

EUROPEAN COMMISSION Office of the President Ms Ursula von der Leyen

Head of Cabinet

Brussels, **0** 9. 10. 2020 Ares (2020) 4479527

Dear Ms Besozzi,

I would like to thank you for your email and the letter signed by platforms and networks of civil society organisations that details your views and recommendations for the next multiannual financial framework and the economic recovery of the EU.

The agreement reached during the July European Council on the next multiannual financial framework and NextGenerationEU is commensurate with the economic and social challenges that Europe is facing. Negotiations between the European Parliament and the Council on the next multiannual financial framework and NextGenerationEU are now taking place to finalise urgently the work on all legal acts. This work needs to be completed by 1 January 2021 so that the programmes are operational on time. The full mobilisation of the EU budget's firepower is key to a swift and sustainable recovery.

As you have indicated in your letter, the European Council has not supported the level of funding proposed by the Commission for some key programmes. The Commission regrets these cuts and takes note that the European Parliament strongly supports an increased allocation for these flagship programmes. We will work with Parliament and Council to see where improvements can be made during the interinstitutional negotiation.

The European Council conclusions also stress the importance of protecting the EU budget by introducing for the first time a conditionality regime to protect the EU budget against breaches of the rule of law in the Member States. This will build on the existing toolkit for protecting the EU budget, which will also be reinforced by new measures in relation to the transparency of the final beneficiaries of EU funding.

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Ms Carlotta Besozzi Coordinator EU Civil Society

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Important progress has been made on the revenue side, with the endorsement by the European Council of a new own resource based on non-recycled plastic packaging waste. Timely approval by the co-legislators of the revised Own Resources Decision is now of key importance. In addition, the Commission will propose in 2021 further new own resources, such as a carbon border adjustment mechanism and a digital levy. Revenue from these new own resources will contribute to the repayment of the borrowed money under NextGenerationEU.

The ambitions for a greener, more digital and more resilient Europe will remain the guiding principles of NextGenerationEU and the next multiannual financial framework. The budget will continue financing modernisation across many policy areas, backed by significant financial resources. On climate, the European Council has increased the level of ambition and decided to allocate 30% of the €1.8 trillion to climate spending. When it comes to NextGenerationEU and its largest programme, the Recovery and Resilience Facility, the national recovery plans that Member States draw up will have to be aligned with the European priorities - the European Green Deal, digitalisation and resilience, and those outlined in the country-specific recommendations.

In drawing up their recovery and resilience plans, it will be important that Member States engage as soon as possible in a broad policy dialogue including with social partners and all other relevant stakeholders. National ownership will be a key prerequisite to allow for the successful implementation of the Facility and to ensure lasting success at national level and credibility at European level. The Commission, in close cooperation with responsible national authorities and relevant stakeholders, is ready to assist with consultation and outreach efforts at all levels, as well as with technical support where appropriate.

Yours sincerely,

Biörn Seibert