

SUMMARY

- **The Young MP Erasmus Programme: National and European politicians closer together**
- **The Future Financing of the European Union: the road ahead**
- **European Semester for economic policy coordination: implementation of 2016 priorities**

The Young MP Erasmus Programme: National and European politicians closer together

In times when Member States and the EU are so often juxtaposed and pursuing different interests, the **EPP Young Member's Network (YMN)**, under the leadership of **Tom Vandenkendelaere** MEP, is taking action to bring national and European politicians closer together. The **Young MP Erasmus Programme** offers young MPs from EPP sister-parties across the EU the opportunity to gain an insider view of the workings of the European Parliament. Participants are invited to the European Parliament, Brussels, for one week, where they follow a young MEP colleague in his or her work. As such, they are able to gain an in-depth understanding of European decision-making, meet with people of influence, decision-makers, voters and journalists, and participate in any meetings that are relevant to their work. All available places for 2016 have been filled and the dates for 2017 will be made available soon. Please see below the testimonials of the first two young Members of Parliament who participated in the programme.



This was a wonderful experience and opportunity. Being one of the “Guinea pigs” for this new programme, was a pleasure. I hope many more young MPs will be offered the same opportunity. I appreciated very much the access we were given to the EPP Group and working group meetings. Being part of our European political family in the European Parliament for those days was a very stimulating experience. For me, being a permanent member of the Commission for External Relations of the Belgian Parliament, it was also extremely interesting to follow the internal EPP debates on international issues and to observe how the EPP Group reflects on these issues.

I also appreciated the open and instructive meetings I had with many MEPs, collaborators and administrators. They all inspired me to think!

The Young MP Erasmus programme provided a remarkably thorough insight into the workings of the EPP, and the work of individual MEPs. It allowed me to have an insider view of the European Parliament. I became familiar with the role played by the EPP working groups, the role of standing committees when debating issues of sectoral interest and the interaction between the Parliament and Commissioners. Ultimately, I would encourage any eligible national Parliament Member to consider participating in this programme. It is intense, but it has allowed me to deepen my understanding of the European institutions, and it also enabled me to see the role that national parliamentarians play in bridging the gap, real or perceived, between our national parliament and the European Parliament.

Young MP Erasmus Programme

Testimonials of the first two young Members of Parliament who participated in the programme

I appreciated very much the access we were given to the EPP Group and working group meetings.



Sarah CLAERHOUT MP,
Belgian Federal Chamber

I would encourage any eligible national Parliament Member to consider participating in this programme.



Noel ROCK TD,
Dáil Éireann, Ireland

The Future Financing of the European Union: the road ahead

During the inaugural session of the Conference on the Future of Financing of the European Union, the Chairman of the High Level Group on Own resources, **Mario Monti**, opened the debate with a succinct description of the state of play. Rather than resulting in integration the MFF rounds and the budgetary talks “predisposed the EU towards disintegration, as they shed light on the differences amongst Member States. Little is being done to highlight the positive and most often unperceived benefits resulting from these debates.”



Mario Monti, Chairman of the High Level Group on Own resources

However, President Monti was positive about the latest developments in Europe which he said do allow for a mindful view of the positive contributions to **European integration** through the budget. “In particular, the talks about the internal and external security of the Union underline the importance of generating **genuine European public goods** and making them available to the citizens via national governments”, President Monti stated.

Looking at the future financing of the EU budget, President Monti reflected on the possibility of creating own resource mechanisms which are designed for specific objectives, policies or priorities, instead of financing the overall EU budget. This would make the European financing more understandable to the citizens and help reduce national contributions.

During the debate **Lolita Čigāne** MP (Unity, LV), Chair of the European Affairs Committee, agreed with the statements underlining the importance of the **Cohesion Policy** and its’ contributions to growth and development in the EU Member States. **Manuel**

Rodrigues MP (PSD, PT), European Affairs Committee, considered that the necessity of a large budget might be compensated by better coordinating public policies and by delivering on prior commitments (e.g., Banking Union, Energy Union etc.).

New sources of revenue for the EU? What works and what should be changed?

During the first thematic debate on the different sources of revenue that make up the current budget, **Jörgen Andersson** MP (Moderate Party, SE), Member of the Committee on Finance, reminded the audience that Sweden is rather sceptical of some of the elements in the report. For example, the Swedish parliament does not consider the removal of fiscal competencies from the national level as appropriate. When it comes to the size of the budget, Mr Andersson believes strongly that through growth more money will be made available to the EU.



Jörgen Andersson MP, Member of the Committee on Finance in the Swedish Riksdagen

Several MP’s discussed the necessity of the introduction of an FTT or other form of EU taxation instrument in order to finance the EU budget. However, **Helena Bouveng** MP (Moderate Party, SE), Member of the Committee on Taxation, underlined that the introduction of FTT will not necessarily lead to increased revenues. **Marc Laffineur** MP (Les Républicains, FR) and **Pedro Mota Soares** MP (CDS-PP, PT), were also in favour of such a measure. **Rafał Trzaskowski** MP (PO, PL), Vice-Chair of the European Affairs Committee, pleaded for a reform package which would contain above all, fair and clear rules, and which will avoid a new correction mechanism. This was echoed by MP **Margarida Mano** MP (PSD, PT), Member of the Committee on Finance, Budget and Administrative Modernisation. **Mátyás Firtl** MP, Member of the European Affairs Committee (KDNP, HU), declared that in case new own-resources are introduced, fiscal sovereignty of the MS should not

be encroached. **José Manuel Fernandes** MEP (PT), Member of the Committee on Budgets, pleaded for the removal of rebate provisions in the budget.

Vice-President of the European Commission, **Kristalina Georgieva**, responsible for the European budget also intervened during this session by reminding the participants of the success of the EU cohesion policy. “To date, this policy has helped six countries that were considered low income countries to become high-income countries (by passing the middle-income gap), and has created huge investment opportunities for all other Member States“.



Kristalina Georgieva, Vice President of the European Commission

A better coherence between the EU and national budgets? How can we work better together?

This thematic session was started by **Lolita Čigāne** MP, Chair of the Committee on EU Affairs, Latvian Parliament. She was positive about cohesion policy and stated that it is an **important tool for the whole EU**: it serves as a modernizing instrument for the new MS, with economic benefits for the functioning of the entire Single Market. For the future, when the coun-



Lolita Čigāne MP, Chair of the Committee on EU Affairs, Latvian Parliament



Alain Lamassoure MEP (FR), Member of the High Level Group

tries in question reach the necessary convergence level, we should develop smooth mechanisms in order to move beyond this policy provision.

Alain Lamassoure MEP (FR), Member of the High Level Group, mentioned that an important issue to reflect upon, would be to see how the money spent at EU level could reduce the tax burden on citizens and firms. Also, we should consider how EU action on its new priorities could **create savings at national level** (e.g., the European Border and Coast Guard).

In her concluding remarks **Kristalina Georgieva**, Vice-president of the European Commission, noted that a majority of the participants recognized the need for the modernisation and simplification of the EU budget. In the eyes of the Commission this should not be a “**European tax**”, but it should allow citizens to be linked more directly to the objectives of the Union. **Mario Monti**, Chairman of the High Level Group on Own Resources, rounded-up the discussion by underlining the increased pressure on Europe and called on the Council to take action and reform the own resources of the European budget.



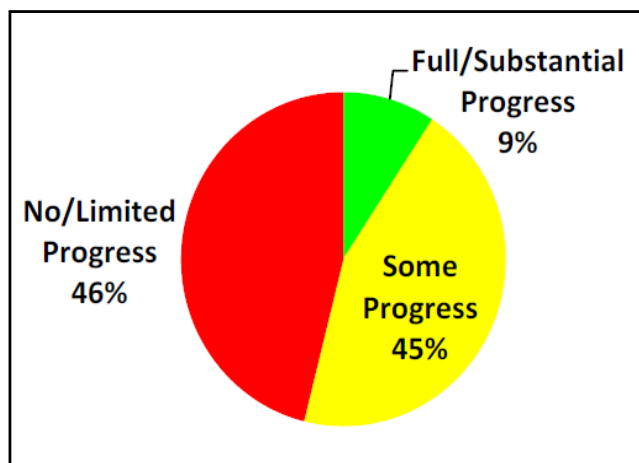
Kristalina Georgieva, Vice President of the European Commission

European Semester for economic policy coordination: implementation of 2016 priorities

On 28 September the ECON Committee of the European Parliament hosted a **joint debate with members of national Parliaments** aimed towards assessing the 2016 European Semester, discussing the priorities for the 2017 Annual Growth Survey, and addressing the country-specific recommendations (CSRs) adopted in July by the Council of the Union.

The exchanges on these subjects followed a number of modifications brought by the Commission to the 2016 European Semester cycle and the CSRs, intended to increase national ownership relative to the recommendations, strengthen the macroeconomic imbalances procedure, promote convergence by a more effective use of benchmarking, support to reforms through EU funds and technical assistance etc. The Commission's focus in its 2016 CSRs on three main priorities (i.e., supporting investment, pursuing structural reforms and preserving responsible public finances) and to limit the number of recommendations, has received particular attention in the draft report on "**European Semester for economic policy coordination: implementation of 2016 priorities**".

Implementation of the 2013 CSRs based on the June 2014 Commission's assessment



Source: European Commission and EGOV calculus

By endorsing recommendations that have become more focused in their scope and targeting each country's urgent challenges, these measures are also aimed at fighting against the deteriorating trend by national governments in the implementation of CSRs and, concurrently, increasing the share of fully or substantially implemented recommendations.

In the context of the European Semester priorities and



Gunnar Hökmark MEP (SE), Members of the Committee on Economic and Monetary Affairs

the need for economic policy coordination, the credibility of the Stability Pact is key towards maintaining the stability of the entire European economy. "Promoting fiscal consolidation is a precondition for investment, long-term growth, and new jobs", said **Gunnar Hökmark** MEP, Member of the Committee on Economic and Monetary Affairs.

In complementing the respect for Stability Pact requirements, continuing to mainstream the European Semester has additional benefits: the focused CSRs are a step forward and they should remain technical in substance. The 2016 recommendations for Hungary - relating to budgetary discipline, sector specific taxation, and an increase in the investment rate - are in line with the objectives of the Hungarian government, according to **István Hollik** MP (KDNP, HU), Member of the Committee on Economics in the Hungarian National Assembly.

The Eurozone is an imperfect currency area, and the dialogue within the European Semester cycle helps coordinate economic policies at national and European level and supports addressing the macro-economic imbalances. In this context, **Onoufrios Koulla** MP



Onoufrios Koulla MP, Member of the Committee on Financial and Budgetary Affairs in the Cypriot House of Representatives

(DISY, CY), Member of the Committee on Financial and Budgetary Affairs in the Cypriot House of Representatives, believes that the CSRs are an important co-ordination instrument which leads to the achievement of the economic and financial European objectives.

The Commission priority of supporting investment cannot be attained only through monetary policy means. A complementary method would give priority to innovation-driven growth across Member States. **Claudio Grech** MP (NP, MT), Member of the Public Accounts Committee in the House of Representatives of Malta, agreed that this approach would bring added-value, which accelerates productivity and results in sustainable growth, increased investment, and new and better jobs.



Claudio Grech MP, Member of the Public Accounts Committee in the House of Representatives of Malta

Next meetings

- Interparliamentary meeting on “Cultural and Creative Sectors in the EU”, Brussels, 11 October 2016
- Interparliamentary meeting on “A targeted revision of the rules on the Posting of Workers”, Brussels, 12 October 2016
- Interparliamentary Conference on Stability, Economic Coordination and Governance in the EU (“Article 13 Conference”), Bratislava, 16-18 October 2016
- 24th Summit of Chairmen of Parliamentary Groups in the National Parliaments of the EU and the European Parliament, Brussels, 7 November 2016
- Interparliamentary committee meeting on the “State of Play of the Common Foreign and Security Policy”, Brussels, 8 November 2016
- Interparliamentary committee meeting on “better spending in shared management: a more cooperative model of parliamentary scrutiny”, Brussels, 8 November 2016
- 9th Annual Meeting of the EPP Young Members Network (YMN), Brussels, 10-11 November 2016
- LVI COSAC Meeting, Bratislava, 13-15 November 2016



Published by : Service for Relations with National Parliaments
EPP Group in the European Parliament

Editor : Beatrice Scarascia Mugnozza
Responsible for the Service for Relations with National Parliaments
Dirk Gotink
Advisor

Address: European Parliament - 47-53 rue Wiertz - B - 1047 Brussels - Belgium
Internet: www.eppgroup.eu/national-parliaments
E-mail: epp-nationalparliaments@europarl.europa.eu

