

*Parliament of the Czech Republic*  
***Chamber of Deputies***  
*6<sup>th</sup> election term - 2011*  
***Committee on the Budget***

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**RESOLUTION**  
*from 10<sup>th</sup> meeting held on January 12, 2011*

on the request of the Chairwoman of the “Special Committee on the Policy Challenges and Budgetary Resources for a Sustainable European Union after 2013 (SURE committee)”

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Following the invitation of the Chairwoman of the “Special Committee on the Policy Challenges and Budgetary Resources for a Sustainable European Union after 2013 (SURE committee)” Mrs. Jutta Haug and recommendation of the President of European Parliament Mr. Jerzy Buzek the Committee on the Budget of the Chamber of Deputies of the Parliament of the Czech Republic considered political and financial priorities which the Czech Republic foresees on the parliamentary level for the next multiannual financial framework of the EU for the period following the year 2013 (MFF).

Having heard the initial explanation of the Chairperson of the Committee on the Budget and member of the Chamber of Deputies Mr. Pavel Suchánek and having discussed the issue the Committee on the Budget of the Chamber of Deputies of the Parliament of the Czech Republic adopts the following position which is in accord with already adopted resolution of the Chamber of Deputies No. 181 from 9<sup>th</sup> plenary session held on December 9, 2010 on the Communication of the Commission to the European Parliament, the European Council, the European Economic and Social Committee, the Committee on Regions and Parliaments of Member States – EU Budget Review /document code 15285/10, KOM(2010) 700 in the final wording/ /Parliamentary print 191-E/:

The Committee on the Budget

- I. as far as time perspective is concerned, recommends*
  - to conclude political negotiations about the upcoming EU financial framework within the framework of the Council and European Parliament in June 2012 at the latest so as to provide satisfactory time frame for adoption of related legislation, which in most of the cases will be adopted by means of the co-decision procedure;
- II. as far as the financial framework and budget structure is concerned, it is of the opinion that*
  - the duration of period for which the multiannual financial perspective is to be adopted, shall be maintained, i.e. it shall be maintained at 7 years. The seven-years-long period provides sufficient certainty with respect to the aforementioned resources available and

conditions applicable to drawing the funds. Any shortening of the period would decrease the efficiency of the programme as well as its consequent implementation in the area of investment programs such as the cohesion policy in particular;

- the current flexibility mechanisms embedded in the European budget are sufficient and allow for adequate reaction to unforeseeable events. We do not support any eventual proposals for creation of new flexibility tools nor relaxing the current rules for the use of such rules;

*III. as far as budget volume and strategy is concerned, it wishes to*

- maintain the future European budget approximately at its current level of 1 % EU's GNI;
- make sure the sum of EU's budget expenses provides the European added value in view of the Europe 2020 strategy goals fulfilment;

*IV. as far as budget revenues are concerned*

*a) it proposes to*

- make sure the EU's budget has the simplest and most transparent system of capital and reserves with individual member countries contributing according to the level of their development. Furthermore, the budget shall be funded by traditional own resources and by a source based on GNI;
- abandon the VAT based source because it is in contradiction with the principles of just contributions and simplicity;
- remove all rebates in the EU budget revenues;

*b) it disagrees with*

- introducing new budgetary sources that would only make the system more complex and at the same cause danger to the sole responsibility of member states in the area of tax policies;

*V. as far as expenditures are concerned, it insists on*

- making sure the EU's cohesion policy remains one of the main expenditure items of EU's budget and that the cohesion policy funds shall be concentrated and directed to the less developed member states and regions – i.e. the current goal no. 1. The EU cohesion policy in our opinion represents a key solidarity tool in the EU and at the same time it is a significant tool for support of growth and real convergence of less developed areas towards the EU average;
- making sure the main priority of the cohesion policy is reducing deficiency of less developed member states and regions and support of their approximation to the level of development of wealthier member states. Therefore, we do not consider the current

endeavour of the Commission to link the cohesion policy with the Europe 2020 strategy goals to the maximum possible extent to be optimal and seek to provide as much opportunities for the member states to make sure the needs of their regions are taken into consideration;

- keeping the European social fund an integral part of the EU Cohesion Policy in the future;
- common calculation of allocations for all Cohesion Policy funds;

*VI. as far as Common Agricultural Policy is concerned, it supports*

- performing a real and substantial reform of CAP with significantly better market orientation. We put the emphasis on removing persisting differences in direct payments between the EU member states and abandonment of the link between the amount of payments and the level of production more than ten years ago;
- maintaining the CAP a common policy also in the future. Direct payments should continue to be funded from EU budget exclusively and such payments shall not be co-financed from national budgets;
- continuation of gradual CAP expenditure reductions in view of keeping the EU budget on the level of 1% GNI and the need for strong cohesion policy and new priorities funding;

*VII. a) authorises* the Chairperson of the Committee to communicate this position to the Chairwoman of the “Special Committee on the Policy Challenges and Budgetary Resources for a Sustainable European Union;

*b) requests* the Permanent Representative of the Chamber of Deputies of the Parliament of the Czech Republic Mrs. Klára Urbanová to mediate contacts between the secretariat of the Committee on the Budget of the Chamber of Deputies of the Parliament of the Czech Republic and the secretariat of the Committee on the Policy Challenges and Budgetary Resources for a Sustainable European Union of European Parliament.

Jiří DOLEJŠ m.p.  
verifier

Pavel SUCHÁNEK m.p.  
Chairperson