**COMPROMISE AMENDMENTS**

<Titre>General budget of the European Union for the financial year 2021 - all sections -</Titre>

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***Compromise A [AM1 (GUE), 2 (GREENS), AM 5 (GUE) 12 (COSIGNED SD GUE GREENS RE)]***

***Calls for the 2021 Union budget to put European citizens at the heart of a just, inclusive and [AM1-5] sustainable recovery strategy [AM 12] that would mitigate the impact of COVID-19 crisis [AM1], deliver on the Green Deal, , on the digital agenda, on an inclusive industrial strategy and on the European Pillar of Social Rights, while helping reach the EU climate commitments by 2030 and the commitment to a carbon-neutral economy by 2050 at the latest in the context of the Paris agreement and the UN Sustainable Development Goals. [AM1; AM2; AM12]***

***Compromise B [AM5 (GUE), 6 (COSIGNED SD GUE GREENS EPP RE), 7 (EPP) 8 (ECR), 10 (GREENs)]***

Calls for the 2021 Union budget***, which corresponds to the first year of the Multiannual Financial Framework 2021-2027[AM6],*** to make an ambitious, ***effective [AM5] and efficient [AM8]*** contribution to the recovery of the Union economy in view of the COVID-19 outbreak ***effects***; welcomes the ***European Council agreement*** *on* [***AM5; AM6]*** a new recovery instrument, Next Generation EU***, based on common borrowing by the Union, as an important step for the EU [AM5] relying on necessary solidarity to face a symmetric shock [AM6] and calls for its swift adoption [AM10]; deplores, however, the cuts in the grant component of NGEU which resulted in cuts in future-oriented programmes and the cancellation of innovative programmes [AM5]; welcomes the initiative of the President of the European Commission to directly involve the Parliament in the negotiations of the recovery plan by activating Article 324 of the Treaty on the Functioning of the European Union [AM6]; recalls hereby for the full parliamentary involvement as budgetary authority in the recovery instrument [AM 7].***

***Compromise C [AM 7 (EPP), 8 (ECR), 11 (ECR), 15 (GUE), 16 (COSIGNED SD GUE GREENS RE), 17 (S&D), 18 (GREENs), 19 (SD)]***

2. Calls for ***a more ambitious [AM15]*** 2021 Union budget to support the ***speedy*** ***[AM15; AM16]*** implementation of the Recovery and Resilience Facility which aims to address the challenges identified in the European Semester in which the Sustainable Development Goals shall be integrated ***and support jobs creation and convergence within the Union [AM 17 AM19]***; ***underlines that, as from 2021, such Facility should focus on sustainable growth-enhancing investment in line with the European Pillar of Social Rights, the Paris Agreement and the “do no significant harm” principle, our commitments towards a carbon-neutral economy by 2050 at the latest [AM15; AM18]. The facility should also be consistent with national energy and climate plans [AM15; AM16].***

***Reminds that the Union budget should also support delivering sustainable and socially balanced structural reforms [AM8; AM16] that increase competitiveness, resilience, convergence, sustainable, inclusive and cohesive growth [AM15; AM16] and urges, in that context, first payments to be done as early as possible in 2021 [AM15; AM16];***

***Calls hereby for an ex-ante democratic and parliamentary scrutiny ensuring that there is a balance of institutional powers and that the European Commission is empowered in the monitoring of the Recovery and Resilience Plans and therefore demands for the European Parliament to be involved through delegated acts, as well as in the ex-post verification that money under the Recovery and Resolution Facility is well-spent, in the interest of European citizens and ensure its genuine European added-value [AM7; AM11; AM16];***

***Compromise D [AM 22 (EPP), 23 (RE)]***

***Considers that significant technical support is essential to strengthen the Members States’ administrative capacities in order to develop and implement the necessary reforms for resilience and recovery [AM23] as early as 2021; calls on the Commission to work with Member States regarding green budgeting tools [AM22];***

***Compromise E [AM 4 (GUE) AM5 (GUE), 13 (S&D) 25 (COSIGNED SD EPP RE GREENS GUE), 26 (GUE), 27 (SD), 28 (GREENs), 29 (EPP)]***

3. ***Highlights the symmetric nature of the shock caused by the COVID-19 pandemic [AM4], notes however the asymmetric impacts the Covid-19 pandemic is having on the economies of the Member States [AM 4; AM13]; underlines the importance of supporting companies with solvency issues as a result of COVID-19, in line with EU’s social, climate and environmental commitments; warns about the risk of distortions within the Single market due to uneven capacity to provide financial support for Member States; regrets the withdrawal of the temporary Solvency Support instrument by the European Council; insists that firms at risk of insolvency would need rapid support to avoid any supplementary negative impact on investment and unemployment levels, as part of the current Multiannual Financial Framework of the Union [AM 5, 25, 26, 27, 28, 29]***

***Compromise F [AM31 (GREENs), 32 (COSIGNED SD RE GREENs GUE), 33 (GUE), 34 (EPP)]***

4. Welcomes the State aid Temporary Framework ***to support the economy*** ***[AM32]*** in the context of COVID-19; calls for reinforced resources to ensure full and fast application of Union competition policy; ***highlights in this context the specific possibilities to provide public support to all micro and small companies, even if they were already in financial difficulty on 31 December 2019 [AM32; AM33] and supports its application for as long as necessary during the recovery period [AM31; AM33]; encourages Member States to make full use of the Framework also via its new recovery instrument, Next Generation EU; anticipates that the Commission will also have to monitor such schemes approved under the Temporary Framework and their impact on the functioning of the Single Market; recalls differences of means amongst Member States to provide such economic support via State Aid creating market distortions and an unfair playing field [AM31, AM32, AM33]; calls on the Commission to support European companies investing in new technologies (AM 34) and to set common minimum standards in order to specify the requirement for companies receiving financial assistance to be in line with ESG criteria and taxation transparency in order to avoid different national criteria giving rise to further discrepancies and to demonstrate how the public support received is used to align their operation with EU’s climate and environmental objectives and the Paris Agreement; recalls that aid should only be granted to cover the losses incurred in connexion to COVID-19; urges that companies registered in tax havens should be banned from accessing state aid or financial support packages if they do not commit to change their behaviour[AM31]; calls on the Commission to ensure a level playing field compared to third country companies [AM 34]***;

***Compromise G [AM 36 (GUE), 38 (COSIGNED SD RE GUE GREENs], 40 (SD)***

5. Welcomes the European Green Deal ***as one of the main pillars for the transformation of the EU economy***; calls for adequate funding to allow challenges related to sustainable development to be met, including through the Sustainable Europe Investment Plan***; recalls the importance of moving the economies of the Member States towards the EU objective of climate neutrality economy [AM38], the Parliament´s position for a climate mainstreaming spending level of 30% and a biodiversity spending level of 10% [AM36] and the EIB commitment to phase out financial support to fossil fuels from the end of 2021 [AM40];***

***Compromise H [AM42 (COSIGNED SD EPP RE Greens GUE), 43 (Greens) 44 (GUE) 47 (COSIGNED SD RE Greens GUE)]***

6. Calls for sufficient resources to fight ***tax evasion and tax avoidance and*** **[AM42; AM43; AM44]** against financial crime and money laundering and for adherence to the economic governance framework; ***stresses that estimates of annual losses due to tax evasion and tax avoidance vary between 750 and 1000 billion euros for all Member States; welcomes in particular the Commission’s Action Plan for a Comprehensive EU policy on Preventing Money Laundering and Terrorist Financing that should be implemented in 2020 and 2021 and which foresees six pillars including one aimed at ensuring EU-level supervision; [AM42; AM43]; welcomes the Commission Action Plan for fair and simple taxation supporting the recovery [AM 47];***

***Compromise I [AM47 (COSIGNED SD RE Greens GUE), 48 (GUE), 49 (Greens)]***

7. Emphasises ***the need for increased human and financial resources for*** ***[AM47; AM49]*** accounting entities and tax authorities, including to support the Union action to fight tax ***fraud, tax*** ***[AM48]*** evasion and tax avoidance; welcomes the creation of the EU Tax and Financial Crimes Observatory ***as a preparatory action and its inclusion in the Commission Action Plan for fair and simple taxation supporting the recovery [AM47]***; ***calls for adequate funding and human resources for the relevant programmes and agencies [AM48];***

***Compromise J [AM51 (COSIGNED SD RE Greens GUE)], 53(Greens), 54 (EPP) AM 55 (GUE), 57 RE)]***

8. Recalls that the introduction of a basket of new own resources is essential to meet the financial needs of supporting the recovery and for other Union priorities ***and remains the only way to ensure that the financing of the green and the digital transitions does not weigh directly on citizens [AM51] and future generations [AM54]; urges Member States to swiftly agree on an increase of the own resources ceilings and to adopt rapidly the legislative proposals that will create new own resources such as a share of the revenues of a common consolidated corporate tax base, a digital services tax, a financial transaction tax, a plastics contribution and a carbon border adjustment mechanism [AM51; AM52] recalls the importance of creating European sovereignty in digital and industrial fields [AM 57]; stresses the need for a clear and binding calendar for their introduction [AM55, AM57];***

***Compromise K [AM 46 (Greens) 60 (COSIGNED SD RE Greens GUE EPP]***

***8 b.*** ***Calls for adequate financial and human resources for the European Supervisory Authorities (ESAs) in view of their newly assigned tasks and powers deriving from the adoption of the Regulation (EU) 2019/2175 of the European Parliament and of the Council1a***

***[AM46, AM60]; recognises the need to incentivise increased transparency on the functioning of the boards of supervisors of the different ESAs [AM46] that would help improving the accountability and the governance structure; highlights that developments in the fields of fintech, payments and non-bank financial intermediation may entail new competences and tasks for the ESAs, which should be matched by adequate resources [AM60];***