What type of Europe do we want?

Greens/EFA paper on MFF negotiations

EU leaders meet on 22-23 November to discuss the European Union's long-term budget[i]. As is the case every 7 years, when the budget is negotiated, the negotiations are characterised by narrow-minded horse-trading. Once again the EU member states that are net contributors to the EU budget[ii] are looking to slash the draft budget proposed by the Commission (around 1% of gross national income or €140 billion/annum). This would undermine the viability of the EU and crucial EU policies, which benefit citizens across Europe. This brinksmanship is inevitable in the current situation, with the EU budget depending mostly on contributions from national budgets, instead of being able to independently generate its own revenue though a proper 'own resources' system (such as from the revenues of an EU financial transaction tax, VAT and/or customs duties), as is supposed to be the case according to the EU Treaty.

The EU budget and crisis response

Despite no shortage of rhetoric about investing to help Europe emerge from economic crisis, EU heads of state and government are not willing to back this up. In order to emerge from the economic crisis, we should be investing more in research, education, green technologies and the sustainable transformation of our energy sector. The EU budget, which promotes pan-European policies, represents the most logical and value-for-money way to deliver this crisis response at European level. The European Parliament is pushing for a different approach to EU governments. Given the difficult situation of public finances across Europe, the European Parliament is not demanding additional means but it is simply looking to ensure the EU budget can deliver the policies agreed on by EU member states and the other EU institutions over the past 4 years[iii].

No more doublespeak

There has been too much empty rhetoric from EU leaders advocating a "stronger European Union". They need to finally get their act together and provide the EU with the means to realise this. The overwhelming portion of the EU budget (94%) is spent in EU member states, so cutting the EU budget will be a loss to European citizens, especially young citizens. The Erasmus university exchange programme, which is an overwhelmingly successful programme and a flagship for a truly European youth is already running out of money and its existence is being threatened by the negotiating positions of EU governments. The EU's cohesion policy, which aims to support Europe's poorer regions and peoples[iv], risks being underfinanced This will exacerbate the already dramatic and historical levels of unemployment in Europe, which are around 25% in Greece and Spain. The cuts also threaten investments needed for the creation of sustainable

jobs in both rural and urban areas, for essential energy and transport infrastructures and for a credible response to climate change. EU governments need to end the doublespeak (especially net contributors to the EU budget like Germany, France, the UK, Sweden, the Netherlands and Denmark).

What type of Europe?

The EU budget brings benefits across a wide range of areas, with European-level programmes bringing added value. Many European regions would hardly be able to organise training and reintegration projects for unemployed people without the European Social Fund. Without EU research programmes, cooperation and common research activities between European universities would hardly exist, seriously reducing strongly the quality of European research. Without the LIFE+ environment programme, many outstanding environmental projects throughout Europe would cease to exist. The Greens/EFA group in the European Parliament wants to defend citizen's interests and promote a better Europe and a reformed European budget, preparing Europe for a future of limited resources and an increased need for solidarity.

[i] The European Union's long term budget is called the Multiannual Financial Framework or the financial perspectives, and sets the maximum amount of money which can be committed during the annual budget procedure.

[ii] The Members which contribute more than they benefit from the EU budget are called "net contributors" while, in fact, they benefit much more from the EU budget through the EU budget's spill-over effects in the "net beneficiaries" Member states.

[iii] Such as the Lisbon Treaty which increased the EU's competences, the EU2020 strategy which set a number of clear and defined targets to be reached by 2020 and the compact for Growth and Jobs which requires adequate means to get implemented.

The Cohesion policy which is the key element of the solidarity within the Union benefits to the poorest regions by investing in the economy and by creating jobs and to the richest regions by investing in the economy and by spill over effects in the poorest regions.

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