

Basic information	
<p>2012/2803(RSP)</p> <p>RSP - Resolutions on topical subjects</p> <p>Resolution on the European Council conclusions of 7-8 February 2013 concerning the Multiannual Financial Framework</p> <p>See also 2012/2801(RSP)</p> <p>Subject</p> <p>8.40.14 European Council</p>	Procedure completed

Key players				
Council of the European Union	Council configuration		Meetings	Date
	General Affairs		3231	2013-03-11
	General Affairs		3219	2013-02-04
	Foreign Affairs		3230	2013-03-11
	Economic and Financial Affairs ECOFIN		3227	2013-03-05
	Competitiveness (Internal Market, Industry, Research and Space)		3223	2013-02-18
European Commission	Commission DG	Commissioner		
	Secretariat-General	BARROSO José Manuel		

Key events			
Date	Event	Reference	Summary
04/02/2013	Debate in Council		
08/02/2013	Additional information		Summary
18/02/2013	Debate in Council		Summary
05/03/2013	Debate in Council		
11/03/2013	Debate in Council		
13/03/2013	Decision by Parliament	T7-0078/2013	Summary
13/03/2013	Results of vote in Parliament		
13/03/2013	Debate in Parliament		
13/03/2013	End of procedure in Parliament		

Technical information

Procedure reference	2012/2803(RSP)
Procedure type	RSP - Resolutions on topical subjects
Procedure subtype	Resolution on statement
Amendments and repeals	See also 2012/2801(RSP)
Legal basis	Rules of Procedure EP 136-p2
Stage reached in procedure	Procedure completed

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Motion for a resolution		B7-0126/2013	06/03/2013	
Motion for a resolution		B7-0129/2013	08/03/2013	
Text adopted by Parliament, single reading		T7-0078/2013	13/03/2013	Summary

Resolution on the European Council conclusions of 7-8 February 2013 concerning the Multiannual Financial Framework

2012/2803(RSP) - 18/02/2013

The Council held debates on the [Annual Growth Survey 2013](#) as part of all relevant Council deliberations in preparation for the **spring European Council on 14 and 15 March 2013**.

The debate was structured in accordance with a Presidency document, which contains the opinions of the High Level Group on Competitiveness and Growth1 and of the European Research Area Committee (ERAC).

The **Presidency document** focuses on the following:

(1) **Only a strong and innovative EU** will be unable to compete in emerging sectors and technologies with the growing powerhouses of other continents, in particular emerging economies. Three aspects are highlighted:

- in a situation where there is little scope to boost growth on the basis of macroeconomic policies, growth will derive from increased productivity and higher added value through **innovation, research and education/upskilling of human resources, labour market flexibility and reforms and strengthening and deepening of the internal market**;
- European Union instruments for **lending to SMEs** and funding for research and infrastructure investment will also play an important part;
- **private sector investor leverage** could multiply the impact of public policy measures significantly.

(2) **Increased industrial competitiveness** is a strong driver of growth and employment. It is important to stick to long-term-oriented growth-enhancing policies that can boost productivity of European industry and services sectors and thus the competitiveness of the EU economy. Furthermore, price competitiveness and on-going industrial restructuring will help Member States boost their exports.

(3) The increasingly important role of global value chains for EU industry requires a **different approach to industrial policy. Reducing barriers to trade will help more SMEs export and accelerate their internationalisation**. Only 13% of SMEs export outside the EU.

(4) For the first time, **the Single Market is more closely aligned to the European Semester** by including a report on the State of Single Market Integration 2013 in the AGS package. The inclusion of surveillance of the Single Market in the entire European semester process will help to reap fully the benefits of a Single Market and the highest purchasing power of the world.

(5) **Research and innovation** has an important role to play in boosting competitiveness, growth and jobs. Continued progress by Member States towards meeting their Europe 2020 commitments on R&D investment will make a valuable contribution. In this respect, it is paramount that private investment in R&D complements public efforts to reach the 3% objective for research investment in the European Union. However, in the context of pursuing differentiated, growth-friendly fiscal consolidation, the efficiency and effectiveness of this investment is critical.

Ministers raised a full range of policy recommendations as drivers of growth, investment, innovation and job creation, which include:

- **continued support for SMEs**, access to finance and the entrepreneurship agenda, including support for the external competitiveness of EU companies;
- rapid completion of the [Single Market Act \(SMA\) I](#) and moving forward with the [SMA II initiatives](#) initiatives bearing in mind the completion by the end of the current parliamentary cycle in 2014 at the latest;
- maintenance and strengthening of the **EU's industrial base**;
- pressing ahead with the implementation of the **Services Directive**, the digital single market and the e-Government initiatives;
- strengthening **investments in research and innovation**, including various forms of public support to research and innovation, such as tax credits, public procurement, public-private partnerships and support for venture capital;
- using effective means to leverage **private financing** for research and innovation, as well as measures to overcome barriers to the take-up of financing instruments by SMEs;
- implementing the commitments of the Innovation Union strategy and giving greater prominence to the **removal of obstacles with a view to completing the European Research Area**;
- preventing the risks of shortages of skilled labour;
- promoting initiatives that support **commercialisation of research results** and the development of technology start-ups in order to create new high value-added jobs, including those measures aimed at reinforcing the links between universities and business and promoting the formation of innovation clusters.

Resolution on the European Council conclusions of 7-8 February 2013 concerning the Multiannual Financial Framework

2012/2803(RSP) - 13/03/2013 - Text adopted by Parliament, single reading

The European Parliament adopted by 506 votes to 161, with 23 abstentions, a resolution tabled by the EPP, S&D, ALDE, Greens/EFA, GUE/NGL Groups, on the European Council conclusions of 7/8 February concerning the Multiannual Financial Framework (MFF).

Parliament rejects, in its current form, the MFF agreement concluded between the Heads of State and Government as it does not reflect the priorities and concerns expressed by Parliament – notably in its [resolution of 23 October 2012](#) – and **disregards Parliament's role and competences** as set out in the Treaty of Lisbon.

Parliament underlines that it will only vote on the MFF Regulation and the Interinstitutional Agreement **after the successful conclusion of substantial negotiations with the Council** in order to ensure that the Union will be provided with a modern, forward-looking, flexible and transparent EU budget that: (i) can deliver growth and jobs and; (ii) bridge the gap between the EU's political commitments and budgetary means.

In addition, Parliament **strongly opposes the current accumulation and rollover of outstanding payment claims** in the EU budget, and expresses its firm opposition to a financial framework that might lead the EU budget into a structural deficit, against the provisions of the TFEU. Determined to prevent any further shifts of payments from 2013 to the next MFF, it states that it will not conclude these negotiations before the final adoption by Council and Parliament of an **Amending Budget devoted to the sole purpose of covering all unpaid payment claims for 2012**. Members also demand a political engagement from the Council that all legal obligations due in 2013 will be paid out by the end of this year.

The resolution:

- states once more that negotiations on **elements falling under the ordinary legislative procedure** cannot be pre-empted by the European Council's conclusions on the MFF;
- stresses the importance of **substantially increasing** its investments in innovation, research and development, infrastructure and youth, meeting the EU's climate change and energy objectives, improving education levels and promoting social inclusion, while fulfilling its international commitments;
- believes that the next European Parliament and Commission – that will come into office following the 2014 European elections – should be in a position to reconfirm the Union's budgetary priorities and carry out a **revision of the MFF 2014-2020**;
- requests that the agreed MFF ceilings for commitment and payment appropriations be used to the fullest extent when establishing the annual EU budgets; the **maximum overall flexibility between and within headings**, as well as between financial years, needs to be ensured in the next MFF;
- stresses the importance of **reaching an agreement on an in-depth reform of the own-resources system** that reduces the share of GNI-based contributions to the EU budget to a maximum of 40% and phases out all existing rebates and correction mechanisms.

In the light of these considerations, Parliament gives a **strong mandate** to its negotiating team to conduct negotiations on an **overall package** that includes, in addition to the MFF, a compulsory and comprehensive revision, a maximum overall flexibility and an agreement on own resources, and that ensures the unity of the EU budget.

In the event that no MFF has been adopted by the end of 2013, Parliament states that, in this case, it would be ready to reach a swift agreement with the Council and Commission to adapt the internal structure of the MFF to reflect the Union's political priorities, and to ensure that the appropriate legal bases are in place for all EU policies and programmes by 2014.