Guidelines for the 2023 Budget - Section III

2021/2226(BUI) - 05/04/2022 - Parliament's opinion on budgetary estimates/guidelines

The European Union adopted by 463 votes to 71, with 97 abstentions, a resolution on general guidelines for the preparation of the 2023 budget, Section III – Commission.

Budget 2023: keeping the recovery on track for all

Members noted that despite the encouraging signals giving rise to expectations of further growth in 2022, uncertainty in the economic outlook persists, in the light of factors such as supply chain disruption, high energy prices, rising inflation and the continuing COVID-19 pandemic, as well as the consequences of the invasion of Ukraine.

Parliament therefore commits itself to working towards a **future-oriented budget** that responds to the Union's political priorities, namely (i) enabling the strengthening of the Health Union, (ii) delivering on the green and digital transitions and stimulating a fair, inclusive and sustainable recovery, (iii) promoting the rule of law, the Union's values and fundamental rights, (iv) helping to create more opportunities, especially for young people, and (v) ensuring a stronger Union for its people and in the world.

Stressing the central role of **EU cohesion policy** as the Union's key investment policy, Members expect a substantial increase in payment appropriations in the 2023 budget as 2023 will be the last year of implementation of the European programmes of the 2014-2020 Multiannual Financial Framework (MFF), but also the year when the implementation of new programmes will start to accelerate.

Recalling that the **new Common Agricultural Policy** (CAP) will apply from 2023, Members stressed the central importance of the CAP and the Common Fisheries Policy in the European food system. They also stressed the importance of well-functioning agricultural markets, sustainable development of rural areas, stable and acceptable incomes for farmers and fishermen, sustainable management of natural resources and preservation of biodiversity, as well as the generational renewal of farmers.

A stronger Health Union

Recalling that the COVID-19 crisis has put public health systems under unprecedented stress and has exacerbated existing challenges, Parliament welcomed the priority given to Union health policy and highlights the EU4Health programme and health cluster within Horizon Europe.

Members called for the Health Emergency Response and Preparedness Authority (HERA) to be given new resources, for the European Medical Corps within the EU's civil protection mechanism to be strengthened with additional resources and for the European beating cancer plan to be adequately funded

Green and digital transitions

According to Members, additional financial efforts are needed to make a just transition to a greener, sustainable, socially inclusive, more resilient and competitive economy. They called for EU funding instruments to be deployed as a priority in the regions, sectors and areas that will be most affected by the green transition, taking into account the needs of Member States.

The resolution called for:

- an ambitious level of resources to be allocated to programmes supporting climate and biodiversity action and environmental protection, such as LIFE, and implementing the Just Transition Facility;

- investment in research and innovation in green technologies, processes and skills;

- the use of the Connecting Europe Facility (CEF) to modernise, connect and increase the sustainability of transport and energy infrastructure to enhance the Union's energy security and autonomy;

- the further digitalisation of the economy and the public sector and investment in digital infrastructure through CEF-Digital and by supporting areas such as artificial intelligence, cyber security and EU high performance computing;

- the closure of digital skills gap by promoting advanced digital skills;

- sufficient funding and alignment between EU programmes to create the conditions for market uptake of breakthrough technologies and innovations.

Promoting the rule of law, EU values and fundamental rights

Members consider it essential for the Union’s credibility to ensure the proper use of Union funds and to take all steps to protect the Union’s financial interests. They considered that Regulation (EU, Euratom) 2020/2092 on a **general regime of conditionality** for the protection of the Union budget should be applied immediately and in full, as repeatedly requested by Parliament.

Concerned about the significant deterioration in the rule of law, democracy and fundamental rights, including the independence of the judiciary, the separation of powers, the fight against corruption and the freedom and independence of the media in some Member States, Parliament called for the ‘Citizens, Equality, Rights and Values’ programme to be given ambitious resources.

Greater opportunities for all, notably young people

Recalling the severe negative impacts of COVID-19 on young people, Members consider that the 2023 budget should include a **focus on youth** to build on the momentum of the 2022 European Year of Youth with concrete actions and policies to be continued in 2023. They stressed the importance of Erasmus+ and underlined the high importance of ensuring sufficient financial resources for that programme.

The resolution also pointed to the need to bolster the European Solidarity Corps, which helps young people gain practical experience in another Member State, thereby increasing their employability and life chances.

A stronger Union for its citizens and in the world

Parliament condemned Russia's illegal, unprovoked and unjustified invasion of Ukraine and all attempts to destabilise the EU's partners in the eastern neighbourhood, as well as Belarus' involvement in this aggression. While stressing the need for enhanced cooperation and solidarity between Member States, Members urged the Union to ensure **significant funding** to address the geopolitical consequences of the current crisis, including support for the deployment of humanitarian and refugee preparedness measures in Member States and the eastern neighbourhood.

The resolution also stressed the need to:

- provide adequate funding to the countries of the Western Balkans and the Eastern and Southern Neighbourhood, in particular those implementing Association Agreements with the EU;

- provide continued financial support for the reception, registration, examination and integration of asylum applicant and ensure adequate funding for the specific objectives of the Asylum, Migration and Integration Fund;

- provide adequate financial support for the Union's security and defence, including through the European Defence Fund, which supports research and development in the defence sector;

- provide all agencies operating in the fields of fundamental rights, asylum, security, justice and integrated border management with sufficient financial and human resources.

Given that the EU needs sufficient resources to respond to major crises and long-term challenges in its neighbourhood and worldwide, the resolution recalled that **the ceiling of heading 6 of the MFF is already too low** and that a revision of the current MFF is necessary. The Neighbourhood, Development Cooperation and International Cooperation Instrument and the Instrument for Pre-Accession Assistance should be adequately funded. It is also necessary to provide sustainable support for refugees, especially in Turkey, and to respond to developments in Afghanistan.