

MFF: European Parliament rejects current deal and lays out its conditions for negotiations

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The European Parliament today firmly rejected the future budgetary framework proposal reached by EU leaders at their summit on 8th February. In the resolution, approved by a very large majority (506 in favour, 161 against, 23 abstentions), MEPs of all major groups supported several key demands which the ALDE group has been advocating and which will be the focus of the negotiations:

Guy Verhofstadt, reiterated the position adopted by the ALDE group on 27th February:

ALDE wants a modern, forward-looking budget

"The European Council preserved the existing structure of the MFF, with only 13% for research, innovation, infrastructure and competitiveness. Only one billion euros over seven years, instead of the nine billion foreseen, has been set aside for the rollout of broadband internet connectivity across the whole EU. That is just not serious. We want to rebalance the budget towards future priorities."

ALDE wants to avoid a growing deficit. More flexibility

"Nor can we countenance the creation of excessive deficits, building up outstanding commitments year on year to a potential debt of 300 billion by 2020, if all commitments are taken up. It is ironic that Member States are being required by the European Commission to reduce their annual budget deficits whilst they, in turn, are obliging the EU to increase its own deficit. To deal with that problem we need more flexibility between budgetary lines and carry-over between years so that under-utilised funds can be redirected to where the money is most needed."

ALDE wants an end to the Turkish bazaar style negotiations. More own revenue

"The current dependence on GDP transfers leads to the preoccupation with 'juste retour' where every country seeks to get back what it contributes resulting in numerous exceptions and rebates to the MFF deal. This MFF must make some tangible progress towards genuine own resources. We cannot wait another seven years before tackling this fundamental issue."

ALDE wants more democratic legitimacy through a binding revision

"There must be a binding revision and re-approval process mid-way through the next MFF that allows us to reassess the state of public finances and collective investment needs. This also is crucial from the point of view of democratic legitimacy, enabling the next European Parliament, to be elected in 2014, to have a say in deciding the Union's budgetary priorities. No democratic system should tolerate its parliament being excluded from setting budgetary priorities."