Resolution on the 2021-2027 multiannual financial framework and own resources: time to meet citizens' expectations

2019/2833(RSP) - 10/10/2019 - Text adopted by Parliament, single reading

The European Parliament adopted by 426 votes to 163, with 67 abstentions, a resolution on the 2021-2027 multiannual financial framework and own resources: time to meet citizens' expectations.

Parliament expressed its determination to secure a strong and credible MFF that will enable the EU to respond to important challenges effectively and attain its political objectives over the next seven-year period.

Members stressed that for almost a year now, Parliament has been ready to start negotiations on all aspects of the MFF and the own resources package, while the Council has still not agreed to open a real constructive dialogue.

The 2019 European elections conferred renewed legitimacy on Parliament’s position and role in this process. Members declared its readiness to reject any Council position that does not respect Parliament’s prerogatives or take due account of its positions.

Confirming Parliament’s firm position

Confirming its negotiating mandate, Parliament recalled that the next MFF should be set at EUR 1 324.1 billion in 2018 prices, representing 1.3 % of the EU-27’s gross national income (GNI). It recalled, in this context, Parliament’s intention to:

- boost flagship programmes (e.g. in the areas of youth, research and innovation, the environment and the climate transition, infrastructure, SMEs, digitalisation and social rights),

- to maintain the financing of existing EU policies in real terms (notably cohesion, agriculture and fisheries),

- to match additional responsibilities (e.g. in the fields of migration, external action and defence) with additional financial means.

Parliament stressed that it will not give its consent to the MFF without an agreement on the reform of the EU own resources system, including the introduction of a basket of new own resources that are better aligned with and incentivise progress in major EU policy priorities. It reaffirmed its position regarding:

- the list of potential candidates for new own resources (a common consolidated corporate tax base, digital services taxation, a financial transaction tax, income from the emissions trading scheme, a plastics contribution and a carbon border adjustment mechanism),

- the abolition of all rebates and corrections,

- the simplification of the VAT-based own resource,

- the reduction of national ‘collection costs’ withheld on customs duties,

- and the inclusion of other revenue in the form of fines and fees in the EU budget.

Parliament also confirmed the necessity to put in place a new mechanism to protect the EU budget where the rule of law is not respected or where there is a systemic threat to the values enshrined in Article 2 of the Treaty on European Union (TEU), and where this affects or risks affecting the principles of sound financial management or the protection of the financial interests of the Union.

New legislative initiatives

Members called for new legislative proposals to be presented for the immediate implementation of new instruments by the new Commission, so that their funding can be included in the agreement on the next MFF. They insisted that any new initiatives that might be proposed after the adoption of the MFF 2021-2027 should be financed through fresh appropriations.

Climate transition

Parliament reaffirmed its unambiguous support for the principle of climate mainstreaming. It called on the Commission to ensure that the next MFF fully complies with the Paris agreement and stressed the urgent need for another quantum leap in political and financial efforts in order to achieve its objectives. It hopes for a concrete proposal on the European Green Deal, as outlined in the political guidelines of the incoming Commission president.

Members stressed that climate and biodiversity mainstreaming in the next MFF must go beyond the levels of targeted spending shares as set out in its interim report, but also in terms of integrating the climate and social dimension into the decision-making of all major programmes and throughout the entire policy cycle.

A safety net to protect the beneficiaries of EU programmes

Concerned that complex negotiations with the Council may not be finalised by the end of 2020, Parliament urged the Commission, therefore, to immediately start preparing an MFF contingency plan with the aim of protecting beneficiaries and ensuring the continuity of funding in the event that it is necessary to extend the current MFF. This plan should include a horizontal legislative proposal to lift the time limits laid down in the relevant programmes and to include concrete operational provisions, in particular for the continuation of policies under shared management.

Safeguarding Parliament’s prerogatives

Advocating the immediate launch of inter-institutional negotiations, Members recommended that the Council Presidency and the Commission should clearly set out Parliament's views to the General Affairs Council, and requested that Parliament's negotiating team be present at all informal Council meetings on the MFF.

Taking note of the Council’s methodology for preparing MFF negotiating boxes, Parliament considered that such negotiating boxes reflect nothing more than an internal Council procedure that must in no way prevent Parliament from carrying out proper negotiations on all elements of the MFF package and sectoral legislation.