Resolution: EU Budget

The European Liberal Democratic and Reform Party, convening in Berlin, Germany, on 15 October 2007,

- supports a more transparent, fair and predictable financing of the EU budget and notes that the internal market has provided the European Union with the foundation for a dynamic economy, on the basis of which we can make the most of the advantages of globalization, and appreciates that the European Union is a community based on democratic values and the rule of law, that these principles should serve as the foundation for all EU policy-making and has special relevance to how we spend the EU citizens’ money;

- affirms that the 2007-2013 financial perspective agreed in December 2005 was a step in the right direction but does not fulfil all the necessary conditions which would guarantee for Europe to become the most competitive and future-oriented region in the world by 2010 (Lisbon goals), as it fixes the cost of the CAP in real terms for the period 2007-2013 and continues to provide exceptions and rebates (e.g. UK rebate);

- welcomes however its built-in review mechanism, which allows for a comprehensive, fundamental and transparent reassessment of all aspects of EU budget, including EU expenditures - and revenues and by reflecting the economic reality the setting up future-oriented priorities for growth and competitiveness. It requires more funding for research and development as well as education (life long learning programmes, Erasmus);

- recommends that the budget review is based on the principles of European added value, proportionality and sound financial administration, and calls on the European governments to ensure that future EU budgets are focused more stringently on a clear set of priorities that benefit “the common good” of the union, such as investments in research, innovation, infrastructure, environmental protection, the fight to cut greenhouse gas emissions and cross-border crime, in particular trafficking of drugs and people, as these are all issues that require strong EU efforts;

- notes with deep concern that a considerable part of the European budget remains earmarked for the CAP, which is incompatible with the union’s basic tenets of free trade and an open market economy, and therefore the EU leaders should strengthen their ambitions in cutting the budget set aside for the agricultural sector;

- on the revenues sides, it calls for reforms aimed at enhanced transparency and simplification;

- notes that the economic gap between different EU Member States has grown dramatically following the enlargement in 2004 and 2007 will continue to do so, and stresses that this requires a change of the current cohesion policy; calls therefore on EU governments to include the cohesion policy/structural funds in the upcoming budget review in order to shift the focus of the cohesion policy in favour of supporting only those parts of the Union enjoying the lowest standard of living;
- urges the Member States, within the framework of the budget review, to open up for a reform giving the European Parliament a single seat, in order to stop the inefficient and expensive moving of Parliament between Brussels and Strasbourg, as this is a waste of taxpayers’ money and increases the skepticism towards the EU;

- instructs its bureau to forward this resolution to the governments of the Member States, Candidate States, the European Commission and the ALDE Group in the European Parliament.