

# Press release – MFF: Commission’s plan “impossible to implement” with Finnish proposal



Today, the Finnish presidency of the Council circulated a “negotiating box” on the 2021-2027 Multiannual Financial Framework (MFF) and own resources. 19 months after the [Commission proposal](#) and one year after adoption of the [EP’s position](#), this negotiating box puts forward, for the first time, tentative figures for Council’s further discussions, notably a proposed overall level of €1,087 billion (1.07% of the EU’s GNI) for the next MFF.

For [Johan Van Overtveldt](#) (ECR, BE), Chair of the Committee on Budgets, “the Finnish presidency proposal is well below Parliament’s expectations when it comes to meeting the Union’s commitments to investment, youth, climate and security. It is only the first step of very difficult negotiations in the Council and with Parliament, which needs to provide its consent and is a full colegislator on sectoral aspects and the rule of law. Much work remains to be done for a timely agreement to be reached.”

## **Cuts to the EU’s pledges**

The Commission proposal of 1.11% of the EU’s GNI for 2021-2027 was already a decrease compared to the 1.16% of the present MFF 2014-2020 (counting out the UK), and involved significant cuts to cohesion and agriculture. [Last year](#) and again [in October](#), Parliament rejected those cuts and called for boosting flagship programmes in the areas of youth, research and innovation, environment and the climate transition, infrastructure, SMEs, digitalisation and social rights.

On the first working day of the European Commission headed by Ursula Von der Leyen, the Finnish presidency proposal contains no additional funding for any of the initiatives announced by the new President, such as a Just Transition

Fund, the tripling of Erasmus+, or the European Child Guarantee. For [Jan Olbrycht](#) (EPP, PL), MFF co-rapporteur, “the proposal of the Finnish Presidency indicates that the programme presented by the European Commission will be impossible to implement.”

Instead, the Finnish presidency deepens the cuts to cohesion policy. To further contain or reduce the size of the next MFF, it takes aim at areas of clear European added value and fierce global competition (research, energy, digital and space) but also areas where the Union is given new responsibilities (migration, external action, security and defence) and finally the administration that is expected to ensure the delivery of the Union objectives.

According to [Margarida Marques](#) (S&D, PT), MFF co-rapporteur, “this proposal compromises the principle of redistribution; it compromises what was promised to our citizens: a safe and secure Europe; a prosperous and sustainable Europe; a social Europe; a stronger Europe on the global scene. It’s time to put our citizens first and agree on a robust budget to deliver on what is promised.”

### **Very little on the reform of the own resources**

“The incoherence of this negotiating box is so evident that it does not even reflect the priorities of the Council itself. The proposal put forward by the Presidency of the Council would condemn the European Union to failure”, says [José Manuel Fernandes](#) (EPP, PT), Own Resources co-rapporteur.

[Valérie Hayer](#) (RENEW, FR), Own Resources co-rapporteur, considers that “with only a very limited mention of the reform of the own resources’ system with a lot of undecided points that could disappear, it seems the Finnish Presidency did not pay too much attention to this essential issue. At this stage, only the unmodified own resource based on national contributions seems settled. That is totally unacceptable. Parliament’s position remains unchanged: our agreement on the deal is conditioned by an ambitious reform of the revenue-side system, including the introduction of a basket of new own resources.”

### **Next steps**

Next week, on 10 December, Parliament’s negotiating team will meet the Finnish presidency ahead of a General Affairs Council meeting dedicated to the MFF. The next day, Commission President Von der Leyen is expected to unveil its “Green Deal” to an extraordinary sitting of the European Parliament. On 12 December, the European Council will meet with both climate and the MFF on its agenda.

According to [Rasmus Andresen](#), (Greens/EFA, DE), Member of the negotiating team, “The 1,07% means not enough money for a European Green Deal, not enough money to reach the goals of the Paris Agreement and certainly not enough money for research and innovation. Wake up, European Council! We need a proposal which lives up to our future.”

### **The European Parliament’s MFF negotiating team:**

[Johan Van Overtveldt](#) (ECR, BE), Chair of the Committee on Budgets

[Jan Olbrycht](#) (EPP, PL), MFF co-rapporteur

[Margarida Marques](#) (S&D, PT), MFF co-rapporteur

[José Manuel Fernandes](#) (EPP, PT), Own Resources co-rapporteur

[Valérie Hayer](#) (RENEW, FR), Own Resources co-rapporteur

[Rasmus Andresen](#) (Greens/EFA, DE)

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## [Press release – Eurobarometer: protecting human rights tops citizens’ list of EU values](#)



Parliament's autumn Eurobarometer survey traditionally asks citizens which political issue the European Parliament should deal with as a matter of priority. With regard to European values, a clear majority of citizens see protecting human rights worldwide (48%), freedom of speech (38%), gender equality (38%) and solidarity between EU member states (33%) as the main fundamental values to preserve in the European Union.

Although the ranking of priorities show a significant variation across individual member states, for the first time climate change tops the list of citizens' priority issues. Nearly every third respondent (32%) wants Parliament to address combating climate change as its biggest priority. The fight against poverty and social exclusion (31%), combating terrorism (24%) as well as tackling unemployment (24%) follow in the average EU ranking of

citizens' priorities.

Over the course of the past year, mainly youth-led climate protests have mobilised millions of citizens in the EU and around the world. The 2019 Parlemeter data reflects this feeling of climate emergency, as an absolute majority of respondents (52%) consider climate change to currently be the most pressing environmental issue, followed by air pollution (35%), maritime pollution (31%), deforestation (28%) and the growing amount of waste (28%). In addition, nearly six out of ten Europeans believe that these youth-led protests contributed both at European and at national level to more political measures against climate change.

### **Six in ten Europeans (59%) in favour of their country's EU membership**

With nearly six in ten Europeans (59%) in favour of their country's EU membership, citizens' support for the European Union remains high for the third year in a row, says the European Parliament's autumn Eurobarometer survey. Conducted in October 2019, results also show an increased level of satisfaction with the way democracy works in the European Union: 52% (+3 pp) of Europeans share this feeling, indicating that the recent European elections and increased voter turnout contributed positively to this.

European citizens would like to see the European Parliament playing a stronger role, with 58% of respondents calling for a more influential Parliament in the future. This is an increase of 7 percentage points since spring 2019 and the highest result for this indicator since 2007.

### **Large majority wants more information on the EU**

Last, but not least, the 2019 Parlemeter offers valuable insight into which kind of EU-related information European citizens would be interested in – and how they might be more engaged with EU policy making. In total, three-quarters of Europeans (77%) would like to receive more information on the activities of the European institutions. The concrete consequences of EU legislation at local, regional and national level as well as the activities of the European Parliament and its Members are among the areas most relevant for citizens.

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**[Global Climate City Challenge: 5 cities selected as climate leaders](#)**



**At the UN Climate Change COP25, five frontrunner cities have been selected for their ambitious and potentially transformative urban climate projects that could receive technical support from the European Investment Bank (EIB) to get their projects off the ground.** The projects focus on critical urban climate action including improving waste management, cutting river and ocean pollution, sustainable urban transport, greening urban spaces and enhancing urban resilience to the effects of climate change.

The following cities: Cotonou (Benin), Makindye (Uganda), Monastir (Tunisia), Jambi (Indonesia) and Recife (Brazil) now qualify for the next phase of the Global Climate City Challenge (GCCC), a partnership between the Global Covenant of Mayors and the European Investment Bank endorsed by the European Commission. They serve as role models for climate action in key sectors and cities in the Global South.

The [Global Climate City Challenge](#) was launched in September 2018. From an initial 140 projects and 100 applicant cities these five have emerged as the frontrunners. Urban finance and climate experts are now working with municipalities and their partners in order to scope out the details of their project needs. If successful, the projects will generate important social and environmental co-benefits.

***“The Commission is making the European Green Deal its number one priority,”*** said Frans Timmermans, newly appointed Co-Chair of GCoM and European

**Commission Executive Vice President for the European Green Deal.** *“The European Commission is proud to endorse this step forward in accelerating local climate action, not only in Europe but across the world.”*

**EIB President Werner Hoyer** said, *“Cities need support in getting their climate projects off the ground and, as we strengthen our role as the EU’s climate bank, we at the EIB need great role models. In that respect The Global Climate City Challenge, our partnership with GCoM, is immensely important: it showcases climate leaders like the 5 announced today but also helps identify what is really needed locally to make them bankable, improve the lives of local people, and tackle climate change . ”*

**Former New York City Mayor and Co-Chair and Co-Founder of GCoM Michael R. Bloomberg** said: *“There are more than 10,000 cities in the Global Covenant of Mayors, and together they are home to a huge number of promising ideas. The Global Climate City Challenge will help turn the best ideas into real policies that improve people’s lives – and spread from city to city.”*

*“The recognition of Recife by the EIB and GCoM, among hundreds of projects from all over the world, comes at a very special moment after hosting the Brazilian Climate Conference and officially declaring the global climate emergency,”* **Geraldo Júlio, Mayor of Recife, Brazil and president of ICLEI South America’s Regional Executive Committee** said. *“We are motivated to work through this technical assistance in order to accelerate the climate agenda in Recife and also to inspire other local governments across the region.”*

**Mondher Marzouk, Mayor of Monastir, Tunisia** said: *“We have no shortage of ideas in our climate action plan but access to finance is instrumental to getting projects out our of pipeline and on to ground. The time to be ambitious in urban climate action is now–and we in Monastir are ready to act.”*

More about the projects:

- Cotonou, Benin, is striving to improve its waste management infrastructure and improve recycling and collection processes, fostering the creation of green jobs and entrepreneurship in the sector and reduce the amount of plastic discharge in its coastal lagoon.
- Makindye, Uganda, leads of a consortium of 4 municipalities in the Greater Kampala area and are developing a comprehensive climate action programme mainly focused on integrated waste management but including also energy efficiency and urban green areas.
- Monastir, Tunisia, is looking at ways to integrate nature-based solutions to enhance the city resilience, in particular in the city’s coastal area which is particularly vulnerable to climate change impacts.
- Recife, Brazil, focuses on the rehabilitation and expansion of an existing urban park alongside a riverbank to improve sustainable mobility, reduce the risk of flooding and impact of heat waves while also contributing to carbon sequestration.
- Jambi, Indonesia, is looking at ways to improve its traffic congestion in a climate-friendly way for instance by introducing of electric buses.

The GCCC is part of an overall strategic approach to help cities realise their climate action ambition. The GCCC challenge has revealed a greater need for early stage project support for cities to define their climate action projects and get them off the ground. It illustrates exactly why there is a need for the planned City Climate Finance Gap Fund, which will provide funding to prepare pre-feasibility studies and other support at the early stages of project preparation.

The new Cities Climate Finance Gap Fund was announced as part of the Leadership in Urban Climate Investment (LUCI) initiative launched in September at the United Nations Secretary General's Climate Action Summit in New York by EIB President Hoyer. The Gap Fund is co-funded by Germany and Luxembourg and is co-developed with GCoM.

#### **Additional Background:**

The 5 projects currently being analysed will now benefit from more preliminary project scoping work before technical support can be put in place.

[See more information about the EIB participation in COP 25 and a selection of videos, blogs, podcasts](#)

#### **About the Global Covenant of Mayors for Climate & Energy (GCoM)**

GCoM is the largest global alliance for city climate leadership, uniting a global coalition of over 10,000 cities and local governments. In June 2016, Bloomberg Philanthropies and the European Commission, under the leadership of Vice President Maroš Šefčovič, merged the Covenant of Mayors with the Compact of Mayors to form the Global Covenant of Mayors for Climate & Energy. The cities and partners of GCoM share a long-term vision of supporting voluntary action to combat climate change and towards a resilient and low-emission society. GCoM serves cities and local governments by mobilizing and supporting ambitious, measurable, planned climate and energy action in their communities by working with city/regional networks, national governments and other partners to achieve our vision. Led today by Michael R. Bloomberg and European Commission Executive Vice President Frans Timmermans, the coalition comprises cities across 6 continents and 132 countries, representing over 800 million people or 10% of the global population.

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**[España: COP25: Apoyo a las energías renovables – el BEI e IM2 Energía Solar unen fuerzas para crear una](#)**

# plataforma que construirá y operará parques fotovoltaicos



- The EIB will provide EUR 26m for the Solar Storm 200 project, making it possible to build 15 solar power plants with a total capacity of 218 MW
- The agreement is supported by the Investment Plan for Europe
- The new photovoltaic power plants will be built in Andalusia, the Valencia Region, Murcia and Extremadura
- Employment impact: the project will help create 400 jobs during the implementation phase

The European Investment Bank (EIB) and Spanish multinational IM2 Energía Solar signed an agreement today in Madrid to promote the development of renewable energy in Spain and help meet the EU's climate objectives. The EIB is set to provide EUR 26m to support the Solar Storm 200 project, which includes the construction of 15 solar photovoltaic power plants in Spain. The agreement was signed today at the EU bank's COP25 stand by EIB Vice-President Emma Navarro and IM2 Energía Solar CEO Enrique Selva, and is



supported by the European Fund for Strategic Investments (EFSI), the main pillar of the [Investment Plan for Europe](#) (the Juncker Plan).

The 15 new photovoltaic power plants will have a total capacity of 218 MW and will be located in four autonomous communities: Extremadura, Andalusia, the Valencia Region and Murcia. Their installation will prevent the release of 116 000 tonnes of CO<sub>2</sub> a year, 400 people will be employed for their construction and a further 20 permanent jobs will be created.

The operation has an innovative structure that will see the EU bank investing in a platform for developing renewable energy projects for the first time. This agreement will make the EIB an equity partner of Solar Storm 200, the sustainable investment vehicle via which IM2 has planned the development and construction of this infrastructure in Spain. This is a flagship project for IM2, a company with 16 years of experience in the photovoltaic sector with offices in Spain and Chile, and that works with both investment projects and high-power industrial self-consumption projects.

During the signing ceremony at COP25, **EIB Vice-President Emma Navarro, who is responsible for the Bank's climate action and its business in Spain**, said: *"It is a pleasure to be at the Climate Change Conference supporting projects such as this that will help cut CO<sub>2</sub> emissions and increase the amount of renewable energy generated in Spain. Our country has great potential for producing this kind of energy and the EIB wants to help take advantage of this. As the EU climate bank, the EIB is working to ensure that Europe leads the response to the climate emergency."*

**European Commission Executive Vice-President Valdis Dombrovskis**, responsible for An Economy that Works for People, said: *"Investing in renewable energies is a crucial element to achieving the Paris Climate Agreement goals and reaching climate neutrality by 2050. I am pleased to be in Madrid for COP25 where the European Investment Bank has signed an agreement under the Investment Plan for Europe which will see 15 new solar energy farms constructed in Spain. Not only will this deal provide new sources of clean energy, but it will also create jobs in the process."*

According to **IM2 Energía Solar CEO Enrique Selva**, *"the Spanish photovoltaic power sector is growing exponentially and Solar Storm is a major opportunity to invest in clean energy, in a project combining sustainability and long-term profitability. We have the opportunity to take advantage of Spain's high levels of sunshine (the highest in Europe) and a highly cost-effective technology to generate energy that can compete economically with other technologies."*

This agreement will enable Solar Storm to be launched as the investment platform of Umbrella Capital – IM2 Energía Solar's holding company – with an Independent Power Producer (IPP) focus and becoming a renewable power producer. In addition to the EIB investment, Solar Storm 200 is backed by the commercial banking sector via project finance.

**The EIB and climate action**

The EIB is among the world's largest multilateral providers of climate finance. The Bank's goal is to be a leader in mobilising the finance needed to keep global warming under 2°C and to limit the temperature increase to 1.5°C in order to meet the Paris Agreement objectives. On 14 November, the EIB Board of Directors approved its roadmap to consolidate its position as the EU climate bank, together with the new energy lending policy. The core components of these agreements are: the EIB Group's commitment to mobilise at least EUR 1tn in climate and environment investment over the next decade from 2021 to 2030; to this end, the Bank will gradually increase the financing it dedicates to these objectives to represent 50% of its financing by 2025. It also announced its intention to align all EIB Group activities with the Paris Agreement. To this end, the EIB will cease financing fossil fuel-based projects from late 2021.

In 2018, the EIB provided almost EUR 1.3bn to support climate action in Spain by financing projects involving the development of cleaner means of transport and implementation of new, less polluting and more environmentally friendly production processes.

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**[Sint Maarten: EIB provides USD 50 million to rebuild Sint Maarten's hurricane hit international airport](#)**



- **Largest EIB engagement in the Americas for an airport project**
- **EU Bank support for climate change adaptation in the Caribbean**

The European Investment Bank (EIB) is agreeing finance, enabling the reconstruction of Princess Juliana International Airport in Sint Maarten, to rebuild the passenger terminal following the devastation of hurricanes Irma and Maria.

### **Post-hurricane airport reconstruction**

Princess Juliana International Airport (PJIAE) is the main international hub airport serving the islands of Sint Maarten/Saint Martin, Saba St. Eustatius, Anguilla, St. Barthélemy, Nevis and the British Virgin Islands. During hurricanes Irma and Maria, the terminal building and the Air Traffic Control tower were predominantly damaged by wind and rainwater. The USD 50 million EIB loan signed with the government of Sint Maarten and the Princess Juliana International Airport is financing the reconstruction of the passenger terminal in order to strengthen the island's resilience to disasters. The project is a prime example of investment in climate adaptation and resilience, which is central to the EIB's climate efforts.

The project is co-financed with the World Bank, which is currently managing a EUR 470 million trust fund, pledged by the Dutch government to provide support for the recovery and re-building of Sint Maarten after the devastating hurricanes. The EIB will also sign a collaboration agreement with the World Bank to support the airport.

**Minister of Finance, Ardwell Irion**, expressed his gratitude for the

formalization of the financing for the rebuilding of Sint Maarten's gateway to the world. "The expected positive impact on the island's economy, the livelihood of our people and the recovery overall post hurricanes Irma and Maria in 2017 is most welcome. Rebuilding Sint Maarten and strengthening its resilience has truly started and we look forward to the benefits of these actions permeating through all levels of our society so that our citizens can truly experience the benefits of the efforts and results that this funding is expected to bring with it."

Commenting on the new loan, **EIB Vice President, Emma Navarro**, said: "Regional connectivity across small island states is crucial for economic development and when hurricanes strike, communities can be left devastated and isolated. Private sector development is essential for rebuilding communities following natural disasters and the EIB's loan for the airport in Sint Maarten confirms our commitment to supporting climate resilient infrastructure, improved transport and communication links in the region – an area vulnerable to climate change."

**Princess Juliana International Airport CEO, Brian Mingo** said: "The start of the reconstruction is pivotal for Sint Maarten and the region, directly influencing the livelihood of all people and businesses. Together with Sint Maarten government, the Dutch government and the National Recovery Program Bureau, my team worked diligently on a comprehensive and favorable loan package. Our mission now is to Rebuild, Recover, Reinvent and move Forward Together."

**H.E Fernando Ponz Cantó, EU-Ambassador** commented: "The European Union's endeavours in Sint Maarten, based on the association of Sint Maarten with the European Union, include after September 2017 a strong focus on the reconstruction of the country. Coordinating different institutions and various funding instruments, the EU has developed a comprehensive package that comprises both the emergency envelope of the European Development Fund and the project of rehabilitation of Princess Juliana International Airport by the European Investment Bank. I am very pleased to see that fruitful synergy and the enhanced external dimension of the European Investment Bank. But above all institutional setting, what counts for us is to contribute to the exceptional effort of reconstruction of Sint Maarten. We can only admire your courage and perseverance. You can be assured that our hands are on deck together with you."

### **Investment impact**

During the construction phase, 225 temporary jobs are being created, securing 1,200 permanent jobs in total, once the new terminal is operational. Air transport has become increasingly important to the economy across the Caribbean, sustaining the tourist industry and the region's export markets. The new financing will also allow the airport to restore its capacity to pre-hurricane levels whilst providing improved security complying with International Civil Aviation Organisation (ICAO) standards.

**EIB Global support for airports, Sint Maarten and the Caribbean region**

The European Investment Bank is a key player in financing the transport sector, including airports and air traffic management projects at Schiphol, Frankfurt and Pointe-à-Pitre International Airports. The EIB supports airport projects when they demonstrate high economic value and contribute to improved safety and reduced congestion, as well as time saving for travelers.

The EIB is the largest multilateral public bank in the world and roughly 10% of its lending targets investments outside of the European Union. The EIB is the world's largest international public bank and has supported development and economic activity in the Caribbean with loans and equity investment worth EUR 1.6 billion since its first operation in the region.