

CHAMBER OF DEPUTIES

JOINT SITTING OF THE COMMITTEE ON BUDGET, TREASURY AND PLANNING
AND THE COMMITTEE ON EUROPEAN UNION POLICIES

FINAL DOCUMENT, PURSUANT TO RULE 127 OF THE CHAMBER'S RULES OF PROCEDURE, ON:

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE
EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS. AN ADJUSTED
PACKAGE FOR THE NEXT GENERATION OF OWN RESOURCES (COM(2023)330 FINAL)

AMENDED PROPOSAL FOR A COUNCIL DECISION AMENDING DECISION (EU, EURATOM) 2020/2053
ON THE SYSTEM OF OWN RESOURCES OF THE EUROPEAN UNION (COM(2023)331 FINAL)

AMENDED PROPOSAL FOR A COUNCIL REGULATION AMENDING REGULATION (EU, EURATOM)
2021/768 OF 30 APRIL 2021 AS REGARDS IMPLEMENTING MEASURES FOR NEW OWN RESOURCES OF THE
EUROPEAN UNION (COM(2023)332 FINAL)

AMENDED PROPOSAL FOR A COUNCIL REGULATION ON THE METHODS AND PROCEDURE FOR MAKING
AVAILABLE THE OWN RESOURCES BASED ON THE EMISSIONS TRADING SYSTEM, THE CARBON BORDER
ADJUSTMENT MECHANISM, REALLOCATED PROFITS AND THE STATISTICAL OWN RESOURCE BASED ON
COMPANY PROFITS AND ON THE MEASURES TO MEET CASH REQUIREMENTS (COM(2023)333 FINAL)

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN
COUNCIL, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE
OF THE REGIONS – MID-TERM REVISION OF THE MULTIANNUAL FINANCIAL FRAMEWORK 2021 – 2027
(COM(2023)336 FINAL)

PROPOSAL FOR A COUNCIL REGULATION AMENDING REGULATION (EU, EURATOM) 2020/2093
LAYING DOWN THE MULTIANNUAL FINANCIAL FRAMEWORK FOR THE YEARS 2021 TO 2027
(COM(2023)337 FINAL AND ANNEX)

Adopted on 6 December 2023

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS. AN ADJUSTED PACKAGE FOR THE NEXT GENERATION OF OWN RESOURCES (COM(2023)330 FINAL)

AMENDED PROPOSAL FOR A COUNCIL DECISION AMENDING DECISION (EU, EURATOM) 2020/2053 ON THE SYSTEM OF OWN RESOURCES OF THE EUROPEAN UNION (COM(2023)331 FINAL)

AMENDED PROPOSAL FOR A COUNCIL REGULATION AMENDING REGULATION (EU, EURATOM) 2021/768 OF 30 APRIL 2021 AS REGARDS IMPLEMENTING MEASURES FOR NEW OWN RESOURCES OF THE EUROPEAN UNION (COM(2023)332 FINAL)

AMENDED PROPOSAL FOR A COUNCIL REGULATION ON THE METHODS AND PROCEDURE FOR MAKING AVAILABLE THE OWN RESOURCES BASED ON THE EMISSIONS TRADING SYSTEM, THE CARBON BORDER ADJUSTMENT MECHANISM, REALLOCATED PROFITS AND THE STATISTICAL OWN RESOURCE BASED ON COMPANY PROFITS AND ON THE MEASURES TO MEET CASH REQUIREMENTS (COM(2023)333 FINAL)

COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE EUROPEAN COUNCIL, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS – MID-TERM REVISION OF THE MULTIANNUAL FINANCIAL FRAMEWORK 2021 – 2027 (COM(2023)336 FINAL)

PROPOSAL FOR A COUNCIL REGULATION AMENDING REGULATION (EU, EURATOM) 2020/2093 LAYING DOWN THE MULTIANNUAL FINANCIAL FRAMEWORK FOR THE YEARS 2021 TO 2027 (COM(2023)337 FINAL AND ANNEX)

FINAL DOCUMENT ADOPTED BY THE COMMITTEES IN A JOINT SITTING

The Committee on Budget, Treasury and Planning and the Committee on European Union Policies of Italy's Chamber of Deputies, in a joint sitting,

Having examined, pursuant to Rule 127 of the Chamber of Deputies' Rules of Procedure, the following European Commission proposals concerning the mid-term revision of the Multiannual Financial Framework (MFF) 2021-2027 and the introduction of new European Union own resources:

- Communication on the mid-term revision of the multiannual financial framework 2021 – 2027 (COM(2023)336);
- The proposal for a Council Regulation amending Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027 (COM(2023)337);
- Communication on an adjusted package for the next generation of own resources (COM(2023)330);
- Amended Proposal for a Council Decision amending Decision (EU, Euratom) 2020/2053 on the system of own resources of the European Union (COM(2023)331);
- Amended proposal for a Council Regulation amending Regulation (EU, EURATOM) 2021/768 of 30 April 2021 as regards implementing measures for new own resources of the European Union (COM(2023)332);
- Amended Proposal for a Council Regulation on the methods and procedure for making available the own resources based on the Emissions Trading System, the Carbon Border Adjustment Mechanism, reallocated profits and the statistical own resource based on company profits and on the measures to meet cash requirements (COM(2023)333);

Whereas:

- these proposals have been submitted in response to a specific commitment in the interinstitutional agreement signed in December 2020 between the European Parliament, the Council of the European Union and the European Commission when the 2021-2027 MFF of the European Union was approved;
- underpinning the proposal for the mid-term review of the EU MFF, which will cover the period 2024-2027, is the timely need to take account of the important developments that have taken place since its adoption, with particular reference to the economic and social consequences of the pandemic crisis, migration flows, the Russian invasion of Ukraine and the ensuing humanitarian and energy crisis, the rapid acceleration of inflation and interest rates, the repeated disruptions of global supply chains, and heightened global technological competition;
- in order to respond to these challenges, the European Union has made the most of the available resources of the common budget, extensively redistributing the funds and exploiting its limited flexibility mechanisms, with the result that the budget itself will no longer have adequate margins and appropriations available in the next four years to tackle the priorities of the current geopolitical and economic environment, which is extremely volatile and uncertain;
- the Commission's proposal to strengthen the EU's MFF in the three priority areas of supporting Ukraine, migration and external challenges, and European technological competitiveness, in order to address global challenges that cannot be effectively tackled by individual Member States, is therefore welcome in broad outline;
- the mid-term review is therefore a response to the objective of providing the Union with new instruments and increased resources to pursue its political priorities more adequately;
- an insufficiently substantial intervention would not be a very reassuring sign looking ahead to the future debate on the EU's MFF for the next budget programming period;
- from this perspective, the legislative proposals under consideration must necessarily be negotiated simultaneously, as a package, and financed without affecting the funds available for cohesion policy and the Common Agricultural Policy, as these are also priorities in view of their intended purposes;
- we agree on the need to reach an agreement by the end of 2023, in order to secure the financing of assistance to Ukraine and the other priorities from next year;
- the Committees also welcome, in principle, the amendments to the proposals already tabled by the European Commission in December 2021 for further own resources linked to the Emissions Trading Scheme (ETS) and the Carbon Border Adjustment Mechanism (CBAM), in order to bring them into line with EU legislation, as well as the introduction of a new transitional own resource based on statistical data reported by the national authorities to Eurostat on corporate profits, which would subsequently be replaced by a subsidy under the proposed "Enterprises in Europe Framework for the Taxation of Income (BEFIT)", proposed by the European Commission;

Bearing in mind that:

- although the proposals for the mid-term review of the MFF and for the creation of new own resources are closely linked, also in terms of their overall impact on the net balances of the Member States, they are pursuing separate negotiating avenues, also taking into account the fact that different procedures and majorities are required for their approval, in order to facilitate a more expeditious agreement on the MFF mid-term review;
- with reference to the revision of the MFF, important differences have emerged between Member States within the Council of the European Union concerning, among other things, the size of the budget increase contemplated by the European Commission and whether it should be limited to the expenditure items concerning Ukraine, with the result that the discussion does not appear to be close to a unanimous agreement;
- the most recent compromise proposals, put forward by the Spanish Presidency of the Council of the European Union, seem to envisage a reduction of the new appropriations and a greater use of internal budget allocations than the European Commission's proposal;

- conversely, the European Parliament has called for a EUR 10 billion increase in the overall volume of the revised MFF than the European Commission has proposed;

Taking note of the evidence gathered at the hearing of the Minister for European Affairs, the South, Cohesion Policies and the NRP;

Reaffirming the guidelines issued with regard to the MFF negotiations in the resolutions adopted on 25 October 2023 by the Chamber of Deputies and the Senate of the Republic in connection with the statements by the President of the Council of Ministers ahead of the European Council of 26 and 27 October 2023,

Noting the need for this document to be forwarded to the European Parliament, the Council and the European Commission as part of the political dialogue,

commit the Government to pursue the following objectives during the negotiations:

- a) with regard to the review of the EU's Multiannual Financial Framework 2021-2027, it is necessary to reaffirm a package rationale that ensures that a parallel and comprehensive agreement is achieved on the proposals submitted;
- b) the agreement on the review should be sufficiently ambitious in terms of new resources to be allocated to the EU budget, and should be reached before the end of this year, not least in order to ensure continuing financial assistance to Ukraine; for, any new resources to be allocated to the EU budget must be sufficient to enable the Union to effectively pursue the priorities identified, without jeopardising the effectiveness of traditional policies; with this in mind, any proposals for redistribution to be financed wholly or partly by cutting back any funds earmarked for cohesion policy and the common agricultural policy can under no circumstances be entertained;
- c) at the same time, appropriate margins of flexibility must be ensured in the budget to utilise existing resources, ensuring in particular the possibility of adjusting the allocation of funding in the event of unexpected financial shocks or to respond appropriately and in a timely manner to any natural and climate crises;
- d) in any case, the review must not result in a deterioration of Italy's net balance;
- e) an appropriate solution must be pursued to the problem of rising interest rates, which make debt repayment more onerous; in this connection, interest costs must not be considered discretionary expenditure and cannot, therefore, be subject to an expenditure ceiling under an MFF ceiling without posing a direct risk to investment programmes and their beneficiaries and to the capacity of the budget to meet emerging needs;
- f) with specific reference to Ukraine, efforts must be made to put the new facility to provide financial support to a country at war in time for it to be operational from the beginning of 2024, which will be capable of adapting to the evolving situation; furthermore, the EIB must be given a central role in reconstruction with adequate resources; a level playing field for businesses, especially small and medium-sized enterprises, must in any case be guaranteed as part of the second-Pillar measures of the new facility for Ukraine, to attract and mobilise public and private investment for the recovery and reconstruction of the country;
- g) with regard to immigration policies, adequate resources must be allocated to finance policies to counter irregular migration flows and strategic partnerships with the Southern Neighbourhood and African countries, particularly the countries of origin and transit, as well as to support the implementation of the new Pact on Migration and Asylum;
- h) it is necessary to maintain the high ambition, also in terms of resources, of the new platform for strategic technologies for Europe, 'STEP', which will permit investment in the most advanced technologies; to this end, additional allocations for specific EU programmes should be ensured, also in combination with greater flexibility in the use of EU funds, especially those

relating to the National Recovery and Resilience Plans and cohesion policies; also thanks to these measures, a more level playing field in the single market between countries with different budgetary spaces must be ensured, bearing in mind that the decision to relax State aid rules has benefited the Member States with greater fiscal capacity to support their production sectors;

- i)* at the same time, with a view to fostering the open strategic autonomy and long-term competitiveness of the European Union while ensuring a level playing field, it is necessary to reiterate Italy's call for the rapid creation of a proper European Sovereign Fund, with adequate common resources, of which the 'STEP' platform would be an initial stage, that can bridge the financing gap for strategic investments, including infrastructure, and at the same time avert the fragmentation of the single market;
- j)* looking ahead to the above-mentioned open strategic autonomy, we must stress the need for the EU to have fresh funding available to support strategic investments, such as those for the green and digital transitions, to support the semiconductor and critical raw materials supply chain and the increase of the Union's defence capabilities, as well as to decrease dependence on third countries, especially China and Asian countries;
- k)* with regard to changes to the own resources system, which has a decisive impact on the way in which the European integration process is understood and on its future development, we reiterate our support for the introduction of new genuinely EU own revenues, which reduce dependence on Member States' contributions as a resource based on Gross National Income and help to cover the repayment of the Next Generation EU debt, without raising the overall tax burden.