insularity (POSEI); urges the Commission to continue the process of convergence of direct payments and to ensure the necessary financial and legal framework for the food supply chain in order to combat unfair trading practices; points out that rural areas in the EU face serious problems and therefore need specific support;

103. Stresses the socioeconomic and ecological importance of the fisheries sector, the maritime environment and the ‘blue economy’ and their contribution to the sustainable food autonomy of the EU in terms of ensuring the sustainability of European aquaculture and fisheries and mitigating the environmental impact; points out that the common fisheries policy is an exclusive EU competence; emphasises, in this respect, the need to keep a specific, substantial, independent and accessible fisheries fund to implement this policy; calls for the re-establishment of the Programme of Options Specifically Relating to Remoteness and Insularity in Fisheries, as this is a very important programme for the EU’s outermost regions; calls, as a minimum, for the level of financial appropriations dedicated to the fisheries sector under the current MFF to be maintained and, if new needs arise, for an increase in the financial appropriations for maritime affairs; warns of the possible negative impacts of a hard Brexit on this sector; notes that other financial instruments, in addition to non-repayable aid, could provide complementary financing possibilities;

Stronger responsibility in the world

104. Stresses that the world is facing multiple challenges, including conflicts, cyber-attacks, terrorism and radicalisation, disinformation, natural disasters, climate change and environmental degradation, human rights violations and gender inequality; believes that the Union has a particular political and financial responsibility which is founded on a genuinely European, rules- and values-based foreign policy, and on support for the stability, security, democratic governance and sustainable development of our partners, as well as on poverty eradication and crisis response;

105. Emphasises that appropriations for external action should be significantly increased if the Union is to play its role in the framework of its global strategy and of its enlargement, neighbourhood and development policies, as well as in addressing emergencies; expects the next MFF to reflect the unprecedented needs of the southern

and eastern neighbourhood countries that are struggling with conflicts and the consequences of the challenges presented by migration and refugees; calls for higher appropriations to be allocated to address the growing need for humanitarian aid arising from natural and manmade disasters, avoiding any gap between commitments and payments; believes that it is necessary for the Union to increase funding to the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA);

106. Recalls that the EU's development policy is driven by a series of commitments, notably the SDGs, the Addis Ababa Action Agenda on financing for development, the Paris climate agreement and the European Consensus on Development, as well as policy coherence for development and aid effectiveness principles; draws attention to the commitment by the EU and its Member States to increase their official development assistance (ODA) to 0.7 % of GDP by 2030, including 20 % of the EU's ODA for social inclusion and human development and 0.2 % of the EU's GNI in ODA for least developed countries;

107. Notes that development assistance can play an important role in tackling the root causes of migration and contributing to stability, but considers that ODA should not be used to cover in-donor refugee costs; notes the potential role of ODA to facilitate the mobilisation of financing from other sources, and underlines the need for increased engagement with the private sector through a possible continuation of the External Investment Plan, building on its evaluation;

108. Supports the direct provision of funding to civil society organisations and to human rights defenders, especially in third countries where democracy and the rule of law are at risk; stresses, in this respect, the need for the external financing instruments to respond rapidly to political developments and to strengthen the 'more for more' principle;

109. Is ready to consider a simplified and streamlined architecture for the external financing instruments as long as it enhances transparency, accountability, efficiency, coherence and flexibility, and respects the objectives of the underlying policies; calls for maintaining separate dedicated instruments for Pre-accession Assistance, for the Neighbourhood, for Development and for Humanitarian aid by reason of their specific political and financial features; notes that such architecture should include a budgeted EDF on top of the agreed ceilings without the African Peace Facility, and a more transparent incorporation of relevant trust funds and facilities;

110. Underlines the importance of enhanced flexibility to allow for the mobilisation of additional resources and for the swift deployment of funding; could consider, as part of an overall increase in the external financing instruments, a larger unallocated reserve aimed at increasing in-built flexibility; stresses, however, that such flexibility should not be achieved at the expense of long-term policy objectives and geographic and thematic priorities, the predictability of long-term funding, parliamentary scrutiny, and consultations with partner countries and civil society;

Security, peace and stability for all

111. Believes that a new heading dedicated to 'Security, peace and stability for all' would demonstrate the priority given by the Union to this emerging policy responsibility,

acknowledge its specificity, and achieve consistency between its internal and external dimensions;

112. Stresses that the level and mechanisms of funding in the field of internal security should be stepped up from the outset and for the entire duration of the next MFF in order to avoid systematic recourse to the flexibility provisions of the MFF every year; calls for sufficient resources to be provided to law enforcement agencies (Europol, Eurojust and Cepol) and for the European Agency for the operational management of large-scale IT systems (eu-LISA) to be endowed with the means to implement and manage its new responsibilities; underlines the role of the EU Agency for Fundamental Rights in understanding and responding to the phenomena of radicalisation, marginalisation, hate speech and hate crime;

113. Believes that the next MFF must support the establishment of a European Defence Union; looks forward to the relevant legislative proposals, following the Commission's announcements in this areas, including a dedicated EU defence research programme and an industrial development programme complemented by Member States' investment in collaborative equipment; reaffirms, in this context, its strong conviction that additional political priorities should be coupled with additional financial means; recalls that increased defence cooperation, the pooling of research and equipment and the elimination of duplications will boost the strategic autonomy and competitiveness of Europe's defence industry and lead to considerable efficiency gains, often estimated at around EUR 26 billion per year;

114. In the context of the increased attention given to security and defence in the Union, requests a reassessment of all external security expenditure; looks forward in particular to a reform of the Athena mechanism and of the African Peace Facility after the budgeting of the EDF; welcomes the recent commitments by Member States under permanent structured cooperation and asks the Vice-President of the Commission / High Representative of the Union for Foreign Affairs and Security Policy (VP/HR) and the Commission to provide clarification as regards its future financing; calls for a successor programme for the Instrument contributing to Stability and Peace focusing on crisis response and capacity building for security and development, while finding a legally sound solution for military capacity building;

115. Stresses the paramount importance of the EU Civil Protection Mechanism, which has enabled coordinated EU assistance in natural and manmade disasters across the Union and beyond; points to the unquestionable added value of civil protection operations in effectively combating disasters, which are becoming all the more frequent and complex, while boosting the feeling of European solidarity among EU citizens in times of need; welcomes the recent Commission proposals to boost the EU's civil protection by strengthening preparedness and prevention measures, including the establishment of a dedicated reserve of operational capacities at Union level; calls for reinforced action in this field to be coupled with adequate funding under the next MFF;

An efficient administration at the service of Europeans

116. Considers that a strong, efficient and high-quality public administration is indispensable to the delivery of Union policies and to rebuild trust and strengthen dialogue with civil society organisations and citizens at all levels; underlines the role of the institutions

made up by democratically elected members in that respect; recalls that, according to the Court of Auditors, the EU institutions, bodies and agencies have implemented the 5 % reduction in staff as set out in their establishment plans; takes the view that they should not be subject to a further horizontal reduction approach of this kind; expresses its fierce opposition towards a repetition of the so-called redeployment pool for agencies;

117. Welcomes initiatives by the institutions, bodies and agencies to further enhance efficiency through increased administrative cooperation and the pooling of certain functions, thereby generating savings to the Union budget; highlights that, for certain agencies, further efficiency gains could be made, especially through increased cooperation among agencies with similar tasks, such as in the field of the financial market supervision and of agencies with multiple locations; calls, in a more general way, for a thorough assessment of the possibilities of grouping agencies according to the strategic nature of their mission and their results in order to create synergies among agencies, e.g. regarding the European Banking Authority and the European Securities and Markets Authority in Paris;

118. Considers that the EU institutions and bodies should respect both a geographical balance and gender balance;

*** * ***

119. Calls on the Commission to propose 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; warns, however, that final beneficiaries of the Union budget can in no way be affected by breaches of rules for which they are not responsible; is convinced, therefore, that the Union budget is not the right instrument for addressing the failure to observe Article 2 TEU, and that any possible financial consequence should be borne by the Member State independently of budget implementation;

120. Emphasises that the elimination of discriminations, as well as gender inequality and gender-based violence, is vital to fulfil the EU's commitments towards an inclusive Europe; supports, therefore, gender mainstreaming and gender equality commitments in all EU policies under the next MFF, as well as a reinforced budgetary dimension in combating all instances of discrimination, with particular attention given to the gender dimension within migration and asylum policies and external EU policies;

121. Stresses the need to ensure that women have access to sexual and reproductive services and that special attention be paid to the specific needs of vulnerable persons, including minors and other groups, such as the LGBTI community;

122. Advocates that dedicated support be given to disadvantaged target groups, explicitly excluding segregational practices, especially persons with disabilities and Roma people, and in particular that the designation of 'Roma people' remains in the list of beneficiaries of the ESF and the ERDF;

123. Notes that, due to their isolation from the European mainland, the outermost regions (ORs) and the Overseas Countries and Territories (OCTs) have to contend with specific

natural, economic, and social challenges; considers that tailored measures and duly justified derogations should be set up for them; calls for the continuity of the EU financial support to ORs and OCTs in the next MFF, notably under cohesion policy for ORs and under a specific instrument for OCTs, for their access to research programmes and for fighting the specific climate change challenges they face;

124. Urges the Commission, for the sake of sound financial management and transparency in the European Union's budget, to consider setting up proper conditions to prevent corruption and financial fraud concerning EU funds; expresses particular concern regarding customs fraud, which has created a significant loss of income for the Union budget; calls on the Member States that objected to the Union legal framework for customs infringements and sanctions to reconsider their position in order to allow for a speedy solution to this problem;

IV. Procedure and decision-making process

125. Recalls that the adoption of the MFF Regulation requires Parliament's consent; stresses, moreover, that Parliament and the Council are two equal arms of the budgetary authority in the adoption of the annual EU budget, while the sectoral legislation setting up the vast majority of EU programmes, including their financial envelopes, is decided under the ordinary legislative procedure; expects, therefore, a decision-making procedure on the next MFF that safeguards Parliament's role and prerogatives as set out in the Treaties; insists that the MFF Regulation is not the appropriate place for changes to the EU Financial Regulation; urges the Commission to put forward a separate proposal for a revision of the EU Financial Regulation, whenever there is a need to make changes to that regulation;

126. Expresses its readiness to enter immediately into a structural dialogue with the Commission and the Council on the post-2020 MFF with the aim of facilitating the subsequent negotiations and enabling an agreement by the end of this parliamentary term; stands ready to debate the positions set out in the current resolution with the Council, in order to allow for a better understanding of Parliament's expectations on the next MFF;

127. Underlines that, with the Commission's proposals announced for May 2018, a formal decision on the next MFF should be taken within one year; considers that, despite an initial delay in the presentation of the Commission's proposals, a timely agreement for the post-2020 framework should be achieved, in order to send an important political message regarding the Union's capacity to further build consensus on the future of the EU and on the corresponding financial means; insists that this timetable will allow, inter alia, for the swift adoption of all sectoral regulations, thus enabling the new programmes to start without delay on 1 January 2021; recalls that, in previous financial frameworks, the new programmes were essentially launched some years after the beginning of the period;

128. Underlines, therefore, the need for substantial discussions between the three institutions to be launched without delay; stresses that all elements of the MFF Regulation, including the MFF ceilings, will be part of the MFF negotiations and should remain on the table until a final agreement is reached; recalls, in this respect, Parliament's critical stance on the procedure leading to the adoption of the current MFF Regulation and the

dominant role that the European Council assumed in this process by deciding irrevocably on a number of elements, including the MFF ceilings and several sectoral policy-related provisions;

129. Is of the opinion that the procedures related to the upcoming MFF negotiations, and notably Parliament's involvement in the different stages of this process, should be agreed without delay under the Bulgarian Presidency and before the presentation of the MFF proposals; expects, in this context, that the Commission will be providing Parliament with the same level of information that is made available to the Council in a timely manner; considers that these arrangements should eventually be enshrined in the IIA, as is the case for the annual budgetary procedure;

130. Considers that the unanimity requirement for the adoption of the MFF Regulation represents a true impediment in the process; calls on the European Council, in this regard, to activate the passerelle clause provided for in Article 312(2) TFEU so as to allow for the adoption of the MFF Regulation by qualified majority; recalls, moreover, that the general passerelle clause set out in Article 48(7) TEU can also be deployed, in order to apply the ordinary legislative procedure; stresses that a shift towards qualified majority voting for the adoption of the MFF Regulation would be in line with the decision-making process for the adoption of virtually all EU multiannual programmes, as well as for the annual procedure for adopting the EU budget;

°

° °

131. 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.

25.1.2018

OPINION OF THE COMMITTEE ON FOREIGN AFFAIRS

for the Committee on Budgets

on the next MFF: Preparing the Parliament's position on the MFF post-2020
(2017/2052(INI))

Rapporteur: Pier Antonio Panzeri

SUGGESTIONS

The Committee on Foreign Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Stresses that the EU is faced with multiple challenges that threaten regional and global stability and security, which call for strategic, long-term external action in the framework of a genuinely European, values-based foreign policy; recalls the ambition of EU leaders as expressed in the Rome Declaration to strive towards a Union that is 'big on big issues and small on small ones'; underlines the significant added value for EU citizens of a common foreign and security policy; calls for the multi-annual financial framework (MFF) to show ambition and mirror this high added value by significantly increasing external action appropriations (Heading 4), thereby making common foreign policy a core EU function and responsibility, in line with modern challenges and Europe's new priorities;

2. Highlights that increased and targeted funding in strategic areas, such as development aid, poverty eradication, the sustainable development goals, the strengthening of a rules-based international order, post-crisis reconstruction, good governance, and the promotion of environmental, economic and social resilience in partner countries, is needed for an effective European response to modern global challenges, including human rights violations, security threats and armed conflicts, cyber-attacks, terrorism, radicalisation, propaganda, purposeful disinformation, natural disasters and climate change, as well as the refugee and migratory challenges caused by some of these issues; emphasises that the increased funding should be oriented towards Europe's new priorities, some of which are reflected in the EU Global Strategy, the renewed European neighbourhood policy, enlargement policy and the European Defence Action Plan; stresses that the EU also needs to boost its institutional capacity in order to have greater

influence in foreign and security policy;

3. Calls for the gap to be closed between the EU's strategic political priorities and the external financing instruments (EFIs); underlines that the establishment of new priorities in the area of external action and defence cooperation at EU level should be accompanied by new resources, both at operational and administrative level, in order for external action to be credible and effective;

4. Recalls the importance of enhanced flexibility that allows for the mobilisation of additional resources to respond to unforeseen situations and the use of uncommitted resources in subsequent years; stresses the need for resource availability in order to be ready to respond to rapidly developing new threats such as hybrid warfare and cyber-attacks; stresses, however, that increased flexibility should not be achieved at the expense of long-term policy objectives or of those existing programmes that are achieving the desired results; calls for a considerable strengthening of the flexibility mechanisms ('special instruments') under the MFF, while at the same time strengthening the strategic political guidelines; reiterates its support for the Commission's proposal for a permanent EU Crisis Reserve, in order to avoid ad hoc solutions such as the setting up of trust funds;

5. Calls for the simplification and streamlining of the EFIs, for example by merging all existing thematic EFIs within the Foreign Affairs Committee's remit (the Instrument contributing to Stability and Peace (IcSP), the Partnership Instrument (PI) and the European Instrument for Democracy and Human Rights (EIDHR)) into one single instrument; suggests that such a merger could include the Development Cooperation Instrument (DCI) and the budgetised European Development Fund (EDF) without the African Peace Facility (APF), subject to the agreement of the Committee on Development as the committee responsible; calls, however, for the current Instrument for Pre-accession Assistance (IPA II) and the European Neighbourhood Instrument (ENI) to continue as separate instruments owing to their specific political and financial nature; insists that any merger must be conditional on the new thematic instrument being policy driven and the predictability of long-term funding of all programmes being ensured to the greatest extent possible, while introducing a large amount of flexibility; considers, in addition, that the simplified structure calls for proper checks and balances and sufficient transparency, including enhanced strategic policy input and scrutiny of implementation by Parliament;

6. Stresses that trust funds were established because the EU budget lacks the resources and flexibility needed for a rapid and comprehensive response to major crises; takes the view that the existing EU Trust Funds can have added value by pooling funding for specific situations; notes that a simple relabeling or restructuring of existing EU funding for political purposes does not represent increases per se, and creates an additional layer of complexity in terms of democratic oversight and budgetary scrutiny; reiterates that the original objectives of EU financial instruments cannot be changed when placed under a Trust Fund heading; emphasises the need for increased parliamentary scrutiny of activities under EU Trust Funds, the EU Facility for Refugees in Turkey and the Joint Way Forward on migration issues between Afghanistan and the EU, as well as for similar initiatives in future; recalls that such ad hoc instruments outside the EU budget should only be resorted to if the Commission can provide clear proof that requirements

in terms of EU added value and additionality are met; reiterates the importance of the unity of the EU budget as a core principle; supports the use of innovative forms of financial cooperation, such as blending grants and loans from international and European financing institutions, including the European Investment Bank;

7. Maintains that EU external financing instruments are essential for effective EU external action, in particular in the European Neighbourhood (the existing ENI) and pre-accession countries (the existing IPA II); calls for increased coherence and coordination between the external financing instruments; points out that the ENI's successor should take account of the increased emphasis on democratisation, stabilisation, peace processes, post-crisis reconstruction and resilience, in both the East and the South, as well as provide increased support to growth and employment, particularly for young graduates; calls on the Commission to step up funding under the next ENI programme for projects promoting the employability of young people in the local area;

8. Stresses that the result-oriented approach of IPA II for candidate and potential candidate countries should be reinforced in the post-2020 pre-accession assistance framework in order to efficiently contribute to the democratisation of these countries and their economic and social development, especially given the current political developments in the Western Balkans; stresses the need for the financing instruments to respond rapidly to political developments and, whenever democracy and the rule of law are not respected, to focus on supporting civil society; recalls the value of the 'more for more' principle and calls on the Commission to actively make use of the possibilities provided by the relevant regulations in this regard; calls on the Commission to come up with the legal means to put funds to government bodies on hold in cases of serious and continuous political backsliding; calls on the Commission to put funds for Turkey under the future MFF on hold until clear benchmarks are met and to reroute funds to Turkish civil society organisations;

9. Calls for enhanced coherence and the promotion of a more balanced political dialogue with partner countries; reiterates the need to enhance monitoring and evaluation systems to assess the effectiveness and improve the efficiency of EU funding; stresses that under all instruments, the EU should strive to make EU projects and initiatives more visible, both in third countries and at home;

10. Stresses that support for the rule of law, democracy, human rights and gender equality should remain the cornerstones of EU foreign policy and takes the view that these issues should remain cross-cutting issues in all EU instruments and foreign policy objectives, especially in view of ongoing developments in the Western Balkans, the European Neighbourhood and beyond; emphasises, in addition, that this support must be accompanied by actions to promote inclusive growth that is beneficial to all, in particular young people and women; calls for an increased focus on enhancing support for freedom of expression under the financing instruments in order to build resilience to disinformation; points out, in particular, the role of the EIDHR and its post-2020 successor, including its support for election observation;

11. Draws attention to the IcSP's inherent potential to promote the EU's security and border integrity and contribute to peace and stability worldwide, particularly in regions that have been victims of crimes against humanity, war crimes and genocide.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	23.1.2018
Result of final vote	+: 39 –: 9 0: 8
Members present for the final vote	Lars Adaktusson, Michèle Alliot-Marie, Francisco Assis, Petras Auštrevičius, Amjad Bashir, Bas Belder, Goffredo Maria Bettini, Victor Boştinaru, Elmar Brok, Klaus Buchner, James Carver, Lorenzo Cesa, Javier Couso Permuy, Arnaud Danjean, Georgios Epitideios, Eugen Freund, Michael Gahler, Iveta Grigule-Pēterse, Sandra Kalniete, Janusz Korwin-Mikke, Andrey Kovatchev, Eduard Kukan, Ilhan Kyuchyuk, Ryszard Antoni Legutko, Sabine Lösing, Andrejs Mamikins, Alex Mayer, David McAllister, Tamás Meszerics, Francisco José Millán Mon, Clare Moody, Javier Nart, Pier Antonio Panzeri, Ioan Mircea Paşcu, Alojz Peterle, Tonino Picula, Jozo Radoš, Sofia Sakorafa, Alyn Smith, Jaromír Štětina, Dubravka Šuica, László Tőkés, Miguel Urbán Crespo, Ivo Vajgl
Substitutes present for the final vote	Brando Benifei, Rebecca Harms, Marek Jurek, Jo Leinen, Miroslav Poche, José Ignacio Salafranca Sánchez-Neyra, Traian Ungureanu, Bodil Valero, Marie-Christine Vergiat
Substitutes under Rule 200(2) present for the final vote	Teresa Jiménez-Becerril Barrio, Barbara Kudrycka, Tiemo Wölken

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

39	+
ALDE	Petras Auštrevičius, Iveta Grigule-Pēterse, Ilhan Kyuchyuk, Javier Nart, Jozo Radoš, Ivo Vajgl
PPE	Lars Adaktusson, Michèle Alliot-Marie, Elmar Brok, Lorenzo Cesa, Arnaud Danjean, Michael Gahler, Teresa Jiménez-Becerril Barrio, Sandra Kalniete, Andrey Kovatchev, Barbara Kudrycka, Eduard Kukan, David McAllister, Francisco José Millán Mon, Alojz Peterle, José Ignacio Salafranca Sánchez-Neyra, Jaromír Štětina, Dubravka Šuica, László Tőkés, Traian Ungureanu
S&D	Francisco Assis, Brando Benifei, Goffredo Maria Bettini, Victor Boştinaru, Eugen Freund, Jo Leinen, Andrejs Mamikins, Alex Mayer, Clare Moody, Pier Antonio Panzeri, Ioan Mircea Paşcu, Tonino Picula, Miroslav Poche, Tiemo Wölken

9	-
ECR	Marek Jurek
EFDD	James Carver
GUE/NGL	Javier Couso Permuy, Sabine Lösing, Sofia Sakorafa, Miguel Urbán Crespo, Marie-Christine Vergiat
NI	Georgios Epitideios, Janusz Korwin-Mikke

8	0
ECR	Amjad Bashir, Bas Belder, Ryszard Antoni Legutko
VERTS/ALE	Klaus Buchner, Rebecca Harms, Tamás Meszerics, Alyn Smith, Bodil Valero

Key to symbols:
+ : in favour
- : against
0 : abstention

31.1.2018

OPINION OF THE COMMITTEE ON DEVELOPMENT

for the Committee on Budgets

on the next MFF: preparing Parliament's position on the MFF post 2020
(2017/2052(INI))

Rapporteur: Paul Rübig

SUGGESTIONS

The Committee on Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

A. whereas the primary objective of the EU's development cooperation policy, enshrined in Article 208 of the Treaty on the Functioning of the European Union (TFEU), is the reduction and, in the long term, the eradication of poverty;

1. Considers that the EU's commitment to the implementation of the Sustainable Development Goals (SDGs), the Addis Ababa Action Agenda on financing for development and the Paris climate agreement must guide preparation of the next multiannual financial framework (MFF); considers, furthermore, that the EU's support for such implementation in developing countries must be increased, with policy coherence for development (PCD) being fully applied, and with EU development assistance fully abiding by aid effectiveness principles and retaining focus on long-term objectives such as the eradication of poverty, tackling inequality and exclusion, promoting democratic governance and human rights, and enhancing sustainable and inclusive development, particularly in the least developed countries (LDCs), which face the greatest financial challenges;

2. Notes that in 2017, natural disasters – in particular forest fires – cost the lives of over 200 people in Europe and burnt down over a million hectares of forest, which is more than three times the European average for the past five years; points out that such fires are disasters in a human, economic and environmental context and require a response at European and Euro-Mediterranean level; considers that the EU should assist with preventing and combating fires and site reconstruction following these disasters, which are linked in particular to forest fires; is of the opinion that resources for fighting the fires are limited at national level; notes in this context that firefighting planes – particularly Canadairs – enter some national fleets at the end of their useful lives and therefore need to

be renovated as quickly as possible; calls on the Member States and for the EU to make the strengthening of joint capacity a priority during discussions on the next MFF;

3. Considers that a dedicated development instrument is the best option for a high-quality development policy in the interests of developing countries, particularly LDCs, with the primary objective of eradicating poverty while upholding internationally agreed development and aid effectiveness principles;

4. Calls for a Europe-Africa Erasmus to be set up and for branches of European universities to be established in Africa in order to ensure a close partnership, to increase young people's capacity for professional integration and to combat brain drain;

5. Considers that development cooperation must be implemented with the utmost respect for the internationally agreed aid effectiveness principles and as such, support partner countries' national plans and strategies to achieve the SDGs;

6. Emphasises that the next MFF must maintain the current level of quality and impact of European aid and provide the necessary guarantees for implementing and monitoring projects;

7. Notes the commitments undertaken in the EU's global strategy for foreign and security policy and the new European Consensus on Development;

8. Emphasises the need to fulfil the commitment, confirmed in the European Consensus on Development, to allocate 20 % of the EU's official development assistance (ODA) to social inclusion and human development; underlines the need to focus on the SDGs concerning health, in particular the fight against AIDS, tuberculosis and malaria, and concerning security, food, education, employment, water and sanitation, energy, industry, innovation, infrastructure, good governance, democracy, the rule of law, gender, environment and climate action;

9. Recalls the EU's commitment to gender mainstreaming in the next MFF and to ensuring that the next MFF is sustainability-proofed as a means of ensuring that PCD is respected throughout all EU policies; recalls, furthermore, the need to invest in powerful enablers to sustainable human development such as sexual and reproductive health and rights;

10. Recalls the commitments – particularly financial – undertaken under the UN Framework Convention on Climate Change and the Paris Agreement, as well as those undertaken under the new European Consensus on Development; stresses the need, in particular, to increase efforts and financing in order to help adapt to climate change and limit global warming, as well as the need to end subsidies granted for fossil fuels which damage the environment;

11. Encourages, in this context, the better use of all programmes under the next MFF headings, such as through research programmes, in order to complement the EU's objectives of development cooperation and support efforts to tackle global challenges and to ensure, moreover, that through effective PCD, no EU policy or programme will contradict the objectives of poverty eradication, the reduction of inequality in partner countries, and the promotion of human rights and sustainable societal, economic and environmental development;

12. Highlights the role of the European Consensus on Development as the framework for a common approach to development policy applied by EU institutions and the Member States and to the implementation of the SDGs; notes that the MFF should reflect the key priorities in development spending in line with this statement, by mainstreaming aid effectiveness and PCD principles;

13. Reiterates the need to create the conditions for young people to guarantee their long-term futures in order to become active citizens in their countries and calls for the necessary measures to be taken to ensure the empowerment of women in an economic, political and social context;

14. Considers that an increase in investment in access to sexual and reproductive health and rights is necessary to help counter the negative impact of the reinstatement of the Global Gag Rule;

15. Calls for guaranteed equal opportunities as regards access for men and women to decision-making structures and economic, social, political, technological and cultural resources and services; asks for all measures aimed at combating violence against women to be taken into account;

16. Calls for the next MFF to be sustainability-proofed as a practical way of ensuring PCD in EU funding decisions; considers that such an approach should ensure that EU internal and external funding is in line with development cooperation objectives and should maximise the effectiveness of the whole EU budget by preventing inconsistent and wasteful spending;

17. Stresses that the added value of a policy on development cooperation at EU level has been clearly demonstrated; points to the crucial role of ODA in least developed countries (LDCs) and fragile states and insists that the EU honour its commitment to reach 0.20 % of GNI in ODA to LDCs; notes the potential of ODA to facilitate the mobilisation of financing for development from other sources, both private and public, and domestic and international; supports the EU's fresh efforts to stimulate private investment by blending grants and loans and providing guarantees, including in countries where the needs are great but the risks are high; notes that important funding needs will arise as a result; stresses that development assistance programming should be multiannual and provide predictability, while also leaving space for flexibility, and that it should use different and complementary delivery methods based on countries' capacities, needs and performance; considers that blending should complement but not substitute traditional development financing; emphasises, in this connection, that private sector engagement must abide by strong transparency and accountability standards;

18. Calls for the promotion of international cooperation, in line with recognised international standards, to combat illicit financial flows and tax evasion;

19. Reiterates that civil society organisations have an important role to play in reaching the vulnerable and most deprived in society; notes that civil society organisations need sufficient capacity and backing if they are to support, monitor and report on the implementation of EU and national policies, and contribute to improvements in financial mechanisms; considers that EU funds are vital to building up the capacity of civil society organisations, and grass-roots organisations need to have guaranteed access to these

funds;

20. Recalls that high levels of inequality persist in a large number of middle-income countries (MICs) and calls on the Commission, therefore, to maintain specific funding allocations for those countries; considers that country differentiation in terms of funding allocations and cooperation modalities should be based on a broad range of criteria, taking into account inclusive human development, human rights and levels of inequality, as well as each country's priorities for sustainable development;

21. Believes there are grounds for facilitating absorption of aid and stresses the importance of the principle of ownership of development aid, which calls for commitments by the partner countries, as they are the main parties responsible for producing development strategies; suggests, therefore, that EU-funded training to improve access to existing EU funding be considered;

22. Recommends that an in-depth assessment of both the financial and development additionality and the human rights, social and environmental impact of the European Fund for Sustainable Development is carried out before more ODA resources are committed to the provision of guarantees for investment and similar aid modalities;

23. Recalls that the proliferation of Trust Funds which benefit from development funds – made necessary by a lack of resources and flexibility – such as the EU Emergency Trust Fund for Africa, undermines the unity of the budget and may entail risks for democratic ownership, transparency, accountability and aid effectiveness; believes that the use of these instruments should be clearly justified, complementary, of limited duration and aimed at addressing specific objectives rather than serving long-term development objectives;

24. Calls on the Commission to further strengthen harmonisation and coherence between its bilateral and multilateral development cooperation programmes, especially when the same country is concerned, in order to enhance the effectiveness of the EU's aid;

25. Calls for the next MFF to reflect, by means of a greater allocation from the start for a well-maintained humanitarian aid instrument and by means of a substantial emergency aid reserve, the unprecedented needs for humanitarian aid and disaster risk reduction, disaster and epidemic preparedness and the building up of resilience in developing countries; notes the mounting pressure on these needs, which stems from the effects of conflicts, wars and forced displacement, human rights violations, bad governance and corruption, the poor or non-existent provision of basic social services, growing inequality, climate change and competition for scarce resources; calls on the Commission to devise a proposal on making payments systematically equal to commitments for humanitarian aid action in order to ensure that sufficient funding is available for payments; calls for consideration to be given to earmarking more resources to the civil protection instrument and to equipping them with greater flexibility, so that the EU can provide help on the ground to those who need it;

26. Considers that while the European Civil Protection Mechanism is an effective tool in combating forest fires, it is nevertheless incomplete and in need of further improvement; welcomes, therefore, the Commission's communication of 23 November 2017, in which it proposes the setting up of an autonomous reserve capacity known as rescEU, and that an

additional EUR 280 million be earmarked for the European Civil Protection Mechanism in order to finance a truly EU reserve capacity, to include in particular EU firefighting aircraft; calls on the Member States and the Commission to recognise that existing national infrastructure has a European dimension, and thereby manifest their support for the establishment of a European network of civil protection and risk management hubs; calls on the Member States to include the Commission proposal in the new MFF so as to enable funding for EU Canadairs and their development to begin as soon as possible;

27. Welcomes the Commission's proposals on strengthening disaster response at EU level, notably through the forthcoming implementation of the rescEU autonomous reserve capacity; calls on the Commission and the Member States to recognise that existing national infrastructure has a European dimension, and thereby manifest their support for preparatory action on the establishment of a European network of civil protection and risk management hubs;

28. Calls, with a view to controlling migration, for massive investment to help industrialisation, electrification and the development of infrastructure, which can provide inclusive economic growth and decent jobs; calls for measures to stop human trafficking and slavery, and all violations of human rights, particularly in Libya;

29. Considers it necessary to strengthen the transparency, accountability and reporting of the resources for the development and humanitarian aid, as well as the financial means for this aid, with rapid approval by the budgetary authority, whenever needed, particularly in the light of the newly established 2030 Agenda, and with a view to fulfilling the PCD principles;

30. Points out the need to reinforce the essential role of the European Instrument for Democracy and Human Rights in promoting European values worldwide and consolidating human rights and democracy in EU external action;

31. Calls for the authorities and civil society organisations in the countries of origin and transit to receive capacity-building in their respective fields so that voluntary returns are managed as effectively as possible and to support the reintegration of all those repatriated;

32. Emphasises that the external financing instruments within the new MFF should be consistent with the SDGs and the new European Consensus on Development, which recognise decent work as a key driver to achieve inclusive and sustainable development;

33. Considers that the EU external financing instruments should favour the creation of decent work opportunities, as well as the necessary pre-conditions and an environment which enables workers and trade unions to represent their interests and operate freely; considers, against this background, that the next MFF should feature a specific financing instrument to support social dialogue and social partners in developing countries;

34. Calls for the next MFF to adequately resource the EEAS and EU Delegations, in order to enable them to meet their objectives and obligations in the field of development cooperation and humanitarian aid;

35. Calls for the next MFF to be consistent with the objectives of the Paris Agreement; underlines the need to scale up financing for climate action in developing countries, so as

to support climate mitigation and adaptation and the protection of biodiversity; calls for effective mainstreaming of climate change and environmental issues into EU external financing instruments;

36. Notes that the UK contributes 12 % of the Union's development budget; emphasises that losses of funds for EU development cooperation caused by Brexit must be compensated for; reiterates its long-standing position that the European Development Fund (EDF), together with other instruments outside the MFF, should be integrated into the EU budget; stresses that such integration should entail the financial envelope being added on top of the current MFF ceiling, so as not to jeopardise the financing of other EU policies and programmes;

37. Insists that the total level of funding for EU development policy be maintained with guaranteed ring-fencing, and that a permanent solution be found for EU financing of security expenses that are both linked to and consistent with development cooperation;

38. Is encouraged by the potential advantages of budgetisation, such as stronger democratic legitimacy for the EDF and more efficient and effective EU development aid;

39. Insists that incorporating the EDF into the EU budget should not lead to a reduction of overall spending for the EU's development assistance;

40. Underlines that the Commission's role in monitoring EU funds needs to be strengthened and formalised in the supervisory committees, and that the ex ante conditionalities should be monitored both at the planning and the regulatory level; believes that civil society and service users should also be fully involved in the development, implementation and monitoring of projects;

41. Reiterates its position that the EDF should be integrated into the EU budget; stresses, however, that such integration should be contingent on a geographical allocation of funds on the basis of countries' needs and an ambitious upward revision of the ceilings to avoid a reduction of the current EDF resources;

42. Calls for prudence with regard to any revision of the aid structure, so as not to undermine geographical priorities, aid predictability and the political clarity of region-based external action;

43. Points to the key role played by the diaspora in development, through remittances, skill transfers and non-financial values, which serves to promote peace, democracy, good governance and social stability;

44. Recalls the key role played by special instruments in the current MFF, in particular the Emergency Aid Reserve (EAR), in responding to unforeseen events, including the most acute humanitarian crises outside the EU;

45. Stresses that the next MFF should also enable the EU to implement across the different policy sectors the commitments made at the World Humanitarian Summit in 2016, so as to mitigate needs and improve the delivery of humanitarian aid;

46. Stresses the failure to honour the 0.7 % ODA/GNI commitment for 2015 and draws

attention to the current commitment of the EU and its Member States to achieve this level by 2030; calls for the next MFF to take this into account and enforce the international commitments of the EU and its Member States; calls on Member States that have not yet achieved the committed level to produce a roadmap, setting out in detail how they will do so in a timely manner; recalls that EU-managed ODA contributes towards the honouring of Member States' commitments and can significantly increase the development effectiveness of ODA expenditure, including through reduced fragmentation and the facilitation of an incentive-based approach with partner countries; recalls that without security there can be no development; emphasises the need to apply the development effectiveness principles and PCD to all funding instruments and financing modalities;

47. Calls for a specific structure to be set up for the OCTs in the next MFF so they may benefit from financial assistance, tailored to the ambitions of the OCT-EU Partnership and based on the interests and challenges they share with the European Union, as provided for in Part Four of the TFEU, as members of the EU family and members of regions that are strategically important to the EU, while furthering their regional integration;

48. Believes that a genuine simplification of EU external financing instruments could enhance coherence and facilitate democratic control and scrutiny; stresses, however, that such a simplification should respect Parliament's right of scrutiny and the development effectiveness principles, and that EU development funding should retain its fundamental objective of poverty eradication, focusing in particular on LDCs and fragile contexts;

49. Underlines that Heading 4 resources have been under great strain during the current MFF and that development funds have been increasingly used as a reserve for emerging priorities in other policy fields; underlines the need for flexibility to enable funding to be deployed more rapidly in response to unforeseen developments and crises; stresses, however, that greater flexibility should not be provided at the expense of aid effectiveness principles and aid predictability, which would be to the detriment of those instruments designed to serve long-term development goals, nor should it result in the curtailment of parliamentary scrutiny and consultations with partner countries and civil society; calls for a mid-term evaluation of the MFF development programmes;

50. Reiterates the importance of fostering closer cooperation in solving problems linked to drug trafficking, production and illegal consumption, child soldiers, the illegal exploitation and unsustainable management of natural resources, maritime crime and terrorism;

51. Highlights that developing countries are most vulnerable and most affected by climate change; calls on the Commission, in this context, to mainstream climate change considerations into all financing instruments and to increase the current goal which provides that 20 % of all EU financing should be spent on climate change-related actions;

52. Urges the EU and its Member States to stop inflating aid and to exclude inflated aid items from ODA reporting (e.g. refugee costs, imputed student costs, tied aid, interest on loans and debt relief);

53. Believes that the promotion of peace, security and justice in developing countries is crucial and recognises the need for security-related expenditure to deliver on SDG 16; reiterates that the creation of a specific and separate instrument in support of capacity-

building for security and development should avoid the securitisation of development instruments and funding;

54. Calls for the EU to scale up its assistance to sustainable agriculture in order to cope with climate change, targeting its support to small-scale farmers, crop diversification, agro-forestry and agro-ecological practices;

55. Notes that development assistance can play an important role in the area of migration in tackling the causes of forced displacement and enhancing the benefits of migration and mobility for development; considers, however, that ODA should not be used to cover in-donor refugee costs, the externalisation of migration policies away from the EU or the costs of returns and readmission to countries of origin; rejects the idea of aid being conditioned on border control, management of migratory flows or readmission agreements as the basis of partnership and cooperation with third countries;

56. Reiterates its unequivocal call for continued and increased EU support and funding for civil society organisations, which are development actors in their own right, and for the full and free involvement of civil society organisations in political dialogue, and in programming and implementation across EU cooperation instruments;

57. Considers that Parliament should look into options to establish a structure for a comprehensive and horizontal mechanism for following up on the universal 2030 Agenda, with its 17 SDGs, in such a way that respects its integrated and indivisible nature.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	24.1.2018
Result of final vote	+: 17 –: 2 0: 2
Members present for the final vote	Ignazio Corrao, Mireille D'Ornano, Doru-Claudian Frunzulică, Charles Goerens, Enrique Guerrero Salom, György Hölvényi, Arne Lietz, Linda McAvan, Norbert Neuser, Vincent Peillon, Lola Sánchez Caldentey, Elly Schlein, Eleftherios Synadinos, Bogdan Brunon Wenta, Joachim Zeller
Substitutes present for the final vote	Ádám Kósa, Paul Rübig, Judith Sargentini, Adam Szejnfeld
Substitutes under Rule 200(2) present for the final vote	Jean Lambert, Miroslav Mikolášik

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

17	+
ALDE	Charles Goerens
EFDD	Ignazio Corrao
PPE	György Hölvényi, Ádám Kósa, Miroslav Mikolášik, Paul Rübig, Adam Szejnfeld, Bogdan Brunon Wenta
S&D	Doru-Claudian Frunzulică, Enrique Guerrero Salom, Arne Lietz, Linda McAvan, Norbert Neuser, Vincent Peillon, Elly Schlein
Verts/ALE	Jean Lambert, Judith Sargentini

2	-
NI	Eleftherios Synadinos
PPE	Joachim Zeller

2	0
EFDD	Mireille D'Ornano
GUE/NGL	Lola Sánchez Caldentey

Key to symbols:
+ : in favour
- : against
0 : abstention

23.11.2017

OPINION OF THE COMMITTEE ON BUDGETARY CONTROL

for the Committee on Budgets

on the next MFF: preparing Parliament's position on the MFF post-2020
(2017/2052(INI))

Rapporteur: Petri Sarvamaa

SUGGESTIONS

The Committee on Budgetary Control calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

Objectives of the multiannual financial framework (MFF)

1. Points out that the MFF should be planned on the basis of amounts which can secure strategic growth, levering EU added value, making the EU economy stronger and making societies more pro-European; stresses that the EU budget should be readable and transparent;

Alignment of the budgetary and strategic cycles

2. Notes that the seven-year duration of the MFF is not synchronised with the five-year mandates of Parliament and the Commission, nor aligned with the Union's 10-year strategic planning cycle and the Europe 2020 strategy; is of the opinion that this lack of synchronisation could undermine the Union's democratic legitimacy and the efficiency of its political governance, given that situations may arise where Parliament and the Commission are bound by agreements on political objectives and finances made in the previous framework period; stresses that this could create an impression that the European elections are somewhat irrelevant in the context of long-term budgetary and strategic planning;

3. Reiterates its view that the duration of the MFF should be reduced from seven years to five so that it is aligned with the political mandate periods of Parliament and the Commission[1], without jeopardising the implementation or administration of ongoing

[1] See paragraph 73 of its resolution of 6 July 2016 on the preparation of the post electoral revision of the MFF 2014-2020: Parliament's input ahead of the Commission's proposal (Texts adopted, P8_TA(2016)0309) and paragraph 5 of its resolution of 27 April 2017 with observations forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year

programmes, while providing for a long-term programme strategy of five years plus five, with a mandatory mid-term review; points out that in 2020 there will be an opportunity to bring the long-term strategic cycle in line with the budgetary cycle, and strongly recommends that this opportunity be taken; considers that the Commission should also examine the possibility of introducing a rolling programme in which each MFF, while having the same duration as now, would partially cover the previous one, on the premise that overlapping could help mitigate naturally existing peaks and troughs;

Comprehensive review of EU spending

4. Points out that the European Court of Auditors, in its annual and special reports[1], has highlighted many instances where EU spending could have been planned more strategically and achieved better results; regrets, in this regard, that the resources allocated to major spending programmes and schemes were often not aligned with the political objectives set out in the 10-year strategic planning cycle, thus potentially leading to contradictory results;

5. Calls on the Commission, when presenting its proposal for the post-2020 MFF, to accompany it with a detailed outline of the strategic priorities in accordance with which the draft MFF is built; stresses that these priorities should be considered when drawing up a comprehensive Europe 2030 strategy, which is to be examined in-depth by Parliament before adoption of the post-2020 MFF package by the Council;

6. Asks the Commission, before drafting its proposal for a new MFF, to carry out a thorough and comprehensive spending review that would assess the extent to which:

   – the allocation of resources in the EU budget reflects the EU's strategic priorities and opportunities to add value, in particular in policies that have been shown to drain a lot of resources while serving merely redistributive functions, such as cohesion policy and the common agricultural policy (CAP), and in recent priority policy fields that have been shown to have insufficient budget measures in times of variable circumstances, such as immigration policy and external action;

   – EU programmes and schemes contribute to the achievement of strategic priorities, provide value for money and control the risk of irregularity, as proposed in the European Court of Auditors briefing paper of 3 November 2016 on the mid-term review of the multiannual financial framework 2014-2020[2];

   – different EU programmes and schemes work together in a coherent manner, particularly in areas where ambiguous objectives or implementation may lead to contradictory results and inefficient spending;

   – certain programmes have not at all proven to be effective or to have any added value, so that provision can be made for abandoning them in order to promote programmes that have proven to have real added value;

2015, Section III – Commission and executive agencies (Texts adopted, P8_TA(2017)0143).

[1] See, for example, European Court of Auditors Special Reports 4, 8, 19 and 23 of 2016.

[2] See point 55.

7. Asks the Commission also, before drafting its proposal for a new MFF, to carry out a comparative analysis of the implementation costs of grants and of repayable financial support, mainly through financial instruments, for the 2014-2020 period with a view to establishing the actual level of such costs, as recommended in European Court of Auditors Special Report 19/2016[1];

8. Calls on the Commission to take the results of the spending review carefully into account when drafting the MFF proposal and drawing up a comprehensive Europe 2030 strategy; insists, in this regard, that the Commission ensure that the administrative and control mechanisms are reliable at all levels and at all phases of the EU budget framework, and that fraud and irregularities can be detected and prevented efficiently; calls on the Commission to move towards a risk-based evaluation whereby control resources could be focused more on those regions and policy fields where the risks of irregularities have proven to be more significant;

Flexibility in terms of objectives and emerging priorities

9. Notes that Union policies may have different short-, medium- and long-term objectives, the realisation of which cannot necessarily be determined by a single MFF; believes that consideration needs to be given to a new balance between political agenda setting, policy implementation and financial framework needs;

10. Calls on the Commission to examine the feasibility of introducing a real budget flexibility in terms of political objectives through the setting up, in particular, of a rolling budgeting programme with a five-year planning horizon, revision clause(s) in terms of objectives and policies, and a rolling evaluation programme; envisages more internal flexibility between the headings and years to allow for the maximum utilisation of the new MFF ceilings;

11. Points out that in the course of the MFF period the EU may face many new challenges; calls on the Commission to provide flexibility in the budget planning so that it is able to tackle unexpectedly changing circumstances more efficiently; considers, in this regard, that adequate emergency measures still need to be taken, in coordination with other actions, to alleviate the crises in Europe, especially in the areas of agriculture and migration, along with measures to ensure that Parliament's role in implementing and adopting the MFF is fully respected and that the Council does not act without Parliament's consent;

12. Recalls Parliament's concern that the financial complexity resulting from the interactions of more than a thousand financial engineering instruments and trust funds and from numerous financial mechanisms supporting Union policies that are not recorded in the union balance sheet constitutes a major reason why democratic accountability of the galaxies of budgets may be impossible; calls, in addition to simplifying the galaxy of budgets, for more flexibility in cross-sectoral use of different financial instruments, so as to overcome the restrictive rules preventing recipients from taking advantage of multiple programmes for projects with matching goals;

[1] European Court of Auditors Special Report 19/2016 'Implementing the EU budget through financial instruments - lessons to be learnt from the 2007-2013 programme period'.

13. Reiterates its call to integrate the European Development Fund into the EU budget in order to be able to control and tackle the root causes of excessive migration in a better way, and one that is in line with Union policies and strategies, using tools and methods deriving from the Union's budgetary competence; considers that common European challenges in development policy could be better mastered through common administration from the EU budget;

Well-justified needs and European added value

14. Endorses the suggestion made by the European Court of Auditors in its briefing paper on the mid-term review of the multiannual financial framework 2014-2020 that it is better to determine the duration of programmes and schemes on policy and citizens' needs, rather than basing it on the length of the financial planning period[1];

15. Points out that the Member States and the Commission should be able to present well-justified needs for Union funding, and define the aims and the results to be achieved, before any spending is set, and highlights the importance of respecting the real needs of citizens by means of an integrated, territorial approach; calls on the Commission to distinctly define the criteria of EU value added, so as to prevent any possible ambiguities in decisions about EU expenditure; points out, furthermore, that the principles of effectiveness, efficiency and sound financial management should be observed before every budgetary decision;

16. Is of the opinion that EU transparency requirements are met in an ideal manner by regions that draw up their accounts in accordance with European Public Sector Accounting Standards; notes furthermore that double-entry accounting would be an ideal way of easing the reporting obligations vis-à-vis the Commission imposed on the regions and promotional institutions; calls, as a further incentive, for the implementation and ongoing adaptation of public accounting standards to be co-financed by the EU;

17. Encourages the Commission to further enhance and streamline the structure and composition of EU expenditure on cohesion policy in order to successfully tackle the disparities and cleavages between urban and rural areas, and differing Member States, to reverse the processes of deepening divergences, and to overcome fragmentation and ensure the future robust development of the EU as a democratic, strong and cohesive community; reiterates its position that additional political priorities should be coupled with additional financial means and not be financed to the detriment of existing EU policies; is of the opinion that the economic, social and territorial cohesion policies of the Union can still provide support for less developed regions, and for better cross-border cooperation, but encourages the Commission to not only provide mere redistributive financial support but, bearing in mind the real needs of citizens, focus even more on the development and modernisation of growth, innovation, mobility, climate change, making land safe to protect it from man-made and natural disasters, energy and environmental transition, and on the territorial impact of the EU policies, while applying the same criteria to the whole of the EU; points out also that this place-based approach generates European added value as well as value for EU citizens and is vital for achieving the objective of a smart, sustainable and inclusive Europe, as it provides flexibility in formulating integrated

[1] See points 39 and 40.

responses to diverse territorial needs without losing the thematic focus of the EU policies;

18. Reiterates its call for simplification of the cohesion policy management system at all levels of governance and of the control system, which should be based more on cross-reliance and cooperation between different audit authorities in order to reduce the administrative burden; is of the opinion that the economic, social and territorial cohesion policy of the Union should focus more on the specific needs of the respective regions with a view to addressing their real weaknesses and fostering their strengths;

19. Points out that the past development of cohesion beneficiaries should be better taken into account when distributing EU funds; calls on the Commission to present a revised system for the co-financing rates of cohesion projects which acknowledges past developments and decreases the share of EU funding in areas where progress has already been seen;

20. Points out that a new balance is needed between, on the one hand, the CAP and cohesion policies, and, on the other hand, the other EU internal policies and a reinforced external capacity of the Union, including the elements of security and defence; encourages the Commission to emphasise cooperation in security and defence when preparing its proposal for the post-2020 MFF, and when reforming and implementing EU financial instruments such as the European Fund for Strategic Investments (EFSI); supports the idea of further European integration and concrete initiatives in the field of security and defence;

21. Recalls its remarks[1] on the unsustainable structure of CAP expenditure: notes with concern that 44.7 % of all Union farms had an annual income of less than EUR 4 000; notes with even greater concern that on average 80 % of the beneficiaries of CAP direct support received around 20 % of the payments and recommends that the Commission mandate a cap on CAP payments to rectify this anomaly; points out that in times of volatility or crisis larger farms do not necessarily need the same degree of support for stabilising farm incomes as smaller farms do, since they often benefit from potential economies of scale that are likely to make them more resilient; considers that the CAP financing schemes could focus more on farmers under special constraints: small farms, climatically and geographically challenging areas and sparsely populated regions;

22. Calls on the Commission, as it reflects on a simplified and modernised CAP, to mandate a different policy design, or a different model of distribution of direct payments, to provide a better means of targeting public funds to agri-environment and climate action objectives; stresses, however, the need to provide balancing financial compensation to cover the costs of maintaining high health and environmental standards in food production, and the high production costs associated with the challenging climate condition in some geographical areas, as the farmers in Europe often struggle with global competition;

How to put an end to outstanding commitments: impact of the lack of a real evaluation and of effective budget capacity

23. Strongly regrets the persisting high levels of outstanding commitments, which is on one

[1] See paragraph 207 of its resolution of 27 April 2017 with observations forming an integral part of the decisions on discharge in respect of the implementation of the general budget of the European Union for the financial year 2015, Section III – Commission and executive agencies (Texts adopted, P8_TA(2016)0143).

hand the result of delays by Member States in submitting payment claims and on the other hand caused by the Commission being considerably late in proposing the programmes; points out that these circumstances make any effective evaluation and review of the budget implementation impossible, whether mid-term or at the end of the programming period; regrets that this handicaps the forecasting capacity of the budgetary authority; regrets, in particular, that the outstanding commitments increased significantly by the end of 2016, to reach EUR 238 billion, and that the increase relative to the figure for 2015 – over EUR 21 billion – was twice as high as initially expected;

24. Points out that this situation is largely the result of the very low level of submission of Member States' payment claims for 2014-2020, and stresses that this could undermine the effectiveness of the European structural and investment funds; asks the Commission to analyse the root causes of the delays incurred in the submission of Member States' payment claims and, in particular, to re-examine the global architecture of the structural funds in order to speed up the process involving EU programming, monitoring by the Commission and implementation by Member States' authorities;

25. Calls on the Commission to question the added value of the n+2 and n+3 rules in the payments of structural funds and to submit a proposal stipulating that, by the end of the programming period, the Member States are obliged to reimburse the dormant structural funds to the EU budget;

Performance-based budget: framework to determine cut-offs

26. Asks the Commission and the Member States to significantly modernise and redesign the EU budget along the principles of performance-based budgeting – with the social impact of such budgeting also assessed and always taken into account – in order to fit the new priorities that have been agreed on at the EU-27 level, and to back up a fiscal stabilisation function for the euro area using own resources;

27. Considers that if any possible new budgetary capacity is proposed specifically for Member States in the euro area, it should be developed within the Union framework and subject to proper democratic scrutiny and accountability through the existing institutions, and any financial assistance from this capacity should be made conditional on the implementation of agreed structural reforms;

28. Insists that the aim of the EU budget should be to achieve the political objectives as defined in an EU political strategy and reflected in the headings of the MFF, and that the budget lines should be presented in this framework and regrouped under programme statements pursuing these objectives rather than listed by activities; encourages the Commission to develop a more integrated approach for the use of different budget lines and funds to be able to respond to real-life challenges at regional, national and European level; stresses also that enhanced cooperation expenditures should be included in the EU budget;

29. Recalls that in its resolution accompanying the discharge 2015, Parliament called on the Commission to propose necessary updates to the design and delivery mechanism for the European structural and investment funds, taking into account also the suggestions of the high-level simplification group in order to strengthen the contribution of cohesion policy to tackling disparities in inequalities among Union regions and Member States and to

provide for, for the next programming period, more manageable and measurable performance indicators, including the social impact of such programmes; insists that all future expenditure should focus on programmes and instruments with proven EU added value and that performance should be at the centre of the next generation of all programmes and schemes together with better geographical balance, which should ensure a fair distribution of financing across Europe;

30. Points out that EU finances should be able to meet the financing needs of new priorities such as countering terrorism, managing migration by better addressing the root causes, improving integration by means of border controls, among other measures, and minimising the effects of the possible financial gap resulting from Brexit;

31. Calls on the Commission to improve its strategy to communicate to citizens the added value of EU funds;

How to fill the gap after Brexit: streamlining the budget and introducing new resources

32. Considers that while the United Kingdom's decision to withdraw from the Union is an unfortunate event that will have a negative influence on the future of the lives of citizens in the UK and in the remaining Member States, it also creates an opportunity to redefine and reform the EU-27's political ambitions and the needed budget tools and methods; considers that the EU-27 should be ambitious in its budget reform and aim to maintain an annual EU budget similar in size to that of the EU-28;

33. Believes that those policy fields likely to suffer most significantly from the budget gap resulting from Brexit should be protected from major setbacks in order to prevent the destabilisation of any current economic, social or administrative framework; points in particular to the need to secure the Union's resources in the fields of growth, jobs, social cohesion, research, development and innovation in order to enhance the Union's global leadership; calls on the Commission, in this regard, to examine carefully the consequences of different Brexit scenarios when preparing the MFF proposal and its impact assessment;

34. Points out, however, that when filling the budgetary gap, the main objective should not be to increase the share of public funding, but to provide a more sustainable financial basis for all policy fields and to mobilise the maximum leverage of private resources; calls, in this regard, for a paradigm shift in EU expenditure from grant-based subsidising towards a more financial-instrument-oriented system, which, however, also carefully considers the capacities and financial needs of different beneficiaries; emphasises, however, that this shift should happen in a manner that does not undermine the transparent management of the budget and budget control measures;

35. Recalls that financial instruments are not suited to all kinds of interventions in policy fields such as cohesion policy; points out that loans, equity and guarantees can play a complementary role, but they should be used with caution, based on appropriate ex-ante assessment, and grants should be complemented only where such financial instruments demonstrate an added value and could have a leverage effect by attracting additional financial support;

36. Emphasises, in particular, the need to omit the unnecessary fixation on the 1 % ceiling of EU GNI, put in practice for the current 2014-2020 MFF, since expenditure is often

constrained by this ceiling and makes the budget significantly harder to balance in times of varying circumstances; encourages the Member States to consider flexibility in their budget discussions;

37. Encourages the Commission to introduce concrete proposals for new resources, which would reduce the share of merely GNI-based national contributions to the EU budget; notes that the new system could end the anti-European accounting view of 'fair return', which places disproportionate emphasis on the net balances between Member States and which, regrettably, has dominated the budgetary debates in the Council for many years now;

38. Considers that the possibility to collect a CO^2 levy through carbon pricing (using either taxation or market-based instruments) – as presented by the High Level Group on Own Resources in its report on the future financing of the EU[1] – should be examined by the Commission in the first instance as a way to strengthen the EU-27 budget; believes that such an instrument could also provide extra added value in Europe, as the levy could function as an incentive to change consumer and producer behaviour in favour of a less carbon-intensive future; considers, however, that any tax-based EU solution should be as neutral as possible for the total tax ratio of a given Member State, and should instead rely on higher contributions from risk actors; points out that such a CO^2 levy would have to take into account the current emission trading schemes to avoid overlapping and conflicting means and objectives;

39. Encourages the Commission and the Member States also to consider other tax-based resources available to the EU-27 that could provide for more European added value in certain risk-related policy fields, while at the same time strengthening the EU budget;

40. Calls on the Commission to take advantage of the opportunity to reform the EU budget and to omit all rebate mechanisms, as this would provide for a more just, fair and encouraging structure for all Member States.

[1] European Commission, 'Future financing of the EU – Final report and recommendations of the High Level Group on Own Resources', 4 January 2017, pp. 41-43.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	20.11.2017
Result of final vote	+: 10 –: 8 0: 0
Members present for the final vote	Nedzhmi Ali, Inés Ayala Sender, Martina Dlabajová, Luke Ming Flanagan, Ingeborg Gräßle, Arndt Kohn, Monica Macovei, Petri Sarvamaa, Bart Staes, Hannu Takkula, Tomáš Zdechovský, Joachim Zeller
Substitutes present for the final vote	Brian Hayes, Karin Kadenbach, Younous Omarjee, Julia Pitera
Substitutes under Rule 200(2) present for the final vote	Tiziana Beghin, Tiemo Wölken

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

10	+
ALDE	Nedzhmi Ali, Martina Dlabajová, Hannu Takkula
ECR	Monica Macovei
PPE	Ingeborg Gräßle, Brian Hayes, Julia Pitera, Petri Sarvamaa, Tomáš Zdechovský, Joachim Zeller

8	-
EFDD	Tiziana Beghin
GUE/NGL	Luke Ming Flanagan, Younous Omarjee
S&D	Inés Ayala Sender, Karin Kadenbach, Arndt Kohn, Tiemo Wölken
VERTS/ALE	Bart Staes

0	0

Key to symbols:
+ : in favour
- : against
0 : abstention

28.2.2018

POSITION IN THE FORM OF AMENDMENTS OF THE COMMITTEE ON EMPLOYMENT AND SOCIAL AFFAIRS

for the Committee on Budgets

on the next MFF: Preparing the Parliament's position on the MFF post-2020 (2017/2052(INI))

On behalf of the Committee on Employment and Social Affairs: Marita Ulvskog (Chair)

Position

AMENDMENTS

The Committee on Employment and Social Affairs presents the following amendments to the Committee on Budgets, as the committee responsible:

Amendment 1
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Citation 1

Motion for a resolution	*Amendment*
— having regard to Articles 311, 312 and 323 of the Treaty on the Functioning of the European Union (TFEU),	— having regard to Articles ***174, 175,*** 311, 312 and 323 of the Treaty on the Functioning of the European Union (TFEU),

Amendment 2
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Citation 7

Motion for a resolution	*Amendment*
— having regard to the report of the Committee on Budgets and the opinions of the Committee on Foreign Affairs, the	— having regard to the report of the Committee on Budgets and the opinions ***and Committee amendments*** of the

Committee on Development, the Committee on Budgetary Control, the Committee on the Environment, Public Health and Food Safety, the Committee on Industry, Research and Energy, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Agriculture and Rural Development, the Committee on Fisheries, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Constitutional Affairs and the Committee on Women's Rights and Gender Equality (A8-0048/2018),	Committee on Foreign Affairs, the Committee on Development, the Committee on Budgetary Control***, the Committee on Employment and Social Affairs***, the Committee on the Environment, Public Health and Food Safety, the Committee on Industry, Research and Energy, the Committee on Transport and Tourism, the Committee on Regional Development, the Committee on Agriculture and Rural Development, the Committee on Fisheries, the Committee on Culture and Education, the Committee on Civil Liberties, Justice and Home Affairs, the Committee on Constitutional Affairs and the Committee on Women's Rights and Gender Equality(A8-0048/2018),

Amendment 3
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Recital B

Motion for a resolution	*Amendment*
B. whereas the MFF 2014-2020 quickly proved its inadequacy in meeting actual needs and political ambitions, as, from the outset, it was called upon to address a series of crises and new challenges in the areas of investment, migration and refugees, youth employment, security, agriculture and the environment, which had not been anticipated at the time of its adoption; whereas, as a result, the current MFF had already been pushed to its limits after only two years of implementation as available margins had been exhausted, flexibility provisions and special instruments had been mobilised to a substantial extent, existing policies and programmes had been put under pressure or even reduced, and some off-budget mechanisms had been created as a way of compensating for the insufficient level of the EU budget;	B. whereas the MFF 2014-2020 quickly proved its inadequacy in meeting actual needs and political ambitions, as, from the outset, it was called upon to address a series of crises and new challenges in the areas of investment***, social exclusion***, migration and refugees, youth employment, security, agriculture and the environment, which had not been anticipated at the time of its adoption; whereas, as a result, the current MFF had already been pushed to its limits after only two years of implementation as available margins had been exhausted, flexibility provisions and special instruments had been mobilised to a substantial extent, existing policies and programmes had been put under pressure or even reduced, ***endangering the achievement of the EU2020 targets such as the poverty target,*** and some off-budget mechanisms had been created as a way of compensating for the

insufficient level of the EU budget;

Amendment 4
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 3 a (new)

Motion for a resolution	*Amendment*
	3 a. Notes that gaining the full support from European citizens in the context of current budgetary constraints is extremely important in order to reaffirm and achieve our commitments of growth and jobs; calls therefore for a better use of existing funds, stresses that the challenge facing the European Union will not be to spend more, but to spend more efficiently;

Amendment 5
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 3 b (new)

Motion for a resolution	*Amendment*
	3 b. Emphasises that the policies for poverty reduction and social inclusion among vulnerable groups have failed to produce the expected results and reminds the Commission of its commitment to make concrete proposals for the establishment of a performance-based public budgeting model in which each budget line is accompanied by objectives and outputs to be measured by performance indicators;

Amendment 6
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 4

Motion for a resolution	*Amendment*
4. Is convinced that the next MFF should build on the Union's well-established policies and priorities, which aim at promoting peace, democracy and human rights, at boosting welfare, long-term and sustainable economic ***growth, high-quality jobs, sustainable*** development and innovation, and at fostering economic, social and territorial cohesion as well as solidarity between Member States and citizens; considers that these pillars are prerequisites for a properly functioning single market and Economic and Monetary Union as well as for reinforcing Europe's position in the world; trusts that they are more relevant than ever for Europe's future endeavours;	4. Is convinced that the next MFF should build on the Union's well-established policies and priorities, which aim at promoting peace, democracy and human rights, at boosting welfare, long-term and sustainable economic development and ***growth, quality employment with full labour rights leading to decent jobs,*** innovation, and at fostering ***equal opportunities for all its citizens -and in particular gender equality-, promoting*** economic, social and territorial cohesion as well as solidarity between Member States and citizens; considers that these pillars are prerequisites for a properly functioning single market and Economic and Monetary Union as well as for reinforcing Europe's position in the world; trusts that they are more relevant than ever for Europe's future endeavours;

Amendment 7
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 4 a (new)

Motion for a resolution	*Amendment*
	4 a. Stresses that the EU must fulfil its commitments under the Treaties such as promoting the well-being of people, full employment, social progress, social cohesion, social justice and protection, fair competition, equality between women and men, solidarity between generations, protection of the rights of the child, the development of quality education and the knowledge and dissemination of the European cultural heritage; insists that the Union shall pursue these objectives by appropriate means that ensure the constant improvement of the living and working conditions of their peoples and contribute to the preservation and development of the fundamental rights

included in the Charter, and to strengthen its protection.

Amendment 8
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 4 b (new)

Motion for a resolution	*Amendment*
	4 b. Points out that the European Union must deliver on its commitment to be a frontrunner in implementing the UN SDGs;

Amendment 9
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 5

Motion for a resolution	*Amendment*
5. Believes that the next MFF should enable the Union to provide solutions and emerge strengthened from the crises of the decade: the economic and financial downturn, the phenomenon of migration and refugees, climate change and natural disasters, terrorism and instability, to name but a few; underlines that these global, cross-border challenges with domestic implications reveal the interdependency of our economies and societies, and point to the need for joint actions;	5. Believes that the next MFF should enable the Union to provide solutions and emerge strengthened from the crises of the decade: the economic***, social*** and financial downturn***, the deepening inequalities, poverty, especially child poverty, and social exclusion***, the phenomenon of migration and refugees, climate change and natural disasters, terrorism and instability, to name but a few; underlines that these global, cross-border challenges with domestic implications reveal the interdependency of our economies and societies, and point to the need for joint actions;

Amendment 10
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 7

Motion for a resolution	*Amendment*
7. Calls, therefore, for continuous support for existing policies, in particular the long-standing EU policies enshrined in the Treaties, namely the common agricultural and fisheries policies, and the cohesion policy; rejects any attempt to renationalise these policies, as this would neither reduce the financial burden on taxpayers and consumers, nor achieve better results, but would instead hamper growth and the functioning of the single market while widening the disparities between territories and economic sectors; intends to secure the same level of funding for the EU-27 for these policies in the next programming period while further improving their added value and simplifying the procedures associated with them;	7. Calls, therefore, for continuous support for existing policies, in particular the long-standing EU policies enshrined in the Treaties, namely the common agricultural and fisheries policies, and the cohesion policy; rejects any attempt to renationalise these policies, as this would neither reduce the financial burden on taxpayers and consumers, nor achieve better results, but would instead hamper growth***, solidarity*** and the functioning of the single market while ***further deepening inequalities and*** widening the disparities between territories and economic sectors; intends to secure ***at least*** the same level of funding for the EU-27 for these policies in the next programming period while further improving their added value and simplifying the procedures associated with them;

Amendment 11
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 17

Motion for a resolution	*Amendment*
17. Believes that, by translating the political priorities of the EU into concrete investments, the multiannual financial framework constitutes an excellent instrument for the long-term planning of the European project and for ensuring a certain stable level of public investment in the Member States; recalls, furthermore, that the EU budget is predominantly an investment budget that serves as an additional and complementary source of funding for actions undertaken at national, regional and local levels;	17. Believes that, by translating the political priorities of the EU into concrete ***investments, including social*** investments, the multiannual financial framework constitutes an excellent instrument for the long-term planning of the European project and for ensuring a certain stable level of public investment in the Member States; recalls, furthermore, that the EU budget is predominantly an investment budget that serves as an additional and complementary source of funding for actions undertaken at national, regional and local levels;

Amendment 12
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 17 a (new)

Motion for a resolution	*Amendment*
	17 a. Calls for increased investment in quality job creation in future oriented sectors, in the social economy and the social, health and care sectors;

Amendment 13
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 37

Motion for a resolution	*Amendment*
37. Considers that the use of the EGF, providing EU solidarity and support to workers losing their jobs as a result of major structural changes in world trade patterns arising from globalisation or as a result of the global economic and financial crisis***,*** has not ***lived up to expectations and needs to be*** improved***; points out, inter alia, that the procedures for implementing support from the EGF are too time-consuming and cumbersome; believes that a revised EGF should be endowed with at least an identical annual allocation under the new MFF***;	37. Considers that the use of the EGF, providing EU solidarity and support to workers losing their jobs as a result of major structural changes in world trade patterns arising from globalisation or as a result of the global economic and financial crisis has not ***deployed its full potential and could be further*** improved ***in order to effectively reach and reintegrate redundant workers (also in SMEs) into the labour market, and reach out more Member States***;

Amendment 14
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 47

Motion for a resolution	*Amendment*
47. Calls for a genuine simplification of the EU budgetary system in the next MFF; underlines, in particular, the need to reduce overlaps between instruments that serve similar types of actions, for example in the areas of innovation, SMEs or transport, and	47. Calls for a genuine simplification of the EU budgetary system in the next MFF; underlines, in particular, the need to reduce overlaps between instruments that serve similar types of actions, ***without risking to lose important elements of the different***

the necessity of eliminating the competition which exists between different forms and sources of funding, in order to ensure maximum complementarity and to ***provide for a*** coherent financial framework;	***programs,*** for example in the areas of innovation, SMEs or transport, and the necessity of eliminating the competition which exists between different forms and sources of funding, ***creating more synergies between instruments*** in order to ensure maximum complementarity and to ***better tackle structural problems such as unemployment and demographic challenges, thus leading to a more*** coherent financial framework;

Amendment 15
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 62

Motion for a resolution	*Amendment*
62. Calls on the Commission to simplify and harmonise the rules governing the use of financial instruments in the next MFF in order to maximise their efficient application; considers the option of a single fund that would integrate financial instruments at EU level that are centrally managed under such programmes as the Connecting Europe Facility (CEF), Horizon 2020, COSME, Creative Europe and the Employment and Social Innovation programme (EaSI) on the one hand and the European Fund for Strategic Investments (EFSI) on the other, a proposal to be discussed further; is of the opinion that such an umbrella solution ***should*** provide for a clear structure for the choice of different types of financial instruments for different policy areas and types of actions; underlines, however, that such a fund could never integrate financial instruments managed by Member States under cohesion policy;	62. Calls on the Commission to simplify and harmonise the rules governing the use of financial instruments in the next MFF in order to maximise their efficient application; considers the option of a single fund that would integrate financial instruments at EU level that are centrally managed under such programmes as the Connecting Europe Facility (CEF), Horizon 2020, COSME, Creative Europe and the Employment and Social Innovation programme (EaSI) on the one hand and the European Fund for Strategic Investments (EFSI) on the other, a proposal to be discussed further; is of the opinion that such an umbrella solution ***could*** provide for a clear structure for the choice of different types of financial instruments for different policy areas and types of actions; underlines, however, that such a fund could never integrate financial instruments managed by Member States under cohesion policy;

Amendment 16
on behalf of the Committee on Employment and Social Affairs

Motion for a resolution
Paragraph 65 – Heading 2 – paragraph 1 – subparagraph 1

Draft opinion	*Amendment*
– investments in innovation, digitalisation, reindustrialisation, SMEs, transport, climate change adaptation	– investments in innovation, digitalisation, reindustrialisation, SMEs, transport, climate change adaptation **and demographic challenges**

Amendment 17
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 65 – Heading 2 – paragraph 1 – subparagraph 2

Draft opinion	*Amendment*
– employment, social affairs and social inclusion	– employment, social affairs and social inclusion***, reducing inequalities and combating poverty***
	– matching skills and qualifications with labour market needs
	– reducing differences in employment performance between Member States and candidate countries;

Amendment 18
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 65 – Heading 2 – paragraph 2

Draft opinion	*Amendment*
– education and life-long learning	– education***, with special emphasis on digital and entrepreneurial skills,*** and life-long learning

Amendment 19
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 68

Motion for a resolution	*Amendment*
68. Believes that the next MFF should see a greater concentration of budgetary resources in areas that demonstrate a clear European added value and stimulate economic ***growth***, competitiveness and employment; ***stresses, in this context, the importance of research and innovation in creating a sustainable, world-leading, knowledge-based economy, and regrets that, due to the lack of adequate financing, only a small proportion of high-quality projects in this field has received EU funding under the current MFF;***	68. Believes that the next MFF should see a greater concentration of budgetary resources in areas that demonstrate a clear European added value and stimulate economic ***development and social inclusion***, competitiveness and employment;

Amendment 20
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 74

Motion for a resolution	*Amendment*
74. Underlines the importance of ensuring financing for completing the digital single market by making full use of the spectrum, 5G deployment and gigabit connectivity, and by making further progress on the harmonisation of EU telecom rules to create the right regulatory framework for the improvement of internet connectivity throughout the Union; stresses that CEF Telecom should continue to support the Digital Service Infrastructures and the broadband networks by enabling their accessibility, including in remote regions and rural areas, and by improving digital literacy, interconnectivity and interoperability;	74. Underlines the importance of ensuring financing for completing the digital single market by making full use of the spectrum, 5G deployment and gigabit connectivity, and by making further progress on the harmonisation of EU telecom rules to create the right regulatory framework for the improvement of internet connectivity throughout the Union; stresses that CEF Telecom should continue to support the Digital Service Infrastructures and the broadband networks by enabling their accessibility, including in remote regions and rural areas, and by improving digital literacy, interconnectivity and interoperability; ***underlines the importance of improving the digital skills of Europe's citizens and workforce;***

Amendment 21
on behalf of the Committee on Employment and Social Affairs

Motion for a resolution
Paragraph 81

Motion for a resolution	*Amendment*
81. Stresses that cohesion policy post-2020 should remain the main investment policy of the European Union covering all EU regions while concentrating the majority of the resources on the most vulnerable ones; believes that, beyond the goal of reducing the disparities between levels of development and enhancing convergence as enshrined in the Treaty, it should focus on the achievement of the broad EU political objectives and proposes, therefore, that under the next MFF, the three cohesion policy funds – the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund – should concentrate mainly on providing support for innovation, digitalisation, reindustrialisation, SMEs, transport, climate change adaptation, employment ***and*** social inclusion; calls, moreover, for a reinforced territorial cooperation component and an urban dimension for the policy;	81. Stresses that cohesion policy post-2020 should remain the main investment policy of the European Union covering all EU regions while concentrating the majority of the resources on the most vulnerable ones; believes that, beyond the goal of reducing the disparities between levels of development and enhancing convergence ***in solidarity among Member States*** as enshrined in the Treaty, it should focus on the achievement of the broad EU political objectives and proposes, therefore, that under the next MFF, the three cohesion policy funds –the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund – should concentrate mainly on providing support for ***improving the living and working conditions of the EU citizens in those regions lagging behind, by focusing on*** innovation, digitalisation, reindustrialisation, SMEs, transport, climate change adaptation, employment***,*** social inclusion ***and poverty reduction, and demographic challenges (including depopulation and population dispersion)***; calls, moreover, for a reinforced territorial cooperation component and an urban dimension for the policy;

Amendment 22
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 82

Motion for a resolution	*Amendment*
82. Considers maintaining the financing of cohesion policy post-2020 for the EU-27 at least at the level of the 2014-2020 budget ***to be of the utmost importance***; stresses that GDP should	82. Considers ***that*** maintaining the financing of cohesion policy post-2020 for the EU-27 at least at the level of the 2014-2020 budget ***will not be enough to reduce divergences, especially social divergences***

remain one of the parameters for the allocation of cohesion policy funds, but believes that it should be complemented by an additional set of social, environmental and demographic indicators to better take into account new types of inequalities between EU regions; supports, in addition, the continuation under the new programming period of the elements that rendered cohesion policy more modern and performance-oriented under the current MFF;	***originating from a decade of economic crisis; therefore calls for a substantial increase of these policy funds, especially the ESF***; stresses that GDP should remain one of the parameters for the allocation of cohesion policy funds, but believes that it should be complemented by an additional set of social, environmental and demographic indicators to better take into account new types of inequalities between EU regions; supports, in addition, the continuation under the new programming period of the elements that rendered cohesion policy more modern and performance-oriented ***and targeted towards social inclusion*** under the current MFF;

Amendment 23
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 83

Motion for a resolution	*Amendment*
83. Is strongly committed to the delivery of Social Europe and the implementation of the European Pillar of Social Rights, ***and points to*** the existing instruments contributing to these goals, notably the ESF, the Youth Employment Initiative, the Fund for European Aid to the Most Deprived, the EGF and EaSI; ***believes*** that they ***should be*** safeguarded in the next MFF;	83. Is strongly committed to the ***commitments arising from Article 9 TFEU for the*** delivery of ***a*** Social Europe and the implementation of the European Pillar of Social Rights ***based on the sustainable growth of a highly competitive social market economy, aiming at full employment and social progress and promoting equality between women and men, solidarity between generations and protection of the rights of the child as enshrined in the Treaty; highlights that such implementation requires that social policies are properly financed, bearing in mind that, at present, expenditure on social matters is insufficient and underlines to the consequent need of increased funding of*** the existing instruments contributing to these goals, notably the ESF, the Youth Employment Initiative, the Fund for European Aid to the Most Deprived, the EGF and EaSI; ***insists*** that they ***are*** safeguarded in the next MFF

and that they continue to be implemented predominantly through grants*;*

Amendment 24
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 83 a (new)

Motion for a resolution	*Amendment*
	83 a. Considers that an adequate share of the financial resources set aside for the Cohesion Policy should be allocated to the European Social Fund so that it is able both to successfully meet the new challenges such as those connected with the timely implementation of the European Pillar of Social Rights and the development of social dialogue, as well as to continue promoting the creation of decent jobs, tackling long-term unemployment and integrating elderly workers into the labour market, skills development and life-long learning, encouraging social investments in quality social services and the social economy, combating poverty, inequalities and demographic change; insists that the autonomy of the ESF be maintained in order for it to further contribute to economic and social cohesion;

Amendment 25
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 83 b (new)

Motion for a resolution	*Amendment*
	83 b. Highlights in particular that the ESF should expand its support to the development of social dialogue, namely by improving the capacity building of social partners including European sectoral and intersectoral levels and that this commitment should become compulsory

for Member States in all the regions of the EU and appropriate ESF resources should be allocated to bilateral and/or unilateral capacity building activities undertaken by social partners to strengthen the social dialogue; stresses that at all times, the needs of those beneficiaries who have little administrative capacities should be respected;

Amendment 26
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 83 c (new)

Motion for a resolution	*Amendment*
	83 c. Draws attention to the fact that the total number of people at risk of poverty or social exclusion remains at a very high level – 118 million (23.5%) of the total EU population in 2016, which is far off-track to reach the Europe2020 poverty and social exclusion target; calls, therefore, for an increase in financial resources for social policy measures; calls on the Commission to consider introducing a minimum share of 30% of the ESF for fighting poverty and social exclusion, and to closely monitor that the earmarked share is effectively used for this purpose; stresses also the special role of FEAD for facilitating organizations supporting the most needy and tackling the structural problems of food poverty as well as the increasing problem of energy poverty;

Amendment 27
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 83 d (new)

Motion for a resolution	*Amendment*
	83 d. Points to the essential role played

by the EaSI Programme for the development of adequate innovative policy solutions for successfully tackling the range of ever more complex employment and social challenges, as well as for providing the necessary support for institutional capacity building and the functioning of the various organisations involved in the implementation of social policy measures with special attention regarding enhanced social dialogue and collective bargaining, as well as for successfully promoting workers' fair and voluntary cross-border mobility and further facilitating access to microfinance for vulnerable groups, micro-enterprises and social enterprises; therefore insists that the allocation of 55% to the Progress axis within EasI is upheld;

Amendment 28
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 84

Motion for a resolution	*Amendment*
84. ***Emphasises in particular the continuous need to fight*** unemployment, especially among ***young people,*** and calls***,*** therefore***,*** for a doubling of the Youth Employment Initiative envelope in the ***next programming*** period; considers that investment ***to boost*** education and training, ***especially the*** development of digital skills, ***remains one of the top priorities of the EU***;	84. ***Stresses that combating youth*** unemployment, especially among ***NEETs, should continue to be a top priority*** and calls therefore for a doubling of the Youth Employment Initiative envelope ***while ensuring quick and simplified deployment of funds and transforming it into a more stable EU financing instrument*** in the ***post-2020*** period; considers that ***adequate*** investment ***is vital for boosting*** education and training, ***particularly for supporting dual education and*** development ***of skills and especially*** of digital skills, ***promotion of entrepreneurship and quality apprenticeship among Young people as mechanisms to encourage job creation and direct access to employment, while ensuring in particular decent working conditions and social protection***;

Amendment 29
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 84 a (new)

Motion for a resolution	*Amendment*
	84 a. Strongly believes that EU funding, particularly that under Heading 1a and 1b should not be used to subsidise national approaches, but should be used to provide additional support to people facing social exclusion and unemployment in a way that complements and enhances national programmes according to the decision of the Member States;

Amendment 30
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 85

Motion for a resolution	*Amendment*
85. Expresses support for programmes in the areas of culture, education, media, youth, sports and citizenship that have clearly demonstrated their European added value and enjoy lasting popularity among beneficiaries; advocates, therefore, continuous investment in the Education and Training 2020 framework through the Erasmus+, Creative Europe and Europe for Citizens programmes in order to pursue reaching out to young people and providing them with valuable competences and life skills through lifelong learning, learner-centred and non-formal education, as well as informal learning opportunities; calls in particular for a tripling of the Erasmus+ envelope in the next MFF with the aim of reaching many more young people and learners across Europe, and achieving the full potential of the programme; recommends***, moreover, the continuation of the European Solidarity Corps and*** reiterates its support for	85. Expresses support for programmes in the areas of culture, education, media, youth, sports and citizenship that have clearly demonstrated their European added value and enjoy lasting popularity among beneficiaries; advocates, therefore, continuous investment in the Education and Training 2020 framework through the Erasmus+, Creative Europe and Europe for Citizens programmes in order to pursue reaching out to young people and providing them with valuable competences and life skills through lifelong learning, learner-centred and non-formal education, as well as informal learning opportunities; calls in particular for a tripling of the Erasmus+ envelope in the next MFF with the aim of reaching many more Young people and learners across Europe, and achieving the full potential of the programme; recommends ***to keep Erasmus+ as a strong and independent "EU trademark" and let their high***

strengthening the external dimension of the Erasmus+ and Creative Europe programmes;	***expertise work autonomously; also*** reiterates its support for strengthening the external dimension of the Erasmus+ and Creative Europe programmes;

Amendment 31
on behalf of the Committee on Employment and Social Affairs
Motion for a resolution
Paragraph 85 a (new)

Motion for a resolution	*Amendment*
	85 a. Notes that the Commission launched the European Solidarity Corps initiative before its discussion and approval by the Council and the European Parliament, which are currently working to improve the Commission proposal; recommends its continuation and insists that adequate resources are provided that do not come at the expense of the existing programmes or funds; in this context stresses in particular the need of a funding that must not weaken Erasmus+;

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	23.1.2018

26.01.2018

OPINION OF THE COMMITTEE ON THE ENVIRONMENT, PUBLIC HEALTH AND FOOD SAFETY

for the Committee on Budgets

on the next MFF: Preparing Parliament's position on the MFF post-2020
(2017/2052(INI))

Rapporteur: Anneli Jäätteenmäki

SUGGESTIONS

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Calls on the Commission to structure the next multiannual financial framework (MFF) in a manner that clearly reflects the EU's priorities for the coming years, and directly and transparently contributes to investment in projects with clear European added value, particularly with respect to the resources needed for the transition to a low-carbon circular economy and to sustain and strengthen the EU's leading role in tackling climate change and to ensure that it can meet its international obligations under the Paris Agreement and UN Sustainable Development Goals as well as its internal and external biodiversity commitments and goals;

2. Draws attention to the first recommendations of the High Level Expert Group on Sustainable Finance[1], including those relating to the MFF, and emphasises that the sustainability objectives must be supported by a financial system capable of promoting long-term, sustainable growth; calls on the Commission also to examine and address these recommendations for the next MFF, including the need to develop a 'sustainability test' for all future EU financial regulations and policies, and for financial instruments to achieve greater policy steering effects;

3. Calls on the Commission to review the true impact on the state of the environment of CAP greening and environmental measures under the Rural Development Fund and to

[1] https://ec.europa.eu/info/sites/info/files/170713-sustainable-finance-report_en.pdf

finance them on the basis of their genuine outcomes; underlines the separate funding of nature and biodiversity, and the need for separate funding of a transition to sustainable agriculture;

4. Invites the Commission to take note of the results of the mid-term review of the 7th Environment Action Programme (EAP) and in particular of the fact that its objectives are unlikely to be met by 2020; calls on the Commission to make the resources available to achieve these goals and additional ones with a view to the 2050 horizon, with special attention to environment-related pressures;

5. Notes that Article 2 of the Paris Agreement underlines the need to make finance flows consistent with a pathway towards low greenhouse gas emissions and climate-resilient development and that appropriate reforms to the MFF post-2020 are essential in order to reach net-zero emissions by 2050;

6. Calls on the Commission to ensure that the next MFF is consistent with the United Nations SDGs, in order to increase coherence in EU expenditure and to improve the balance between the economic, social and environmental dimensions;

7. Highlights that the Union's budget will decrease as a consequence of Brexit; calls on the Commission therefore to define clear and strict priorities, as less money will be available;

8. Stresses that the next MFF must be compatible with and actively contribute to the fulfilment of the commitments made by the Union externally such as the Sustainable Development Goals set out by the United Nations, and with its own long-term goals in the field of climate-relevant spending, and to a reform of the EU budget with a view to a more effective budget based on additional own resources; believes that this can only be achieved through thorough climate mainstreaming of EU spending, including on mitigation and adaptation and by monitoring the implementation of expenditure annually; calls on the Commission therefore to develop a transparent and reliable method of calculation that can provide evidence of expected impacts for climate-relevant spending, as well as their weighting for ex post assessment in reporting obligations;

9. Notes that a successful medium-term approach in environmental policy requires financial stability; considers in this context that a duration of seven years would be feasible also for the next MFF, providing appropriate flexibility and the possibility of a mid-term review;

10. Points out that, in order to attain the objectives of climate policy and improve the state of the environment, various policies must work together; calls for account to be taken of the possible funding of cohesion policy in this context;

11. Emphasises that the transition to a sustainable, low-carbon circular economy is the only way to ensure a healthy living environment and the long-term wellbeing of Union citizens and the European economy; considers that the EU should be the global frontrunner in the transition to a sustainable, circular low-carbon economy and a sustainable production-consumption system; recalls, in this context, the importance of the necessary development and research funding;

12. Recalls that the next MFF should help the Union achieve not only its environmental objectives and the 2030 climate and energy framework objectives, but also multilateral commitments related to sustainable development and the environment such as the Sustainable Development Goals or the Convention on Biological Diversity (CBD), and in particular the Aichi Target thereof; stresses that the EU should not finance projects or investments which stand in the way of these objectives, make it more difficult to implement them or are incompatible with their achievement;

13. Underlines that the EU should support regions with high levels of air pollution in order to substantially improve air quality, as the problems are in many cases connected with energy poverty in those regions;

14. Stresses the importance of adequately funded programmes safeguarding biodiversity and protecting the environment, such as the LIFE Programme, being continued and strengthened as standalone and increased funding in the next MFF; underlines that LIFE is the only financial instrument under the EU budget that is wholly dedicated to the environment, nature conservation and climate change; calls on the Commission to ensure that future financial instruments for agriculture and rural and regional development contain dedicated envelopes for biodiversity and management of the Natura 2000 network, under co-management by national and regional environmental authorities;

15. Emphasises the potential offered by green infrastructure and nature-based solutions to deliver services for society in a cost efficient way; stresses the need for fair consideration to be given to these green alternatives for delivering services in decisions pertaining to rural and regional funding, and calls for the creation of a dedicated instrument to establish the Trans-European Network of Green Infrastructure (TEN-G) with a view to delivering biodiversity benefits;

16. Stresses that the various funds should be more coherent and work together more effectively to respond to national, regional and local challenges, such as enabling a just transition of coal-dependent regions, fighting energy poverty or combating biodiversity loss;

17. Recognises the European added value of collaboration in tackling common public health threats; considers that, on the basis of the initial positive outcomes of the ongoing health programme, the next MFF should include a robust health programme that tackles health issues on a cross-border basis and delivers support to Member States in the form of expertise and exchange of data, evidence and good practice; calls for the next MFF to reflect, inter alia with a significant increase in funding for the health programme, the EU's responsibility to implement SDG 3 on public health, health systems and environment-related health problems and to support Member States in tackling health inequalities that undermine social cohesion and hinder European integration;

18. Recognises the role of sustainable agriculture and forestry as key components of the EU's work in tackling climate change and biodiversity loss and furthering environmental sustainability; consider it necessary to ensure that the common agricultural policy (CAP) is aligned with the EU's environmental, biodiversity and climate goals and policies; recalls that the next MFF should steer the post-2020 CAP towards a fair, effective and efficient farming policy which has as its core objective

facilitating the transition towards a sustainable food and farming system in Europe, and stresses that sufficient funding to reach the targets must be provided; welcomes the Commission's strategic approach presented in its communication of 29 November 2011 entitled 'The Future of Food and Farming' (COM(2017)0713) to provide the Member States with more flexibility in finding appropriate means to steer their agricultural sectors towards reaching the common environmental targets in the most effective way;

19. Calls on the Commission to further support research and innovation on alternatives to animal testing, and to allocate more financial resources to R&D projects carried out in the EU; asks the Commission and the Member States to continue to fund the development of alternatives and to work within international structures to speed up the validation and acceptance of alternative methods and to support third countries with knowledge transfer where scientists may lack awareness of alternative methods and financially where testing facilities may lack the necessary infrastructure;

20. Emphasises that the next MFF needs to consider the social challenges for local and regional communities which have a high share of workers in carbon-dependent sectors in their necessary transition to a low-carbon society; requests that EU funds and programmes be dedicated in a coherent way to facilitating a just transition in those communities by supporting the deployment, re-skilling and up-skilling of workers, education, job-seeking initiatives and start-ups, in close dialogue with the social partners;

21. Stresses the importance of strengthening and streamlining climate and energy policy, in particular all energy union objectives, which should be supported by existing instruments, i.e. within cohesion policy, and new ones;

22. Calls for the funding of the EU agencies to correspond to the tasks entrusted to them;

23. Flags the need, with regard to the Paris Agreement commitments, to establish a comprehensive instrument for coal-dependent regions and countries in order to support a just energy transition, in particular as regards the development and deployment of renewable sources, modernisation of power generation and grids, early adaptation to future environmental standards, restructuring processes concerning carbon-dependent sectors, modernisation of district heating (including high-efficiency cogeneration), energy storage, electro-mobility solutions and infrastructure, and energy efficiency solutions;

24. Recalls the importance of preventing and investigating the misuse of funds and the importance of an anti-fraud policy; stresses also the importance of cooperation with third countries with a view to creating an early monitoring system for the most dangerous products of all, which can harm the health and safety of the public and damage our environment;

25. Recalls that good health is a prerequisite for achieving other goals set by the EU and that policies in areas such as agriculture, the environment, social policy, inclusion and employment have an impact on health; calls therefore for a strengthened impact assessment on health and cross-sectoral cooperation in the next MFF;

26. Stresses the importance of decentralised EU agencies in the implementation of the EU

objectives on protecting human health and the environment (ECDC, ECHA, EEA, EFSA, EMA); calls on the Commission to guarantee sustainable and safe resourcing structures for them under the next MFF;

27. Calls for an increase in the share of the total EU budget allocated to cohesion policy measures post-2020, recognising the major contribution of the European Structural and Investment funds to improving environmental and healthcare infrastructure and closing socio-economic gaps between regions; stresses that the effectiveness of financial instruments does not replace the absolute need for grants in some areas, particularly for innovative and risky projects;

28. Stresses that EU spending in external policies should maintain a high level of ambition as regards climate and environmentally relevant spending;

29. Calls for the legislative process to adopt the next MFF to be concluded before the 2019 European elections in order to allow sufficient time for the negotiation of sectoral EU legislation and to avoid delays in the implementation of new programmes;

30. Stresses the need to provide EU financial assistance for nuclear decommissioning beyond 2020 in the context of the next MFF in order to ensure effective protection of the environment and public health against the dangers arising from radiation; underlines the unique nature of the long-term and complex process of decommissioning and waste disposal, which requires the availability of specific technical equipment, highly skilled personnel and adequate financial resources.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	24.1.2018
Result of final vote	+: 43 –: 3 0: 8
Members present for the final vote	Marco Affronte, Pilar Ayuso, Ivo Belet, Simona Bonafè, Biljana Borzan, Paul Brannen, Soledad Cabezón Ruiz, Nessa Childers, Birgit Collin-Langen, Seb Dance, Mark Demesmaeker, Stefan Eck, José Inácio Faria, Francesc Gambús, Elisabetta Gardini, Gerben-Jan Gerbrandy, Arne Gericke, Julie Girling, Françoise Grossetête, Andrzej Grzyb, Jytte Guteland, Anneli Jäätteenmäki, Karin Kadenbach, Urszula Krupa, Giovanni La Via, Jo Leinen, Peter Liese, Joëlle Mélin, Susanne Melior, Gilles Pargneaux, Piernicola Pedicini, Bolesław G. Piecha, John Procter, Julia Reid, Frédérique Ries, Daciana Octavia Sârbu, Annie Schreijer-Pierik, Renate Sommer, Claudiu Ciprian Tănăsescu, Ivica Tolić, Adina-Ioana Vălean, Jadwiga Wiśniewska, Damiano Zoffoli
Substitutes present for the final vote	Elena Gentile, Martin Häusling, Norbert Lins, Nuno Melo, Ulrike Müller, Christel Schaldemose, Bart Staes, Keith Taylor, Carlos Zorrinho
Substitutes under Rule 200(2) present for the final vote	France Jamet, Jiří Maštálka

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

43	+
ALDE	Gerben-Jan Gerbrandy, Anneli Jäätteenmäki, Ulrike Müller, Frédérique Ries
EFDD	Piernicola Pedicini
GUE/NGL	Stefan Eck, Jiří Maštálka
PPE	Pilar Ayuso, Ivo Belet, Birgit Collin-Langen, José Inácio Faria, Francesc Gambús, Elisabetta Gardini, Françoise Grossetête, Andrzej Grzyb, Giovanni La Via, Peter Liese, Norbert Lins, Nuno Melo, Annie Schreijer-Pierik, Ivica Tolić, Adina-Ioana Vălean
S&D	Simona Bonafè, Biljana Borzan, Paul Brannen, Soledad Cabezón Ruiz, Nessa Childers, Seb Dance, Elena Gentile, Jytte Guteland, Karin Kadenbach, Jo Leinen, Susanne Melior, Gilles Pargneaux, Christel Schaldemose, Daciana Octavia Sârbu, Claudiu Ciprian Tănăsescu, Damiano Zoffoli, Carlos Zorrinho
Verts/ALE	Marco Affronte, Martin Häusling, Bart Staes, Keith Taylor

3	-
EFDD	Julia Reid
ENF	France Jamet, Joëlle Mélin

8	0
ECR	Mark Demesmaeker, Arne Gericke, Julie Girling, Urszula Krupa, Bolesław G. Piecha, John Procter, Jadwiga Wiśniewska
EPP	Renate Sommer

Key to symbols:
+ : in favour
- : against
0 : abstention

15.1.2018

OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY

for the Committee on Budgets

on the next MFF: Preparing Parliament's position on the MFF post-2020
(2017/2052(INI))

Rapporteur: Marian-Jean Marinescu

SUGGESTIONS

The Committee on Industry, Research and Energy calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Highlights the importance of completing the energy union with a forward-looking climate change policy, and of completing the digital single market, the capital markets union and the European research area, as fundamental elements of the single market; stresses that research and innovation policy is a key strategic component of energy, industrial and digital policies, and underlines the need to allocate the necessary budgetary resources to it;

2. Recalls that the current multiannual financial framework (MFF), covering the period 2014-2020, involved less than 1 % of Member States' gross national income in payments and represented a sharp reduction from the previous MFF, which undermined territorial, economic and social cohesion and the principle of solidarity within the EU; points out that the economic and social crisis that hit the Member States is far from over, while new priorities, challenges and unforeseen crises also need to be addressed; considers, therefore, that the post-2020 MFF budget should be increased compared with the current period; calls on the Commission to structure the next MFF in a manner that clearly reflects both existing and new priorities and enables a response to unforeseen crises; stresses, in this context, that new priorities should be financed with fresh funding without jeopardising long-term policy objectives and programmes;

3. Considers it a priority to close, together with the post-2020 MFF regulation, all post-2020 European policy files before 2019 European elections; calls on the Commission to put forward, as soon as possible, proposals for all European policies, based on regulations currently in force and updated following application in the current MFF, in order to prevent delays in programming and implementation for the new period;

4. Believes that the next MFF should focus primarily on areas and projects with clear added European value, on areas that stimulate re-industrialisation, economic growth, competitiveness and real innovation, and that boost jobs, such as the Framework Programme for Research and Innovation (R&I), in order to accelerate the transition towards a sustainable, world-leading, knowledge-based economy;

5. Stresses that sufficient funding should be guaranteed for supporting the new sustainable industrial policy strategy so that the EU can reflect the ever increasing competition and innovation boom in digitalisation and greening in other parts of the world, and can become the world leader in the fields of sustainability, innovation, digitalisation and low-carbon economy; calls for the necessary financial programmes to be safeguarded and extended through a dedicated optimised investment programme and funding that facilitates the development of a comprehensive industrial strategy targeting key EU industrial sectors coordinated with the EU's environmental policies;

6. Calls on the Commission to guarantee financing for innovation aimed at the development of infrastructure and plug-in and storage solutions for hydrogen and electric vehicles and to continue to support and further develop initiatives such as the Europe-wide electro mobility initiative and the Fuel Cells and Hydrogen Joint Undertaking;

7. Recalls the European Court of Auditors' assessment of the EU's as yet unfulfilled commitment to spend 20 % of its budget on climate action; reiterates its position that a forward-looking climate change policy, application of the energy efficiency first principle, emissions saving, a low-carbon economy, renewables, and smart and modern infrastructure should be the backbone of the energy union and thus prioritised in the next MFF;

8. Considers that the next MFF period should make provision for increased EU funding, including structural and investment funds, in order to deepen the integration of the EU energy market, and to help achieve the EU's climate goals in line with the Paris Agreement, especially for key energy infrastructure projects such as projects of common interest (PCIs);

9. Stresses the importance of establishing comprehensive support for coal- and carbon-intensive regions in transition in order to support energy transition, the transition to a low-carbon economy and the modernisation of power generation, grids, and carbon capture storage and utilisation technologies, especially in industrial sectors, as well as the modernisation of district heating; considers that the transformation of the energy sector in the light of the climate ambitions objectives should rely on the mobilisation of existing funds or the creation of an energy transition fund under the next MFF, so as to facilitate structural changes in energy-intensive industries and carbon-intensive electricity production plants and incentivise sustainable low-carbon investments and innovative solutions;

10. Considers that sufficient resources need to be allocated in order for the Energy Union to function well, and to make the EU interconnection network viable, revamp and extend transport and distribution grids, and manage energy demand, supply and storage within the EU; emphasises the importance of connecting Europe with the Caspian Sea area, the Middle East and Central Asia, and of investing in the East Mediterranean Gas Corridor in order to reduce the EU's dependency on Russian gas; reiterates the need to strengthen

multilateral energy cooperation in the Black Sea region;

11. Stresses the need for an upgraded, more effective and environmentally sustainable Connecting Europe Facility (CEF) which will close the missing links in Europe's energy and digital backbone by supporting the development of high-performance and sustainable trans-European networks; calls for priority to be given, within the European networks, to horizontal projects linking infrastructure, digital, energy and transport projects;

12. Notes the recent tendency to increase the use of financial instruments; reiterates that, in the next MFF, financial instruments cannot replace grants in financing research and innovation, energy efficiency, efforts to tackle energy poverty, renewable energy, and innovative technologies for conventional energy, as grants deliver stable funding, maximise output on the ground and ensure broader stakeholder involvement, including academia, research centres, local public authorities, SMEs, civil society organisations and citizens; stresses, furthermore, the importance of investment in less mature technologies, in particular as regards renewable energy;

13. Recalls the importance of ensuring financing for completing the digital single market by making full use of spectrum, 5G and internet connectivity, and by making further progress on harmonising EU telecom rules to set the right regulatory framework for improving internet connectivity throughout the Union, including in remote rural areas; calls on the Commission to provide the support required to remove language barriers and incentivise investment that helps to build a European Gigabit Society by 2025; stresses that any such funding should focus on a 'Digital Spine' which brings fibre backbone and backhaul connectivity to more remote communities, thereby providing the highest quality gigabit connections for education and public services, and mobile base stations to support 5G locally;

14. Further stresses the need to better coordinate EU instruments relating to investment, including in innovation, knowledge, skills, and access to markets for SMEs and start-ups; emphasises the importance of continued funding for SME-related programmes, such as the SME instrument and COSME, without impeding other programmes, in order to further enhance the competitiveness and sustainability of SMEs in the European Union;

15. Stresses the importance of striving to communicate better the impact of the Commission's new programmes;

16. Recalls that Member States set the target of reaching 3 % of GDP in R&D, two thirds of which should derive from the private sector; calls on the Member States to respect their national R&D investment commitments in order to meet this target; calls on the Member States to increase their national investments in R&D; emphasises that tools such as the Policy Support Facility should be further used to improve the efficiency of national research systems; calls for rules to facilitate, with the coordination of the Commission, synergies between future FP9 and national budgets;

17. Reiterates Parliament's call for an increased overall budget of at least EUR 120 billion for FP9 in order to be able to respond to societal challenges, to secure Europe's global competitiveness and scientific and industrial leadership in research and innovation, and to help achieve the EU's climate goals; calls, furthermore, for a greater focus on implementing research and innovation through joint undertakings and for investment in

key technologies to be supported in order to close the investment gap in innovation; calls, in particular, for efforts to stimulate breakthrough, market creating-innovation initiatives, notably for SMEs;

18. Welcomes the Commissions' efforts to simplify the Framework Programme for R&I; calls for these endeavours to be maintained for FP9 in order to provide better access and a level playing field for the applicants from all Member States through a new system for evaluating applications based on the added value and possible results of proposals; calls on the Commission to assess whether an increased use of lump sums is the best option for beneficiaries and auditors; emphasises that the introduction of a single audit approach and greater acceptance of beneficiaries' accounting practices would mean a major simplification for FP beneficiaries; believes that the bottom-up approach should be strengthened in the next FP, as it would help to boost innovation; stresses that investment in scientific and technological infrastructure is essential for generating excellent R&I; underlines the success of the Seal of Excellence label;

19. Stresses the importance of the European Institute of Technology (EIT) and its Knowledge and Innovation Communities (KICs), which require adequate resources to further develop their actions in education, to foster start-ups and to support innovation that contributes to people's health, energy transition, digitalisation and climate action, inter alia, and that responds to major challenges and benefits all of society;

20. Strongly believes that budget allocation for health – a basic determinant of people's quality of life and well-being – must be higher in FP9 than under Horizon 2020, and that the necessary amounts should be allocated to mechanisms that ensure the prioritisation of public research needs and a fair public return on investment; points out that the determinants of health are broad and encompass food, environment, and lifestyle, among others; calls, therefore, for a 'One Health' approach, including within R&D policy;

21. Considers that a combination of grants and innovative financial instruments relating to innovation, information and communication technology and energy infrastructure, including the European Fund for Strategic Investments (EFSI), could facilitate project implementation and stimulate and secure private financing;

22. Calls for a revised EFSI that fulfils its role in terms of economic additionality, that fosters projects with recognised positive externalities but greater risks than what the private sector is ready to face alone, and that would make it possible to bridge the gap between research and the market and focus on boosting market innovation; calls for the role and capacity of the European Investment Advisory Hub to be substantially reinforced, in particular through a proactive role in the preparation of projects; recalls that funding for the EFSI under the next MFF should not entail negative financial impacts on other programmes;

23. Calls on the Commission to develop, through the MFF, a comprehensive, coherent and long-term industrial policy framework to facilitate funding for the cultural and creative industries, in order to boost their competitiveness and enable them to fulfil their potential in terms of creating quality jobs and growth for the benefit of the Union; calls for additional links between the Framework Programme for R&I and the Creative Europe programme; calls on the Commission to abide by Article 167(4) of the Treaty on the Functioning of the European Union and establish the cultural and creative industries

(CCIs) as a horizontal priority within EU funding schemes and programmes, particularly in the Framework Programme for R&I, the EU Programme for Employment and Social Innovation (EaSI) and the ESIFs;

24. Invites the Commission to propose, in the next MFF, regulatory procedures to facilitate, encourage and – with the support of the EU agencies – coordinate synergies between the European structural and investment funds (ESIF), CEF, Creative Europe and Horizon 2020 for R&D-related projects that can help build innovation capacity in poorly performing regions; calls for a more active involvement of the Commission in the coordination of R&D projects across different European Funds under different headings, including smart specialisation strategies and in the revision of state aid rules;

25. Emphasises that the next EU budget should include sufficient space-related funding to continue and further develop the Galileo, EGNOS and Copernicus space programmes, taking into account emerging user needs and the EU's political priorities, and, in particular, increasing cyber security and covering launch programmes, new technologies and Space Surveillance and Tracking (SST);

26. Strongly believes that space-related funding in FP 9 should be higher than under Horizon 2020, and that the necessary amounts should be allocated to the future Joint Technology Initiative (JTI) on innovative materials for space equipment and deorbiting, in order to strengthen the competitiveness of the EU's space innovation; calls for the establishment of an integrated Governmental Satellite Communications programme (GOVSATCOM) that ensures cost-effective and secure satellite communication services for European public authorities; recalls its long-standing position that the SST support framework should be converted into a Union programme and that its remit should be extended, and considers that the budget allocated to this activity should be increased accordingly;

27. Draws attention to the European Defence Fund and the recent Commission proposal for a European defence industrial development programme, which is intended to cover the period 2019-2020; takes note of the Commission's intention to submit both a more substantial defence industrial development programme and a programme to support defence research for the benefit of all Member States and in order to usher in technological developments which can then reach other parts of society; considers that, in the next MFF, these defence-related programmes should be financed from additional resources and should thus not affect budgetary ambitions for the existing programmes;

28. Reiterates Parliament's position that any new political commitments should be financed with new appropriations and not through flexibility instruments or redeployment of appropriations from existing programmes; requests that sufficient resources be safeguarded for the existing programmes under the remit of Parliament's ITRE Committee;

29. Recalls the importance of enhanced flexibility that enables additional resources to be mobilised in order to respond to unforeseen situations; stresses, however, that intensive recourse to MFF flexibility instruments is not the best way to face up to complicated crises that are likely to continue; is convinced that it is essential that new EU own resources and revenues are introduced to the EU budget in order to bring the next MFF to a level that corresponds to the actual needs and political ambitions of the Union in ITRE-related areas; demands serious consideration of the options proposed in the report of the

High-Level Group on Own Resources; calls for the establishment of a link between the financing of the EU budget and policy areas where the EU has triggered price reductions, such as energy and telecoms policies, as the most efficient and market-neutral approach;

30. Notes that the next MFF will need to consider the UK's departure from the EU and its implications for the EU budget; expresses the wish that EU programmes within the remit of ITRE may continue unaffected and that suitable measures are taken to fulfil this wish;

31. Invites the Commission to evaluate all assessments of different policies and financial instruments, including of its energy-related financial instruments and funds, particularly as regards results, and to use these evaluations when preparing the new MFF;

32. Recalls that the Agency for the Cooperation of Energy Regulators (ACER) and the European Network and Information Security Agency (ENISA) have been entrusted with greater responsibilities and thus require sufficient resources to carry out all their assignments, both old and new; stresses that the European Global Navigation Satellite Systems Agency (GSA) and Body of European Regulators for Electronic Communications (BEREC) also require adequate resources to fulfil their responsibilities properly and efficiently; calls for sufficient funding and staff for all agencies that fall within the remit of ITRE, so that they have the capacity to fulfil their tasks adequately;

33. Considers that the future MFF should provide maximum predictability and flexibility in order to be utilised in full; considers, moreover, that the future MFF should guarantee that any surplus resulting from under-implementation of the EU Budget and de-commitments resulting from non-implementation should be made available again in the EU budget.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	11.1.2018
Result of final vote	+: 45 –: 9 0: 7
Members present for the final vote	Bendt Bendtsen, Xabier Benito Ziluaga, José Blanco López, David Borrelli, Jonathan Bullock, Reinhard Bütikofer, Jerzy Buzek, Edward Czesak, Fredrick Federley, Ashley Fox, Theresa Griffin, Hans-Olaf Henkel, Eva Kaili, Kaja Kallas, Barbara Kappel, Krišjānis Kariņš, Seán Kelly, Jeppe Kofod, Peter Kouroumbashev, Zdzisław Krasnodębski, Miapetra Kumpula-Natri, Christelle Lechevalier, Janusz Lewandowski, Edouard Martin, Angelika Mlinar, Csaba Molnár, Nadine Morano, Aldo Patriciello, Miroslav Poche, Paul Rübig, Massimiliano Salini, Algirdas Saudargas, Sven Schulze, Patrizia Toia, Claude Turmes, Vladimir Urutchev, Kathleen Van Brempt, Henna Virkkunen, Martina Werner, Lieve Wierinck, Hermann Winkler, Anna Záborská, Flavio Zanonato, Carlos Zorrinho
Substitutes present for the final vote	Michał Boni, Mario Borghezio, Jens Geier, Gerben-Jan Gerbrandy, Werner Langen, Morten Løkkegaard, Florent Marcellesi, Marian-Jean Marinescu, Rupert Matthews, Clare Moody, Răzvan Popa, Dennis Radtke, Michèle Rivasi, Sofia Sakorafa, Anneleen Van Bossuyt
Substitutes under Rule 200(2) present for the final vote	Max Andersson, Ingeborg Gräßle

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

45	+
ALDE	Fredrick Federley, Gerben-Jan Gerbrandy, Kaja Kallas, Morten Løkkegaard, Angelika Mlinar, Lieve Wierinck
ECR	Edward Czesak, Zdzisław Krasnodębski
PPE	Bendt Bendtsen, Michał Boni, Jerzy Buzek, Ingeborg Gräßle, Krišjānis Kariņš, Seán Kelly, Werner Langen, Janusz Lewandowski, Marian-Jean Marinescu, Nadine Morano, Aldo Patriciello, Dennis Radtke, Paul Rübig, Massimiliano Salini, Algirdas Saudargas, Sven Schulze, Vladimir Urutchev, Henna Virkkunen, Hermann Winkler, Anna Záborská
S&D	José Blanco López, Jens Geier, Theresa Griffin, Eva Kaili, Jeppe Kofod, Peter Kouroumbashev, Miapetra Kumpula-Natri, Edouard Martin, Csaba Molnár, Clare Moody, Miroslav Poche, Răzvan Popa, Patrizia Toia, Kathleen Van Brempt, Martina Werner, Flavio Zanonato, Carlos Zorrinho

9	-
EFDD	David Borrelli, Jonathan Bullock
ENF	Mario Borghezio, Christelle Lechevalier
VERTS/ALE	Max Andersson, Reinhard Bütikofer, Florent Marcellesi, Michèle Rivasi, Claude Turmes

7	0
ECR	Ashley Fox, Hans-Olaf Henkel, Rupert Matthews, Anneleen Van Bossuyt
ENF	Barbara Kappel
GUE/NGL	Xabier Benito Ziluaga, Sofia Sakorafa

Key to symbols:
+ : in favour
- : against
0 : abstention

1.12.2017

OPINION OF THE COMMITTEE ON TRANSPORT AND TOURISM

for the Committee on Budgets

on the next MFF: preparing Parliament's position on the MFF post 2020
(2017/2052(INI))

Rapporteur: Marian-Jean Marinescu

SUGGESTIONS

The Committee on Transport and Tourism calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Insists on the strategic importance of the multiannual financial framework (MFF) for sectors relying on long-term investment such as the transport sector; calls on the Commission, therefore, to put forward a proposal and to engage urgently with the Council and Parliament to define the post-2020 MFF before the 2019 European elections;

2. Highlights that transport infrastructures are the backbone of the single market, the basis for growth and job creation, and crucial to ensuring the four fundamental freedoms pertaining to persons, capital, goods and services; notes that accomplishing a single European transport area connected to neighbouring countries requires major transport infrastructure, which, in addition to adequate funding, must be treated as a key priority for the EU's competitiveness and for territorial, economic and social cohesion;

3. Stresses the importance of the goals set by COP 21 (the Paris Agreement) with regard to transport in order to combat climate change; stresses that financial means should be available to ensure a modal shift from road to rail and to waterborne and inland waterway transport, as well as to encourage Member States to invest in smart, sustainable, integrated public transport; recommends that attention should also be paid to noise and vibration reduction in transport in order to provide citizens with an environment of high quality;

4. Underlines the need to support the definition and implementation of a strong industrial policy aimed at increasing safety, security, public health and environmental protection and the global competitiveness of Europe in the transport sector in order to achieve better

connections and easier travel in all Member States; considers big data a strategic enabler for achieving the goals of EU transport policy and highlights the need to protect infrastructure that is critical for transport against cyber threats;

5. Highlights that critical transport infrastructure should be considered of strategic interest for the European Union;

6. Stresses that European added value can be achieved in transport infrastructure projects only if the EU has the capacity to include in its next MFF a regulatory framework and funding commensurate with its ambitions;

7. Considers that the share of the total EU budget that is set aside for cohesion policy infrastructure projects should be increased post 2020, as the Cohesion Fund and European Regional and Development Fund make a major contribution to closing infrastructure and socio-economic gaps between regions and improving the average quality of infrastructure, reducing the connectivity gap between the more developed areas and the lagging regions;

8. Considers that the next MFF should provide for an increase in EU funding, including structural and investment funds, for projects which contribute, in particular, to the completion of the Trans-European Transport Network (TEN-T) core network and its corridors, as well as funding for the deployment of electric vehicle infrastructure and other alternative energy transport solutions; reiterates that financial instruments cannot replace grants for TEN-T projects, which must remain the prime instrument of the future Connecting Europe Facility (CEF), as some modes of transport such as rail or waterways are not attractive for private investors;

9. Takes the view that grants should not be used to compensate for losses in projects that are economically unsustainable;

10. Invites the Commission to propose, in the next MFF, coherent and transparent measures to facilitate, encourage and coordinate, with the support of the EU agencies, synergies between the European structural and investment funds (ESIF), CEF and Horizon 2020 for transport-related projects, especially with a view to supporting those projects in cross-border regions and along the TEN-T; calls for a coordination system in order to optimise the synergies of grants and financial instruments; calls for a more active involvement of DG MOVE in the coordination of transport infrastructure across different European Funds;

11. Believes that within the context of the next MFF there should be the possibility to further develop and extend the existing core and comprehensive TEN-T network corridors, including into relevant third countries to support projects of common interest in the transport sector;

12. Stresses that Brexit will not only have a general impact on the budget but also particularly sizable direct and indirect effects on European transport policy, especially in aviation and sea transport;

13. Invites the European Coordinators to conduct a thorough assessment of the projects completed and the improvements achieved along the TEN-T Corridors during the current programming period, and to present it to the Commission and Parliament; calls on the

Commission to reflect upon this assessment in preparing the next MFF;

14. Underlines the fact that EU co-funding should include, as a key priority in the European Territorial Cooperation (ETC – Interreg), small-scale cross-border infrastructure projects for re-establishing regional cross-border missing links;

15. Stresses the absolute necessity for adequate financing, including for research and innovation in the future FP9, in areas such as electric and hydrogen vehicles, driverless and connected cars;

16. Considers that strengthening the governance of EU macro-regional strategies will contribute to the development of EU added-value projects;

17. Highlights the importance of the involvement, within the Danube Strategy, of all riparian countries in order to avoid bottlenecks in navigation; calls for the establishment of a top-down approach in order to ensure efficient implementation of the Danube Strategy, especially regarding the navigability of inland waterways;

18. Considers that an updated and more effective CEF, which covers all modes of transport, including road infrastructure and inland waterways, focusing on interconnections and on the completion of the network in peripheral areas while using common standards, is necessary; stresses that the CEF must benefit from increased financing in order to cover all transport needs, including digital solutions, modal shift and clean transport; believes that the CEF should promote pilot programmes for the benefit of all means of transportation in order to increase safety, security, environmental protection and EU competitiveness; stresses that investment in transport infrastructure is an investment in long-term growth and jobs; calls on the Commission, therefore, to put forward a proposal for an updated CEF Regulation as soon as possible, so that it can be approved before the 2019 European elections;

19. Recalls that nine core network corridors are identified in the annex to the CEF Regulation, which includes a list of projects pre-identified for possible EU funding during the period 2014-2020, based on their added value for TEN-T development and their maturity status; believes that an upgraded and more effective CEF should prioritise more direct linkages between more core and comprehensive networks and should introduce an emphasis on promoting greater links between comprehensive networks, including, for example, horizontal priorities such as Motorways of the Sea; believes that this should be reflected in any list of pre-identified projects to be included in the next CEF Regulation;

20. Stresses that funding for completing the single European rail area should be safeguarded and considers that greater focus is required on improving safety, completing rail connections between Member States and ensuring the maintenance of existing rail infrastructure; considers that financing should also be used for noise reduction and secondary rail connection renovation; stresses, furthermore, that the European Rail Traffic Management System (ERTMS) Commission coordination should aim to incentivise the participation of investors and that the deployment of the ERTMS should be brought forward in order to further implement common technical standards and maximise the benefits in terms of interoperability; stresses that co-funding of the Shift2Rail Joint Undertaking should be stepped up;

21. Reiterates the importance of enabling the full use of the Single European Sky as a crucial step forward for European airspace; stresses the need for adequate funding and transparent spending, including for airspace users, for the deployment and implementation of components of Single European Sky ATM Research (SESAR); calls for financing, as part of the SESAR programme, for research into unmanned aircraft air traffic management (ATM) and for the completion of the European Digital ATM; reiterates that, within the framework of the Single European Sky, effective ATM can cut fuel consumption and emissions by 10 %; calls for appropriate financial resources to be allocated to the Clean Sky Joint Undertaking;

22. Underlines the fact that the revision of Regulation (EC) No 216/2008 envisages broadening the scope of competence of the European Aviation Safety Agency (EASA); stresses the importance of allocating adequate funding to the EASA so as to ensure the successful uptake of these new responsibilities;

23. Calls on the Commission to safeguard continued funding for the EU flagship space programmes Galileo, the European Geostationary Navigation Overlay (EGNOS) and Copernicus; calls for the allocation of the necessary amounts for the Clean Sky Joint Undertaking and the future Space technologies for Europe (STEPP) Joint Technology Initiative to be safeguarded; asks the Commission to swiftly devise a proposal for the future GOVSATCOM, together with the appropriate financing; reiterates the importance of achieving global European EGNOS coverage and of ensuring that it is extended to countries that are part of the neighbourhood policy; considers that the proper research budget in these sectors is essential in order to ensure European autonomy in access to space;

24. Reiterates the importance of securing appropriate funding for Joint Undertakings, among others SESAR, Shift2Rail and Clean Sky; considers that Shift2Rail should prioritise interoperability projects and maximise the benefits for interoperability in the Single European Rail Area; believes it important to allocate funding that will enable infrastructure to be maintained and quality criteria to be respected, in order to guarantee greater consumer protection and safety;

25. Reiterates the importance of safeguarding the necessary funding for the development of innovative and effective Global Navigation Satellite System (GNSS) applications, user-need-based and value-added services;

26. Calls on the Commission, in the forthcoming MFF, to support a programme of institutional orders of satellite launches for European launchers and a programme to monitor space debris;

27. Underlines the importance of secured funding to achieve an integrated maritime policy, as a flagship initiative for cross-sectoral and transnational governance, as well as for optimising multimodal connections and shifting to clean and digital transport services and sustainable modes of transport, including public transport and inland waterways; stresses that the deployment of the River Information Services should be brought forward to support cross-border operations;

28. Calls on the Commission to give fresh impetus to the EU’s role in the Mediterranean Sea through a strategy to upgrade and modernise seaports in the Mediterranean, as vital

European trade hubs;

29. Recalls that ports function as gateways to trade, energy nodes and industry clusters; underlines the position of ports in the European transport network; stresses that funding for completing and improving the inland waterway core network, integrated within the multimodal network, should be safeguarded; highlights that ports and inland waterways require sufficient funding in order to face the current and future challenges for providing smart, efficient and sustainable transport systems; recognises that ports and inland waterways can play an important role in decarbonising the economy, by offering alternative energy solutions;

30. Stresses that funding should also be provided in the next period for intelligent transport system (ITS) and cooperative ITS projects in view of transport needs;

31. Calls on the Commission to add a specific item to the budget for those ports which have to deal with the economic and social burden of the migration crisis;

32. Stresses the role of European transport agencies in harmonising and integrating the various modes of transport in the European Economic Area; calls, in view of the ever greater role and workload entrusted to them by legislation, for their operational resources to be negotiated accordingly in the future budgetary framework;

33. Stresses the importance of shifting towards a sustainable, innovative and digital tourism sector, which requires better coordination between tourism and infrastructure projects; considers that a specific budget line for tourism should be created in order to move towards a genuine European tourism policy; believes that initiatives such as those promoting innovative sustainable travel experiences for young people should be welcome; considers, however, that they should not replace other cultural initiatives and suggests that proper means for adequate financing should be further promoted;

34. Stresses that the long-term competitiveness and sustainability of European tourism should be ensured, including by taking full advantage of innovation in the sector and ICT solutions; considers that booking processes should be reviewed and a centralised, customer-oriented digital booking system framework should be envisaged;

35. Encourages the Commission to co-finance the interconnection between the EuroVelo network and the EU rail network and thus encourage sustainable tourism through the different regions;

36. Reiterates the importance of safeguarding funds for infrastructure within the framework of the Neighbourhood Policy in order to ensure deployment on the TEN-T and cross-border infrastructure coordination;

37. Stresses the need to include the various sectors of transport, particularly the industrial component, in thinking at the Commission and by the EEAS and various directorates-general, with a view to drawing up an economic diplomacy strategy to promote European actors in the sector internationally;

38. Considers that the future MFF should provide maximum predictability and flexibility in order to allow the full utilisation of the resources committed within it, ensuring a fair

distribution in all regions of the Union, which should therefore guarantee that any surplus resulting from under-implementation of the EU budget, particularly in a public policy sector, and de-commitments resulting from non-implementation, are made available again in the budget for the sector concerned; calls on the European Union, in this context, to maintain large elements of co-financing when selecting projects under the MFF; stresses the importance of a more active involvement of DG MOVE in the coordination of transport infrastructure across different European Funds;

39. Stresses that EU investment in new technologies for sustainable transport, with regard to methods of propulsion in particular (i.e. electricity, hydrogen, biofuels, etc.), must be based on the principle of technological neutrality, leaving the market and citizens the freedom to choose from among the different transport solutions.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	23.11.2017
Result of final vote	+: 38 –: 3 0: 0
Members present for the final vote	Daniela Aiuto, Lucy Anderson, Marie-Christine Arnautu, Georges Bach, Deirdre Clune, Michael Cramer, Luis de Grandes Pascual, Andor Deli, Isabella De Monte, Ismail Ertug, Jacqueline Foster, Dieter-Lebrecht Koch, Merja Kyllönen, Miltiadis Kyrkos, Bogusław Liberadzki, Peter Lundgren, Marian-Jean Marinescu, Gesine Meissner, Cláudia Monteiro de Aguiar, Renaud Muselier, Markus Pieper, Salvatore Domenico Pogliese, Gabriele Preuß, Christine Revault d'Allonnes Bonnefoy, Dominique Riquet, Massimiliano Salini, Jill Seymour, Pavel Telička, Wim van de Camp, Janusz Zemke, Roberts Zīle, Kosma Złotowski, Elżbieta Katarzyna Łukacijewska
Substitutes present for the final vote	Jakop Dalunde, Mark Demesmaeker, Jill Evans, Maria Grapini, Peter Kouroumbashev, Jozo Radoš, Olga Sehnalová
Substitutes under Rule 200(2) present for the final vote	Juan Fernando López Aguilar

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

38	+
ALDE	Gesine Meissner, Jozo Radoš, Dominique Riquet, Pavel Telička
ECR	Mark Demesmaeker, Jacqueline Foster, Roberts Zīle, Kosma Złotowski
EFDD	Daniela Aiuto
GUE/NGL	Merja Kyllönen
PPE	Georges Bach, Deirdre Clune, Andor Deli, Dieter-Lebrecht Koch, Marian-Jean Marinescu, Cláudia Monteiro de Aguiar, Renaud Muselier, Markus Pieper, Salvatore Domenico Pogliese, Massimiliano Salini, Luis de Grandes Pascual, Wim van de Camp, Elżbieta Katarzyna Łukacijewska
S&D	Lucy Anderson, Isabella De Monte, Ismail Ertug, Maria Grapini, Peter Kouroumbashev, Miltiadis Kyrkos, Bogusław Liberadzki, Juan Fernando López Aguilar, Gabriele Preuß, Christine Revault d'Allonnes Bonnefoy, Olga Sehnalová, Janusz Zemke
VERTS/ALE	Michael Cramer, Jakop Dalunde, Jill Evans

3	-
EFDD	Peter Lundgren, Jill Seymour
ENF	Marie-Christine Arnautu

0	0

Key to symbols:
+ : in favour
- : against
0 : abstention

11.10.2017

OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT

for the Committee on Budgets

on the next MFF: preparing Parliament's position on the MFF post 2020
(2017/2052(INI))

Rapporteur: Derek Vaughan

SUGGESTIONS

The Committee on Regional Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

A. whereas Council Regulation No 1311/2013 laying down the multiannual financial framework (MFF) for the years 2014-2020 provides that the Commission should present its proposal for the future post-2020 MFF before 1 January 2018; whereas the legislative proposals for the next MFF need to be presented as soon as possible, so that decisions can be taken on the future of cohesion policy and the new funding can be agreed as soon as possible before the end of the current programming period, so as to prevent delays in programming for the new period;

B. whereas Article 3 of the Treaty on European Union (TEU) stipulates that the Union should promote economic, social and territorial cohesion and solidarity among and within the Member States and regions; whereas regional cohesion policy is one of the EU's core policies with a high added value, fostering solidarity, reducing development gaps and bringing the benefits of European integration directly to EU citizens in all regions; whereas, moreover, regional cohesion policy brings Europe together and strengthens its economy by application of the principle of solidarity, strengthens its social convergence, and helps to make the EU tangible and visible to its citizens through the concrete results it delivers on the ground; whereas it is therefore key that sufficient funding for cohesion policy – at least equivalent to that of the current period – is provided for in the MFF, so as to correspond to the challenges which the policy is expected to adequately address;

C. whereas suitable measures should be taken to ensure that the budgetary challenge deriving from the United Kingdom's departure from the EU does not have a negative effect on the budget for regional policy, including by shifting to new own resources for funding; whereas cohesion policy offers cross-border and other territorial cooperation tools for

ensuring continued collaboration with the UK regions once the UK has left the EU, by maintaining contacts and working together with its citizens towards common objectives;

D. whereas some of the proposals for new own resources presented in the final report and recommendations of the High Level Group on Own Resources of December 2016, such as a financial transaction tax, a carbon tax imposed on all sources of greenhouse gas emissions, and a European corporate income tax, are worth analysing in a broader context, and would also be consistent with both the targets of the 2030 Climate and Energy Framework and the objectives of economic, social and territorial cohesion;

E. whereas cohesion policy has contributed significantly to economic, social and territorial cohesion, and to the implementation of the Europe 2020 strategy and achieving its goals for smart, sustainable and inclusive growth; whereas the EU is still at risk of falling short of these goals by 2020, especially when it comes to poverty reduction, the promotion of renewable energy and the fight against unemployment; whereas the strategy should be reviewed for the post-2020 period and contribute to the achievements of the 2030 Agenda for Sustainable Development Goals: whereas its financing should be secured in the next MFF, with a major role given to cohesion policy; whereas cohesion policy has achieved important results and enabled the economic and social divide between European regions to be narrowed; whereas, however, 47 regions in eight Member States are still lagging behind in their development;

1. Confirms the high EU added value of cohesion policy, as it fulfils the Treaty's objectives of economic, social and territorial cohesion, as well as of reducing disparities between the levels of development of various regions by:
   – bringing growth and jobs to the regional and local level, especially in territories lagging behind, which contributes to convergence, spill-over effects, enhanced economic cooperation, overall macroeconomic stability and the competitiveness of the Union as a whole;
   – providing public goods of a European dimension by supporting transnational infrastructure;
   – fostering cross-border cooperation and helping to create stable grounds for lasting peace and democracy in Europe;
   – using shared management and subsidiarity in order to bring together various stakeholders from different levels of governance and effectively address socio-economic risks and opportunities;

2. Calls on the Commission to present its proposals for the future MFF and the post-2020 cohesion policy package without delay, and insists on a prompt start of negotiations in order to ensure the timely implementation of the European Structural and Investment (ESI) Funds in the post-2020 programming period; believes that cohesion policy should continue to benefit citizens in all regions, while concentrating resources on the most vulnerable ones; believes that a new set of social and environmental indicators complementary to GDP should be developed and introduced in order to allocate ESI Funds more fairly, and to better take into account different types of inequalities;

3. Affirms that cohesion policy must remain the EU's main public investment and development policy, but that more needs to be done to highlight the major and indispensable role of cohesion policy in achieving the EU's political objectives; considers,

therefore, that a strong focus is needed on employment, skills, innovation, demography, SMEs, social inclusion, and specific EU goals such as digitalisation and reindustrialisation, as well as on a reinforced social dimension, territorial cooperation and the urban dimension; underlines, in this regard, that cohesion policy is not supposed to be the solution and funding instrument for every unforeseen event and that it should not contribute to the establishment of new programmes; points out that new challenges should not undermine the traditional and long-term objectives of cohesion policy as laid down in the Treaties;

4. Calls, therefore, for the MFF to continue to provide for at least the current share of funds for cohesion policy post 2020, striking a good balance between investments in citizens and investments for citizens, and between the three dimensions of cohesion policy – economic, social and territorial – as well as ensuring that the EU's political goals can be reached; believes that the share of the MFF for cohesion should be increased and that current commitments should not be reduced; recalls that, in view of the late start of the period and the expected volume of payment claims towards the end of it, it is of considerable importance to increase the payment ceiling of Heading 1b in order to ensure liquidity and investment flow and to avoid the potential impact of political risks; notes that the creation of future, and the support to current, EU programmes and instruments should not take place at the expense of existing investment; recognises the important contribution of cohesion policy in facilitating structural reforms through incentives, such as ex ante conditionalities, rather than sanctions, and calls on the Commission to explore other positive means of supporting national and regional efforts; underlines that a special focus must continue to be devoted to less developed regions; underlines that the MFF should support the priorities outlined in the European Semester, in particular by taking account of country-specific recommendations, while bearing in mind the objectives of cohesion policy enshrined in the Treaties; recalls that new EU priorities and initiatives should be financed with fresh funding, and that cohesion policy should not be jeopardised by its current envelope being used as a source of funding for such new priorities and initiatives;

5. Considers that regional funding should be protected and continue to be targeted at all EU regions, and should predominantly take the form of grants to be complemented by financial instruments, which, for their part, have an important role to play in certain cases after appropriate ex-ante assessment, together with a clear strategy and set of criteria to determine which type of financing is more appropriate for achieving the desired objectives, and which should be properly integrated with grants where appropriate; stresses that in the event of a reduction in the EU's budgets, greater focus on the EU's core goals and EU added value is required, with particular emphasis on stimulating growth and job creation and reducing inequalities and regional disparities; highlights the Commission's statement that financial instruments are only appropriate for revenue-generating projects; considers that grants and subsidies will therefore continue to be needed; highlights the risks of financial products such as equity, trust funds and other types of bonds; notes that increasing the share of financial instruments should not influence non-refundable financial contributions, as this would hinder the required balance; notes that binding targets for the use of financial instruments in the post-2020 MFF cannot be considered a viable option; considers that the role of the Member States should be emphasised through appropriate co-financing rates which ensure their commitment; notes that there are divergent opinions on macroeconomic conditionality and

stresses that the relationship between cohesion policy and European Semester economic governance processes must be balanced, reciprocal and limit the impact on the beneficiaries of ESI Funds; considers it imperative that ESI Funds focus on areas where common action is most needed, such as promoting growth and competitiveness, or contributing to climate change adaptation and resource efficiency; underlines that EU funding should complement national budgets, by offering real additionality and ensuring that action is taken in areas excluded from national budgets;

6. Considers any solution resulting in a short-term MFF to be unacceptable, as it would impede long-term planning and adversely affect the predictability of policies, including cohesion policy; believes that the only alternative to the current duration is a 5+5 year MFF period, with a compulsory mid-term review, provided that the Commission ensures a smooth transition between programming periods, which would require stricter de-commitment rules, shorter procedures for closing programmes, and faster processes for the setup and start-up of programmes; calls for the future MFF to provide for greater citizen oversight, including by strengthening the partnership principle in cohesion policy and streamlining it with other policies; reiterates its request to apply gender mainstreaming across all parts of the EU budget;

7. Calls for the priorities of regional development programmes to be updated in order to take changing conditions into account and to reap the benefits of new technology; is of the opinion that cohesion policy should aim, in particular, to enhance the knowledge economy and stimulate innovation; considers, moreover, that greater flexibility is required in the MFF to meet unforeseen challenges; underlines that the Commission's position is to strike the right balance between the stability and flexibility of financing; considers the regional unemployment rates and regional social progress index to be appropriate criteria; stresses that the significant level of growth needed for job creation and development cannot be achieved without joint efforts for the implementation of a good economic policy mix, which should consist of investment, structural reforms and fiscal consolidation; emphasises the role of cohesion policy in achieving the objectives deriving from the Paris Agreement (COP21) and in ensuring the transition towards a low-carbon and circular economy; points out that, in order to ensure better implementation of its budget in future, cohesion policy needs to be thoroughly simplified on the basis of the recommendations of the high level group, and a broader application of proportionality needs to be considered, in addition to differentiation between regions in the implementation of ESI Fund programmes; stresses the importance of regional policy for protecting the most vulnerable regions, such as the least developed and outermost regions;

8. Stresses the importance of regional cross-border initiatives in promoting European integration as well as smart, sustainable and inclusive economic growth and job creation; underlines that the Connecting Europe Facility and Cohesion Fund should remain the major sources of infrastructure investment, and that funding appropriations should match the prevailing high demand and oversubscription; points out that European Territorial Cooperation (Interreg) is a key area of EU added value for ensuring the continuity of, and linkages between, common projects across borders and across the EU; is of the opinion that these cross-border initiatives in particular show the added value of the European Union;

9. Recalls that investment in Heading 1a showcases a strong, positive impact on policies;

considers that programmes such as the successor programme to Horizon 2020 should receive twice the funding available under the current framework programme; notes that estimates, demand and success rates indicate that such an increase would alleviate the research and innovation funding gap;

10. Calls for the Commission to implement and further facilitate greater synergies and complementarities between the different EU funds, including cohesion policy, Horizon 2020, the Connecting Europe Facility and the European Fund for Strategic Investments (EFSI), so as to prevent different rules applying to similar projects simply because they were implemented on the basis of different instruments, and to work towards the goal of setting up the same rules for similar projects, including when they are financed by different EU policies and instruments, as this would cut red tape and make the implementation of EU funds easier for beneficiaries without prejudice to the integrity of the financial appropriations of the ESI Funds; notes that the take-up of financial instruments and synergies with grants can be improved; highlights, in this context, that special attention should be paid to state aid rules, so as to provide a level playing field for grants and financial instruments; deems it necessary that all ESI Funds be continued post 2020, including the Cohesion Fund and European Social Fund;

11. Considers it essential, in the context of the new MFF, to ensure that budgetary rules, and rules on cohesion policy spending, are at last simplified in a balanced way without undermining the cross-cutting principles of cohesion policy in order to positively impact the sustainability of the next MFF, as well as to reduce the burden on beneficiaries; calls for the Commission to further explore the ‘single rulebook’ approach in order to encourage more beneficiaries to apply for EU funding, as this would provide an impetus to establish significantly clearer and lighter implementation rules and ensure the integrated strategic planning of EU support; calls for the setting up of a simplification bonus for the Member States for effective measures cutting red tape and improving the management of EU funding; underlines that, in the context of maximising the performance of the MFF as regards conditionality, it is important to find the right balance so as not to jeopardise investments; underlines that the Omnibus package offers increased potential with regard to the proposed simplification and flexibility; considers, therefore, that it should be implemented and further developed after 2020; calls on the Commission to increase the effectiveness and extend the offer of capacity-building support for local, regional and national administrations and beneficiaries; requests that the Commission build upon the positive elements of the ex-ante conditionality system, while reducing the corresponding administrative burden as regards assessment and procedure; calls on the Commission to strengthen administrative capacity-building action with a view to a more efficient implementation of the funds; encourages a wider deployment of measures inspired by the Commission’s recent report entitled ‘Competitiveness in low-income and low-growth regions – the lagging regions report’;

12. Calls for an increase in the budget and further revision of the European Solidarity Fund, particularly the maximum threshold of advance payments (currently capped at EUR 30 million) laid down in Article 4a of the revised EU Solidarity Fund Regulation, in order to effectively and promptly address more of the damages caused by natural disasters.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	9.10.2017
Result of final vote	+: 27 –: 4 0: 4
Members present for the final vote	Franc Bogovič, Steeve Briois, Andrea Cozzolino, Rosa D'Amato, John Flack, Iratxe García Pérez, Krzysztof Hetman, Marc Joulaud, Louis-Joseph Manscour, Martina Michels, Iskra Mihaylova, Jens Nilsson, Andrey Novakov, Paul Nuttall, Konstantinos Papadakis, Mirosław Piotrowski, Stanislav Polčák, Liliana Rodrigues, Maria Spyraki, Ruža Tomašić, Ángela Vallina, Monika Vana, Matthijs van Miltenburg, Lambert van Nistelrooij, Derek Vaughan, Joachim Zeller
Substitutes present for the final vote	Daniel Buda, Andor Deli, Raffaele Fitto, John Howarth, Ivana Maletić, Tonino Picula
Substitutes under Rule 200(2) present for the final vote	James Carver, Esther Herranz García, Susanne Melior

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

27	+
ALDE	Iskra Mihaylova, Matthijs van Miltenburg
ECR	Raffaele Fitto, John Flack, Mirosław Piotrowski, Ruža Tomašić
PPE	Franc Bogovič, Daniel Buda, Andor Deli, Esther Herranz García, Krzysztof Hetman, Marc Joulaud, Ivana Maletić, Andrey Novakov, Stanislav Polčák, Maria Spyraki, Joachim Zeller, Lambert van Nistelrooij
S&D	Andrea Cozzolino, Iratxe García Pérez, John Howarth, Louis-Joseph Manscour, Susanne Melior, Jens Nilsson, Tonino Picula, Liliana Rodrigues, Derek Vaughan

4	-
EFDD	James Carver, Paul Nuttall
ENF	Steeve Briois
NI	Konstantinos Papadakis

4	0
EFDD	Rosa D'Amato
GUE/NGL	Martina Michels, Ángela Vallina
Verts/ALE	Monika Vana

Key to symbols:
+ : in favour
- : against
0 : abstention

26.1.2018

OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT

for the Committee on Budgets

on the next MFF: Preparing the Parliament's position on the MFF post-2020 (2017/2052(INI))

Rapporteur: Sofia Ribeiro

SUGGESTIONS

The Committee on Agriculture and Rural Development calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Stresses the enormous importance of the common agricultural policy (CAP), as the Union's oldest common policy, in achieving public objectives and responding to evolving challenges through successive reforms, which is fundamental, for example, in producing high quality food and also in supplying non-food goods and services, food security, and the stabilisation and preservation of rural populations, in order to ensure food at an affordable price for around 500 million European consumers, territorial balance and social cohesion, and to guarantee that rural areas are sustainable in the long run; notes further that this costs each EU citizen only EUR 0.32 per day; recalls that agriculture and the food industry represent 16 % of European industry's total turnover, and account for over 44 million jobs in the entire food supply chain, 10 million jobs directly in agriculture, 11 million farms and EUR 130 billion a year in income from exports; stresses that, through its two pillars, the CAP helps to stabilise farmers' incomes, while promoting environmental programmes and economic activity in rural areas;

2. Points out that under the current MFF 2014-2020, and for the first time, the CAP is no longer the EU policy with the biggest budget (over the last three decades its share of the MFF has regrettably fallen from 75 % of the MFF to only 38 %); states clearly that, through numerous policy reforms, CAP spending has been reduced and has become more targeted, market-orientated and geared towards improving the competitiveness of EU agriculture;

3. Notes also that the integration of further tasks and objectives into the CAP, which are

not necessarily remunerated by the market, was carried out without increasing its budget and while the EU was enlarged to include more Member States; emphasises that the challenges and demands have increased, including, for example, the need to ensure that food supplies are secure and environmental resources are protected, the development of sustainable farming practices, greening, investment in new farming technology, and the mitigation of the effects and impacts of climate change;

4. Urges the Commission to increase, or at the very least to maintain at its current level, the CAP budget post-2020, so that the two-pillar structure of the CAP can be maintained to help farmers in every sector, to achieve the key goals of increasing farmers' income, protecting and creating jobs, innovation and complying with the Sustainable Development Goals (SDGs) and to meet the commitments to implement the Paris climate change agreement; stresses that any further cut to the CAP budget will have a negative impact on the competitiveness of the agricultural sector and regional development in the EU in Europe's farming communities and rural areas, which is a possibility flatly rejected by Parliament;

5. Considers that the CAP budget should reflect the high European added value of this policy, consisting of both a single market for agri-food products and social, environmental and cohesion benefits at EU level, and points out that the CAP is no longer merely a sectoral policy; considers that a reduction in the CAP budget as a share of EU-27 GDP would reduce the effectiveness of the CAP in meeting Union objectives; feels that the budget level of this policy should guarantee its full Union-status in financial terms;

6. Stresses that the CAP is a comprehensive and fully-fledged EU policy that is one of the cornerstones of European integration; notes that this policy achieves more and more public objectives and is responding flexibly to new challenges and to the evolving needs of the EU and its society through reforms, notes that it is responsible for the conditions of competition in the single market, thus determining the predictability and stability of the conditions under which agricultural activities are carried out;

7. Notes with concern that the uncertainty about the future of the CAP in the context of the MFF is already having negative repercussions in rural areas, with a dispiriting effect on people working in agriculture, creating a situation that could lead to crises in the EU for the sector and in terms of food supply;

8. Stresses that the CAP and its budget form a common operating framework for the agricultural sector in the European Union, and that the absence of these elements of the European project would prevent the functioning of an efficient common market for agri-food products in the EU, as Member States would compete with each other concerning the level of support for agriculture, thereby distorting competition;

9. Draws attention to the Commission's high level of ambition in terms of trade negotiations and liberalisation of access to the European agricultural market for some of the world's most competitive agricultural producers; stresses, on the other hand, that European society has the expectation that agricultural production in the EU will be carried out in accordance with some of the highest norms and standards in terms of quality and food safety, animal welfare, environmental protection and climate protection; stresses, in this context, the important compensatory role of the CAP and the

related financial support for maintaining the competitiveness of European agriculture;

10. Calls on the Commission to take further steps to simplify the CAP funding system, to reduce farmers' financial and administrative burdens and to ensure proper public information about the CAP and what its budget provides, as the amount of aid publicised can be misleading given that the public is unaware that since the CAP was set up in 1962 the Member States have pooled their resources in order to create a common policy and a single market for agricultural produce, and that it thus no longer has a national counterpart in the Member States; stresses the need to raise awareness of the EU's important role in supporting European food production and draws attention to the fact that the CAP not only delivers high quality products at very affordable prices to Europeans but there is also the hidden benefit of ensuring that consumers have extra disposable income to drive other sectors of the economy; stresses that this can only continue if the level of the CAP budget is increased, or at the very least maintained; points out that if every policy was fully financed from the EU budget, the CAP would represent just 1% of that budget, which is reasonable, as it supplies food for more than 500 million Europeans; stresses that the CAP represents less than 0.4 % of total public expenditure in the EU and the Member States, which is a small amount compared to the average of 49 % of EU GDP spent on public expenditure; highlights that EU farmers adhere to high animal welfare, environmental and food safety standards and should therefore be supported to continue these important practices;

11. Stresses that the current instability in the agricultural markets and high price volatility demonstrate the need to maintain farm subsidies, as they allow market failures to be more effectively managed and controlled; acknowledges in this context that the higher food prices and sales of produce in recent years have not been passed on to farmers; insists that concrete support is needed to address the lack of access to credit for farmers and declining farming income; recalls also that European consumers are not prepared to pay for their food at a price which would be undeniably higher if the agricultural sector were not receiving public support;

12. Highlights that whilst farm subsidies only account for an insignificant amount in relation to the Member States' total GDP, they are essential for ensuring continuity in farming and security of income for farmers; reiterates that the CAP is essential in helping to reduce farm income volatility and helping young farmers to enter the farming sector and make their farms profitable, thereby creating direct and indirect employment in the sector;

13. Notes that income volatility resulting from price volatility due to the worsening conditions in the agriculture sector needs to be managed, especially as the costs of production are increasing; highlights that the CAP deals insufficiently with the instability of farming incomes and agricultural markets, and that the decrease in the CAP budget is likely to further aggravate this issue, thereby affecting the most vulnerable sectors in the industry;

14. Calls on the Commission to conduct a study on the amount of money that would revert to the European Agricultural Guarantee Fund (EAGF) if direct payment caps of €150 000, €100 000 and €50 000 were applied across the EU;

15. Recalls that Brexit will have a projected impact of between EUR 3.8 and EUR 4.1

billion a year on the CAP, and calls therefore on the Commission to compensate for this loss by finding alternative forms of financing, for example by increasing Member States' contributions as a percentage of gross national income, developing new forms of own resources, taking on board some of the reforms proposed by the High Level group on Own Resources and improving the functioning of the CAP, in an effort to keep the CAP budget intact following the UK's departure from the EU, so that it can fully meet the current and future challenges facing European farming;

16. Asks the Commission to facilitate access for the agricultural sector to other financial instruments such as the European Fund for Strategic Investments (EFSI); believes that if new conditions concerning CAP payments are to be created, the Commission should match these with an appropriate increase in its budget; stresses the need to increase funding in line with responses to the various cyclical crises in sensitive sectors such as milk, pork, fruits and vegetables, and emphasises that price volatility should be combated by proposing new instruments, taking into account the possible impact of Free Trade Agreements on these sectors and bearing in mind the increasing need to foster the competitiveness of European agriculture sector globally; draws attention furthermore to the growing impact of external conditions on European agriculture and the CAP and the consequent need for additional instruments to counter possible future crises in agricultural markets originating outside the EU's borders;

17. Stresses the importance of improved budget control and calls on the Commission to develop a policy that will give a better account of the destination and results of EU taxpayers' money;

18. Stresses the need for the Commission to keep direct payments intact as they help to avoid distortions of competition between Member States, and to maintain the competitiveness of EU agricultural products externally; vehemently rejects the introduction of any national co-financing which would correspond to the partial renationalisation of the CAP and could lead to the emergence of different CAPs in the different Member States, resulting in a strong bias towards the net contributors to the EU budget and upsetting the functioning of the single market; stresses that the CAP, as the only fully integrated EU-level policy, contributes the highest European added value and that a nationally-financed agricultural policy would be considerably more expensive; rejects any attempt to force Member States to co-finance the CAP; acknowledges the importance of continuing to fund rural development programmes given their contribution to European territorial and social cohesion, as rural areas represent around 90 % of the EU; urges the Commission to take due account of the different costs of production and labour, together with the contribution made by agriculture to employment in the individual Member States, in continuing the process of both convergence of direct payments in the Union under the next multiannual financial framework, and internal convergence within Member States and their regions; stresses the importance of maintaining the variety of measures, including voluntary coupled support, available to Member States to maintain production in sectors vital for vulnerable areas without a distorting effect on the internal market; highlights that direct payments are an important safety net and income support for farmers;

19. Stresses that agriculture, especially primary production, is particularly sensitive to the damage caused by climate-induced natural phenomena (droughts, floods, storms,

precipitation, etc.), and therefore urges the Commission to develop a mechanism to support measures to reduce and prevent such damage which could also include compensation for losses incurred by primary agricultural producers as a result of climate change-induced disasters;

20. Calls on the Commission, in the next CAP budget, to consider rejuvenating the sector by making it easier for young people and new farmers to join the industry and for older people to leave it; urges the Commission to continue developing generational renewal measures, thus supporting the modernisation and rejuvenation of the farming sector, always with a view to using and transferring knowledge;

21. Recalls that most rural areas are among the least-favoured regions of the EU, whose GDP per capita is significantly lower than the European average; feels, therefore, that rural development remains an important challenge for balanced territorial development and that these areas need support in terms of raising employment levels and living standards, as well as in terms of developing non-agricultural roles; stresses that the promotion of economic and social cohesion in the EU is still an ongoing task for the EU budget; considers, therefore, that EU budget funding for rural development under the CAP should be strengthened, while the criteria for distributing this support among the Member States should continue to take into account the differences in a rural population's wealth, size and area given over to agriculture;

22. Calls for targeted renewed support for those farmers most in need, including family, small and medium-sized farms and, through targeted practical measures, for those in areas facing natural constraints, as well as those in the most disadvantaged, mountain and outermost regions, thereby securing food production and supplies more effectively in all parts of the EU and preventing the depopulation of rural areas; calls for support to accurately target those working directly on the land, without excluding part-time farmers, who in many cases have diversified their activities and should not be penalised for such efforts; notes that incentivising future farming through an appropriate future budget for the CAP and positive differentiation for the most vulnerable areas is crucial for the agriculture sector; calls on the Commission to envisage increasing the envelope for programmes of options specific to isolation and insularity (POSEI), as called for by Parliament, in order to safeguard a scheme which is very important to outermost regions; recalls that three Member States are eligible for those programmes, which represent less than 1 % of the CAP budget; notes in particular that community-led local development such as the LEADER programme represents an efficient use of CAP funds; calls for increased funding to be awarded under the future MFF to the setting-up and development of producer organisations;

23. Calls on the Commission within the next MFF to support farmers' access to innovations such as modern breeding techniques and precision farming by increasing synergies between different forms of funding programmes and improving the role of agriculture in EU research programmes; notes the growing role and potential of new technologies in agriculture, but points out that they remain unaffordable for a large proportion of farmers;

24. Calls on the Commission to present a proposal for a legal framework for the food supply chain in the EU and to guarantee that it is financed properly, in order to combat

unfair trading practices (UTPs) in the single market and ensure a certain level of transparency and certainty for farmers which will enable them to make well-informed decisions that will not only benefit the farmers themselves, but also consumers, and avoiding such practices as below-cost selling and the resultant drop in farming incomes; calls for measures to be funded which boost the bargaining power of farmers in the food supply chain; recalls Parliament's overwhelming support for an EU regulatory framework to tackle UTPs;

25. Notes producer interest in EU product-promotion programmes, and calls on the Commission to sustain the current trend of strengthening the resources for such programmes while also, however, conducting an evaluation of the associated administrative requirements and conditions, which often present difficulties, especially for small and medium-sized and new producers and the associations representing them;

26. Considers that the first four scenarios set out by the Commission in its White Paper of March 2017 are not ambitious enough; stresses that the fifth scenario must be the starting point for any reflection on the future of the EU budget post-2020; believes that the duration of the next MFF should be as long as possible (at least seven years), with a long-term outlook of 2050 for the development of the EU's agricultural sector, in order to ensure the predictability and stability of CAP funding for the future, especially given the importance of the security of food supply and increased instability in the sector, as well as to increase the possibility for pilot programmes to succeed.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	23.1.2018
Result of final vote	+: 32 –: 3 0: 5
Members present for the final vote	John Stuart Agnew, Clara Eugenia Aguilera García, Eric Andrieu, Richard Ashworth, José Bové, Daniel Buda, Nicola Caputo, Paolo De Castro, Jean-Paul Denanot, Albert Deß, Jørn Dohrmann, Herbert Dorfmann, Norbert Erdős, Luke Ming Flanagan, Martin Häusling, Esther Herranz García, Peter Jahr, Ivan Jakovčić, Jarosław Kalinowski, Zbigniew Kuźmiuk, Philippe Loiseau, Mairead McGuinness, Ulrike Müller, James Nicholson, Maria Noichl, Marijana Petir, Laurenţiu Rebega, Bronis Ropė, Ricardo Serrão Santos, Czesław Adam Siekierski, Tibor Szanyi, Marc Tarabella, Marco Zullo
Substitutes present for the final vote	Franc Bogovič, Stefan Eck, Jens Gieseke, Maria Heubuch, Karin Kadenbach, Momchil Nekov, Sofia Ribeiro, Annie Schreijer-Pierik, Hannu Takkula, Tom Vandenkendelaere, Thomas Waitz
Substitutes under Rule 200(2) present for the final vote	Stanisław Ożóg

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

32	+
PPE	Franc Bogovič, Daniel Buda, Albert Deß, Herbert Dorfmann, Norbert Erdős, Jens Gieseke, Esther Herranz García, Mairead McGuinness, Marijana Petir, Sofia Ribeiro, Annie Schreijer-Pierik, Czesław Adam Siekierski, Tom Vandenkendelaere
S&D	Clara Eugenia Aguilera García, Eric Andrieu, Nicola Caputo, Paolo De Castro, Jean-Paul Denanot, Karin Kadenbach, Maria Noichl, Ricardo Serrão Santos, Tibor Szanyi, Marc Tarabella
ECR	Jørn Dohrmann, Zbigniew Kuźmiuk, James Nicholson, Stanisław Ożóg
ALDE	Ivan Jakovčić, Ulrike Müller, Hannu Takkula
ENF	Philippe Loiseau, Laurenţiu Rebega

3	-
GUE/NGL	Stefan Eck, Luke Ming Flanagan
EFDD	John Stuart Agnew

5	0
ECR	Richard Ashworth
Verts/ALE	José Bové, Martin Häusling, Bronis Ropė
EFDD	Marco Zullo

Key to symbols:
+ : in favour
- : against
0 : abstention

23.11.2017

OPINION OF THE COMMITTEE ON FISHERIES

for the Committee on Budgets

on the next MFF: preparing Parliament's position on the MFF post-2020
(2017/2052(INI))

Rapporteur: Clara Eugenia Aguilera García

SUGGESTIONS

The Committee on Fisheries calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Highlights the fact that, in view of the socioeconomic importance of fisheries activity in the coastal regions of the EU, keeping a specific, substantial, independent and accessible fisheries fund is necessary in order to implement the common fisheries policy (CFP), to ensure the sustainability of European aquaculture and fisheries, to introduce a selectivity plan so as to prevent discards, to reduce the financial burden of the landing obligation and facilitate its fulfilment, and to achieve the maximum sustainable yield (MSY) objective; stresses, moreover, that such a fund must also help the fisheries sector carry out a restructuring process that has been rendered necessary for a variety of reasons, and that this process may include measures such as the application of the landing obligation and the replacement of non-polluting engines;

2. Stresses that the CFP is an exclusive EU competence and that the financial funds made available to the EU for this policy should therefore be sufficient in order to achieve the demanding goals laid down in the Basic Regulation; recalls, however, that the current European Maritime and Fisheries Fund (EMFF) accounts for only 0.6 % of the total 2014-2020 MFF; emphasises that EMFF financial funds should be maintained at at least the same level in view of the socioeconomic importance of fisheries in the coastal regions of the European Union;

3. Urges the Commission to propose a larger financial allocation for the next EMFF programming period, higher funding percentages, and different rules on co-financing and the allowances paid to fishermen during the closed season, in order to provide means of meeting the needs of small-scale non-industrial fisheries, which are often hampered by administrative delays caused by Member States;

4. Notes that support measures for the temporary cessation of fishing activities should be maintained in certain cases; notes, furthermore, that they should be targeted at those fleets that are forced to cease their activities owing to an external cause, such as the closure of a fishery; calls, moreover, for support measures for the permanent cessation of fishing activities to be maintained under the same conditions that currently apply, together with, where necessary, an economic audit of the repercussions of the dismantling of vessels on the fleet's equilibrium and on real fishing capacity;

5. Notes that Brexit must not be used as an excuse to reduce future funding; takes the view that the EU should find a way to ensure that a possible decline in the post-2020 MFF does not automatically translate into lower allocations to the EMFF, as it has been cut under the 2018 budget; underlines the fact that support must be specially prioritised for small-scale coastal fisheries; warns, furthermore, that the risk of the impact of Brexit on fisheries necessitates a solid budget heading, in view of the already diminished budget allocated to the sector in the EU;

6. Proposes that financing be enhanced by means of other financial instruments in addition to non-repayable aid; proposes, moreover, access to a loan scheme allowing greater financing possibilities for the sector so as to enhance the economic development of enterprises and to continue working to mitigate the environmental impact of extractive activities;

7. Emphasises the need to endow the EMFF with a sufficient level of funding to enable investment in the sustainability, selectivity and competitiveness of fishing fleets;

8. Stresses that the level of implementation of the 2014-2020 EMFF three years after its adoption on 15 May 2014 remains unsatisfactory, as by September 2017 only 1.4 % of the EUR 6.4 billion fund had been used; hopes that the level of implementation of the EMFF and other EU structural and investment programmes will eventually improve; highlights that the low level of implementation is largely due to the delay in adopting the rules for this European fund following the reform of the CFP and, in many cases, the lack of clarity in the administrative procedures regarding the aid measures under the fund; advocates, therefore, greater precision and simplification in this regard; calls for greater flexibility in allocating appropriations and, in particular, for data-related funding not used by Member States to be transferable to research institutes and, for control purposes, to the European Fisheries Control Agency (EFCA);

9. Stresses, in addition, that costs in connection with the landing obligation should be covered by the EMFF, which presupposes that the fund has been simplified and is sufficiently well endowed;

10. Is of the opinion that steps need to be taken in order to ensure that the post-2020 EU fisheries fund is implemented in a swifter, more flexible and less bureaucratic manner, without the delays that continue to plague the 2014-2020 EMFF, in order to try to avoid a repetition of the current situation;

11. Calls on the Commission to revise the investment clause so as to enable regional and national investment co-financed under the EMFF to be excluded from the national deficit calculation used for the purposes of the European Semester;

12. Supports the view widely held by the industry and Member State administrations that the current financing rules are too complicated and could be made less cumbersome overall, and for projects that involve low levels of funding in particular; points out that, as the report on the omnibus regulation to simplify the Financial Regulation did not cover the EMFF, the EMFF Regulation must be simplified;

13. Highlights the importance of fisheries control and scientific data collection control, those activities being pillars of the CFP; takes the view that they must continue to receive EU funding and that Member States must step up their efforts to make use of the resources concerned;

14. Is of the opinion that, for a new EU fisheries fund, proportionality rules must be introduced so that small projects bear a lesser bureaucratic burden than large projects; suggests, in this connection, that there should be a sort of 'de minimis' rule for low-level financial support under a new EU fisheries fund;

15. Stresses that, even though the EU remains a net seafood importer, European fisheries continue to be both a very important source of healthy food for the European market and a guarantee of food autonomy; underlines the fact that the EU should continue to prevent market entry for third-country products that do not comply with food-related, environmental and social standards deriving from International Labour Organisation Convention No 188, or with provisions to combat illegal, unreported and unregulated fishing, and that these requirements must be incorporated into free trade agreements; stresses that overall, imports of sub-standard fishery products that do not meet the legal requirements should be restricted and a level playing field for fishery products created; underlines the need to strengthen and harmonise controls and inspections of third-country imports in order to prevent products that do not meet the legal requirements from entering the EU market;

16. Stresses that European added value in fisheries management has to date been largely associated with a reduction in the capacity of fishing fleets, sound resource management, product quality and product processing; is of the opinion that in the post-2020 MFF a balance between the fisheries resources available and fleet capacity will have to be taken into account; highlights that other elements with an unquantifiable added value should also be considered, such as the role played by fisheries in communities highly dependent on the sector in terms of direct and indirect employment and local growth; underlines, therefore, the importance of maintaining an independent fisheries fund in order to support these communities and guarantee greater territorial cohesion;

17. Stresses that coastal communities that depend on artisanal fisheries should be a priority in the future EMFF given the importance of artisanal fisheries in such localities in terms of the environment and employment, this sector accounting for 80 % of the European fleet, and for 40 % of employment in the primary sector as a whole, in addition to the jobs created indirectly in local distribution, the manufacture of nets or ship repair; stresses, moreover, that coastal communities that depend on artisanal fisheries should be a priority in the future EMFF so as to ensure growth and provide income and employment; notes that this was the message of the CFP reform and that it was heeded when the new policy was formulated;

18. Stresses the importance of the social and economic dimension of fishing for local

communities and some maritime and coastal regions; recognises the need to maintain enough financial provisions to enable coastal, artisanal and small-scale fleet sectors to obtain funding;

19. Highlights the fact that traditional coastal fishing is a major source of attractiveness for tourists and, as such, also has a considerable indirect impact on other sectors of the economy;

20. Highlights the fact that European coastal and island communities are highly dependent on the fisheries sector, and will remain so, both in connection with seafood product processing, tourism and catering and – upstream – as regards shipyard, maintenance and repair work, safety and new technologies; stresses, therefore, that community-led local development (CLLD) and fisheries local action groups (FLAGs) should remain a focus and their funding must be increased, as they serve to enable local fisheries communities to address these challenges at grass-roots level, using the knowledge of local stakeholders to tackle local issues; underlines, in this regard, the importance of keeping the financing structure of fishermen's producer organisations intact and of making contributions to representative professional bodies;

21. Believes that control measures are a fundamental and essential component of the CFP for ensuring a level playing field, and that sufficient economic and other resources need to be dedicated to control activities, both by the Commission and the Member States; considers, therefore, that the future fund must ensure sufficient support in this regard;

22. Stresses the need to maintain the financing structure for the two collective support instruments for the fisheries sector, local action groups and producer organisations in the fisheries sector, in view of the fact that they constitute core elements for the development of fisheries in regions that depend on this activity;

23. Considers that the EMFF should continue to prioritise financial support to coastal and artisanal fisheries given the socioeconomic role they play in regions that are highly dependent on fisheries, but without jeopardising the financial support to other fleets necessary for the supply of healthy foodstuffs to EU markets;

24. Considers it necessary, with a view to the upcoming reform of the MFF, to launch a debate on the possible funding of measures to modernise certain fleets that are obsolete and that pose safety risks at sea, as is the case with some fleets in the outermost regions, provided this does not lead to an increase in fishing capacity;

25. Stresses the increasingly important role of the so-called 'blue economy'; is of the opinion that the priorities of the Blue Growth Strategy should be aligned with those of the EMFF, with a specific budget heading being assigned accordingly, i.e. environmental sustainability, resource efficiency, competitiveness, the creation of high-quality employment opportunities, academic and vocational training, and territorial cohesion; calls on the Commission to reassess the financial allocations for Blue Growth in the MFF and stresses that a fisheries fund should play an important role in this regard;

26. Welcomes the desire to boost the aquaculture sector under the European strategy for the 'blue economy' – to which 20 % of the EMFF is allocated – but regrets the administrative obstacles to the development of aquaculture; calls, therefore, for thought to be given to

ways of reducing red tape in the Member States;

27. Highlights the need for support measures in order to facilitate social dialogue and to use the EMFF to help train skilled professionals for the maritime and fisheries sector; stresses the importance of modernising the maritime and fisheries sector and notes the role that innovation plays in this; calls, therefore, for investment in technological development and innovation to be enhanced, in particular in view of the necessity of improving selectivity in fishing gears in the context of the landing obligation and the fulfilment of the MSY criteria, and in view of the need to ensure vessel efficiency, and crew comfort and safety; calls, moreover, for enterprises in other sectors that develop proposals for the fisheries sector to be given access to the funds and for greater financing possibilities so as to encourage improvements in the economic and environmental performance of the sector;

28. Stresses the importance of promoting and investing in the diversification of fisheries by developing complementary activities;

29. Recalls the need to improve the gathering of scientific data and ensure better access to it, and to foster cooperation and the exchange of scientific data between the maritime and fisheries sector on the one hand and the scientific community, NGOs and other entities on the other, as well as to work on new scientific research and to develop new fisheries sectors, such as aquaponics;

30. Reiterates the importance of drawing on rigorous and independent scientific opinions when assessing the state of fishery resources, so that management decisions can be taken to enable maximum sustainable yields (MSY) to be achieved; is of the opinion that sufficient funding should be provided for in the post-2020 EMFF for the purposes of scientific data collection;

31. Stresses the importance of maintaining at least the same level of financing for the EFCA in respect of its control, inspection and surveillance tasks in the fisheries sector; demands that the role of the EFCA be reinforced in the future in order to enable the objectives of the CFP to be achieved, and in order for the EFCA to consolidate its activities concerning the governance of fishing fleets and the supervision of monitoring procedures; calls on the Commission to increase the funding of the EFCA.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	21.11.2017
Result of final vote	+: 21 –: 2 0: 2
Members present for the final vote	Marco Affronte, Clara Eugenia Aguilera García, Renata Briano, Alain Cadec, David Coburn, Richard Corbett, Diane Dodds, Linnéa Engström, Mike Hookem, Ian Hudghton, Carlos Iturgaiz, Werner Kuhn, António Marinho e Pinto, Gabriel Mato, Norica Nicolai, Liadh Ní Riada, Ulrike Rodust, Remo Sernagiotto, Ricardo Serrão Santos, Isabelle Thomas, Ruža Tomašić, Jarosław Wałęsa
Substitutes present for the final vote	France Jamet, Verónica Lope Fontagné, Francisco José Millán Mon, Maria Lidia Senra Rodríguez

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

21	+
ALDE	António Marinho e Pinto, Norica Nicolai
ECR	Ruža Tomašić, Remo Sernagiotto
ENF	France Jamet
PPE	Alain Cadec, Carlos Iturgaiz, Francisco José Millán Mon, Gabriel Mato, Jarosław Wałęsa, Verónica Lope Fontagné, Werner Kuhn
S&D	Clara Eugenia Aguilera García, Isabelle Thomas, Renata Briano, Ricardo Serrão Santos, Richard Corbett, Ulrike Rodust
VERTS/ALE	Ian Hudghton, Linnéa Engström, Marco Affronte

2	-
EFDD	David Coburn, Mike Hookem

2	0
GUE/NGL	Liadh Ní Riada, Maria Lidia Senra Rodríguez

Key to symbols:
+ : in favour
- : against
0 : abstention

6.12.2017

OPINION OF THE COMMITTEE ON CULTURE AND EDUCATION

for the Committee on Budgets

on the next MFF: preparing the Parliament's position on the MFF post-2020 (2017/2052(INI))

Rapporteur: Helga Trüpel

SUGGESTIONS

The Committee on Culture and Education calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Believes that the end of the 2014-2020 programming period, along with the changed European and international political environment, warrant a rethink of the multiannual financial framework (MFF) structure, so as to adapt it to the needs of the Union; urges therefore the Commission and the Member States to duly assess the potential consequences and effects of Brexit, initiate a comprehensive reform of the MFF and provide the necessary financial resources in order to prevent Brexit from having any negative effects either on the level of funding earmarked for EU-wide cooperation programmes in the fields of culture, education, media, youth, sports and research, or on the people working in the relevant sectors;

2. Expresses support for programmes in the areas of culture, education, media, youth, sports, and research and citizenship that have clearly demonstrated their European added value and enjoy lasting popularity among beneficiaries and calls for a significant increase in commitment and payment appropriations and long-term and coordinated investments to guarantee the successful completion of their objectives in the post-2020 MFF;

3. Considers that the structure of the future MFF should respect, at a minimum, the following criteria:
   i. Simplicity, that is, a reform of the headings that allows citizens to understand its objectives; believes that the programmes for education and training, youth, culture and sport should be collected under a single heading that reflects the various objectives of the programmes appropriately;
   ii. Predictability, that is, a structure of the MFF and the related programmes allowing

for sufficient long-term planning by beneficiaries; invites the Commission to maintain the structure of those programmes whose potential has not yet been fully exploited, including the cross-sectoral strand of Creative Europe, and in particular the Cultural and Creative Sector Guarantee Facility and its joint actions with the European Fund for Strategic Investment (EFSI), which are crucial for support of cultural and creative industries;

iii. Transparency and democratic accountability, that is, the duration of the MFF should be aligned to the European electoral cycle; notes that the mismatch between the seven-year programming of the MFF and the ten-year programming of the political and strategic priorities of the EU could adversely affect the consistent evaluation of the results achieved by Union programmes; suggests therefore a MFF post-2020 with a duration of 10 years with a binding and meaningful revision after the first 5 years;

iv. Adaptability, as the experience of the MFF 2014-2020 has shown its inability to respond to emerging challenges without impacting existing programmes; believes more flexibility and wider margins are needed within the next MFF, along with the establishment of the principle of 'new money for new initiatives' in order to avoid financing new initiatives from the EU budget at the expense of existing EU programmes and policies; stresses, in that context, that long-term stability is essential for cultural and educational programmes; invites the Commission and the Council, therefore, to consider increasing the ceilings of commitment and payment appropriations in the future MFFs; takes the view that flexibility should make it possible for full use to be made of the MFF commitment and payment ceilings;

v. Responsibility, as a matter of priority, action must be taken to prevent a new payment crisis from occurring during the current MFF; takes the view that great care should be taken to avoid the accumulation of outstanding arrears in the accounts, of the kind that were seen at the end of the last MFF (2007-2013) and at the beginning of the current one (2014-2020); expects an increase in commitment appropriations to be accompanied by a corresponding increase in appropriations for timely payments; regrets that the consequences of payment arrears are significant and have a particularly serious effect on small organisations in the education, culture and creative sectors, thereby also directly affecting beneficiaries of the EU budget, for example students, universities, SMEs and researchers;

4. Believes that adequate and long-term investments in education and culture are essential in order to allow EU citizens to effectively and actively participate in the political and democratic life of the EU;

5. Firmly supports the need to reduce the contribution from GNI-based resources to the EU budget's own resources, in the context of a comprehensive reform of the system, in order to respect the letter and spirit of Article 311 of the TFEU;

6. Notes with great concern the rise of social and economic inequalities, xenophobia, racism, nationalism, violent extremism and terrorism in Europe; calls, therefore, for effective prevention measures to be supported through increased funding for relevant EU programmes, including those that among other initiatives support educational strategies that foster European citizenship, social cohesion, tolerance and human rights,

and promote open and inclusive European societies as the bedrock of our democratic model, in accordance with the Paris Declaration of 17 March 2015;

7. Recognises the short and long-term challenges posed by the integration of cultural diverse refugees and migrants into European society for new arrivals and host societies; underlines the importance of cultural, educational and sport programmes in this regard, and calls for long-term and coordinated investments, together with an adequate increase in funding through current and future generations of Erasmus+, Creative Europe and Europe for Citizens programmes to support Member States in their efforts to achieve meaningful integration, while mainstreaming this support for cultural and educational programmes in other EU funds for integration such as the Asylum, Migration and Integration Fund (AMIF);

8. Recognises the challenges facing the Union in the fields of education, culture, youth and citizenship, notably concrete accessibility to EU programmes, in particular for people with disabilities and the need to widen the scope of the programmes to address all young Europeans, including high school pupils and apprentices, reaching beyond university students, who currently make up the vast majority of beneficiaries; underlines, in this regard, the importance of cultural, educational, and sport programmes, and calls for long-term and coordinated investments through current and future Erasmus+, Creative Europe and Europe for Citizens programmes to support Member States in their efforts;

9. Recalls that the Youth Guarantee Scheme and the Youth Employment Initiative are key tools for addressing the persistent problem of high levels of youth unemployment and calls for their continued improvement, as well as a substantial budget increase, within the framework of the European Social Fund; points out that policies supporting demand and investments, growth-enhancing structural reforms, and coordination in social policies are needed to support quality transitions for young people into the labour market in a sustainable way;

10. Stresses the need to reinforce existing programmes in the field of education and culture to further support employability of workers, particularly in Member States with high unemployment rates, and to foster the competitiveness of EU cultural industries;

11. Believes that the next MFF should provide dedicated funding for non-formal education, volunteer-based activities in the field of European citizenship education for young people in primary and secondary schools, in vocational education and training schools, and all other learning centres, as these kind of activities plays a major role in ensuring that the EU is ‘taught’ in many schools across Europe, raising the quality of European citizenship education overall, as well as indirectly fostering European identity and active civic engagement among young citizens;

12. Reiterates its support for also strengthening the external dimension of the Erasmus+ and Creative Europe cultural programmes as an important part of the people-to-people aspect of the EU strategy for international cultural relations, with a particular regard to low- and medium-income countries as well as specific mobility schemes for young artists and professionals working in the cultural and creative sectors; is of the opinion that the external dimension of the new programme European Solidarity Corps should be strengthened;

13. Calls for continuous investment in the current and future ET2020 framework, Erasmus+, Creative Europe and Europe for Citizens programmes to provide space for youth organisations to continue reaching out to young people and providing them with valuable competences and life skills through lifelong learning, learner-centred and non-formal education and informal learning opportunities, particularly volunteering and youth work;

14. Stresses that the increased investment in Erasmus+ must allow the programme to have a broader reach in order to include more ambitious opportunities for mobility for VET learners, vulnerable young people and young people suffering from multiple discrimination and barriers, including people with disabilities, people identifying as LGBTI and people coming from marginalised communities, as well as pupils in the context of school exchanges;

15. Calls for investing ten times more in the Erasmus+ Successor Programme for the next MFF cycle in order to reach out to many more young people and learners across Europe and achieve the full potential of the programme supporting the call made by President Juncker in his State of the Union speech and by several European leaders as well as by the coalition of civil society organisations behind the 'Erasmusx10' campaign; points out that the current Erasmus+ programme accounts for only 1.36 % of the overall EU budget 2014-2020 and will only benefit 4 million Europeans by the end of its implementation in 2020;

16. Stresses the importance of the timely approval of the post-2020 MFF and associated programme regulations in preventing problems in programme implementation and keeping the transition period between the current and forthcoming periods to a minimum;

17. Considers that, given the still high number of European citizens with poor literacy skills or literacy difficulties, including functional and media illiteracy, and with some 40 % of EU workers lacking adequate digital skills and 44 % of the population having low or no basic digital skills, the next MFF must set aside substantial additional resources – above and beyond existing education programmes – to boost digital skills through enhanced education, vocational training and lifelong learning opportunities, and to support digitalisation of education and cultural resources in order to improve and enhance their quality and accessibility; stresses furthermore that digital skills initiatives must encompass both basic life skills, such as media and digital literacy, and specific job skills, such as coding; insists that the new MFF should offer an opportunity to frame a holistic EU policy on digital skills;

18. Stresses the importance of addressing social exclusion and including persons from disadvantaged backgrounds to ensure they have full and equal access to both culture and education;

19. Welcomes the Commission's initiative for the creation of the European Solidarity Corps as a programme to foster solidarity amongst young Europeans and recommends its continuation in the next MFF with increased budget and as an element of the EU's youth policy framework;

20. Recognises the importance of cultural and creative industries (CCIs) for the social and

economic development of the EU and its Member States and recommends to develop a coordinated policy framework that addresses the specific needs for the further development and promotion of the sector;

21. Stresses the need to take necessary measures to improve accessibility and implementation of programmes by reducing bureaucracy, possibly through simplification, flexibility and synergy between programmes, and to prevent late payments or a backlog of unpaid bills;

22. Recognises the importance of safeguarding both natural and cultural heritage and harnessing their potential as economic drivers;

23. Calls for a greater emphasis on quality traineeships and apprenticeships and increased participation by young Europeans in the policy-making processes.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	4.12.2017
Result of final vote	+: 14 –: 1 0: 0
Members present for the final vote	Andrea Bocskor, Silvia Costa, María Teresa Giménez Barbat, Giorgos Grammatikakis, Petra Kammerevert, Stefano Maullu, Luigi Morgano, Sabine Verheyen, Julie Ward, Bogdan Brunon Wenta, Bogdan Andrzej Zdrojewski, Milan Zver
Substitutes present for the final vote	Norbert Erdős, Hermann Winkler
Substitutes under Rule 200(2) present for the final vote	Sylvie Goddyn

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

14	+
ALDE	María Teresa Giménez Barbat
PPE	Andrea Bocskor, Norbert Erdős, Stefano Maullu, Sabine Verheyen, Bogdan Brunon Wenta, Hermann Winkler, Bogdan Andrzej Zdrojewski, Milan Zver
S&D	Silvia Costa, Giorgos Grammatikakis, Petra Kammerevert, Luigi Morgano, Julie Ward

1	-
ENF	Sylvie Goddyn

0	0

Key to symbols:
+ : in favour
- : against
0 : abstention

30.11.2017

OPINION OF THE COMMITTEE ON CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS

for the Committee on Budgets

on the next MFF: preparing the Parliament's position on the MFF post-2020 (2017/2052(INI))

Rapporteur: Monica Macovei

SUGGESTIONS

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 motion for a resolution:

1. Points out that the structure of the new multiannual financial framework (MFF) should better correspond to the top five political priorities of the EU; calls for more coherence between the funding of the EU budget and its objectives, if needed by breaking the 1 % glass ceiling of Member State GDP contributions and/or by adapting and reducing the EU's objectives;

2. Calls for increased funding to combat the phenomenon of radicalisation leading to violent extremism within the EU; considers that this can be achieved by promoting integration and tackling discrimination, racism and xenophobia;

3. Stresses the importance of the different EU funds and highlights that actions in the field of security and migration should not only be covered by dedicated instruments, such as the Asylum, Migration and Integration Fund (AMIF) or the Internal Security Fund (ISF), providing an adequate level of funding to address the comprehensive challenges in these areas and with sufficient resources from the outset for the entire duration of the next MFF, but should also be included by design in more generic future instruments such as the European Social Fund (ESF), the Cohesion Fund or Security Union Fund (corresponding to the European Agenda on Security), and the external action financing instruments; notes that the possibility of using other, more generic instruments such as the ESF to fund actions that are also relevant in the context of the integration of migrants and refugees into host societies should not be ruled out; considers it necessary that all ESI Funds be continued post-2020, and stresses that certain funds, such as the

ESF, should address, in particular, the issue of programmes for combating radicalisation, marginalisation, hate crime and xenophobia;

4. Calls for more financial support to strengthen the activities of civil society;

5. Stresses that the level and mechanisms of funding for security and migration should be adequate and provide for the necessary flexibility in order to avoid systematic recourse to the flexibility mechanism of the EU budget every year, such as has been the case with the current MFF since 2015, and to ensure that the delivery modes are responding effectively to emerging needs on the ground; takes the view that the funds should also include a robust midterm review that would adjust the allocation of funding to the needs on the ground on the basis of updated statistics and reward performance in implementing EU priorities;

6. Reiterates its concerns about the establishment of ad-hoc instruments outside the Union budget, such as trust funds, that neither preserve the unicity and universality of the EU budget nor improve its transparency and comprehensibility; recalls that EU trust funds should only support actions outside the Union; recalls that Parliament should be able to exercise its powers of scrutiny not only over the creation of such EU trust funds, but also over their entire disbursement;

7. Deplores the increasing EU financial support granted to third countries such as Libya and Turkey to prevent migration, despite concerns about the human rights situation in those third countries;

8. Recalls that, for the Security Union to function properly, the focus of financial instruments should be on improving current policies and existing systems;

9. Stresses the important role played by all Justice and Home Affairs (JHA) agencies and newly created Union bodies as part of the Security Union Agenda, as well as the significant part they play in countering trans-border crime, fraud, money laundering and terrorism, whether in terms of providing support on asylum matters, judicial cooperation, police cooperation, border management, data protection, large-scale IT projects or fundamental rights; calls for the allocation of appropriate resources for their operations and activities; regrets that the funding provided for many of those agencies has not kept pace with the increased expectations placed upon them in terms of their tasks;

   a) regrets the insufficient provision of resources to law enforcement agencies, such as Europol, Eurojust and Cepol, under the current MFF and calls for resource programming in line with political expectations and agencies' operational demands, including the need for technological and technical support, as well as training;

   b) calls for the allocation of increased funding for the creation of additional Joint Investigation Teams in order to increase cooperation and information exchange in cross-border investigations;

   c) stresses the importance of the work performed by the European Agency for the operational management of large-scale IT systems in the area of freedom, security

and justice (eu-LISA) on a number of existing and new systems in the area of freedom, security and justice; calls for the allocation of adequate financial and human resources in order to ensure the continuation of this work, as well as for the smooth implementation and management of the Entry-Exit System, the European Travel Information and Authorisation System (ETIAS), the European Criminal Records Information System (ECRIS-TCN) and upcoming initiatives to enable interoperability between EU information systems for security, border and migration management;

d) recalls the Union's commitment to fighting poverty and social exclusion, as part of the Europe 2020 growth strategy, as well as the need for a better understanding of and response to the phenomena of radicalisation, the growing marginalisation of some groups, hate speech and hate-crime; underlines the role of the EU Agency for Fundamental Rights (FRA) in relation to these matters; calls for additional human resources to be allocated to the FRA; regrets that the FRA's mandate still limits its role in supporting fundamental rights; underlines that the FRA should be able to offer opinions on legislative proposals on its own initiative and that its remit should extend to all areas of rights protected under the EU Charter of Fundamental Rights, including, for instance, issues of police and judicial cooperation;

e) calls for adequate resources for the consolidation of the new mandate of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union (FRONTEX) and underlines that its new tasks, competences and activities will require ongoing funding in the post-2020 financial framework;

f) calls for additional human resources to be allocated to the European Asylum Support Office (EASO) in order to support an enhanced mandate to transform the EASO into a fully-fledged agency which is capable of providing the necessary operational and technical assistance to the Member States;

g) stresses the role of the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) in providing a comprehensive assessment of illicit drug use, its importance both on the preventative side and in carrying out law enforcement follow-up activities, and the need, therefore, to ensure that it is provided with adequate resources;

h) calls for the allocation of proper resources in order to ensure the smooth implementation and running of the European Public Prosecutor's Office;

10. Calls on the Commission to invoke Article 7 of the Treaty on European Union in case of a clear risk of a serious breach by Member States of the rule of law and calls on the Council to assume its responsibilities in that regard.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	28.11.2017
Result of final vote	+: 40 –: 7 0: 0
Members present for the final vote	Asim Ademov, Gerard Batten, Heinz K. Becker, Monika Beňová, Malin Björk, Caterina Chinnici, Rachida Dati, Ana Gomes, Nathalie Griesbeck, Sylvie Guillaume, Jussi Halla-aho, Monika Hohlmeier, Filiz Hyusmenova, Sophia in ‘t Veld, Dietmar Köster, Barbara Kudrycka, Monica Macovei, Roberta Metsola, Claude Moraes, Péter Niedermüller, Ivari Padar, Soraya Post, Birgit Sippel, Branislav Škripek, Csaba Sógor, Sergei Stanishev, Helga Stevens, Traian Ungureanu, Bodil Valero, Marie-Christine Vergiat, Udo Voigt, Kristina Winberg, Tomáš Zdechovský
Substitutes present for the final vote	Gérard Deprez, Teresa Jiménez-Becerril Barrio, Sylvia-Yvonne Kaufmann, Jean Lambert, Jeroen Lenaers, Nuno Melo, Morten Helveg Petersen, Salvatore Domenico Pogliese, Róża Gräfin von Thun und Hohenstein, Axel Voss
Substitutes under Rule 200(2) present for the final vote	André Elissen, Karoline Graswander-Hainz, Georg Mayer, Julia Pitera

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

40	+
ALDE	Gérard Deprez, Nathalie Griesbeck, Filiz Hyusmenova, Morten Helveg Petersen, Sophia in ‘t Veld
ECR	Jussi Halla-aho, Monica Macovei, Branislav Škripek, Helga Stevens
PPE	Asim Ademov, Heinz K. Becker, Rachida Dati, Monika Hohlmeier, Teresa Jiménez-Becerril Barrio, Barbara Kudrycka, Jeroen Lenaers, Nuno Melo, Roberta Metsola, Julia Pitera, Salvatore Domenico Pogliese, Csaba Sógor, Róża Gräfin von Thun und Hohenstein, Traian Ungureanu, Axel Voss, Tomáš Zdechovský
S&D	Monika Beňová, Caterina Chinnici, Ana Gomes, Karoline Graswander-Hainz, Sylvie Guillaume, Sylvia-Yvonne Kaufmann, Dietmar Köster, Claude Moraes, Péter Niedermüller, Ivari Padar, Soraya Post, Birgit Sippel, Sergei Stanishev
VERTS/ALE	Jean Lambert, Bodil Valero

7	-
EFDD	Gerard Batten, Kristina Winberg
ENF	André Elissen, Georg Mayer
GUE/NGL	Malin Björk, Marie-Christine Vergiat
NI	Udo Voigt

0	0

Key to symbols:
+ : in favour
- : against
0 : abstention

11.10.2017

OPINION OF THE COMMITTEE ON CONSTITUTIONAL AFFAIRS

for the Committee on Budgets

on the next MFF: preparing the Parliament's position on the MFF post-2020
(2017/2052(INI))

Rapporteur: Gerolf Annemans

SUGGESTIONS

The Committee on Constitutional Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Recalls that EU spending should be provided with appropriate flexibility and be subject to proper democratic scrutiny and accountability, which necessitates the full involvement of Parliament in decision making on the Multiannual Financial Framework (MFF) Regulation; calls, therefore, for closer dialogue between the Council and Parliament when negotiating the next MFF and warns against the European Council's usual top-down approach of setting the overall ceilings per heading instead of first assessing the actual needs of the programmes;

2. Notes that the current MFF severely limits the financial autonomy of the Union, as most of the revenue consists of national contributions by the Member States and a large part of the expenditure is already destined for the same Member States in the form of returns;

3. Emphasises that the EU budget is an instrument that contributes to achieving the common objectives of the Union laid down in Article 3 TEU and believes that it has served its purpose well in the past;

4. Points out that the post-2020 MFF needs to enable the Union to respond both to existing and emerging challenges which call for a pan-European approach;

5. Points to the possibility of switching from unanimity to qualified majority voting for the adoption of the forthcoming MFF Regulation, by using the provisions of Article 312(2) of the TFEU, which bring the MFF negotiations closer into line with the procedure for the adoption of the annual budget of the Union;

6. Calls for the alignment of the future MFFs with the duration of Parliament's legislative term and the Commission's mandate, thereby reducing the length of the MFF from seven to five years for some programmes while for others, in particular those related to programmes requiring longer-term programming and/or policies providing for complex procedures for establishing implementation systems, such as cohesion policy or rural development, should be agreed for a period of 5+5 years with compulsory mid-term revision;

7. Recalls that the European Council's practice of attempting to expand its role into the legislative process by taking decisions on legislative provisions in the MFF negotiations, does not comply with the Treaties, which explicitly rule out any such role for the European Council;

8. Points to the importance of the MFF as a multiannual budget focused primarily on investment;

9. Stresses that Brexit will severely affect the next MFF, especially on the revenue side; insists therefore that due consideration needs to be given to the introduction of genuine own resources; supports the recommendations of the High-Level Group on Own Resources as regards diversifying the revenue of the EU budget, including new own resources, in order to reduce the share of GNI contributions to the EU budget with a view to abandoning the 'juste retour' approach of Member States;

10. Considers that the European Union cannot wait for the outcome of Brexit to start preparing the negotiations on the post-2020 MFF and that a proposal on this matter should be put forward by the Commission as soon as possible, ideally by the first quarter of 2018;

11. Recalls that the new priorities and initiatives of the EU should be financed with fresh money without jeopardising the existing programmes and policies; calls, in this context, for an in-depth reform of the financing system of the Union – a genuine system of own resources – to make the EU Budget more stable, more sustainable, and more predictable, while improving transparency for the citizens; considers that the unity of the budget and more budgetary flexibility have to be addressed;

12. Takes the view that there is a growing demand on the part of European citizens for the Union to respond to significant cross-border challenges that cannot be tackled effectively by Member States; warns Member States that the Union cannot properly tackle these challenges unless its budgetary resources are increased accordingly;

13. Calls for increased complementarity between national budgets and the EU budget;

14. Takes the view that the introduction of a new heading for the implementation of a European Defence Union, preferably financed with new own-resources, would be in compliance with the EU Treaties;

15. Stresses that the next MFF should take full account of the commitments made by the EU in the context of COP 21.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	11.10.2017
Result of final vote	+: 13 –: 5 0: 1
Members present for the final vote	Gerolf Annemans, Mercedes Bresso, Richard Corbett, Pascal Durand, Danuta Maria Hübner, Diane James, Alain Lamassoure, Maite Pagazaurtundúa Ruiz, Markus Pieper, Paulo Rangel, György Schöpflin, Pedro Silva Pereira, Claudia Țapardel, Kazimierz Michał Ujazdowski
Substitutes present for the final vote	Ashley Fox, Enrique Guerrero Salom, Jérôme Lavrilleux, Jasenko Selimovic
Substitutes under Rule 200(2) present for the final vote	Tadeusz Zwiefka

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

13	+
ALDE	Maite Pagazaurtundúa Ruiz, Jasenko Selimovic
PPE	Danuta Maria Hübner, Alain Lamassoure, , Paulo Rangel, György Schöpflin, Tadeusz Zwiefka
S&D	Mercedes Bresso, Richard Corbett, Enrique Guerrero Salom, Pedro Silva Pereira, Claudia Țapardel
VERTS/ALE	Pascal Durand

5	-
ECR	Ashley Fox, Kazimierz Michał Ujazdowski
ENF	Gerolf Annemans
NI	Diane James
PPE	Jérôme Lavrilleux

1	0
PPE	Markus Pieper

Key to symbols:
+ : in favour
- : against
0 : abstention

6.12.2017

OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND GENDER EQUALITY

for the Committee on Budgets

on the next MFF: preparing Parliament's position on the MFF post-2020
(2017/2052(INI))

Rapporteur: Iratxe García Pérez

SUGGESTIONS

The Committee on Women's Rights and Gender Equality calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

A. whereas under Article 8 of the TFEU, the promotion of equality between men and women is a fundamental principle of the European Union, and whereas gender mainstreaming is therefore a legal obligation stemming directly from the Treaties; whereas, moreover, an interinstitutional joint declaration on gender mainstreaming is attached to the MFF;

B. whereas for the 2014-2020 MFF, the attached joint declaration of November 2013 of Parliament, the Council and the Commission embodied the agreement that the annual budgetary procedures applying to the MFF would, as appropriate, integrate gender-responsive elements, taking into account the ways in which the overall financial framework of the Union contributes to greater gender equality and ensures gender mainstreaming;

C. whereas the Commission communication of 14 September 2016 on the MFF mid-term review makes no reference to the implementation of gender mainstreaming;

D. whereas following the inclusion of the Daphne programme within the Rights, Equality and Citizenship programme, an appropriate and fair allocation of financial support should have been ensured, taking into account the level of funding already allocated under the previous 2007-2013 programmes;

E. whereas Parliament has repeatedly called for the Daphne specific objective of the Rights, Equality and Citizenship programme to receive sufficient funding and for its profile to be kept as high as possible; whereas, however, the level of funding available

for Daphne decreased in the 2014-2020 period, compared to the 2007-2013 period;

F. whereas access to public services is an essential condition for guaranteeing women's economic independence and empowerment; whereas public services remain an important employment sector for women;

1. Recalls that gender equality is enshrined in the EU Treaty; stresses the need for gender mainstreaming in all EU policies, programmes and initiatives so as to deliver equality in practice; stresses that gender budgeting must become an integral part of the budgetary procedure at all its stages and in all budget lines, and not only in programmes in which the gender impact is most obvious, so that budgetary expenditure becomes an effective tool for promoting equality between women and men;

2. Underlines the need for stronger and more efficient integration of gender equality policies and gender mainstreaming tools during the next programming period;

3. Notes that gender budgeting is part of an overall strategy on gender equality; stresses, therefore, that the commitment of EU institutions in this area is fundamental; regrets, in this context, that no EU gender equality strategy was adopted for 2016-2020, and calls on the Commission, echoing the Council conclusions of 16 June 2016 on gender equality, to enhance the status of its Strategic Engagement for Gender Equality 2016-2019 by adopting it as a communication;

4. Regrets that, despite the joint declaration on gender mainstreaming annexed to the MFF, there has been no significant progress in this area, and no clear gender equality strategy with specific objectives and concrete targets and allocations has emerged from the MFF 2014-2020; calls for the expression of a renewed commitment by Parliament, the Council and the Commission to gender equality in the next MFF, by means of a joint declaration attached to the MFF, including a commitment to implementing gender budgeting; calls for effective monitoring of the implementation of this declaration in the annual budgetary procedures through the inclusion of a provision in a review clause in the new MFF Regulation;

5. Calls for gender equality to be explicitly mentioned in heading 3, 'Security and citizenship';

6. Points out that one of the EU's main objectives for the general budget is strategic investment and sustainable growth in order to boost economic cohesion and create jobs, in particular so as to increase female participation in the labour market, and that it is therefore crucially important to focus on enhancing women's potential in all sectors of the economy: the digital economy, information and communication technologies (ICT), and science, technology, engineering and mathematics (STEM); stresses that only through a specific focus on gender in those areas will it be possible to address the gender gap and the Union-wide skills shortfall in the ICT and STEM sectors;

7. Stresses the need to sufficiently finance, under the European Structural and Investment Funds and the *European Agricultural Fund for Rural Development* (EAFRD), measures promoting and supporting good-quality education, employability, entrepreneurship and job creation for women and young people, especially those belonging to the most disadvantaged groups, both in urban and rural areas, including but not limited to

opportunities in STEM sectors, so that budgetary expenditure is effectively used to achieve policy targets;

8. Repeats its call for the Daphne programme to have a separate budget line in order to increase transparency regarding use of the funds concerned and to ensure an appropriate level of funding for fighting violence against women; emphasises, in this regard, the need to increase resources for the Daphne specific objective in the 2014-2020 period in line with the allocations of the previous programming period;

9. Deplores the fact that the European Fund for Strategic Investments (EFSI) does not include a gender perspective; emphasises that a gender perspective should be included in the EFSI, since the EU will never fully and satisfactorily recover from the recent economic crises unless their impact on the women who, in the majority of cases, have been most affected, are addressed;

10. Recalls that a very significant number of refugees and asylum seekers entering the EU are women and children; highlights that gender mainstreaming is also among the founding principles of the Asylum, Migration and Integration Fund (AMIF); reiterates its calls for the gender dimension to also be taken into account in migration and asylum policies; calls for efficient use of AMIF funds for the integration of refugees, their families and asylum seekers;

11. Strongly condemns the reinstatement and expansion of the Global Gag Rule and its impact on global healthcare and rights for women and girls; reiterates its call for the EU and its Member States to fill the financing gap left by the US in the area of sexual and reproductive health and rights, using both national and EU development funding;

12. Stresses the importance of investing in high-quality public services and of earmarking set amounts for investment in the next MFF with a view to ensuring an adequate provision of high-quality public services and affordable public social infrastructure, such as day-care centres, for the care of children, the elderly and other dependents;

13. Stresses that to enable the European Institute for Gender Equality (EIGE) to meet its objectives properly, its budget and staff numbers must be increased in order to boost its capacity to provide adequate assistance to the Commission by supplying relevant information and technical assistance in priority areas such as equality between women and men and the fight against gender-based violence; points out that EIGE should remain a specific, separate institution within the institutional framework of the Union.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	4.12.2017
Result of final vote	+: 16 –: 1 0: 4
Members present for the final vote	Daniela Aiuto, Maria Arena, Vilija Blinkevičiūtė, Anna Hedh, Mary Honeyball, Agnieszka Kozłowska-Rajewicz, Florent Marcellesi, Angelika Mlinar, Maria Noichl, Marijana Petir, Ángela Vallina, Anna Záborská
Substitutes present for the final vote	Stefan Eck, Sirpa Pietikäinen, Evelyn Regner, Marc Tarabella, Mylène Troszczynski, Julie Ward
Substitutes under Rule 200(2) present for the final vote	Max Andersson, Claudiu Ciprian Tănăsescu, Lambert van Nistelrooij

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

16	+
ALDE	Angelika Mlinar
EFDD	Daniela Aiuto
GUE/NGL	Stefan Eck, Ángela Vallina
PPE	Sirpa Pietikäinen
S&D	Maria Arena, Vilija Blinkevičiūtė, Anna Hedh, Mary Honeyball, Maria Noichl, Evelyn Regner, Claudiu Ciprian Tănăsescu, Marc Tarabella, Julie Ward
VERTS/ALE	Max Andersson, Florent Marcellesi

1	-
ENF	Mylène Troszczynski

4	0
PPE	Agnieszka Kozłowska-Rajewicz, Marijana Petir, Lambert van Nistelrooij, Anna Záborská

Key to symbols:
+ : in favour
- : against
0 : abstention

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	22.2.2018
Result of final vote	+: 29 –: 4 0: 3
Members present for the final vote	Nedzhmi Ali, Lefteris Christoforou, Gérard Deprez, Manuel dos Santos, André Elissen, José Manuel Fernandes, Eider Gardiazabal Rubial, Jens Geier, Esteban González Pons, John Howarth, Zbigniew Kuźmiuk, Vladimír Maňka, Siegfried Mureşan, Jan Olbrycht, Urmas Paet, Paul Rübig, Petri Sarvamaa, Jordi Solé, Patricija Šulin, Eleftherios Synadinos, Indrek Tarand, Isabelle Thomas, Inese Vaidere, Daniele Viotti, Tiemo Wölken, Marco Zanni
Substitutes present for the final vote	Xabier Benito Ziluaga, Jean-Paul Denanot, Janusz Lewandowski, Ivana Maletić, Stanisław Ożóg, Pavel Poc, Nils Torvalds, Helga Trüpel, Tomáš Zdechovský
Substitutes under Rule 200(2) present for the final vote	Anders Primdahl Vistisen

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

29	+
ALDE	Nedzhmi Ali, Gérard Deprez, Urmas Paet, Nils Torvalds
PPE	Lefteris Christoforou, José Manuel Fernandes, Esteban González Pons, Janusz Lewandowski, Ivana Maletić, Siegfried Mureşan, Jan Olbrycht, Paul Rübig, Petri Sarvamaa, Patricija Šulin, Inese Vaidere, Tomáš Zdechovský
S&D	Jean-Paul Denanot, Eider Gardiazabal Rubial, Jens Geier, John Howarth, Vladimír Maňka, Pavel Poc, Manuel dos Santos, Isabelle Thomas, Daniele Viotti, Tiemo Wölken
VERTS/ALE	Jordi Solé, Indrek Tarand, Helga Trüpel

4	-
ECR	Anders Primdahl Vistisen
ENF	André Elissen, Marco Zanni
NI	Eleftherios Synadinos

3	0
ECR	Zbigniew Kuźmiuk, Stanisław Ożóg
GUE/NGL	Xabier Benito Ziluaga

	Corrections to votes
+	
-	
0	

Key to symbols:
+ : in favour
- : against
0 : abstention