Adopted resolution

FOR A MODERN, AMBITIOUS AND FUTURE-ORIENTED MULTIANNUAL FINANCIAL FRAMEWORK (MFF 2014-2020) PART OF THE GLOBAL SOLUTION TO RECOVER FROM THE CRISIS

Background

As the entire EU is currently facing a major financial, economic, social and ecological crisis, its parallel debt crisis has led Member States to curb public spending and implement austerity budgets. But these measures will neither solve the economic and social crisis nor the current imbalances in the European Union. As this response to the crisis has worsened the economic and social situation and led Europe into recession, a further tightening of austerity measures as is planned through binding "Treaties on Competitiveness" has to be strictly refused. Europe needs a substantial increase in green and social investment, to address the structural problems underlying the crisis, to recover from it and to pave the way towards a sustainable economic development for the EU citizens. Furthermore the EU needs effective initiatives to reduce the high unemployment, especially among the youth.

The MFF (2014-2020) has a key role to play to reach the goals of EU-2020 strategy, to finance a future oriented policy and to fight the current crisis as it has the power to initiate reform and thus catalyse the move to the sustainable post-carbon, nuclear-free, resource efficient, renewables-based and socially just economy that is so urgently needed. This would allow the creation of new green jobs and lead to renewed EU-competitiveness.

Since 2006, when the last MFF was negotiated, some enlargements have been achieved, the Lisbon treaty has been ratified, transferring additional competencies to the EU. "In the meantime the economic crisis hit EU citizens hard, particularly youth, while pressure to tackle ecological problems has further increased, requiring additional intervention from the EU level in particular through its budget. Thus, any direct comparison between the EU budget for the rest of the decade with the last 7-year budget, which represented the pre-crises, pre-Lisbon and pre-enlargements vision, is flawed.

On February the 8th, the Heads of State and government, during a 26-hour long horse-trading negotiation, agreed on slashing the European Commissions' budget proposal by almost 10%, cutting mainly the future-oriented policy sectors, the Youth-related policies, the pan-European infrastructure projects and the development aid while keeping a very conservative and national approach on the structure of the EU budget and on the content of the sectorial policies such as in the Agriculture sector or in the Cohesion Policy. The Common Agricultural Policy still subsidises large-scale industrial farming over small-scale and sustainable farming. Further greening of the Cohesion Policy is urgently needed.

On March the 13th, an overwhelming majority (506 against 161 representing 73% of the vote cast) of the Members of the European Parliament rejected the agreement negotiated behind closed-doors at the European Council while opening negotiations with the governments of the Members States.

The European Green Party Council in Madrid,

1. Welcomes the rejection by the European Parliament of the Multiannual Financial Framework as cobbled-together by the Member States; therefore encourages the Members of the

European Parliament to hold on and stand their ground in face of the regressive choices promoted by Member States.

2. Supports the efforts of the Greens-EFA MEPs in their attempts to build a steady coalition in this regard.

3. Regrets that public support for the necessary expenditure required to implement and manage communal activities mandated to the European Union, is undermined by wasteful practices throughout the EU. Cites as an example the 180 mio. € spent each year (and also 19mio. tons CO_2 emissions) spent each year on holding 12 European Parliament sessions in Strasbourg which could be saved by an agreement of the Member States to consolidate a single EP seat in Brussels. 77% of MEPs already consider a single seat necessary. Sees certain forms of remuneration for EU officials, such as the outdated expatriation allowance, as another example of administrative costs that can be reduced, in a socially fair way. Points out that these wasteful operating and administrative costs also occur in the Member States, which manage 80% of EU funds and have primary responsibility for proper management of these funds and fighting fraud and corruption.

4. Calls on Members of the European Parliament to promote, with Members of national Parliaments and civil society organisations, a greener, more modern, more ambitious and future-oriented EU budget at all relevant political levels.

5. Affirms that the fiscal consolidation at national level can only be successful if carried out during an appropriate time horizon and if balanced by additional investments, coming also from the EU budget, by pooling public resources, making economy of scale and strengthening the leverage effects.

6. Calls for a substantial increase of the EU budget compared to 2013 levels, preserving at least the current ratio between the MFF and the European Gross National Income (GNI); Therefore insists on focusing the increases in the future-oriented policy sectors especially in research and innovation, infrastructure and in the 3 solidarity areas (inter-generational, intra-European and international solidarities). An option to increasing the budget is to shift subsidies that drive the global warming further towards green economy investments instead..

7. Calls for a substantial increase of the European Social Fund in order to combat unemployment and poverty; stresses that the initiatives to fight youth unemployment must be strengthened by a substantial increase of budgetary means (€ 15 to 20 billions).

8. Insists on the urgent need to green and modernise the content of all European sectorial policies in particular in agriculture, Cohesion, research and innovation while stopping unsustainable projects financed by the European Union such as ITER.

9. Affirms that the EU budget shall be financed by own resources as stated in the Treaties; Therefore strongly supports the Commissions proposal for extending the EU's own resources and the introduction of the Financial Transaction Tax financing directly the EU budget; Strives for an introduction of additional own resources based on revenues stemming for example from carbon and/or energy taxes, a flight ticket tax and/or a common consolidated corporate tax including the tax rates to finance directly the EU budget and to simultaneously and partly reduce the national contributions.

10. Stresses that the flexibility in the MFF (among and above headings, among and above financial years and flexibility instruments) is a key element of the MFF to ensure that the European Parliament may adapt the EU budget to the political priorities on an annual basis.

11. Declares that the duration of the MFF shall be aligned with the duration of the European institutions' political cycles (5 years); Therefore insists that in order to allow the EU to react to unforeseen events that require structural changes in the MFF, there should be a legal and binding revision clause at the latest after two years of the new MFF.

12. Refuses to accept the principle that the allocation of EU Funds is made conditional on macroeconomic adjustments linked to compliance with EU rules on economic governance.

13. Stresses that, means promoting undesirable developments especially in the common agricultural policy must be spent for future-oriented policy sectors (e.g. education, innovation, research and development).

14. Calls on the European Parliament not to give the consent, if the final deal would result into a conservative backward looking EU budget deepening the austerity policies across the European Union, also because this would bind the EP next majority and next European Commission.