

EU needs a more adequate and ambitious Multiannual Financial Framework

In March 2013, the European Movement International showed its support to the European Parliament in its refusal of the Multiannual Financial Framework (MFF) 2014-2020 in its current form. The EMI Board acknowledged that the proposal drafted by the Commission and the agreement reached by the Council in February 2013 is of limited suitability to tackle the challenges ahead and constitutes a missed chance for a reformed and more effective EU budget. For the EMI, the way out of the crisis lies in the adoption of a true European budget that ensures financial flexibility and capability in order to meet the commitments deriving from the Lisbon Treaty and the EU 2020 Strategy.

Resolution

In the framework of the negotiations that have been taking place since 13 May, between the European Commission, the Council and the Parliament, the Federal Assembly of the European Movement International urges for a comprehensive and ambitious agreement.

Considering that:

- 1. The ceiling for payment appropriations is too low*

With merely 1% of EU GNI allowed in payments, the Community spending will face a drastic reduction in comparison with the current MFF. It is not only a step backward in economic terms, as it will not allow the EU to boost growth and job creation to the needed level, but it is also a symbolic defeat as it goes against the principle of European integration.

- 2. Resources must be better reallocated to key areas*

The decrease of market-related expenditure and direct payments in the Common Agricultural Policy is most certainly welcomed and should allow an increase in the other policies funded by the EU. However, key areas such as pan-European infrastructures, youth and exchange programmes, research and innovation or energy and climate technologies must be provided with higher resource, as they are the cornerstone to European competitiveness and the implementation of the EU2020 Strategy. This process must be accompanied by the appropriate legal reforms, as jobs and growth will depend on a better integrated internal market and a strong implementation of the Stability Pact.

- 3. The EP resolution of 13 March 2013 sets the adequate conditions*

Through its objection to adopt the MFF in its current form and its resolution of 13 March 2013, the European Parliament has highlighted some necessary changes to be brought to the current proposal and lead the way in the drafting of a more adequate MFF.

The EMI Federal Assembly:

- *Calls upon* the EU to meet the conditions laid out in the Treaties through the prevention of structural deficits;
- *Reiterates* the necessity for the EU to have its own resources, in a context where the Member States are tempted to decrease their contributions;
- *Demands* a budget that is in line with the EU's ambition, in order to solve the crisis and to boost growth and employment, through an increase in Community spending on competitiveness;
- *Asks* for flexibility between budget headings and between one year and the next, allowing a better adaptation to different economic contexts;
- *Demands* a revision of the MFF by the next Parliament and Commission after the 2014 elections to ensure full democratic legitimacy, and calls for a precise time commitment for such a revision;
- *Requests* that the EU conducts a mid-term review of the MFF.