



HEAD OFFICE
10 Rue du Commerce
1000 Brussels, Belgium
+32 2 285 41 63
yepp@epp.eu

RESOLUTION

Condemning the brazen and repetitive actions of member states to prolong the agreement on the next Multiannual Financial Framework (MFF) and Next Generation EU (NGEU) legislative package

Adopted at the YEPP Council Meeting via Zoom, 28.11.2020

Recognising that:

1. As a consequence of the COVID-19 crisis, many countries have seen their economies paralyzed, leading to immense suffering for people around Europe.
2. To lift the EU from this economic crisis, the EU's historic €1.82 trillion budget-and-recovery package was negotiated in July 2020.
3. Member states have demanded a rule of law mechanism to be put in place, which would allow the EU to cut off funds in certain circumstances to any country violating the rule of law tied to the budget.
4. On the 16th of November, EU ambassadors approved the trilogue negotiations result regarding the Regulation on the protection of the Union's budget in case of generalized deficiencies as regards the rule of law in the Member State clause that made access to EU funds conditional on adherence to the rule of law.
5. This budgetary conditionality mechanism links receiving EU funds to adhering to the values enshrined in Article 2 TEU.
6. On the 16th of November, Ambassadors of the 27 member states meeting in Brussels were unable to endorse this crucial Multiannual Financial Framework (MFF) and Next Generation EU (NGEU) legislative package because two countries - Hungary and Poland - vetoed it. These countries have stated that vetoing the MFF and NGEU is a result of the approval of the budgetary conditionality mechanism.

Acknowledging that:

1. The budget-and-recovery package is of utmost importance in the current crisis, especially for countries that have been hit the hardest by the pandemic. A survey commissioned by the European Parliament shows that 54% of Europeans call for a larger EU budget to fight COVID-19. **77% of Europeans insist EU funds be linked to respect for Rule of Law.**¹
2. The package includes tens of billions for Hungary and Poland, showing that the leaders are not only harming their fellow Europeans, but also their own citizens.
3. Since its founding in 1976, the European People's Party (EPP) has stood up for rule of law in Europe and around the world.² In the YEPP political program, it is stated that the rule of law is one of the core values of YEPP.
4. While the negotiations are underway as this resolution is being written, it is clear that the budget-and-recovery fund is under significant threat due to the Polish and Hungarian governments' consistent efforts to undermine and usurp the rule of law in their respective countries.

YEPP calls on:

- The YEPP board to publish a statement condemning the actions of Hungary and Poland

¹ https://www.europarl.europa.eu/news/en/press-room/20201016IPR89545/77-of-europeans-insist-eu-funds-be-linked-to-respect-for-rule-of-law?fbclid=IwAR2kTAh0_SYgnkN8wDTBC3cDmGCiqWxcQCMbORJb9Uzd-4ftNATM1ChCmw

² eg. At the EPP Congress arranged in November 2018 in Helsinki, the EPP adopted a resolution for "Protecting EU Values and Safeguarding Democracy". https://helsinki2018.epp.eu/wp-content/uploads/2018/11/1-Emergency-Resolution_Protecting-EU-Values-and-Safeguarding-Democracy.pdf?fbclid=IwAR0dnLovXX68C_tTr9l5d2hXrAWUoYfCPT1KpRzv6vFa7VNDUrrajl8lkRw



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- The Governments of Hungary and Poland to abstain from vetoing the adoption of the new MFF and NGEU, both of which are crucial instruments for Europe's economic recovery
- The EPP to stick to the principles of the Rule of Law agreement reached in the trilogue negotiations and not to adopt the MFF, OR and RFF files before the Rule of Law conditionality has been adopted by the Parliament