






Procedure file

Basic information		
RSP - Resolutions on topical subjects	2017/2742(RSP)	Procedure completed
Resolution on the reflection paper on the future of EU finances		
Subject 8.70.01 Financing of the budget, own resources		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Budgets	 OLBRYCHT Jan	04/09/2017 04/09/2017
European Commission	Commission DG	Commissioner	
	Budget	 THOMAS Isabelle OETTINGER Günther	

Key events			
04/07/2017	Debate in Parliament		
24/10/2017	Results of vote in Parliament		
24/10/2017	Decision by Parliament	T8-0401/2017	Summary
24/10/2017	End of procedure in Parliament		

Technical information	
Procedure reference	2017/2742(RSP)
Procedure type	RSP - Resolutions on topical subjects
Procedure subtype	Resolution on statement
Legal basis	Rules of Procedure EP 132-p2
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/8/10934

Documentation gateway					
For information		COM(2017)0358	28/06/2017	EC	
Amendments tabled in committee		PE610.867	27/09/2017	EP	
Motion for a resolution		B8-0565/2017	23/10/2017	EP	
Text adopted by Parliament, single reading		T8-0401/2017	24/10/2017	EP	Summary

Resolution on the reflection paper on the future of EU finances

The European Parliament adopted by 442 votes to 189, with 37 abstentions, a resolution presented by the Committee on Budgets on the reflection paper on the future of EU finances.

Members welcomed the Commissions presentation of its reflection paper on the future of EU finances. They welcomed the Commissions statement that the future multiannual financial framework (MFF) should be underpinned by a clear vision of Europes priorities.

Parliament stressed that a debate on the future financing of the EU should take into account the lessons learnt from previous multiannual financial frameworks (MFFs), including the 2014-2020 MFF, whose resources proved insufficient to match the actual needs and political ambitions of the Union.

Members pointed to the severe deficiencies of the current MFF, which was stretched to its limits in order to provide the necessary resources for the Union to confront a number of serious crises and new challenges and finance its new political priorities.

Doing more together: Parliament regretted that four out of the five presented scenarios in the working document signify an effective decline in the Unions ambitions and envisage the reduction of two long-standing EU policies and cornerstones of the European project enshrined in the Treaties the common agricultural policy and cohesion policy. It stressed its long-standing position that additional political priorities should be coupled with additional financial means and not be financed to the detriment of existing EU policies. It considered the fifth scenario (Doing much more together) a positive and constructive starting point for the ongoing discussion on the future of EU finances.

Increasing the Unions budget: in light of the scale of the new priorities, as well as the impact of the United Kingdoms withdrawal, Parliament suggested abolishing the ceiling for expenditure of 1 % of the EUs Gross National Income (GNI) and, therefore, significantly increasing the Unions budget in order to respond to the challenges ahead. It opposed any nominal decrease in the volume of the EU budget in the next MFF, believing that the next MFF should be set at the level of at least 1.23 % of the EUs GNI.

Own resources: Parliament renewed its commitment to a fully-fledged reform of the EU own resources system. It is convinced that, unless the Council agrees to significantly increase the level of its national contributions to the EU budget, the introduction of new EU own resources remains the only option for adequately financing the next MFF to a level that corresponds to the actual needs and political ambitions of the Union. The Council should take a political stance on this matter.

Members also highlighted that the United Kingdoms withdrawal from the Union provides an opportunity to put an end to all rebates. They called on the Commission to submit ambitious legislative proposals to that effect and pointed out that both the expenditure and the revenue side of the next MFF will be treated as a single package in the upcoming negotiations.

Added value: while acknowledging that the search for European added value is a fundamental question to be addressed, Parliament warned against any attempt to use its definition to call into question the relevance of EU policies and programmes on purely quantitative or short-term economic considerations. It encouraged the Commission to further develop the concept of European added value and to propose the appropriate performance indicators for this purpose.

Members stressed that the next MFF should:

- render the EU budget more readable and understandable to EU citizens and allow for a clearer presentation of all areas of EU expenditure;
- provide directly for the appropriate level of flexibility that will enable the Union to respond to unforeseen circumstances and finance its evolving political priorities;
- be aligned with the political cycle of both Parliament and the Commission and should ensure long-term programming.

Parliament also called for:

- integration into the EU budget of the European Development Fund, as well as other instruments not covered by the MFF, without this integration jeopardising the financing of other EU policies and programmes;
- significant reinforcement of MFF special instruments, which should be counted over and above the MFF ceilings for both commitments and payments;
- creation of a separate crisis reserve that should allow resources to be mobilised immediately in the event of an emergency;
- simplification of implementation rules for beneficiaries and a reduction of the administrative burden; overlaps between instruments offered by the EU budget which pursue similar objectives and serve similar types of actions should be eliminated;
- simplification of the rules governing the use of financial instruments; combination of various EU resources under harmonised rules by creating synergies and avoiding any competition between different forms of funding.

Parliament expects the Commission to present its proposals on both the future MFF and own resources by May 2018. It is ready to engage in a structured dialogue with the Commission and the Council, with a view to reaching a final agreement on the next MFF before the end of the current parliamentary term.