



EUROPEAN COMMISSION

Brussels, 1. 10. 2012
C(2012)6691 final

Dear President,

The Commission would like to thank the Camera dei Deputati for its Opinion on the Commission's proposals for the EU's multiannual financial framework 2014-2020 {COM(2011) 398_403_500_510_511_512 final}.

As you know, the proposals that were tabled by the Commission on 29 June 2011 and to which you refer have since been supplemented by the adoption by the Commission, between October and December 2011, of a full range of proposals for sectoral programmes and instruments designed to implement the next financial framework. These proposals provide more extensive information on the Commission's approach in the relevant policy areas, some of which are mentioned in your opinion.

The Camera dei Deputati is concerned about the proposed budget size and pleads for a stabilisation of the existing levels or even an increase of the proposed amounts. While well aware of the ongoing and necessary budgetary consolidation in Member States, the Commission has presented a credible budget proposal, both realistic and ambitious. The Commission can only agree that doing less is not an option. Europe faces challenges that must be addressed at EU level, such as strengthening EU competitiveness in a global economy, climate change and securing safe energy supply sources. The proposed budgetary framework would allow the European Union and its Member States to respond to these challenges by focusing on EU added value and the achievement of our commonly agreed Europe 2020 strategy.

The Camera dei Deputati supports the Commission's increased focus on areas such as infrastructure investments, education, culture and research and development. In the area of research and innovation, for the first time, the proposal 'Horizon 2020' aims to bring together all EU research and innovation funding under a single programme. It focuses on turning scientific breakthroughs into innovative products and services that provide business opportunities and change people's lives for the better. At the same time it would significantly cut red tape, with simplification of rules and procedures to attract more top researchers and a broader range of innovative businesses.

The Commission takes note of the concerns raised by the Camera dei Deputati as to the proposed levels of expenditure for the Common Agricultural Policy as well as for Cohesion Policy. Many of the major challenges ahead (food security, climate change, biodiversity loss, water scarcity, rural depopulation) are linked to agricultural policy. The Commission's

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proposals for the reform of the CAP after 2013 address these issues with a more targeted income support and a fairer distribution between farmers, regions and Member States, within the wider objectives of strengthening the competitiveness and sustainability of agriculture throughout the European Union. A key element of the Commission's approach is the proposed greening of direct payments to enable optimal use of natural resources.

Cohesion policy will continue to be of vital strategic importance for the EU, because it makes a genuine contribution to convergence and growth in Member States, which is especially important in the current economic conditions. The EU budget is a budget for investment and this goal needs to be reflected in all policies, including cohesion.

In that respect, the Commission has proposed a number of important improvements, such as: a better alignment with the Europe 2020 strategy, a focus on a limited number of priorities, strengthened performance incentives and conditionalities, and a stronger emphasis on financial engineering and leverage funding. The development of a Common Strategic Framework providing strategic orientations for all EU Funds concerned and to translate the Europe 2020 objectives into investment priorities would considerably simplify the implementation of the Cohesion policy.

The financing of the EU budget needs to be re-aligned with the principles of autonomy, transparency and fairness. The Commission's proposals are about changing the mix of resources that finance the EU budget. The Commission believes that the new own resource proposals would ensure a fairer distribution of burden across the Member States while substantially reducing their respective contributions to the EU budget. The current system, which is overly dependent on direct contributions from the Member States, does not ensure neutrality and tends to promote a focus on net balances rather than on the results that the EU budget can deliver.

I hope that these clarifications address the issues raised by the Camera dei Deputati in its Opinion and I look forward to continuing our political dialogue on this very important issue.

Yours faithfully,

*Maroš Šefčovič
Vice-President*