



Re: Civil society position on the post 2020 MFF

Dear Commissioner Oettinger,

Representing a wide range of civil society organisations from various sectors, we call for ambitious reform of the future Multiannual Financial Framework (MFF) to advance a Future of Europe that Europeans can believe in. A transformational, people centered, and fully sustainable EU budget holds the key to many of the challenges facing Europe. The overarching solution we call for, is to introduce specific reforms to bring the MFF in line with sustainable development, including ambitious implementation of the Sustainable Development Goals.

Unfortunately there is ample evidence and examples which prove that the current MFF is not sustainable, and fails to meet social, environmental, as well as economic objectives. As the work of the High Level Expert Group on Sustainable Finance (HLEG) makes clear, reforms are needed to unlock the potential of the MFF to help catalyse sustainable finance.

We call on the European Commission to meet the challenge of a transformational and more coherent MFF by **introducing sustainability proofing**<sup>1</sup> for the next MFF. This is also in line with the recommendations of the HLEG, which provide several possibilities, including to 'sustainability test' all future EU financial regulations and policies. If done right, sustainability proofing in the MFF will result in improved policy coherence, transformational spending, and fairer access to finance for citizens, including the vulnerable. It can help the MFF deliver on the following **ambitions** necessary to revive the European project:

- The EU budget should serve the **Sustainable Development Goals** both inside and outside Europe and be fully in line with the **Paris Agreement** on climate change and the **Charter of Fundamental Rights** as well as international human rights standards,
- The **European Semester** should be transformed to deliver "Annual Sustainable Development Surveys" and help to channel EU funding to the identified priority areas,
- EU funding decisions made upon the **EU value added** and the measurement of **results** should be coherent and balanced among all three dimensions of sustainable development at the same time as enshrined in the Treaty,
- The EU budget should strengthen **common European values** in Europe and globally,
- The EU budget should **work for the people and with the people**, with greater transparency and meaningful participation of the citizens,
- The EU budget should **increase social inclusion** and provide financial means to implement the European Pillar of Social Rights,
- EU funding should be catalytic in the **transition to circular economy**, and prevent any wasteful spending for unsustainable infrastructures like investment in fossil fuels and environmentally harmful practices,
- The EU budget should support the **transition to sustainable food, farming and land policy**, to restore and maintain ecosystem services and protect our natural resources such as biodiversity and water.

In the Annex of this letter we enclose a set of **policy recommendations** illustrating policy snapshots of how sustainability proofing could be introduced in order to realise these ambitions.

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<sup>1</sup> Sustainability proofing is an integrated approach to mainstream sustainable development into the MFF and to realise its transformational impact. At horizontal level, it involves a streamlined application of a simple set of existing and improved tools within the MFF governance framework, which can significantly increase policy coherence and the efficiency of EU funding. At sectoral level, a sustainability proofed budget requires specific reforms to bring spending in line with the SDGs, and innovations to maximise benefits for citizens from the way EU finance is spent.

Thank you in advance for your political support and efforts towards sustainability proofing the future EU budget. We are looking forward to exchanging views further in the upcoming policy process.

Kind regards,

On behalf of xxx NGOs in the European People's Budget campaign advanced by SDG Watch Europe, an EU-level, cross-sectoral CSO alliance.

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